



FY2025 H1 Financial Results

November 7, 2025
OMRON Corporation

Summary

● FY2025 H1 Results

- Consolidated revenue increased YoY, while profits declined due to lower gross profit margins and growth investments
- IAB achieved higher revenue and profit, driven by steady recovery in the customer base and strong demand from the semiconductor and secondary batteries industries
- HCB recorded lower revenue and profit for H1, but turned to revenue and profit growth in Q2 after a weak Q1

● FY2025 Full-year Forecasts

- Full-year forecasts revised after reviewing tariff impacts and business outlook for H2; expecting higher revenue and profit
- Overall, business environment remains in line with the initial outlook, and SSB, DMB and DSB are expected to perform steadily
- IAB saw sales growth supported by the effects of structural reforms implemented since last fiscal year, and initiatives for this fiscal year are in line with the plan
- Interim dividend fixed at ¥52. Initial full-year dividend guidance of ¥104 maintained

● Review of Structural Reform Program “NEXT2025”

1 . H1 FY2025 results P.4 ~ 7
2 . FY2025 Full-year Forecasts P.8 ~ 18
3 . Review of Structural Reform Program “NEXT 2025” P.19 ~ 20

1. H1 FY2025 Results

H1 Consolidated Results

Achieved Y/Y growth in revenue, while profits down due to a lower gross profit margin and the execution of growth investments

(¥bn)

	FY2024 H1 Actual	FY2025 H1 Actual	Y/Y
Net Sales	374.6	393.4	+5.0%
Gross Profit	170.0	172.5	+1.5%
(%)	(45.4%)	(43.9%)	(-1.5%pt)
Operating Income	19.2	17.7	-7.8%
(%)	(5.1%)	(4.5%)	(-0.6%pt)
Net Income attributable to OMRON shareholders	-3.3	9.0	-
Average USD rate (JPY)	153.7	146.4	-7.3
Average EUR rate (JPY)	166.3	166.8	+0.5
Average CNY rate (JPY)	21.2	20.3	-0.9

H1 Results by Segment

Sales and profits up Y/Y at IAB, SSB, DMB and DSB, down Y/Y at HCB

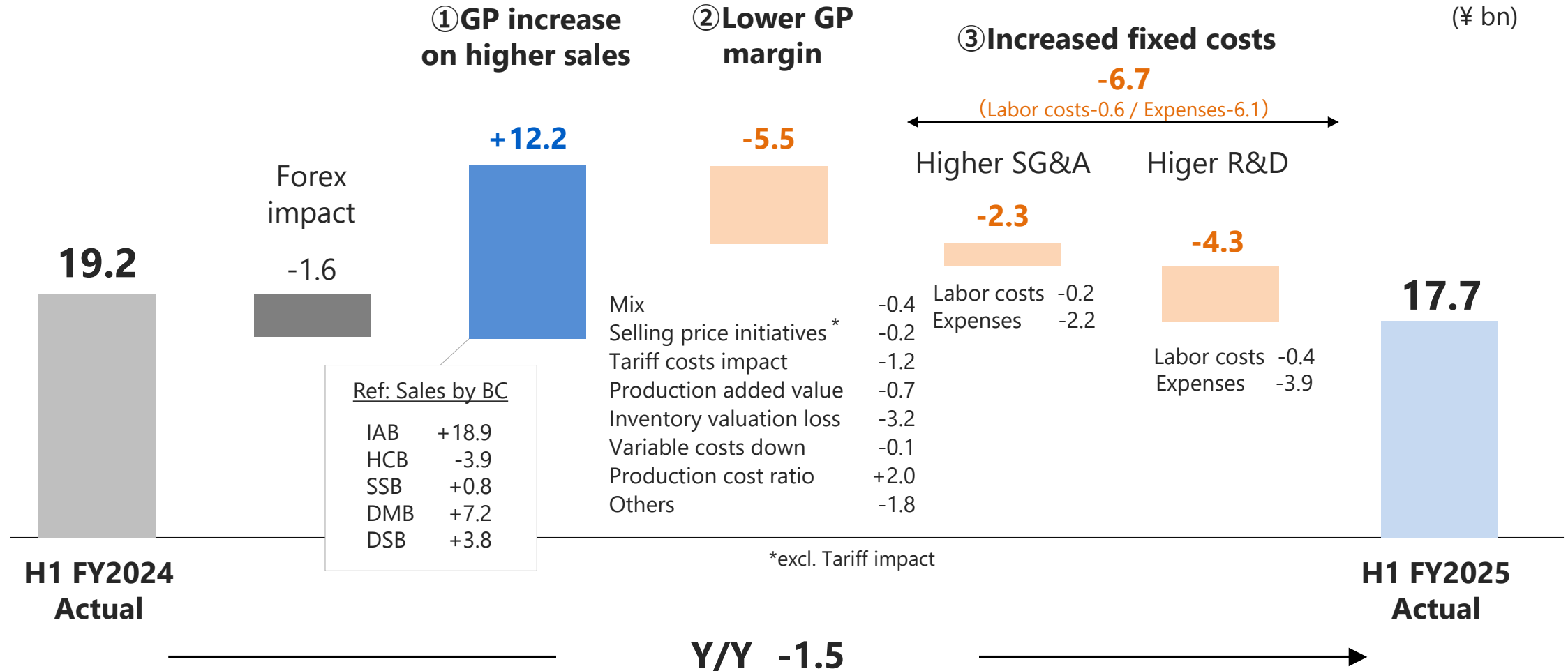
Sales				OP (¥bn)		
	FY2024 H1 Actual	FY2025 H1 Actual	Y/Y	FY2024 H1 Actual	FY2025 H1 Actual	Y/Y
IAB Industrial Automation	174.5	188.8	+8.2%	17.4 (10.0%)	18.8 (10.0%)	+8.5% (+0.0%pt)
HCB Healthcare	72.5	66.7	-8.0%	8.6 (11.9%)	5.7 (8.5%)	-33.8% (-3.3%pt)
SSB Social Systems, Solutions & Service	56.9	57.7	+1.4%	2.0 (3.4%)	2.8 (4.8%)	+41.9% (+1.4%pt)
DMB Device & Module Solutions	51.1	56.6	+10.8%	0.1 (0.2%)	1.3 (2.3%)	- (+2.1%pt)
DSB Data Solutions	19.1	22.9	+20.0%	0.3 (1.8%)	0.8 (3.3%)	+125.1% (+1.5%pt)
Include JMDC	19.2	23.1	+20.2%	3.3 (17.1%)	4.0 (17.4%)	+22.1% (+0.3%pt)
Eliminations & Corporate	0.6	0.7	+15.2%	-9.1	-11.6	-
Total	374.6	393.4	+5.0%	19.2 (5.1%)	17.7 (4.5%)	-7.8% (-0.6%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.

H1 Results: Analysis of Change in Operating Income (Y/Y)

While GP increased significantly, mainly driven by higher sales in IAB, OP declined due to a lower gross profit margin and increased development investments



2. FY2025 Full-year Forecasts

H2 Operating Environment

Overall, business environment has remained in line with the initial expectations

IAB Industrial Automation	Flat compared to the previous year. The semiconductors industry is performing well, while EV industry is expected to perform below the initial outlook *Details on later
HCB Healthcare	BPM market continues to grow globally, while demand in China is expected to remain flat Y/Y Cardiovascular: Although moderate growth is expected globally, uncertainty persists in North America due to the impact of tariffs. China will remain sluggish due to stagnant consumer spending Respiratory: Nebulizers continue to show weak performance in China due to prolonged stagnation in consumer spending
SSB Social Systems, Solutions & Service	The overall business environment remains stable Energy: Renewable energy demand in the residential sector remains solid Railway industry: Capital investment demand from railway companies remains solid, driven by stable domestic demand and strong inbound tourism
DMB Device & Module Solutions	The overall business environment remains stable DC Equipment/Microwave Devices: Demand remains stable, supported by semiconductor market growth Commodity Devices: The global market remains stable
DSB Data Solutions	The overall business environment is expected to remain stable, led by 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 consumers is increasing, driven by rising public awareness of health and prevention

Update on the impact of U.S. Tariff Policy (Impact on Internal Costs)

The full-year tariff burden reduced to ¥6.0 billion. In the second half, the impact is expected to be largely absorbed through price adjustments etc.

	as of Q1 FY25	current outlook
Amount of tariff burden ✓ IAB ✓ HCB ✓ DMB	¥-11.5bn ¥-3.5bn ¥-3.0bn ¥-5.0bn	¥-6.0bn ¥-2.0bn ¥-2.0bn ¥-2.0bn
Profit impact risk	¥0~¥-4.0bn	¥-1.3bn Ref: Amount of Tariff Impact (H1) ¥-1.2bn

【FY25 Q1 Assumptions on Tariff Impact (as of 23, July)】

- China: +10% until 8/12, then +125%
- Japan: +10% until 8/1, then +15%
- Vietnam: +10% until 7/2, then +20%
- Indonesia: +10% until 8/1, then +19%
- Malaysia: +10% until 8/1, then +25%

【Assumptions on Tariff Impact (as of 30, October)】

- China: +10%
- Japan: +10% until 8/1, then +15%
- Vietnam: +10% until 7/2, then +20%
- Indonesia: +10% until 8/1, then +19%
- Malaysia: +10% until 8/1, then +25%

Forecasts: Consolidated Earnings

Full-year forecasts revised, with revenue and profit expected to increase Y/Y

(¥ bn)

	FY2025 Initial Plan		FY2025	FY2024	Y/Y
	High End *	Low End *	Forecast	Actual	
Net Sales	835.0	820.0	845.0	801.8	+5.4%
Gross Profit	373.5	362.5	373.5	357.1	+4.6%
(%)	(44.7%)	(44.2%)	(44.2%)	(44.5%)	(-0.3%pt)
Operating Income	65.0	56.0	60.0	54.0	+11.0%
(%)	(7.8%)	(6.8%)	(7.1%)	(6.7%)	(+0.4%pt)
Net Income attributable to OMRON shareholders	35.5	29.0	29.0	16.3	+78.2%
ROE	Approx. 4%	Approx. 3%	Approx. 3%	2.1%	-
ROIC	Approx. 4%	Approx. 3%	Approx. 3%	1.8%	-
EPS (JPY)	180.30	147.29	147.40	82.63	+64.77
Average USD rate (JPY)	140.0	140.0	145.7	152.6	-7.0
Average EUR rate (JPY)	160.0	160.0	165.9	163.7	+2.2
Average CNY rate (JPY)	20.0	20.0	20.2	21.1	-1.0

*High end: Assumes no demand fluctuations

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

Forecasts: by Segments

Revenue and profit expected to increase Y/Y, excluding HCB

Sales					OP (¥ bn)			
	FY2025 Initial Plan	FY2025 Forecast	FY2024 Actual	Y/Y	FY2025 Initial Plan	FY2025 Forecast	FY2024 Actual	Y/Y
IAB Industrial Automation	371.0	386.0	360.8	+7.0%	40.0 (10.8%) *1	40.0 (10.4%)	36.3 (10.1%)	+10.3% (+0.3%pt)
HCB Healthcare	150.0	140.0	145.9	-4.0%	18.5 (12.3%)	14.5 (10.4%)	17.5 (12.0%)	-17.1% (-1.6%pt)
SSB Social Systems, Solutions & Service	150.0 *3	150.0	143.4	+4.6%	18.5 (12.3%)	20.0 (13.3%)	15.3 (10.7%)	+30.3% (+2.6%pt)
DMB Device & Module Solutions	110.0	115.0	105.4	+9.1%	4.0 (3.6%)	4.0 (3.5%)	0.3 (0.3%)	- (+3.2%pt)
DSB *2 Data Solutions	50.5	51.0	42.7	+19.3%	5.0 (9.9%)	5.0 (9.8%)	2.8 (6.6%)	+76.7% (+3.2%pt)
Include JMDC	50.5	50.5	42.9	+17.7%	11.5 (22.8%)	11.5 (22.8%)	8.4 (19.6%)	+36.8% (+3.2%pt)
Eliminations & Corporate	3.5	3.0	3.5	-14.5%	-21.0	-23.5	-18.2	-
Overall Earnings Risk	High end to Low end 0.0 to -15.0	-	-	-	High end to Low end 0.0 to -9.0	-	-	-
Total	High end to Low end 835.0 to -820.0	845.0	801.8	+5.4%	High end to Low end 65.0 to -56.0 (7.8%~6.8%)	60.0 (7.1%)	54.0 (6.7%)	+11.0% (+0.4%pt)

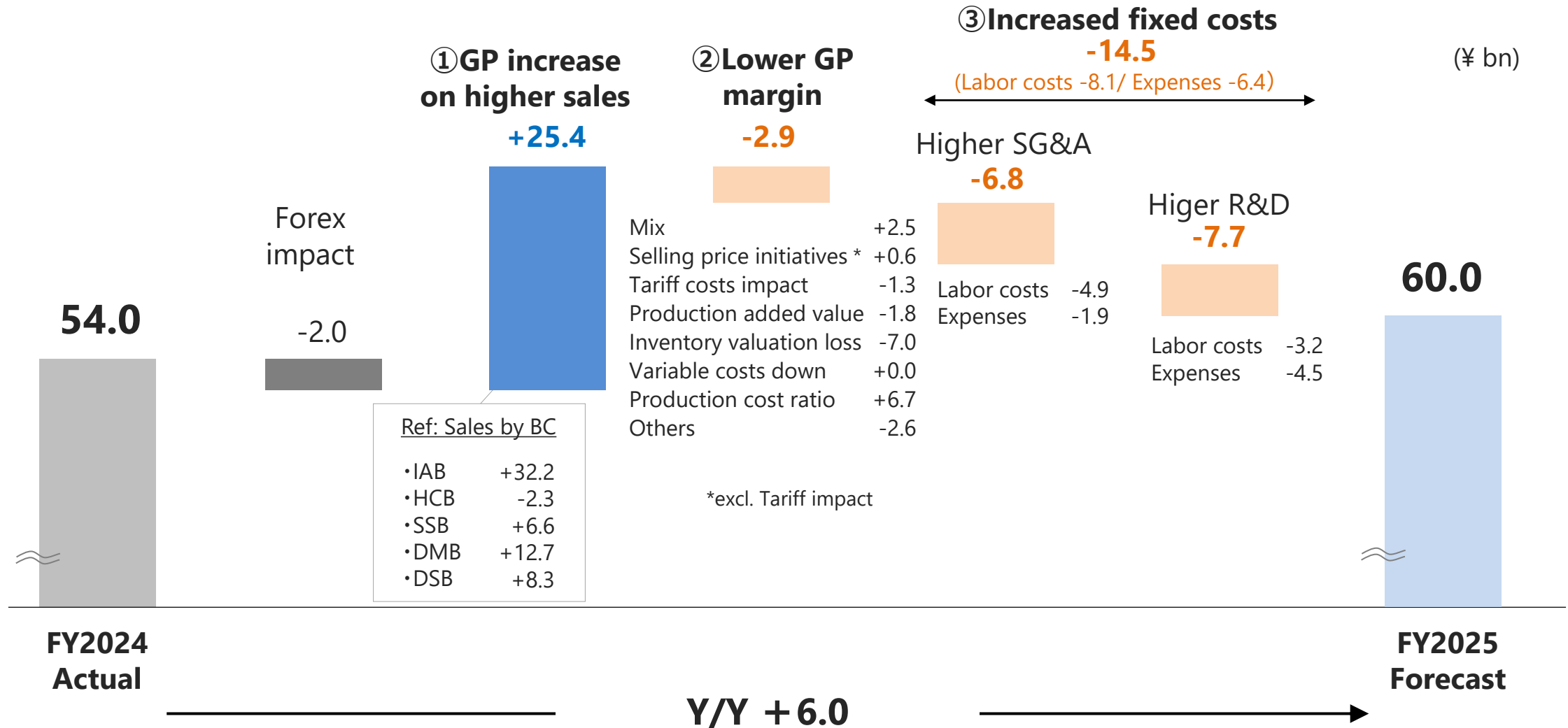
*1. Figures shown in brackets under OP are OPMs.

*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. From Q3 FY2025, OMRON DIGITAL Co., Ltd.'s results are recorded under "Eliminations & Corporate". The forecast is based on the initial plan and the previous year's results, both recalculated for this segment.

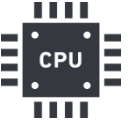




Full-year Forecasts: Analysis of Change in Operating Income (Y/Y)

Gross profit increased significantly on higher IAB and DMB sales. Fixed costs are expected to rise, reflecting growth investments from the next fiscal year onward



IAB : H2 Operating Environment Outlook

Although there are variations depending on area and industry, overall in line with the initial forecast globally. Semiconductors continue to perform steadily, while demand for EVs is decelerating

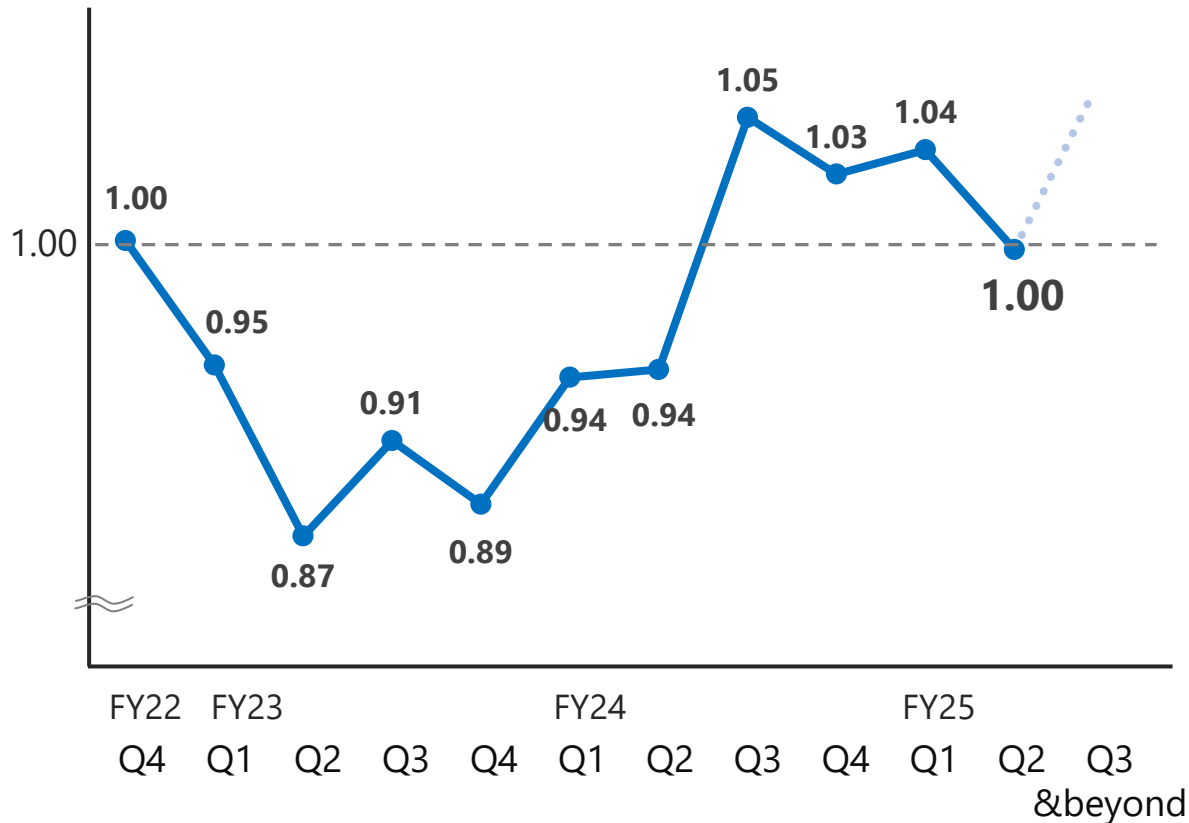
Domains		Outlook for H2
	Digital	<ul style="list-style-type: none"> In Semiconductors, investment is continuing to expand in response to growing demand for generative AI, and the market remains strong In China, investments aimed at domestic production are expanding to advanced fields, resulting in a market environment stronger than expected
	NEV	<ul style="list-style-type: none"> EV investments in Japan are expected to decline versus the initial forecast due to the impact of tariffs In secondary batteries, Chinese manufacturers' investments have peaked and are slowing, with demand slightly below the initial forecast
	Food/ Household goods	<ul style="list-style-type: none"> In line with the initial forecasts, There is no significant change in capital investment demand, and it is generally expected to remain flat Y/Y
	Medicine/ Logistics	<ul style="list-style-type: none"> In line with the initial forecasts, There is no significant change in capital investment demand, and it is generally expected to remain flat Y/Y
	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

* All domains excluding Focus domains

IAB: Trend of Order Levels

In Q2, order levels declined due to stagnation in automotive-related investments and the completion of secondary battery investments

Order levels (FY24 FX FCST rate base)



(Based on FY22 Q4)

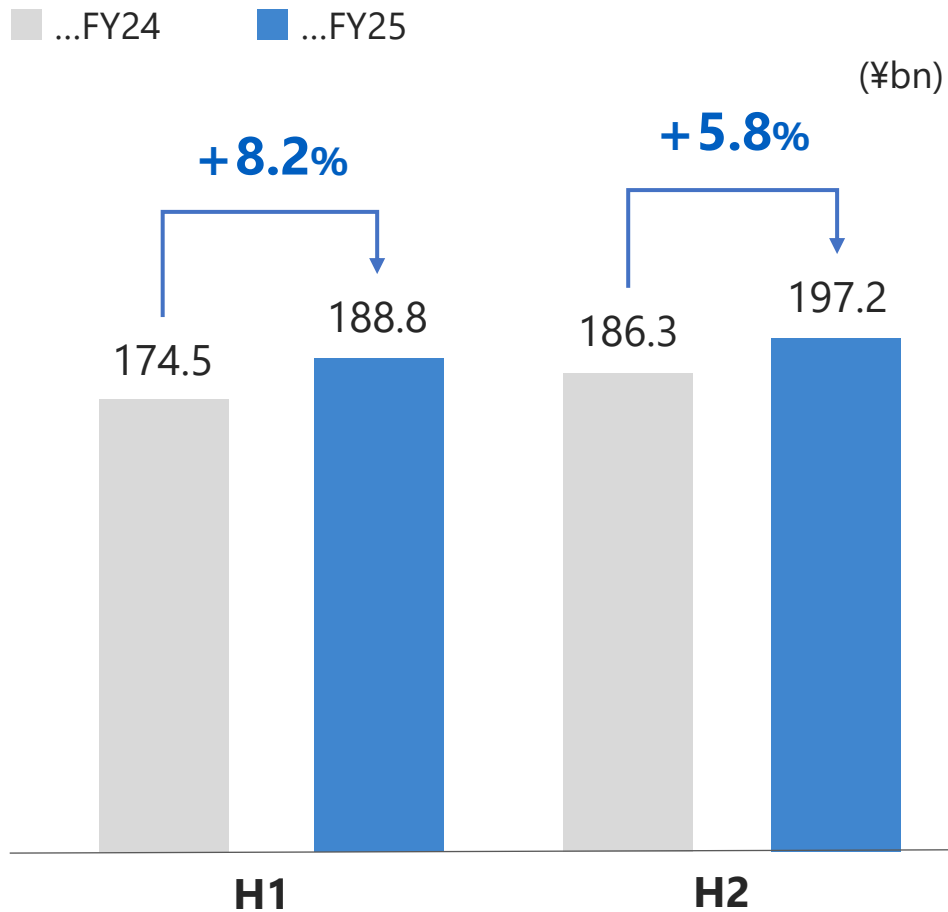
Background of order trends

- 1 Automotive-related investments stagnated in Japan**
Amid uncertainty over tariff policies, Japanese automakers with high U.S. exposure scaled back new capital investments
- 2 Investments in China's secondary batteries have peaked**
Chinese manufacturers, aiming to expand global market share, are slowing capital expenditures in response to the recent stagnation in EV demand

IAB : Advancement in Growth Initiatives

Ongoing internal initiatives are showing results, supporting expectations for sustained sales growth

IAB Sales Trend



Progress in Growth Initiatives / H1 Results

1 Customer Base Recovery

- Steady progress in strengthening distributor relationships
- Component sales to a broad range of customers are progressing, with "Other" Industries sales continuing to recover across all regions

Sales in
"Other" Industries*
Y/Y
+10%

2 New Product Release

- 11 new products released in H1
- Sales of new products released last year have exceeded internal targets

Sales of New products
Vs. internal target
+9%

3 Solution Expansion

- Ongoing investment gains driven by generative AI demand
- Automated X-ray Inspection system (AXI) adoption expanding in advanced segments with competitive advantages

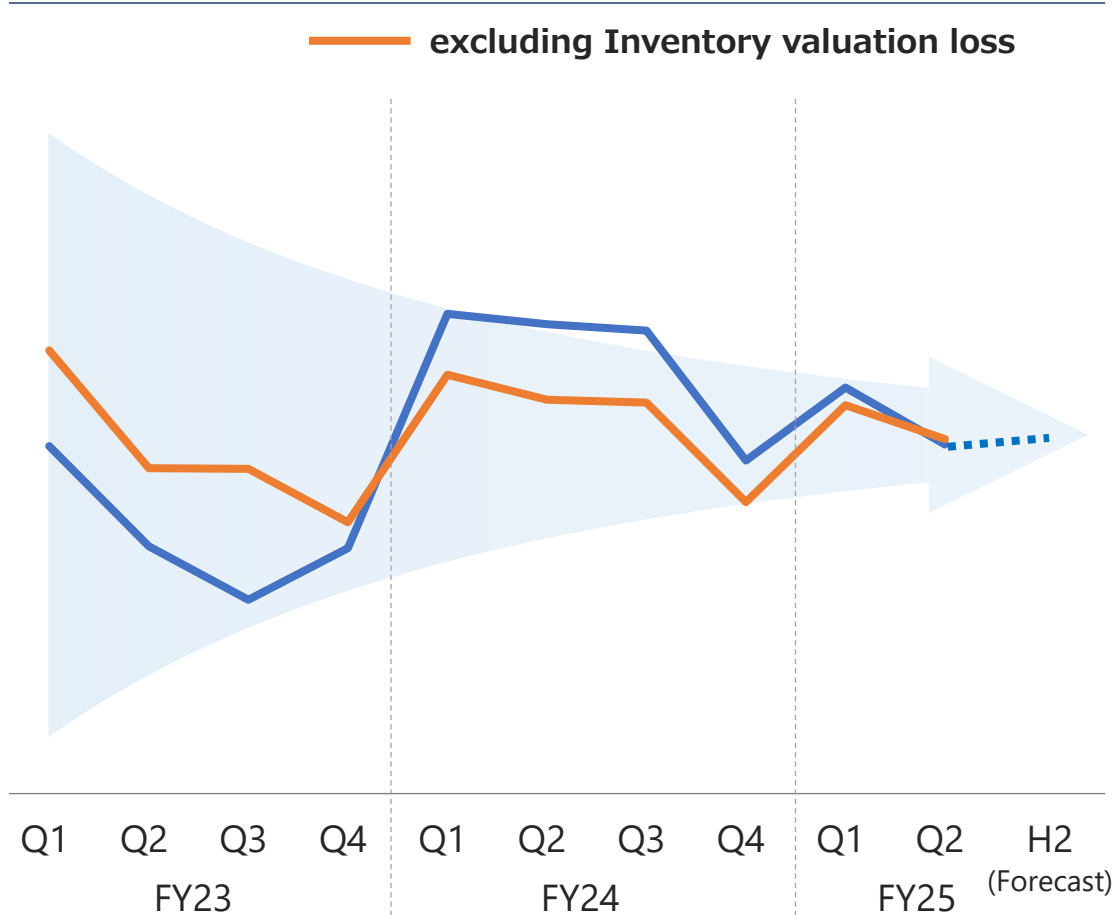
Semiconductor
Industry / AXI Sales
Y/Y
+17%/+42%

* All industries excluding Focus industries

IAB : GP Margin Trend and key factors behind the change in Q2

The fluctuation in GP margin has narrowed, indicating a bottoming out. Q2 operating margin was affected by inventory valuation loss and temporary factors.

GP Margin Trend^{*1}



*1. FY25 FX FCST rate base

GP Margin Change in Q2 and Key Factors(Y/Y)

GP^{*2} Margin Y/Y -3.6pt

- Inventory valuation loss** Profit impact ↓
 - Effects of the previous year's strong improvement, etc.
- Demand and customer trends** ↓

[Temporary factors]

 - Received a large order from key customers
 - Changes in product mix

[Continuing factor]

 - Rising freight costs
- New Products** ↑
 - Increase in sales of high-value-added products

Outlook for H2 and Beyond

Continuing
Gradual reduction from FY26 onward

Resolved

Continuing

Expansion of profit contribution

*2. excl. foreign exchange impact

Shareholder Returns

Interim dividend fixed at ¥52.

Initial full-year dividend guidance of ¥104 maintained

Interim Dividend (Fixed)

¥52

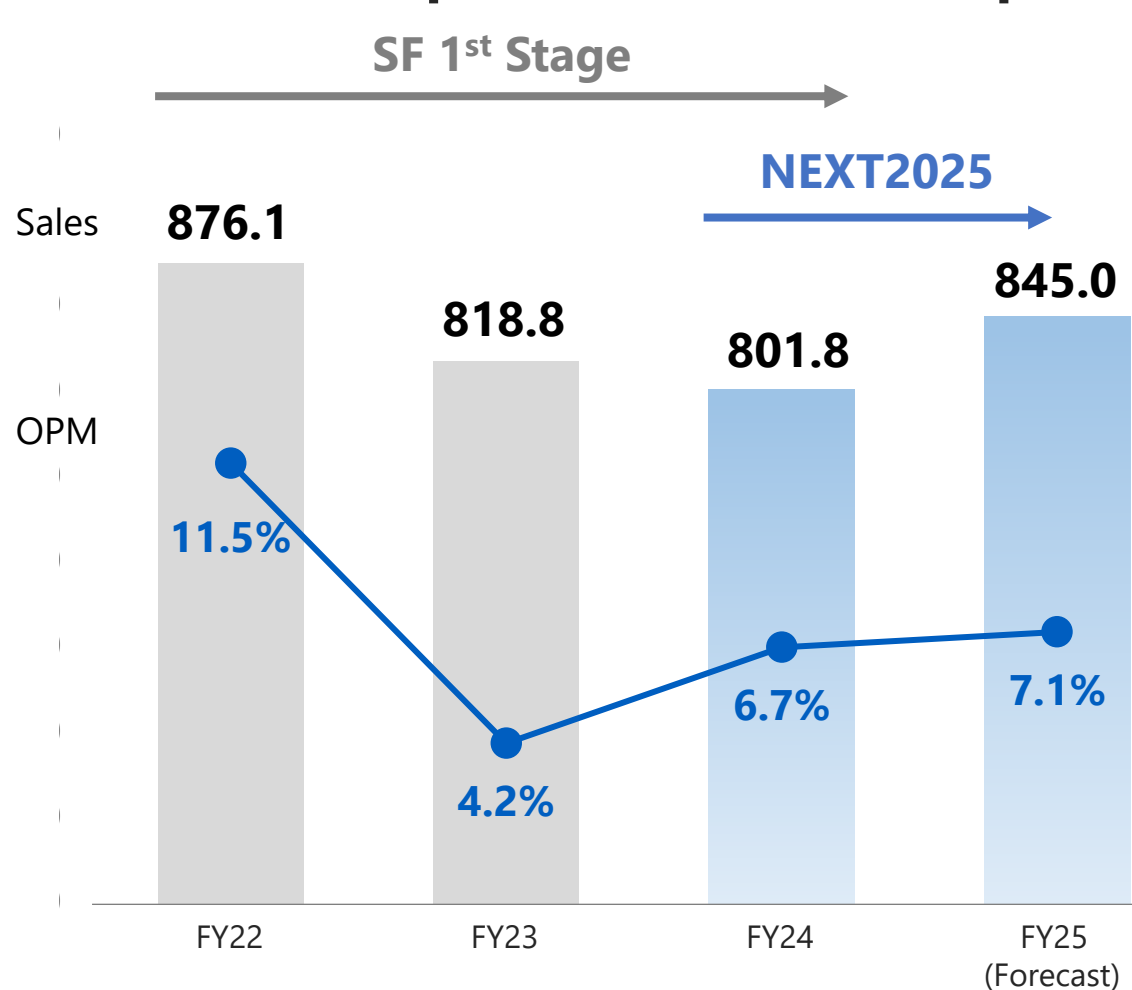
Full-year (Forecast)

¥104

3 . Review of Structural Reform Program “NEXT 2025”

Review of Structural Reform Program “NEXT 2025”

While progress has been made in rebuilding the earnings and growth foundation, full recovery remains a work in progress. Initiatives will be carried over into the next roadmap, with a focus on expanding results.



(¥bn)

	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Forecast
Sales	876.1	818.8	801.8	845.0
GPM	45.0%	42.3%	44.5%	44.2%
OP	100.7	34.3	54.0	60.0
OPM	11.5%	4.2%	6.7%	7.1%
ROIC	10.4%	1.0%	1.8%	Approx. 3%
ROE	10.6%	1.1%	2.1%	Approx. 3%
EPS	¥372.2	¥41.2	¥82.6	¥147.4

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Reference

Consolidated Balance Sheet

(¥ bn)

	End-Mar. 2025	End-Sep. 2025	Change (Y/Y)
Current assets	539.3	560.1	+20.8
(Cash and cash equivalents)	(149.0)	(160.6)	(+11.6)
(Inventory)	(173.0)	(192.9)	(+19.9)
Property, plant and equipment	135.1	137.2	+2.1
Investments and other assets	687.4	702.3	+14.9
Total assets	1,361.8	1,399.7	+37.9
Current liabilities	233.3	261.5	+28.2
Long-term liabilities	194.1	197.9	+3.8
Total Liabilities	427.4	459.4	+32.0
Shareholders' equity	771.9	777.8	+5.9
Noncontrolling interests	162.5	162.5	-0.1
Total net assets	934.4	940.3	+5.9
Total Liabilities and net assets	1,361.8	1,399.7	+37.9
Equity ratio	56.7%	55.6%	-1.1%pt

Consolidated Cash Flow Statement

(¥ bn)

	FY2024 H1 Actual	FY2025 H1 Actual	Change (Y/Y)
Operating cash flow	23.8	28.0	+4.1
Investment cash flow	-29.8	-27.5	+2.3
Free cash flow (FCF)	-5.9	0.5	+6.4
Financing cash flow	22.9	12.1	-10.8
Cash and cash equivalents as of end of period	161.3	160.6	-0.7
Capital expenditure *	22.2	23.0	+0.8
Depreciation	16.8	16.5	-0.3

* From the first quarter of fiscal year 2025, capital expenditures have been revised to reflect figures based on capital spending. In line with this change, historical data prior to fiscal year 2024 has also been retroactively adjusted.

FY2025 Forex Sensitivities and Assumptions

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

	Sensitivities		Assumptions
	Sales	OP	FY2025 H2 Assumptions
USD	Approx. ¥1.2 bn	Approx. ¥0.1 bn	¥145.0
EUR	Approx. ¥0.7 bn	Approx. ¥0.3 bn	¥165.0
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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