



Think Automation and beyond...



IDEC CORPORATION

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Vegetable oil ink was used in the printing of this report in consideration of the environment.



The IDEC Identity

Turning technology and “consideration for users” into our strengths, IDEC has provided the world with a great deal of safety and reliability at the point of contact between humans and machines.

As long as we have customers that hold high expectations, we will never compromise and choose the easy alternative.

We will never imitate; we will always make original products.

And we will continue to face the challenges of the future with these same values, unchanged since our founding.

We are the IDEC Group.



Following the Principle of “Customer First,” and Making True Social Contributions

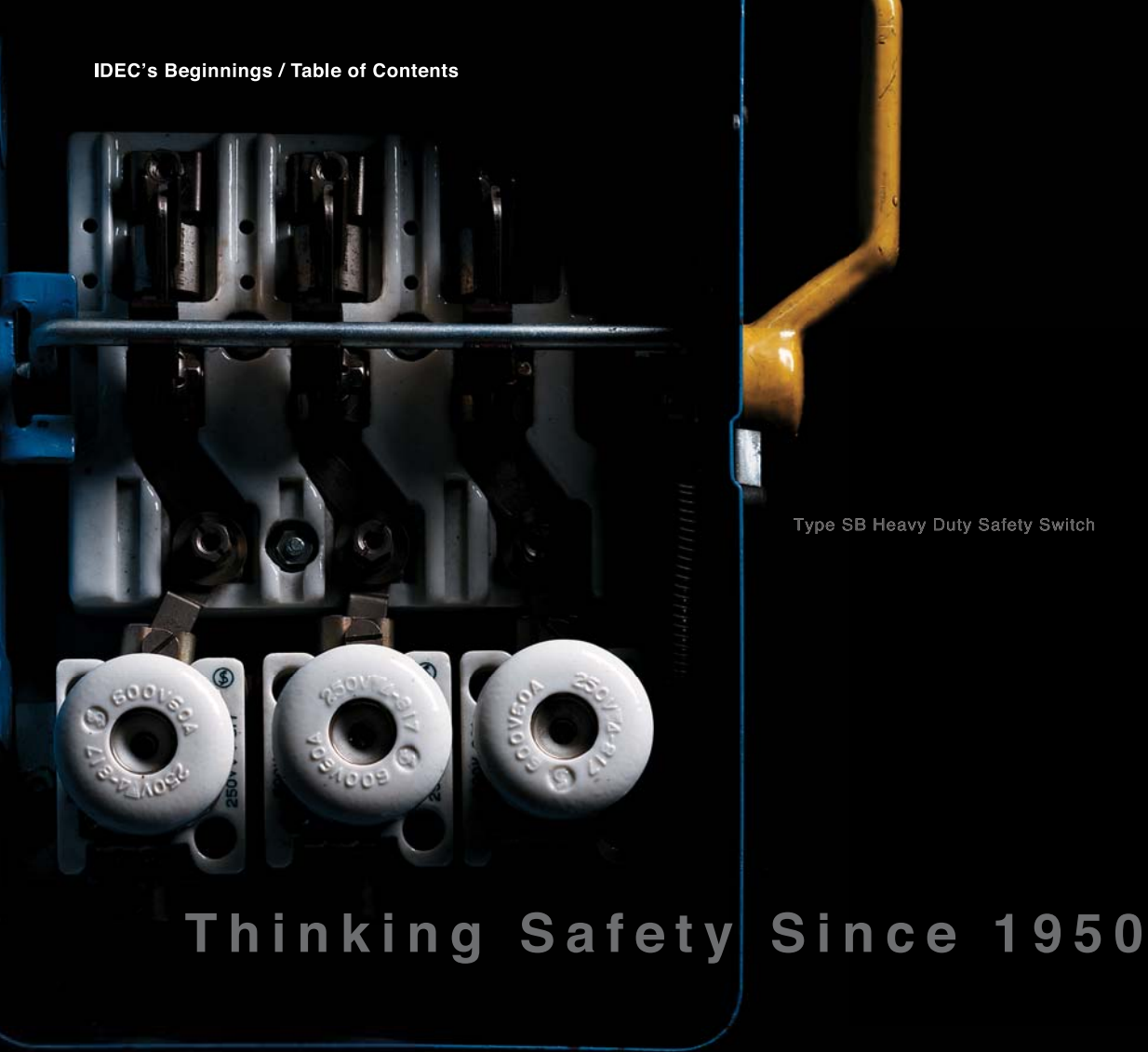
Market conditions have changed significantly in recent years. And, under the present environment, I continue to assert the need for each and every employee to renew their awareness towards adhering to the “Customer First” principle.

Since our company was first established, we have aimed at being a technological leader. That goal has never been for the purpose of boasting about our technology and maintaining monopolistic profits. Rather, it is a declaration of our determination to fulfill our social mission by offering easy-to-use, user-satisfying and eternally popular products that result from our ability to listen directly to the customer and turn their requests into reality.

IDEC employees continually sharpen their abilities, regardless of their department or organization. Sharing the same goals as a single, united group, we treat our customers sincerely and without insisting upon one inflexible point of view. I believe that true social contribution as an enterprise comes as a result of satisfying customer needs in this way.

We deliver much more than just the technology that people anticipate. I am convinced the consciousness and application of that ideal is the fundamental meaning of “technological leadership,” and is proof that IDEC continues to be IDEC.

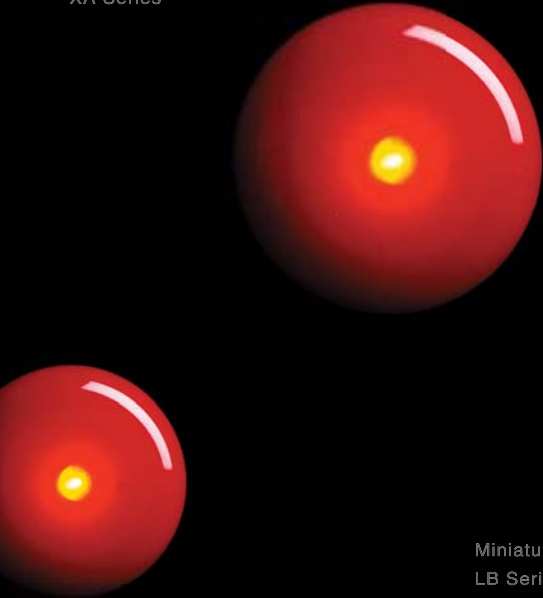
Chairman and C.E.O.



Type SB Heavy Duty Safety Switch

Thinking Safety Since 1950

Emergency Stop Switches
XA Series



Miniature Control Units
LB Series



Delving Beyond the Anticipated Technology to Deliver Safety of a Higher Dimension

There is great danger when powerful forces are at work.
 Complex danger exist in places where various movements intricately intertwine.
 More than 60 years have passed since IDEC first supplied the world with a switch that considered user safety as its top priority. During that time, in line with new energy sources and new conveniences, new risks have emerged at industrial and everyday sites as well.
 IDEC has persisted in our aim of achieving higher safety, not by only responding to each trend individually, but also by fundamentally grasping the overall issue and being proactive.
 People make mistakes and machinery breaks down.
 But, at industrial sites, where safety is an absolute requisite, IDEC responds to both “now” and the “future.”

SB (Safety Box) Metallic Switches

These switches feature a design that prioritizes user safety, such as a cover that won't open unless all of the switches are turned off. Its ground-breaking, quick-make and quick-break mechanism has been well received, and is even recognized under the strict standards of the U.S. military stationed here in Japan as a designated product. These switches, first marketed in 1950, were produced with the same design for more than 20 years and are the precursor of the present generation of safety equipment.



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Two Businesses

Linked through HMI Technology

IDEC's Control Component Business offers a variety of products based on the concept of HMI*, "Making the point of contact where humans interface with machines comfortable and safe."

Our Systems Engineering Business makes proposals on the best solutions for each customer.

Linking and supporting these two businesses is IDEC's "HMI Technology," polished through many years of experience.

Offering the best solution for each customer through collaborations of people with people and technology with technology.

Our challenge continues.

* HMI: Human-Machine Interface



IDEC is Everywhere.

Control equipment, linking humans to machines, is found in locations from every possible place in factories to our familiar daily scenes at home.

The IDEC Group supports the future of manufacturing and daily life by providing ever-present security and safety.



- At the factory
Metal processing and molding line
- At the factory
Assembly line
- At the factory
Inspection line
- At the factory
Shipment and conveyor line

At parts production sites and other factory locations where press machines and machine tools for processing metal sit side-by-side with machines for resin molds, a variety of safety equipment come into play, such as interlock switches and Signalight towers. Many switches with a high level of design have also been adopted recently for operation panel use in various machines.



Industrial robots used in the assembly process are driven automatically through programmed control while the line is in operation, but workers must operate the machine by hand when changing processes. IDEC safety equipment is widely adopted for such procedures in order to secure the worker's safety and avoid dangers even in an emergency.



The inspection process incorporates automatic inspection using machines and devices including image processing, and visual inspection with the naked eye. Here, IDEC products that effectively support that inspection process play a large role, such as industrial LED illumination units and sensors that can detect the presence or absence of as well as the volume of the contents of the end products.



The completed product is delivered to the customer via the shipment and transportation process. During this process, a variety of products related to traceability are employed, such as laser markers for marking the product and barcode readers for sorting and managing the shipment.



Petroleum and chemical plants

Industrial sites contain many hazardous areas where explosive gases exist, such as automotive paint lines, petroleum and chemical plants, and gasoline supply stations. A lineup of explosion-proof products that utilize technical measures to prevent electric energy from becoming the ignition source for an explosion is found in such locales.



Office buildings

In office building elevators and multi-story parking garages, IDEC's core product group is also taking an active part in the control of air-conditioning, lighting and various monitoring systems for fire and other alarms. Switches, pilot lights, relays, programmable controllers, and Signalight towers, etc., are some examples.



Public transportation facilities

IDEC products can also be seen in familiar places such as public transportation facilities. For instance, programmable controllers and sensor products are used in the control of movable barriers for preventing commuters from falling off the station platform, as well as in systems for detecting the position of the train.



Restaurants and shops

In restaurants and retail shops, we streamline the ordering system with touch panel displays for inputting orders and with RFID solutions for managing food freshness etc. Commercial LED lighting and control systems that achieve the most ideal lighting space for the store can also be found.



Interlock switches (HS6B Series)
Only allow the machine and equipment to be operated when the guard door is closed.

Miniature control units (LB Series)
Provide stylish operation panels.

3rd generation emergency stop switches (X Series)
Stop the machine and the line completely in an emergency.

Small teaching pendants (HG1U Series)
Deliver a safe teaching environment for various machines.

Flat LED illumination units (LF1F Series)
Support visual inspection via uniform illumination.

Miniature photoelectric switches (SA1E Series)
Pursue simplicity with only the absolutely required functionality.

Ultra-mini two-dimension barcode readers (Matrix Series)
Assist in management and traceability of various items through high-speed processing.

Hand-held barcode readers (GRYPHON Series)
Improve on-site work with excellent readout performance.

Display enclosures w/ touchscreen (EX4R Series)
Assist in system construction in locations where there is a danger of explosion.

Explosion-proof control boxes (EC2B Series)
Perfect for explosion-proof safety in overseas factories, etc.

LED Signalight towers (LD6A Series)
Warn of abnormalities in various locations, using both light and sound.

Control relays (RU Series)
Compact and high-capacity, back up various control applications.

SmartRelays (FL1E Series)
Employed in the control of movable barriers to prevent commuters from falling off train station platforms, etc.

LED illumination units (LF1D Series)
Eco-lighting that is widely used in under-vehicle maintenance applications, etc.

Programmable operator interfaces (HG3G Series)
Extensively utilized as ordering terminals in restaurants, etc.

Constant-current power supplies for LED illumination units (PH2C Series)
Play a key, behind-the-scenes role in achieving the most ideal lighting space.



Industrial & Safety Business

Electric vehicles are seen as the next generation of automobiles. IDEC pilot lights, interlock switches and other switches are employed in recharging stations for such vehicles.



Electronics & Automation Business

IDEC's LED lighting illuminates Osaka University's Photonics Center where state-of-the-art research is being carried out. And our touch panel operator interface is being used there for lighting control.

Accumulating technology and safety concepts that support the IDEC framework

We offer a product group that is the core of HMI (Human-Machine Interface) and we thoroughly focus on designs that deliver various savings, easy-to-use ergonomic considerations, and safety.



Miniature control units (LB Series)

With the shortest body in the industry, these control units are ideal for use in machinery and devices trending towards getting smaller in size and space. The 2-mm front bezel height gives a stylish panel design.

Electronics. Evolving while serving to link a variety of domains

Sensors that can distinguish the type of plastic... that is just one of the new technologies that IDEC is actively pursuing. We control and integrate complex component configurations and support the realization of people- and environmentally-friendly control systems.



Programmable operator interfaces (HG3G Series)

These programmable operator interfaces have improved display and communication performance via built-in high-resolution liquid crystals and super-bright LED backlights. Available in 8.4-inch and 10.4-inch models.

The power of on-site manufacturing at the forefront of global safety standards

What is the ultimate level of safety that we can achieve at this time? That is the question we always ask ourselves in manufacturing. Our 3rd generation emergency stop switch, designed to maintain a stable “off” status even if the contact happens to be damaged, is an important accomplishment born from that question. Our never-wavering quest for safety not only led to conformity to international standards, but also the invention of new technologies that look to the future.

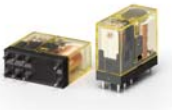


Atsushi Matsumoto
Vice President,
Industrial & Safety
Business Unit

Product range: Industrial & Safety Business

Control relays (RJ Series)

These slim power relays feature high-capacity contacts and excellent durability despite their small size. They are easy-to-use control relays and are appropriate for any application, such as control boards and machine tools. Two terminal types are available.



Circuit protectors (NC1V Series)

Perfect for control circuit protection, these circuit protectors adopt our original “SS (Saving & Safety) Terminals” as their main circuit terminals, greatly reducing wiring time. Plus, they offer an electric shock-proof safety design.



Safety products

From interlock switches, enabling switches, and emergency stop switches to the safety controllers that compose safety circuits, IDEC offers an abundance of safety components and equipment to provide system solutions for the best possible safety circuits.



Contributing to the improvement of safety through high-visibility, high-speed and ease-of-use

Electronic control is being used in almost all products nowadays. At IDEC, a rapid improvement in product operability and safety has been achieved through electronics. We are actively promoting collaboration with other IDEC business units using the integrated technological strength that only IDEC is able to offer. We also employ the power of the electron to advance “high-visibility, high-speed and ease-of-use” that is one step ahead of the rest.



Tomonori Nishiki
Vice President,
Electronics & Automation
Business Unit

Product range: Electronics & Automation Business

Programmable controllers (FC5A Series)

Deliver the fastest processing speed for its class. The MicroSmart Series features small, programmable controllers that answer a variety of user needs and applications, and include a Web server function, temperature control function, etc.



General-purpose switching power supplies (PS3X Series)

These are general-purpose power supplies that require less mounting space, leading to a maximum of 70% reduction in volume compared with conventional products (15W-unit comparison), and enabling incorporation in a wider variety of control equipment.



Miniature photoelectric switches (SA1E Series)

These sensors employ our original optical design and production engineering to ensure stable detection capabilities. They feature a protective structure that is highly resistant to water and dust. A wide range of detection is possible, including transparent targets.





Explosion-Proof & Systems Business

Close attention is being paid to hydrogen as a source of clean energy, and our explosion-proof products are playing an active role at hydrogen stations, which supply hydrogen to fuel cell vehicles.



LED Business

IDEC delivers superior results through our abundant experience with LED lighting in the commercial field, supporting the realization of ideal lighting in factories.

Supporting the construction of systems in hazardous areas using dependable technology proven over many years

Supporting business by offering explosion-proof products, which are indispensable at sites where explosive gases exist, such as petroleum and chemical plants, IDEC combines its abundant technological assets to offer a variety of system solutions.



Display enclosure w/ touchscreen (EX4R Series)

This display enclosure with touchscreen incorporates a bright, easy-to-see, 12.1-inch high-definition color LCD that can be used even in hazardous areas where hydrogen gas is present.

Long-life, energy-saving and ease-of-control Proposing new lighting for every setting

Specializing in three fields: machinery lighting, factory facility lighting, and commercial facility lighting; IDEC develops a variety of LED lighting types. We propose new lighting concepts that illuminate industrial spaces and living spaces.



LED illumination units for high ceilings (LG1H Series)

As well as greater energy efficiency, these products offer a longer service life, thus reducing the frequency of replacing lamps in high places, work that can be hazardous. Designed for use in high ceilings, they can achieve full lighting intensity instantaneously, even faster than mercury lamps.

Aiming at a higher dimension of security, safety and comfort

IDEC's explosion-proof technology boasts a long history starting in 1953 when we first developed an explosion-proof fluorescent lamp. In recent years, we have concentrated on responding to IT-related needs that utilize the Internet, and we are improving safety and productivity at industrial sites. Our systems business combines various components to create new possibilities and added value that cannot be achieved in any one product alone.



Yasuharu Kawanaka
Vice President,
Explosion-Proof & Systems
Business Unit

Product range: Explosion-Proof & Systems Business

Safety relay barriers (EB3N Series)

These intrinsically safe, explosion-proof relay barriers achieve machine safety in explosive environments. They conform to Japan's TIS standard and are certified under machine safety standards.



LED illumination units with flameproof, explosion-proof structure (EF1A Series)

These LED units with flameproof, explosion-proof structure were developed by IDEC. They combine explosion-proof technology with LED technology, delivering long life, energy savings, and space savings even in locations with an explosive environment.



HMI one board switchboxes

The operation panel can be unitized according to the application and the user's needs. The switches and pilot lights are mounted on the PCB and connected to the control circuit via connectors, thus saving both wiring time and labor.



Delivering outstanding value as the leader in industrial LEDs

Since the 1980s, IDEC has worked on technological development of LEDs for control equipment and, in 2006, successfully developed its Sunshine Series of super-bright, white LED devices. We paid particular attention to the high efficiency of a multichip configuration from early on, and have accumulated a diversity of know-how related to LEDs, including our proprietary dimmer control technology. As a leader in this field, we are developing lighting for the future.



Tsutomu Ota
Vice President,
LED Business Unit

Product range: LED Business

Super-bright white LED devices (Sunshine Series)

These super-thin, super-bright, white LEDs unite LED multichip mounting technology, wavelength conversion technology, and white LED manufacturing technology, etc., to attain a luminance of over 100 lm/W.



Industrial LED illumination units (LF1D/LF2D Series)

These dust-, water- and oil-resistant (IP67f), super-bright LED illumination units are indispensable as interior lighting for machines such as machine tools and food processing equipment.



LED illumination units for tiled ceilings (LG1A Series)

These are special illumination units for tiled ceilings, the latest in industrial approaches. Ergonomically designed, they mix white- and warm white-colored LEDs to deliver both brightness and visual comfort.



Medium-Term Management Plan: fiscal 2011 through fiscal 2013

Clear Vision

Moving to a stage of steady growth by strengthening existing businesses, focusing on the switch business, and cultivating new businesses at the same time

The financial crisis that began in the autumn of 2008 had a significant impact on the Japanese economy, with its high dependency on external demand. Learning from that experience, the IDEC Group aims at constructing a strong business structure that can secure profitability even if once again faced with such a once-in-a-century economic crisis. We will be reviewing all of our conventional values, adjusting our point of view, and sometimes rejecting and discarding the old. And, by doing so, we will, one-by-one, implement the changes that emerge. Then, with the long-term goal of gaining the largest market share of the switch business in the global market, we will place priority on continuing to be involved in the three key measures of the Medium-Term Management Plan as noted on the page at right.

Medium-Term Management Plan (fiscal 2013) target levels



Aim at sales of 35 billion yen (ratio up 55.9% over fiscal 2010) by improving our domestic share of core products, expanding business in China, and promoting new businesses, including our LED business.



Aim for an operating income margin of 15% or more by strengthening earnings through greater profitability of core products, as well as through structural reform based on the policy of "Make the strong stronger."

Expanding market share in the switch business

With the long-term goal of gaining the largest market share of the switch business in the global market, we will first aim to expand our domestic share. To do this, we will add variations to our lineup of small switches and work towards greater profitability by means such as sharing parts within our core product group.

- Increase market share by further expanding lineup
- Improve profitability by sharing parts and reducing costs
- Restructure a consistent process from development to market

Expanding business in China, a priority sales area

Along with promoting the expansion of our sales base network by developing new offices and distributors, we will also expand the lineup of products that meet market needs with our local production and local marketing systems. Furthermore, we will strongly promote strengthening our customer response capabilities by answering the local procurement needs of Japanese as well as European and American enterprises.

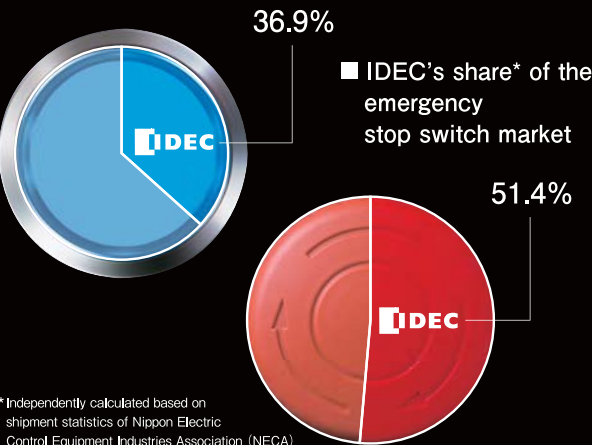
- Expand areas in which our products are sold
- Expand our lineup of products for Chinese and other Asian markets

Promoting our environment-related business

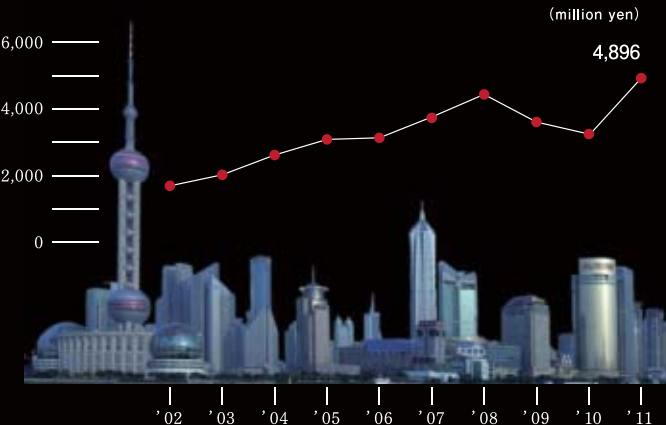
We will strive to expand our involvement in environment-related business, such as in the field of energy savings, including the LED business that utilizes LED and system control technology, and in the field of soil and water remediation where GALF, our micro- and nano-bubble generation technology, is employed. In the LED business, we are aiming at sales of at least three billion yen for the period ending in March, 2013, the final period of the Medium-Term Management Plan.

- Expand LED business
- Become involved in soil and water remediation that employs our core technologies

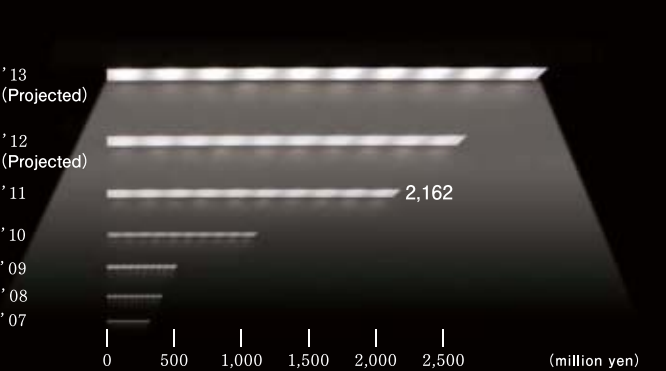
■ IDEC's share* of the push button switch market



■ Sales trend in the Asia-Pacific region



■ Sales trend for LED-related products



Financial Highlights

First year of the Medium-Term Management Plan:
A large increase in both sales and profit achieved.

Domestic net sales **19.91** billion yen
Year-on-year Up **39.5** %

- Domestic sales transitioned steadily on the back of a recovery in capital investment demand in our main customers' industries of machine tools, robots, and automotive, etc.
- Sales expanded over the previous fiscal year for products such as switching power supplies and terminal blocks, and including our core control switches and relays, programmable operator interfaces and safety products. Sales of LED products also improved as well.

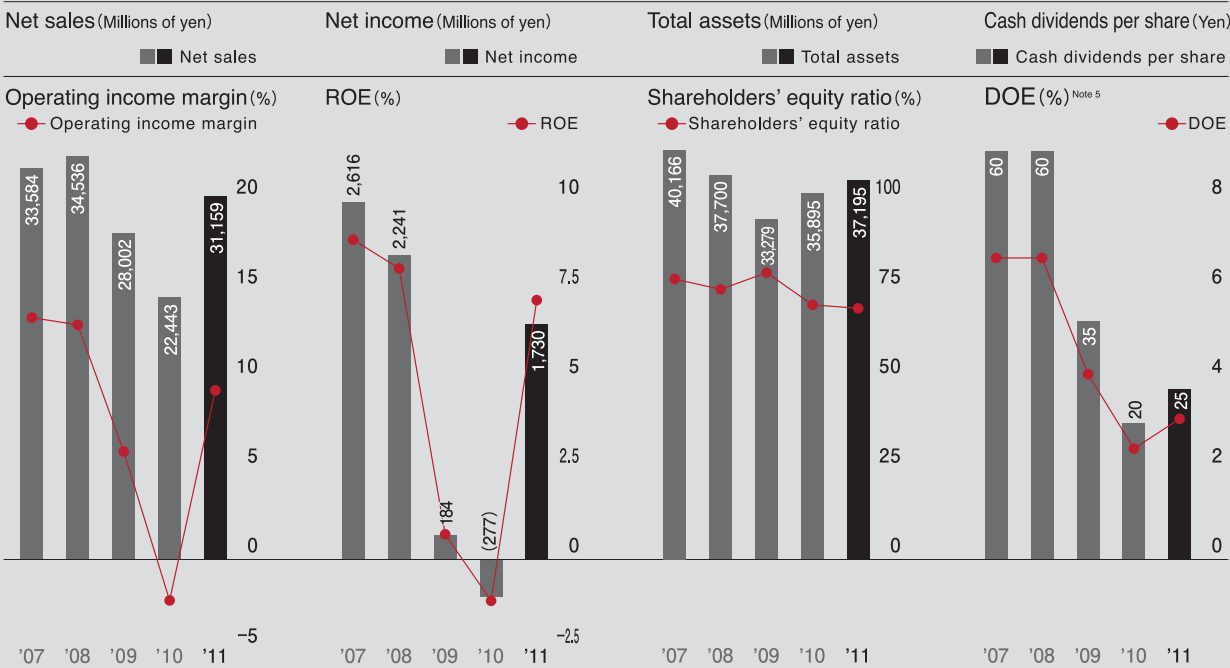
Overseas net sales **11.249** billion yen
Year-on-year Up **37.7** %

- The Asia-Pacific region focused on China evolved steadily, with sales in that region accounting for 15.7% of overall consolidated sales, the highest level ever.
- In addition to products like control switches and relays, sales of programmable controllers for Europe expanded greatly over the previous fiscal period.

Net sales **31.159** billion yen
Operating income **2.837** billion yen
Net income **1.73** billion yen
Operating income margin **9.1** %

	Millions of yen			Thousands of U.S. dollars ^{Note 6}
	2011	2010	2009	2011
Profit and Loss Status (Years ended March 31)				
Net sales	¥31,159	¥22,443	¥28,002	\$374,739
Gross profit	13,868	9,747	13,207	166,783
Selling, general and administrative expenses	11,030	10,226	11,745	132,652
Operating income (loss)	2,837	(478)	1,461	34,130
Ordinary income (loss)	2,605	(294)	1,232	31,338
Net income (loss)	1,730	(277)	184	20,811
Cash Flow Status (Years ended March 31)				
Net cash provided by (used in) operating activities	2,752	2,377	2,261	33,100
Net cash provided by (used in) investing activities	(137)	(4,056)	85	(1,648)
Free cash flow ^{Note 2}	2,615	(1,679)	2,347	31,451
Net cash provided by (used in) financing activities	(1,296)	1,573	(2,121)	(15,593)
Depreciation and amortization	1,227	1,360	1,312	14,757
Capital expenditures	1,712	3,780	1,024	20,596
Financial Status (As of March 31)				
Total assets	37,195	35,895	33,279	447,332
Total Interest-bearing liabilities ^{Note 3}	2,498	2,997	597	30,042
Total Shareholders' equity	25,098	24,505	25,683	301,843
Per Share Information (Yen/U.S. dollars)				
Earnings per share (EPS) on a diluted basis ^{Note 4}	55.55	(8.93)	5.94	0.67
Book value per share (BPS)	806.72	787.63	825.59	9.70
Cash Dividends per share (annual)	25	20	35	0.30
Financial Indicators				
Return on equity (ROE)	7.0%	(1.1)%	0.7%	7.0%
Shareholders' equity ratio	67.5%	68.3%	77.2%	67.5%
Current ratio	209.6%	186.7%	309.2%	209.6%
Dividends on equity (DOE) ^{Note 5}	2.9%	2.3%	3.9%	2.9%

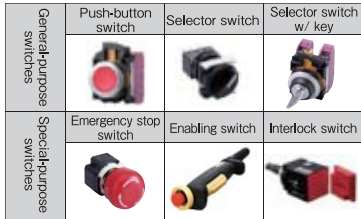
Notes: 1. In this Annual Report, amounts are given by dropping the decimal portion of the number whereas ratios are rounded to the nearest whole number.
2. Free cash flow = Net cash provided by (used in) operating activities + Net cash provided by (used in) investing activities
3. Interest-bearing liabilities = Short-term loans payable + Long-term loans payable
4. Indices before adjustment for residual securities are listed for periods when a loss was posted.
5. Dividend on equity (DOE) = Annual dividends ÷ Shareholders' equity
6. Amounts in U.S. dollars are calculated at the prevailing exchange rate as of March 31, 2011 (US\$1 = JPY83.15) for the convenience of readers abroad.



Growth Themes (Q&A): Expanding IDEC’s share of the switch market

“We are concentrating on strengthening our miniature switch lineup and expanding our share of the domestic Japanese market.”

Q Why does IDEC hold such a high share of the Japanese market for industrial switches?



Some of the switches offered by IDEC

A One reason is our high quality. At product-manufacturing sites in Japan where both improved quality and productivity are pursued, production line stoppage due to the breakdown of even a single switch is never acceptable, regardless of how harsh the operating environment is. If an emergency or dangerous situation does occur, however, the machinery and the line itself

must stop unconditionally and IDEC has acquired the genuine trust of our customers due to our decades of quality in this regard. The second reason is our diverse product lineup. This (see chart at left) is only a very small sample of the switches that we offer, and our products are actually even further subdivided not only by usage but also by such elements as the size of the installation hole, by shape, and by operation load*, and we take pride in our current lineup of about 150,000 items. I believe this abundant lineup thoroughly answers a variety of customer needs and also supports our high market share.

* The operation load is the amount of power required to press the switch to operate the machine or device. Different loads are required depending upon the corresponding machine or device.

Q Expanding IDEC’s share of the switch market is an emphasis of your Medium-Term Management Plan. Please give us a concrete example of IDEC’s approach in that regard.



One application for our new control unit

A During the fiscal period ending in March of 2011, we launched our LB Series of switches and concentrated on developing strategic and surefire products in our miniature switch lineup, as well as expanding our array of existing products. For the current fiscal period (through March 2012), we are continuing to promote the development of

products that deliver a competitive edge, and are cooperating with the Sales Department to expand applications in the ample small machinery market as well as the conventional FA* market. As a result, we are fully involved in the early launching of strategic products and in new customer acquisition. We are also aiming at establishing a firm position as the world’s leading industrial switch manufacturer by carefully responding to the various needs of our customers and further contributing to strengthening the Group’s earnings base.

* Factory Automation

Growth Themes (Q&A): Expanding IDEC’s business in China

“We are aiming at strengthening our customer response capabilities in the expanding Chinese market.”

Q What is the environment in the Chinese market and your customers’ evaluation of IDEC products?



Products that are the focus of sales in the Chinese market

A As a result of China’s aggressive promotion of rapid monetary easing and capital investment, the effect of high inflation is being felt. However, there is continued demand for industrial equipment fueled by infrastructure construction and the inland industrialization policy, and the demand for our Group’s products has steadily expanded as well.

In the future, investment in rationalization and labor savings in manufacturing is forecast to accelerate along with a rise in labor costs. Furthermore, as displayed in the strengthened safety regulations in China’s “GB” national industrial standards, there is greater need to ensure safety at the production site. Under such circumstances, the reliable product quality that IDEC has cultivated for years coupled with the cost competitiveness achieved through production at our own factory in China has gained high praise, not only from Japanese companies but from many local firms as well.

Q What has IDEC’s business involvement in China been up to this point and what developments are expected in the future?



Safety-related products for which sales are expected to expand

A With a basic policy of locally manufacturing products suitable to China’s market needs, we have worked to improve our level of customer satisfaction by providing services that integrate IDEC Izumi (Suzhou)-based production and sales. We have also strengthened and expanded our offices and technical support function in Japan during the fiscal period ending in March 2011, and are

constructing a system to enable continuous service for Japanese manufacturers advancing into China. In the future, we will aim at building a stronger earnings structure by extending our sales base and distributor network further, expanding business opportunities in the inland area, continuously introducing products for the Chinese market, and promoting both local procurement and production. We will make IDEC know-how concerning safety more widely available by implementing such educational activities as safety seminars and working to improve the consciousness towards safety at local firms as well as to create demand.



Takao Fukui

General Manager,
Product Marketing &
Development Department
Industrial & Safety
Business Unit

News

LB Series miniature control units released: the shortest body in the industry

IDEC’s LB Series miniature control units were put on the market in December 2010. Thoroughly faithful to function, design and size, this series still achieves a thin-type shape to complement the shortest body in the industry and a 2-mm bezel height. With a diversity of bezel types available, these control units are ideal for use in industrial equipment as well as with the small devices employed in food services, medical and nursing care, etc.



LB Series miniature control units offer the shortest body in the industry



Chikara Kojima

General Manager,
China Business Division
IDEC Corporation (Japan)
Vice President,
IDEC China Sales
Companies

News

New sales base includes Jinan, Changsha, Tianjin and Hangzhou

A sales base consisting of 4 offices (Jinan, Changsha, Tianjin and Hangzhou) was newly established during the fiscal period ending in March of 2011, and the number of authorized dealers that handle our Group’s products is also steadily increasing each year. IDEC’s business expansion in China is being promoted through cooperation with this expanding sales base net and IDEC IZUMI Suzhou Co., Ltd., our foothold into local production.



Our Group’s sales base in China

Growth Themes (Q&A) : Promoting environment-related businesses

“We offer the best lighting for any space.
We are IDEC!”

Q Why did IDEC enter the LED business, what is the background of that business development, and what are your strong points in the LED field?



Industrial LED illuminated control units developed in 1981

A The roots of IDEC’s LED technology originate in the industrial LED illuminated control units that we began developing in 1981. We paid particular attention early on to the major possibilities of LED technology, focusing on replacing standard incandescent lamps with IDEC-made LED lamps, and through this we have contributed to society’s goal of reducing CO₂ emissions. Since then, we have continued our work on the development of a variety of LED devices and LED-integrated products.

Our core strength in the LED business comes from the LED technology that we have cultivated over many years. This has been accumulated as advanced phosphor blend technology and heat radiation technology, enabling us to invent high-efficiency, high-quality LED devices. IDEC strongly supports LED illumination units based on our dimmer control systems, power supply technology, and the capability to manufacture products that can endure harsh environments as only an industrial control device manufacturer like ourselves could provide. As a result, I believe that we are able to flexibly offer the most ideal lighting space for each customer’s needs, and we demonstrate that through our high overall capabilities.

Q What has IDEC’s involvement in the LED business been in recent years and what future developments are you looking at?



Industrial LED illumination unit (LF2D)

A Our business development in LED lighting goes back to 2006. At that time, a great deal of fluorescent glass tube lighting was used in the industrial equipment that is centered on machine tools. We were then able to replace these by developing LED illumination units that took full advantage of the long-life, maintenance-free, energy-saving, space-saving, and vibration-resistance characteristics of LEDs, and aimed at expanding that product lineup.

An important step in our advancement into the commercial field was the full deployment of IDEC-made LED devices to light the whole of our IDEC Sales Office (March 2008). Business development was then accelerated by maximizing our lighting control system technology with dimmer control to achieve an even higher energy-saving effect. At the present time, proof testing on LED lighting for factory facilities is being carried out at our Takino Plant. We hope to make the best use of the know-how obtained there, and continue to concentrate on expanding the sales of LED lighting that will contribute to security, safety, and energy conservation.

Growth Themes (Q&A) : Strengthening our business base

“We aim at constructing the optimal production-supply system based on our business vision.”

Q What are IDEC’s strong points in terms of manufacturing?

A In order to offer products with a higher degree of perfection, the foundation of our production facility at IDEC is in-house development. Through the long-term involvement of our Production Engineering Department, such parts processing technology as design techniques for metal molds and precision tools, etc., is accumulated in-house and these technologies are used to support high accuracy in part manufacturing. While also developing automated production facilities in-house on a nucleus of mold and assembly machines,

we have generated automated equipment design technology and invented a robot-controlled cell production system that is the pride of IDEC. This production system became possible for the first time through the creation of control design that is optimal not only for the assembling process alone but for the entire manufacturing process, including pre- and post-processing, and it supports solutions to this industry’s unique high-mix, “variable-volume” production. I think our strength in production is in the fact that we possess multiple production methods, including this robot-controlled cell production system, and can flexibly select the line that best corresponds to each product’s features.

Q What is the current focus of the Medium-Term Management Plan?

A By promoting the reorganization and consolidation of our manufacturing foothold based on the long-term vision of each business unit, our goal is to achieve the highest level of “QCD” (Quality-Cost-Delivery) on a global scale and we are working on promoting overseas procurement and reviewing our production and supply system. In terms of domestic Japanese production, we have further evolved our manufacturing technology

and are aiming at constructing a consistent system of automated production from raw materials through to the final product by strengthening a concurrent system of integrated R&D, quality assurance, and production engineering. For our overseas production, we are promoting labor-intensive production methods and a hybrid method of both labor-saving and semi-automation. We are also working towards constructing a stable business base while responding to the expanding Asian market through the combined use of these domestic and foreign manufacturing systems.

The 4 systems of production at IDEC			
	Labor-intensive production	Automated production	
Mass production in small lots	Labor consolidating line	Automated line	
High-mix, “variable-volume” (flexible production)	Human cell	Robot-controlled cell	



Shigeto Ogino

General Manager,
Product Marketing &
Development
Department
LED Business Unit

News

Proof testing begun on switching our Takino Plant to all-LED

An LED lighting and control system was introduced for our Takino Plant in December 2010. While implementing such advanced lighting controls as automatic ON/OFF according to the presence or absence of workers in each area, we have also researched the effect of changing over to LED on work efficiency and safety. In the future, we will also aim at higher energy efficiency and achieving comfortable work environments in the field of factory lighting.



Left: Parts molding and pressing
Right: Inside the factory warehouse



Tetsuya Wakabayashi

General Manager,
Production Headquarters
Parts Unification
Department
General Manager,
Manufacturing
Control Center

News

40% weight reduction with a newly developed resin robot hand

A second-generation resin robot hand that has enabled the standardization of molded components is presently in operation at our Takino Plant (Hyogo Prefecture). By making this hand out of resin, we have succeeded in reducing the weight by 40% in comparison with those conventionally made from metal. Furthermore, an intelligent, high-performance multi-hand was developed as the third generation model in March 2011. At IDEC, we are continuously developing state-of-the-art manufacturing in this way.



Robot-controlled cell production system equipped with a second-generation hand in operation in our Takino Plant

Products and Events

Our main products and events for April 2010 to March 2011

| Safety product |
April 2010



Emergency stop switches released (X6 Series)
Feature superior safety and design

These new emergency stop switches are the result of a desire to bring form to the highest safety level imaginable. In addition to adopting an original safety structure, the shortest body in the world* contributes to saving space.

* IDEC research of March 2010

| Electronic product |
July 2010

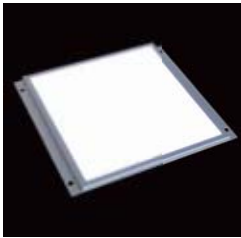


Large, programmable operator interfaces released (H3G3 Series)
The brightest in their class*

These super-bright programmable operator interfaces deliver ease-of-operation through vivid, fast and simple controls. Suitable for a wide variety of environments, these are the optimum units to use as an operation display panel for various industrial machines. These operator interfaces also excel in their connectivity with peripheral devices, allowing them to easily support a diversity of business applications.

* IDEC research of July 2010

| LED product |
October 2010



Flat LED illumination units released (LF1F Series)
Provide uniform illumination of inspection items

12-mm thin units were achieved by utilizing an LED light source, thus enabling space savings upon installation. Their uniform light, devoid of the flickering common with fluorescent lighting, highlights the contrast in scratches and uneven areas, etc., to aid in more accurate visual inspection.

| Electronic product |
January 2011



General-purpose switching power supplies released (PS3X Series)
Lead to a maximum of 70% reduction in volume compared with conventional products

These general-purpose switching power supplies were designed to be compact and high-performance, while meeting global standards. They require less mounting space, creating up to a 70%* reduction in volume compared with conventional products, and enabling their incorporation in a wider variety of control equipment.

* 15W-unit comparison

| LED product |
April 2010



LED illumination units for freezer and refrigerator showcases released (LF1E Series)
Deliver high energy efficiency and low heat generation

Optimal light distribution was achieved by maximizing our optical design technology and combining LEDs with original lenses. Close to a 58% reduction in power consumption was realized over conventional lighting* by simply illuminating the desired location with only the necessary amount of light.

* In a comparison with FL fluorescent tubes

| Explosion-proof product |
July 2010



Control boxes with emergency stop switches released (EC2B Series)
Flameproof, increased safety explosion-proof structures

These control boxes have flameproof, increased safety explosion-proof structures and come equipped with emergency stop switches that conform to the IEC 60947-5-5 safety standard. They also conform to the ATEX Directive*, making them perfect not only for use in Japan, but for factories in Europe and Southeast Asia as well.

* European guidelines for explosion protection

| Safety product |
January 2011



Japan's first*! Non-contact interlock switches released (HS3A Series)
Conform to the latest international safety standards

These RFID-supported, non-contact interlock switches feature the capability to automatically detect abnormalities in the circuit. This makes it possible to construct systems able to meet the world's highest levels of safety.

* IDEC research of December 2010

| Electronic product |
March 2011



Third-generation multi-hand robot released (MH1A Series)
High performance support state-of-the-art manufacturing

Our original robot-controlled cell production system unites both productivity and safety, and was crowned with the first "Monozukuri Nippon Grand Award" in 2005. Bringing together IDEC production technology that supports such advanced manufacturing systems, this high-performance multi-hand was designed specifically for use with small, vertically articulated robots.



June: 63rd General Meeting of Shareholders held
195 stockholders attended.



July: "Tenjin" festival
An "all-LED lighting ship" illuminated the summer in Osaka.



September: Exhibited at the AUTO-ID EXPO 2010
automatic identification systems exhibition
Introduced products focused on barcode readers etc.



October: Exhibited at JIMTOF2010
(Japan International Machine Tool Fair)
Introduced various safety and LED products.



January: TIS Inc.
Delivered LED base lighting to "GDC Gotenyama", a
next-generation data center



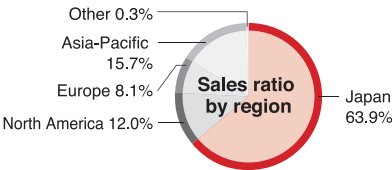
March: Exhibited in LIGHTING FAIR 2011
Introduced products focused on LED lighting for plant
equipment etc.

Financial Report

An overall gradual economic recovery leads to large increases in sales for all product groups.

Summary of performance by region and product

Though the business environment for this fiscal year witnessed a slight lull in the middle of the period, there was a general trend towards recovery both domestically and overseas. Due to this, sales of our mainstay products such as control switches, relays, programmable controllers, and LED products, etc. expanded greatly.

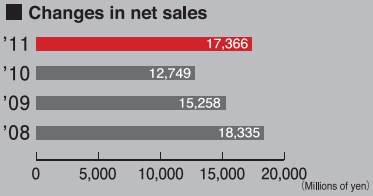
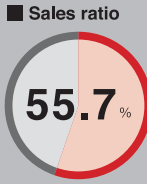


Industrial Components

Year-on-year
Up 36.2%



This product lineup consists of control panel equipment like the control switches and pilot lights that are the nucleus of HMI (Human-Machine Interface), the safety products that enable efficient on-site safety systems, such as timers, relays, circuit protectors, sensors, and industrial LED items.

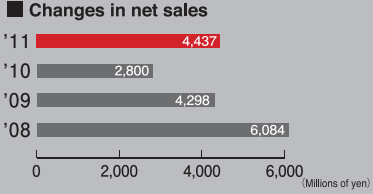
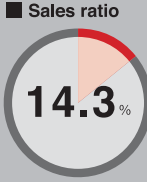


Control System Equipment and FA System Components

Year-on-year
Up 58.4%



These are products such as the programmable controllers that play the role of the brains in machines and devices, the programmable operator interfaces and pendants that enable communication between humans and machines, the sigma panels that achieve panel standardization, along with transmission systems and barcode readers.

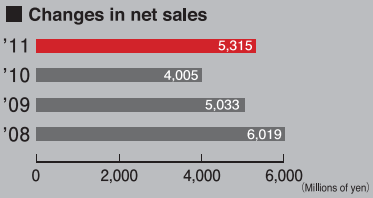
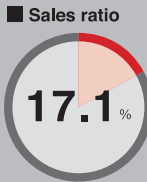


Peripheral Control Components

Year-on-year
Up 32.7%



These include such products as the basic equipment for the control of machines and devices like switching power supplies, communication terminals, terminal blocks, sockets, and control boxes.

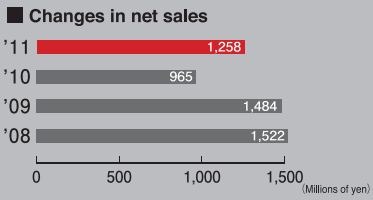
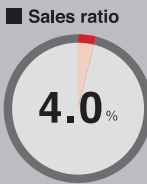


Explosion-Proof Control Equipment

Year-on-year
Up 30.5%



These are products such as the intrinsically-safe explosion-protected equipment, flameproof protected equipment, pressurized protected equipment, and increased safety protected equipment that prevent accidents at sites where explosive gases exist, such as petroleum and chemical plants as well as most any general factory.

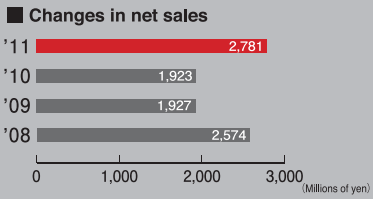
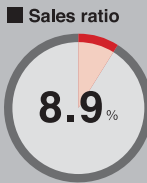


Other Components

Year-on-year
Up 44.6%



This combination-type product lineup considers all aspects of HMI towards proposal and construction of the optimum environment, and includes security products and commercial LED lighting, as well as the ultra-micro bubble generator that is solving various environmental problems.



Consolidated Balance Sheet

		Millions of yen		Thousands of U.S. dollars (Note 2)
As of March 31, 2011 and 2010		2011	2010	2011
Assets	Current assets			
	Cash and deposits	8,139	6,654	97,844
	Notes and accounts receivable-trade	5,757	4,631	69,236
	Merchandise and finished goods	3,667	3,048	44,103
	Work in process	685	710	8,249
	Raw materials and supplies	1,983	1,967	23,858
	Deferred tax assets	680	530	8,187
	Others	399	628	4,801
	Allowance for doubtful accounts	(34)	(41)	(420)
	Total current assets	21,278	18,131	255,901
	Noncurrent assets			
	Property, plant and equipment			
	Buildings and structures, net	3,580	3,572	43,054
	Machinery, equipment and vehicles, net	889	927	10,698
	Tools, furniture and fixtures, net	468	507	5,630
	Land	4,406	4,350	52,996
	Lease assets, net	390	331	4,699
	Construction in progress	2,932	3,010	35,263
	Total property, plant and equipment	12,667	12,700	152,343
	Intangible assets			
	Software	550	675	6,615
	Lease assets	31	40	384
	Others	17	20	205
	Total intangible assets	599	736	7,205
	Investments and other assets			
	Investment securities	878	807	10,566
	Long-term loans receivable	5	7	61
	Deferred tax assets	754	1,547	9,068
	Others	1,127	2,059	13,561
	Allowance for doubtful accounts	(114)	(94)	(1,375)
	Total investments and other assets	2,651	4,326	31,882
	Total noncurrent assets	15,917	17,763	191,431
	Total assets	37,195	35,895	447,332
Liabilities	Current liabilities			
	Notes and accounts payable-trade	4,049	3,323	48,699
	Short-term loans payable	2,498	2,997	30,042
	Lease obligations	162	155	1,951
	Income taxes payable	259	155	3,126
	Accounts payable-other	505	476	6,076
	Accrued expenses	1,203	1,110	14,473
	Deposits received	1,426	1,448	17,160
	Others	48	43	582
	Total current liabilities	10,153	9,710	122,112
	Noncurrent liabilities			
	Lease obligations	279	228	3,364
	Provision for retirement benefits	1,367	1,275	16,443
	Provision for directors' retirement benefits	57	60	693
	Asset retirement obligations	81	—	983
	Others	—	6	—
	Total noncurrent liabilities	1,786	1,570	21,484
	Total liabilities	11,940	11,281	143,597
Net assets	Shareholders' equity			
	Capital stock	10,056	10,056	120,945
	Capital surplus	9,690	9,690	116,548
	Retained earnings	13,786	12,677	165,797
	Treasury stock	(6,395)	(6,394)	(76,916)
	Total shareholders' equity	27,138	26,030	326,374
	Accumulated other comprehensive income			
	Valuation difference on available-for-sale securities	(25)	(66)	(302)
	Foreign currency translation adjustment	(2,014)	(1,459)	(24,228)
	Total accumulated other comprehensive income	(2,039)	(1,525)	(24,530)
	Subscription rights to shares	65	43	782
	Minority interests	92	64	1,108
	Total net assets	25,255	24,614	303,735
	Total liabilities and net assets	37,195	35,895	447,332

Notes: 1. This annual report omits the consolidated statement of changes in net assets and all notes to the financial statements. For detailed explanation of the financial statements, please refer to the Company's Financial Report submitted to the Financial Services Agency's EDINET (Electronic Disclosure for Investors' NETwork) system.
2. Amounts in the consolidated financial statements on Pages 24 to 26 are converted from amount in yen to U.S. dollars at the prevailing exchange rate as of March 31, 2011 (US\$1 = JPY83.15), for the convenience of readers abroad.

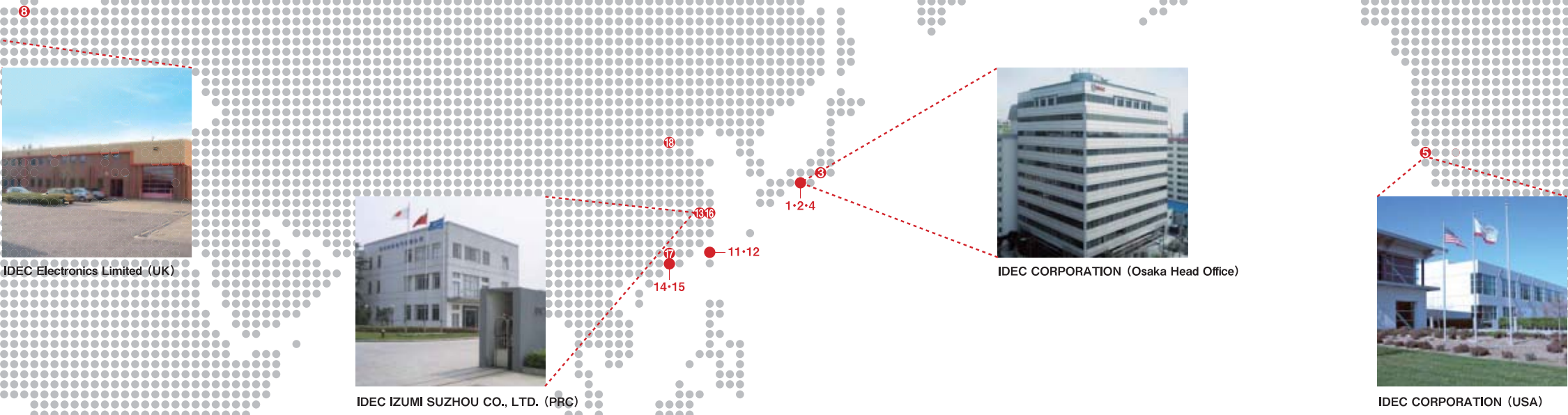


Consolidated Statement of Income

Years ended March 31	Millions of yen		Thousands of U.S. dollars <small>(Note 2)</small>
	2011	2010	2011
Net sales	31,159	22,443	374,739
Cost of sales	17,291	12,695	207,955
Gross profit	13,868	9,747	166,783
Selling, general and administrative expenses	11,030	10,226	132,652
Operating income (loss)	2,837	(478)	34,130
Non-operating income			
Interest income	20	19	240
Dividends income	14	17	177
Rent income	92	82	1,115
Equity in earnings of affiliates	0	—	1
Subsidy income	—	280	—
Others	70	65	843
Total non-operating income	197	465	2,378
Non-operating expenses			
Interest expenses	68	66	826
Sales discounts	8	8	106
Equity in losses of affiliates	—	28	—
Foreign exchange losses	234	61	2,825
Depreciation	48	48	584
Others	68	69	827
Total non-operating expenses	429	281	5,171
Ordinary income (loss)	2,605	(294)	31,338
Extraordinary income			
Gain on sales of noncurrent assets	285	0	3,434
Gain on sales of investment securities	—	50	—
Reversal of asset retirement obligations	91	—	1,105
Reversal of allowance for doubtful accounts	0	23	5
Total extraordinary income	378	74	4,546
Extraordinary loss			
Loss on sales of noncurrent assets	7	0	89
Loss on abandonment of noncurrent assets	8	96	98
Loss on sales of investment securities	—	0	—
Loss on valuation of membership	—	1	—
Directors' retirement benefits	11	—	135
Non-recurring depreciation on noncurrent assets	—	64	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	156	—	1,883
Total extraordinary loss	183	163	2,207
Income (loss) before income taxes and other adjustments	2,800	(383)	33,676
Income taxes-current	434	237	5,228
Income taxes for prior periods	—	(117)	—
Income taxes-deferred	604	(210)	7,271
Total income taxes	1,039	(91)	12,500
Income before minority interests	1,760	—	21,176
Minority interests in income (loss)	30	(14)	365
Net income (loss)	1,730	(277)	20,811
Minority interests in income (loss)	30	—	365
Income before minority interests	1,760	—	21,176
Other comprehensive income			
Valuation difference on available-for-sale securities	40	—	491
Foreign currency translation adjustment	(556)	—	(6,698)
Total other comprehensive income	(516)	—	(6,206)
Comprehensive income	1,244	—	14,969
(Comprehensive income attributable to)			
Comprehensive income attributable to owners of the parent	1,216	—	14,624
Comprehensive income attributable to minority interests	28	—	345

Consolidated Statement of Cash Flow

Years ended March 31	Millions of yen		Thousands of U.S. dollars <small>(Note 2)</small>
	2011	2010	2011
Net cash provided by (used in) operating activities			
Income (loss) before income taxes and other adjustments	2,800	(383)	33,676
Depreciation and amortization	1,227	1,295	14,757
Increase (decrease) in allowance for doubtful accounts	14	(9)	177
Increase (decrease) in provision for retirement benefits	96	43	1,156
Reversal of asset retirement obligations	(91)	—	(1,105)
Loss on adjustment for changes of accounting standard for asset retirement obligations	156	—	1,883
Interest and dividends income	(34)	(36)	(417)
Interest expenses	68	66	826
Foreign exchange losses (gains)	117	24	1,416
Equity in (earnings) losses of affiliates	(0)	28	(1)
Loss (gain) on sales of investment securities	—	(50)	—
Non-recurring depreciation on noncurrent assets	—	64	—
Loss (gain) on sales of noncurrent assets	(278)	(0)	(3,345)
Loss on abandonment of noncurrent assets	8	96	98
Decrease (increase) in notes and accounts receivable-trade	(1,295)	(605)	(15,578)
Decrease (increase) in inventories	(773)	769	(9,300)
Increase (decrease) in notes and accounts payable-trade	854	1,203	10,281
Increase (decrease) in accounts payable-other	82	53	992
Others	81	(0)	974
Subtotal	3,034	2,560	36,492
Interest and dividends income received	34	36	418
Interest expenses paid	(72)	(66)	(868)
Income taxes paid	(233)	(152)	(2,806)
Other payments	(11)	—	(135)
Net cash provided by (used in) operating activities	2,752	2,377	33,100
Net cash provided by (used in) investing activities			
Purchase of property, plant and equipment	(928)	(3,215)	(11,167)
Proceeds from sales of property, plant and equipment	883	0	10,621
Purchase of intangible assets	(147)	(515)	(1,773)
Purchase of investment securities	(1)	(1)	(23)
Proceeds from sales of investment securities	—	58	—
Purchase of investments in subsidiaries from minority shareholders	—	(52)	—
Collection of long-term loans receivable	2	1	29
Payments for lease and guarantee deposits	—	(367)	—
Others	55	35	664
Net cash provided by (used in) investing activities	(137)	(4,056)	(1,648)
Net cash provided by (used in) financing activities			
Net increase (decrease) in short-term loans payable	(500)	2,400	(6,013)
Purchase of treasury stock	(0)	(1)	(11)
Proceeds from sales of treasury stock	0	0	1
Cash dividends paid	(613)	(630)	(7,375)
Cash dividends paid to minority shareholders	(1)	—	(15)
Repayments of lease obligations	(181)	(194)	(2,179)
Net cash provided by (used in) financing activities	(1,296)	1,573	(15,593)
Effect of exchange rate change on cash and cash equivalents	(333)	(60)	(4,016)
Net increase (decrease) in cash and cash equivalents	984	(166)	11,840
Cash and cash equivalents at beginning of year	6,654	6,821	80,030
Cash and cash equivalents at end of year	7,639	6,654	91,871



Global Network

Aiming to be a leading group
in the globally-evolving control equipment industry

Since our establishment, the IDEC Group’s mission has been to provide the world with products that satisfy our customers with reliability and safety. Our stance has always been to listen to our customers, increase the comprehensive strength of the Group as a whole, develop products that are continually evolving in terms of reliability, safety and operability, and promote the construction of the system of production that strongly supports all of this.

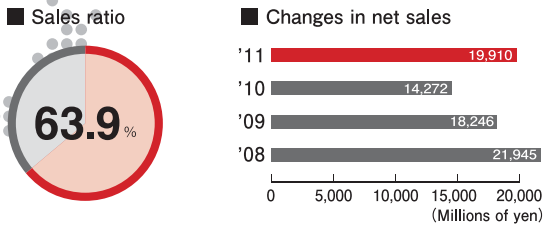
Company Name (Location)	Main Business
1 IDEC CONTROLS LIMITED (Osaka)	Sales of security and sealing systems
2 IDEC LOGISTICS SERVICE CORPORATION (Hyogo)	Assembly and installation of control equipment and devices, Contract logistics service provider
3 IDEC ENGINEERING SERVICE CORPORATION (Aichi)	Sales and engineering of control equipment and devices
4 IDEC DATALOGIC Co., Ltd. (Osaka)	Import and sales of control equipment and automatic recognition devices
5 IDEC CORPORATION (USA)	Manufacture and sales of control equipment and devices
6 IDEC CANADA, LTD. (Canada)	Sales of control equipment and devices
7 IDEC Australia Pty. Ltd. (Australia)	Sales of control equipment and devices
8 IDEC Elektrotechnik GmbH (Germany)	Sales of control equipment and devices
9 IDEC Electronics Limited (UK)	Sales of control equipment and devices

Company Name (Location)	Main Business
10 IDEC IZUMI ASIA PTE LTD. (Singapore)	Sales of control equipment and devices
11 IDEC IZUMI TAIWAN CORPORATION (Taiwan)	Manufacture and sales of control equipment and components
12 IDEC TAIWAN CORPORATION (Taiwan)	Sales of control equipment and devices
13 IDEC IZUMI SUZHOU CO., LTD. (PRC)	Manufacture and sales of control equipment and components
14 IDEC HONG KONG CO., LTD. (Hong Kong)	Holding company
15 IDEC IZUMI (H.K.) CO., LTD. (Hong Kong)	Sales of control equipment and devices
16 IDEC (SHANGHAI) CORPORATION (PRC)	Sales of control equipment and devices
17 IDEC (SHENZHEN) CORPORATION (PRC)	Sales of control equipment and devices
18 IDEC (BEIJING) CORPORATION (PRC)	Sales of control equipment and devices

* IDEC Opto Device Corporation was liquidated in June of 2011 towards promoting a more efficient, more mobile LED business, and is therefore not listed here.

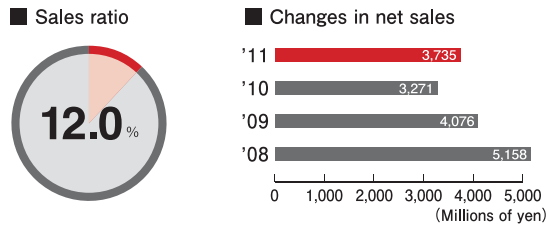
Japan

In addition to the IDEC Group’s head offices in Tokyo and Osaka, IDEC has a sales network consisting of business offices in 27 locations around Japan. We also have four production plants, in Takino and Fukusaki (Hyogo Pref.) , Kyoto and Tsukuba (Ibaraki Pref.) , as well as our Tatsuno Distribution Center (Hyogo Pref.) . As a development base, the IDEC Technology Research Center is located in the Osaka Head Offices. All IDEC Group companies are coordinating efforts to develop and supply products that meet user needs.



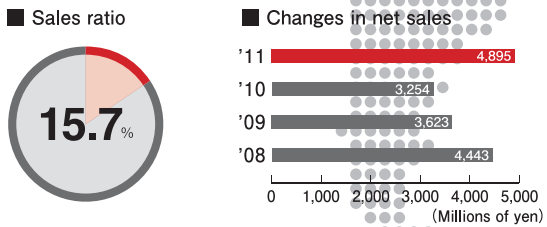
North America

The Group's first sales company in North America was IDEC Corporation (California, USA) , founded in 1975, and we have been developing our business there for more than 30 years. Field sales engineers deployed throughout the U.S. offer detailed support concerning our products from selection through to purchase and building systems, and in this way they are building strong, trusting relationships with a wide range of customers.



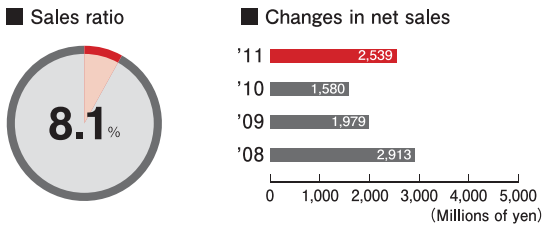
Asia / Pacific

In terms of production, we set up one manufacturing subsidiary in Kaohsiung (Taiwan) in 1983 and another in Suzhou (China) in 2002, thus establishing a system to meet growing demand. In terms of sales, we founded a sales company in Taipei (Taiwan) in 1992 and another in Singapore in 2000. Advancing our network in China, sales companies established there include one set up in Hong Kong in 1995, followed by others in Shanghai, Shenzhen, and Beijing. In the future, while further expanding our sales network, we will also be strengthening our local production and sales systems.



Europe

The IDEC Group’s history in Europe now spans more than 30 years, beginning with the establishment of the German sales subsidiary IDEC Elektrotechnik GmbH (Hamburg) in 1976. Accompanying our own development, by building partnerships with leading manufacturers in Europe, we are promoting the acquisition and deep cultivation of the European market with its many powerhouses.

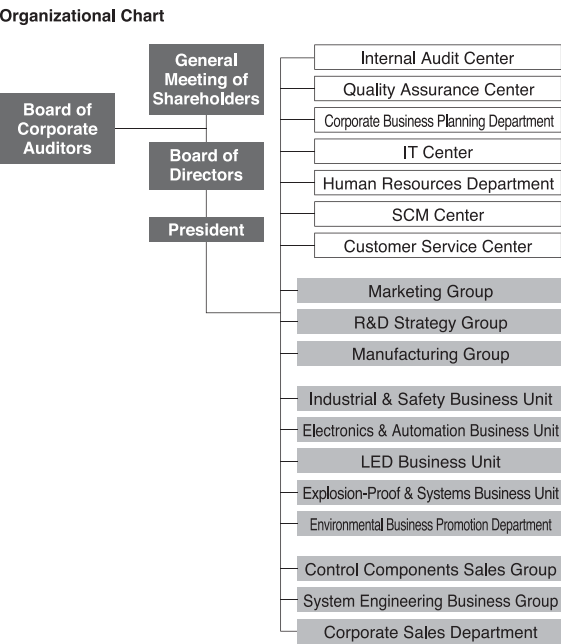


Corporate Officers

Pursuing high added value
to ensure a firm revenue base

To meet customer needs, we strive to thoroughly strengthen the competitive edge of our main businesses, pursuing high added value and further improving profitability by developing a timely and efficient product supply system for each individual business.

Directors	Chairman and C.E.O. Senior Executive Vice President Directors	Toshiyuki Funaki Mikio Funaki Keijiro Fujita Hisaichi Yamane Akira Toyokura Takeshi Nakagawa , Advisor to Toshiba Corporation
	Outside Directors	Masayuki Furukawa Hirokazu Taniguchi Masanori Sakamoto Masataka Kawahito
Auditors	Standing Corporate Auditor Outside Corporate Auditors	Toshihiro Fujita Hideyuki Kitayama Peter Tarantino Hirosuke Mikasa Shigekazu Kawase Tomoyuki Nakano Yasuzo Tsuchiya Yoshihiko Nishiyama
Senior Executive Officers	Chief Technology Officer Manufacturing Strategy and Quality Assurance Global Business Development	
Executive Officers	Marketing Control Components Sales System Engineering Corporate Sales Corporate Business Planning	



Directors

Toshiyuki Funaki

Chairman and C.E.O.

Hisaichi Yamane

Director

Mikio Funaki

Senior Executive Vice President

Akira Toyokura

Outside Director

Keijiro Fujita

Director

Takeshi Nakagawa

Outside Director
(Advisor to Toshiba Corporation)

Executive officers

Toshihiro Fujita

Senior Executive Officer
Chief Technology Officer

Shigekazu Kawase

Executive Officer
Control Components Sales

Hideyuki Kitayama

Senior Executive Officer
Manufacturing Strategy and Quality Assurance

Tomoyuki Nakano

Executive Officer
System Engineering

Peter Tarantino

Senior Executive Officer
Global Business Development

Yasuzo Tsuchiya

Executive Officer
Corporate Sales

Hirosuke Mikasa

Executive Officer
Marketing

Yoshihiko Nishiyama

Executive Officer
Corporate Business Planning

CSR Report

IDEC's Stance on Social Responsibility

Since our founding, the IDEC Group has made "contributing to society through the growth of our business" one of our corporate philosophies. We have established "spreading safety" based on many years of experience in developing safety products, and "contributing to global environmental conservation" by developing and promoting environmentally-conscious products as the two main objectives of our Corporate Social Responsibility (CSR) activities. Furthermore, as a participant in the United Nations Global Compact (GC)*, we support their Ten Principles and are positively promoting that involvement in order to accomplish our social responsibility. We feel that becoming a corporation trusted by all stakeholders is the foundation of all our business activities, and are continuing to work for the achievement of the sustainable society as well.

Chairman and C.E.O.



The Ten Principles of the United Nations Global Compact

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

* The United Nations Global Compact is an initiative for "enterprises voluntarily acting as good members of society by demonstrating responsible, creative leadership, and participating in a global framework to achieve sustainable growth." As of June 2011, it has over 8,700 corporate participants and other stakeholders from over 130 countries.

CSR at the IDEC Group

Adopting our Corporate Ethics and Code of Conduct and the Ten Principles of the United Nations Global Compact, the IDEC group is committed to achieving the corporate objective of "all employees having respect for humanity, contributing to the social economy through the progress of our business enterprise, and leading a meaningful life."

Corporate
Objective

Corporate Principles

Corporate Social Responsibility
(CSR) activities

- Safety efforts ■ Environmental efforts
- Efforts on human rights and human resources
- Efforts on corporate governance, standard compliances, and risk management

IDEC Group Corporate Ethics and
Code of Conduct

The Ten Principles of the United Nations Global Compact

Company-wide issues and achievements

Based on the policy mentioned above, we have established objectives for each business unit and department to achieve.

The objectives and achievements for fiscal 2011 are as shown in the following table.

CSR Challenge	Objective	Achievement
Safety Efforts	Develop and expand sales of safety products	Implemented the FMEA* Process to identify and analyze a potential failure mode before it happens (QA Center) Improved work procedures to increase product safety through Quality Improvement Teams (Manufacturing Group) Increased safety product sales by 226% and explosion-proof products by 131% over the previous year (Manufacturing Plants)
	Contribute to industrial accident reduction	Implemented safety consulting services and held 166 seminars (R&D Strategy Group)
	Train safety specialists	Number of certified safety assessors reached 192 (company-wide)
	Export compliance	Defined the export business process and reviewed operation (SCM Center)
Environmental efforts	Reduce environmental impact	Reduced all output indicators over the previous fiscal year (company-wide)
	Develop and expand sales of environmentally-conscious products	Developed and sold LED lighting for factory equipment (Business Unit) Increased sales of LED products by 187% over the previous term (Business Unit) Developed an LED dimmer system that enables greater control over power consumption (R&D Strategy Group)
Efforts on human rights and human resources	Promote environment-related business	Created new themes related to environmental engineering through industry-academia cooperation (R&D Strategy Group) Promoted businesses related to plant cultivation control and soil remediation systems (R&D Strategy Group, Business Unit) Packaged cultivation equipment systems for automated vegetable farming (Business Unit)
	Research human rights issues and promote human rights educational activities	Continued activities of the Human Rights Committee (Human Resources Department)
	Effective use of human resources	Established model career paths and promoted job rotations (Human Resources Department)
Efforts on corporate governance, standard compliances, and risk management	Create a safe workplace and reduce industrial accidents	Analyzed work conditions and implemented preventive line-care training (Human Resources Department)
	Manage and operate an internal control system	Improved the IT operational efficiency and established a software license management system (IT Center)
	Strengthen the compliance system	Continued to publish compliance information (Corporate Business Planning Department)
	Strengthen the risk management system	Reviewed the operational structure of the Risk Management Committee (Corporate Business Planning Department)

* Failure Mode and Effect Analysis

Creating safety at industrial sites: Developing safety products

People make mistakes and machinery breaks down,
but safety must still be ensured.

Achieved through a “converse concept” X Series emergency stop switch

Once an emergency stop switch is pushed, the contact is opened (turned off) and the machine stops. But what happens if the switch breaks, or if the contact is detached? In conventional switch configurations, the contact would remain closed (on) and the machine couldn't be stopped! The X series was invented through a concept that is converse to conventional emergency stop switches; even if the switch is damaged, the contact will try to shift to an “off” (safe) position. Being able to participate in the development of this switch has been an asset to me.

Masashi Fujimoto

Operational
Component Development

Product Marketing &
Development, Industrial &
Safety Business Unit

Joined IDEC in 1989. Since then, has been involved in the development of various devices including control switches. Currently, as a leader in development, is making efforts to improve members' individual abilities and overall team capabilities. Considers do-it-yourself stores to be a treasure chest when searching for ideas.



Safety product developed in fiscal 2011

Interlock switches w/ key (HS5E-K Series)

These interlock switches are used for locking and unlocking doors with a key. They prevent workers from being trapped in dangerous areas and accidental starting up of a machine; thus demonstrating their maximum effect in ensuring workers' safety at industrial sites.



Explosion-proof product developed in fiscal 2011

Control boxes w/ emergency stop switch (EC2B Series) Flameproof, increased safety explosion-proof structure

Featuring a flameproof, increased safety explosion-proof structure, these were the first control boxes with built-in emergency stop switch in Japan to conform to safety standards (IEC 60947-5-5). They conform to the ATEX Directive*, making them perfect for factories all over the world.

* European guidelines for explosion protection



Safety technology R&D activity

Participating in the setting of international safety standards

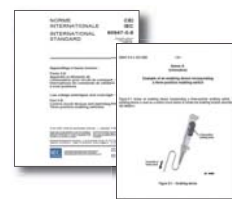
In order to make customers confident to use products in today's global market, it has become important to investigate and analyze international standards concerning control, as well as various machines, devices and systems, and offer products that conform to those standards.

The IDEC Group has acquired diverse know-how through the development of products that conform to various international standards and participation in setting international safety standards.

We dispatch numerous employees with expertise to international conferences and academic societies every year. On behalf of Japan, we thus prove to the world our high level of safety technology in areas that are constantly evolving and becoming more and more complex, such as control safety, mechanical safety, and explosion-proof safety.



Three-position enabling switches adopted by the IEC international standard-setting



IEC 60947-5-8: Modeled after our 3-position enabling switch

Creating safety at industrial sites: Offering safety education within and outside IDEC

From zero accidents to zero danger.
What IDEC can do to transform manufacturing sites...

Think safety before business.

The core business of our group will hold safety seminars and offer safety consulting both in-house and to outside entities. Though the word “risk assessment” has infiltrated the globe, actual practice is still far from ideal. We think that business should be developed with safety as the top priority.

Kazuya Okada

Standards and Safety
Promotion Group

Standards & Safety
Solution Department

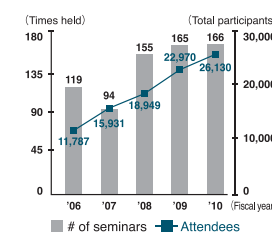
Joined IDEC in 1991. Since then, has worked in the Product Development Department and was assigned to his current position at the Standards & Safety Solution Center in 2005. Is well-versed in the development of safety products and IEC/ISO international safety standards. Says he is a devoted family man with three children and enjoys an occasional drink of Sake.



Proposing safe manufacturing

Holding seminars

Aiming at contributing to the reduction of industrial accidents, IDEC has actively held safety seminars and explosion-proof seminars. In fiscal 2011, we held 166 seminars in Japan with 3,160 participants.



Safety consulting

IDEC offers consulting on safety that takes full advantage of our considerable experience in manufacturing and our expertise in safety of machinery. Aiming at the realization of both safety and productivity, our consulting ranges from identifying the source of risk at industrial sites and evaluating the hazards to planning and executing strategies to minimize the overall risks.



Nurturing professionals who “create safety”

Training people to become certified safety assessors

Confirming the validity of safety is a very important element when conducting risk assessment. Likewise, in the development and diffusion of safety products, as well as during consultation, it is people who can confirm the validity of safety that affects that quality. Based on this idea, IDEC is promoting the acquisition by its employees of the Safety Assessor Certification*, centered especially on the Standards and Safety Solution Department. As of March 31, 2011, there are 192 such qualified personnel in the overall IDEC Group.

* The Safety Assessor Certification program is a certification system attesting that a person has knowledge of and ability in machine safety. It was established by an alliance of the Japan Certification Corporation, Nippon Electric Control Equipment Industries Association, The Society of Safety Technology and Application, and TÜV Rheinland Japan Ltd.

The three safety assessor certification levels and the number of safety assessors within IDEC

Lead safety assessor → 15 people
Has the ability to conduct third-party assessment as a leader of assessors

In addition to the specialized knowledge and practical ability required of an assessor, they must possess the comprehensive ability to assess the validity of safety measures from the viewpoint of a third party.

Safety assessor → 30 people
Has acquired and can demonstrate the knowledge required of an assessor

In addition to the specialized knowledge and practical ability required of a sub-assessor, they must possess the comprehensive ability to assess the validity of safety measures.

Safety sub-assessor → 147 people
Has acquired the basic knowledge required of an assessor

Possesses the basic knowledge and competence necessary to confirm the validity of safety measures.

Protecting the global environment: LED

Developing LEDs
Making environmental contributions along with our many customers

User-conscious means environmentally-conscious.
What is needed in industrial lighting?

It's already common knowledge that LEDs are environmentally friendly. What's important is how we can supply added value to them. Industrial lighting requires a composition of the optimal light distribution that's most appropriate for the specific work site and the strength to endure even harsh environments. But, above all, is the pursuit for usability from the standpoint of the people working in that environment. I think that creating a product that truly pleases the customer and satisfies those three key points is associated with environmental protection.

Shojun Ikeda
LED Factory Lighting Development
Product Marketing & Development,
LED Business Unit

Joined IDEC Opto Device Corporation* in 2000. After being in charge of process and manufacturing control, began development of industrial LED lighting and LED lamps, etc. Transferred to IDEC Corporation in 2008. Speaks of facing many new problems due to LED being a relatively new field, but that the increase in knowledge and the expansion of technology achieved through the process of clearing each hurdle is a true pleasure.
* Liquidated in June, 2011.



Protecting the global environment: GALF

A completely new environmental contribution
Made possible by invisible micro-bubbles

High expectations for an uncharted field.
There is true pleasure in opening new frontiers.

GALF (Gas Liquid Foam) is our proprietary technology that produces a mixture of gas and liquid using a pressurized-tube channel system. This water contains a large volume of micro- and nano-sized bubbles and is being used in water quality purification and soil remediation, etc. Also, though this is a new field, it's expected to bring contributions to fields like life science, agriculture, and semiconductor manufacturing in the future.

Masakazu Kashiwa
Technological Development Group
Environmental Business Promotion Department

Joined IDEC in 1991. Has been involved in fundamental research into GALF and the design of system products, and was reassigned to the Environmental Business Promotion Department in 2010. Aims at a new evolution in GALF technology and is researching the development of applications in automated vegetable farming and in soil improvement, etc. Makes "Work Hard, Play Hard" his motto.



LED lighting products developed in fiscal 2011

LED illumination units for freezer and refrigerator showcases (LF1E Series)

Optimal light distribution was achieved by maximizing our optical design technology and combining LEDs with original lenses. Close to a 58% reduction in power consumption was achieved over conventional lighting* by simply illuminating the desired location with only the necessary amount of light.

* In a comparison with FL fluorescent tubes



LED base lighting units (LG1E/LG1F Series)

Reducing unpleasant brightness and glare, and supporting the lighting environment that is most appropriate to the on-site work, these products also contribute to a reduction in power consumption due to their high energy-saving effect achieved through the use of special power supplies and original LED devices.



IDEC Group development policy and evaluation criterion

Product development activities based on the concept of "savings"

At the IDEC Group, we established our basic policy for product development in 1978. Since then, we have placed the achievement of optimal control based on savings at the heart of that product development. Since 1982, we have been involved in numerous activities that have introduced our customers to the concept of diverse "savings" (saving energy, saving space, saving on maintenance and saving resources) under the slogan of "SAVE ALL." And today as well, we are continuously working on the development of new environmentally-conscious products based on our original design review standard.

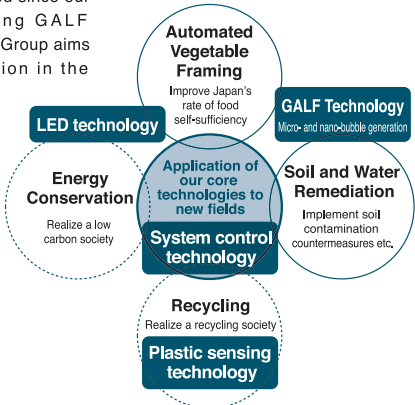
Design review standard for environmentally-conscious products

Element of consideration	Product structure
Recycling, reusing	Ease of recycling
	Ease of disassembly
	Ease of disposal
Saving resources and energy	Reduced volume and weight
	Reduced power consumption
	Long service life
Protecting the environment	Elimination of restricted chemical substance

The IDEC Group's activities in environment-related fields

Taking full advantage of our core technology to develop applications in environment-related fields

By uniting the diversity of elemental and system control technologies that we have cultivated since our founding, including GALF technology, the IDEC Group aims at social contribution in the wide-ranging field of environment applications like soil and water purification, plant factories, and energy conservation and recycling.



What is GALF technology?

An innovative fluid control technology developed through trust and results

GALF (Gas Liquid Foam) technology is a micro- and nano-bubble generation technology that arose from IDEC's proprietary fluid control technology. Developed in 1991, this technology is in use as "microGALF" in a variety of industrial fields like soil- and water-quality purification, and there are already more than 200 cases of application results. A new generation has now been accomplished with "nanoGALF", which generates more precise, more minute, micro- and nano-bubbles, and sales of that product have begun as of June of 2011. The nanobubbles generated by this GALF technology expand the possibilities for future applications in the diverse fields of food services, medical treatment, and plant cultivation, etc.



FZ1N-02 Nanobubble generator

Responsibilities to and activities for employees: Creating an encouraging place to work

A work site where employee rights are protected

Maximizes worker performance

Developing people's drive and challenges
That's my drive

I investigate and educate on in-company human rights. I also improve the work environment, by implementing training for the managers on topics such as mental health. Though response to problems that arise is important, I think that it's most important to create an environment in which such problems don't occur in the first place and an atmosphere in which employees can comfortably receive consultation. Human rights means protecting people, and I think that this promotes safety-consciousness.

Tomohiro Inoue
Personnel and Labor Group
Human Resources Department

Joined IDEC in 1992. After being in charge of process control in the Manufacturing Control Center, was reassigned to the Human Resources Department in 1993. Since then, has been involved in general personnel and labor management affairs. Under the motto "Maintain sincerity at all times," maintains a positive attitude in all cases. Says he aims for a company at which each and every employee can feel proud to work.

Responsibilities to and activities for employees: Improving capabilities and shaping careers

Cherishing people. Nurturing people.

Developing human resources through management that respects human dignity

"Everyone producing together."
Achieving that is my new mission. (Kay Huang)

Making the best use of what I have learned so far, like marketing philosophy, and carrying out planning and managing in my own way in the future, I want to combine my strengths with those of the team in order to create new products.

From Japan to Taiwan. I was thrown into a different culture and the breadth of my own abilities has been expanded. (Hiroaki Hamano)

I have been in Taiwan for 7 years and have learned a great deal in this culture by relating with staff and customers. I want to make the most of this experience, to further expand the range of my work, and to become a unique resource for IDEC.

Kay Huang
Marketing Group
IDEC Taiwan Corporation

Hiroaki Hamano
President,
IDEC Taiwan Corporation

Without challenge, our own possibilities do not grow. So, I do my utmost even when the work is difficult. (Joined IDEC in 2006.)

I value the times when I can feel a sense of satisfaction. When that happens, even if something is not successful, I sense that experience will be useful later. (Joined IDEC in 1983.)

Creating a positive work environment

Human Rights Committee

This committee was organized to promote research and education activities regarding employee rights issues and is actively involved in subjects such as mental health and harassment. In fiscal 2011, they implemented courses on line-care training for managers related to mental health.



Safe working environment

To ensure employee safety in the workplace, IDEC has established the Corporate Safety Committee and set up Health and Safety Committees as its subsidiary organizations in each of our bases and offices. In this way, we are investigating health and safety policies, researching hazards and risks, and implementing their countermeasures. We have also organized a Risk Assessment Committee where standards related to risk assessment are created and advice and recommendations given in regard to implementing assessment activities in each office and plant. Aiming at achieving the goal of "zero accidents," we are always striving to construct an even safer work environment.

The IDEC Group's activities

Employing persons with disabilities

Individuals with disabilities are actively employed at IDEC, both at our global headquarters as well as group companies. At IDEC IZUMI Suzhou Co., Ltd. in China, one of our warehouse control staff with a hearing disability was even happily married the other day in an in-company ceremony. In the future, we will continue to work towards actively employing persons with disabilities throughout the entire group.



Contributing to the local community

As the scarcity of jobs in China for people of higher education reaches the level of a social problem, IDEC IZUMI Suzhou Co., Ltd. has offered work training programs and accepted internships from various universities since 2007. Activities that contribute to regional communities are also being advanced at each group company, such as IDEC Taiwan Corporation giving lectures at local universities on the type of employees that corporations are searching for.

Management that respects human dignity

Basic Personnel Policy

The IDEC Group practices management that respects human dignity based on a policy of cherishing and nurturing people.

Basic Personnel Policy

- 1. Cherishing people** The Company will strive to handle personnel matters (human resource development, performance assessment, assignment and treatment) in the spirit of "respect for human dignity" and to establish a corporate culture that supports employees' development.
- 2. Nurturing people** The Company will strive to nurture employees who fully understand the objectives and meanings of the Company's basic management policy and are able to fulfill their tasks and responsibilities by practicing and personifying that policy.

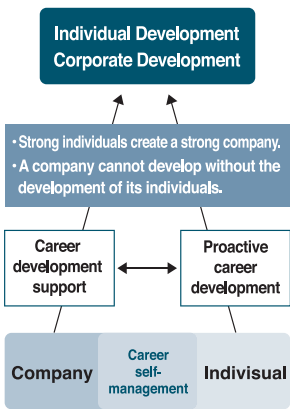
Personnel Promotion Policy

The IDEC Group sees "nurturing and drawing on personnel who proactively challenge themselves" as its Personnel Promotion Policy, and we promote individual development by clarifying an ideal image at which employees can voluntarily aim, offering them the opportunity to challenge themselves toward attaining that target, and having both the company and individual superiors support that goal.

Effectively using human resources

Career Development Program

Employees are able to voluntarily take stock of their career to-date and create a future career plan based on self-analysis. At that time, they prepare a model career path and establish a career plan based on the work experience that is necessary and the ability that must be acquired in order to reach that career goal. And, in order to answer the desires of those employees who voluntarily begin self-development in line with this plan, IDEC examines and utilizes this career information before determining the constitution of personnel allocated for any organization.



Responsibilities to and activities for society: Building a socially trustworthy company

Reducing environmental burdens: An ever-lasting theme,
A changing consciousness.

Activities towards reducing environmental burdens

Basic Environmental Policy

Basic Philosophy The IDEC Group recognizes that the coexistence of business growth with the global environment is a common wish of humankind. In all aspects of our business activities, we put our first priority on preservation of the environment in order to contribute to realizing the sustainable growth of society.

* Further details of our Basic Environmental Policy are published on our website.

Certification status of Environmental Management System

The IDEC Group has been building an Environmental Management System aimed at acquiring certification under international environmental standards. In fiscal 1997, after examination by the Japan Quality Assurance Organization (JQA), our Head Office and Technology Research Center acquired ISO14001 certification along with some other sites. At present, certification has been received at 4 sites: the Head Office and IDEC Technology Research Center (including the IDEC SALES OFFICE), our Tsukuba Plant, Fukusaki Plant (including the Takino Plant), and the Kyoto Plant.

External examination results

External examination in accordance with the regulations on environmental management systems was implemented on four sites in fiscal 2011. The result was that no stipulations for improvement were pointed out, and there were no violations of any environmental laws and regulations.

Results of the external examination

Classification	No. of items
Strong Point	0
Good Point	6
Improvement Notice A	0
Improvement Notice B	0
Opportunity for Improvement	28

Improvement Notice A: Items for which one or more requirements are lacking, or that have not been acted upon or not maintained

Improvement Notice B: Items that do not meet the requirements but they are not applicable to classification as Improvement Notice A

Opportunity for Improvement: Items that are thought to lead to better system operation if improved

Topic | Support for the Green Frame Project

Have you noticed the newspaper advertisements that have a green frame? These are advertisements by participants in the Green Frame Project, and are listed through cooperation between the corresponding company and The Yomiuri Shimbun newspaper. The participating company makes a donation each time their Green Frame advertisement appears in the newspaper, and that contribution is used in an reforestation program through the Japan International Forestry Promotion and Cooperation Center (JIFPRO). IDEC supports this project with the idea that, if we are going to put out an advertisement anyway, this way at least we are also contributing even a little bit to society. Though this is just a minor action, we think it is an important one.

Outline of the afforestation activities

Location: Tan Moc Village, Luc Ngan District, Bac Gaing Province, Socialist Republic of Vietnam

Target area: 104 hectares (172,640 trees)

Purposes: Improving the global environment through CO₂ absorption, turning paper and pulp into resources, and improving the life of local residents, etc.



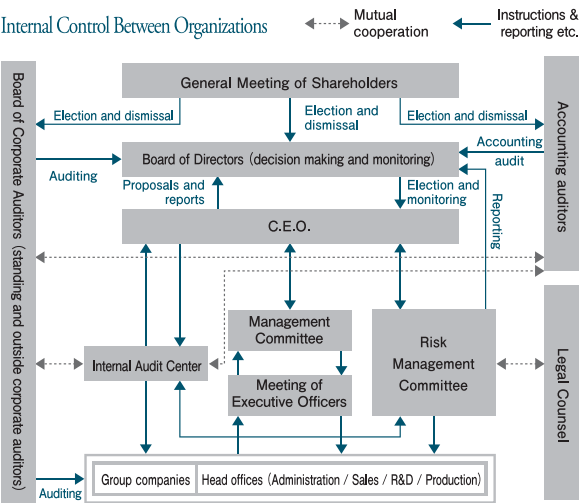
Responsibilities to and activities for society: Strengthening our business base

Greater transparency. Greater efficiency.
IDEC strives to maintain its status as a trustworthy corporation.

Corporate governance

Corporate governance

In the IDEC Group, we feel that the foundation of corporate governance is to secure transparency and efficiency in management. In order to do so, we actively appoint outside directors and introduced an executive officer system in 1998. Each executive officer performs their normal duties within the range of his or her own authority, while the Board of Directors supervises and makes decisions on the administration of business by directors and executive officers. In this way, we strive at dividing management's administrative and supervisory functions for operation based on checks and balances. We are also a company with auditors, and those auditors can request reports at any time on the daily duties of both directors and employees, not only at IDEC but at any of our group businesses as well. As a result, we have established a system to ensure that audits implemented by each auditor regarding the administration of business by directors are effectively carried out, as we work to ensure the legality of our business operations. In striving to secure transparency of operations as well, we have established an Internal Audit Center as an independent monitoring function in order to enhance internal control concerning financial reporting.



Compliance and risk management

Establishment of the IDEC Group's Corporate Ethics and Code of Conduct

In 2001, we enacted our Corporate Ethics and Code of Conduct as common principles to be shared throughout the IDEC Group. In 2008, we then issued the Corporate Ethics and Code of Conduct, Third Edition as well as the Corporate Ethics and Code of Conduct, Global Edition in which its basic concepts are translated into four languages. We distribute this information to officers and employees for sharing throughout all organizations within the IDEC Group, both in Japan and overseas. In this way, we are making that content thoroughly known and promoting compliance.

Outline of the enactment

In order to be an enterprise that acts in sincere faith, we have positioned ourselves under the enduring spirit of Legal Compliance, Social Ethics, Fairness and Impartiality, Respect for Humanity and Public Morals and Order. Based on that spirit, these items serve as the criteria for our Corporate Ethics and Code of Conduct when carrying out corporate activity. Though this code will be revised in the future as necessary, the spirit of the following content – the intent and tenets behind wanting to be a proper, fair enterprise – is unvarying.

1. Legal Compliance: We will obey all applicable laws and regulations both within Japan and overseas.
2. Social Ethics: We will not act contrary to social ethics.
3. Fairness and Impartiality: We will deal with all people with a fair and impartial attitude.
4. Respect for Humanity: We will respect human rights and never discriminate.
5. Public Morals and Order: We will not act contrary to public morals and order.



Risk management structure

IDEC has enacted "Crisis Management Regulations" towards avoiding danger in advance and minimizing the damage should a crisis actually occur. Moreover, we have established a Risk Management Committee, chaired by the C.E.O., in preparing a system for daily risk management and immediate response to any crisis.

Response to a Crisis



Preventing illegal acts

The IDEC HOTLINE (for consultation on ethics, internal whistleblower/reporting contact) is available for employees to use if they have questions about corporate ethics or when they have doubts regarding their own acts, other employees' acts, or the status of the workplace, etc., and it is working at prevention of problems and earlier detection. With Internal Reporting Rules clearly describing the requirement to protect whistle-blowers and those coming for consultation, we are increasing the opportunities for risk detection.

Corporate Data

Corporate Name: IDEC CORPORATION
Incorporated: March 26, 1947
Capital Stock: ¥10,056,605,173
Employees: 1,932 (consolidated, as of March 31, 2011)
Excluding contract and temporary employees
Stock Listings: Tokyo Stock Exchange, First Section Osaka
Securities Exchange, First Section
Head Office: 1-7-31 Nishi-Miyahara, Yodogawa-ku, Osaka
532-8550 Japan
Phone: +81-6-6398-2500
Tokyo Head Office: 4-1-8 Konan, Minato-ku, Tokyo 108-0075 Japan
Phone: +81-3-5782-7690
Technology Research Center: IDEC Technology Research Center
Sales Office: IDEC SALES OFFICE
Office: Osaka
Plants: Tsukuba, Kyoto, Fukusaki, Takino
Sales Branches: Sapporo, Sendai, Takasaki, Utsunomiya, Omiya, Mito, Tokyo, Tama, Yokohama, Mishima, Matsumoto, Niigata, Toyama, Kanazawa, Hamamatsu, Toyota, Nagoya, Kyoto, Osaka, Kobe, Okayama, Fukuyama, Hiroshima, Shikoku, Kitakyushu, Fukuoka, Kumamoto

Distribution Centers: Hamamatsu, Tatsuno



Origin of our name

The history of the IDEC Group began in November 1945, shortly after World War II, with the founding of Izumi Shokai in a corner of Doshomachi in Osaka. It was engaged in the retail and wholesale of electrical appliances. Our former company name, IZUMI*, reflects the wish at our founding to gather people's power through a sense of togetherness and to build a company that grows with a stream of great ideas as if it were a fountain that never runs dry. (* IZUMI consists of two Chinese characters: 和 (Wa), literally meaning "togetherness", and 泉 (Izumi), literally meaning "fountain".) In November 2005, the Group reached a milestone with the 60th anniversary of its foundation. Aiming to become a truly global corporation that thinks automation and beyond, it changed its name from IZUMI to IDEC. But the wish the Company had at its founding lives on, unchanged.



Corporate History

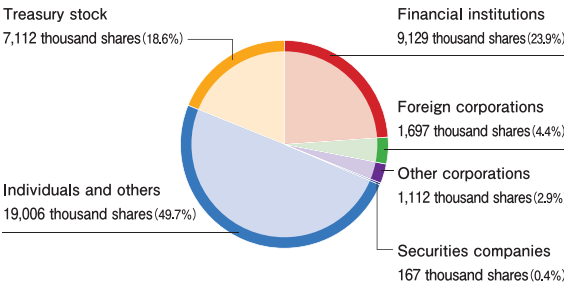
1945 Founded Izumi Shokai. Began retail and wholesale of electrical equipment and devices.
1947 Incorporated Izumi Denki Co., Ltd. (Chuo-ku, Osaka). Began manufacture and sale of switches.
1956 Moved the Head Office to Kita-ku, Osaka. Opened and began operations of the Osaka Office in Yodogawa-ku, Osaka.
1958 Began manufacturing and selling industrial switches, pilot lights, and terminal blocks.
1969 Opened and began operations of the Kyoto Office in Nagaokakyo City, Kyoto. Moved the Head Office to Yodogawa-ku, Osaka.
1974 Incorporated IDEC Izumi Toyama Manufacturing Co., Ltd. (Toyama).
1982 Created a new corporate identity and "IDEC" trademark. Changed the English corporate name. Listed stock in the Second Section of the Osaka Securities Exchange.
1984 Opened and began operations of the Fukusaki Plant in Kanzaki-gun, Hyogo Prefecture. Moved the Head Office to a new location in Yodogawa-ku, Osaka.
1989 Listed stock in the Second Section of the Tokyo Stock Exchange. Completed the first phase of construction at the Takino Plant (Kato City, Hyogo Prefecture).
1990 Stock listing upgraded from the Second Section to the First Section of the Tokyo and Osaka Stock Exchanges.
1991 Completed the first phase of construction at the Tsukuba Plant (Ryugasaki City, Ibaraki Prefecture). Merged Toyama Manufacturing Co., Ltd. into IDEC Izumi Corporation. Qualified as a loan transaction stock on the Osaka Securities Exchange.
1992 Opened IDEC Technology Research Center in Yodogawa-ku, Osaka. Completed the second phase of construction at the Takino Plant (Kato City, Hyogo Prefecture).
1994 Opened and began operations of the Hamamatsu Distribution Center (Hamamatsu City, Shizuoka Prefecture). Qualified as a loan transaction stock on the Tokyo Stock Exchange. Moved the Head Office to a new location in Yodogawa-ku, Osaka. Five offices and two subsidiaries acquired ISO 9000 series certification.
1995 Opened the Harima Plant in Kanzaki-gun, Hyogo Prefecture.
1997 Five sites acquired ISO14001 certification for their environment management systems.
1998 Opened and began operations of the Tatsuno Distribution Center (Tatsuno City, Hyogo Prefecture). Opened the Tokyo Head Office (Minato-ku, Tokyo) and moved the Tokyo Office to the Tokyo Head Office.
2000 Began full-scale operations of a new production system (robot-controlled cell production system).
2004 Reduced the number of shares comprising the minimum stock trading unit.
2005 Changed the names and symbol marks of IDEC Group companies in Japan.
2008 Opened the IDEC SALES OFFICE (Yodogawa-ku, Osaka).
2010 Opened the Osaka Office (Yodogawa-ku, Osaka).

Shares of the Company

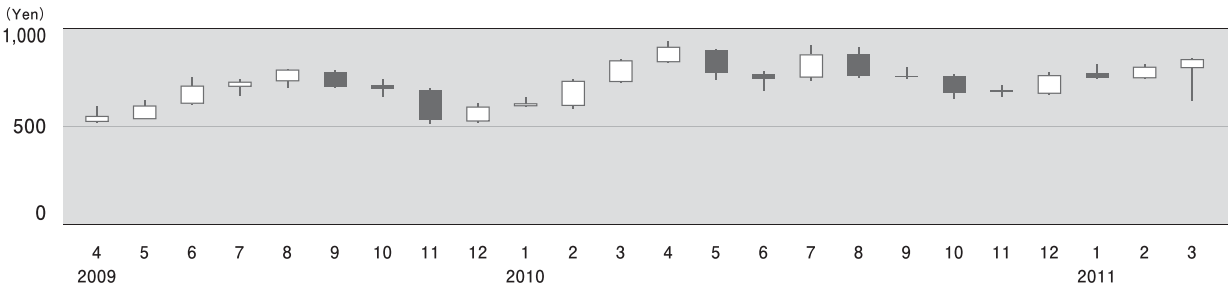
Number of shares authorized 150,000,000
Number of shares issued 38,224,485
Number of shareholders at year-end 11,653

Note: Treasury stock held at the end of the period totaled 7,112,827 shares, representing changes in amounts in response to shareholders' requests for sales or additional purchases.

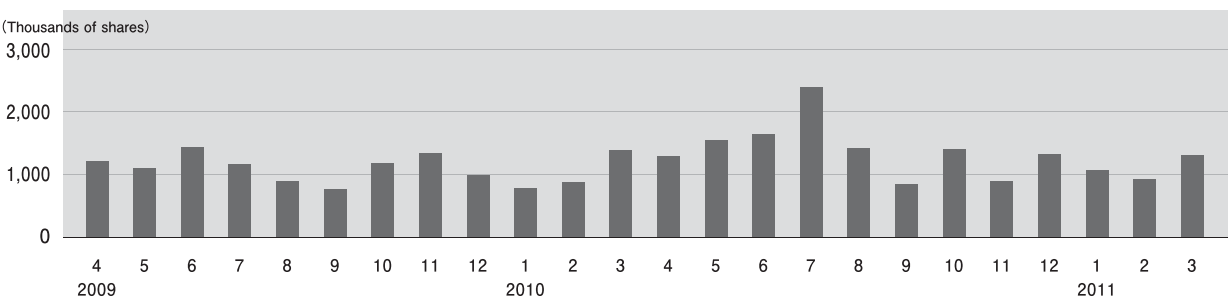
Distribution of Shareholders



Share Price



Trading Volume



Major Shareholders (Top 10)

Shareholders	Number of shares (Thousands of shares)	Holdings (%)
Japan Trustee Services Bank, Ltd.	2,515	6.58
The Master Trust Bank of Japan, Ltd.	1,608	4.21
Mizuho Bank, Ltd.	1,312	3.43
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,124	2.94
Nippon Life Insurance Company	1,029	2.69
Toshiyuki Funaki	838	2.19
Trust & Custody Services Bank, Ltd.	811	2.13
Keijiro Fujita	773	2.03
Mikio Funaki	625	1.64
Tsuneo Funaki	607	1.59

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