



FY2024 Earnings Results Briefing

**May 8, 2025
OMRON Corporation**

Summary

● FY2024 Q4 Results

- Despite lower sales, company-wide profits rose significantly due to improved margins and cost efficiency
- IAB saw a moderate sales recovery and strong profit growth from structural reforms. SSB also achieved higher sales and profits by capturing growth opportunities
- HCB experienced lower sales and profits due to weakening demand and intensified competition in China, while DMB also saw a decline in sales and profits as the sluggish market environment continued

● FY2025 full-year forecasts

- Due to uncertainty around U.S. tariff policies, earnings forecasts are presented as a range. While tariff costs will be offset through price adjustments, demand impact will be closely monitored throughout Q1
- Despite an uncertain business environment, we aim for higher sales and profits by pursuing structural reform outcomes and leveraging growth across segments. In IAB, R&D investment will be increased YoY by ¥5bn to accelerate strengthening of competitiveness
- Full-year dividend guidance unchanged YoY at ¥104

● IAB Growth Strategy

1 . FY2024 Results P.4 ~ 7
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1 . FY2024 Results

FY2024: Consolidated Results

Sales decreased. Operating Income increased significantly

(¥ bn)

	FY2023 Actual	FY2024 Actual	Y/Y	FY2024 Previous FCST	Change from Previous FCST
Net Sales	818.8	801.8	-2.1%	805.0	-0.4%
Gross Profit (%)	346.5 (42.3%)	357.1 (44.5%)	+3.1% (+2.2%pt)	363.0 (45.1%)	-1.6% (-0.5%pt)
Operating Income (%)	34.3 (4.2%)	54.0 (6.7%)	+57.4% (+2.5%pt)	54.0 (6.7%)	+0.1% (+0.0%pt)
Net Income attributable to OMRON shareholders	8.1	16.3*	+100.7%	12.5	+30.2%
ROE	1.1%	2.1%	+1.0pt	Approx. 1%	-
ROIC	1.0%	1.8%	+0.8pt	Approx. 1%	-
EPS (JPY)	41.17	82.63	+41.46	63.48	+19.15
Average USD rate (JPY)	143.9	152.6	+8.7	152.9	-0.2
Average EUR rate (JPY)	156.3	163.7	+7.4	163.6	+0.1
Average CNY rate (JPY)	20.1	21.1	+1.0	21.1	+0.0

*Reflects structural reform expenses of ¥22.0 bn as one-time expenses associated with optimizing personnel numbers and capabilities.
Reflects a ¥11.7 bn impairment loss on goodwill related to Data Solution Business (DSB) and a ¥12.3 bn gain on valuation of investment securities.

FY2024: Results by Segment

**IAB: Sales declined, but profits increased. SSB: Sales & profits increased.
HCB and DMB: Sales & profits declined.**

	Sales			OP (¥ bn)		
	FY2023 Actual	FY2024 Actual	Y/Y	FY2023 Actual	FY2024 Actual	Y/Y
IAB Industrial Automation	393.6	360.8	-8.3%	21.5 (5.5%)* ¹	36.3 (10.1%)	+69.0% (+4.6%pt)
HCB Healthcare	149.7	145.9	-2.6%	18.5 (12.3%)	17.5 (12.0%)	-5.3% (-0.3%pt)
SSB Social Systems, Solutions & Service	141.6	145.6	+2.8%	14.0 (9.9%)	16.8 (11.5%)	+19.7% (+1.6%pt)
DMB Device & Module Solutions	114.4	105.4	-7.8%	3.1 (2.8%)	0.3 (0.3%)	-90.3% (-2.5%pt)
DSB Data Solutions ^{*2}	17.4	42.7	^{*3} -	2.2 (12.6%)	2.8 (6.6%)	- -
Include JMDC	17.4	42.9	-	4.8 (27.9%)	8.4 (19.6%)	- -
Eliminations & Corporate	2.1	1.3	-	-24.9	-19.6	-
Total	818.8	801.8	-2.1%	34.3 (4.2%)	54.0 (6.7%)	+57.4% (+2.5%pt)

*1. Figures shown in brackets under OP are OPMs.

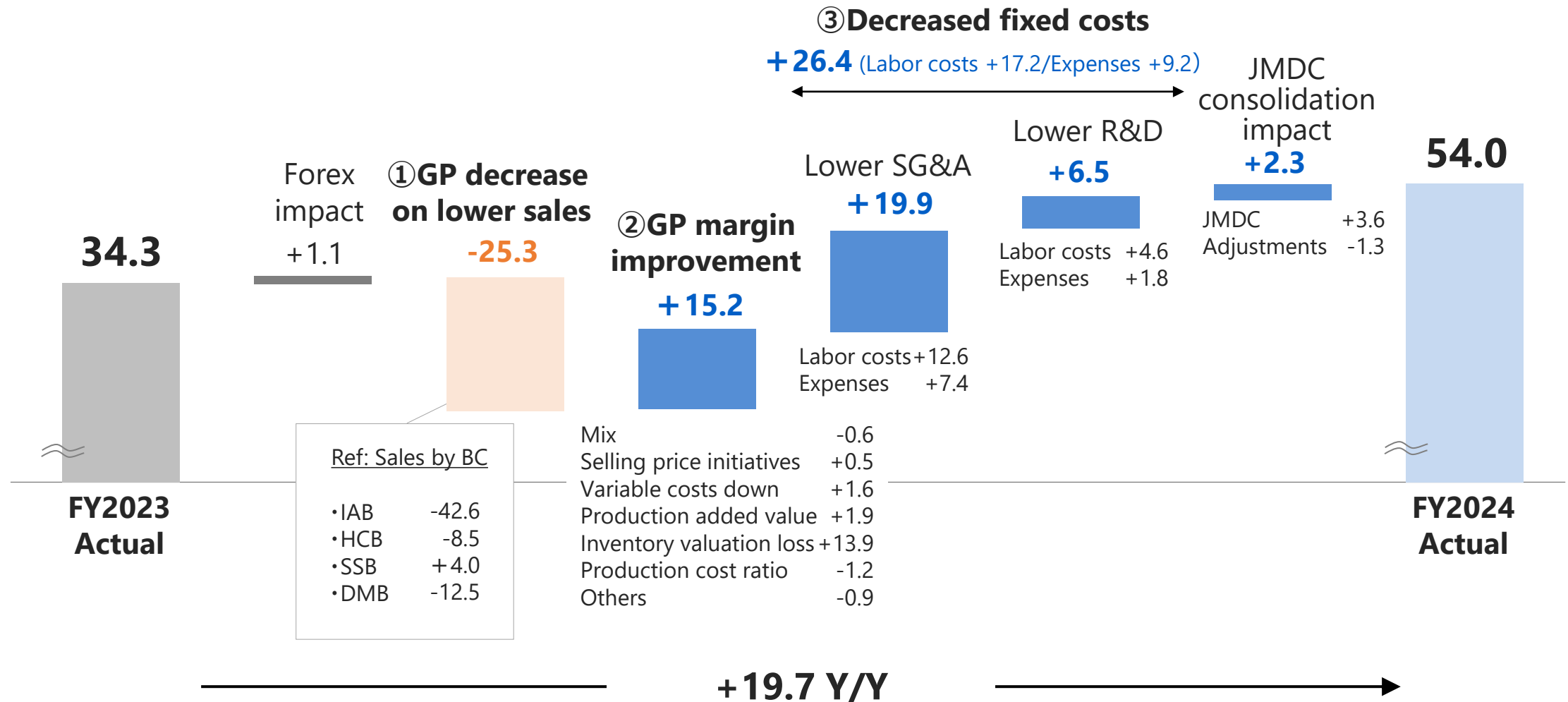
*2. DSB includes the financial results of JMDC, consolidation adjustments (the amortization of intangible assets other than goodwill associated with the consolidation, etc.) and other financial figures related to data business.

*3. JMDC became a consolidated subsidiary on October 16, 2023; Y/Y comparisons are not valid and therefore not displayed.

FY2024: Operating Income Changes (Y/Y)

Profit up ¥19.7 bn from GP margin and fixed cost efficiency gains

(¥ bn)



2. FY2025 Forecasts

Operating Environment Outlook

**U.S. tariff policy increases uncertainty in IAB, HCB, and DMB.
Stable conditions continue in SSB and DSB**

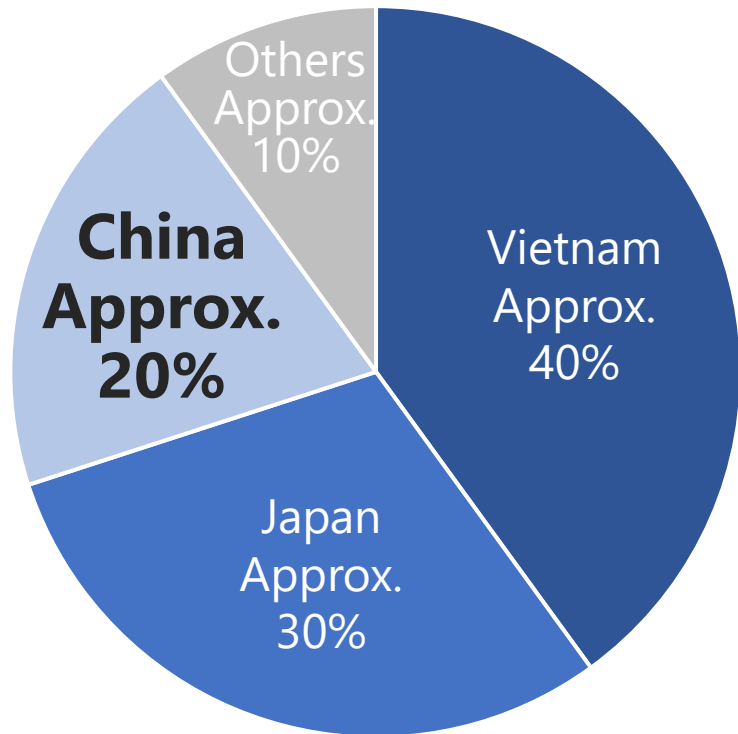
IAB Industrial Automation	<p>Overall, flat compared to the previous year. Recognize the risk of temporary slowdown in new investments due to uncertainty over tariff policy developments</p>
HCB Healthcare	<p>BPM market continues to grow globally, while demand in China is expected to remain flat Y/Y Recognize the risk of a temporary decline in personal consumption, especially in China and North America, due to tariff policy</p>
SSB Social Systems, Solutions & Service	<p>Overall, a stable business environment continues Energy: While electricity price relief measures have ended, renewable energy demand in the residential sector remains strong, supported by subsidies Railway industry: Equipment investment by railway operators remains solid, driven by the recovery in passenger numbers and fare adjustments</p>
DMB Device & Module Solutions	<p>Overall, flat compared to the previous year. Recognize the risk of temporary slowdown in new investments due to uncertainty over tariff policy developments</p>
DSB Data Solutions	<p>A generally stable business environment is expected, centered around the health big data business. JMDC: Use of healthcare data continues to grow steadily, particularly in the pharmaceutical and insurance sectors. Demand for services targeting insurers and individuals is expanding, backed by growing societal awareness of health and prevention.</p>

Forecast: Impact of U.S. Tariff Policy (Impact on Our Costs)

Estimated profit impact of up to ¥16bn.

Mitigation efforts include enhanced pricing strategies and supply chain resilience

U.S. Import Volume by Region
(Company Total)



(Based on FY24 actual results)

Impact and Countermeasures

Profit Impact: Max ¥-16 bn *

✓ IAB	¥-4.5 bn
✓ HCB	¥-5.0 bn
✓ DMB	¥-6.5 bn

* Reflecting the impact of reciprocal and additional tariffs:

As of 3/4: Country-specific additional tariffs (China, Mexico, Canada)

As of 4/3: Product-specific additional tariffs (aluminum, steel, automobiles)

As of 4/5: Flat 10% additional tariff

As of 4/9: Tariff rate hikes on a country-by-country basis (Assume resumption after 90-day suspension period)



Absorb the impact through price adjustments and build a supply chain resilient to tariff policies

- Accelerate production transfer plans
- Redirect parallel production outputs
- Promote transition to FTZ (Free Trade Zone)

Forecasts: Consolidated Earnings

Sales and profit growth planned; U.S. tariff risks factored into lower-end forecast

(¥ bn)

	FY2024 Actual	FY2025 Forecast *		Y/Y	
		High end	Low end	High end	Low end
Net Sales	801.8	835.0	820.0	+4.1%	+2.3%
Gross Profit (%)	357.1 (44.5%)	373.5 (44.7%)	362.5 (44.2%)	+4.6% (+0.2pt)	+1.5% (Δ0.3pt)
Operating Income (%)	54.0 (6.7%)	65.0 (7.8%)	56.0 (6.8%)	+20.3% (+1.0pt)	+3.6% (+0.1pt)
Net Income attributable to OMRON shareholders	16.3	35.5	29.0	+118.2%	+78.2%
ROE	2.1%	Approx. 4%	Approx. 3%	-	-
ROIC	1.8%	Approx. 4%	Approx. 3%	-	-
EPS (JPY)	82.63	180.30	147.29	+97.67	+64.66
Average USD rate (JPY)	152.6	140.0	140.0	-12.6	-12.6
Average EUR rate (JPY)	163.7	160.0	160.0	-3.7	-3.7
Average CNY rate (JPY)	21.1	20.0	20.0	-1.1	-1.1

*High end: Assumes no demand fluctuations

Low end: Reflects risks of demand fluctuations and limited absorption of internal cost increases

Forecasts: Earnings by Segment

Sales and OP growth planned across all businesses

	Sales			OP (¥ bn)		
	FY2024 Actual	FY2025 Forecast	Y/Y	FY2024 Actual	FY2025 Forecast	Y/Y
IAB Industrial Automation	360.8	371.0	+2.8%	36.3 (10.1%) *1	40.0 (10.8%)	+10.3% (+0.7pt)
HCB Healthcare	145.9	150.0	+2.8%	17.5 (12.0%)	18.5 (12.3%)	+5.8% (+0.3pt)
SSB Social Systems, Solutions & Service	145.6	152.0	+4.4%	16.8 (11.5%)	20.0 (13.2%)	+19.1% (+1.6pt)
DMB Device & Module Solutions	105.4	110.0	+4.3%	0.3 (0.3%)	4.0 (3.6%)	- (+3.3pt)
DSB Data Solutions *2	42.7	50.5	+18.2%	2.8 (6.6%)	5.0 (9.9%)	+76.8% (+3.3pt)
Include JMDC	42.9	50.5	+17.7%	8.4 (19.6%)	11.5 (22.8%)	+36.8% (+3.2pt)
Eliminations & Corporate	1.3	1.5	-	-19.6	-22.5	-
Overall Earnings Risk *3	-	High end to Low end 0.0 to -15.0	-	-	High end to Low end 0.0 to -9.0	-
Total	801.8	High end to Low end 835.0 to 820.0	+4.1% to +2.3%	54.0 (6.7%)	65.0 to 56.0 (7.8% to 6.8%)	+20.3% to +3.6% (+1.0pt to +0.1pt)

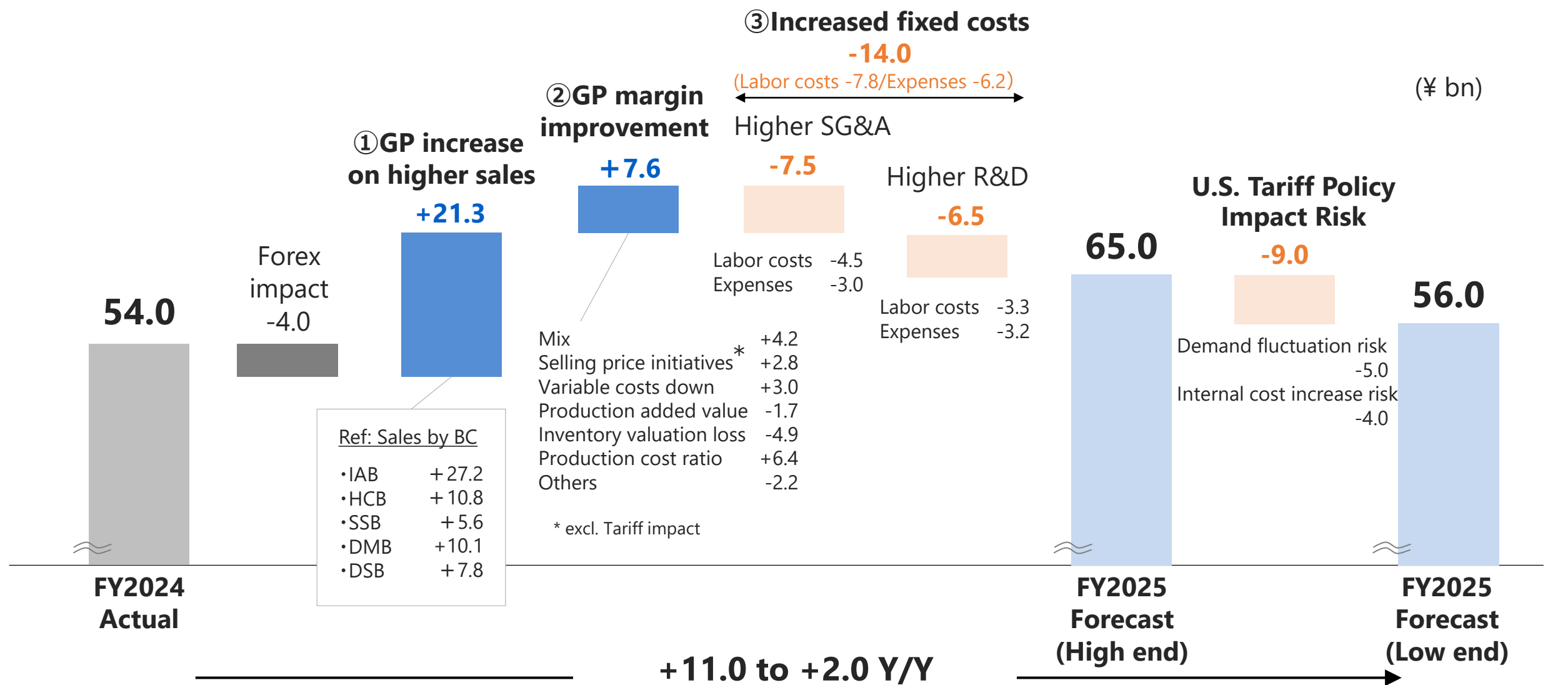
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*2. DSB includes the financial results of JMDC, consolidation adjustments (the amortization of intangible assets other than goodwill associated with the consolidation, etc.) and other financial figures related to data business.

***3. Reflects risks of demand fluctuations and limited absorption of internal cost increases due to U.S. tariff policies.**

Forecasts: Operating Income Changes (Y/Y)

Planning for profit growth driven by sales increase, while incorporating growth investments

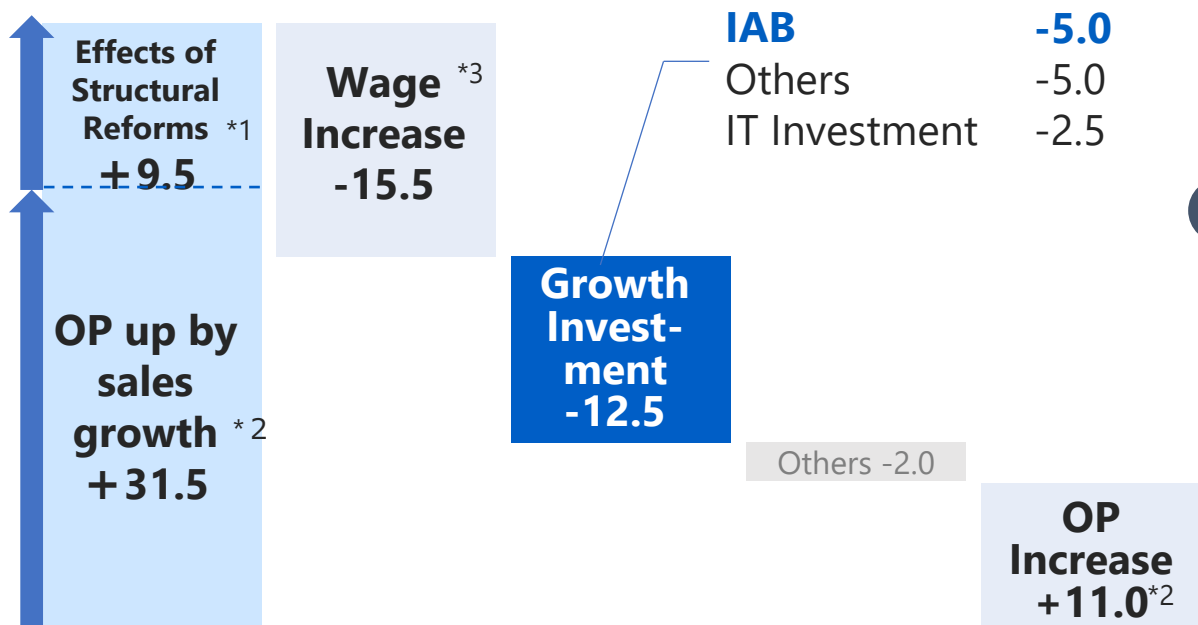


Forecast: Growth Investment

Wage increases absorbed by structural reforms and sales growth; growth investments made with a view to next fiscal year

Operating Income Changes (FY24→FY25)

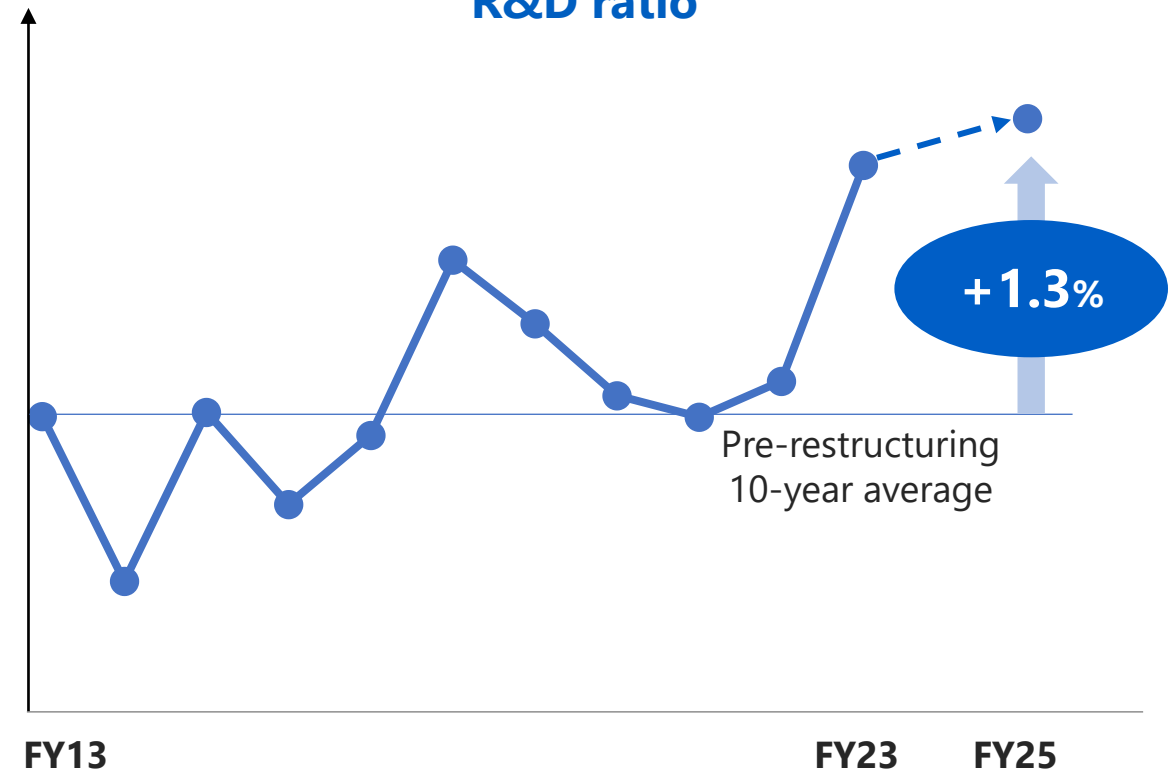
Growth investments of ¥12.5 bn reflected;
significant increase in IAB



- *1 Include manufacturing costs
- *2 High end of the range
- *3 Include an increase in personnel

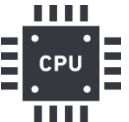




IAB: R&D Ratio Trends

Planning a significant increase in the R&D ratio



IAB: Operating Environment Outlook

While actual demand remains largely unchanged, uncertainty over tariff policy poses a risk of temporary investment slowdown

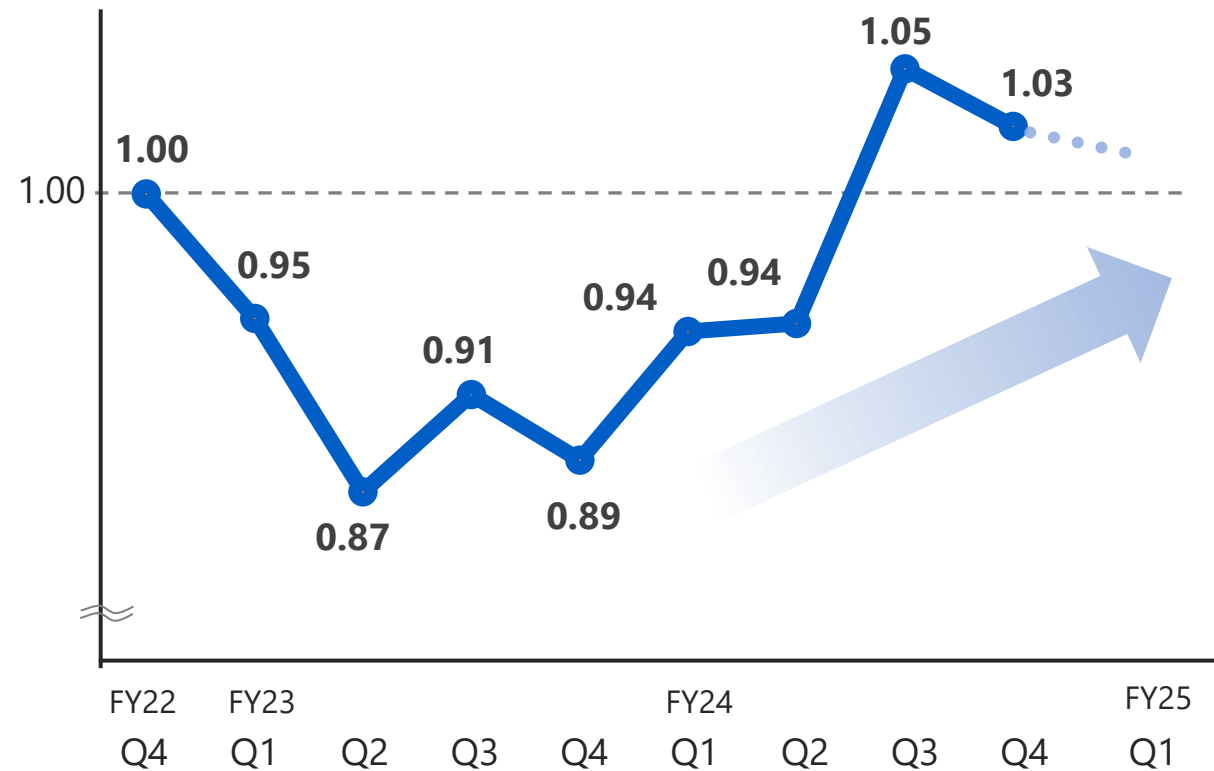
Domains		Outlook for FY2025
	Digital	<ul style="list-style-type: none"> • AI-related investment in semiconductor production continues to expand. In China, equipment manufacturers are expected to continue investing in domestic production, but the timing of this investment is unclear. Investments other than those in cutting-edge fields are expected to slow down • The solar power generation system (PV) market continues to be oversupplied, resulting in a significant decline in investment demand
	NEV	<ul style="list-style-type: none"> • Investment in EVs will continue as the penetration rate of EVs increases within China. On the other hand, the economic slowdown is causing uncertainty about both capital investment to meet domestic demand and investment plans to meet foreign demand • Secondary batteries are showing signs of recovery in China linked to domestic demand for EVs, but are remaining sluggish in South Korea
	Food/ Household goods	<ul style="list-style-type: none"> • Although there are variations from area to area, overall the situation remains stable
	Medicine/ Logistics	<ul style="list-style-type: none"> • Demand for capital investment in both the medical and logistics sectors remains flat
	Others	<ul style="list-style-type: none"> • Although there will be some variation depending on the area, the economic outlook is expected to be at the same level as last year

IAB: Trend of Order Levels and Distributors Inventory Levels

Order levels are expected to recover gradually.

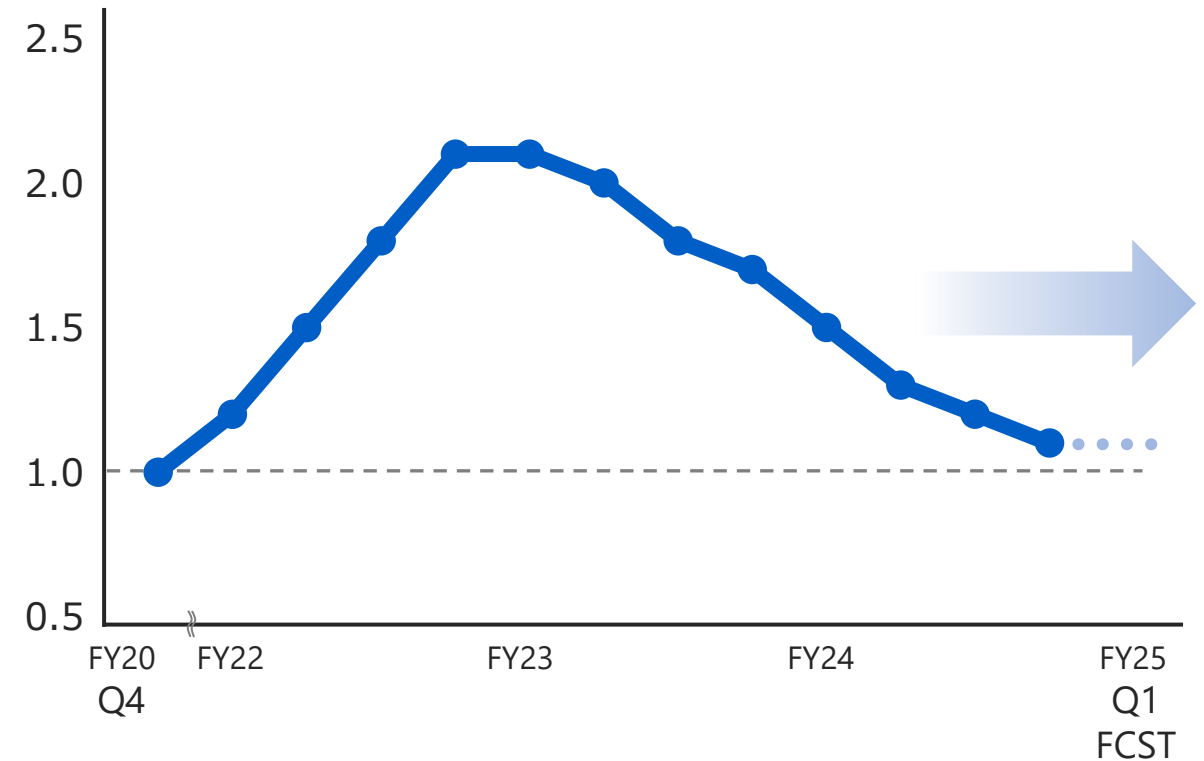
The distributors inventory, which normalized in FY24, is expected to maintain an appropriate level going forward

Order levels (FY24 FX FCST rate base)



(Based on FY22 Q4)

Distributors inventory levels (all area avg.)



(Based on FY20 Q4)

Shareholder Returns

Full-year dividend guidance unchanged YoY at ¥104

Full-year Dividend

FY2024: Plan

¥104



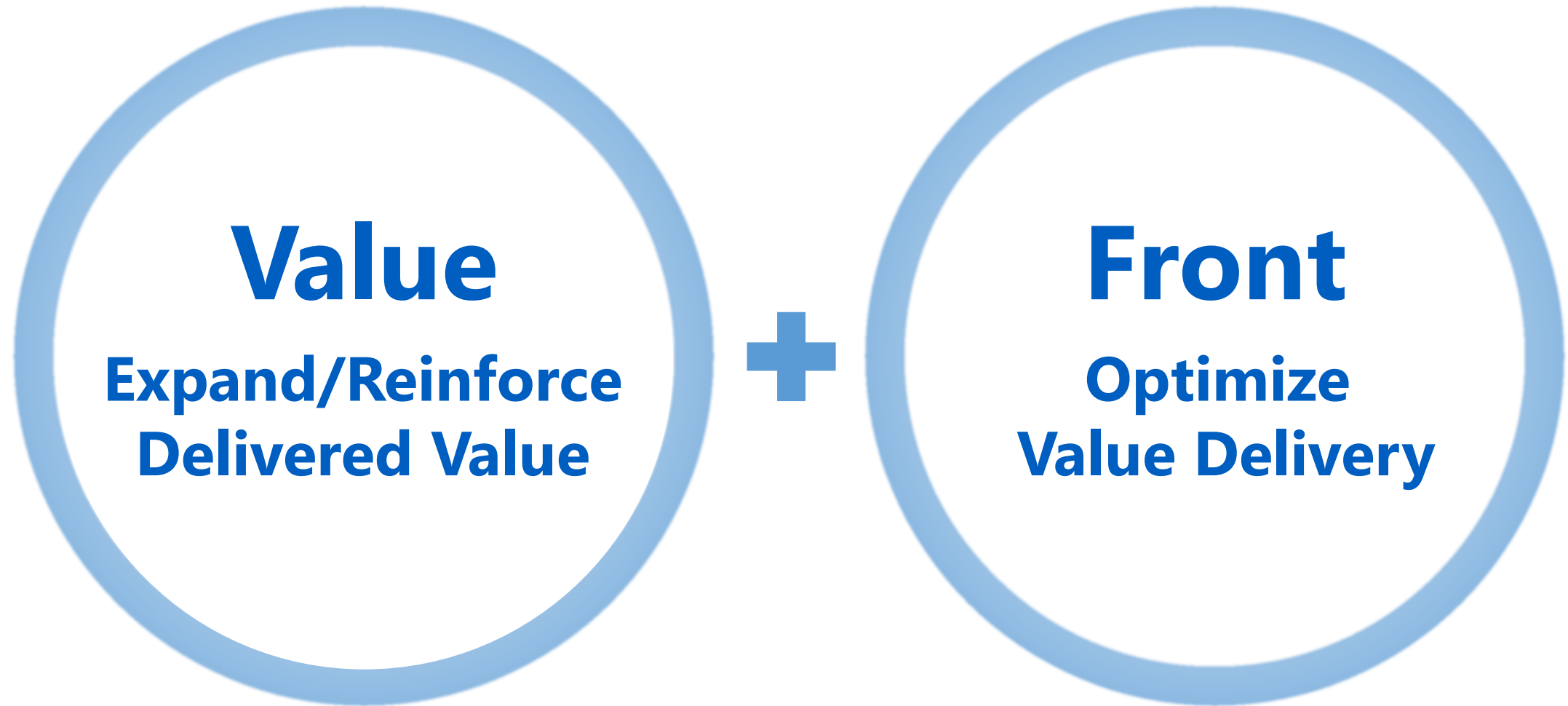
FY2025: Forecast

¥104

3. IAB Growth Strategy

"Value" and "Front"

Evolve both the "Value" and "Front" to achieve sustainable growth



Direction of Evolution

Driving four evolutions to enhance growth potential
Value

Front

Data Solution
Business Foundation
as a New Growth Pillar

From
Improvement of
Manufacturing
Operations Through
Data Utilization

Expansion

To
**③ Creating New
IT × OT Solutions**

Solution Business
Business Foundation
to Drive Growth

From
Solution Deployment
for Five Key Industries

Focus

To
**② Focus on
Semiconductor
and EV Sectors**

Component Business
Business Foundation
to Support Growth

From
Updates/Maintenance
of Existing Products

**Re-
inforce-
ment**

To
**① Building a
Competitive
Product Lineup**

From
Strengthening
Direct Sales
Across All
Regions"

④

To
**Sales Structure
Optimized
for Regional
Demand**

Developed Strengths and Assets

Through business enhancement, we have built numerous strengths and assets



**High-Quality,
Highly Synchronized
On-Site Data**

**JMDC's Know-how
and Technology**
Strong Development Capabilities
in Data Management Solutions

i-BELT Service
Solutions for Energy Productivity,
AI Manufacturing, and AI
Maintenance

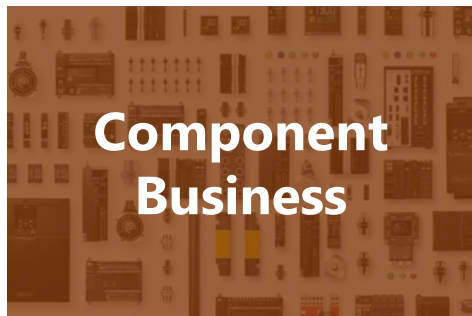


Innovative Applications
320 apps.

**Customer
Co-Creation Centers (ATC)***
37 locations worldwide

**Experienced SE w/ Deep
Industry Knowledge**
Approx. **1,750** people

High-Speed, High-Precision Control Technology



**Number of
Global Sales Offices**
173 offices

Customer Base
Approx. **100K**

**Number of
Global Distributors**
Approx. **2,500**

Unmatched Product Lineup in the Industry **ILOR + S**

*Automation Technology Center

Developing a Competitive Product Lineup

Boost R&D investment and increase new product launches to enhance competitiveness and regain — and expand — market share

Number of New Product Launches

Doubled the number of New Product Launches toward FY24–26

FY24-26

**42
Products**



FY20-22

**21
Products**



Objective

Regain and expand market share by enhancing product competitiveness

Create business opportunities and strengthen sales promotion

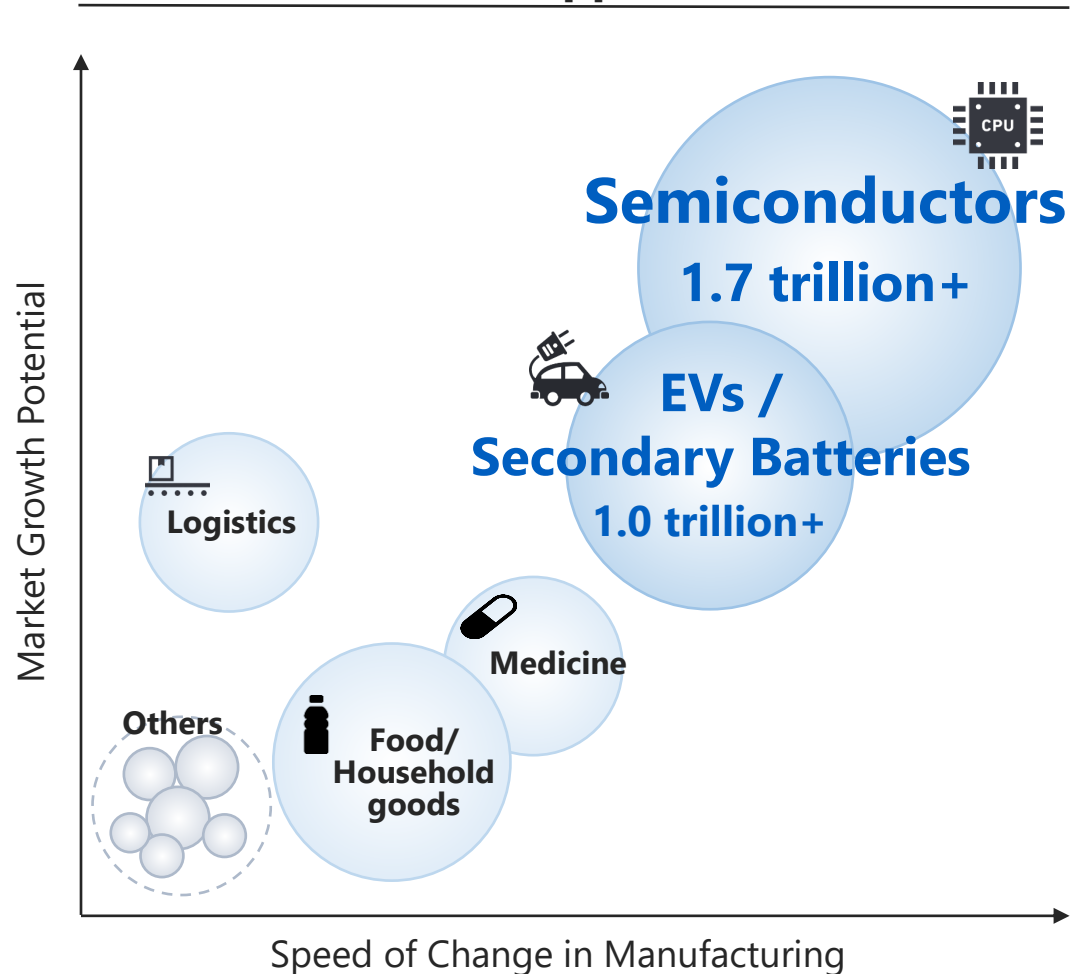
Enhance competitive advantages by region

Optimize product portfolio

Concentrate on Semiconductor and EV Sectors

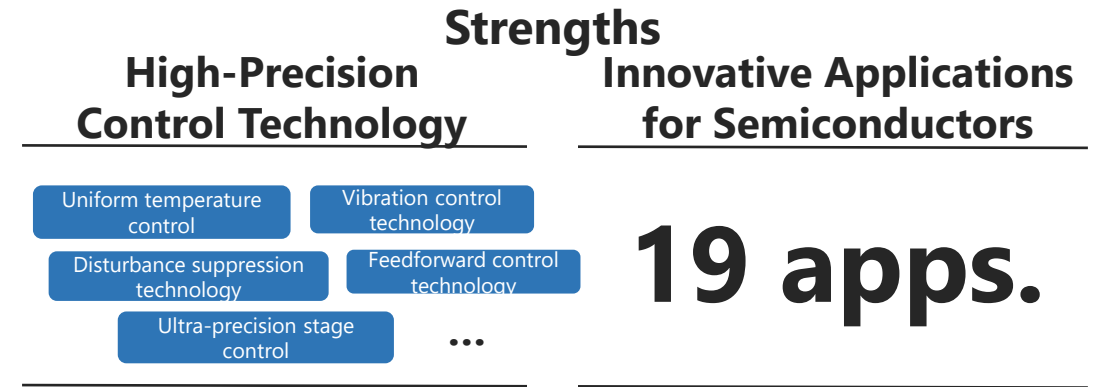
By concentrating on the semiconductor and EV/secondary battery sectors, we enhance our solutions and develop advanced mass production technologies with clients

Business Opportunities*



*FA Investment Outlook (Company Research)

Further Strengthening in Semiconductor Sector



Reinforcement Actions

Aim to create scalable value by closely engaging with our customers' advanced technology development over the long term.

- Establish a specialized organization with highly skilled personnel
- (Upstream Process) Innovate new process ovation with leading companies
- (Downstream Process) Participate in SATAS /establish industry standards



**Build an advanced digital twin environment
across the entire manufacturing process
through a technology partnership with NVIDIA**



AXI (Automated X-ray
Inspection system)

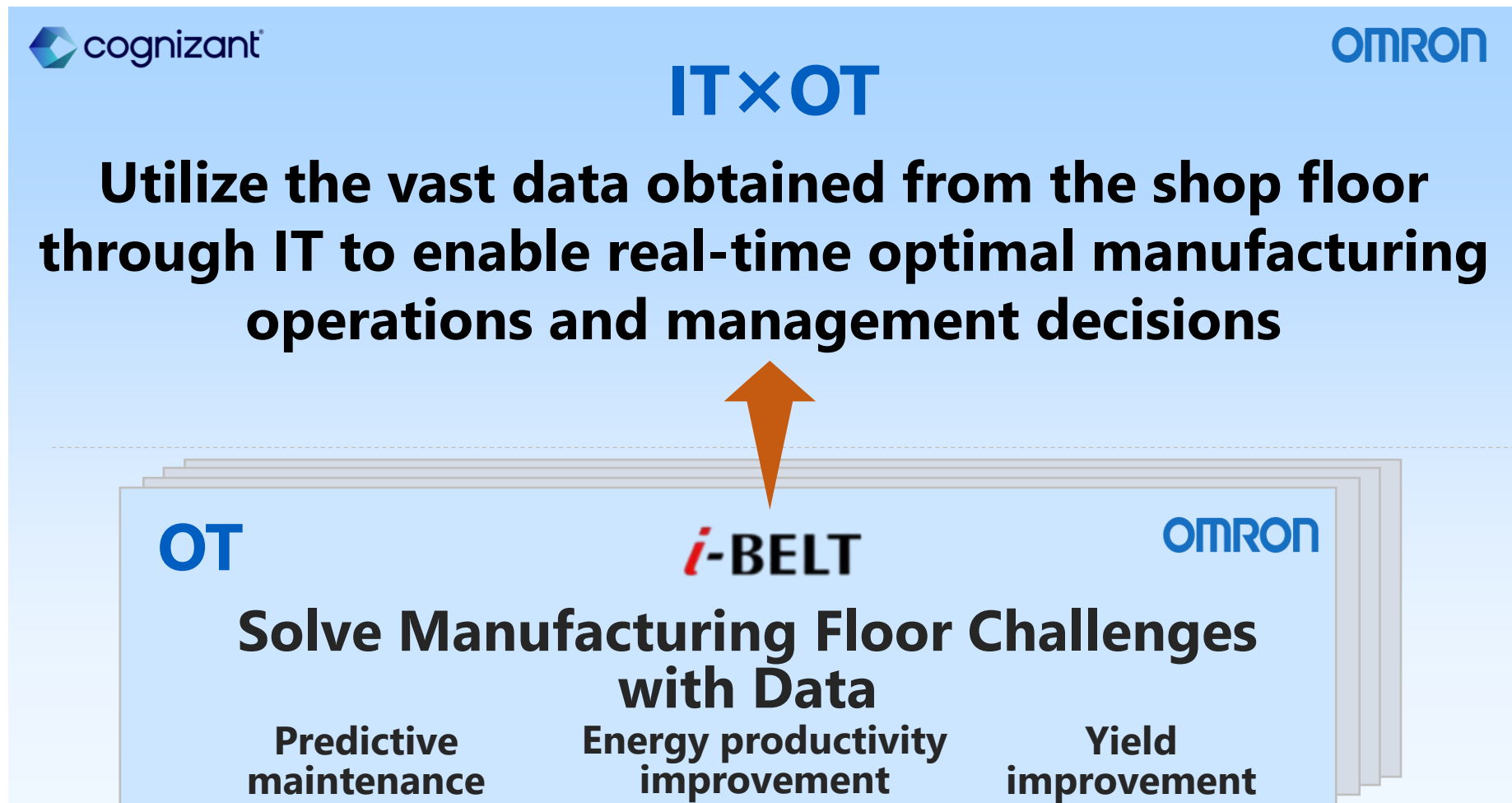
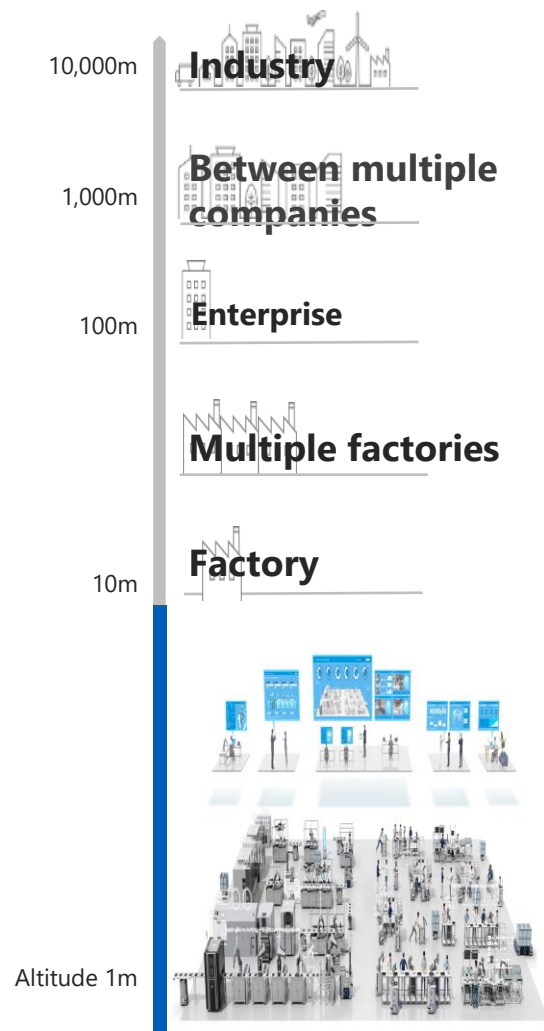
- **Accurately reproduce the inside of equipment and devices in a virtual environment**
- **Improve overall productivity in manufacturing sites by streamlining equipment setup, troubleshooting, and other processes**



A video played during the briefing

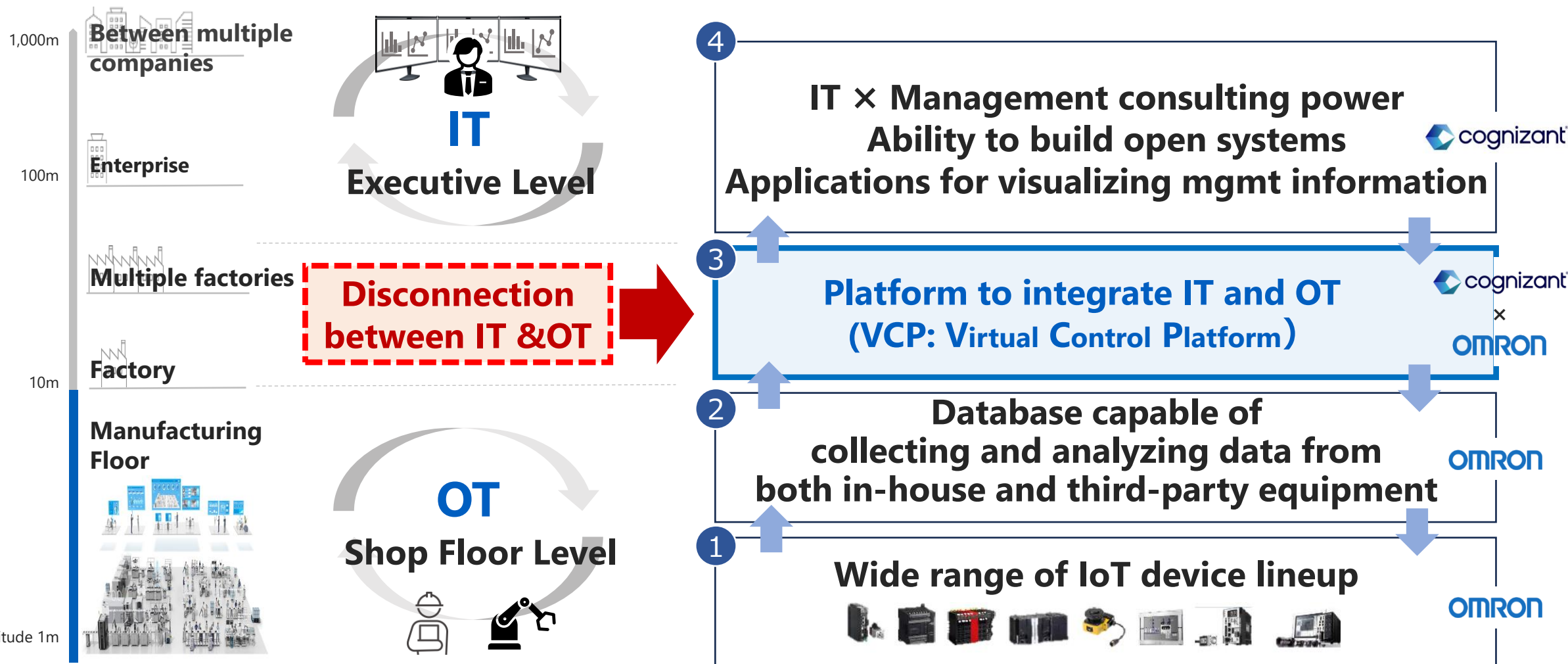
Creation of New IT × OT Solutions

By combining IT and OT, we create new growth drivers that lead the future of the manufacturing industry





End-to-End IT-OT Solution

By combining the strengths of OMRON and Cognizant, we eliminate the disconnection between IT-OT and create solutions that quickly implement management decisions based on real-time shop floor data.



Optimize Regional Business Structures (Front)

Position Europe and the Americas as growth regions and establish a structure to fully capture business opportunities

	Europe	The Americas
Sales Composition (FY24)	Sales: ¥74.6 bn(21% of total)	Sales: ¥40.1 bn(11% of total)
Global Companies	<div>  Acquire new customers through mutual utilization of customer bases with Cognizant </div> <div>  </div> <p>Target Companies: Global leaders in each industry</p>	
	<p>Expand value co-creation centers (ATC)</p> <p>Establish new centers in Germany and India. Capture investments from European and U.S. customers' home countries and satellite sites</p>	
Local Companies	<p>Expand distributors ratio</p> <p>Expand the distributors network to cover a broader range of customers, increasing the customer base.</p>	<p>Strengthen EC Sales Structure</p> <p>Strengthen partnerships with major global e-commerce platforms.</p> <p>Enhance the efficiency of resources across large regions.</p>
	<p>Strengthen distributors relationships</p> <p>Visualize and share customer lead information, while enhancing knowledge sharing regarding product and customer challenges</p>	

OMRON

Reference

Consolidated Balance Sheet

(¥ bn)

	End-Mar. 2024	End-Mar. 2025	Change (Y/Y)
Current assets	547.6	539.3	-8.3
(Cash and cash equivalents)	(143.1)	(149.0)	(+5.9)
(Inventory)	(174.0)	(173.0)	(-1.0)
Property, plant and equipment	136.8	135.1	-1.7
Investments and other assets	670.4	687.4	+17.0
Total assets	1,354.7	1,361.8	+7.1
Current liabilities	231.2	233.3	+2.1
Long-term liabilities	172.5	194.1	+21.6
Total Liabilities	403.7	427.4	+23.7
Shareholders' equity	786.7	771.9	-14.8
Noncontrolling interests	164.3	162.5	-1.8
Total net assets	951.0	934.4	-16.6
Total Liabilities and net assets	1,354.7	1,361.8	+7.1
Equity ratio	58.1%	56.7%	-1.4%pt

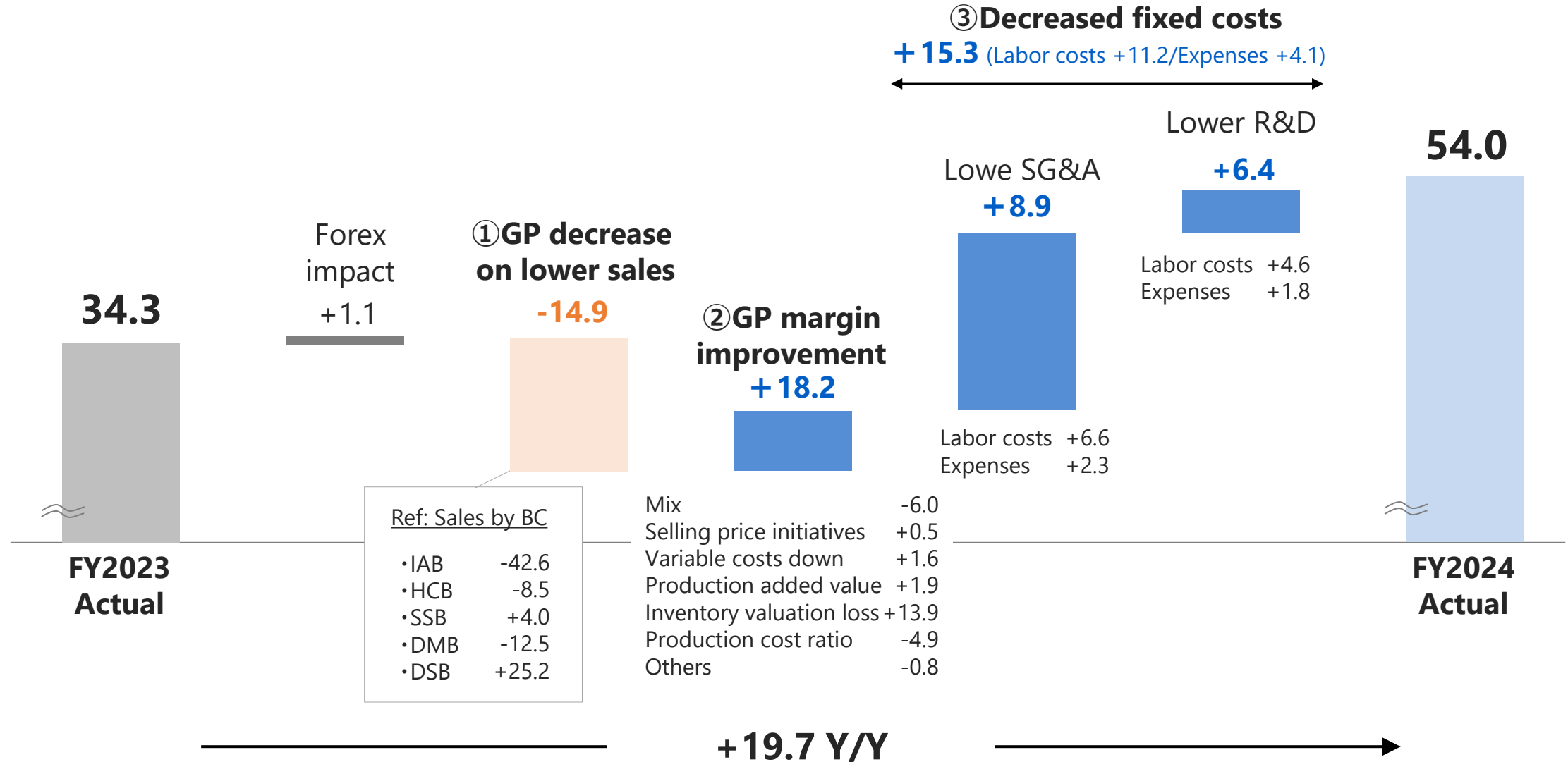
Consolidated Cash Flow Statement

			(¥ bn)
	FY2023 Actual	FY2024 Actual	Change (Y/Y)
Operating cash flow	44.9	55.8	+10.9
Investment cash flow	-107.1	-47.9	+59.2
Free cash flow (FCF)	-62.2	7.9	+70.1
Financing cash flow	86.0	-4.6	-90.6
Cash and cash equivalents as of end of period	143.1	149.0	+5.9
Capital expenditure	43.7	46.5	+2.8
Depreciation	30.8	33.5	+2.7

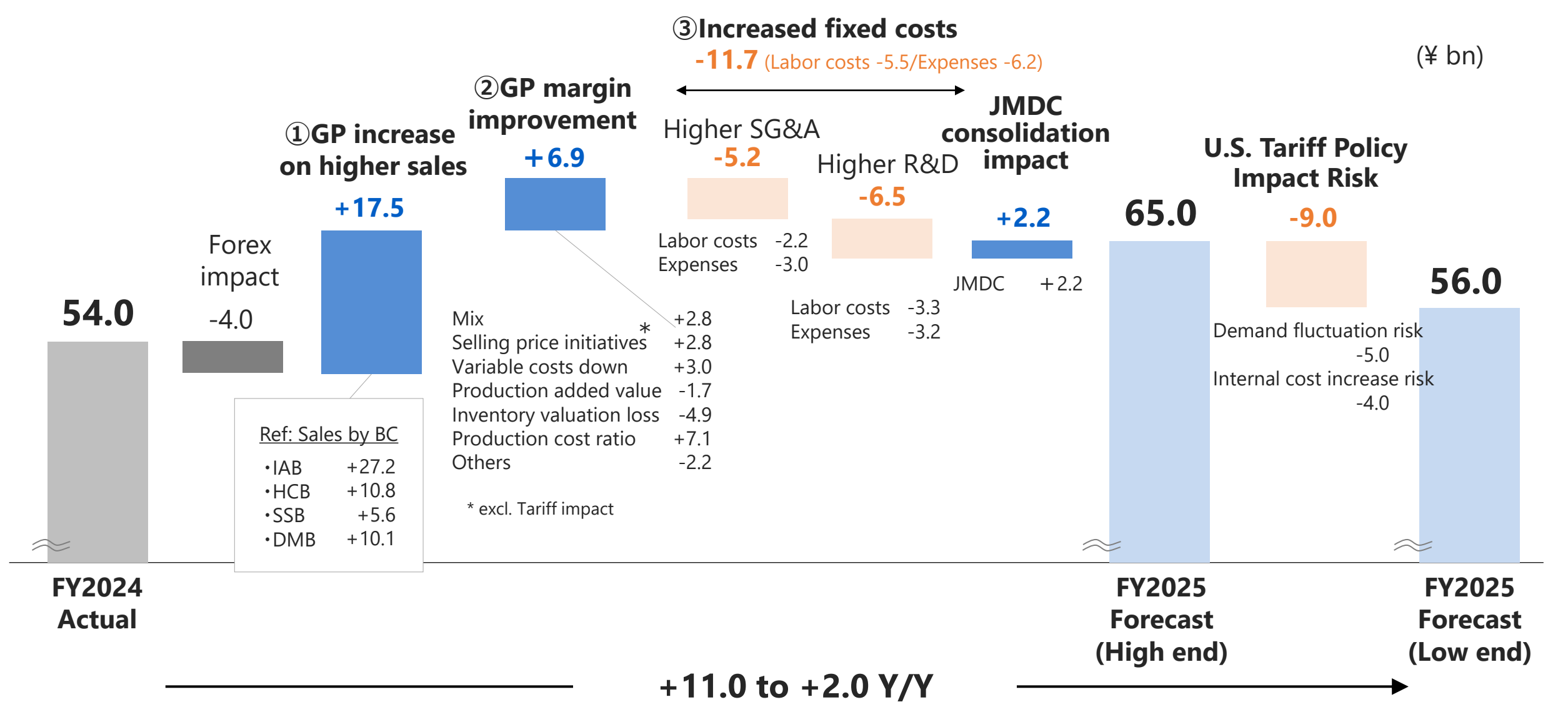
FY2024: Operating Income Changes (Y/Y)

***JMDC consolidated impact included**

(¥ bn)



Forecasts: Operating Income Changes (Y/Y)



Collaboration with JMDC

Steady progress has been made in initiatives to create data solutions

Domain	Initiatives	FY24 Progress
Healthcare Solution	Creation of preventive solutions through the development of disease prediction models	<ul style="list-style-type: none">• Approx. 4,000 users connected to both health devices and medical data• Prototype of disease prediction model created
	Expansion of services in the corporate health domain, leveraging Health & Productivity Management Alliance	<ul style="list-style-type: none">• Approx. 600 companies have adopted the service
Social Solution	Development of the "Smart M&S" solution	<ul style="list-style-type: none">• Five deals closed or in negotiation for the remote field support solution

Overview and Strengths of Cognizant

Company Overview



HQ

New Jersey, USA

No. of
Employees

Approx. 330,000

Sales

\$19.7 bn *
(Approx. ¥2.96 trillion)

Locations

37 countries, 300 locations

*FY24 actual

Strengths

- **Consulting capabilities for management issues**

- Deep expertise in manufacturing practices, from R&D to production and through to the supply chain

- **Global IT system development and operation capabilities**

- Integrated development and operation framework that supports all levels from management to the shop floor

- **AI solution proposal capabilities powered by cutting-edge technologies**

- Proposing AI applications that directly address management issues through advanced technologies

+

- **Strong Client Base Centered on Global Enterprises in Europe and the U.S.**

- Extensive track record with multinational corporations, including Fortune 500 companies

FY2025 Forex Sensitivities and Assumptions

Impact of 1 yen move (full year)
CNY impact of 0.1 yen move

	Sensitivities		Assumptions
	Sales	OP	FY2025 Assumptions
USD	Approx. ¥1.2 bn	Approx. ¥0.1 bn	¥140.0
EUR	Approx. ¥0.7 bn	Approx. ¥0.3 bn	¥160.0
CNY	Approx. ¥0.7 bn	Approx. ¥0.1 bn	¥20.0

* If emerging market currency trends diverge from trends in major currencies contrary to our expectations, it will impact sensitivities

ROIC Definition

$$\text{ROIC} = \frac{\text{Net income attributable to OMRON shareholders}}{\text{Invested capital}^*}$$

*Invested capital = Borrowings + Shareholders' equity

Invested capital: The average of previous fiscal year-end result and quarterly results (or forecasts) of current fiscal year

Notes

- 1.The consolidated statements of OMRON Corporation (the Company) are prepared in accordance with U.S. GAAP.
- 2.Projected results are based on information available to the Company at the time of writing, as well as certain assumptions judged by the Company to be reasonable. Various risks and uncertain factors could cause actual results to differ materially from these projections.

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