



Q1 FY2025 Earnings

August 6, 2025
OMRON Corporation

Summary

● Q1 Results

- Consolidated revenue and profit rose, despite the impact of cost increases due to U.S. tariff policies
- IAB achieved significant revenue and profit growth, driven by the optimization of distributor inventory as well as demand in semiconductors and secondary batteries
- DMB also saw an increase in revenue and profit supported by steady market conditions. In SSB, despite the impact from a high volume of projects in railway industry last year, steady growth in energy business resulted overall results remain flat Y/Y
- HCB experienced lower sales and profits due to the market slowdown in China and the impact of U.S. tariff policies

● Outlook for operating environment for Q2 and beyond

- Uncertainty in the business environment for Q2 and beyond persists due to U.S. tariff policies. The performance risk assumed at the beginning of the period remains unchanged
- In IAB, Initiatives for regrowth are progressing as planned
- In HCB, actions are underway on two fronts - enhancing competitiveness to expand sales and reinforcing profitability measures

1. Q1 FY2025 Results

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2. Outlook: Q2 and beyond

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1. Q1 FY2025 Results

Q1 Consolidated Results

Achieved Y/Y growth in both revenue and profit

(¥bn)

	FY2024 Q1 Actual	FY2025 Q1 Actual	Y/Y
Net Sales	183.7	189.5	+3.1%
Gross Profit	83.5	83.1	-0.5%
(%)	(45.4%)	(43.9%)	(-1.6%pt)
Operating Income	6.3	6.4	+1.7%
(%)	(3.4%)	(3.4%)	(-0.0%pt)
Net Income attributable to OMRON shareholders	-9.6	6.8	-
Average USD rate (JPY)	154.6	145.7	-9.0
Average EUR rate (JPY)	166.7	162.9	-3.8
Average CNY rate (JPY)	21.3	20.1	-1.2

Q1 Results by Segment

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

Sales				OP (¥bn)		
	FY2024 Q1 Actual	FY2025 Q1 Actual	Y/Y	FY2024 Q1 Actual	FY2025 Q1 Actual	Y/Y
IAB Industrial Automation	85.6	94.6	+10.5%	7.2 (8.4%)* ¹	10.9 (11.6%)	+52.8% (+3.2%pt)
HCB Healthcare	38.0	31.2	-17.9%	4.8 (12.5%)	1.4 (4.6%)	-69.7% (-7.9%pt)
SSB Social Systems, Solutions & Service	26.1	25.2	-3.5%	-0.1 -	-0.2 -	- -
DMB Device & Module Solutions	25.2	27.5	+9.0%	0.1 (0.2%)	0.4 (1.5%)	+714.7% (+1.3%pt)
DSB Data Solutions ^{*2}	8.4	10.6	+27.0%	-0.3 -	-0.1 -	- -
Include JMDC	8.4	10.7	+28.2%	1.0 (12.5%)	1.5 (14.2%)	+45.9% (+1.7%pt)
Eliminations & Corporate	0.4	0.3	-	-5.3	-6.1	-
Total	183.7	189.5	+3.1%	6.3 (3.4%)	6.4 (3.4%)	+1.7% (-0.0%pt)

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

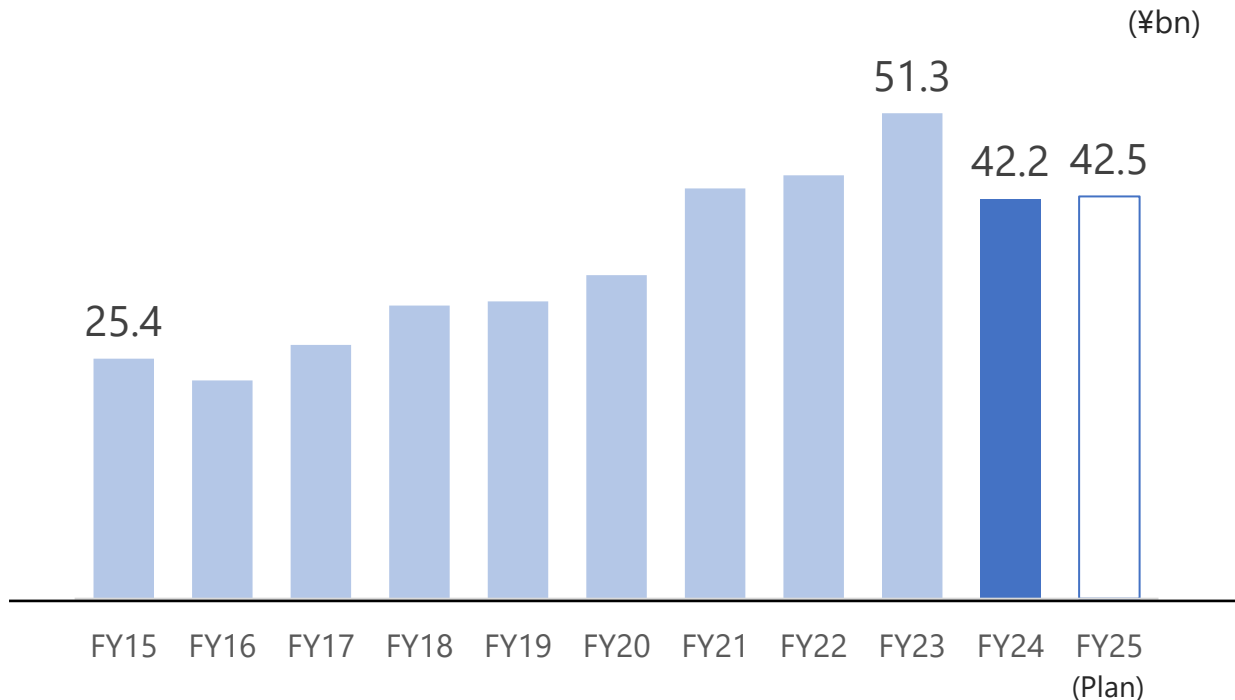
*2. DSB includes the financial results of JMDC, consolidation adjustments (the amortization of intangible assets other than goodwill associated with the consolidation, etc.) and other financial figures related to data business.

HCB: Background of Q1 Results

The impact of decreased demand due to stagnation in personal consumption and intensified competition has become apparent in China

Sales in China*

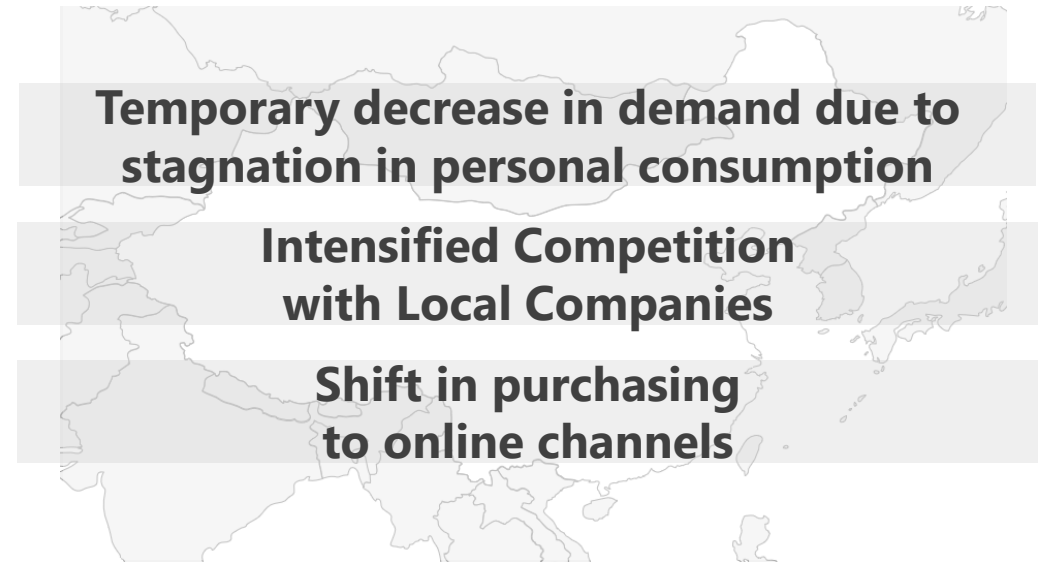
Sales in China have remained weak since FY24



*Including Taiwan and Hong Kong

Market Changes

In addition to the effects of the economic slowdown, the market structure is changing



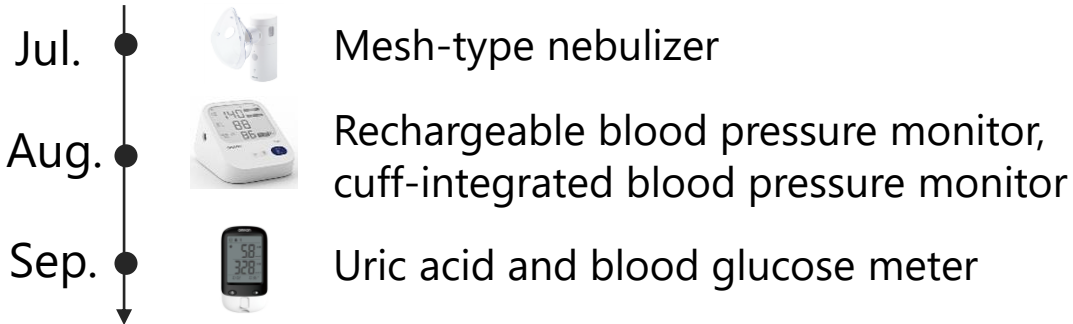
HCB: Strengthening competitiveness in the Chinese market

Strengthening competitiveness by focusing on enhancing product and optimizing channels

Enhancing Product Competitiveness

① Early market launch of competitive new products

New products in multiple categories will be released sequentially from July



② Strengthening cost competitiveness

Proceed with the review of procurement,
Reduce manufacturing costs by approximately 8%* (by FY25)

Sales Channel Optimization

① Optimization of domestic sales network in China

Reorganization of sales offices for retail stores (completed in June),
Shifting resources to online channels

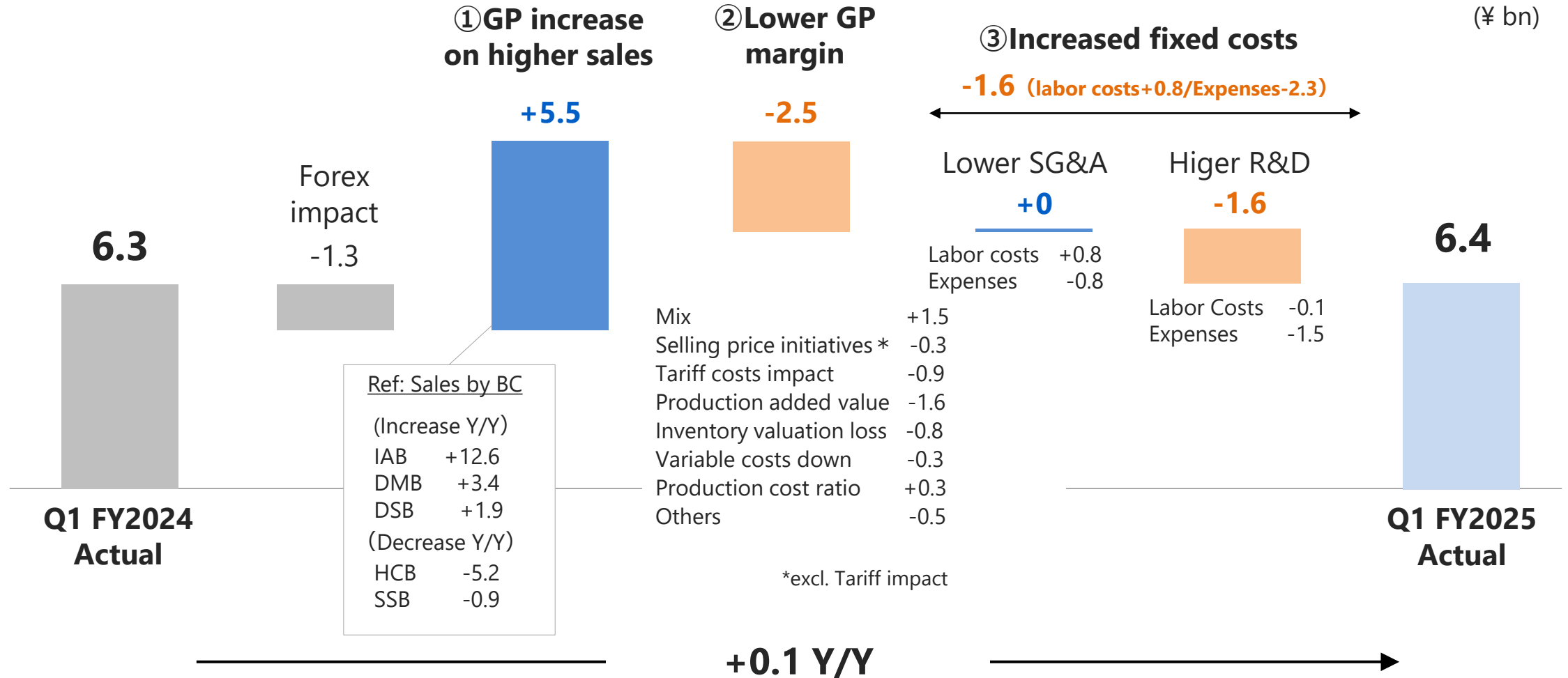
② Strengthening marketing

Running a campaign on a major e-commerce platform, Strengthening sales promotion centered on brand power and new products

*blood pressure monitor

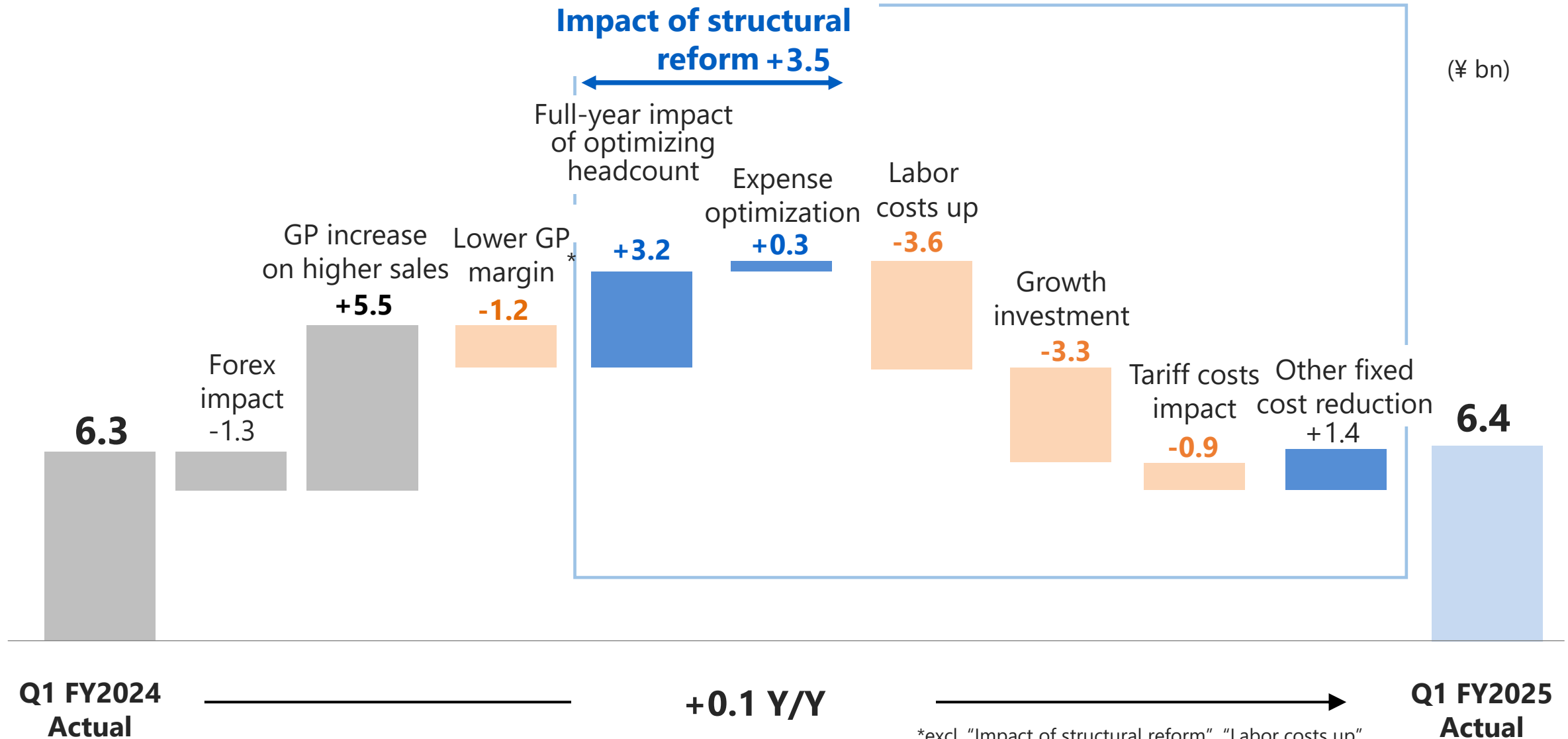
Q1 Results: Analysis of Change in Operating Income (Y/Y)

While GP increased significantly, mainly driven by higher sales in IAB, OP slightly increased due to a decline in gross profit margin caused by tariff impacts and increased investment in R&D.



Q1 Results: Analysis of Change in Operating Income by factor(Y/Y)

The impact of structural reforms was in line with expectations. Growth investments and tariff costs impact remained in line with the initial forecasts



2. Outlook: Q2 and beyond

Operating Environment: Q2 and beyond

**Uncertainty surrounding IAB, HCB and DMB persists amid U.S. tariff policies.
SSB and DSB remain in a stable business environment, in line with initial expectations**

IAB Industrial Automation	In line with the initial forecasts, flat compared to the previous year. Recognize the risk of temporary slowdown in new investments due to uncertainty over tariff policy developments
HCB Healthcare	In line with the initial forecasts, 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 U.S. tariff policy
SSB Social Systems, Solutions & Service	In line with the initial forecasts, a stable business environment continue Energy: 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
DMB Device & Module Solutions	In line with the initial forecasts, flat compared to the previous year. Recognize the risk of temporary slowdown in new investments due to uncertainty over tariff policy developments
DSB Data Solutions	In line with the initial forecasts, 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.

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

The tariff burden due to U.S. tariff policies has been reduced to ¥11.5 bn.
Minimizing profit impact through enhanced pricing strategies and supply chain resilience

	as of FY24 Q4	as of FY25 Q1
Amount of tariff burden	¥-16.0 bn	¥-11.5 bn
✓ IAB	¥-4.5 bn	¥-3.5 bn
✓ HCB	¥-5.0 bn	¥-3.0 bn
✓ DMB	¥-6.5 bn	¥-5.0 bn
Profit Impact Risk	¥0~¥-4.0bn	¥0~¥-4.0bn

【 FY24 Q4 Assumptions on Tariff Impact (as of 9, April)】

- Country-specific additional tariffs (products from China, Mexico, Canada)
- Item-specific additional tariffs (aluminum, steel, automobiles)
- Uniform additional tariffs of +10%,
- Increase of tariff rates on each country (impact if resumed after a 90-day suspension)

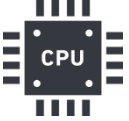
【FY25 Q1 Assumptions on Tariff Impact (as of 23, July)】

- 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%

IAB : Operating Environment Outlook

Although there are variations depending on area and industry, overall in line with the initial forecast globally.

While semiconductors continue to perform steadily, capital investment in EVs is expected to decrease due to tariff impacts.

Domains		Outlook for 2Q and beyond
	Digital	- In Semiconductors, AI-related demand has remained steady and investments aimed at domestic production in China are steadily progressing - The solar power generation system (PV) market continues to be oversupplied, resulting in a significant decline in investment demand
	NEV	- EV-related capital investment is expected to decline in Japan and South Korea due to the impact of tariffs - In line with the initial forecasts, Secondary batteries are expected to recover in China
	Food/ Household goods	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	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 *	Although there will be some variation depending on the area, the economic outlook is expected to be at the same level as last year

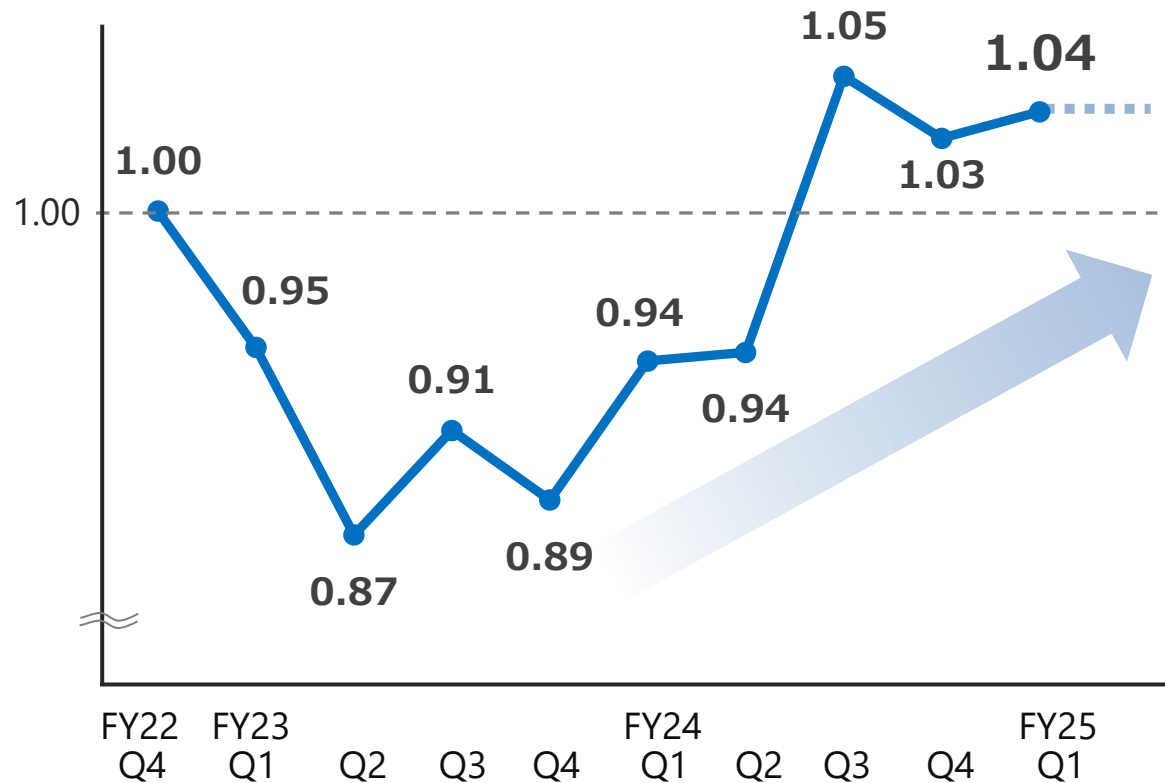
* All domains excluding Focus domains

IAB: Trend of Order Levels and Distributors Inventory Levels

The order level continues to show a recovery trend.

The effects of our initiatives have contributed to the recovery

Order levels (FY24 FX FCST rate base)



(Based on FY22 Q4)

Background of order trends

“Market factors”

Impact of order acceleration due to US tariff concerns

“Effect of our initiatives”

- **Recovery of the customer base through strengthening partnerships with distributors**
 - Optimization of distributor inventory through supply chain restructuring
 - Launch of competitive new products
- **Capture demand in the semiconductor and secondary battery markets**

IAB: Recovery of the customer base through strengthening partnerships with distributors

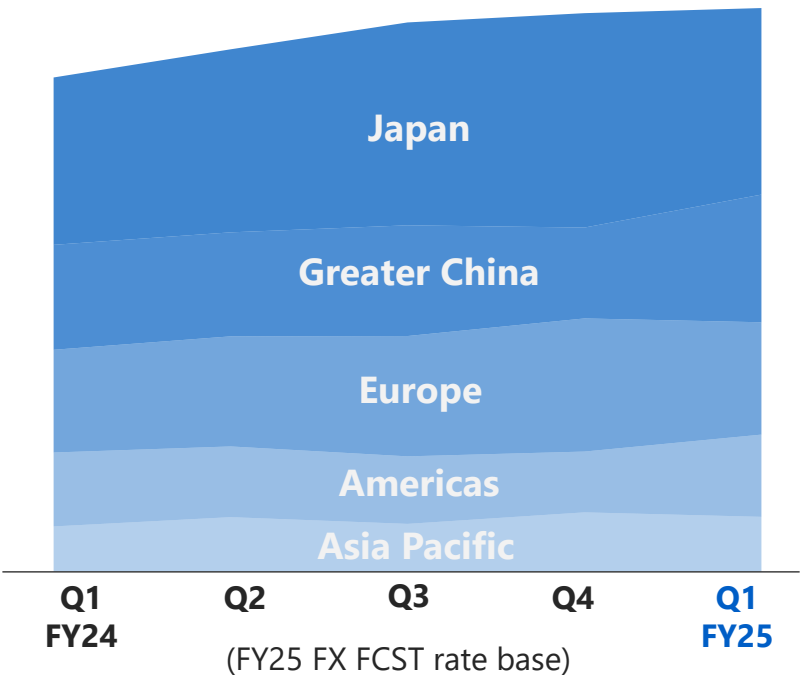
Sales in the “Other” industries have increased across all regions. The introduction of new products has advanced the strengthening of partnerships with distributors, leading to a steady recovery of the customer base

Sales in “Other” industries *

Sales up Y/Y across all regions
The customer base is steadily recovering

Sales In “Other” industries

FY25 Q1 Sales YoY

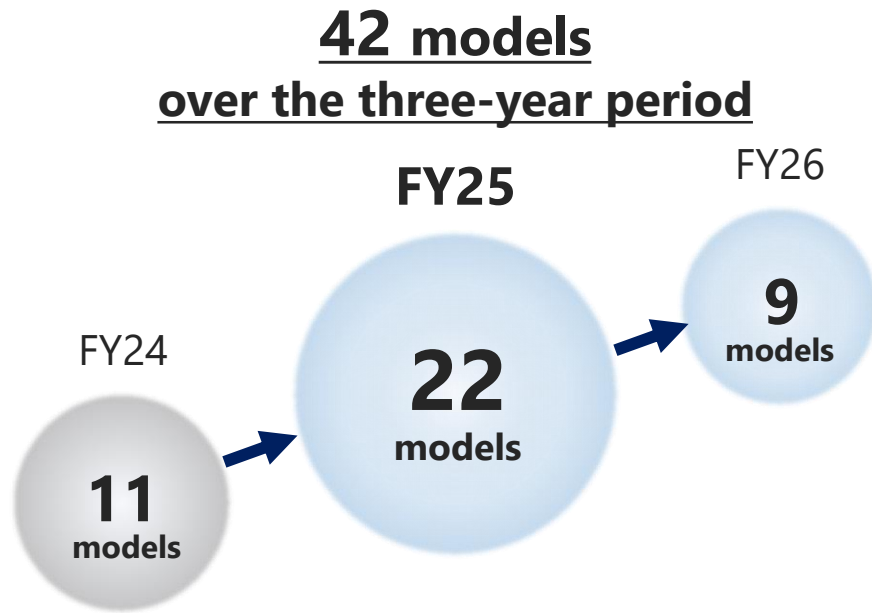


Global	+ 14%
Japan	+ 11%
Greater China	+ 22%
Europe	+ 9%
Americas	+ 11%
Asia Pacific	+ 21%

Progress on New Product Releases

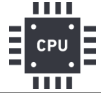
Five new models were released in Q1
R&D plans are progressing as scheduled

“New Product Release Plan for 2024–2026”



IAB: Capture demand in the semiconductor and secondary battery markets

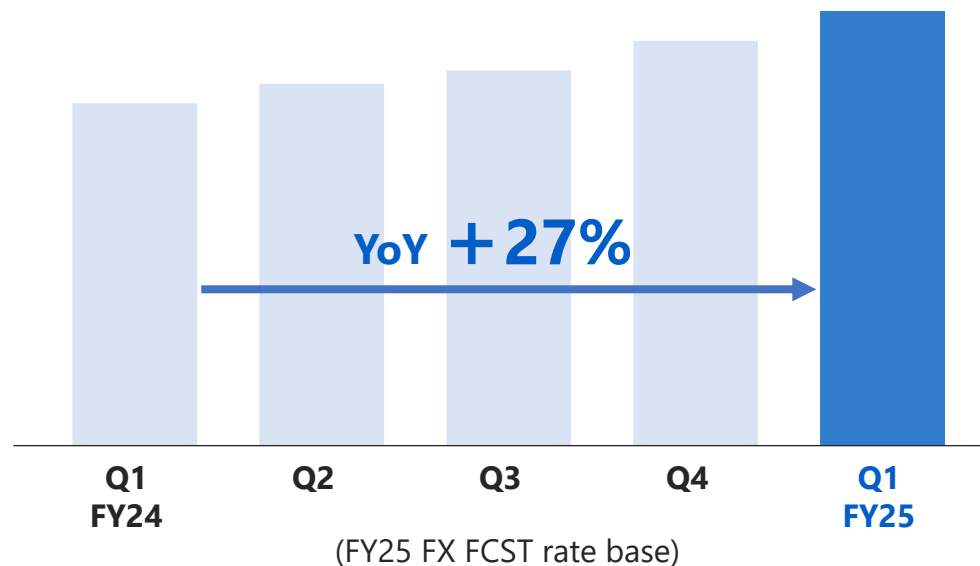
Capturing the recovering demand in the semiconductor and secondary battery sector, which require advanced control



Semiconductor Industry

Solutions effective for advanced semiconductor investments in Taiwan, South Korea, and localization demand in China. In particular, the adoption of Automated X-ray Inspection system (AXI) for advanced processes increased

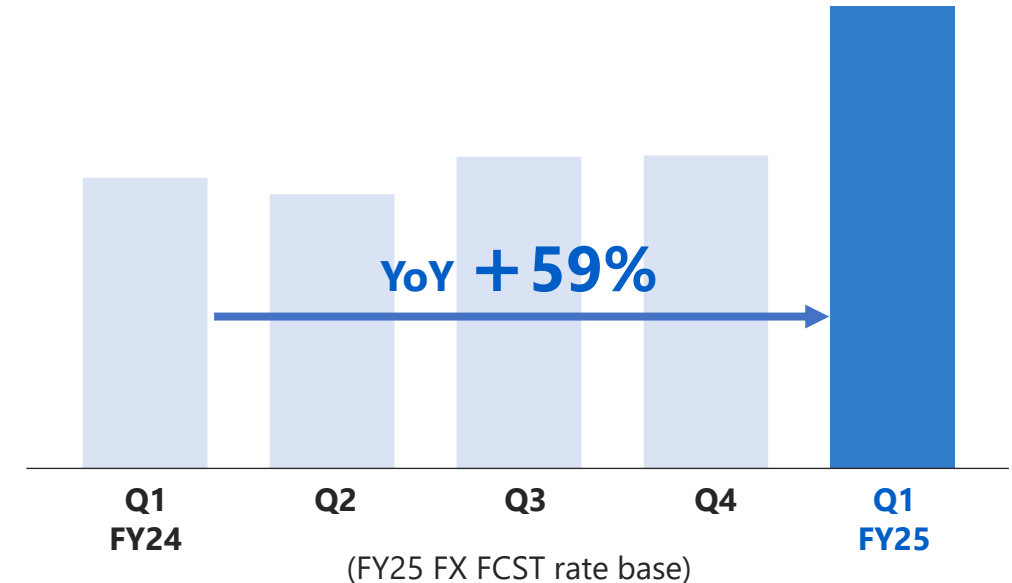
Sales in the semiconductor sector



Secondary Battery Industry

Capturing the expansion of capital investment by major Chinese manufacturers, with additional funding secured for satellite plants in Europe and Asia

Sales in the secondary battery sector



Forecasts: Consolidated Earnings

Due to continued uncertainty around U.S. tariff policies, Full-year forecasts unchanged

(¥ 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% (+0.2%pt)	+1.5% (-0.3%pt)
Operating Income (%)	54.0 (6.7%)	65.0 (7.8%)	56.0 (6.8%)	+20.3% (+1.0%pt)	+3.6% (+0.1%pt)
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

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Reference

Consolidated Balance Sheet

(¥ bn)

	End-Mar. 2025	End-Jun. 2025	Change (Y/Y)
Current assets	539.3	534.9	-4.4
(Cash and cash equivalents)	(149.0)	(156.9)	(+7.9)
(Inventory)	(173.0)	(181.8)	(+8.8)
Property, plant and equipment	135.1	135.2	+0.1
Investments and other assets	687.4	698.0	+10.6
Total assets	1,361.8	1,368.1	+6.3
Current liabilities	233.3	228.9	-4.4
Long-term liabilities	194.1	200.5	+6.4
Total Liabilities	427.4	429.4	+2.0
Shareholders' equity	771.9	776.9	+5.0
Noncontrolling interests	162.5	161.8	-0.7
Total net assets	934.4	938.7	+4.3
Total Liabilities and net assets	1,361.8	1,368.1	+6.3
Equity ratio	56.7%	56.8%	+0.1pt

Consolidated Cash Flow Statement

(¥ bn)

	FY2024 Q1 Actual	FY2025 Q1 Actual	Change (Y/Y)
Operating cash flow	5.5	13.1	+7.6
Investment cash flow	-13.6	-16.1	-2.6
Free cash flow (FCF)	-8.0	-3.0	+5.0
Financing cash flow	17.4	12.6	-4.8
Cash and cash equivalents as of end of period	163.8	156.9	-6.9
Capital expenditure *	10.6	11.1	+0.5
Depreciation	8.4	8.2	-0.2

* 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 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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