



*Think Automation and beyond...*

# Financial Results for the First Half FY2026

(April 1 – September 30, 2025)

November 7, 2025  
IDEC CORPORATION  
Securities code : 6652



# Overview of the First Half Consolidated Financial Results



## Net Sales

■ Net Sales **JPY 34.1 billion** (YoY +3.1%)

- Although demand declined in Europe, sales in Japan and China remained strong due to the normalization of distribution inventory.
- In the U.S., sales were impacted in the first quarter by delays in launching the newly established logistics center, but recovered in the second quarter.  
Sales also increased due to the effect of passing on additional U.S. tariffs to product prices.

## Profit

■ Operating Profit **JPY 2.6 billion** ( YoY +68.4%)

■ Ordinary Profit **JPY 2.9 billion** ( YoY +98.8%)

■ Interim Net Profit\* **JPY 1.8 billion** ( YoY +37.0%)

\*Net profit attributable to owners of the parent

- Profit improved significantly, driven by increased revenue and a reduction in SG&A expenses resulting from structural reforms.

## Dividend

■ Interim Dividend **JPY 65** (Same period of the previous year: JPY 65)

# Consolidated Performance [Consolidated Statement of Income] - 1



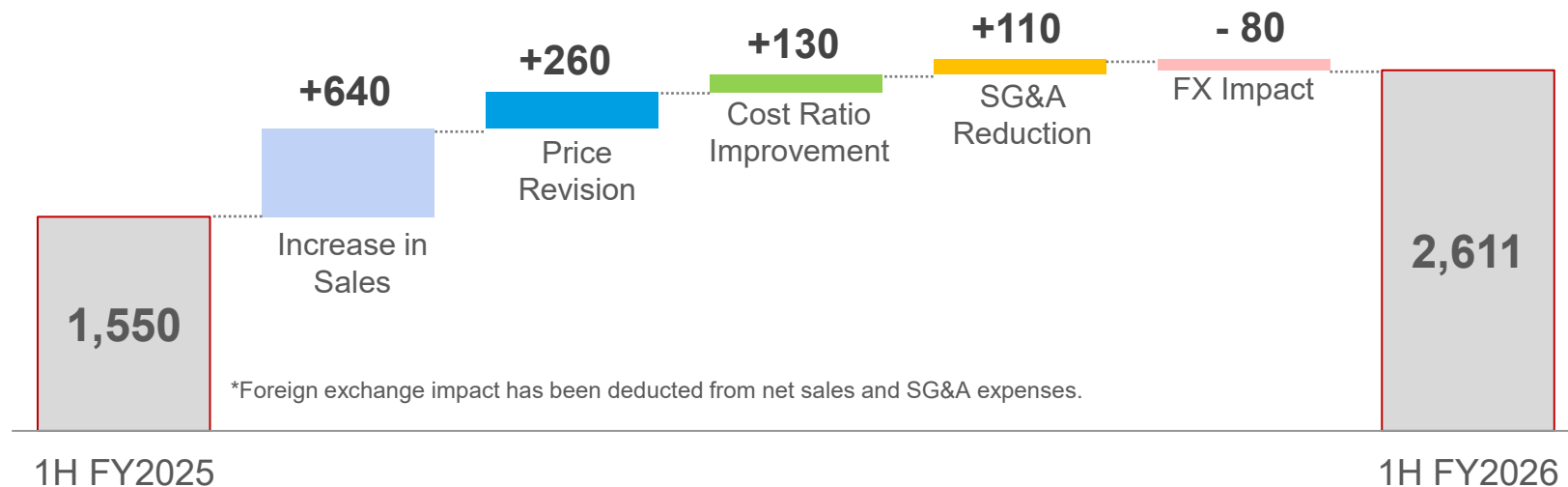
[ Unit: Millions of JPY ] *Amounts less than JPY 1 million are rounded down	1H FY2025		1H FY2026		
	Actual	Sales Ratio	Actual	Sales Ratio	YoY
Net Sales	33,088	100.0%	<b>34,111</b>	<b>100.0%</b>	<b>+3.1%</b>
Gross Profit	14,387	43.5%	<b>15,228</b>	<b>44.6%</b>	<b>+5.8%</b>
SG&A	12,837	38.8%	<b>12,617</b>	<b>37.0%</b>	<b>-1.7%</b>
Operating Profit	1,550	4.7%	<b>2,611</b>	<b>7.7%</b>	<b>+68.4%</b>
Ordinary Profit	1,463	4.4%	<b>2,909</b>	<b>8.5%</b>	<b>+98.8%</b>
Profit attributable to owners of parent	1,281	3.9%	<b>1,755</b>	<b>5.1%</b>	<b>+37.0%</b>
Basic earnings per share (JPY)	43.50	—	<b>59.48</b>	—	<b>+15.98</b>
Average exchange rate for USD	152.77		<b>146.03</b>		<b>-6.74</b>
Average exchange rate for EUR	166.05		<b>168.05</b>		<b>+2.00</b>
Average exchange rate for CNY	21.16		<b>20.29</b>		<b>-0.87</b>

# Factors Behind Changes in Consolidated Operating Profit



Operating profit **increased by approximately JPY 1.06 billion** YoY, driven by higher revenue, price revisions, improved cost ratio from product mix, and SG&A reduction due to structural reforms, despite U.S. tariffs.

[ Unit: Millions of JPY] \*Amounts less than JPY 1 million are rounded down



# Consolidated Performance [Consolidated Statement of Income] - 2



- Profit margins significantly improved, driven by strong performance in high-margin regions such as Japan and the Americas, along with increased sales of HMI and safety equipment.

[ Unit: Millions of JPY ] *Amounts less than JPY 1 million are rounded down	FY2025						FY2026				
	2Q (Jul.- Sep.)		3Q (Oct.- Dec.)		4Q (Jan.- Mar.)		1Q (Apr.- Jun.)		2Q (Jul.- Sep.)		
	Actual	Sales Ratio	Actual	Sales Ratio	Actual	Sales Ratio	Actual	Sales Ratio	Actual	Sales Ratio	YoY
Net Sales	17,126	100.0%	16,381	100.0%	17,909	100.0%	15,736	100.0%	18,374	100.0%	+ 7.3%
Gross Profit	7,526	43.9%	7,008	42.8%	8,040	44.9%	6,643	42.2%	8,584	46.7%	+14.1%
SG&A	6,248	36.5%	6,258	38.2%	6,688	37.3%	6,318	40.2%	6,298	34.3%	+ 0.8%
Operating Profit	1,278	7.5%	750	4.6%	1,351	7.5%	324	2.1%	2,286	12.4%	+78.9%
Ordinary Profit	969	5.7%	903	5.5%	1,110	6.2%	627	4.0%	2,282	12.4%	+135.4%
Profit attributable to owners of parent	980	5.7%	334	2.0%	162	0.9%	465	3.0%	1,290	7.0%	+31.5%
Basic earnings per share (JPY)	33.29	—	11.34	—	5.52	—	15.77	—	43.71		—

# Sales by Region



[ Unit: Millions of JPY ] *Amounts less than JPY 1 million are rounded down (Sales Ratio)			
	1H FY2025	1H FY2026	YoY
Japan	11,138 (33.7%)	<b>11,471 (33.6%)</b>	+3.0%
Overseas	21,950 (66.3%)	<b>22,639 (66.4%)</b>	+3.1%
Americas	7,100 (21.5%)	<b>7,311 (21.4%)</b>	+3.0%
EMEA (Europe, Middle East, Africa)	7,568 (22.9%)	<b>7,127 (20.9%)</b>	-5.8%
Asia Pacific	7,281 (22.0%)	<b>8,200 (24.1%)</b>	+12.6%
Total	33,088 (100.0%)	<b>34,111 (100.0%)</b>	+3.1%

## Japan

YoY

**+3.0%**

- Sales are trending upward due to normalization of distribution inventory.

## Overseas

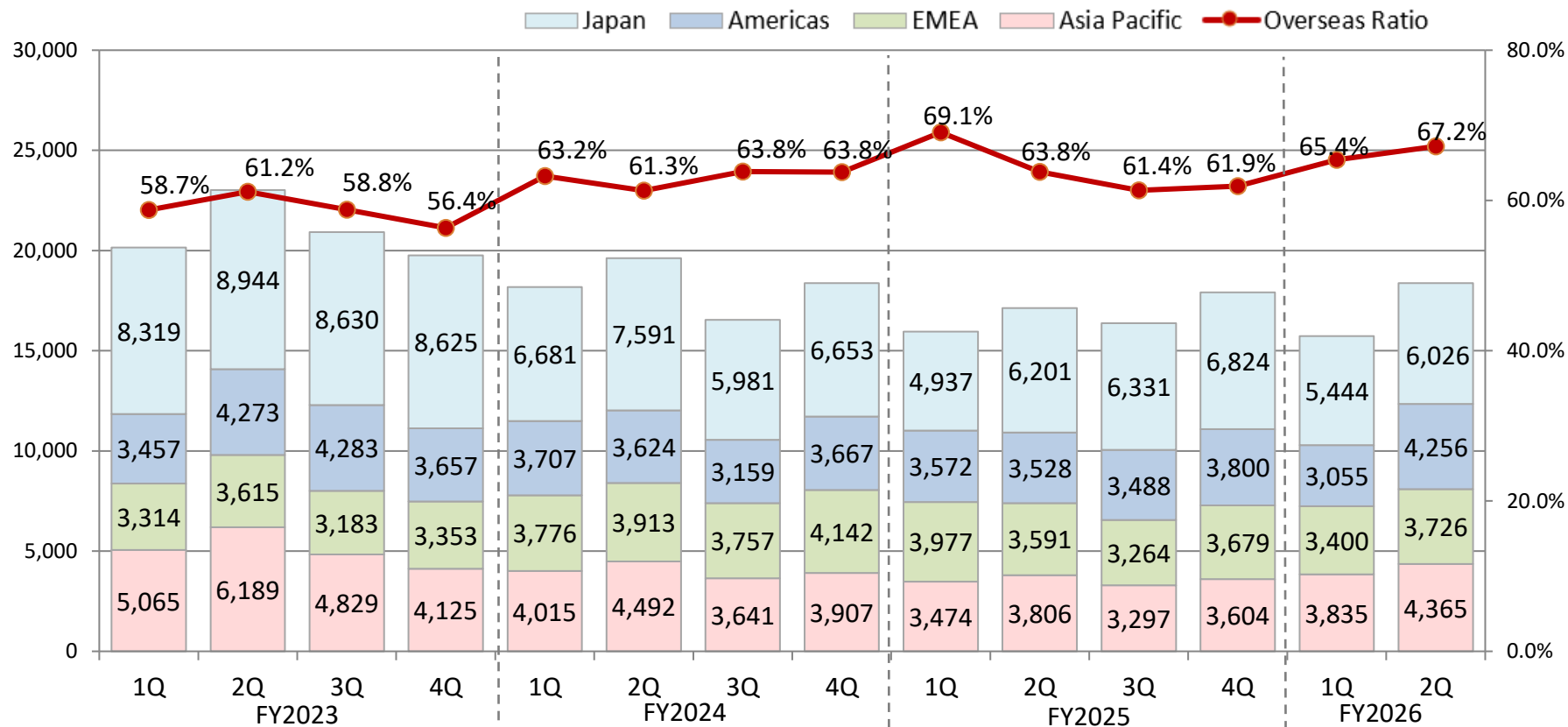
YoY

**+3.1%**

- Sales in Americas increased, driven by recovery in 2Q from initial delays in launching the new logistics center, and by higher sales resulting from price adjustments reflecting additional U.S. tariffs.
- Sales in EMEA declined, reflecting reduced demand in major European industries.
- Sales in Asia-Pacific increased, driven by growing demand in China's automotive and semiconductor industries, as well as the normalization of distribution inventory levels.

# Sales by Region [ Quarterly Trends ]

[ Unit: Millions of JPY ] \*Amounts less than JPY 1 million are rounded down



# Sales by Product

[ Unit: Millions of JPY ] *Amounts less than JPY 1 million are rounded down (Sales Ratio)	1H FY2025	1H FY2026	YoY
HMI	16,378 (49.5%)	<b>16,077</b> <b>(47.2%)</b>	-1.8%
Industrial Relays & Components	5,487 (16.6%)	<b>6,281</b> <b>(18.4%)</b>	+14.5%
Automation & Sensing	4,174 (12.6%)	<b>3,442</b> <b>(10.1%)</b>	-17.5%
Safety & Explosion Protection	5,206 (15.7%)	<b>6,047</b> <b>(17.7%)</b>	+16.2%
Systems	1,534 (4.6%)	<b>2,261</b> <b>(6.6%)</b>	+47.4%
Others*	308 (1.0%)	—	—
Total	33,088 (100.0%)	<b>34,111</b> <b>(100.0%)</b>	+3.1%

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

## HMI (Human-Machine Interface)

Although distribution inventory of industrial switches and operator interfaces for factory automation has nearly normalized, sales declined due to the economic slowdown in Europe and reduced demand in the special-purpose vehicle industry.

## Industrial Relays & Components

Sales of control relays increased in core markets, including Asia-Pacific and North America.

## Automation & Sensing

Sales of the core product, programmable logic controllers, declined due to a decrease in new orders resulting from inventory adjustments by OEM customers.

## Safety & Explosion Protection

Sales of safety-related equipment remained stable in core markets such as Japan and Asia-Pacific, with particularly strong performance in China.

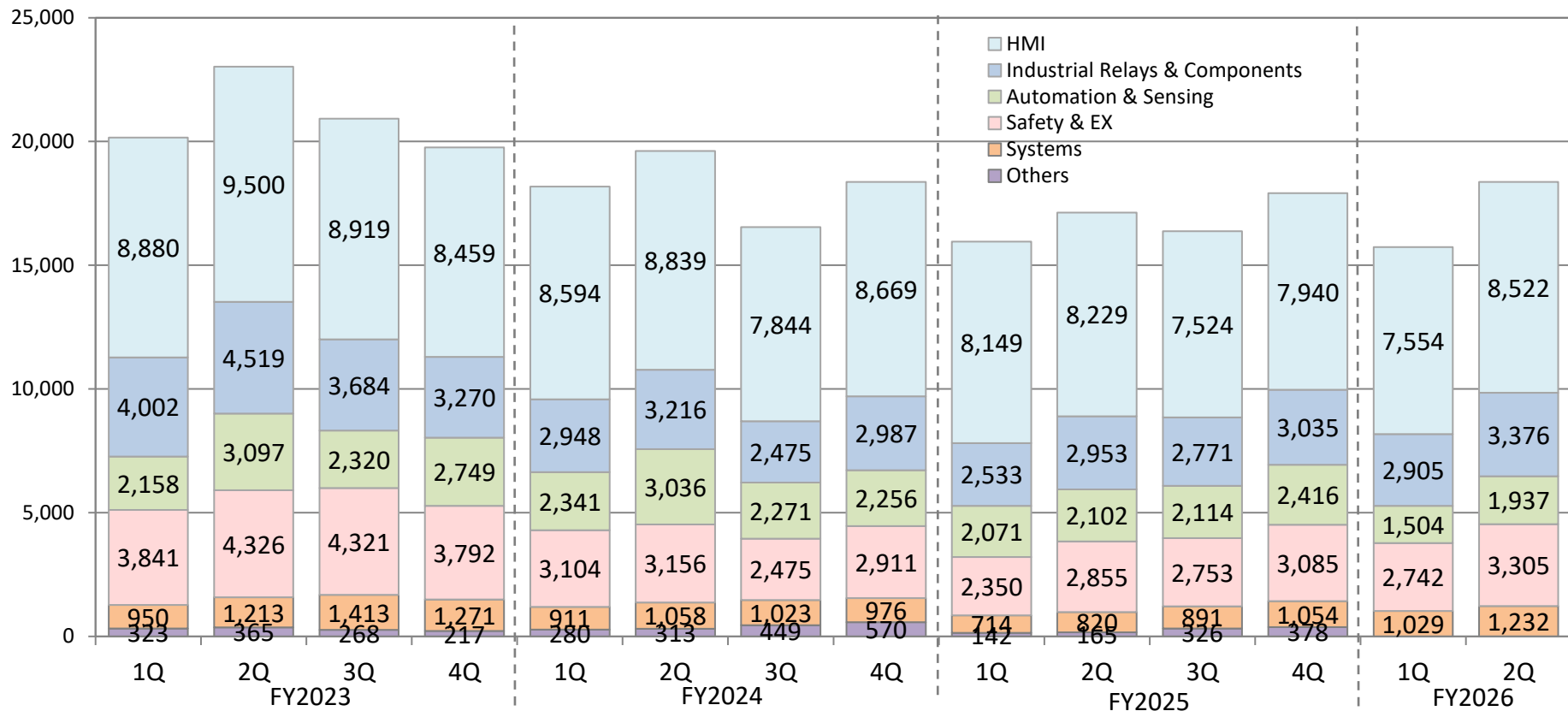
## Systems

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



# Sales by Product [ Quarterly Trends ]

[ Unit: Millions of JPY ] \*Amounts less than JPY 1 million are rounded down



# Orders Received



[ Unit: Millions of JPY ] *Amounts less than JPY 1 million are rounded down	1H FY2025		1H FY2026			
	Amount of Orders Received	Backlog	Amount of Orders Received	YoY	Backlog	YoY
Japan	13,104	6,757	<b>13,417</b>	+2.4%	<b>6,168</b>	-8.7%
Americas	6,772	2,611	<b>7,510</b>	+10.9%	<b>2,929</b>	+12.2%
EMEA (Europe, Middle East, Africa)	7,198	7,370	<b>6,756</b>	-6.1%	<b>7,072</b>	-4.0%
Asia Pacific	5,367	2,585	<b>5,429</b>	+1.2%	<b>2,591</b>	+0.2%
Total	32,442	19,325	<b>33,114</b>	+2.1%	<b>18,762</b>	-2.9%

# Orders Received [ Quarterly Trends ]



- Order intake in Japan is exhibiting a recovery trend, supported by the normalization of distribution inventory levels.
- In the Americas, although demand from the construction machinery and material handling sectors is declining, demand from other factory automation industries remains solid.
- In EMEA, order intake is showing signs of improvement, partly supported by currency effects.  
In Asia-Pacific, demand—particularly from China—remains solid.

[ Unit: Millions of JPY ] *Amounts less than JPY 1 million are rounded down	FY2025						FY2026			
	2Q (Jul. - Sep.)		3Q (Oct. - Dec.)		4Q (Jan.- Mar.)		1Q (Apr. - Jun.)		2Q (Jul. - Sep.)	
	Orders Received	Backlog	Orders Received	Backlog	Orders Received	Backlog	Orders Received	Backlog	Orders Received	Backlog
Japan (Excluding Solar power generation business)	6,553 (6,407)	6,757	6,996 (6,685)	6,831	7,535 (6,320)	5,271	6,541	5,985	<b>6,875</b>	6,168
Americas	3,369	2,611	3,229	2,453	3,908	2,611	3,557	3,191	<b>3,953</b>	2,929
EMEA *Europe, Middle East, Africa	3,061	7,370	3,450	7,500	3,776	7,522	2,989	7,086	<b>3,767</b>	7,072
Asia Pacific	2,459	2,585	2,908	2,742	4,573	4,353	2,421	3,269	<b>3,007</b>	2,591
Total	15,443	19,325	16,584	19,528	19,794	19,758	15,510	19,532	<b>17,604</b>	18,762

## Highlights on Assets

- While inventories and fixed assets increased, cash and deposits declined, resulting in a reduction of approximately JPY 900 million in total assets compared to the end of the previous period.

## Highlights on Liabilities

- Liabilities decreased by approximately JPY 3.2 billion compared to the end of the previous period, primarily due to reductions in borrowings and accrued expenses.

## Highlights on Net Assets

- Net assets increased by approximately JPY 2.3 billion compared to the end of the previous period, primarily due to an increase in foreign currency translation adjustments.

[ Unit: Millions of JPY ] *Amounts less than JPY 1 million are rounded down			
	FY2025 (previous FY)	FY2026 (end of September)	YoY
Current Assets	51,480	48,955	-2,525
Non-current Assets	55,736	57,361	+1,624
Current Liabilities	27,662	23,048	-4,614
Non-current Liabilities	15,744	17,132	+1,387
Total Net Assets	63,810	66,135	+2,325
Total Liabilities and Net Assets	107,216	106,316	-900
Equity-to-Asset Ratio	58.9%	61.7%	+2.8%

## Cash Flows from Operating Activities

- Cash flows amounted to approximately JPY 2.29 billion, primarily due to an increase in inventories, payment of corporate taxes, recognition of profit before income taxes and depreciation.

## Cash Flows from Investing Activities

- Cash outflows amounted to approximately JPY 1.96 billion, primarily due to the acquisition of fixed assets.

## Cash Flows from Financing Activities

- Cash outflows amounted to approximately JPY 4.8 billion, primarily due to loan repayments and dividend payments.

[ Unit: Millions of JPY ] *Amounts less than JPY 1 million are rounded down			
	1H FY2025	1H FY2026	YoY
CF from Operation Activities	6,741	2,288	-4,452
CF from Investing Activities	-1,082	-1,959	-876
Free Cash Flows (FCF)	5,658	329	-5,328
CF from Financing Activities	-4,250	-4,802	-551
Cash and cash equivalents at end of period	16,131	14,274	-1,856
Capital Expenditures	1,980	2,298	+318
Depreciation and Amortization	2,037	1,985	-51

# Forecast for the FY2026

(Fiscal year ending March 2026)

# Forecast for the FY2026 \*No Fix



[ Unit: Millions of JPY ] *Amounts less than JPY 1 million are rounded down	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: Millions of JPY ] *Amounts less than JPY 1 million are rounded down	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 1Q FY2026 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
<b>Machine Tools</b>	A certain level of growth is expected in each region except Europe.	○	○	△	○	○
<b>Semiconductors</b>	Semiconductor manufacturing equipment is also expected to grow in the medium to long term in the U.S. and China, as the semiconductor market is expected to grow globally.	−	○		○	
<b>Robotics</b>	Growth is expected mainly in the U.S. although there are concerns about the impact of the economic downturn in Europe.	○	○	−	○	
<b>Vehicles</b>	There is a sense of slowdown in each region due to the impact of U.S. tariff policies and stagnant EV sales.	−	−		−	○
<b>Special Vehicles</b>	Due to geopolitical risks and the impact of tariff policies, sluggishness is expected to continue in each region.	−	△	△	△	
<b>AGVs/AMRs</b>	Global growth is expected to continue although there are concerns about the impact of tariffs.	○	○	○	○	

# Progress of Reform Projects Under the 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 the 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**

**Operating Profit margin: 13% or more**

**ROIC: 7% or more**

As a "New IDEC," we are driving initiatives to transform into a **Global, Customer-Centric Corporate Culture** and lay the foundation for becoming a **highly profitable company**.

1

**Global Matrix  
Management  
Structure**

2

**Global  
Optimization  
of SCM**

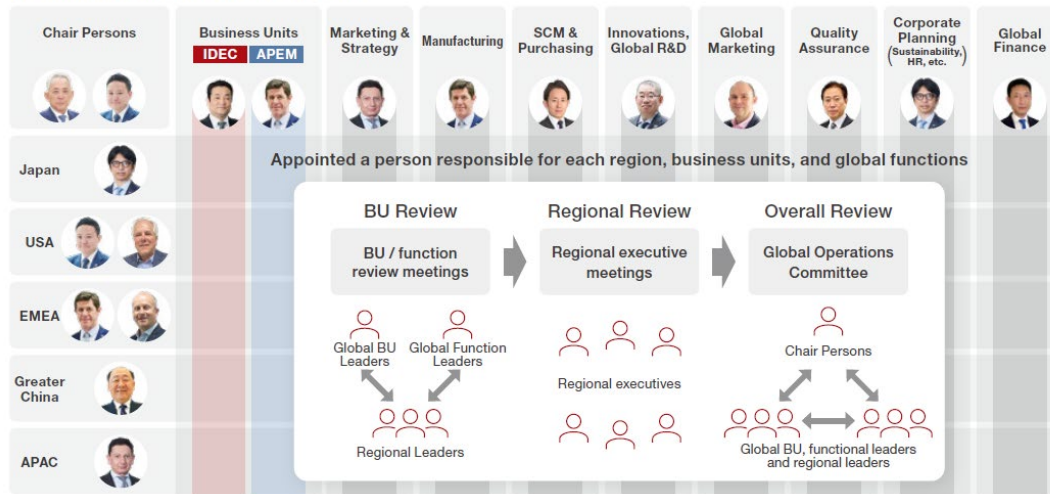
3

**Transformation of  
R&D Processes  
and Structure**

# (1) Global Matrix Management Structure

- Operations began under new structure in April.
- **The Global Operations Committee (GOC) was established and began operations.**
- **Achieving rapid decision-making** through clarifying responsibilities and monthly and quarterly meetings with information exchange.
- Discussing progress by region and function, reform projects, and key issues.
- Policies are determined by the GOC and submitted to the Top Management Meeting and the Board of Directors.

## Global Matrix Management Structure



Highlights from the GOC Meeting



- **To enhance overall group performance by leveraging the strengths and expertise of the IDEC and APEM brands to the fullest**, we have established two Business Units—IDEC and APEM—and are promoting business operations through mutual communication.

## 【Business Objectives】

- ✓ **Safety Business Sales** : JPY 11.0 billion (FY2025) ⇒ **1.5 times** (FY2028)
- ✓ **Solutions Business Sales Ratio** : 10% (FY2025) ⇒ **15%** (FY2028)
- ✓ **New Product Sales Ratio** : 10% (FY2025) ⇒ **15%** (FY2028)

# (1) Global Matrix Management Structure

## IDEC Business Unit

- Expand the product portfolio and pursue M&A and partnerships **to strengthen global presence as a safety equipment manufacturer.**
- **Expand products, services, and solutions that meet the growing needs of the “Collaborative Safety” field**, aiming to balance safety and productivity in environments where humans and machines work together.
- **Increase in sales of mobility-related products and solutions**, including AGVs and AMRs, in Japan, Europe, and the U.S.

HMI-X [Transformation]



## APEM Business Unit

- Focus on four areas: material handling, construction, defense, and e-Transportation (such as electric vehicles).
- Aim to become the **No.1 supplier of HMI products for special vehicles**, while strengthening joystick development for the construction industry to expand presence.
- Concentrate on promising products through **selection and focus**, discontinuing low-sales and low-margin products.
- **Enhance added value** by developing **new features that customers need**, such as safety functions.



## (2) Global Optimization of SCM

### ■ Roll out SCP system globally

- Implemented in Japan and China by the previous fiscal year.
- **Promoting phased global implementation.**
- **Improving demand-supply planning** through collection and centralized management of demand-supply data from each region.



### ■ Shorten lead times by reviewing logistics network

- **Reviewed the logistics network concept** in the first half.
- **Verifying the To-Be** model for realization in the second half.
- **Planning to start building the To-Be model structure** from next fiscal year.

### ■ Improve purchasing efficiency through supplier selection and consolidation at IDEC and APEM

- Reviewed supplier evaluation criteria and began category-based supplier consolidation in the first half.
- **Preparing in the second half for global rollout** starting next fiscal year.



- **Review product development process based on customer needs to achieve a “customer-centric” business**
  - Conducted process analysis and review in the first half.
  - Designed and introduced **a new process to confirm customer needs** at each milestone of development meetings.
  
- **Establish a three-pillar structure (Japan, Americas, Europe); standardize development processes across the group and adjust resource allocation**
  - **Launched a Competence Center** in Europe **to strengthen** APEM switches and future-demand areas such as **functional safety** and **cybersecurity products**.
  - Standardizing development processes across IDEC Group within this fiscal year to reduce development time.

# References

Currency	Exchange Assumption	Estimated impact of a JPY 1 fluctuation *For CNY, estimated impact based on a JPY 0.1 fluctuation	
		Net Sales	Operating Profit
USD	JPY 145	Approx. JPY 100 million	Approx. JPY 10 million
EUR	JPY 160	Approx. JPY 110 million	Approx. JPY 10 million
CNY	JPY 20.50	Approx. JPY 40 million	Approx. JPY 5 million

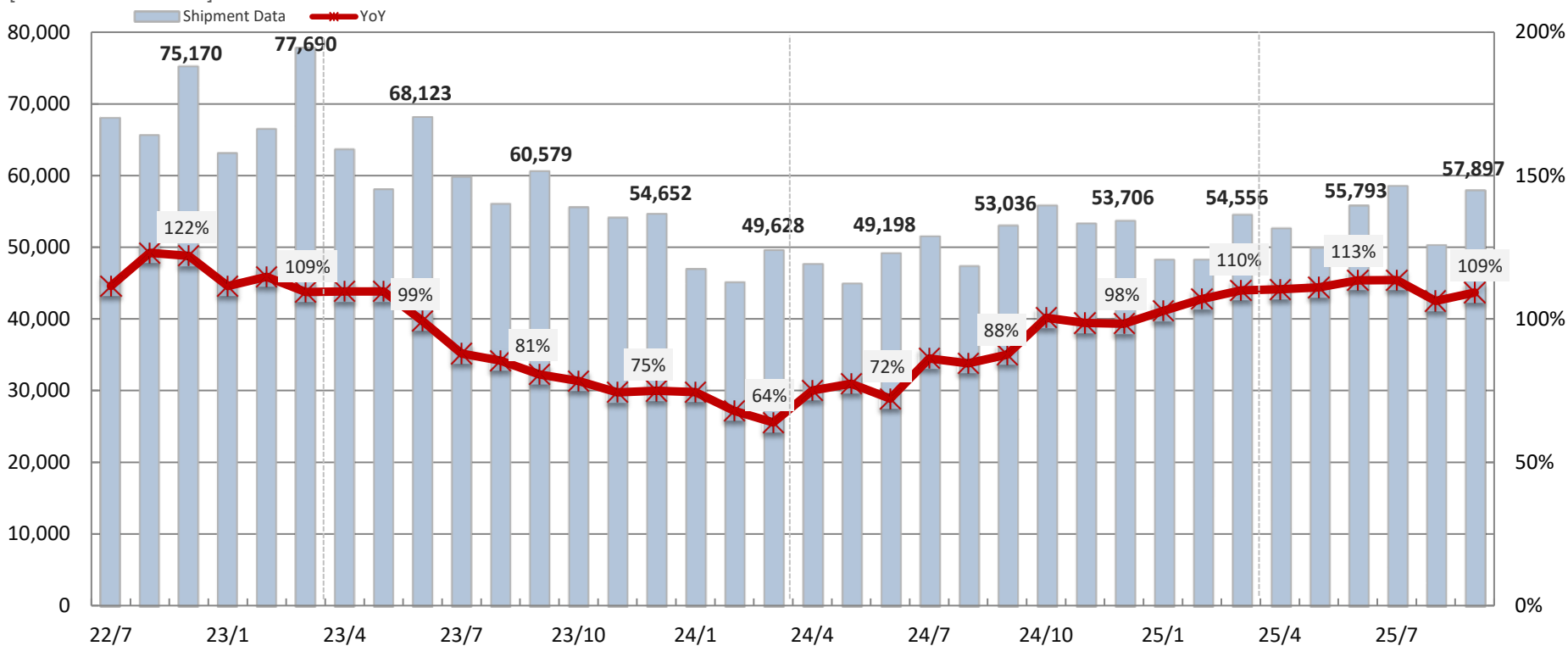
# Industry Trend (Transition of shipment data of NECA\*)

\*Nippon Electric Control Equipment Industries Association



## Transition of the industrial shipment and YoY status (between Jul. 2022 to Sep. 2025)

[ Unit: Millions of JPY ]



# Sales Classification by Segment

## HMI

- Industrial switches
- Joysticks
- Pilot lights
- Operator interfaces



APEM products



## Industrial Relays & Components

- Switching power supplies
- Terminal blocks
- Industrial relays/sockets
- Circuit protectors
- LED illumination units



## Automation & Sensing

- Programmable logic controllers
- Sensors
- Automatic identification devices



## Safety & Explosion Protection

- Safety-related products
- Explosion protection products



## Systems

- Collaborative robot systems
- Interface complex systems
- Security systems
- Other various systems



This material contains our plans and performance forecasts, which we have planned and expected in accordance with available information as of November 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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