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## *Think Automation and beyond...*

We make the point of contact, where people interface with machines, easy, safe and secure. We create new possibilities.

IDEC celebrated its 70th anniversary in November of 2015. Your support and dedication contributed greatly to our success during many of those 70 years. Since its founding, IDEC has developed and introduced to the world numerous products and services centered on its control technology. Today, our products are used not only in factories, but in a wide range of settings in people's everyday lives where customers desire safety, ease of use, reliability and a smaller environmental footprint.

One of our corporate principles is to conduct business with consideration for social contribution. Guided by this principle, IDEC Group members are free from traditional and conventional ways of thinking or doing, and encouraged to constantly improve themselves

by broadening their knowledge and working hard toward progress. They never forget the basic objective of valuing customers' perspectives and responding to them by providing solid technology. I am certain that having such individuals in the company creates a path toward social contribution and new opportunities, raising the IDEC Group to a higher status as a preferred supplier and demonstrating our value to customers.

We are committed to making the point of contact where people interface with machines easy, safe and secure, while creating new possibilities beyond that point. The IDEC Group continues its efforts to brighten the future of manufacturing and our lives as we move into the centennial of IDEC's existence.

# Capitalizing on its technologies, IDEC offers solutions for diverse social needs.



## Performance for fiscal year 2016

In addition to the sales increases in operating switches, enabling switches and other industrial and safety products, the expansion of the new auto-ID (automatic-identification) business sector contributed to overall domestic sales of ¥27,579 million (up 4.0% from previous year). As for total overseas sales, increases in sales of operating switches and small PLCs in North America and safety products in China helped to achieve ¥15,888 million (up 1.6% from previous year). As a result, consolidated sales and operating income was ¥43,468 million (up 3.1% from previous year) and ¥3,176 million (up 9.1% from previous year), while the operating income margin was 7.3%. The total per-share dividend payment for the year was ¥36 and the DOE (dividends on equity) was 3.5%.

## Business strategies for future growth

The IDEC Group strives to increase sales and profit in established business segments, while expanding its new environmental and renewable energy fields.

For our established segments we are strengthening customer-focused solutions. At the same time we are targeting growing sectors worldwide by building strategic partnerships through mergers and acquisitions to obtain technologies, products, sales channels and other resources required by customers.

Leveraging our core technology-based products and systems in new business sectors, we are expanding our renewable energy enterprise in response to high social demand, increasing sales in auto-ID devices, providing agricultural

solutions and commercializing fine bubble generation technology.

Following our corporate mission of “making contributions to society through business,” we continue our efforts to maximize the company’s value, profit and dividends by responding to the needs of society.

In closing, I would like to thank each and every person associated with the IDEC Group and ask for continued support and guidance.

**Toshi K. Funaki**  
Chairman and  
Chief Executive Officer

Financial Highlights **Increases in sales and profit achieved through strong growth in industrial control and safety products.**

Net sales **43,468** million yen  
Year-on-year up **3.1%**

Operating income **3,176** million yen  
Year-on-year up **9.1%**

Domestic net sales **27,579** million yen  
Year-on-year up **4.0%**

Overseas net sales **15,888** million yen  
Year-on-year up **1.6%**

