

## **Q&A Session Summary, Data Solutions Briefing OMRON Corporation**

### **Positioning of Data Solutions Within the Group**

Q. Please tell us what role the data solutions business will play in the mid- to long-term within the Group.

A. In our long-term vision for 2030, "SF2030," we are calling for a shift to a business that combines devices with services, and data solutions are the biggest growth driver within that.

As explained today, data solutions in the fields of healthcare and social solutions will be launched first. As digitalization in the manufacturing industry is difficult, industrial automation will be launched afterwards.

### **OMRON x JMDC Collaboration**

Q. Please tell us what you are actually feeling as you move forward with the collaborative themes.

A. We are working together better than we expected. For example, when considering solutions for Smart M&S, many ideas came out of JMDC right away. We are surprised at JMDC's high level of service development capabilities, and we are very pleased with the creation of new data solutions by combining OMRON's data with JMDC's capabilities.

On the other hand, for industrial automation, among various ideas, we decided to build a knowledge base for the manufacturing site and found a direction. We believe that we must quickly deploy JMDC's high capabilities in our business.

### **Strengths and Differentiation Points of OMRON x JMDC Data Solutions**

Q. Other companies are also developing solutions that utilize data, but please tell us about the strengths and differentiation points unique to OMRON and JMDC.

A. Healthcare

- OMRON has a large amount of medical and healthcare data, such as vital data such as blood pressure and weight, and JMDC has medical prescription and medical checkup data.

- JMDC has a track record of providing data solutions in the medical industry.

Social Solutions

- We can not only develop solutions, but also implement them on-site and solve problems by utilizing our maintenance network of approximately 130 locations nationwide.

- By managing not only our own equipment but also third-party equipment, we can create new solutions.

Industrial automation

- OMRON employees who are familiar with manufacturing can diagnose the site and determine what kind of data should be acquired first. Other companies also collect and visualize data, but it is difficult to diagnose without understanding manufacturing.

- Not only collect and visualize data, but also combine devices and propose solutions through control. This is innovative-Automation, and OMRON's unique point. Our competitive advantages lie in the input and the output: diagnosis and solution proposals.

### **Future Performance Outlook**

Q. The operating profit margin of data solutions for FY2027 is 12% or more\* (including 18% or more for healthcare and 8% or more for social solutions), which seems lower than expected. Please tell us the background to this.

A. Because data solutions is a new business, and there is an upfront investment burden such as labor costs at the time of launch. In reality, it is more profitable than existing businesses centered on devices, and we will increase the operating profit margin toward FY2030.

\*Including amortization of intangible assets of approx. ¥4 bn due to consolidation of JMDC