

Our Strategy

Pursue growth by delivering products and services that satisfy market needs under our “local manufacture for local consumption” policy.

While IDEC’s business environment is difficult to predict due to the effects of a slowing Chinese economy, it is safe to assume that manufacturing automation, networking and environmental improvements will continue expanding worldwide. With these global trends in mind, we are working hard to increase profitability in our main business, grow new businesses centered on environmental and renewable energy sectors and improve our development, manufacturing and sales systems.

Mikio Funaki
Senior Executive Vice President

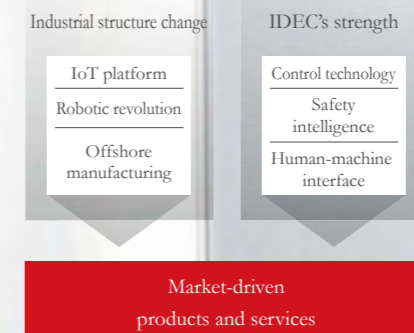


Plan for fiscal year 2017

Net sales	43.7 billion yen
Year-on-year	up 0.5 %
Operating income	3.5 billion yen
Year-on-year	up 10.2 %
Operating income margin	8.0 %
Year-on-year	up 0.7 point

For fiscal year 2016, sales were ¥43.4 billion and the operating income margin was 7.3%. We plan to improve sales and operating profit for this fiscal year. We also plan to increase ROE by improving our profit margin.

Enhancing core businesses and expanding new businesses



The industry’s structure is changing due to the IoT and the increased use of robots at job sites. In response, we are delivering products and services geared to meet market needs and based on our knowledge and expertise in human-machine interface and safety devices. We seek increased profitability by promoting new businesses centered on the environment and renewable energy while improving existing businesses.

Human resource development to ensure sustainable business growth



We focus on developing employees who take ownership of their jobs and are self-starters. Also, as an active promoter of diversity in the workforce, we provide a work environment in which all employees, including women, foreign nationals and people with disabilities, can play active roles in the company’s operations.

Key Strategic Initiatives

Operating a solution- and technology-based high-value business.

To make a significant impact, we are focusing on sales and profit expansion by building strategic partnerships, including mergers and acquisitions, expanding global business and selecting and concentrating our effort on target markets. We are launching new businesses, including consulting services, in which we offer our technology and expertise built over many decades, and a business offering human-robot collaboration safety system solutions for the next generation of manufacturing.

Arnaud Mondy
Senior Executive Officer
Sales & Marketing



Market-Driven Approach

In responding to structural change in industry resulting from IoT, robotic revolution and other trends, we are expanding our lineup of Web-based products and safety devices. We are further improving profitability by focusing on products and solutions that meet global demands while targeting growing markets in our effort to maximize efficiency in allocating resources.

- Product development geared for next generation demands
- Concentrated resource allocation to growing markets

Efficiency

We are improving our entire product management process, from planning to production to sales, while increasing operational efficiency by streamlining product lines, and reassessing and standardizing product designs and materials. In addition to streamlining and enhancing the functions of our business bases in North America and Europe, we will respond quickly to growing market needs in Asia by strengthening regional marketing functions.

- Strengthening the product management system
- Improving global business hubs

New Businesses

We set up a separate department to commercialize our fine bubble generating technology, which has tremendous potential for applications and utilization in a variety of business sectors. We also offer technological solutions to agriculture using control technology. Our solar power business activities now include the development of high-performance micro-inverters in addition to marketing mega-solar systems and energy management systems, including power conditioning units.

- Commercialization of agricultural solutions and fine bubble technology
- Expansion of environmental and energy business