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Carlyle to Acquire Majority Share of Omron's DMB Segment

With the anticipation of driving Omron's next major growth phase, in March of 2026, it was announced that sometime around the first of July 2026, Omron would complete the spin-off of their Devices & Module Solutions Business (DMB). This division, which was responsible for the "manufacturing and sales of relays, switches, and **connectors** for customers in a wide range of industries including EV/mobility, energy infrastructure, home appliances, and industrial equipment", had sales of 105.4 billion yen ($696 million) in 2024, a decrease of approximately -7.9% year-over-year. According to the most recent published information, connectors accounted for approximately 4% of this business. Based on this, in March of 2026, it was approved that the DMB business via an absorption-type company split would be transferred to OMRON Devices Co., Ltd, a subsidiary. All shares of OMRON Devices Co., Ltd would then be transferred to TTCG2602 Co., Ltd, a wholly owned subsidiary of TCG2601 Co., Ltd., which was established by The Carlyle Group, a global private equity investment firm.

Renaming the DMB business to Aratas, the two companies, TCG2601 and TCG2602 were set up to purchase the DMB business from Omron for approximately 82 billion yen (approximately $540 million), with the absorption type split taking effect in July of 2026. An absorption-type split as explained by Omron, allows "shares and assets related to DMB held by the Company to [will] be transferred to the successor company. In addition, shares, interests, assets, etc. related to DMB held by Omron's [our] group companies in each overseas country and region are also scheduled to be transferred to the Succession Company or the overseas subsidiary where the Succession Company or the Company is scheduled to be established.

Omron plans "to implement the share transfer on October 1st, subject to the completion of the necessary clearances, permits, approvals, and other acquisitions of the Shares in accordance with competition laws and regulations in Japan and overseas". The deal gives Carlyle a 95% stake in the newly spun-off company, Aratas Corporation, with OMRON retaining a 5% minority.

According to Omron, the DMB business segment has "achieved solid growth over a long period of time, but recently it has faced a major change in the business environment". Competition, especially from regions like China has created an atmosphere, where it becomes "necessary to expand business speed and investment more than ever". Omron feels that by transferring the business to Carlyle, will create an optimal growth environment for DMB, while at the same time enabling them to accelerate the restructuring of their business portfolio in the SF 2nd Stage, the Medium-Term Business Roadmap announced in November 2025. In other words, Omron will be able to further concentrate their investments in the development of their business portfolio in the Device Business (IA) and the Data Services Business (Data Services). The role of president and CEO of Aratas will be filled by Masahiko Ezaki, who currently is the Managing Executive Officer and President of the Device & Module Solutions Company. It was stated that "Carlyle will work closely with the management team of the Device & Module Solutions business to enhance the speed of operations under an independent management structure and accelerate the transformation into a standalone operating business". For additional information on this spin-off, please visit https://www.omron.com/global/en/news/ or https://www.carlyle.com/media-room/news-release-archive/carlyle-announces-strategic-partnership-omron%E2%80%99s-device-module.