

Medium-Term Management Plan

(Fiscal year ending March 2026 to fiscal year ending March 2028)

IDEC CORPORATION

Securities code: 6652

May 14, 2026



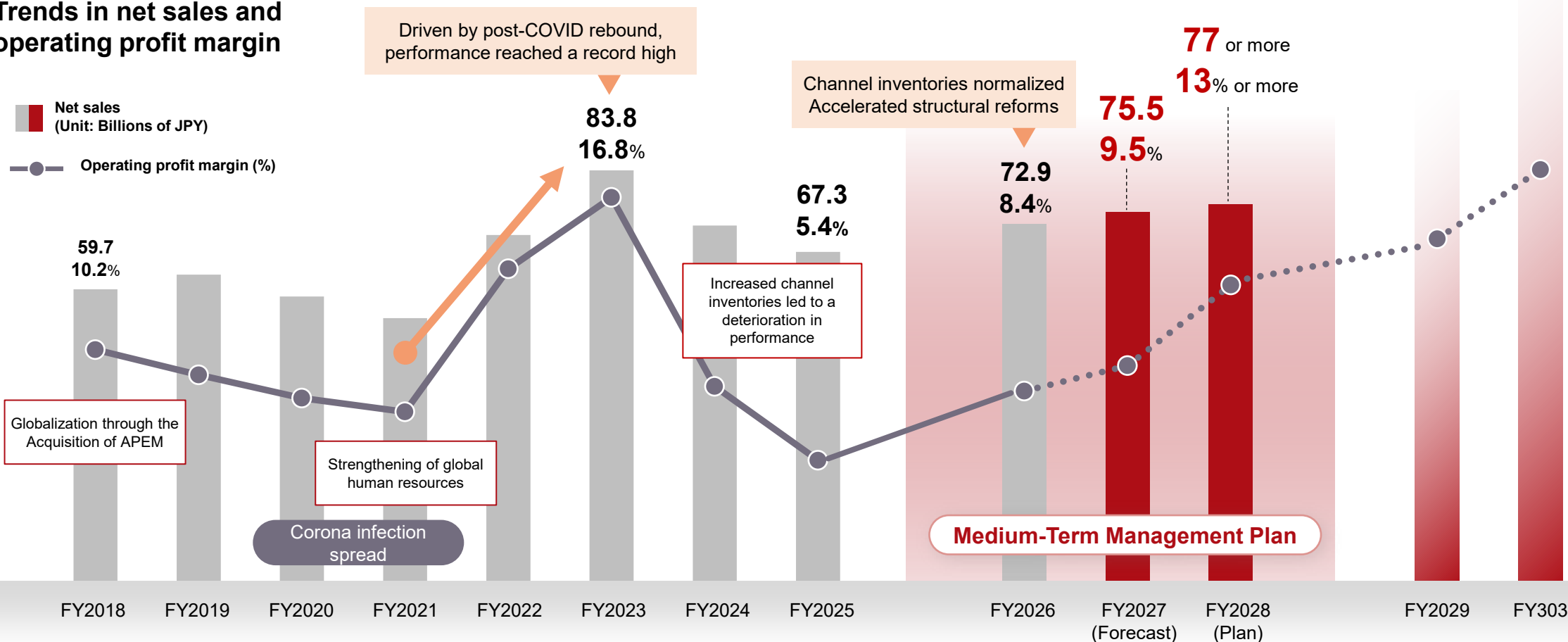
Medium-Term Management Plan

- We are promoting a three-year medium-term management plan to strengthen our ability to respond to customer needs and transform into a global company with a high-profit structure.

Trends in net sales and operating profit margin

■ Net sales
(Unit: Billions of JPY)

—●— Operating profit margin (%)



New IDEC

Transition to a customer-centric business structure and enhance responsiveness to market changes.

Customer-centric Business Structure

- Establish global structure to meet customer demands
- Strengthen solutions to address customer challenges

Realizing One IDEC

- Optimize operations and manufacturing bases globally
- Establish SCM system that leverages digital technology and enhances customer satisfaction and efficiency
- Establish organization that reinforces “One IDEC”

Targets for the FY2028

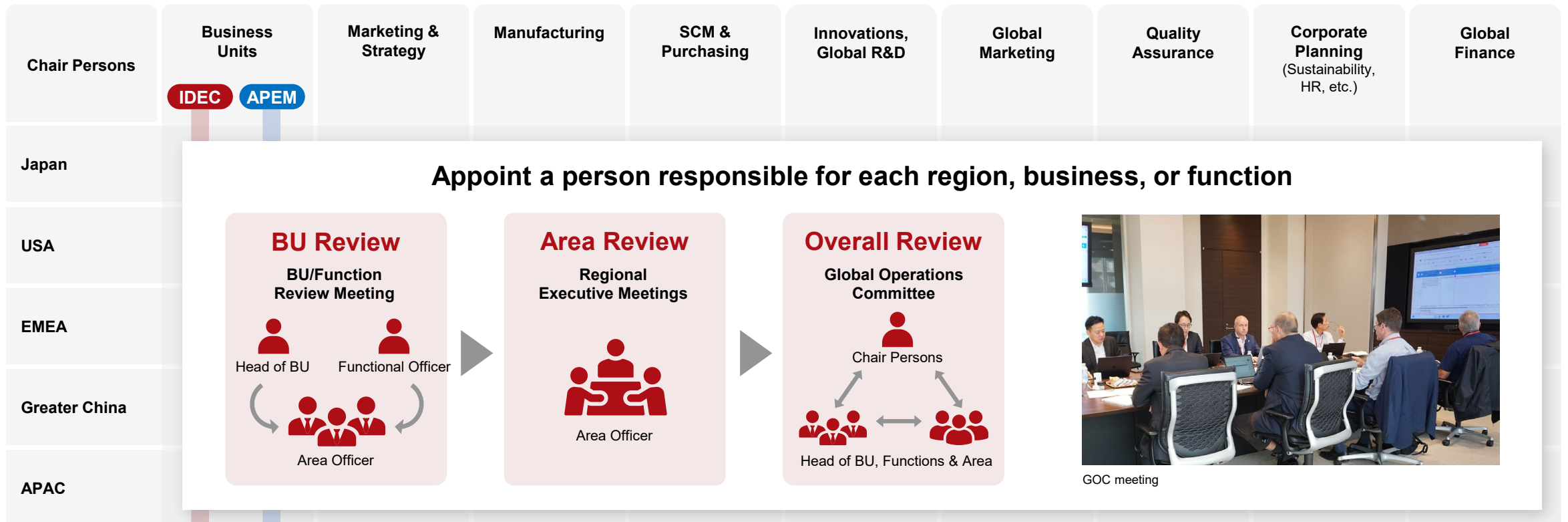
Net sales: JPY **77** billion or more

Operating profit margin:
13% or more

ROIC: **7**% or more

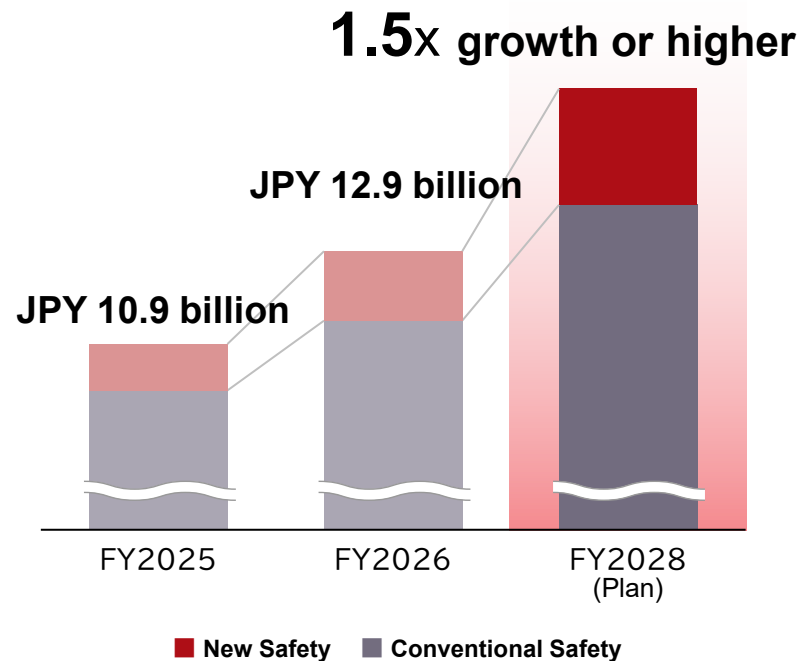
Renewal of the Global System

- Established a new global management matrix structure starting in April 2025.
- Established the Global Operations Committee (GOC) to review plans while regularly sharing information and checking progress, and steadily promoting annual and medium-term management plans.

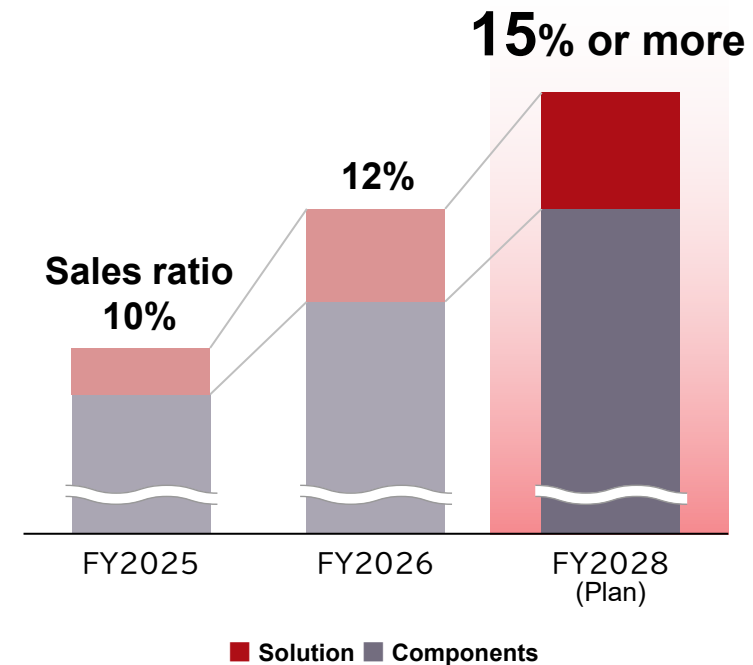


- We will develop products and services that meet the latent needs of our customers and drive business growth based on our core pillars of “HMI, safety, and ANSHIN.”

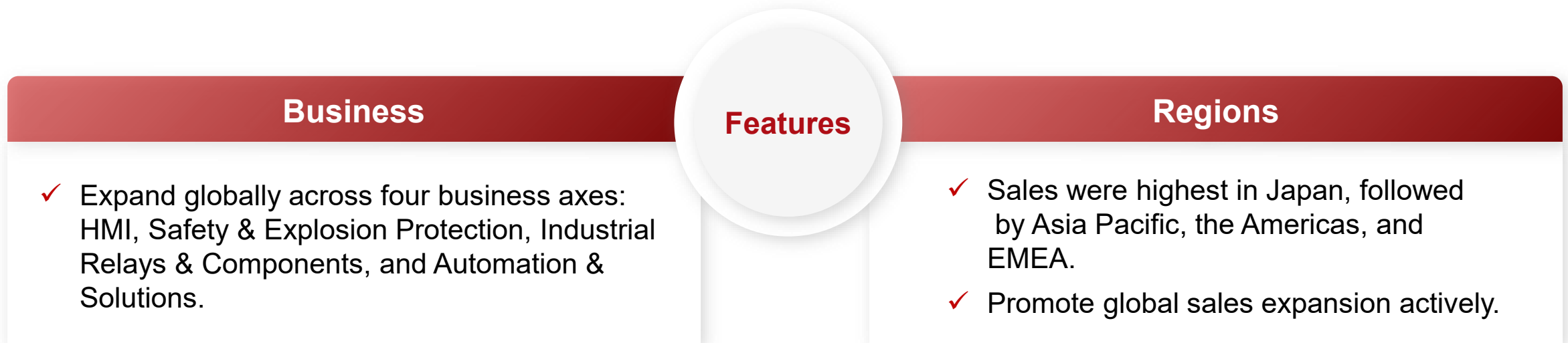
Expand the Safety Business with
safety and ANSHIN component solutions



Increase solution sales ratio
to accelerate provision of value to customers



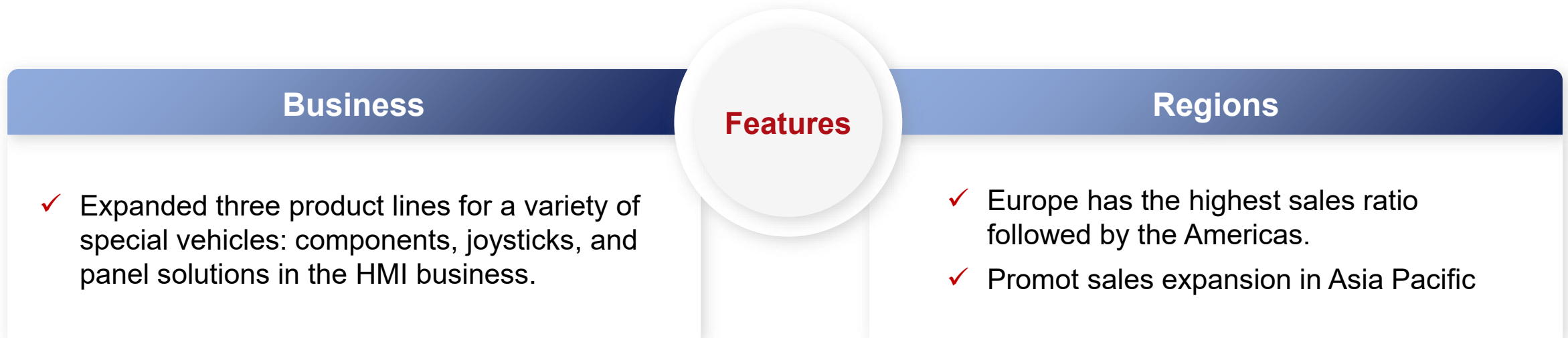
*Due to the review of safety-related products, the results for the FY2025 have been changed.



- **Based on the concept of HMI-X [Transformation]**, develop products and solutions that solve problems that arise in an environment where humans and machines coexist, to help ensure that customers' sites are more safe and efficient.
- **Establish as system that enables the rapid delivery of products that match local needs.**
- **Promote global sales expansion and expand the lineup to meet the needs of "collaborative safety" aimed** at achieving both safety and productivity to strengthen the safety business.

HMI-X [Transformation]



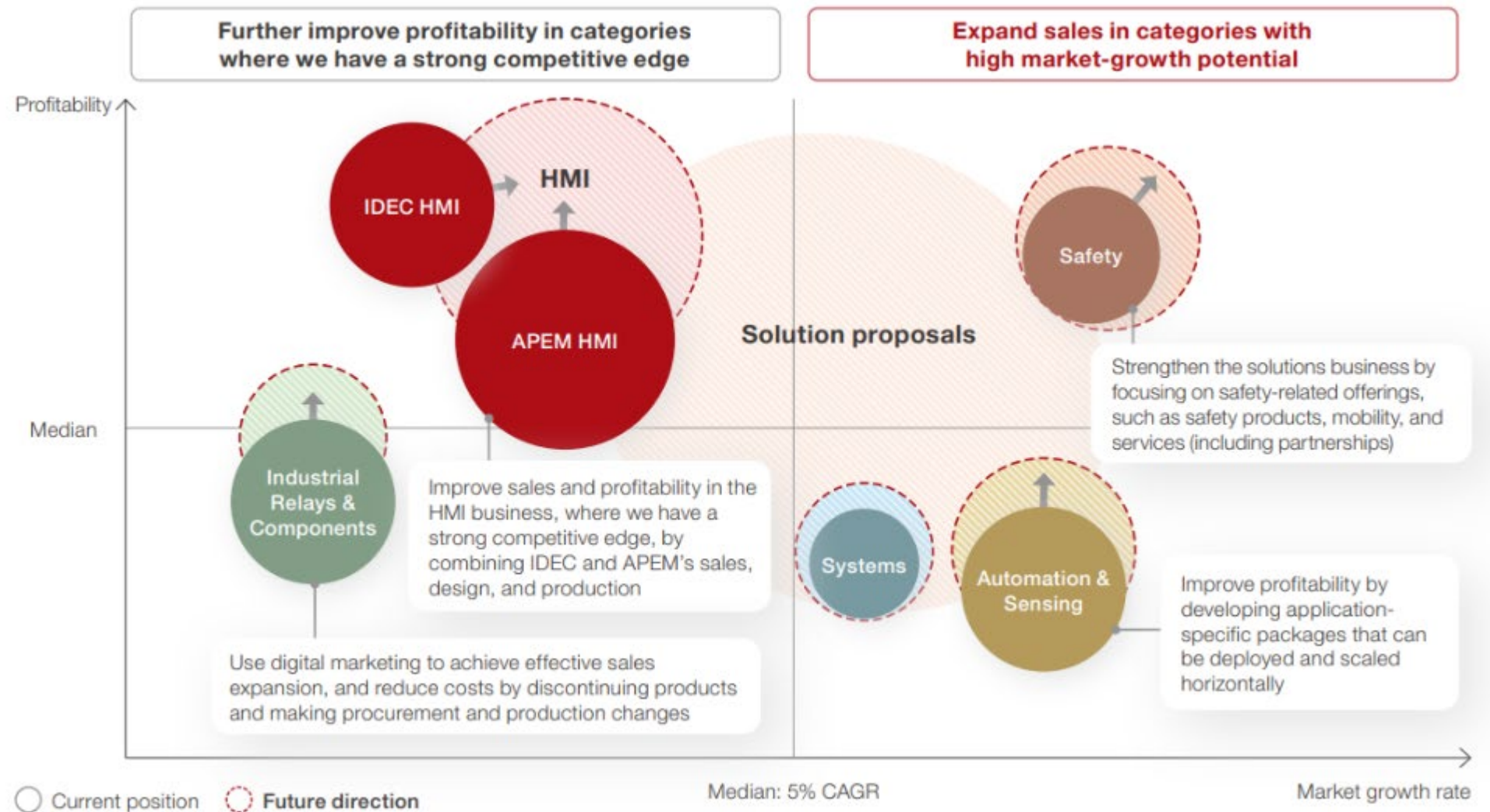


- **Material handling, construction machinery, and defense** are key markets which are growing globally.
- Expand products **for special vehicles** in various industries with a trend towards Solutions with more added value.
- Develop products supporting **Safety and Cybersecurity** growing requirements.
- Promote expansion in Asia, where there is a lot of room for growth, while strengthening its core strengths in Europe and the United States



Business Strategy: Business Portfolio

- Strong business profitability growth and enhanced solutions in high market growth categories.



- Further expand overseas sales, mainly in the Americas, where the market is large and profitable.
- Promote local production for local consumption on a global scale, and quickly develop and sell products and solutions that match customer needs.

Japan

- Further enhancement of automation, robotics, mobility solutions, collaborative safety applications to meet safety need
- Improvement of sales efficiency by strengthening inside sales and technical sales
- Collaborating with distributors to improve sales accuracy and customer service

Americas

- Integration of IDEC and APEM operation of new headquarters to accelerate synergies and business expansion
- Expansion of products and solutions in response to growing demand in Automation, robotics, and safety needs
- Strengthening our focus on specific industries in the Americas, such as oil and gas In addition to our global focus industries.

EMEA

- Further enhancement of special vehicles for material handling, construction equipment, and defense
- Accelerate the deployment of mobility solutions
- Strengthening our approach based on robotics demand
- Expansion of sales of IDEC brand products such as safety equipment to APEM customers

Greater China

- Development of a variety of safety solutions to meet growing safety demands
- Promotion of "China for China" initiative by strengthening local marketing, R&D, and production, and strengthen product development to meet local needs
- Accelerating growth through partnerships with local manufacturers

Asia Pacific

- Expanded sales of HMIs, safety equipment, mobility solutions, etc. for the Indian market
- Accelerate growth by building local partnerships and localizing the assembly of key products
- Establishment of an engineering and software support center in India

Focus Industries and Trends

- Semiconductor-related and AGVs and AMRs are expected to grow at a high rate globally, and the machine tool and robot industries are also expected to continue to grow to a certain extent.

		Outlook for the fiscal year ending March 2027 (Compared to the fiscal year ended March 2026)	Japan	United States	Europe	China	APAC
			-: Flat ○: Expand				
Machine tool		Excluding Europe, growth is expected to continue to be at some level in each region.	○	○	—	○	○
Semiconductors		With strong global growth expected, mainly in China and Japan, semiconductor manufacturing equipment is also expected to grow significantly.	○	○	—	○	
Robots		It is expected to grow to a certain extent globally, mainly in the United States and China.	—	○	—	○	
Automotive		Growth is expected to be limited.	—	—	—	—	—
Special Vehicles		While defense-related products are expected to grow, construction machinery and equipment for material handling are expected to remain flat or increase slightly.	—	—	—	○	
AGV・AMR		We expect to continue to grow strongly globally.	○	○	○	○	

Solution Case Study (1)

- IDEC's solutions that contribute to solving diverse customer needs and social issues.

Reduction of workload in the material handling process

- Solutions using Assisted Wheel Drive (AWD) that can be easily electrically assisted by attaching to existing trolleys
- By saving costs and man-hours, it greatly reduces the worker's load and contributes to improving well-being. In addition, safety is ensured by slowing down and stopping by operating a switch at hand.



Reduction of development costs and man-hours for material handling process automation

- Equipped with a safety wheel drive (SWD), we provide the SWD Build KIT, a development kit for AGVs and AMRs that is packaged with various IMIs and safety-related equipment from IDEC by software, and supports the automation of the transportation process
- Flexible customization is possible to suit the customer's application, greatly reducing development costs and man-hours.



Enhancement of safety and convenience in parking lots

- Provides solutions that incorporate a variety of products to prevent serious accidents caused by operating the equipment without noticing that a person is in the machine parking lot.
- Prevent trapped accidents caused by operation errors or lack of confirmation, as well as accidents in which they get caught or fall.



Pilot light



Emergency-stop switch



RFID reader



Safety controller



mmWave radar sensors

Solution Case Study (2)

- IDEC's solutions that contribute to solving diverse customer needs and social issues.

Panel solutions tailored to the needs of special vehicles

- Different industries, such as construction machinery and material handling-related vehicles, with needs for integrated plug & play HMI solutions.
- APEM's panel solutions combine high-quality components with panel technologies and applications in a variety of environments to provide tailor made control panels and remote controls that meet customer technical requirements & budget constraints.



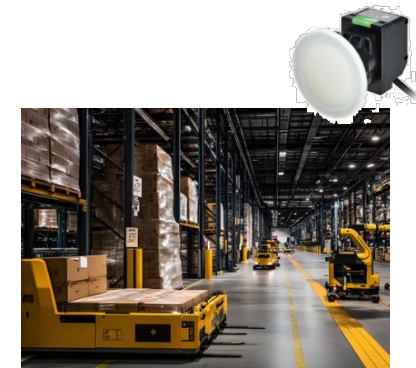
Control panel design, manufacturing, and consulting services for global markets

- IDEC Factory Solutions, a group company registered as a UL508A certified manufacturer in the United States, supports control cabinet compliance with standards, which is the biggest barrier to entering the North American market.
- As a system integrator, we have established a consistent system from risk assessment before design to design, manufacturing, and shipment.



Safety solutions supporting automation in factories and logistics centers

- As a safety measure for AGF (automated guided forklift), which is widely used in factories and logistics bases, we provide a solution that combines IDEC ALPS Technologies' millimeter-wave radar sensor and IDEC's emergency stop assist system
- It can stably detect people and obstacles and can be remotely controlled even in the event of an unforeseen situation, achieving both productivity, efficiency, and safety.



mmWave
radar sensors



Emergency stop
assist switches

Customer-centric Business Structure

+

Realizing One IDEC

Major Structural Reforms Projects

- Sales Reform
- Reform of R&D System and Process
- Global Optimization of SCM and Production

- **Sales transformation: Globally standardize different sales processes at each location**

- **Establish a proactive targeted sales approach** that provides value after deeply understanding customer needs.
- By systematizing and standardizing internal knowledge and know-how, we **will further raise the overall level of solution proposals.**
- Feedback customer needs to development and **develop a product development roadmap based on needs.**

- **R&D reform: Revamping the global R&D system and processes to **build a customer-centric business structure****

- Based on the information shared by related departments from the pre-development process, **switched to concurrent development through the three R&D sites in Japan, the U.S., and Europe.**
- **Consider technical issues to be solved for customers**, and select these customer-centric themes as innovation themes.
- By creating plans based on customer needs, we will reduce the rework of post-production processes and **promote development speed and quality improvement.**

- Based on local production for local consumption, we promote efficient supply chain management and base restructuring.
 - Promoting supply chain review and reorganization of production sites to **shorten lead times and improve on-time delivery rates.**
 - **Restructuring of multiple production sites to be promoted sequentially.**
 - Globally introduce SCP (Supply Chain Planning) system to **collect and centrally manage supply and demand information and improve supply and demand planning.**

Americas

- Production and assembly at the new head office in the United States
- Establishment of a new site in Mexico
- Transfer of production from other sites

Japan + Asia Pacific

Japan

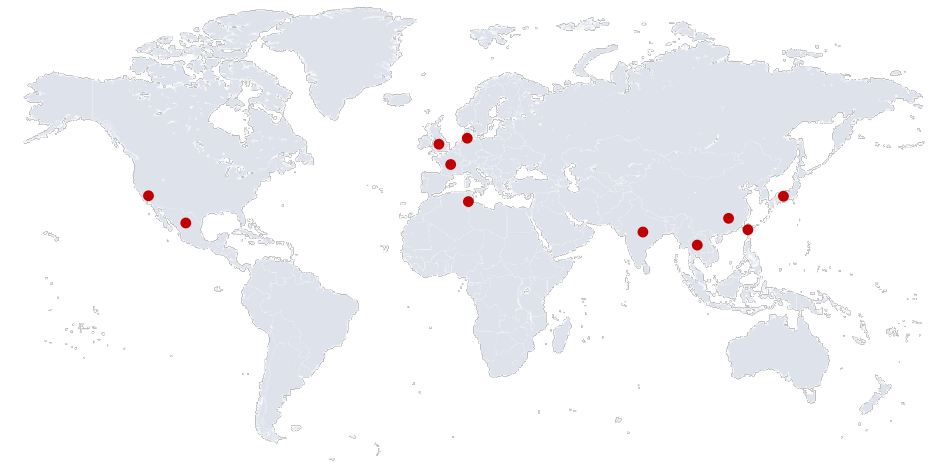
- Consolidation and establishment of new sites
- Outsourcing of non-core processes
- Transfer of production abroad
- Strategic expansion of production partners

Asia Pacific

- Production transfer, integration and consolidation of bases
- Consideration of local procurement and production in India

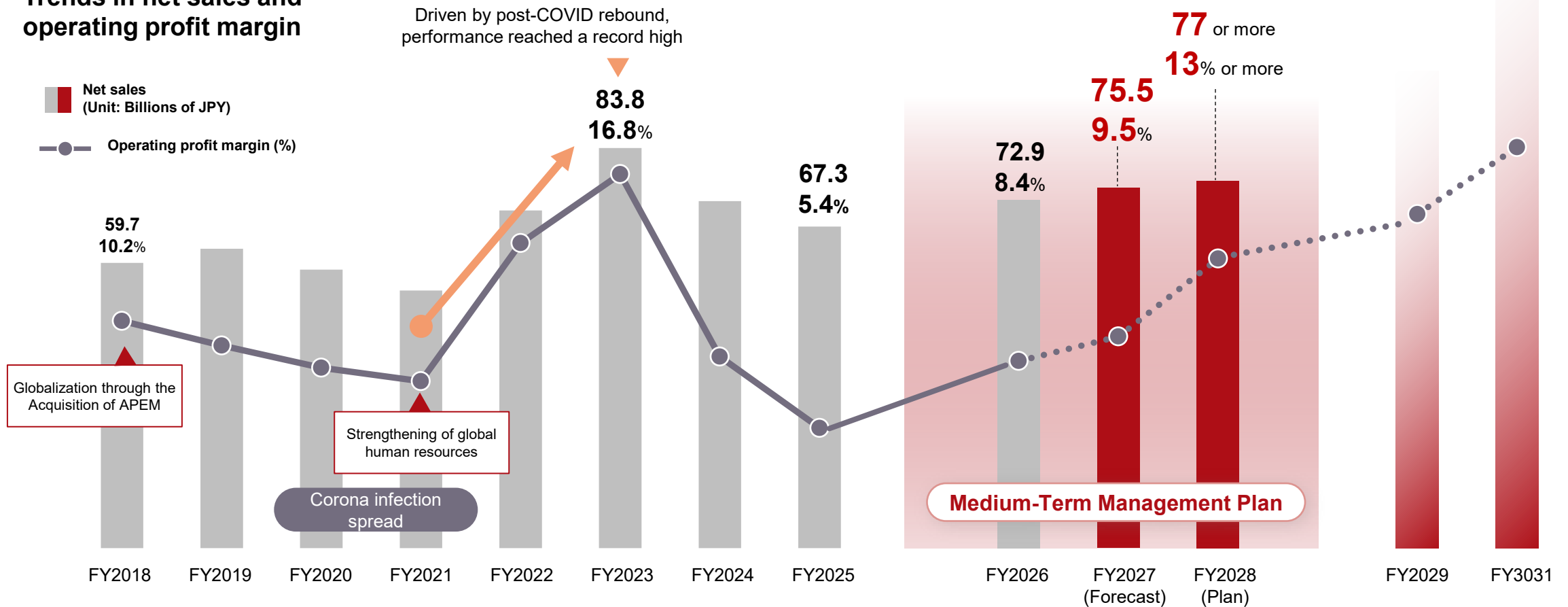
Europe

- Aggregation of Locations
- Transfer of production to Europe and abroad



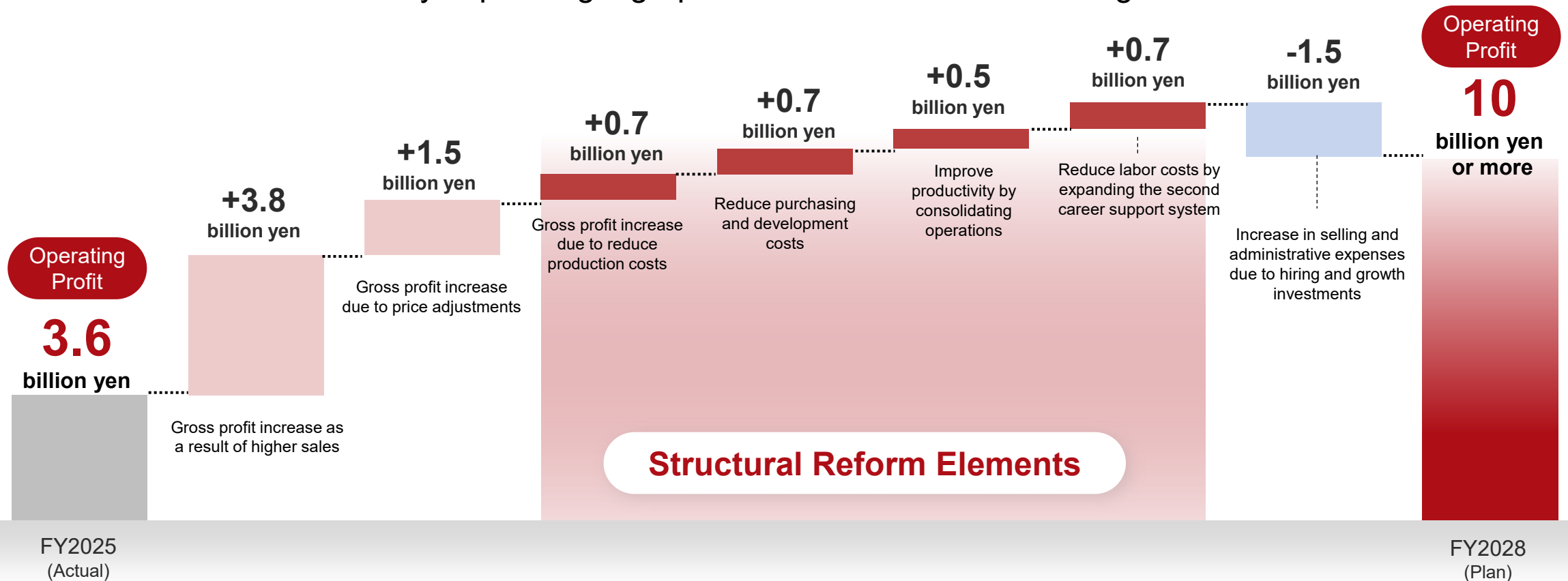
Medium-Term Management Plan

Trends in net sales and operating profit margin



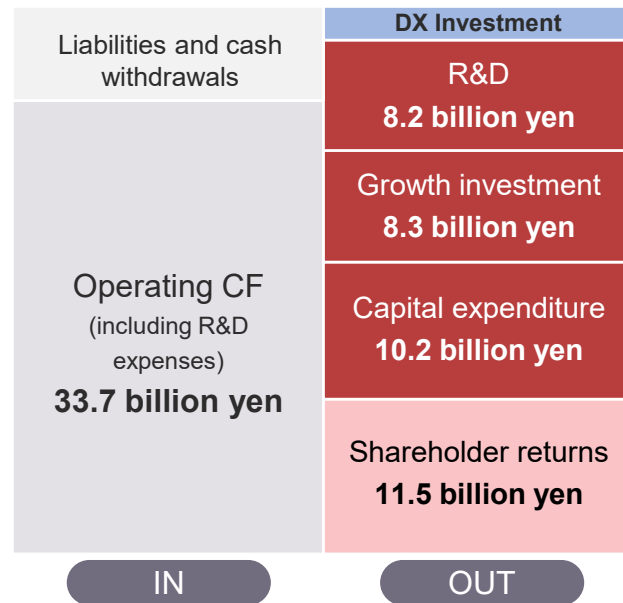
Expected Profit Changes for the FY2025 and FY2028

- Investment in global human resources and increased labor costs are on the rise more than expected.
- As for structural reform elements, cost reductions are almost as expected, but cost increase factors exceed expectations due to the influence of the external environment.
- Accelerate cost reduction by expanding high-profit businesses and reviewing PLM.

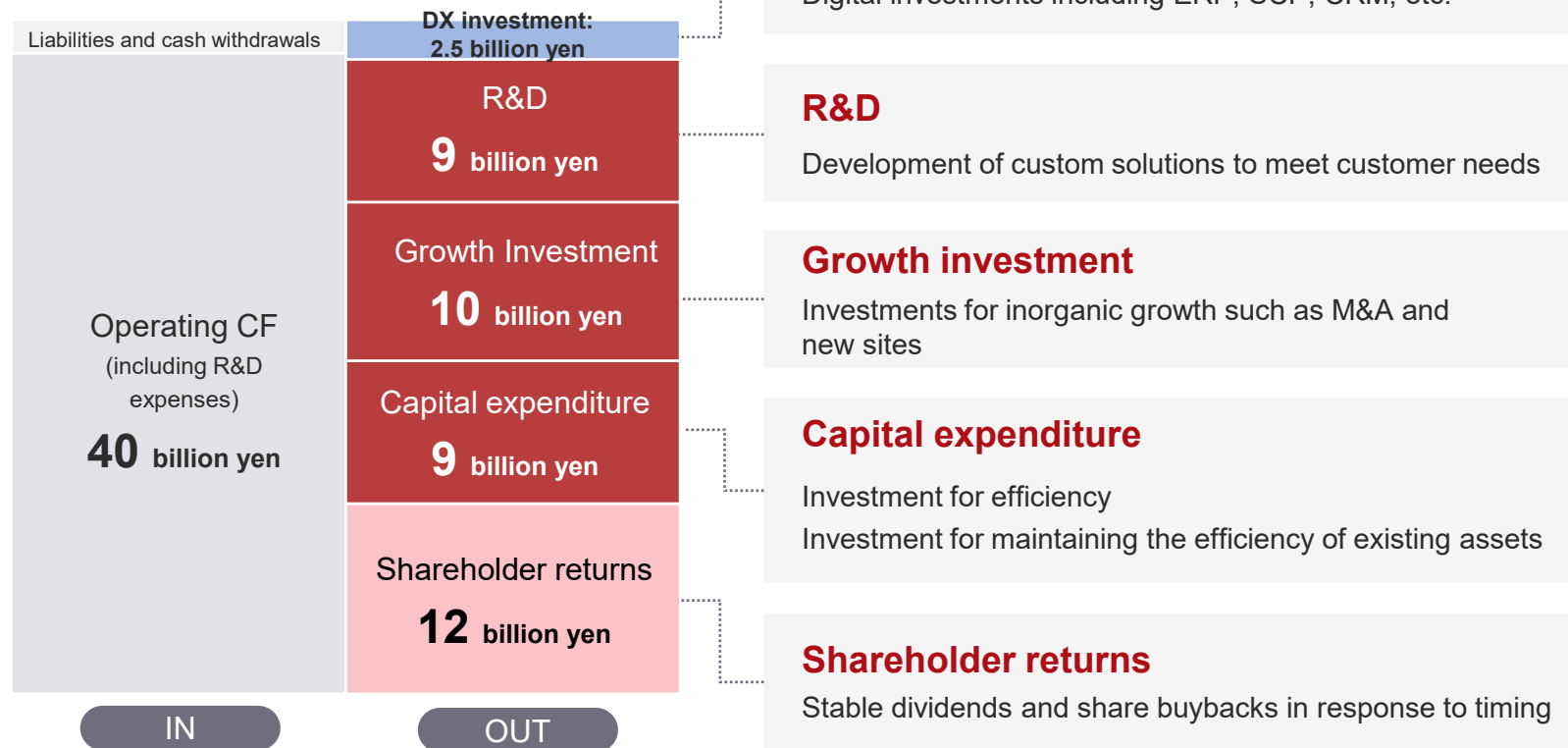


- In FY2026, approx. 6 billion yen was invested in DX including ERP, growth investments such as the establishment of a new head office in the United States, and other capital investments.

Previous Medium-Term Management Plan
(FY2023 ~ FY2025)



Medium-Term Management Plan
(FY2026 ~ FY2028)



References

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Overseas sales ratio

66%

Countries/regions
in which we operate

16

● Sales ■ Development ▲ Manufacturing



Americas

● ■ ▲ IDEC CORPORATION (USA)

EMEA

● ■ ▲ APEM SAS (France)
 ● ■ ▲ APEM Components Ltd (UK)
 ● APEM Italia Srl (Italy)
 ● APEM GmbH (Germany)
 ● APEM AB (Sweden)
 ● APEM Benelux (Belgium)
 ■ ▲ MEC Aps (Denmark)
 ▲ SACEMA (Tunisia)
 ▲ SAMELEC (Tunisia)

(As of the end of March 2026)

Japan

● ■ ▲ IDEC CORPORATION
 ● ■ ▲ IDEC FACTORY SOLUTIONS CORPORATION
 ● ■ ▲ IDEC ALPS Technologies CORPORATION
 ● ■ IDEC AUTO-ID SOLUTIONS CORPORATION
 ● IDEC SALES SUPPORT CORPORATION
 ▲ IDEC LOGISTICS SERVICE CORPORATION

Greater China

● IDEC (SHANGHAI) CORPORATION
 ● IDEC TAIWAN CORPORATION
 ● IDEC IZUMI (H.K.I) CO., LTD.
 ■ IDEC ELECTRONICS TECHNOLOGY (SHANGHAI) CORPORATION
 ▲ IDEC IZUMI SUZHOU CO., LTD.
 ▲ IDEC IZUMI TAIWAN CORPORATION

APAC

● IDEC IZUMI ASIA PTE LTD. (Singapore)
 ● IDEC CONTROLS INDIA PRIVATE LIMITED (India)
 ● ▲ IDEC ASIA(THAILAND) CO., LTD.(Thailand)

Sales Segment by Product

HMI

- Industrial switch
- Joystick
- Pilot Lights
- Operator interface
- Safety Commander

IDEC



APEM



Industrial Relays & Components

- Terminal blocks
- Industrial relay/socket
- Switching power supply
- Circuit Protector
- LED illumination units



Automation & Sensing

- Programmable logic controllers
- Sensors
- Assisted Wheel Drive (AWD)
- Safety Wheel Drive (SWD)
- Automatic identification devices



Safety & Explosion Protection

- Safety-related equipment
 - Emergency-stop switches
 - Enable switches
 - Interlock switches
 - Safety laser scanners, etc.

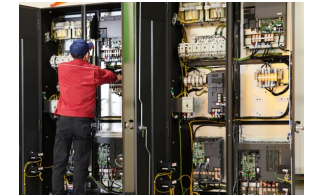


- Explosion protection products



Systems

- Control panel
- Collaborative robot system
- Security system
- Other systems



This material contains our plans and performance forecasts, which we have planned and expected in accordance with available information as of May 14, 2026.

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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