



Think Automation and beyond...

Financial Results

for the First Quarter FY2026

(April 1, 2025 to June 30, 2025)

August 7, 2025

IDEC CORPORATION

Securities code : 6652



Net Sales

■ Net Sales JPY 15.7 billion (YoY -1.4%)

- Although distribution inventory has returned to normal, sales decreased due to factors such as the impact of the strong JPY, delays in the launch of a new logistics center in the US, and a drop in demand in Europe.

Income

■ Operating Profit JPY 0.3 billion (YoY +19.3%)

■ Ordinary Profit JPY 0.6 billion (YoY +27.1%)

■ Net Profit* JPY 0.5 billion (YoY +54.7%)

* Quarterly Net Income attributable to owners of parent

- Despite the impact of decreased sales, incomes increased due to reduced SG&A resulting from structural reforms.

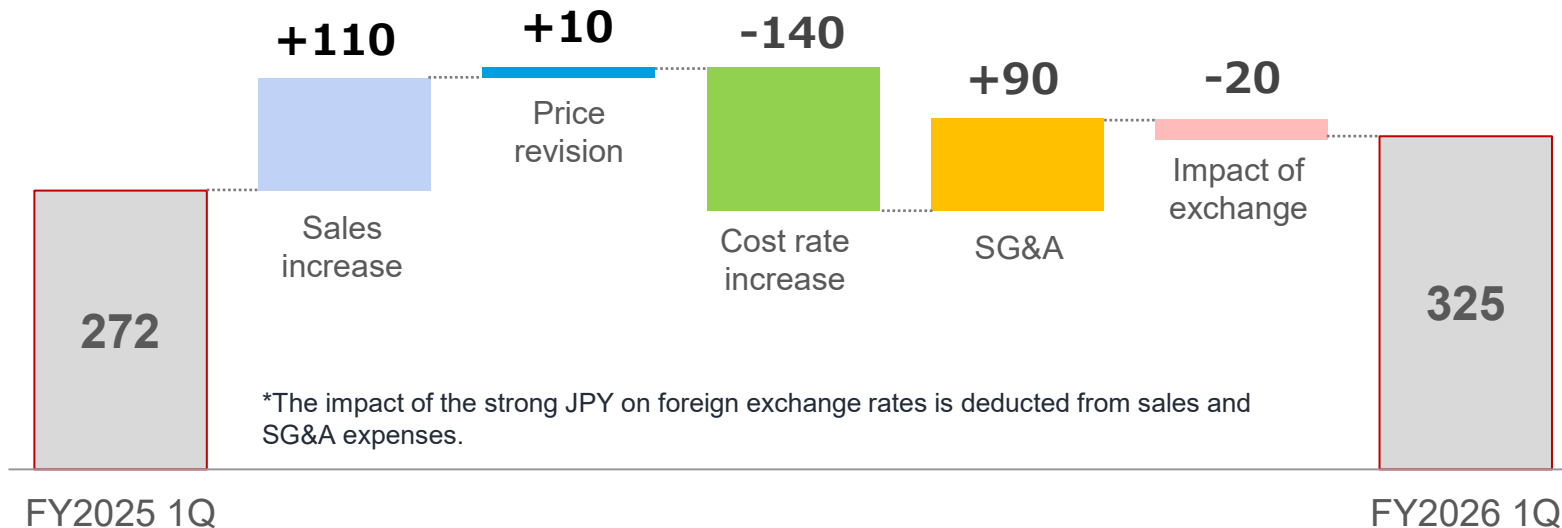
Consolidated performance [Consolidated statement of income] - 1



(Unit: Million Japanese Yen) *Round down to the millions	FY2025 1Q		FY2026 1Q		
	Actual	Sales Ratio	Actual	Sales Ratio	YoY
Net sales	15,962	100.0%	15,736	100.0%	-1.4%
Gross profit	6,861	43.0%	6,643	42.2%	-3.2%
SG&A	6,589	41.3%	6,318	40.2%	-4.1%
Operating profit	272	1.7%	324	2.1%	+19.3%
Ordinary profit	494	3.1%	627	4.0%	+27.1%
Profit attributable to owners of parent	300	1.9%	465	3.0%	+54.7%
Basic earnings per share (JPY)	10.21	—	15.77	—	+5.56
Average exchange rate for USD	155.86		144.60		-11.26
Average exchange rate for EUR	167.84		163.81		-4.03
Average exchange rate for CNY	21.47		19.99		-1.48

Operating income increased by approximately JPY 50 million compared to the same period last year due to cost reductions and other measures, although there was some impact from US tariff policy.

(Unit: Million Japanese Yen) *Round down to the million



Consolidated performance [Consolidated income statement] - 2



(Unit: Million Japanese Yen) ※Round down to the millions	FY2025								FY2026		
	1Q (Apr. to Jun.)		2Q (Jul. to Sep.)		3Q (Oct. to Dec.)		4Q (Jan. to Mar.)		1Q (Apr. to Jun.)		
	Actual	Sales ratio	Actual	Sales ratio	Actual	Sales ratio	Actual	Sales ratio	Actual	Sales ratio	YoY
Net sales	15,962	100.0%	17,126	100.0%	16,381	100.0%	17,909	100.0%	15,736	100.0%	-1.4%
Gross profit	6,861	43.0%	7,526	43.9%	7,008	42.8%	8,040	44.9%	6,643	42.2%	-3.2%
SG&A	6,589	41.3%	6,248	36.5%	6,258	38.2%	6,688	37.3%	6,318	40.2%	-4.1%
Operating profit	272	1.7%	1,278	7.5%	750	4.6%	1,351	7.5%	324	2.1%	+19.3%
Ordinary profit	494	3.1%	969	5.7%	903	5.5%	1,110	6.2%	627	4.0%	+27.1%
Profit attributable to owners of parent	300	1.9%	980	5.7%	334	2.0%	162	0.9%	465	3.0%	+54.7%
Basic earnings per share (JPY)	10.21	—	33.29	—	11.34	—	5.52	—	15.77	—	+5.56

Sales by regions

(Unit: Million Japanese Yen) *Round down to the millions (Sales ratio)	FY2025 1Q	FY2026 1Q	YoY
Japan	4,937 (30.9%)	5,444 (34.6%)	+10.3%
Overseas	11,025 (69.1%)	10,291 (65.4%)	-6.7%
Americas	3,572 (22.4%)	3,055 (19.4%)	-14.5%
EMEA (Europe, Middle East, Africa)	3,977 (24.9%)	3,400 (21.6%)	-14.5%
Asia Pacific	3,474 (21.8%)	3,835 (24.4%)	+10.4%
Total	15,962 (100.0%)	15,736 (100.0%)	-1.4%

Japan

YoY **+10.3%**

- Sales are improving as distribution inventory has returned to normal.

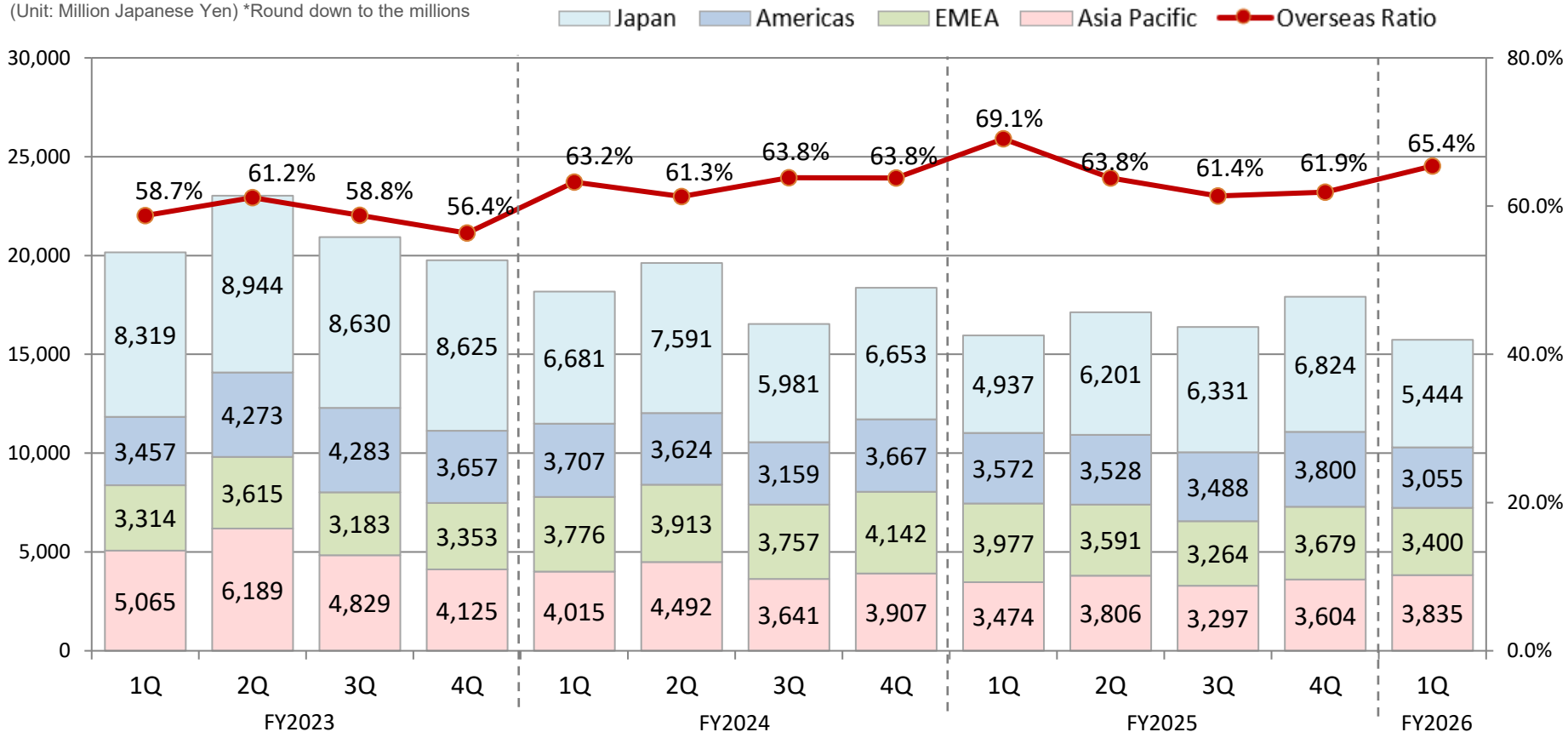
Overseas

YoY **-6.7%**

- Integrated two US group companies and established a new logistics center during this fiscal year, sales decreased due to the impact on shipments caused by delays to launch. (Current operations are stable)
- In EMEA, sales decreased due to weak demand in major industries in Europe.
- In the Asia Pacific market, sales increased due to growing demand in China and normalization of distribution inventory.

Sales by regions (per quarter transition)

(Unit: Million Japanese Yen) *Round down to the millions



Sales by products

(Unit: Million Japanese Yen) *Round down to the millions (Sales ratio)	FY2025 1Q	FY2026 1Q	YoY
HMI	8,149 (51.1%)	7,554 (48.0%)	-7.3%
Industrial Relays & Components	2,533 (15.9%)	2,905 (18.5%)	+14.7%
Automation & Sensing	2,071 (13.0%)	1,504 (9.6%)	-27.4%
Safety & Explosion Protection	2,350 (14.7%)	2,742 (17.4%)	+16.6%
Systems	714 (4.5%)	1,029 (6.5%)	+44.1%
Others*	142 (0.8%)	—	—
Total	15,962 (100.0%)	15,736 (100.0%)	-1.4%

HMI (Human-Machine Interface)

Although distribution inventory has almost returned to normal, sales decreased due to the impact of the European economic downturn and geopolitical risks.

Industrial Relays & Components

Increased sales of industrial relays and other products in the main Chinese market.

Automation & Sensing

Regarding our main product, programmable logic controllers (PLCs), sales decreased due to a fall in new orders caused by inventory adjustments of OEM customers.

Safety & Explosion Protection

In addition to distribution inventory almost returning to normal, sales of safety-related products in China remained strong.

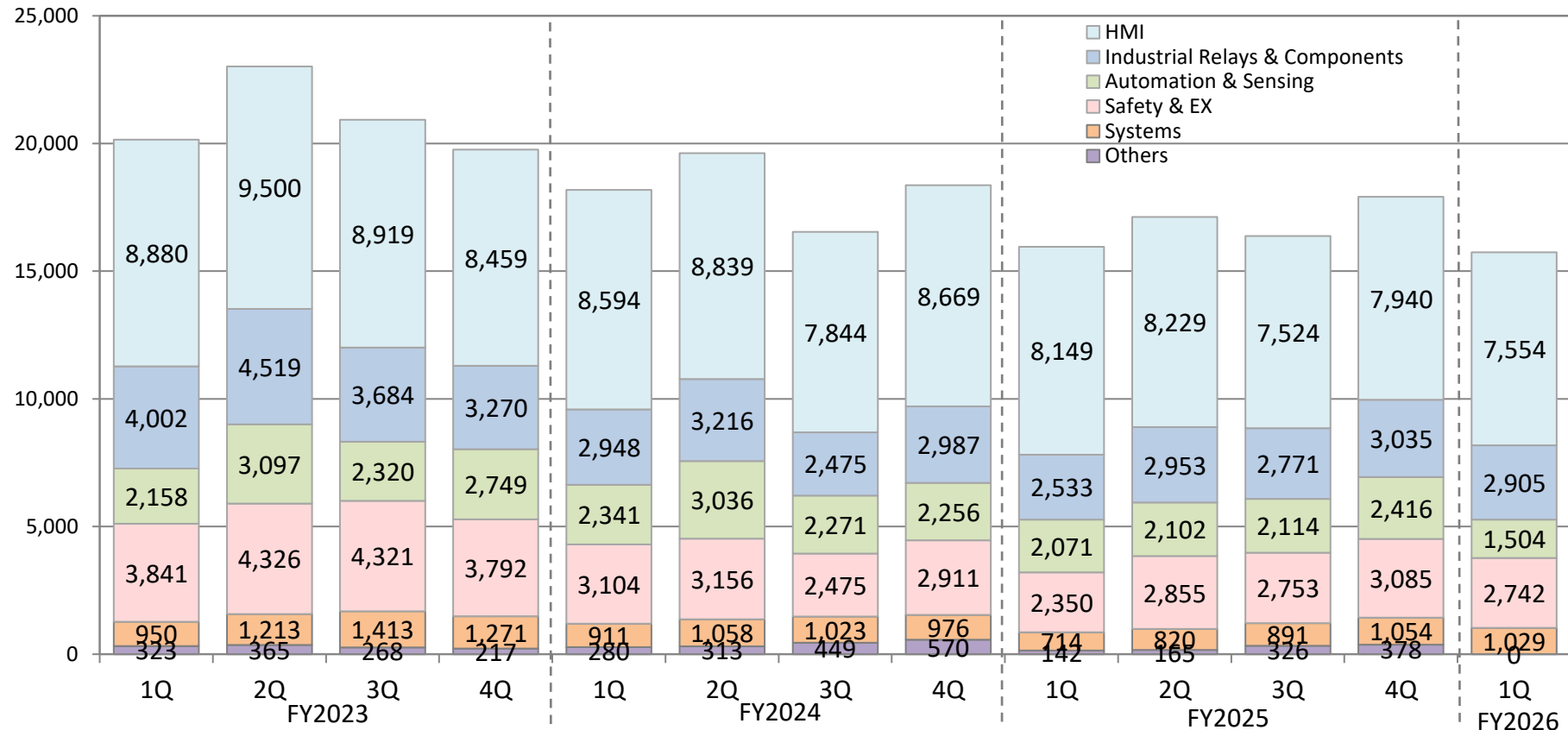
Systems

Sales of control panels for semiconductor manufacturing equipment and logistics-related equipment increased in the Asia Pacific market.

*Removed "Others" since FY2026 1Q due to the sale of IDEC SYSTEMS & CONTROLS CORPORATION (Solar power generation business).

Sales by products (per quarter transition)

(Unit: Million Japanese Yen) *Round down to the millions



Orders received



(Unit: Million Japanese Yen) *Round down to the millions	FY2025 1Q		FY2026 1Q			
	Amount of orders received	Backlog	Amount of orders received	YoY	Backlog	YoY
Japan	6,551	7,013	6,541	-0.1%	5,985	-14.7%
Americas	3,403	2,750	3,557	+4.5%	3,191	+16.0%
EMEA (Europe, Middle East, Africa)	4,136	8,038	2,989	-27.7%	7,086	-11.8%
Asia Pacific	2,907	3,205	2,421	-16.7%	3,269	+2.0%
Total	16,999	21,008	15,510	-8.8%	19,532	-7.0%

Orders received (per quarter transition)



- In Japan, orders increased both year-on-year and compared to the fourth quarter, excluding orders for solar power generation business that was transferred at the end of March 2025.
- In US, demand for construction machinery and material handling industries is declining, but orders for other industries remains strong.
- In EMEA, both sales and orders decreased due to falling demand in major industries in Europe.
- In the Asia Pacific market, orders decreased in the first quarter because orders increased in the fourth quarter due to a review of distributor contracts in China. But actual demand remains strong.

(Unit: Million Japanese Yen) *Round down to the millions	FY2025								FY2026	
	1Q (Apr. to Jun.)		2Q (Jul. to Sep.)		3Q (Oct. to Dec.)		4Q (Jan. to Mar.)		1Q (Apr. to Jun.)	
	Orders received	Backlog	Orders received	Backlog	Orders received	Backlog	Orders received	Backlog	Orders received	Backlog
Japan (excluding solar power generation business)	6,551 (6,224)	7,013	6,553 (6,407)	6,757	6,996 (6,685)	6,831	7,535 (6,320)	5,271	6,541	5,985
Americas	3,403	2,750	3,369	2,611	3,229	2,453	3,908	2,611	3,557	3,191
EMEA (Europe, Middle East, Africa)	4,136	8,038	3,061	7,370	3,450	7,500	3,776	7,522	2,989	7,086
Asia Pacific	2,907	3,205	2,459	2,585	2,908	2,742	4,573	4,353	2,421	3,269
Total	16,999	21,008	15,443	19,325	16,584	19,528	19,794	19,758	15,510	19,532

Highlights of assets

- Total assets decreased by JPY 1.92 billion compared to the end of the previous fiscal year due to inventories increased but cash and deposits decreased.

Highlights of liabilities

- Liabilities decreased by JPY 1.61 billion compared to the end of the previous fiscal year due to decrease in borrowings and accrued expenses.

Highlights of net assets

- Net assets decreased by JPY 310 million compared to the end of the previous fiscal year due to decrease in retained earnings although foreign currency translation adjustments increased.

(Unit: Million Japanese Yen) *Round down to the millions	FY2025 (previous FY)	FY2026 (end of June)	YoY
Current asset	51,480	49,189	-2,290
Non-current asset	55,736	56,101	+364
Current liabilities	27,662	27,040	-621
Non-current liabilities	15,744	14,754	-990
Total net assets	63,810	63,496	-313
Total liabilities and net assets	107,216	105,291	-1,925
Equity-to-asset ratio	58.9%	59.8%	+0.9%

Consolidated performance [Consolidated cash flow statement]



Cash Flows by operation activities

- JPY 1.79 billion due to depreciation, etc.

Cash Flows by investing activities

- - JPY 0.85 billion due to acquisition of non-current assets.

Cash Flows by financing activities

- - JPY 3.07 billion due to expenditures such as payment of borrowings and dividends.

(Unit: Million Japanese Yen) *Round down to the millions	FY2025 1Q	FY2026 1Q	YoY
CF from operation activities	4,036	1,795	-2,241
CF from investing activities	-347	-857	-510
Free cash flows (FCF)	3,689	937	-2,751
CF from financing activities	-3,309	-3,072	+236
Cash and cash equivalents at end of period	15,957	16,394	+437
Capital expenditures	854	987	+132
Depreciation and amortization	1,019	1,007	-12

Forecast for the FY2026

(Fiscal year ending March 2026)

Forecast for the FY2026 *No Fix



(Unit: Million Japanese Yen) *Round down to the millions	FY2025		FY2026		
	Actual	Sales Ratio	Forecast	Sales Ratio	YoY
Net sales	67,380	100.0%	68,700	100.0%	+2.0%
Gross profit	29,437	43.7%	30,460	44.3%	+3.5%
SG&A	25,784	38.3%	25,710	37.4%	-0.3%
Operating profit	3,652	5.4%	4,750	6.9%	+30.0%
Ordinary profit	3,477	5.2%	5,020	7.3%	+44.4%
Profit attributable to owners of parent	1,778	2.6%	3,450	5.0%	+93.9%
Basic earnings per share (JPY)	60.36	—	117.06	—	+56.7
Average exchange rate for USD	152.62		145		-7.62
Average exchange rate for EUR	163.87		160		-3.87
Average exchange rate for CNY	21.11		20.50		-0.61

Forecast for the FY2026 *No Fix



(Unit: Million Japanese Yen) *Round down to the millions	FY2025	FY2026	
	Actual	Forecast	YoY
HMI	31,842	33,000	+3.6%
Industrial Relays & Components	11,294	11,500	+1.8%
Automation & Sensing	8,705	8,500	-2.4%
Safety & Explosion Protection	11,045	11,500	+4.1%
Systems	3,479	4,200	+20.7%
Others	1,013	—	—
Total	67,380	68,700	+2.0%
*Removed "Others" since FY2026 1Q due to the sale of IDEC SYSTEMS & CONTROLS CORPORATION (Solar power generation business).			
Domestic sales	24,294	24,800	+2.1%
Overseas sales	43,085	43,900	+1.9%
(Ratio of overseas sales)	(63.9%)	(63.9%)	

【 Growth rate forecast compared to the previous period 】

△ : Minus - : Stable ○ : Expansion

Industry	Outlook for FY2026	Japan	US	Europe	China	APAC
Machine Tools	A certain level of growth is expected in each region except Europe.	○	○	△	○	○
Semiconductors	Semiconductor manufacturing equipment is also expected to grow in the medium to long term in the US and China, as the semiconductor market is expected to grow globally.	-	○	/	○	/
Robotics	Growth is expected mainly in the US although there are concerns about the impact of the economic downturn in Europe.	○	○	-	○	/
Vehicles	There is a sense of slowdown in each region due to the impact of US tariff policies and stagnant EV sales.	-	-	/	-	○
Special Vehicles	Due to geopolitical risks and the impact of tariff policies, sluggishness is expected to continue in each region.	-	△	△	△	/
AGVs・AMRs	Global growth is expected to continue although there are concerns about the impact of tariffs.	○	○	○	○	/

The Solutions Business
promoted under
Medium-Term Management Plan



New IDEC

Shift to a Customer-Centric Business Structure
and enhance responsiveness to market changes

Customer-Centric Business Structure

- Establish global structure to respond to customer needs
- Expand Solutions Business to address customer challenges

Realizing "One IDEC"

- Optimize global sites and businesses
- Establish digital technology-based compatible SCM system for customer satisfaction and efficiency
- Establish systems to strengthen the "One IDEC" concept

FY2028 Targets

Net sales: JPY 77 billion or more

ROIC: 7% or more

Operating profit margin: 13% or more



Expand Solutions Business established from customer perspectives widely,
to realize HMI-X (Human-Machine Interface Transformation)

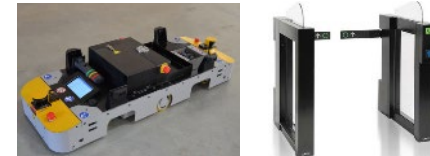
(1) Solutions with Single-Product

- New HMI / Custom Joysticks / Radar sensors / The emergency-stop assist system



(2) Scalable Application-Specific Products Packages

- AMR (Autonomous Mobile Robot) packages / Industry-specific controllers
- Library Systems



(3) Fully Customized Solutions

- Custom AMRs for customers / Transfer machines / Control panels / One-board panels, etc.



(4) Service Solutions

- Robot Risk Assessment support software
- Safety Assessment



Safety Consultant

■ Single-Products that meet various customer issues

(For example...)

- ✓ **Safety Commanders** that allow to easily add safety features to operating tablets at manufacturing sites.
- ✓ **The emergency-stop assist system** that wirelessly operates emergency-stop switches from remote locations.
- ✓ **mmWave Radar Sensor** with our new technology that catch objects which existing sensors could not accurately detect.



Safety Commanders



The emergency-stop assist system



mmWave Radar Sensor

■ Example of using the emergency-stop assist system that wirelessly operates the emergency-stop switch from remote location

- The emergency-stop switch installed on AGVs (Automatic Guided Vehicles) and AMRs (Autonomous Mobile Robots) are difficult to press while the vehicle is moving and to press the switch depending on the transported item. **Possible to stop safely and securely from a distance.**



The emergency-stop assist system



■ 3D mmWave Radar Sensor

developed by IDEC ALPS Technologies Corporation

- Possible to detect in 3D space, unaffected by wind, rain, dust, etc.
Reduce workplace injuries by detecting people and obstacles in front of and behind construction machinery and forklifts used at construction sites, factories and warehouses with many obstacles and blind spots.
- **Used to detect obstacles in unmanned vehicles** at inter-factory transport both indoors and outdoors which will increase in the future and AMRs, **contributing to labor savings.**
- **Detect anomalies in the event of accident such as loss of consciousness**, by catching the presence and movement of human in bathtubs and toilets, as well as movement on the water surface, with keeping their privacies. **(Coming soon)**



3D mmWave Radar Sensor



■ Scalable Solutions specialized Application of Specific Industry

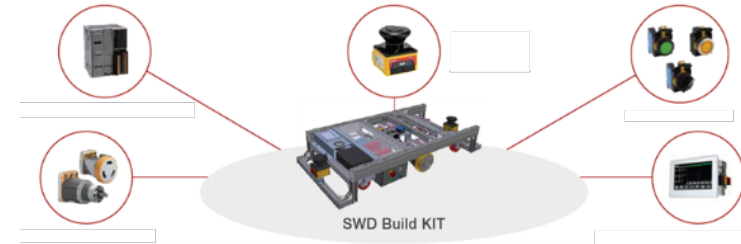
(For example...)

- ✓ Controllers with software for specific industry, that reduce customer start-up costs.
- ✓ Library systems that improve the efficiency of library operations and user convenience.
- ✓ Package the solutions that combined Safety Wheel Drive (SWD) and Assist Wheel Drive (AWD) from z-Wheel brand and HMI and safety-related products.



■ AMR Solutions

- Provide development kit for AGVs and AMRs “The SWD Build KIT” that packaged with HMIs, safety-related products, and software which can be **flexibly customized for customer.**
- Automate transportation process of automobile manufacturers **by AMR solutions equipped software package “ez-Way” that developed in-house based on Safety Wheel Drive (SWD)** which is possible to build flexible transportation solutions.



■ Transportation Solutions

- In the transportation process, **improve labor saving, efficiency, and safety** by replacing conveyors and manual transport with electrically assisted trolleys equipped with Assist Wheel Drive (AWD) and **improve "Well-Being" by reducing the burden of work.**
- Increasing the number of installations at sites with many heavy object transport processes, such as automobile manufacturers and construction machinery manufacturers.



■ Fully customized solutions based on customer needs in the wide range of industries

(For example...)

- ✓ Fully customized One-board of APEM-brand.
- ✓ Suggest collaborative robot solutions of IDEC Factory Solutions and support for the design and production of control panels that comply with US UL standards.
- ✓ Traceability System with automatic identification devices of IDEC AUTO-ID SOLUTIONS.
- ✓ Transfer machines for the food factories that customized based on customer needs.



Customized products of APEM-brand



Transfer machines

■ Various services utilizing IDEC's safety knowledge and expertise

(For example...)

- ✓ **Safety support**, such as safety education, risk assessment, and safety measures at production sites.
- ✓ **Safety consulting based on collaborative safety and support for formulating safety standards** in workplaces where robots and humans work together.



Safety Consultant

References

Currency	Exchange Assumption	Effect by JPY 1 change of exchange rate *For CNY, effect by JPY 0.1 change	
		Net sales	Operating profit
USD	145	Approx. JPY 100 million	Approx. JPY 10 million
EUR	160	Approx. JPY 110 million	Approx. JPY 10 million
CNY	20.50	Approx. JPY 40 million	Approx. JPY 5 million

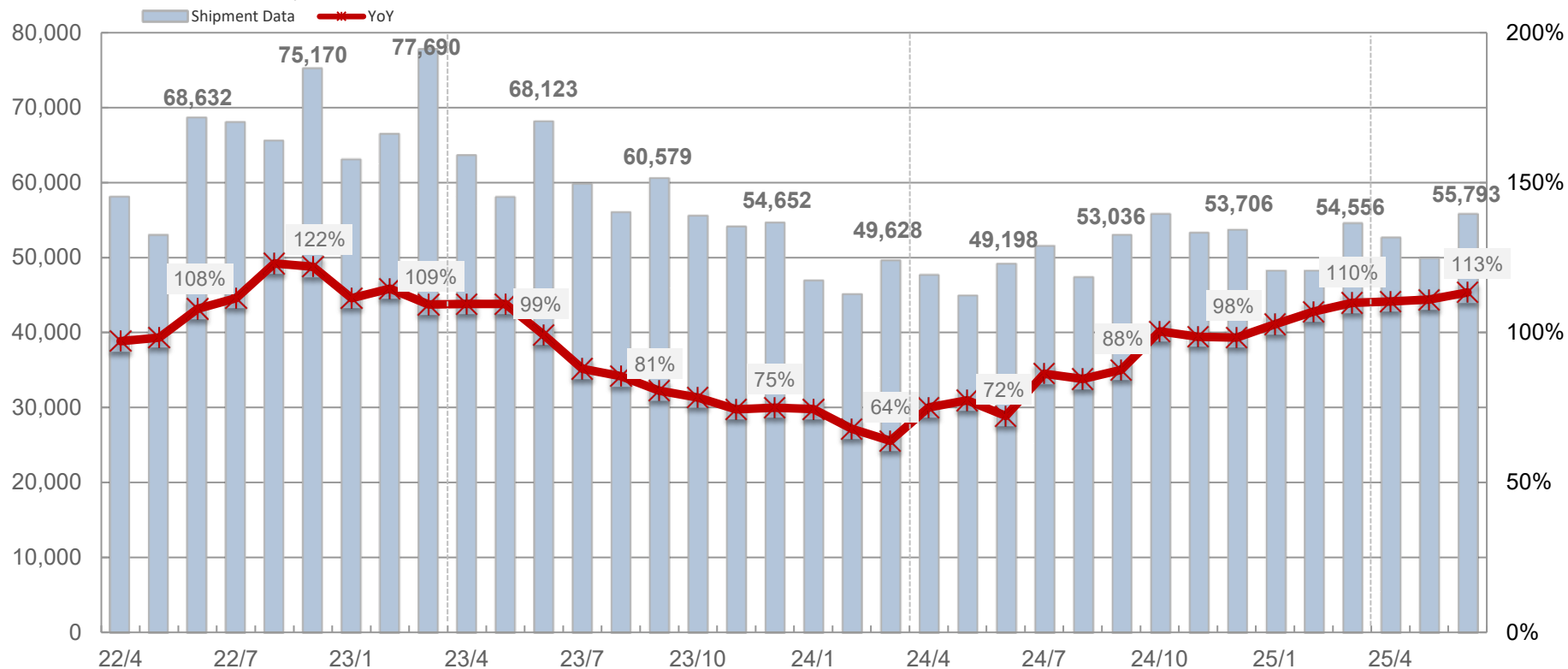
Industry Trend (Transition of shipment data of NECA*)




*Nippon Electric Control Equipment Industries Association



Transition of the industrial shipment and YoY status (between Apr. 2022 to Jun. 2025)

(Unit: Million Japanese Yen)



Industrial Switches	Industrial Relays & Components	Automation & Sensing	Safety & Explosion Protection	Systems
<ul style="list-style-type: none"> • Industrial switches • Joysticks • Pilot lights • Operator interfaces  <div data-bbox="61 609 324 642" style="background-color: red; color: white; padding: 2px; text-align: center;"> APEM products </div>	<ul style="list-style-type: none"> • Switching power supplies • Terminal blocks • Industrial relays/sockets • Circuit protectors • LED illumination units 	<ul style="list-style-type: none"> • Programmable logic controllers • Sensors • Automatic identification devices 	<ul style="list-style-type: none"> • Safety-related products • Explosion protection products 	<ul style="list-style-type: none"> • Collaborative robot systems • Interface complex systems • Security systems • Other various systems 

This material contains our plans and performance forecast, which we have planned and expected in accordance with available information as of August 7, 2025.

Therefore, actual performances may vary from aforementioned plans and expected values due to unforeseeable events and factors.

The original language is Japanese in financial results materials. The English version is translated into the original Japanese version. In the case of any discrepancy between the English translation and the Japanese original, the latter shall prevail.

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