



Summary of Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2022 (U.S. GAAP)

January 28, 2022

OMRON Corporation (6645)

Exchanges Listed:	Tokyo (first section)
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Filing of Quarterly Securities Report (<i>Shihanki hokokusho</i>) (scheduled):	February 10, 2022
Start of Distribution of Dividends (scheduled):	—
Preparation of Supplementary Materials for the Quarterly Financial Results:	Yes
Holding of Presentation of Quarterly Financial Results:	Yes (Financial results presentation held via online streaming and teleconference for investors on January 28)

Note: This document has been translated from the Japanese original as a guide to non-Japanese investors and contains forward-looking statements that are based on managements' estimates, assumptions and projections at the time of publication. A number of factors could cause actual results to differ materially from expectations.

Note: Figures are rounded to the nearest million yen.

1. Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2022

(April 1, 2021 – December 31, 2021)

(1) Sales and Income (cumulative)

(Percentages represent changes compared with the same period of the previous fiscal year.)

	Net sales		Operating income		Income before income taxes		Net income attributable to shareholders	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended								
December 31, 2021	558,609	19.0	66,858	57.5	63,731	36.2	44,815	32.2
December 31, 2020	469,570	(5.8)	42,437	5.8	46,779	10.6	33,912	(52.2)

Note: Comprehensive income: Nine months ended December 31, 2021: JPY65,599 million (59.1% change);
Nine months ended December 31, 2020: JPY41,230 million (-46.8% change)

	Net income per share attributable to shareholders, basic	Net income per share attributable to shareholders, diluted
Nine months ended	Yen	Yen
December 31, 2021	222.53	—
December 31, 2020	168.13	—

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity	Shareholders' equity ratio
	Million yen	Million yen	Million yen	%
December 31, 2021	841,646	634,110	631,519	75.0
March 31, 2021	820,379	609,358	606,858	74.0

2. Dividends

	Dividends per share				
	First quarter-end	First half-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	—	42.00	—	42.00	84.00
Fiscal year ending March 31, 2022	—	46.00	—		
Fiscal year ending March 31, 2022 (projected)				46.00	92.00

Note: Revisions since the most recently announced dividend forecast: No

3. Projected Results for the Year Ending March 31, 2022 (April 1, 2021 – March 31, 2022)

(Percentages represent changes compared with the same period of the previous fiscal year.)

	Net sales		Operating income		Income before income taxes		Net income attributable to shareholders		Net income per share attributable to shareholders, basic
Full-year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	760,000	15.9	88,000	40.8	83,000	27.5	57,000	31.6	283.75

Note: Revisions since the most recently announced dividend forecast: Yes

For more, see 1. *Qualitative Information on Quarterly Financial Results* (2) *Description of Information on Outlook, Including Consolidated Performance Forecast* on P.5-6 of the attached materials.

*Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries due to changes in the scope of consolidation): No

New: - company (company name) Excluded: - company (company name)

(2) Application of simplified accounting methods and/or special accounting methods: No

(3) Changes in accounting policy

(a) Changes in accounting policy accompanying revision of accounting standards, etc.: Yes

(b) Changes in accounting policy other than (a) above: No

Note: For more, see 2. *Quarterly Consolidated Financial Statements and Notes* (4) *Notes Regarding Consolidated Financial Statements (Changes in Accounting Policies)* on P.12 in the attached materials.

(4) Number of shares issued and outstanding (common stock)

[1] Number of shares outstanding at period-end (including treasury stock)	December 31, 2021	206,244,872	Year ended March 31, 2021	206,244,872
[2] Treasury stock at period-end	December 31, 2021	7,052,828	Year ended March 31, 2021	4,574,294
[3] Average number of shares during the period (quarterly cumulative)	Nine months ended December 31, 2021	201,390,043	Nine months ended December 31, 2020	201,699,179

Note: As of the end of the consolidated first nine months of the fiscal year ending March 31, 2022, 606,434 shares of OMRON stock held for Board Incentive Plan and Employee Stock Ownership Plan are included in period-end treasury stock. The average number of shares during the period includes treasury stock deducted in the calculation of net income per share attributable to OMRON shareholders.

*Quarterly summaries of consolidated financial results are not subject to review by certified public accountants or audit corporations.

*Commentary Regarding Appropriate Use of Projections of Results and Other Matters

1. Projections of results and future developments 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, uncertainties and other factors could cause actual results to differ materially from these projections.

For the assumptions that form the basis of the projected results and appropriate use, see *1. Qualitative Information on Quarterly Financial Results (2) Description of Information on Outlook, Including Consolidated Performance Forecast* on P.5-6.

2. The Company applies the single step method for presentation of its Consolidated Financial Statements based on U.S. GAAP. However, to facilitate comparison with other companies, *operating income* on the Consolidated Statements of Operations is presented by subtracting *selling, general and administrative expenses* and *research and development expenses* from *gross profit*.

3. The Company plans to hold a presentation for investors and information session via online streaming and teleconference on Friday, January 28, 2022.

The following abbreviations of business segment names are used in the attached materials.

IAB: Industrial Automation Business

EMC: Electronic and Mechanical Components Business

SSB: Social Systems, Solutions and Service Business

HCB: Healthcare Business

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1. Qualitative Information on Quarterly Financial Results

(1) Description of Results of Operations

General Overview

The business environment surrounding the OMRON Group during the consolidated third quarter (October through December 2021) experienced strong demand from the digital industry, mainly in Greater China, Asia and the Americas. At the same time, investments related to carbon-neutral and plastic-free products expanded against the backdrop of social demands to protect the global environment. Further, the COVID-19 pandemic led to increased demand for home medical equipment as consumers gained a renewed appreciation of the importance of preventing serious lifestyle-related diseases. At the same time, supply chain disruptions continued, while the scope of parts shortages and the impact of soaring logistics costs were greater than expected.

Amid this business environment, the Industrial Automation Business continued to build on the ability to propose solutions, securing parts and responding to increased production to meet expanding demand for capital investment in semiconductors, electric vehicles, secondary batteries, and food packaging machinery. Our Healthcare Business responded to ongoing global expansion in demand for blood pressure monitors. Here, we strengthened promotions through our retail pharmacy and online channels, secured production capacity, and improved logistics to provide products to customers.

Although results were lower than forecast due to supply chain disruptions, sales for the cumulative consolidated third quarter rose significantly year on year. Gross profit margins improved year on year due to internal efforts to reduce variable costs, increase production efficiencies, etc., despite the negative impact of soaring prices for components and logistics costs. Operating income rose significantly year on year due to strong earning capacity and sales growth, areas we have developed over the years. Further, we recorded historic highs in operating income for any cumulative consolidated third quarter.

Consolidated results for the cumulative consolidated third quarter of fiscal 2021 were as follows.

(Billions of yen, except exchange rate data and percentages)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021	Change
Net sales	469.6	558.6	+19.0%
Gross profit [% of net sales]	213.9 [45.6%]	256.4 [45.9%]	+19.8% [+0.3%pt]
Operating income [% of net sales]	42.4 [9.0%]	66.9 [12.0%]	+57.5% [+2.9%pt]
Income before income taxes	46.8	63.7	+36.2%
Net income attributable to OMRON shareholders	33.9	44.8	+32.2%
Average USD exchange rate (Yen)	106.2	111.0	+4.8
Average EUR exchange rate (Yen)	121.8	130.8	+9.0
Average RMB exchange rate (Yen)	15.3	17.2	+1.9

Results by Business Segment

IAB (Industrial Automation Business)

(Billions of yen, %)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021	Change
Sales to external customers	252.9	321.3	+27.1%
Operating income	41.9	59.3	+41.5%

Sales

Demand for capital investment rose in the manufacturing industry in all areas of the globe. Demand for secondary batteries and semiconductor-related capital investment in the digital industry expanded, particularly in Greater China, Asia, and the Americas. Further, demand from Japanese equipment manufacturers rose in conjunction with this increase in investments. At the same time, demand for capital investment related to electric vehicles increased in the automobile industry. The food and daily goods industry experienced firm capital investment, mainly in Europe where packaging equipment and other capital investment was firm. As a result, sales increased significantly year on year, despite lower-than-expected parts procurement volume due to supply chain disruptions.

Operating Income

Operating income increased significantly year on year, mainly due to the large increase in sales.

EMC (Electronic and Mechanical Components Business)

(Billions of yen, %)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021	Change
Sales to external customers	61.8	78.5	+26.9%
Operating income	1.5	6.8	+343.4%

Sales

Demand continued to grow, focused mainly in the consumer industry. In particular, demand remained strong in our focus industries, including home appliances, housing equipment, and power tools. Despite emerging from the impact of the COVID-19 pandemic lockdowns last year, demand for automotive components experienced a moderate recovery due to semiconductor shortages among customers. As a result, sales increased significantly year on year.

Operating Income

Operating income rose significantly year on year due to the large increase in sales, improved added value, and our efforts in restructuring.

SSB (Social Systems, Solutions and Service Business)

(Billions of yen, %)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021	Change
Sales to external customers	58.6	55.2	-5.8%
Operating income (loss)	(0.6)	(0.9)	—

Sales

The Public Transportation System Business experienced the impact of ongoing restrained investment by customers owing to the prolonged effects of the COVID-19 pandemic. Our Energy Solutions Business saw significant growth in sales of storage battery systems as we endeavored to secure components to meet the growing demand for carbon-neutral businesses and disaster prevention and mitigation. As a result, sales were lower year on year.

Operating Income

Despite our efforts to increase added value and improve productivity, operating income declined year on year due to the decrease in sales and the impact of foreign exchange rates on parts purchased from overseas.

HCB (Healthcare Business)

(Billions of yen, %)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021	Change
Sales to external customers	92.5	101.1	+9.3%
Operating income	16.9	16.2	-4.3%

Sales

Demand for blood pressure monitors continued to grow globally with increased awareness of the need to prevent serious lifestyle-related diseases from the COVID-19 pandemic. At the same time, demand for nebulizers began to recover. On the other hand, domestic demand for thermometers declined as COVID-19 vaccinations became more widespread. While third quarter product supply volume was lower than expected due to factory operation restrictions and supply chain disruptions caused by COVID-19, we captured related demand steadily through our retail pharmacy and online channels.

Operating Income

Operating income decreased year on year due to factors including soaring prices for parts and distribution costs.

(2) Description of Information on Outlook, Including Consolidated Performance Forecast

We expect the business environment surrounding our group to experience ongoing strong capital investment through the fourth quarter, driven mainly by the digital industry. In addition, needs for the prevention of serious lifestyle-related diseases and carbon neutral businesses should continue to rise. On the other hand, the scope of parts shortages is expanding, while parts prices and logistics expenses are soaring. We expect the impact of these factors on Group performance to increase over previous forecasts. In light of these circumstances, we have revised our full-year forecast downward as shown in the table below.

We expect the Industrial Automation Business (IAB) to record lower sales and operating income than forecast previously due to the impact of parts shortages, despite our projections that capital investment demand will continue to be strong for semiconductors, electric vehicles, secondary batteries, and food packaging machinery. Electronic and Mechanical Components Business (EMC) sales should remain unchanged from our previous forecast. However, we expect operating income to increase compared to our previous forecast, driven by improved value-added products and other factors. Although we expect Social Systems, Solutions and Service Business (SSB) operating income to increase year on year due to a recovery in demand for storage battery systems and improved added value, we forecast sales and operating income to be lower than our previous forecast, stemming from ongoing restraints in investment in the railroad industry. We forecast Healthcare Business (HCB) sales and operating income to underperform our previous forecast. Although, we expect to see ongoing firm demand for blood pressure monitors globally, supply chain disruptions, as well as soaring parts prices and logistics costs, are likely to hamper performance.

Although full-year Group performance will be lower than our previous forecast, we expect to achieve a significant increase in sales and profits compared to the previous fiscal year, reaching record highs in operating income, as we accurately capture growth opportunities stemming from changes in society.

Projected Consolidated Performance

(Billions of yen, %, Yen)

	Previous forecast	Revised forecast	Change in forecast [%]	(Reference) Actual results for the prior fiscal year ended March 31, 2021	(Reference) Year-on-year change
Net sales	780.0	760.0	-20.0 [-2.6%]	655.5	+15.9%
Gross profit %	46.3%	45.7%	-0.6%pt	45.5%	[+0.1%pt]
Operating income	98.0	88.0	-10.0 [-10.2%]	62.5	+40.8%
Income before income taxes	94.0	83.0	-11.0 [-11.7%]	65.1	+27.5%
Net income attributable to OMRON shareholders	65.5	57.0	-8.5 [-13.0%]	43.3	+31.6%
Net income per share attributable to OMRON shareholders (Yen)	324.58	283.75	-40.83	214.72	[+69.03]
Average USD exchange rate (Yen)	108.9	111.5	+2.5	105.8	+5.7
Average EUR exchange rate (Yen)	129.5	130.6	+1.1	123.2	+7.5
Average RMB exchange rate (Yen)	16.7	17.4	+0.6	15.5	+1.8

Note: Full-year average rate is based on historical rates through the third quarter and assumed foreign exchange rates for the fourth quarter (USD1=JPY113; EUR1=JPY130; RMB1=JPY17.8).

Forecasts by Business Segment

(Billions of yen, %)

		Previous forecast	Revised forecast	Change in forecast [%]	(Reference) Actual results for the prior fiscal year ended March 31, 2021	(Reference) Year-on-year change
IAB	Sales to external customers	443.0	430.0	-13.0 [-2.9%]	346.4	+24.1%
	Operating income (loss)	87.0	79.0	-8.0 [-9.2%]	58.8	+34.4%
EMC	Sales to external customers	103.0	103.0	- -	86.0	+19.7%
	Operating income (loss)	7.5	8.0	+0.5 [+6.7%]	3.0	+170.1%
SSB	Sales to external customers	92.0	90.0	-2.0 [-2.2%]	95.7	-5.9%
	Operating income (loss)	7.0	6.5	-0.5 [-7.1%]	5.7	+14.2%
HCB	Sales to external customers	140.0	134.0	-6.0 [-4.3%]	123.1	+8.9%
	Operating income (loss)	22.5	19.5	-3.0 [-13.3%]	20.6	-5.2%
Eliminations & Corporate	Sales to external customers	2.0	3.0	+1.0 -	4.3	-
	Operating income (loss)	(26.0)	(25.0)	+1.0 -	(25.5)	-
Consolidated	Sales to external customers	780.0	760.0	-20.0 [-2.6%]	655.5	+15.9%
	Operating income (loss)	98.0	88.0	-10.0 [-10.2%]	62.5	+40.8%

Note: Beginning with the prior consolidated fiscal year, the OMRON Group has changed our depreciation method related to property, plant and equipment from the declining balance method to the straight-line method for the Company and our domestic consolidated subsidiaries. This change resulted in a decrease in operating expense (total JPY2,120 million, consisting of JPY427 million under the IAB, JPY418 million under the EMC, JPY370 million under the SSB, JPY311 million under the HCB, and JPY594 million under Eliminations & Corporate) when applied to the prior fiscal year (ended March 31, 2021). Rather than allocate these amounts to each segment, we have posted the entire JPY2,120 million to Eliminations & Corporate. This change has been reflected in the previous and revised forecasts for each segment.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2021		As of December 31, 2021	
		%		%
ASSETS				
Current assets:	514,432	62.7	532,144	63.2
Cash and cash equivalents	250,755		235,241	
Notes and accounts receivable-trade	135,161		132,519	
Allowance for doubtful receivables	(756)		(828)	
Inventories	103,265		133,132	
Other current assets	26,007		32,080	
Property, plant and equipment:	113,028	13.8	114,698	13.6
Land	19,778		20,891	
Buildings	124,404		125,329	
Machinery and equipment	153,142		159,831	
Construction in progress	3,281		5,596	
Accumulated depreciation	(187,577)		(196,949)	
Investments and other assets:	192,919	23.5	194,804	23.2
Right-of-use assets under operating leases	38,153		35,267	
Goodwill	39,160		37,363	
Investments in and advances to affiliates	13,159		12,386	
Investment securities	33,423		41,586	
Leasehold deposits	7,675		7,636	
Prepaid benefit cost	6,736		9,448	
Deferred income taxes	24,179		17,804	
Other assets	30,434		33,314	
Total assets	820,379	100.0	841,646	100.0

(Millions of yen)

	As of March 31, 2021		As of December 31, 2021	
		%		%
LIABILITIES				
Current liabilities	161,370	19.7	163,327	19.4
Notes and accounts payable-trade	69,561		80,996	
Accrued expenses	44,441		38,074	
Income taxes payable	3,504		4,208	
Short-term operating lease liabilities	11,179		10,626	
Other current liabilities	32,685		29,423	
Deferred income taxes	1,671	0.2	2,032	0.2
Termination and retirement benefits	7,598	0.9	6,587	0.8
Long-term operating lease liabilities	27,709	3.4	24,961	3.0
Other long-term liabilities	12,673	1.5	10,629	1.3
Total liabilities	211,021	25.7	207,536	24.7
NET ASSETS				
Shareholders' equity	606,858	74.0	631,519	75.0
Common stock	64,100	7.8	64,100	7.6
Capital surplus	101,403	12.4	100,127	11.9
Legal reserve	22,931	2.8	24,503	2.9
Retained earnings	476,185	58.0	510,143	60.6
Accumulated other comprehensive income (loss)	(32,945)	(4.0)	(12,755)	(1.5)
Foreign currency translation adjustments	(8,096)		9,691	
Pension liability adjustments	(24,567)		(22,242)	
Net gains (losses) on derivative instruments	(282)		(204)	
Treasury stock	(24,816)	(3.0)	(54,599)	(6.5)
Noncontrolling interests	2,500	0.3	2,591	0.3
Total net assets	609,358	74.3	634,110	75.3
Total liabilities and net assets	820,379	100.0	841,646	100.0

(2) Quarterly Consolidated Statements of Operations and Quarterly Consolidated Statements of Comprehensive Income

(Quarterly Consolidated Statements of Operations)

(Nine months ended December 31, 2021)

(Millions of yen)

	Nine months ended December 31, 2020		Nine months ended December 31, 2021	
		%		%
Net sales	469,570	100.0	558,609	100.0
Cost of sales	255,622	54.4	302,227	54.1
Gross profit	213,948	45.6	256,382	45.9
Selling, general and administrative expenses	139,925	29.9	156,467	28.0
Research and development expenses	31,586	6.7	33,057	5.9
Operating income	42,437	9.0	66,858	12.0
Other expenses (income), net	(4,342)	(1.0)	3,127	0.6
Income before income taxes	46,779	10.0	63,731	11.4
Income taxes	13,101	2.8	17,139	3.1
Equity in loss (earnings) of affiliates	(716)	(0.1)	1,209	0.2
Net income	34,394	7.3	45,383	8.1
Net income attributable to noncontrolling interests	482	0.1	568	0.1
Net income attributable to OMRON shareholders	33,912	7.2	44,815	8.0

Note: *Other expenses (income), net* includes impairment loss of JPY3,384 million in related to NS Industria de Aparelhos Medicos LTDA. in Brazil, as disclosed in *Notice Regarding Non-Consolidated Loss on Valuation of Stocks of Affiliates* published today. NS Industria de Aparelhos Medicos LTDA. was acquired under our Healthcare Business.

(Quarterly Consolidated Statements of Comprehensive Income)**(Nine months ended December 31, 2021)**

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net income	34,394	45,383
Other comprehensive income (loss), net of tax		
Foreign currency translation adjustments	4,947	17,813
Pension liability adjustments	2,185	2,325
Net gains (losses) on derivative instruments	(296)	78
Other comprehensive income (loss)	6,836	20,216
Comprehensive income	41,230	65,599
(Breakdown)		
Comprehensive income attributable to noncontrolling interests	556	594
Comprehensive income attributable to OMRON shareholders	40,674	65,005

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2020		Nine months ended December 31, 2021	
I Operating Activities:				
1. Net income		34,394		45,383
2. Adjustments to reconcile net income to net cash provided by operating activities:				
(1) Depreciation and amortization	17,158		17,355	
(2) Decrease in notes and accounts receivable — trade	19,341		5,447	
(3) Increase in inventories	(3,547)		(27,419)	
(4) Increase (decrease) in notes and accounts payable — trade	(3,770)		8,834	
(5) Others, net	(965)	28,217	(2,288)	1,929
Net cash provided by operating activities		62,611		47,312
II Investing Activities:				
1. Purchases of investment securities		(828)		(4,271)
2. Capital expenditures		(16,254)		(19,553)
3. Proceeds from sale of property, plant and equipment		1,963		456
4. Others, net		(2,540)		(607)
Net cash used in investing activities		(17,659)		(23,975)
(Reference) Free cash flows		44,952		23,337
III Financing Activities:				
1. Net decrease in net borrowings of short-term debt		(1,582)		—
2. Dividends paid by the Company		(16,952)		(17,754)
3. Acquisition of treasury stock		(1,463)		(31,422)
4. Others, net		(395)		(437)
Net cash used in financing activities		(20,392)		(49,613)
Effect of Exchange Rate Changes on Cash and Cash Equivalents		1,349		10,762
Net Increase in Cash and Cash Equivalents		25,909		(15,514)
Cash and Cash Equivalents at Beginning of the Period		185,533		250,755
Cash and Cash Equivalents at End of the Period		211,442		235,241

Note: Free cash flow is cash flow from operating activities plus cash flow from investing activities.

(4) Notes Regarding Consolidated Financial Statements

(Notes Regarding Assumptions of Going Concern)

None applicable

(Notes in the Event of Significant Changes in Shareholders' Equity)

None applicable

(Changes in Accounting Policies)

For the current consolidated fiscal year, OMRON elected for the early adoption of FASB Accounting Standards Update No.2017-04, *Simplifying the Test for Goodwill Impairment*. This Accounting Standards Update eliminates step 2 of the two-step test previously required for goodwill impairment testing, and requires that if the carrying amount of a reporting unit exceeds its fair value, the excess of the carrying amount over the fair value of the reporting unit shall be recognized as an impairment loss, up to the amount of the total goodwill allocated to the reporting unit. The adoption of this accounting standards update has no impact on OMRON or our subsidiaries.

(Segment Information)**Business Segment Information**

(Millions of yen)

		Nine months ended December 31, 2020	Nine months ended December 31, 2021	Year-on-year change
IAB	Sales to external customers	252,886	321,326	127.1%
	Intersegment sales	3,511	4,768	135.8%
	Total net sales	256,397	326,094	127.2%
	Operating expenses	214,514	266,841	124.4%
	Operating income (loss)	41,883	59,253	141.5%
EMC	Sales to external customers	61,831	78,472	126.9%
	Intersegment sales	31,350	39,832	127.1%
	Total net sales	93,181	118,304	127.0%
	Operating expenses	91,641	111,476	121.6%
	Operating income (loss)	1,540	6,828	443.4%
SSB	Sales to external customers	58,634	55,234	94.2%
	Intersegment sales	5,879	7,275	123.7%
	Total net sales	64,513	62,509	96.9%
	Operating expenses	65,149	63,421	97.3%
	Operating income (loss)	(636)	(912)	—
HCB	Sales to external customers	92,474	101,057	109.3%
	Intersegment sales	228	104	45.6%
	Total net sales	92,702	101,161	109.1%
	Operating expenses	75,769	84,951	112.1%
	Operating income (loss)	16,933	16,210	95.7%
Eliminations & Corporate	Sales to external customers	3,745	2,520	67.3%
	Intersegment sales	(40,968)	(51,979)	—
	Total net sales	(37,223)	(49,459)	—
	Operating expenses	(19,940)	(34,938)	—
	Operating income (loss)	(17,283)	(14,521)	—
Consolidated	Sales to external customers	469,570	558,609	119.0%
	Intersegment sales	—	—	—
	Total net sales	469,570	558,609	119.0%
	Operating expenses	427,133	491,751	115.1%
	Operating income (loss)	42,437	66,858	157.5%

Note: Beginning with the prior consolidated fiscal year, the OMRON Group has changed our depreciation method related to property, plant and equipment from the declining balance method to the straight-line method for the Company and our domestic consolidated subsidiaries. This change resulted in a decrease in operating expense (total of JPY 1,461 million, consisting of JPY297 million under the IAB, JPY277 million under the EMC, JPY226 million under the SSB, JPY222 million under the HCB, and JPY439 million under Eliminations & Corporate) for the cumulative consolidated third quarter of the fiscal year ended March 31, 2021. Rather than allocate these amounts to each segment, we have posted the entire JPY1,461 million to Eliminations & Corporate. This change has been reflected under each business segment for the cumulative consolidated third quarter of the fiscal year ending March 31, 2022.

Sales by Geographical Region

(Millions of yen)

		Nine months ended December 31, 2020	Nine months ended December 31, 2021	Year-on-year change
IAB	Japan	91,114	109,261	119.9%
	Americas	20,615	27,003	131.0%
	Europe	46,186	61,003	132.1%
	Greater China	66,406	90,098	135.7%
	Southeast Asia and Others	28,505	33,940	119.1%
	Direct Exports	60	21	35.0%
	Total	252,886	321,326	127.1%
EMC	Japan	14,928	16,340	109.5%
	Americas	8,906	12,033	135.1%
	Europe	8,988	11,485	127.8%
	Greater China	21,210	27,480	129.6%
	Southeast Asia and Others	7,706	11,023	143.0%
	Direct Exports	93	111	119.4%
	Total	61,831	78,472	126.9%
SSB	Japan	58,447	55,119	94.3%
	Americas	—	—	—
	Europe	—	—	—
	Greater China	157	77	49.0%
	Southeast Asia and Others	—	—	—
	Direct Exports	30	38	126.7%
	Total	58,634	55,234	94.2%
HCB	Japan	21,871	21,023	96.1%
	Americas	17,807	17,871	100.4%
	Europe	16,488	16,139	97.9%
	Greater China	26,546	34,322	129.3%
	Southeast Asia and Others	9,442	11,350	120.2%
	Direct Exports	320	352	110.0%
	Total	92,474	101,057	109.3%
Eliminations & Corporate	Japan	3,392	2,520	74.3%
	Americas	—	—	—
	Europe	—	—	—
	Greater China	341	—	—
	Southeast Asia and Others	—	—	—
	Direct Exports	12	0	—
	Total	3,745	2,520	67.3%
Consolidated	Japan	189,752	204,263	107.6%
	Americas	47,328	56,907	120.2%
	Europe	71,662	88,627	123.7%
	Greater China	114,660	151,977	132.5%
	Southeast Asia and Others	45,653	56,313	123.4%
	Direct Exports	515	522	101.4%
	Total	469,570	558,609	119.0%

Note: Major countries or regions belonging to segments other than Japan are as follows:

- (1) Americas: United States of America, Canada, Brazil
- (2) Europe: Netherlands, Great Britain, Germany, France, Italy, Spain
- (3) Greater China: China, Hong Kong, Taiwan
- (4) Southeast Asia and Others: Singapore, Republic of Korea, India, Australia
- (5) Direct Exports: Direct export transactions