



Think Automation and beyond...



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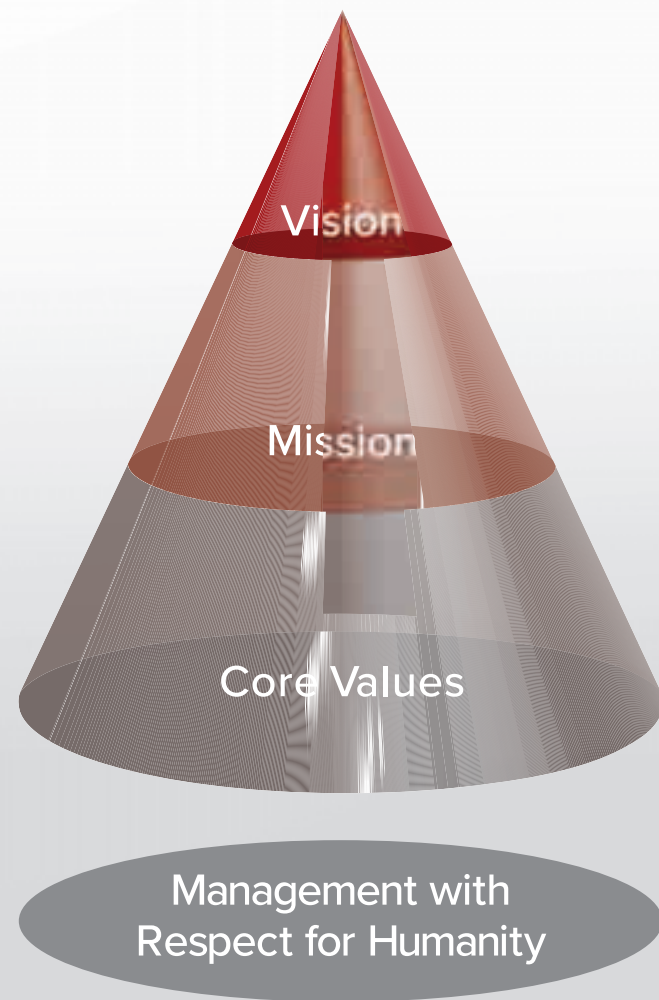
<http://www.idec.com/>

IDEC Report **2019**



The IDEC Way

As a step towards becoming a truly global company, the IDEC Group has established a new philosophy – “The IDEC Way”.



Vision

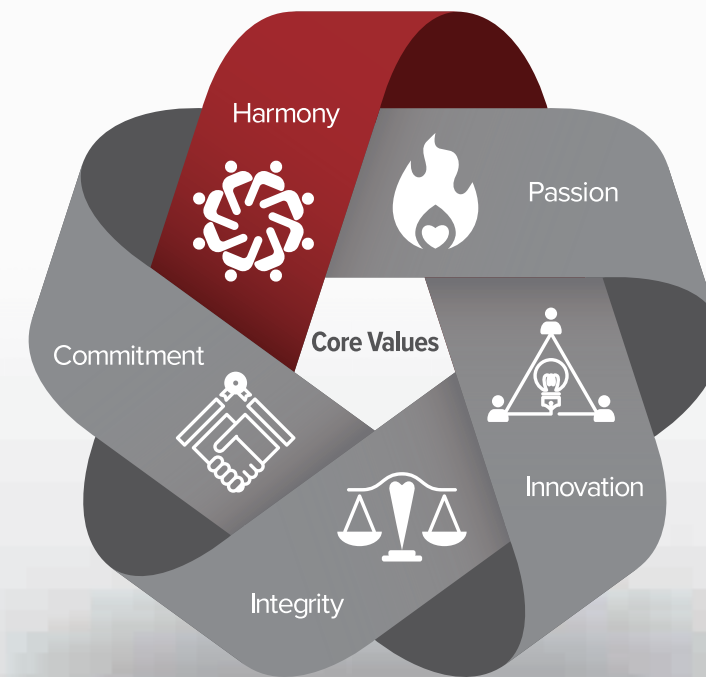
Pioneer the new norm for a safer and sustainable world.

We will drive the future of manufacturing by creating new possibilities and establishing new standards that will become the “new norm” of tomorrow’s world. Through our efforts, we envision a safer and more sustainable world, bringing happiness and peace of mind for all.

Mission

To create the optimum environment for humans and machines.

Our mission is to make the point of contact where people interface with machines easy, safe, and secure. We will introduce new products and services to respond to a diverse set of customer demands beyond those of our industrial customers, including increased safety, reliability, operability and environmental awareness.



Core Values

	Harmony	In Harmony with our co-workers, our customers and society.
	Passion	Joy in fulfilling our mission.
	Innovation	Take on new challenges and embrace change.
	Integrity	Exhibit honesty, fairness and respect at all times.
	Commitment	Be the person everyone can count on.

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Accelerating initiatives to ensure sustainable growth and to become a truly global company



Director Hiroshi Kobayashi Director Nobuo Hatta Chairman and Chief Executive Officer Toshi K. Funaki Senior Executive Vice President Mikio Funaki Director Takuji Yamamoto

Performance for FY2019

Through the first half of the year, factors such as the demand for capital spending, and the rise in needs for the automation of production facilities led us on a good course. However, the trade conflict between the U.S. and China during the second half of the year left us with a more challenging business environment.

Despite this, we saw contributions from our new group companies in Japan, as well as a steady trend in sales from our safety and explosion protection solutions. Also, our core business, Human-Machine Interface (HMI), expanded due to the positive progress made by APEM, which we acquired in 2017, and we saw an increase in sales for our automation solutions in the Americas.

As a result, our consolidated fiscal year-end sales came to be \$565 million (up 0.5% from the previous year). However operating income and operating income margin came to be \$52 million (down 10.3% from the previous year) and 9.1% respectively. This was due to the increase in SG&A expenses from the new acquisitions as well as an acceleration of business restructuring in Japan and overseas in light of a harsher external environment.

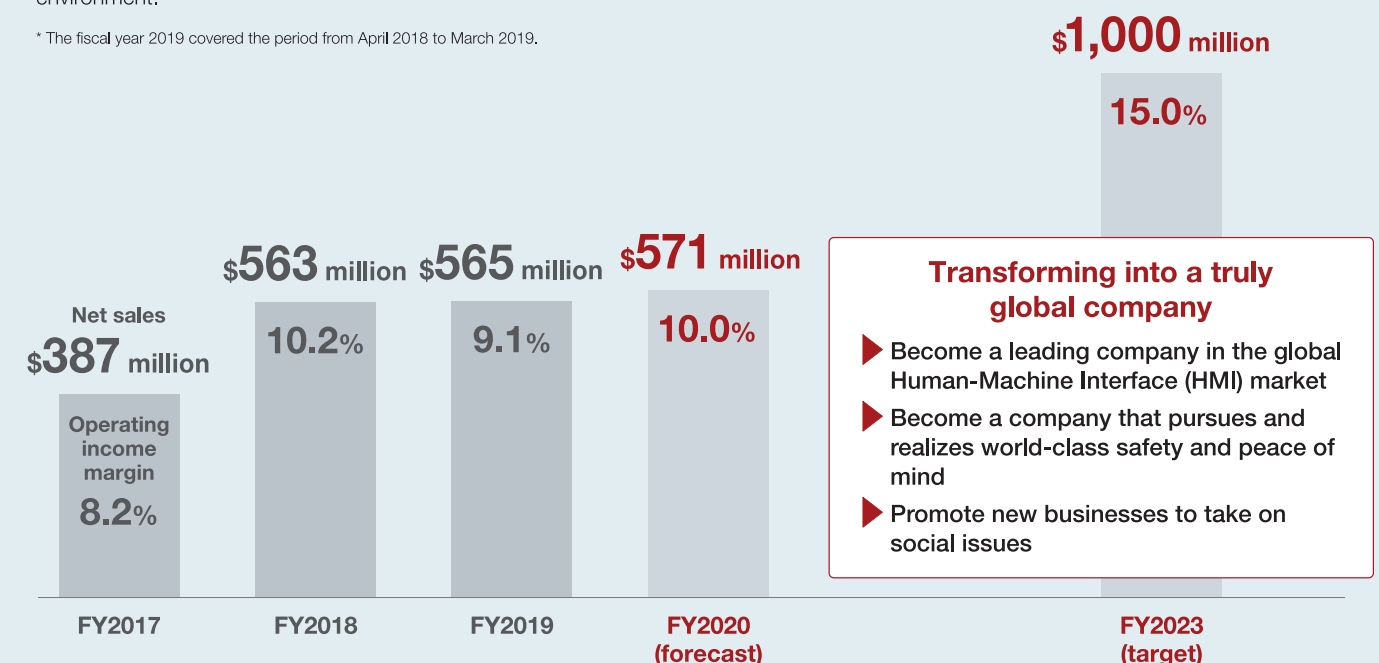
* The fiscal year 2019 covered the period from April 2018 to March 2019.

Business development

2020 will mark IDEC's 75th year in business. We will further promote expansion of our global business, enhance coordination between our group companies, and improve our global management qualities in order to achieve our FY2020 and 2023 goals. At the same time, we are accelerating our efforts to transform into a highly profitable company by prioritizing system efficiencies and enhancements.

In addition, in 2019, we established "The IDEC Way" to strengthen the "One IDEC" sense of values among our employees globally to help us achieve our mission.

In order to become a truly global company and continue our growth towards our 100th founding anniversary, each and every one of our employees is putting "The IDEC Way" into practice, striving to meet challenges and help reshape our organization towards sustainable growth and improved corporate value.



Transforming into a truly global company

- ▶ Become a leading company in the global Human-Machine Interface (HMI) market
- ▶ Become a company that pursues and realizes world-class safety and peace of mind
- ▶ Promote new businesses to take on social issues

Note: Amounts in U.S. dollars are calculated at the prevailing exchange rate as of March 31 in every fiscal year.
 Note: Exchange rate (1 U.S. dollar): FY2017 (¥112.20), FY2018 (¥106.27), FY2019 (¥111.01), FY2020 (¥105.00), FY2023 (¥100.00)

Our fundamental strategies to achieve our medium- to long-term growth targets

1 [Core businesses] Further expansion of our global businesses

- Develop product strategies and improve synergy with APEM to lead us closer to achieving top position in the global HMI market
- Increase market share through the global sales of products that adopt push-in connectors
- Develop Indian market to further sales expansion in the Asia Pacific region
- Accelerate global deployment of Safety2.0 and Vision Zero initiatives, and develop products and human resources that can help ensure safety and peace of mind
- Implement a global marketing platform and an operations model to maximize the platform
- Accelerate initiatives to increase profitability, and improve quality, lead time and productivity

2 [New businesses] Enhanced coordination between our Group companies

- Expand a collaborative safety robot system which incorporates collaborative robots and IDEC's safety-related devices
- Propose store solutions focused on automation throughout the entire supply chain
- Drive change from mega solar to self-consumption solar power and energy management systems in the environmental energy-related business

3 [Management base] Improvement of management quality on a global level

- Establish a global human resources management system
- Develop training and secure human resources that drive corporate reform
- Implement work style reforms to achieve a better "life-work balance"
- Improve productivity through the promotion of diversity
- Develop organizations that can strengthen our global business system

1 Further global expansion in our core businesses

Drawing on the knowledge and know-how in Factory Automation (FA) that we have cultivated over many years, we are focusing on 9 industries in which the IDEC Group has strengths and is expected to grow in the future. We will strengthen our core businesses by providing a broad range of solutions and driving regional strategies to expand our global business in these industries.

We are promoting digital marketing in order to improve efficiency and improve sales. This involves gathering and analyzing customer attributes and behavioral data to be shared to provide information and services that meet their needs.

In addition to these initiatives, as of 2019 we will release a variety of control devices that make use of new wiring methods and push-in connectors. These connectors are highly reliable, offer space savings and reduce wiring work. This will lead to an expansion of our global share as well as an improvement in convenience and safety at manufacturing sites.

We are also working to transform the company to be truly profitable. This includes optimizing our logistics system and manufacturing bases, automating and streamlining production, and cutting costs by reorganizing our materials and reducing the amount of parts involved. We are also making overall improvements in quality, lead times and productivity.



Regional Strategies

Americas

- Expand Automation and Safety sales through introduction of renewed products and solution enhancements
- Strengthen IDEC-APEM synergy to expand HMI product solutions with a broadened customer base
- Optimize opportunity generation through digital marketing
- Maximize presence through focusing on selling solutions to key verticals

EMEA (Europe, Middle East, Africa)

- Drive switches, indicators and components growth through APEM's various sales channels
- Build IDEC product growth around a core of safety products
- Further develop the IDEC brand via exhibitions & digital marketing
- Continue to prioritise OEM customers in selected vertical industries
- Optimize distribution and add more sales channels especially for IDEC products

Japan

- Revolutionize panels by leveraging push-in technology and new services
- Further strengthen Safety business by promoting Collaborative Safety (Safety2.0) and ANSHIN concept
- Emphasize promotion of HMI products by leveraging APEM products
- Focus on key vertical industries
- Launch innovative IoT solutions for specific applications

Asia Pacific

- Expand presence geographically especially in India and Indonesia
- Focus on key verticals such as Automotive and Machine Tools
- Enhance collaboration with channel partners
- Strengthen technical support and local staff education
- Optimize operation in Asia Pacific region

Greater China

- Provide solutions to industries impacted by China manufacturing 2025 initiative
- Introduce new products designed for the Chinese market
- Reorganize the sales network and enhance collaboration with our sales partners
- Enhanced response for standardization of machine safety in China and safety needs
- Enhancement of customer service by strengthening technical support

2 Expansion of new businesses by improving coordination between our group companies

By improving coordination between our group companies and putting their respective strengths to work, we are able to engage in a wide variety of new businesses.

We are driving the expansion of our collaborative safety robot system business, which incorporates collaborative robots with IDEC's own safety-related devices, optimal vision sensors, AI, automatic guided vehicles and others. By promoting the utilization of control and safety technologies, we are creating new value for society, and contributing towards resolving a multitude of issues.

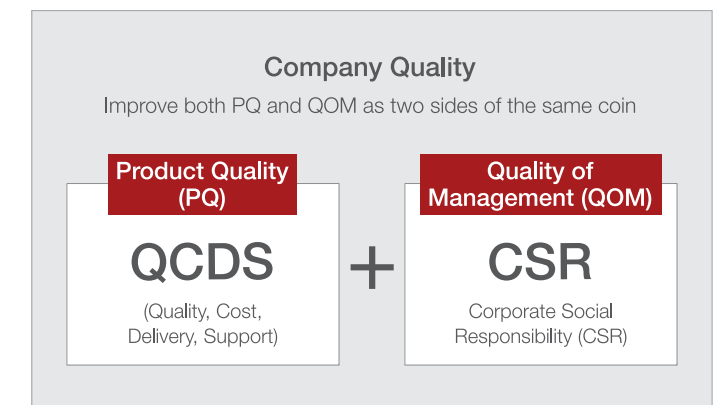


3 Improvement of management quality on a global level

As a manufacturer, we feel that there is not only an essential need to improve product quality, but we also believe in improving management quality through our CSR activities.

We are proactively building a global human resources management system, training and securing employees that drive corporate reform. This includes improvement in work-styles that support a better life-work balance, while establishing a diverse corporate environment.

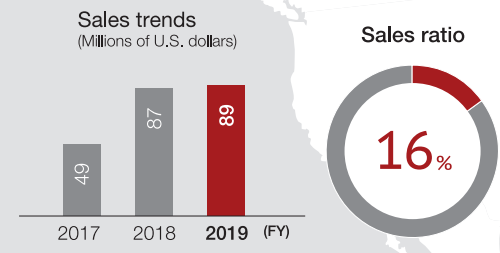
By improving both products and management quality, we can achieve improvements in our company, maximizing our corporate value.



Global Network



Americas



Sales bases : 4 Manufacturing base : 1
Distributors : 200 No. of employees : 212

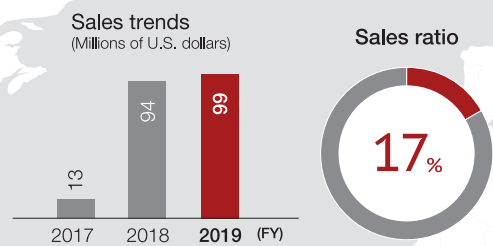
- IDEC CORPORATION (U.S.)
- APEM Inc. (U.S.)



IDEC CORPORATION (U.S.)

Sales ● Development ● Manufacturing ●

EMEA (Europe, Middle East, Africa)



Sales bases : 8 Manufacturing bases : 8
Distributors : 100 No. of employees : 1,291

- APEM SAS (France)
- APEM Components Ltd (UK)
- MEC Aps (Denmark)
- APEM Italia Srl (Italy)
- APEM GmbH (Germany)
- APEM AB (Sweden)
- APEM Benelux (Belgium)
- APEM BV (The Netherlands)
- SACEMA (Tunisia) and one other base



APEM SAS

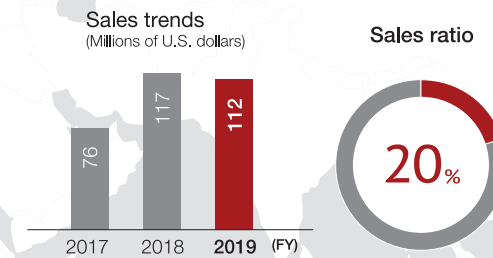
Greater China

Sales bases : 20 Manufacturing bases : 5
Distributors : 140 No. of employees : 907

- IDEC (SHANGHAI) CORPORATION (PRC)
- IDEC (SHENZHEN) CORPORATION (PRC)
- IDEC (BEIJING) CORPORATION (PRC)
- IDEC TAIWAN CORPORATION (Taiwan)
- IDEC IZUMI (H.K.) CO., LTD. (Hong Kong)
- APEM Ltd. (PRC)
- TAICANG CONET ELECTRONICS CO., LTD. (PRC)
- CONET TAIWAN CO., LTD. (Taiwan)
- APEM Wujin Electronics Co. Ltd (PRC)
- IDEC ELECTRONICS TECHNOLOGY (SHANGHAI) CORPORATION (PRC)
- IDEC IZUMI SUZHOU CO., LTD. (PRC)
- IDEC IZUMI TAIWAN CORPORATION (Taiwan)



IDEC IZUMI TAIWAN CORPORATION



* These are the total values for Greater China and the Asia Pacific region.

Asia Pacific

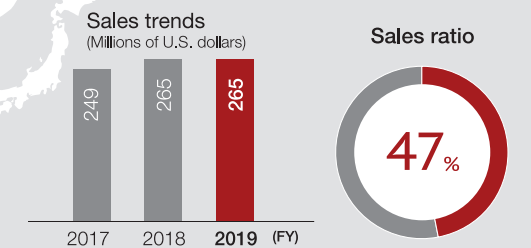
Sales bases : 3 Manufacturing base : 1
Distributors : 40 No. of employees : 173

- IDEC IZUMI ASIA PTE LTD. (Singapore)
- IDEC Australia Pty. Ltd. (Australia)
- IDEC ASIA (THAILAND) CO., LTD. (Thailand)



IDEC ASIA (THAILAND) CO., LTD.

Japan



Sales bases : 35 Manufacturing bases : 7
Distributors : 100 No. of employees : 1,071

- IDEC CORPORATION
- IDEC FACTORY SOLUTIONS CORPORATION
- Welcat Inc.
- IDEC SYSTEMS & CONTROLS CORPORATION
- IDEC AUTO-ID SOLUTIONS CORPORATION
- IDEC LOGISTICS SERVICE CORPORATION

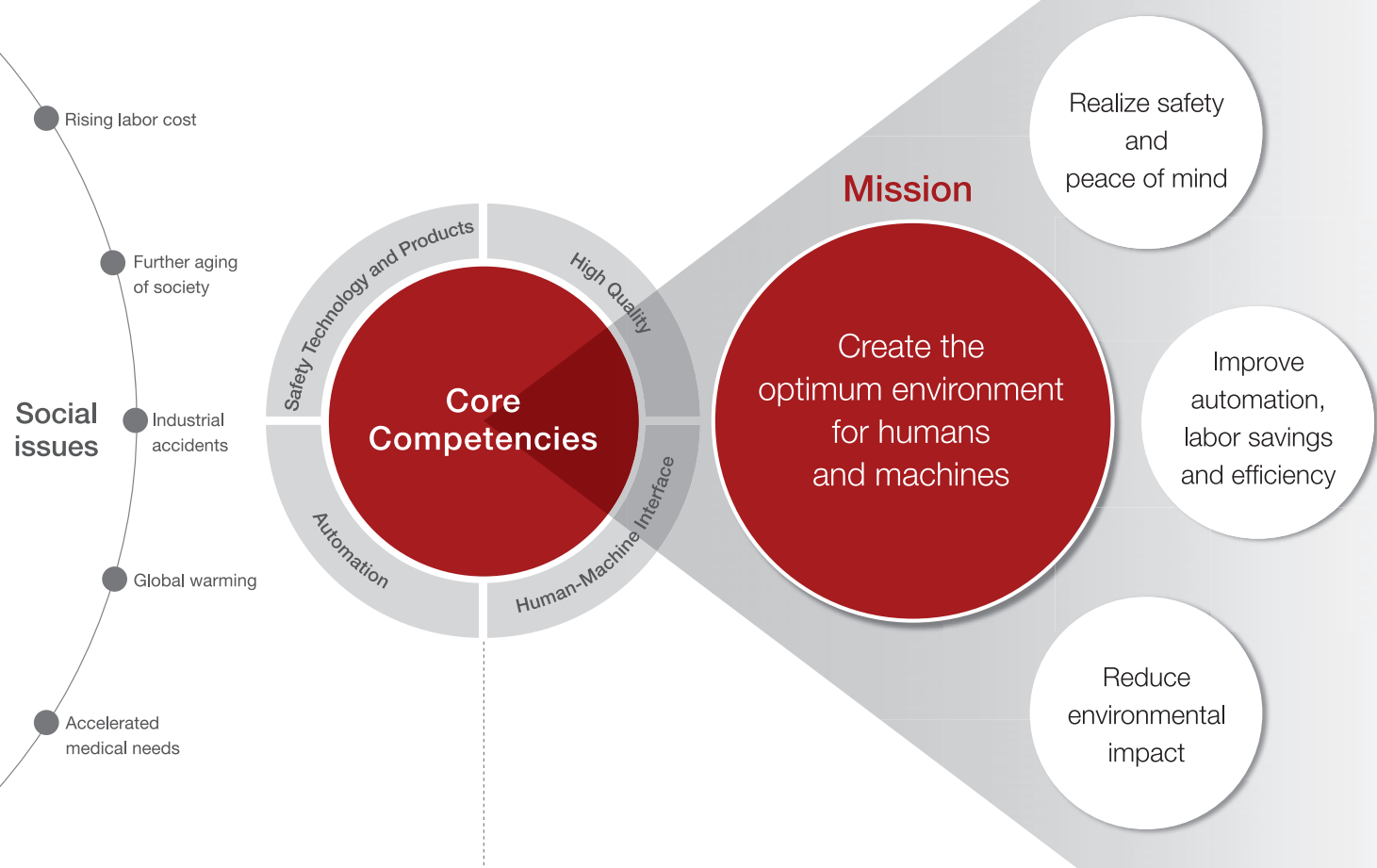


IDEC CORPORATION (Head Office)

Note: Amounts in U.S. dollars are calculated at the prevailing exchange rate as of March 31 in every fiscal year.
Note: Exchange rate (1 U.S. dollar): FY2017 (¥112.20), FY2018 (106.27), FY2019 (¥111.01)

Value Creation Process

Leveraging the core technologies cultivated through the manufacture of products that deliver safety and peace of mind, IDEC supports the creation of an optimum environment for humans and machines. At the same time, we contribute to labor-savings and efficiency improvements through automation, and the reduction of environmental impact from manufacturing sites to daily-life scenes around the world.



Safety Technology and Products Leveraging our longstanding knowledge to ensure a high level of safety	High Quality Reliable quality backed by our technical capabilities
Automation Products and solutions that enable automation and labor savings	Human-Machine Interface Providing optimal HMI solutions tailored to customer needs

Social responsibility that forms the foundation of our business



We have determined the most important fields in our CSR activities—the environment (E), social (S), and governance (G), as well as our traditional strengths of safety (Sa), and quality (Q)—and in this way, we are working to resolve societal issues and contribute to the achievement of the UN's Sustainable Development Goals (SDGs).

Business category / Major products	Social value of products / businesses Main relevant SDGs	Net sales / Year-on-year (FY2019)
HMI Solutions <ul style="list-style-type: none"> Control switches Emergency-stop switches Joysticks Buzzers Pilot lights 	<ul style="list-style-type: none"> Pursuing safety and ease of use Quality assurance 	\$267 million +1%
Panel Solutions <ul style="list-style-type: none"> Relays / Sockets Terminal blocks Switching power supplies Circuit protectors LED illumination units 	<ul style="list-style-type: none"> Reducing consumed energy Providing optimal light for various applications 	\$103 million -3%
Automation Solutions <ul style="list-style-type: none"> Programmable logic controllers Operator interfaces Sensors (Photoelectric switches / Proximity switches) Automatic-identification devices 	<ul style="list-style-type: none"> Solutions to shortage of workers Achieving sophisticated management control in medical institutions Solutions for achieving automation in cases of increase in logistics Solutions for factory automation in diverse manufacturing industries 	\$79 million +2%
Safety and Explosion Protection Solutions <ul style="list-style-type: none"> Safety-related devices Explosion protection devices 	<ul style="list-style-type: none"> Eliminating industrial accidents Promoting international standardization 	\$62 million +4%
Systems <ul style="list-style-type: none"> Security systems Various systems 	<ul style="list-style-type: none"> Constructing optimal systems by combining control devices and technologies 	\$30 million +7%
New Businesses <ul style="list-style-type: none"> Environmental energy-related business Next-generation agricultural solutions Collaborative safety robot systems Ultrafine bubble generators 	<ul style="list-style-type: none"> Utilizing natural energy Promoting the use of renewable energy Promoting the healthy growth of vegetation Creating a safe and comfortable environment in global society 	\$24 million -8%

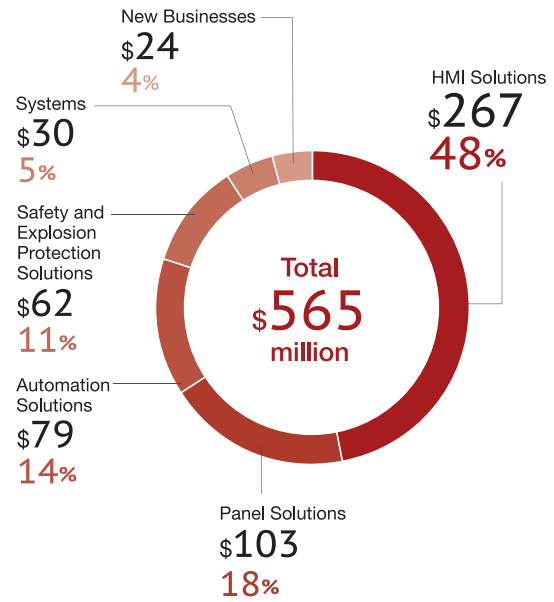
Note: Amounts in U.S. dollars are calculated at the prevailing exchange rate as of March 31 in every fiscal year.
Note: Exchange rate (1 U.S. dollar): FY2019 (¥111.01)

Product Groups

Providing the most suitable products and solutions to meet the needs of the times

To respond to diverse and changing customer needs over time, IDEC provides a broad range of products and solutions centered on its control technology. We are committed to supporting the future of manufacturing and daily life by continuously providing new value through the use of core technologies we have innovated over many years.

■FY2019 Sales ratio by product group
(Millions of U.S. dollars)



Note: Amounts in U.S. dollars are calculated at the prevailing exchange rate as of March 31 in every fiscal year.
Note: Exchange rate (1 U.S. dollar): FY2019 (¥111.01)



Control switches



Control switches



Industrial switches



Emergency-stop switches



Keyboards



Joysticks



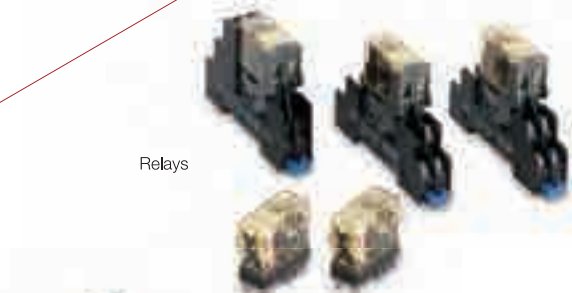
Environmental energy-related business



Collaborative safety robot systems



Next-generation agricultural solutions



Relays



Terminal blocks



LED illumination units



Interlock switches

Safety laser scanners



Explosion protection control boxes



Explosion protection operator interfaces



Sensors

Teaching pendants



Operator interfaces



Programmable logic controllers

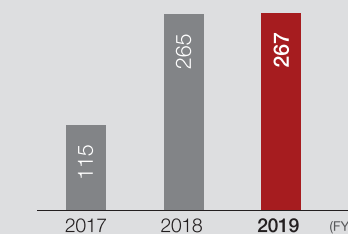
HMI Solutions



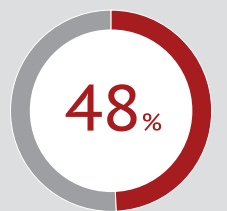
Business overview for FY2019

The European-centered sales for APEM Group progressed in a positive manner, against a background of factors such as a globally increased demand for capital investment. In addition, sales of IDEC's control switches increased globally.

Sales trends (Millions of U.S. dollars)



Sales ratio



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Creating an optimum environment for humans and machines as a leading company in the field of Human-Machine Interface (HMI)

Leveraging control technologies accumulated since its founding, IDEC contributes to realizing a safer and sustainable society by providing innovative solutions globally, not only for the factory automation (FA) industry but also in familiar daily-life situations.

In 2017, the French industrial switch manufacturer APEM Group was added to the IDEC Group, expanding its product lineup in the HMI field. This addition to the IDEC brand enabled market expansion via APEM-brand products that featured superior designability and environmental resistance, allowing the IDEC Group to provide a variety of products and solutions to customers in a broader range of industries.

We are aiming at nothing less than becoming the number one global HMI company, through our dedicated pursuit of quality, durability, and safety in our products, and through a lineup that boasts a designability and an ease of use that anyone can understand. Through our product lineup, we are able to provide countless solutions that bring together humans and machines.



Application Scenes



Stylish control panels for a variety of devices and special vehicles



Emergency-stop switches demand a high degree of safety

TOPICS

We are bringing push-in style $\phi 22$ control units that allow for safe and simple use to the market. These units are optimal for this era where a vast variety of human resources is in the workforce.

(planned launch: July 2019)

The adoption of novel push-in style wiring methods is on the rise in the global market. In addition to control switches, a wide variety of products incorporating this wiring offer better wire saving, space saving, and reliability.

We have developed a new push-in style of $\phi 22$ control unit that serves as our company's primary model. We are able to offer products for an increasingly diversified workforce—products of reliable quality that are easy for anyone to work with, and which are directly linked to a reduction in man-hours spent in wiring and secondary tightening.

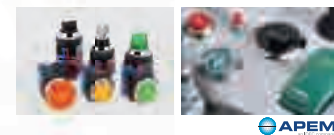


HW and CW Series Control Units



These pluggable control units enable easy placement of electrical wiring, and offer dual-action mounting and removal simply by inserting a flat-head screwdriver

Control switches



Emergency-stop switches



Buzzers



Pilot lights



Joysticks



Keyboards



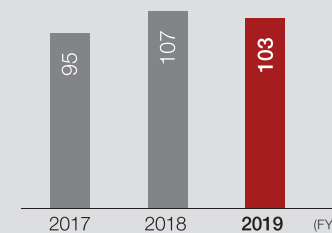
Panel Solutions



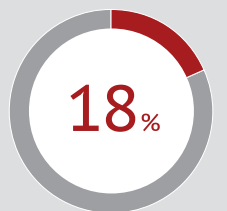
Business overview for FY2019

Our relays and terminal blocks experienced positive growth in the Asia Pacific region. In addition, our relays steadily trended upward in Japan and the Americas.

Sales trends (Millions of U.S. dollars)



Sales ratio



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Resolving customers' challenges with a full lineup of products for inside the panel

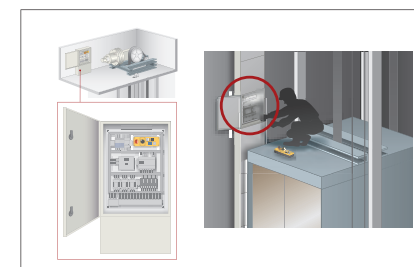
Our "panel solutions" represent a catch-all name for the various electronic devices incorporated inside control panels and control boxes that are used to control and manipulate machinery and manufacturing lines. These panel solutions are in use in a wide variety of settings such as those for building facilities management or elevator controls, not to mention in industrial settings.

Due to increasing need for space-saving and cost-reduction devices, the miniaturization of control panels has received considerable attention. IDEC solves this problem by providing customers with a varied lineup of in-panel products that enable space saving and increase operational efficiency.

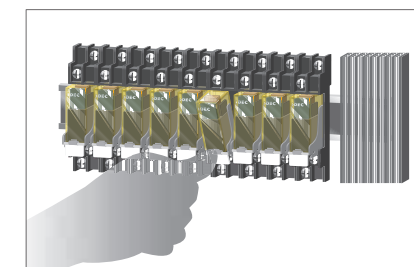
These variations include relays that switch electronic signals on and off, circuit protectors that offer defense against current surges above rated capacities, switching power supplies that convert the alternating current in commercial power supplies to a more stable direct current voltage, and the LED illumination units equipped inside machine tools and control panels that emit a clear and uniform illumination.



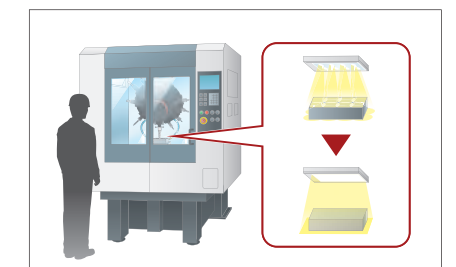
Application Scenes



Control panels for elevators, etc.



Products that enable enhanced space saving inside of control panels



LED illumination units

TOPICS

Efficiency – Push-in style terminal blocks for innovative connection solutions.

With the increasingly diversified workforce of the modern world, there is a demand for products of reliable quality that are not only easy for anyone to use, but which offer space saving and a reduction in man-hours needed for work. To that end, we offer a broad lineup of push-in style terminal blocks that allow for the more effective, practical use of the space within the thin-type control panels than do conventional screw-based systems, and which also allow a significant reduction in the amount of inspection work that needs to be performed after wiring or operational tasks, all while maintaining a high level of safety.

In 2019, IDEC entered into a partnership agreement with Weidmüller, initiating the sale of Klippon® Connect terminal blocks in Japan.

* Klippon® is a registered trademark of Weidmüller Interface GmbH & Co. KG.

Innovation by



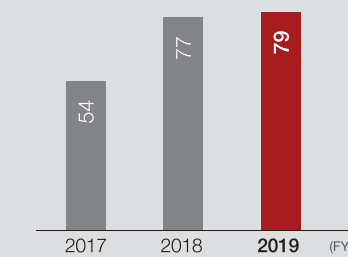
Automation Solutions



Business overview for FY2019

Our sales of programmable logic controllers and operator interfaces are expanding in Japan. With the additional business contributions of Welcat Inc., our sales of automatic identification devices products also rose. Our programmable logic controllers were steadily trending upwards in the Americas.

Sales trends (Millions of U.S. dollars)



Sales ratio



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Offering a broad range of optimal solutions in the era of IoT and Industry 4.0, while promoting Connected Industries

As IoT is exhibiting growth in a variety of industrial sites and daily-life scenes, we are seeing a growing demand for support for remote monitoring and operations. Since there is also a rising demand for products that can serve as key devices in the need for high working efficiency and the drive towards automation that is going hand-in-hand with a reduced working population and advancing technology, we have a multi-faceted and diverse variety of products available. In 2017, we added Welcat Inc. to the IDEC Group. Welcat is known for its advanced technical skill in the field of automatic identification devices such as code scanners, which is aiding us in expanding our product lineup and making increased market inroads.

IDEC contributes to greater production automation and efficiency by providing a variety of products and solutions. These include programmable logic controllers, used to control machine equipment and assembly lines; operator interfaces, for more comfortable operating environments; sensors that can identify physical objects and changes in conditions; and code scanners and RFID systems whose demand is expanding in traceability applications.



Application Scenes



Programmable logic controllers and operator interfaces that enable remote monitoring and operations



Wearable terminals that improve worker efficiency

TOPICS

Sensors that offer durability and laser-enhanced legibility, with the capacity to discriminate distances on a sub-millimeter scale.

In December of 2018, we began to market the durable and environmentally resistant SA1Q-model CMOS laser sensor with a built-in amplifier.

The sensor employs a stainless-steel housing that gives it both anti-impact and anti-vibration properties, enabling IP67, IP68, and IP69K protective ratings*. Its incorporation of CMOS line sensors in its photodetectors reduces the likelihood of the background color impacting the visibility of the object being looked at, and it is capable of making out both distance and height. The sensor also has an on-board dual mode capable of discriminating distance and brightness together, and it can stably detect transparent objects.

We also offer a line of products compatible with IO-Link, a key IoT technology, allowing us to better contribute towards the spread of IoT.

* The IP standards are standards for dust-resistance and water-resistance that define classes of protection against the ingress of foreign matter into electrical equipment.



* A handheld device used to record and play back the movements of a robot to make it move and perform tasks

Safety and Explosion Protection Solutions

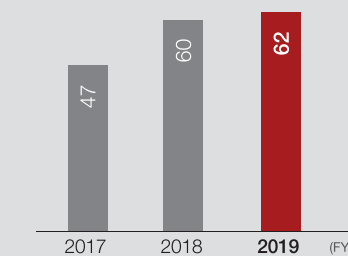


Business overview for FY2019

As a result of rising concerns regarding safety, our global sales of safety-related devices steadily trended upward. In addition, there were also sales contributions from Tokyo Sensor Co., Ltd., another member of the IDEC Group from July 2018. Our sales of explosion protection devices primarily expanded in Japan.

* Tokyo Sensor Co., Ltd. joined IDEC in a merger in April of 2019.

Sales trends (Millions of U.S. dollars)



Sales ratio



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Providing solutions that enhance safety and productivity, as a leading company in safety

Since our founding, we have focused on safe environments for humans interacting with machines, and to that end we have developed safety-related devices that are thoroughly dedicated to safety, reliability, and ease of use. We are on the cutting edge of providing solutions that enhance safety and productivity. Automation and the use of robotics is on the rise at manufacturing sites. We have come up with our next-generation safety philosophy "Collaborative Safety (Safety2.0)", which is aimed at coordinating safety between humans and machines. This philosophy doesn't just deal with keeping humans out of harm's way, it also allows us to provide cooperative safety equipment applications that allow the machines to sense any dangers for humans in order to better regulate the safety environment. At the same

time, we are pouring our efforts into outreach programs such as the creation of new safety standards and safety consulting.

With our products such as safety laser scanners that are able to detect the presence or incursion of humans in work areas or within the bounds of safety fences, interlock switches that can detect whether device doors or safety fence gates are opened or closed, or enabling devices that are compliant with international safety standards, we provide comprehensive environments where safety is always the number one consideration. We offer support for all manner of safety architecture in mechanical devices that conform to international standards, and we are actively promoting Vision Zero*.

* For further details about Vision Zero, please refer to P24.

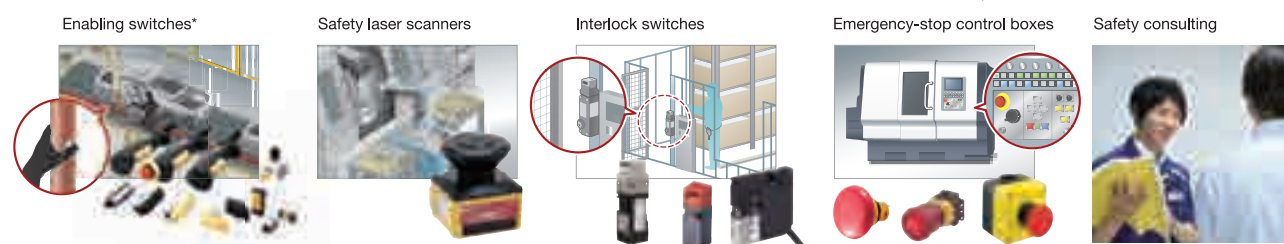
Creating explosion protection environments with enhanced safety and security

We have been responding to our customers' needs through our more than 70 years of research and development into explosion protection technologies. We have adapted to social changes such as factory automation and internationalization, and we have been able to develop a wide variety of equipment associated with explosion protection that can be used at sites such as petroleum plants and chemical factories that handle explosive gases, or warehouses.

We fulfill more detailed customer requests for control boxes, such as their layouts, sizes, and operability, while promoting the acquisition of overseas explosion protection certifications such as IECEx (international explosion protection product certification) and ATEX (the European directive for explosion protection) directives, and North

American UL standards. Ours is a product lineup that is able to respond on a global scale.

We have an abundant variety of LED illumination units available that can take the place of conventional mercury lamps, offering illumination from high ceilings or for penetrative in-tank inspections. These lights benefit our customers with energy savings and low maintenance. In addition, optimal networked camera systems for monitoring in sites such as manufacturing plants enable an enhanced degree of freedom for installation sites via wireless LANs, as well as monitoring via remote operation. These systems also contribute towards improved safety in explosion protection environments and towards energy savings and reduced maintenance.



* Safety-related devices to be incorporated into teaching pendants for robots or machine tools, etc.



* A device that limits the voltage and current that can reach a hazardous area under overcurrent conditions

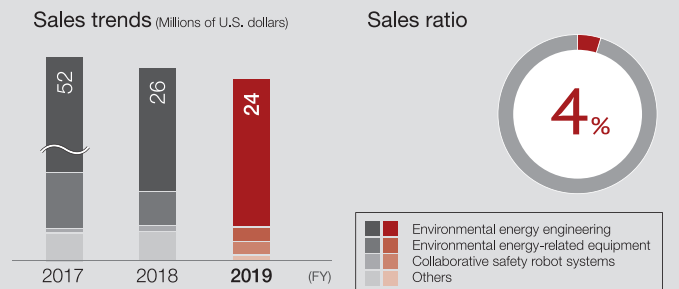
New Businesses



Business overview for FY2019

Regarding our environmental energy EPC* and electricity sales, we are gradually moving away from energy generation through mega solar plants, towards markets that are predicted to expand—the energy production business for self-consumption and energy management systems.

Our business in the area of solutions for collaborative safety robot systems is seeing more and more examples of introduction due to factors such as a rising need for the automation of manufacturing equipment. * "EPC" is an abbreviation for "Engineering, Procurement, and Construction"



Note: Amounts in U.S. dollars are calculated at the prevailing exchange rate as of March 31 in every fiscal year.
 Note: Exchange rate (1 U.S. dollar: FY2017 (¥112.20), FY2018 (¥106.27), FY2019 (¥111.01))

Contributing to resolving social issues through a variety of solutions utilizing control technologies

One of the group members, IDEC FACTORY SOLUTIONS CORPORATION, is developing a collaborative safety robot systems business that will act as a robotic systems integrator for the cooperation of humans and machines. In recent years, industrial sites have seen rapid progress in the introduction of collaborative robots in response to manpower shortages and in order to improve productivity and efficiency. These robots are capable of working at the same sites as humans without the need for safety fences. To that end, we are able to focus on one of IDEC's strengths—safety-related devices and safety systems that allow us to propose systems that incorporate elements such as collaborative robots and vision sensors, AI, and

automatic guided vehicles from multiple manufacturers, and to put together a wide variety of application packages that let us match optimal collaborative safety robot systems to our customers' needs.

In addition, through our efforts towards the promulgation of such initiatives as mega solar power generation, renewable energy, and next-generation agricultural plants, we are able to put the control technologies, environmental technologies, and fine-bubble technologies that we have cultivated over many years into motion, and we can contribute towards resolving a variety of social issues that are advancing on a global level.

3D bulk picking systems



Collaborative robots and mobile automatic carrier robots



Operation of collaborative robots website



Environmental energy-related business



Next-generation agricultural solutions

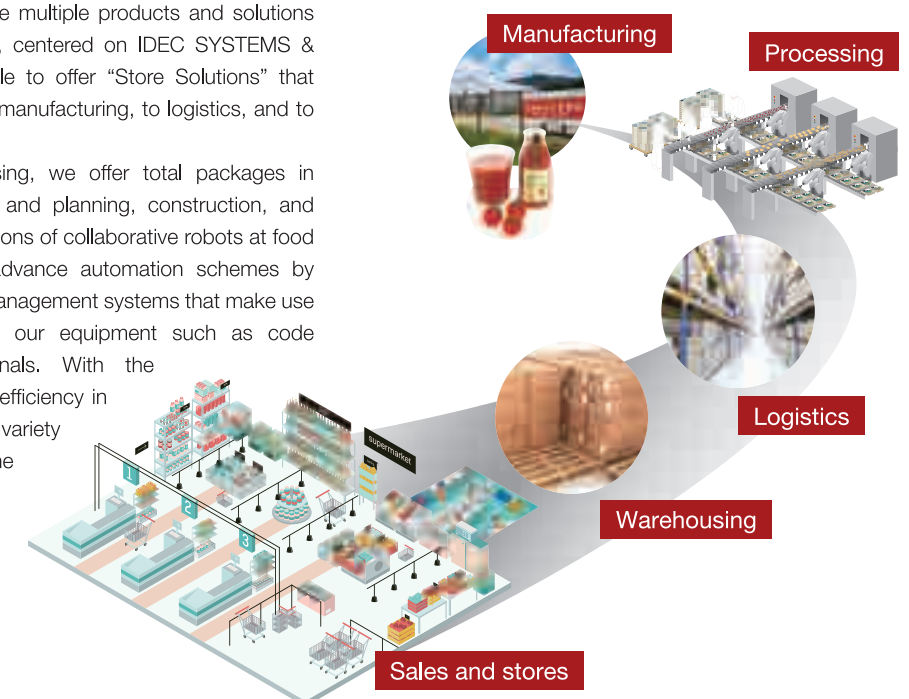


TOPICS

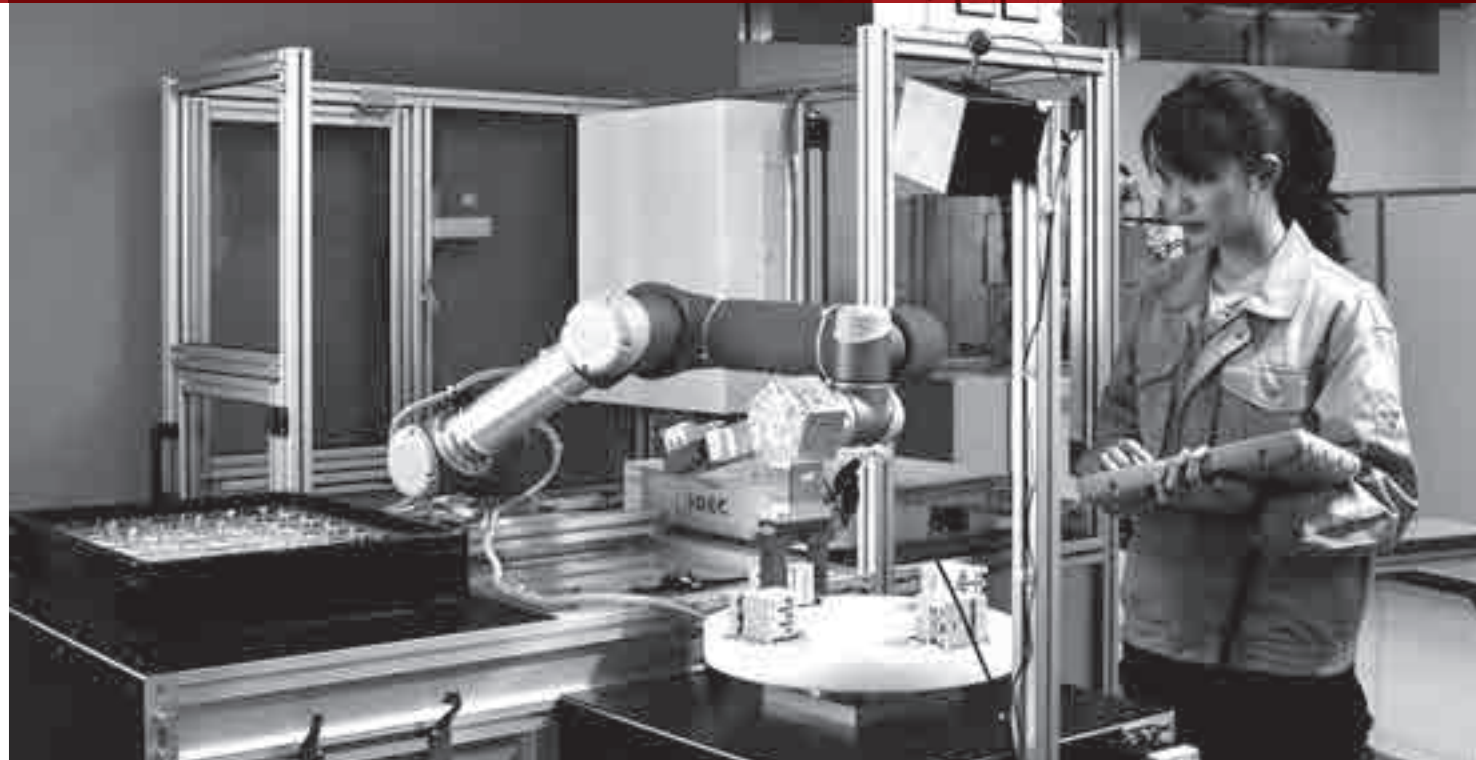
Developing store solutions as an ESG-compliant partner.

Through a mutual network of applying the multiple products and solutions offered by our various group companies, centered on IDEC SYSTEMS & CONTROLS CORPORATION, we are able to offer "Store Solutions" that encompass the overall supply chain from manufacturing, to logistics, and to storefronts.

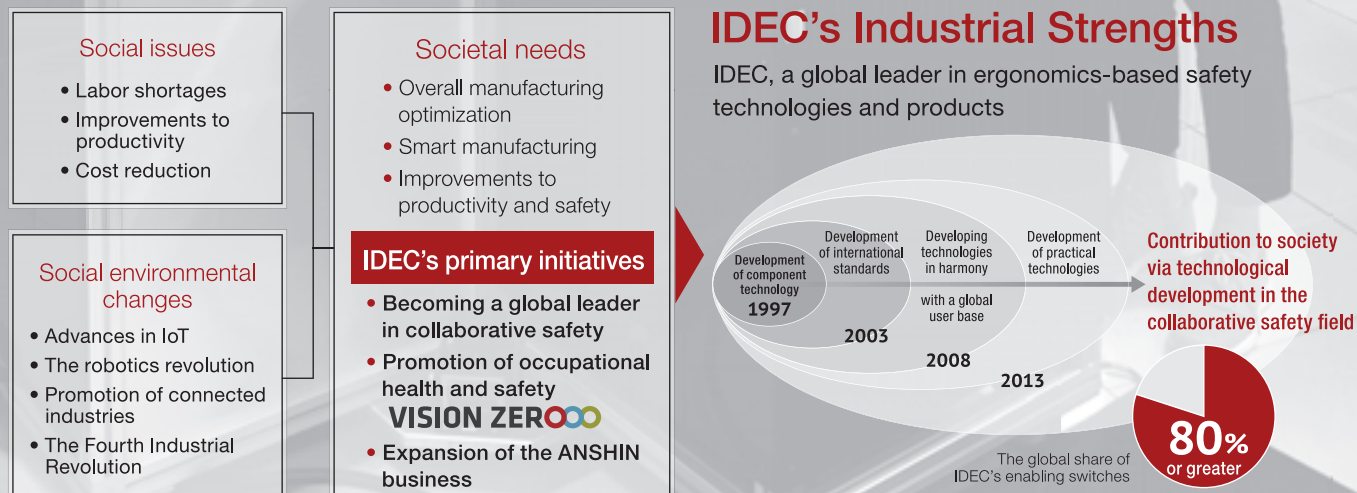
In terms of manufacturing and processing, we offer total packages in next-generation agricultural plant design and planning, construction, and sales support, as well as practical applications of collaborative robots at food processing sites. In addition, we can advance automation schemes by offering proposals for logistics and store management systems that make use of automatic identification devices with our equipment such as code scanners, RFID, and wearable terminals. With the improvement of business operations and efficiency in mind, we can also provide solutions for a variety of operational needs, including the introduction of solar power systems and energy management for storefronts, logistics facilities, and factories, which can cut operational expenditures through more easily comprehensible and efficient use of natural energy sources.



We are dedicated to the pursuit and realization of world-class concepts in safety through the creation of the optimum environment for humans and machines



In recent years, there have been major changes in our social environment, starting with how we manufacture things. Against this background of change, IDEC is focusing on its strengths—safety and security technologies and know-how that can respond to the social needs that have become global issues. Plus, through our promotion of our ANSHIN business that is adding “peace of mind” to our conventional “safety”, we are further enhancing our corporate value.

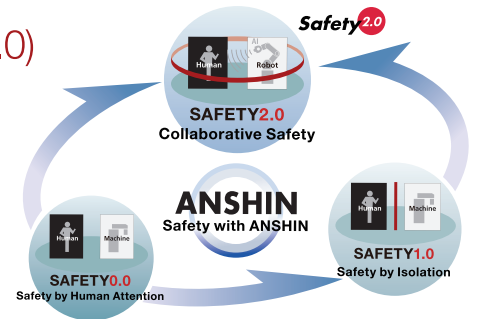


Safety Concept

A leading company in collaborative safety (Safety2.0)

When people and things work in harmony with their environment, it allows a higher level of safety to be maintained in areas where both humans and machines share a space. In our pursuit of our next-generation safety philosophy “Collaborative Safety (Safety2.0)”, we hope to enhance both safety and productivity, while furthering a revolution in robotics and helping to usher in truly connected industries.

We are putting our efforts not only into the development and proposal of an array of safety-related devices, but also into performing risk assessments, training professional safety evangelists, and holding a variety of seminars, all with the intention of promoting our “Safety2.0” international standardization activities.



Promotion of occupational health and safety through Vision Zero

Vision Zero is an occupational safety and health concept promoted by the International Social Security Association (ISSA) under the auspices of the United Nations International Labour Organization (ILO) that promotes SDGs. It is spearheaded by top management as an approach towards the pursuit of corporate safety, health, and wellbeing. In January of 2018, IDEC was the first company in Japan to register with Vision Zero.

As part of our Vision Zero promotional activities, in March of 2019 one of our main factories, the Takino Plant, became the first in the Japanese electrical industry to obtain occupational safety and health management system ISO 45001 certification from the Japan Industrial Safety and Health Association. Through our collection of risk data and our risk assessment initiatives, we are working to create a workplace environment that is safe and more pleasant to work in.

A Company of **VISION ZERO**
 Safety.Health.Wellbeing.



The Takino Plant is ISO45001 certified (Hyogo Prefecture)

Safety Integration

Proposing optimal collaborative safety robot systems

We have established Collaborative Safety Robot Technical Centers in both Aichi Prefecture and Tokyo, where we offer exhibits on collaborative robots both from Japan and abroad. A combination of optimal collaborative robots and a variety of IDEC's safety-related devices is helping to bring about a true collaboration between humans and robots, and we are working hard to put systems in place that will allow for secure contact with robotics. Via proposals for safe systems architecture strategies and safety consulting delivered by a qualified robotic safety assessor, we are bringing about improved productivity at manufacturing sites and reduced occupational injuries.



Collaborative Safety Robot Technical Center (Aichi Prefecture)

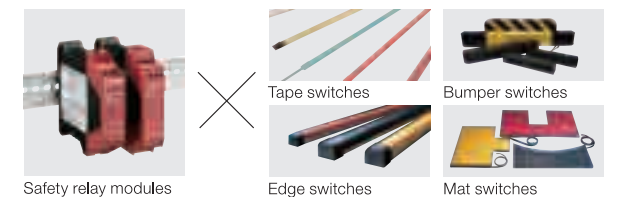
Safety Components

Development of equipment that ensures safety and peace of mind

Tokyo Sensor Co., Ltd., one of the major Japanese manufacturers of touch sensors, joined the IDEC Group in 2018. Along with them we are putting our safety- and explosion protection-related knowledge to work to proactively advance the certification of a variety of products. In 2019, we will put the first explosion protection mat switches in the world on the market.

Our promotion of the expansion and reinforcement of equipment that is bringing enhanced safety and peace of mind to the workplace is furthering the expansion of our ANSHIN business and is creating entirely new market opportunities.

* Tokyo Sensor Co., Ltd. joined IDEC in a merger in April of 2019.



2018.4 ▶ 2019.3 TOPICS

Primary topics from April 2018 to March 2019

2018 4 Starting sales of Welcat products

We began Japanese domestic sales of automatic identification devices manufactured by Welcat Inc., a member of the IDEC Group. By taking advantage of IDEC's market inroads, we are able to contribute towards the enhanced visibility of information and towards work efficiency in the areas of logistics, retail, and the factory automation (FA) industry, in all of which there is a growing demand for automatic identification devices.



2018
4 April

5 May

6 June

7 July

8 August

9 September

10 October

11 November

12 December

2019
1 January

2 February

3 March

April Established CSR Committee

June Commemoration of IDEC's founder with our "Farewell to Tsuneo Funaki"

July Tokyo Sensor Co., Ltd. joined the IDEC Group

August The CSR Procurement Briefing

November Exhibition at the Electronica Show 2018 (Munich, Germany)

March IDEC signed a partnership agreement with Weidmüller

2018 4 Released the LED illumination units LG1H-300 series

LED illumination units, designed for high ceilings, are optimum products for spaces such as factories and warehouses. These LED illumination units come standard with dimmer functionality that allows their brightness to be adjusted, and their improved luminescence efficiency allows for greater energy savings than that of conventional lighting. Their lightweight design reduces structural loads in places such as ceilings, alleviating constraints to construction.



2018 5 Released the SC1P ionizer

Ionizers, which eliminate static electricity, help to prevent foreign substances from adhering to products and prevent damage to those products during processing in the semiconductor, electronic parts, foodstuffs, and packaging industries, improving product quality and increasing yields. Our lineup includes top-of-the-line ionizers that are available in both wide and compact models that can offer high-speed static electricity elimination.



2018 9 Addition of a non-illuminated type of buzzer to the HW1Z illuminated buzzer

We have added a new non-illuminated type of buzzer to the φ22 illuminated buzzers that we started selling in 2017, which were the first of their kind in Japan to incorporate both a buzzer and an indicator light into a single unit. These buzzers can be found not only in the factory automation (FA) industry, but also in elevators and train station platforms, where they allow for greater miniaturization and space savings for devices and panels, as well as a reduction in the amount of work needed for wiring.

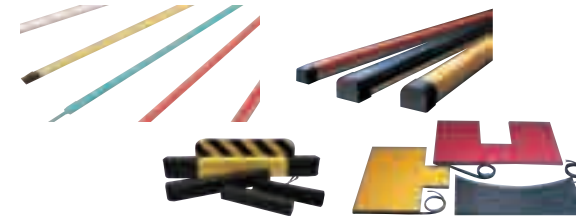


(Left and center) Illuminated buzzer (Right) Non-illuminated buzzer

2018 11 Starting sales of Tokyo Sensor products

We have started Japanese domestic sales of the tape switches and bumper switches for which our group member Tokyo Sensor Co., Ltd. These switches are employed in a wide variety of applications, and can enable capabilities such as collision detection. Our expanded lineup of safety-related equipment puts us in a position where we are better able to respond to a broad range of demands.

* Tokyo Sensor Co., Ltd. joined IDEC in a merger in April of 2019.



2019 2 Released the HS1T interlock switches

HS1T interlock switches are the smallest in their class in the world, while still offering a locking strength of 5,000 N. Installation of these interlock switches on the front panels of machine tools, or on safety gate doors in dangerous areas where industrial robots operate allows for detection of whether doors are opened or closed. Having these switches in place helps contribute towards better safety measures that can prevent industrial accidents.



2018 12 Released the SA1Q CMOS laser sensor

These distance-detecting sensors offer high precision, stable detection in a wide range of fields including automobiles, semiconductors, and machine tools, and are unparalleled in terms of their durability and environmental resistance. By connecting a programmable logic controller to devices that are compatible with IO-Link, the key IoT technology, it enables predictive maintenance that can warn of malfunctions before problems occur, greatly contributing to a reduction in production losses.



2019 3 Released the HG1P teaching pendant

This teaching pendant offers a lightweight structure and a built-in, high-resolution 4.3-inch display, with a design based on ergonomic principles that makes it easy to use and helps reduce burdens during long working times. In addition, it is also durable, with a drop-resistance up to 1.5 meters, making it a product that can be adapted to a variety of production sites.



Released the HG5G-V operator interfaces

We have newly started our sales of the HG5G-V, which is equipped with a large, 15-inch screen. Our broad lineup of these operator interfaces ranges from a compact model to a high-performance model. The high-performance model comes equipped with a high-resolution monitor and a large memory capacity, which offer enhanced support for implementing IoT at sites with increasing data volumes.



Corporate Social Responsibility (CSR) Activities Integrated with Management

We have established the IDEC Group CSR Charter that places our founding principle of “Management with respect for humanity” as its most important basis, so that we can better maximize the happiness of everyone who is engaged with the IDEC Group—including our employees, our customers, our shareholders and investors, business associates, and even global and local communities. Our CSR activity is focused on endeavors that promote this principle, and we have constructed a CSR management system that allows us to prioritize important management topics.

As we turn our eyes towards global-scale social issues, we are faced with many problems including climate change and

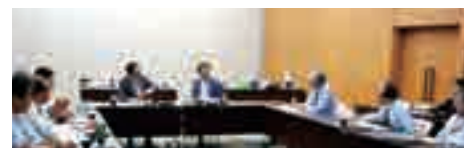
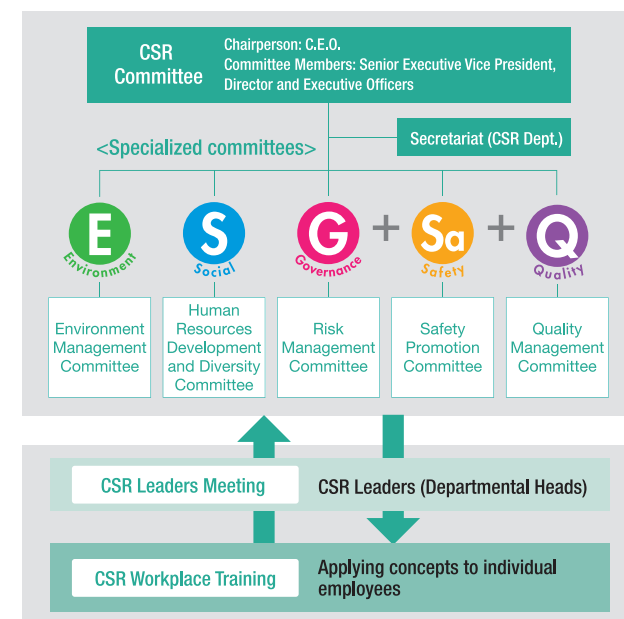
natural disasters. The IDEC Group has a strong foundation in the field of safety, and we are using that to proactively utilize business enterprises to resolve social issues. We have a social responsibility to fulfill in our pursuit and realization of world-class concepts in safety.



CSR Promotion System

CSR Committee

We have established our own CSR Committee as an entity that will help us formulate the CSR action plan for the IDEC Group. The Chairperson of the Board is the C.E.O. of the company, with the senior executive vice president, the director and executive officers also present as committee members. We have established “ESG+Sa+Q” specialized committees under the umbrella of the CSR Committee, which incorporates the issues of “Environment”, “Social”, and “Governance” with the IDEC Group’s strengths of “Safety” and “Quality”. The chairs for these various specialized committees are selected from our corporate executive officers, with members also made up of individuals with specialized knowledge and experience. Each of these committees takes on policy-making for their respective specialized themes. Our CSR Committee convenes twice yearly (in May and October in FY 2019), and has reviewed and approved overall CSR activity as well as the initiatives of the various specialized committees.



Lively discussion during our 2nd CSR Committee meeting (25 October 2018)

CSR Leaders Meeting

We nominate responsible individuals in our various departments for CSR Leaders roles. We hold our CSR Leaders Meeting twice yearly, during which we share and promote information that has been discussed by the CSR Committee. In addition, those in CSR Leaders positions are also responsible for gathering CSR-related issues and proposals from each of their respective departments.

CSR Workplace Training

Those in CSR Leaders roles will bring the information they learned at the conference back to their departments and disseminate the information to all employees via training. In FY2019, IDEC held CSR Workplace Training 213 times in 45 different departments.



The sharing of CSR Leaders Meeting information and idea exchanges related to CSR activities

IDEC Group CSR Guidebook

This guidebook summarizes the IDEC Group’s initiatives and ways of thinking about CSR in an easy-to-digest format. This is a helpful guide that furthers the understanding of individual employees about CSR and actions they can take to engage with social issues.



Provided in multiple languages

Contribution to SDGs

The IDEC Group believes that SDGs* are an important aspect of CSR, and through our business activities, we are proactively working to help achieve the SDGs. We are also working to raise awareness among each and every employee so as to put in place the kind of corporate climate that enables social issues to be confronted head on.

Awareness	Introduction to SDGs during internal seminars
Deepening of understanding and realization that it is not just someone else’s problem	Holding of SDGs workshops by department, as well as training for new employees/different group levels
Declaration of SDGs initiatives internally and externally	Explanation/introduction of our group message, SDGs relating to various aspects of our business activities, internal awareness-raising activities, etc., through our website, IDEC Report, and other means
Spreading of awareness to every employee	Deepen understanding among all employees by screening CSR awareness-raising DVDs and handing out copies of the IDEC Group CSR Guidebook

FY2020 onward:
Expand/spread initiatives throughout the IDEC Group

*SDGs = Sustainable Development Goals set out in “Transforming our world: the 2030 Agenda for Sustainable Development,” by the UN General Assembly in September 2015.

United Nations Global Compact

We joined the United Nations Global Compact (UNGC) in February 2009, and have declared our resolve to contribute to the international community in addition to upholding the Ten Principles of UNGC.



SDGs Workshops

We have held SDGs workshops for all departments since October 2017, providing participants with the opportunity to deepen their understanding of SDGs and find ways to help solve social issues through their business activities. A total of 373 people have participated in these workshops, from new employees to executives, and the ideas resulting from these sessions have been incorporated into a proposal for use as a reference during CSR Committee meetings.



SDGs workshops, a chance to come up with ideas for solving social issues

17 goals to transform our world

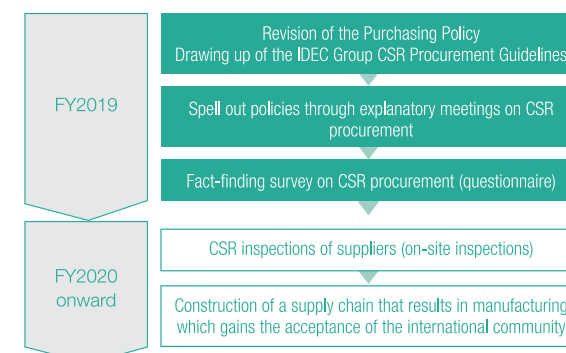


CSR throughout the supply chain

The IDEC Group aims to build a firm supply chain based on international norms amid the global spread of supply chains stemming from the globalization of manufacturing.

In order to achieve this, we are promoting CSR procurement together with suppliers in a bid to create relationships of trust which result in mutual growth in a fair and healthy business environment.

In order to enjoy mutual prosperity as a good partner, we have set out our Purchasing Policy as the base of CSR procurement. It consists of four areas: “Global”, “Fair and Impartial”, “Green Procurement”, and “CSR Procurement”, a newly added area.



CSR Procurement Guidelines

In August 2018, we drew up the IDEC Group CSR Procurement Guidelines so as to provide specific details on our vision for CSR procurement. These guidelines contain items covering labor, health and safety, the environment, ethics, product safety, and management systems.



Provided in multiple languages

CSR Procurement Briefing

On August 7, 2018, we invited 50 major suppliers to our head office to attend a CSR Procurement Briefing. Our C.E.O. began by discussing the importance of CSR procurement, appealing for the understanding and cooperation of suppliers. Next, the executive officer in charge of strategic human resources and CSR talked about the IDEC Group’s CSR initiatives, followed by the executive officer in charge of manufacturing and SCM, who discussed our global supply chain. Finally, those in charge of purchasing explained our Purchasing Policy and revised IDEC Group CSR Procurement Guidelines.

CSR Topics

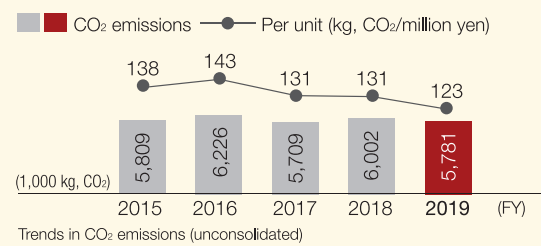
Disclosure of information online
<http://www.idec.com/csr/index.html>

For more detailed CSR information from the IDEC Group, please visit our website.



E Environment Reducing CO₂ emissions

We actively promote activities to reduce power use and switch to energy-saving devices in our offices. We also strive to reduce our carbon footprint by using electricity that we have generated from natural energy sources for our own consumption, with the goal of preventing global warming. For instance, in the Kansai area, we have established solar power plants, while in March 2019, we installed solar panels to the roofs of our new facility in Hyogo Prefecture. In addition, at IDEC CORPORATION (U.S.), solar panels have been installed on our office roofs since 2008, and in 2018 we introduced LED lighting throughout our offices. Other steps we have taken to reduce our carbon footprint through energy-saving measures include switching to more efficient air conditioners that standardize the room temperature in our offices by regulating the effects of air flow and sunlight.



S Social Disaster relief

In recent years, many major natural disasters have occurred throughout the world, causing grave damage. The IDEC Group calls on its employees to become involved in fundraising activities to encourage everyone to be more aware of disasters and to think about what they would do in the event of a major disaster. In addition to donations from the company, we have introduced a matching-gift system whereby we match the amount donated by employees as an additional donation. In order to ensure that donations from the company and employees reach the disaster-hit areas promptly and are used to help support relief efforts, we drew up a set of rules for making donations in 2017, which we use as the basis for our ongoing fundraising activities.

Disaster	Recipient	Amount
Flooding in western Japan caused by heavy rain (July 2018)	Japanese Red Cross Society	¥2,340,000
Hokkaido Eastern Iburi earthquake (October 2018)		¥2,000,000
Sulawesi earthquake and tsunami, Indonesia (November 2018)		¥1,504,000

Donations in FY2019

G Governance Expanding measures to strengthen governance

We create opportunities to actively exchange opinions and information on corporate governance with an external lawyer, a public accountant and outside directors. In order for management level employees to recognize the importance of corporate governance, outside director Michiko Kanai, who is also a lawyer, gave a lecture which was attended by 56 people, including executive officers, department heads and representatives from group companies.



Lecture on corporate governance and compliance held at IDEC's head office (October 31, 2018)

Q Quality Reinforcement of global quality assurance systems

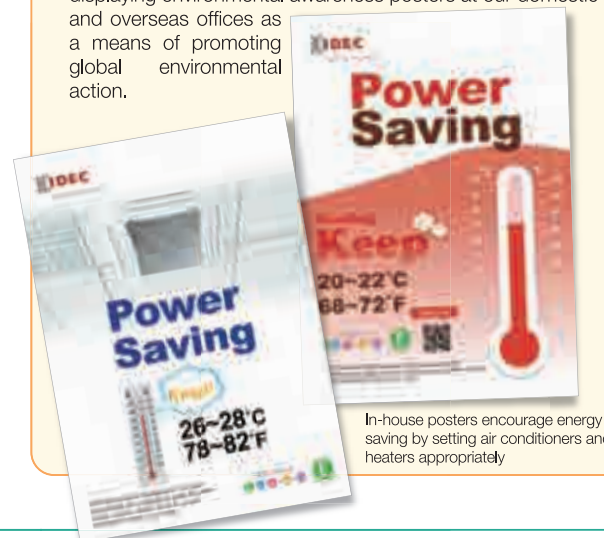
In the IDEC Group, departments connected with manufacturing work together globally in monthly quality meetings to ensure effective quality control, based on our policy of quality first. Since FY2018, representatives from our manufacturing bases in Japan, Taiwan, Thailand, China and elsewhere were gathered in one place to attend our Global Quality Conference, a venue for debate and exchanges of opinions with a view to improving our global quality assurance systems. At these meetings, we share and discuss issues and know-how to help achieve the group's goal of improving our quality management capabilities in the ever-expanding global market.



2nd IDEC Global Quality Conference, held in Taiwan (December 6-7, 2018)

E Environment Promotion of environmental education and awareness activities for employees

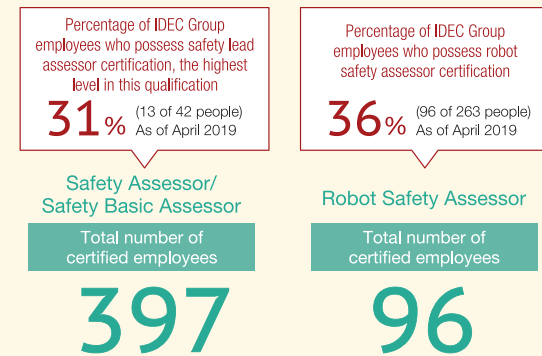
Our Environmental Management Committee conducts cross-departmental environmental activities, consisting of members from over 10 departments irrespective of management or business department. The members of this committee, who possess a diverse range of perspectives and strengths, debate issues concerning areas such as internal awareness-raising, the communication of information outside the company, green procurement, and the development of eco-friendly products, and create and implement plans based on their findings. The committee has also started displaying environmental awareness posters at our domestic and overseas offices as a means of promoting global environmental action.



In-house posters encourage energy saving by setting air conditioners and heaters appropriately

Sa Safety Development of certified safety assessors

To achieve manufacturing environments that ensure both safety and productivity at a high level, e.g., by way of collaborative safety "Safety2.0," the IDEC Group strongly encourages employees to acquire safety assessor certification, as well as robot safety assessor certification (newly established in 2018) in order to attain the knowledge of international safety standards, to develop safe products, and also to provide safety advice and consultation to our customers.



* The Safety Assessor Certification System was developed by the Nippon Electric Control Equipment Industries Association (NECA) and implemented by the Japan Certification Corporation, under the standards and accreditation program of the Ministry of Economy, Trade and Industry (METI). The certification aims to develop globally competent safety engineers and managers for machinery, and control and explosion protection equipment.

S Social Health initiatives

We established the IDEC Healthcare Center (IHC) in April 2018 with the goal of creating workplaces where all employees can enjoy their work in good health, both physically and mentally. Staffed by a part-time industrial health physician and a full-time public health nurse, the center is easily accessible to employees as a place to come for health consultations, including mental health, and also holds seminars on health and dietary education. In recognition of these activities, the Ministry of Economy, Trade and Industry selected us as a Health & Productivity Management Outstanding Organization (White 500). In June 2019, the construction of the Well-being Center, equipped with a gym, was completed on the premises of our head office. This provides employees with an environment where they can come and exercise at their leisure, featuring a range of training machines, as well as a bouldering wall. We use this building as a key component in promoting good health among employees.



IDEC Corporation acquired White 500 Certification (February 2019)

E S G Q Environment Social Governance Quality CSR Month

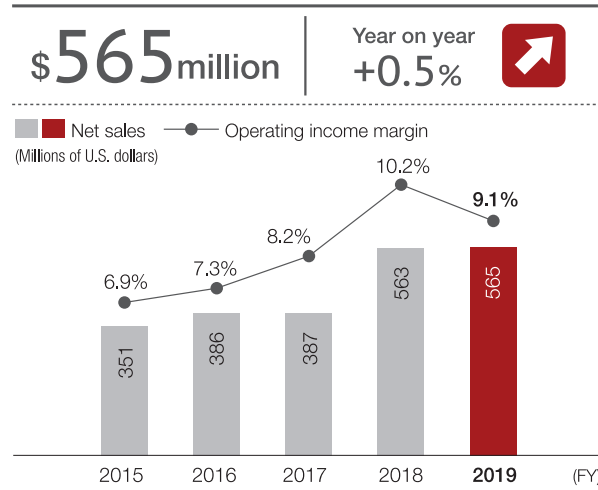
We designated October as "CSR Month", during which we conducted a range of CSR activities to deepen employees' understanding of the IDEC Group's fundamental idea that "CSR is a challenge for each and every employee", and to encourage them to take real action. During this month, we conducted various CSR activities, enabling employees to get a better sense of CSR. For instance, we published our CSR Guidebook and distributed copies to all employees, providing them with comprehensive material for use during CSR workplace training from which to learn about the latest trends in CSR along with the steps the IDEC Group has been taking in this regard.

- Provision of TABLE FOR TWO menus at our head office cafeteria
- Submission of slogans to Fun to Share, a climate change campaign run by the Ministry of the Environment
- Screening of CSR movies

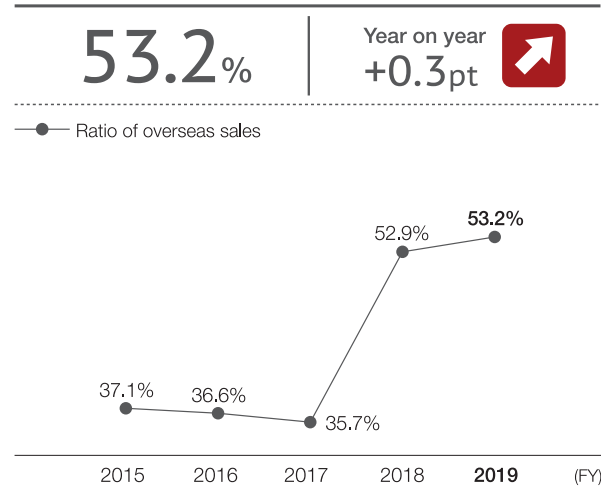


Provision of TABLE FOR TWO menu at our head office cafeteria commences (October 2018 onward)

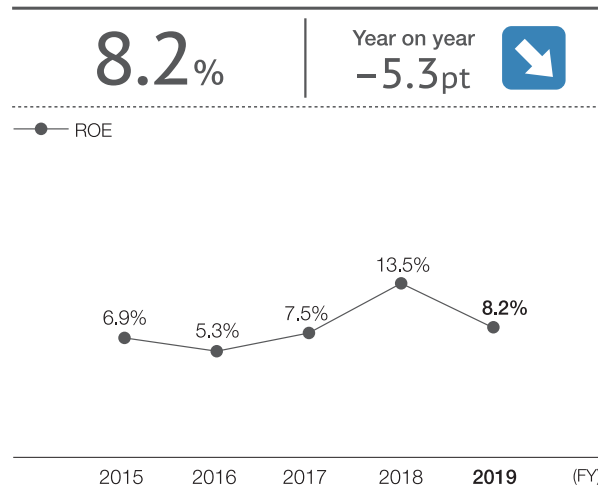
Net sales



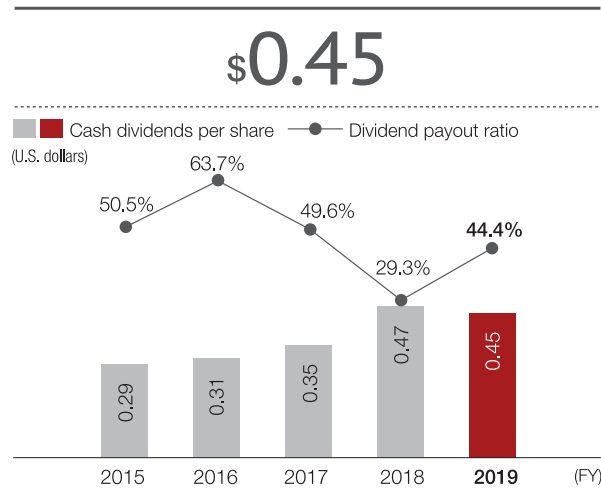
Ratio of overseas sales



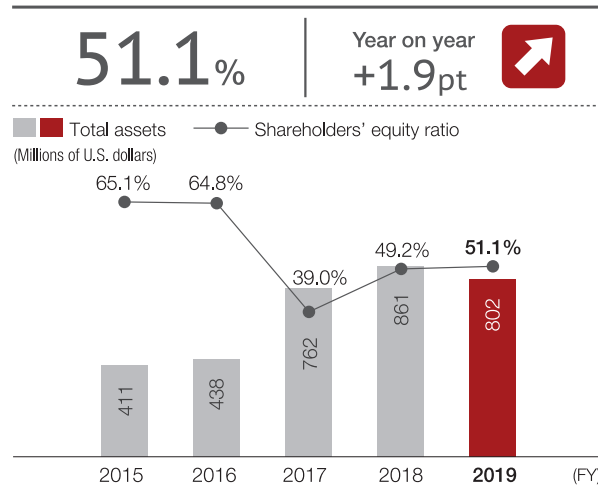
ROE



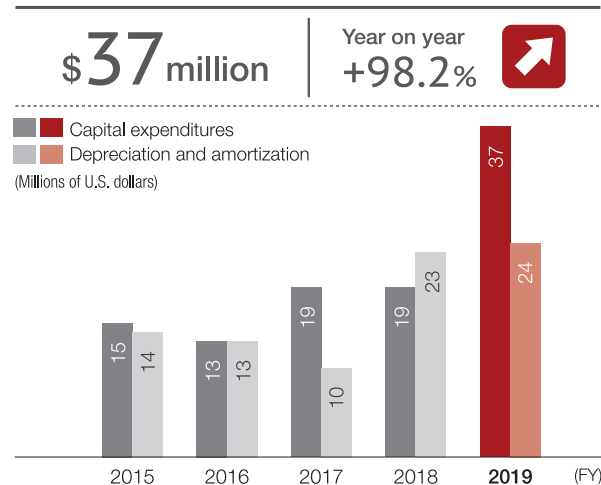
Cash dividends per share



Shareholders' equity ratio



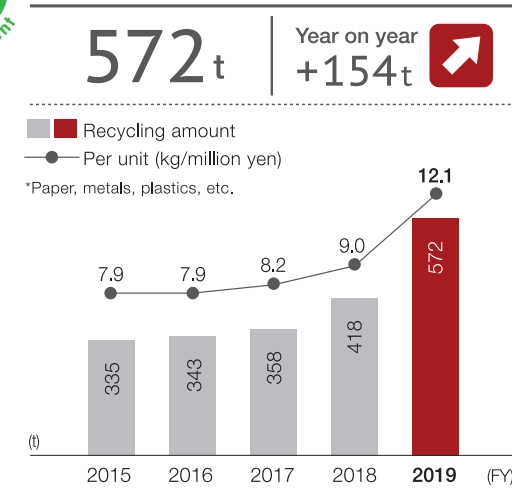
Capital expenditures



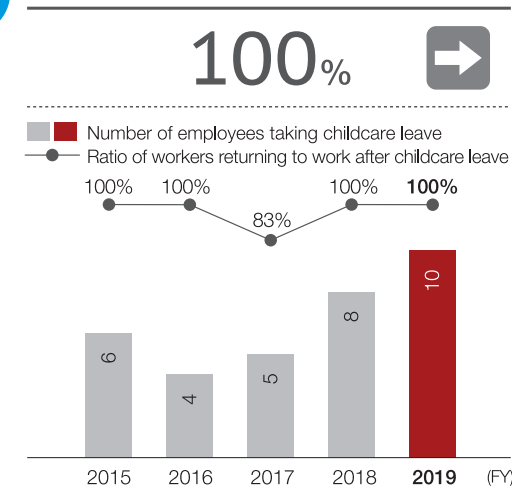
Note: Amounts in U.S. dollars are calculated at the prevailing exchange rate as of March 31 in every fiscal year.
Note: Exchange rate (1 U.S. dollar): FY2015 (¥120.27), FY2016 (¥112.69), FY2017 (¥112.20), FY2018 (¥106.27), FY2019 (¥111.01)



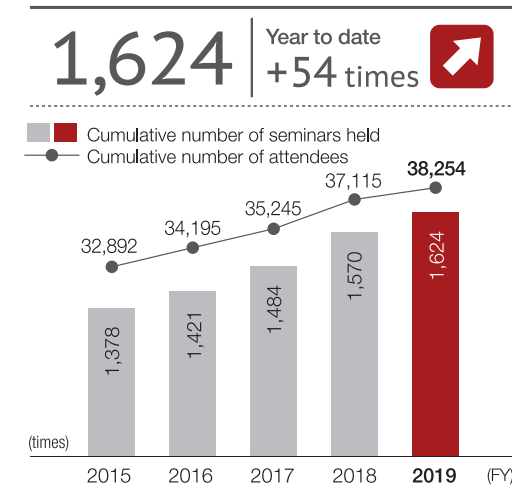
Amount of recycling



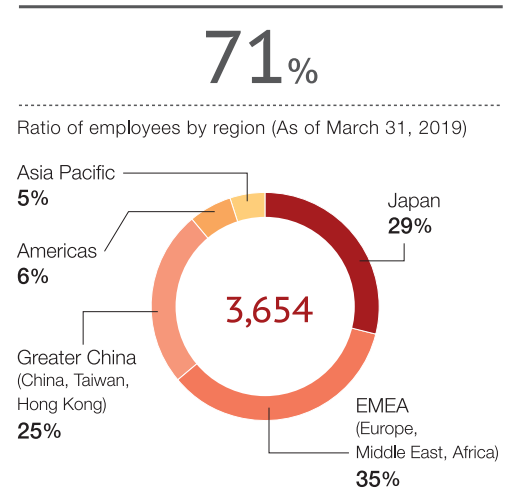
Ratio of employees returning to work after childcare leave



Cumulative number of safety and explosion protection seminars held



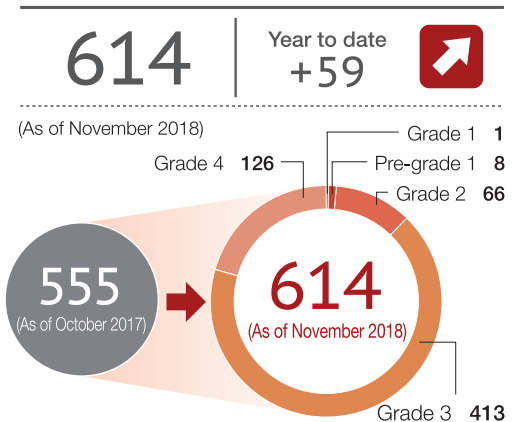
Ratio of overseas employees



Ratio of outside directors



Number of employees holding QM/QC Exam certification



* QM/QC Exam refers to tests recognized by the Japanese Society for Quality Control, and held by the Japanese Standards Association and the Union of Japanese Scientists and Engineers. These written tests objectively evaluate examinees on their knowledge of quality control.

Directors



Toshi K. Funaki
Chairman and C.E.O.



Nobuo Hatta
Outside Director



Takuji Yamamoto
Outside Director



Mikio Funaki
Senior Executive Vice President



Hiroshi Kobayashi
Outside Director

Directors (Audit and Supervisory Committee Members)



Keijiro Fujita
Director (Audit and Supervisory Committee Member)



Hirokazu Taniguchi
Outside Director (Audit and Supervisory Committee Member)



Masanori Sakamoto
Outside Director (Audit and Supervisory Committee Member)



Masataka Kawahito
Outside Director (Audit and Supervisory Committee Member)



Michiko Kanai
Outside Director (Audit and Supervisory Committee Member)

We pursue sound, transparent and efficient management



Executive Officers

Koji Akamatsu
Executive Officer
Manufacturing & SCM

Arnaud Mondy
Senior Executive Officer
Sales & Marketing

Yasuharu Kawanaka
Executive Officer
Japan Sales
Greater China

Marc Enjalbert
Executive Officer
APEM

Tomonori Nishiki
Executive Officer
Technology
Development

Yoshihiko Nishiyama
Executive Officer
Corporate Business
Planning & Administration

Atsushi Matsumoto
Executive Officer
Research & Development
Quality Assurance

Toshihiro Fujita
Senior Executive Officer
Chief Technology Officer

Hirotsugu Harada
Executive Officer
New Business
Development

Over 70 Years of Innovation

Future

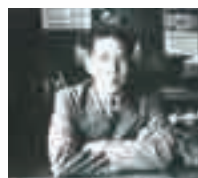
IDEC was founded under its original name of IZUMI Shokai Co., Ltd. in 1945. Recognizing the shortage of switch boxes that were essential for machines, IDEC began developing high-quality switch boxes, which were highly praised by the industry. The switch boxes have remained IDEC's long-selling product line. Along with our explosion protection products that were widely used in petrochemical complexes and other industrial facilities, these switch boxes supported Japanese manufacturing in the postwar reconstruction period.



Shop at the time of the company's founding



Mikuni Plant



Tsuneo Funaki (Company Founder)

In response to the increasing demand for measurement/control technologies resulting from rapid economic growth, IDEC converted into a comprehensive control device manufacturer. With the progress of automation and mechanization of plant equipment, IDEC expanded into the field of electronics and system products. Also, in response to the increased scale of operations and mass production, IDEC established production and sales bases overseas.



IDEC CORPORATION (USA) established



Exhibited at Hannover Messe in Germany



The Medium-term Management Plan announced by the new president in the policy presentation session



SB metallic switch box
A revolutionary product equipped with a quick-make quick-break mechanism, building the foundation of IDEC.



Miniature switches and pilot lights
Drastically miniaturized control units with superior operability, design and safety released, becoming long-selling products.

1960

Flame protection control box
Sold to industries requiring explosion protection devices, such as industrial sites with explosion risks.



Switches and pilot lights TW series
IEC standards-compliant TW series released, becoming a hit product that continues to sell today.



Operator interfaces HD series
The HD series featuring liquid crystal display devices released.



1945

2019

Programmable logic controllers FC6A
The FC6A programmable logic controllers are compatible with various IoT applications, including remote monitoring and operation.



APEM products
APEM boasts a wide-ranging lineup, including switches, pilot lights and joysticks.

2005

Miniature switches and pilot lights LB Series
The LB series are slim control units featuring stylish design and the industry's shortest panel depth.



Safety-related devices
Lineup of safety-related equipment expanded with the addition of safety switches and enabling devices.



1990

Programmable logic controllers Micro-1
Ultra-miniature controller developed, dedicated to the control of small-sized machines.

Supporting manufacturing in the postwar era

Efforts to solve global social issues

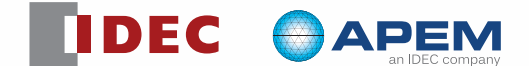
Contributions to automation/mechanization as a comprehensive control device manufacturer

Creation of an "optimum environment for humans and machines"

In commemorating its 60th anniversary in 2005, the company name was changed to IDEC. As part of its strategy to expand its global business, IDEC acquired the French manufacturer of industrial switches APEM Group in 2017. We are also working to expand new businesses that contribute to the resolution of social issues. Aiming to achieve sustainable growth toward our centennial anniversary and beyond, we will strive to meet diversifying social needs by developing innovative solutions that leverage IDEC's proprietary technologies.



IDEC Head Office and Technology Research Center



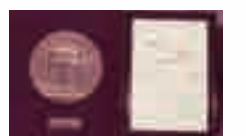
A manufacturing environment in which people and machines cooperate became mainstream. To respond to the increasing need for products to ensure safety when operating machines, IDEC launched the development of various safety-related devices, including Japan's first enabling switches. While expanding its operation bases in Japan and overseas, IDEC installed automated and labor-saving equipment that realized multi-variety variable production at our main manufacturing site, the Takino Plant.



A wide range of control products displayed at the exhibit held in commemoration of the 40th anniversary of the company's founding



Robot-control cellular production system at the Takino Plant



Listed on the first section of the Osaka and Tokyo Stock Exchanges

Company Information

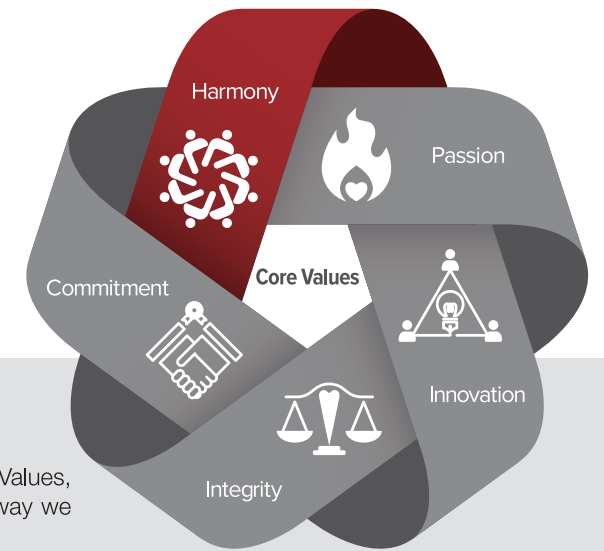
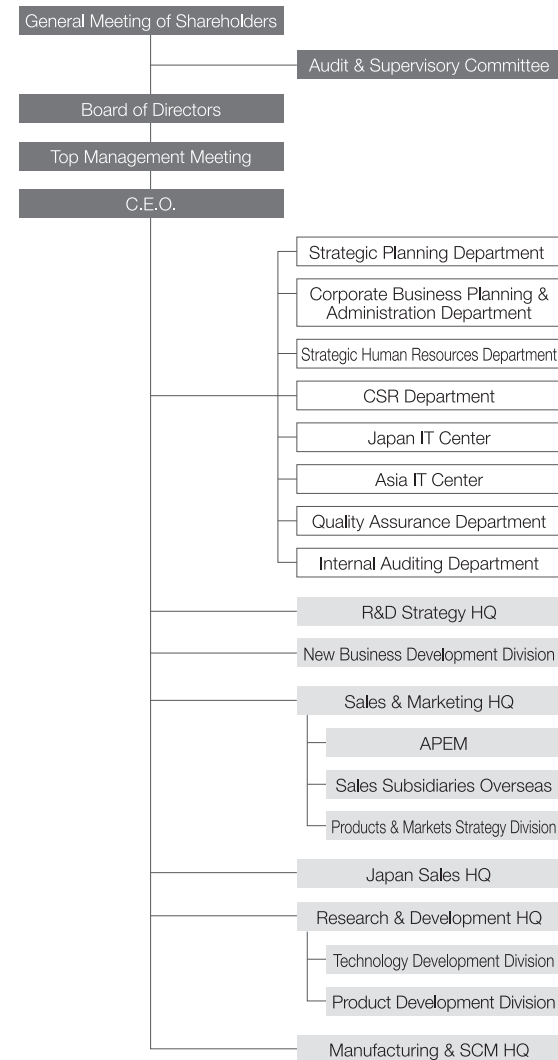
Corporate Data

Corporate Name	IDEC CORPORATION
Established	March 26, 1947
Capital Stock	¥10,056,605,173
No. of Employees	3,654 (On a consolidated basis as of March 31, 2019) Excluding contract and temporary employees
Stock Listing	First Section, Tokyo Stock Exchange
Head Office	2-6-64, Nishi-Miyahara, Yodogawa-ku, Osaka 532-0004 Japan Phone: +81-6-6398-2500 (Main number)
Tokyo Head Office	2-15-1 Konan, Minato-ku, Tokyo 108-6014 Japan Phone: +81-3-5782-7690 (Main number)
Plants	Tsukuba, Amagasaki, Fukusaki, Takino
Sales Branches	Sendai, Takasaki, Omiya, Mito, Tokyo, Tama, Yokohama, Nagano, Niigata, Toyama, Kanazawa, Hamamatsu, Nagoya, Kyoto, Osaka, Okayama, Fukuyama, Hiroshima, Shikoku, Fukuoka
Distribution Center	Tatsuno



Organization Chart

As of April 1, 2019



Our Principles

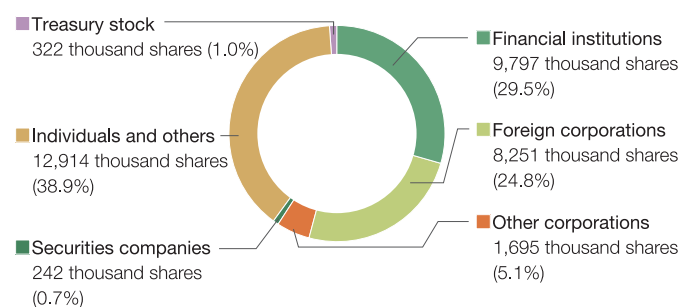
Our Principles, stemmed directly from our Core Values, articulate our unique approach to work, shaping the way we think and act within the company.

 Harmony	<p>Customer-Focus We put our customers first in everything we do. We are committed to achieving the highest level of customer satisfaction.</p> <p>Collaborate "None of us is as smart as all of us"—We collaborate together as a team because individually, no one has all the answers.</p> <p>Environmentally Aware We believe that each one of us plays a role and has the responsibility to contribute to society.</p>
 Passion	<p>Enjoy We believe that joy inspires us to be our best. We find happiness in our work and celebrate our accomplishments, allowing us to enjoy what we do and have fun doing it.</p> <p>Be Positive We actively promote a positive work environment, and feed off of each other's energy.</p> <p>Have Ambitions We strive to be the best by proactively taking the initiative to learn. Continuous self-improvement and personal growth will help you realize your full potential.</p>
 Innovation	<p>Learn from Mistakes Making mistakes doesn't mean failure. Mistakes are fundamental to growth and a chance to learn. However, we never make the same mistakes twice.</p> <p>Embrace Change We take on challenges and embrace change with an open mind. Our own ability to adapt will translate to our company's ability to evolve.</p> <p>Value Differences Our differences and our individuality are our strengths. Diversity in the workplace is the foundation for creativity and new ideas.</p> <p>"Kodawari" We are dedicated to quality, reliability and safety. With our attention to detail and our relentless pursuit of perfection, our products will always exceed the highest industry standards.</p>
 Integrity	<p>Be Honest Trust is never given, but earned through our actions. Honesty is essential to building lasting relationships internally, as well as with our customers and stakeholders.</p> <p>Show Respect We should always treat others the way we want to be treated.</p> <p>Do the right thing We act ethically and responsibly in all circumstances. We will follow applicable laws and our rules, and will always be guided by the effort to do the right thing.</p>
 Commitment	<p>Walk the Talk We keep ourselves accountable for our actions, and we take pride in what we deliver. We follow through on all of our commitments because we understand that others are dependent on the result of our work.</p> <p>Work Smarter "Work smarter, not harder"—it's not about the hours we've worked, but the value we bring to the hour. We always work with a sense of urgency, whether it's to meet deadlines or to simplify existing processes.</p> <p>Focus 20 "Achieve more by doing less."—We know when to say "no" and prioritize our time, so we can focus on the vital 20% of tasks that are most valuable that lead to high-impact results.</p>

Shares of the Company

Number of shares authorized	150,000,000
Number of shares issued	33,224,485
Number of shareholders	10,037

Distribution of Shareholders



Major Shareholders (Top 10)

As of March 31, 2019

Shareholders	Number of shares (Thousands of shares)	Holdings (%)
Japan Trustee Services Bank, Ltd.	4,868	14.80
JP MORGAN CHASE BANK	2,829	8.60
The Master Trust Bank of Japan, Ltd.	1,984	6.03
STATE STREET BANK AND TRUST COMPANY	1,560	4.74
Funaki Kosan Ltd.	1,041	3.16
Mizuho Bank, Ltd.	812	2.47
Keijiro Fujita	731	2.22
BBH FOR GLOBAL X ROBOTICS AND ARTIFICIAL INTELLIGENCE ETF	683	2.08
THE BANK OF NEW YORK MELLON (INTERNATIONAL) LIMITED	659	2.01
Toshiyuki Funaki	625	1.90

Note: The description of major shareholders above conforms to the content disclosed in the Annual Securities Report.