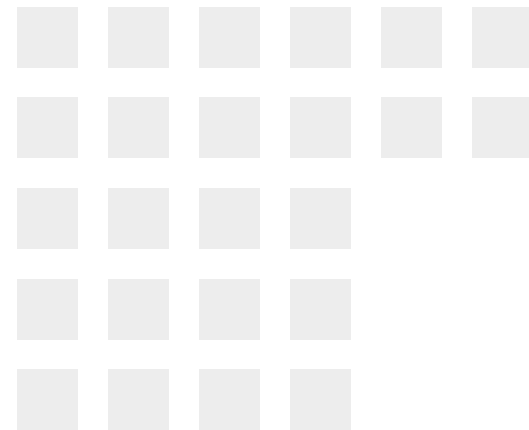




Think Automation and beyond...

The Acquisition of the APEM Group



March 6, 2017

IDEC CORPORATION

- On March 3, 2017, IDEC completed the acquisition of all shares of MMI Technologies, the holding company of the APEM Group, as agreed to with its owners on December 14, 2016.
- Acquisition Price was 29.5 billion JPY.

※ Exchange rate of 122 JPY/ 1 EURO



Promotion of global business expansion to achieve long-term targets (Sales 100 billion yen, operating income margin 15%)

- Strengthen IDEC position in HMI to become one of the world largest player.
- Leverage IDEC and APEM respective strengths (applications, geographies...) to increase sales.
- Significantly increase IDEC sales and profitability.

Overview of the APEM Group



- Manufacturers of industrial switches with a history of over 60 years.

Company Name	MMI Technologies (APEM Group)																
Head Office Location	Paris, France																
Representative	Grégory Sachnine, President																
Business Contents	Development, manufacture and sale of industrial switches, joysticks and keyboards																
Capital	29.6 million EURO																
Establishment	1952																
Production Bases	USA, UK, France, Italy, Denmark, Tunisia, China																
APEM Group Consolidated Employees	1,280 people (as of December 31, 2015)																
Trends in performance	<table border="1"> <caption>Performance Trends (2013.12 - 2015.12)</caption> <thead> <tr> <th>Year</th> <th>Net Sales (€M)</th> <th>EBITDA (%)</th> <th>EBIT (%)</th> </tr> </thead> <tbody> <tr> <td>2013.12</td> <td>84.6</td> <td>17.2%</td> <td>14.4%</td> </tr> <tr> <td>2014.12</td> <td>92.9</td> <td>17.7%</td> <td>15.1%</td> </tr> <tr> <td>2015.12</td> <td>102.4</td> <td>18.8%</td> <td>16.2%</td> </tr> </tbody> </table>	Year	Net Sales (€M)	EBITDA (%)	EBIT (%)	2013.12	84.6	17.2%	14.4%	2014.12	92.9	17.7%	15.1%	2015.12	102.4	18.8%	16.2%
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Ambitious Sales Synergies Expected



Thanks to the complementary product offerings, business models and geographical presence of the two companies significant revenues synergies are expected globally.

- In Europe - leverage APEM's strong sales organization to increase the sales of IDEC products
- In Japan and Asia - leverage the experienced IDEC sales organization to increase the sales of APEM products and expand the sales of IDEC products to new customers.
- In North America - leverage the complementary sales organizations to significantly increase sales through cross selling to synergistic markets and applications.

Further Synergies Expected



- Enhance global leadership in electromechanical HMI with joint development of innovative solutions.
- Leverage respective manufacturing footprints to increase efficiency and better serve our customers.
- Increase efficiency through sharing best practices between IDEC and APEM experienced teams.

Major Product Series of the APEM Group



- Switches and switch panels for diversified industries
- Joysticks covering construction, agriculture & specialty vehicles, and aerospace & defense markets



Strengths of the APEM Group



- Globalized R&D capabilities in France, USA, UK and Denmark developing products that meet global needs.
- Focus on new products, from standard products to full customer solutions, adapted to specific customer requirements supporting diverse applications.
- Manufacturer of ruggedized products for harsh environments.

Standard Products

- Provide products used in various industries from small to large volumes



Semi Customization

- Provide added value by changing the shape and specification of standard products



Full Customization

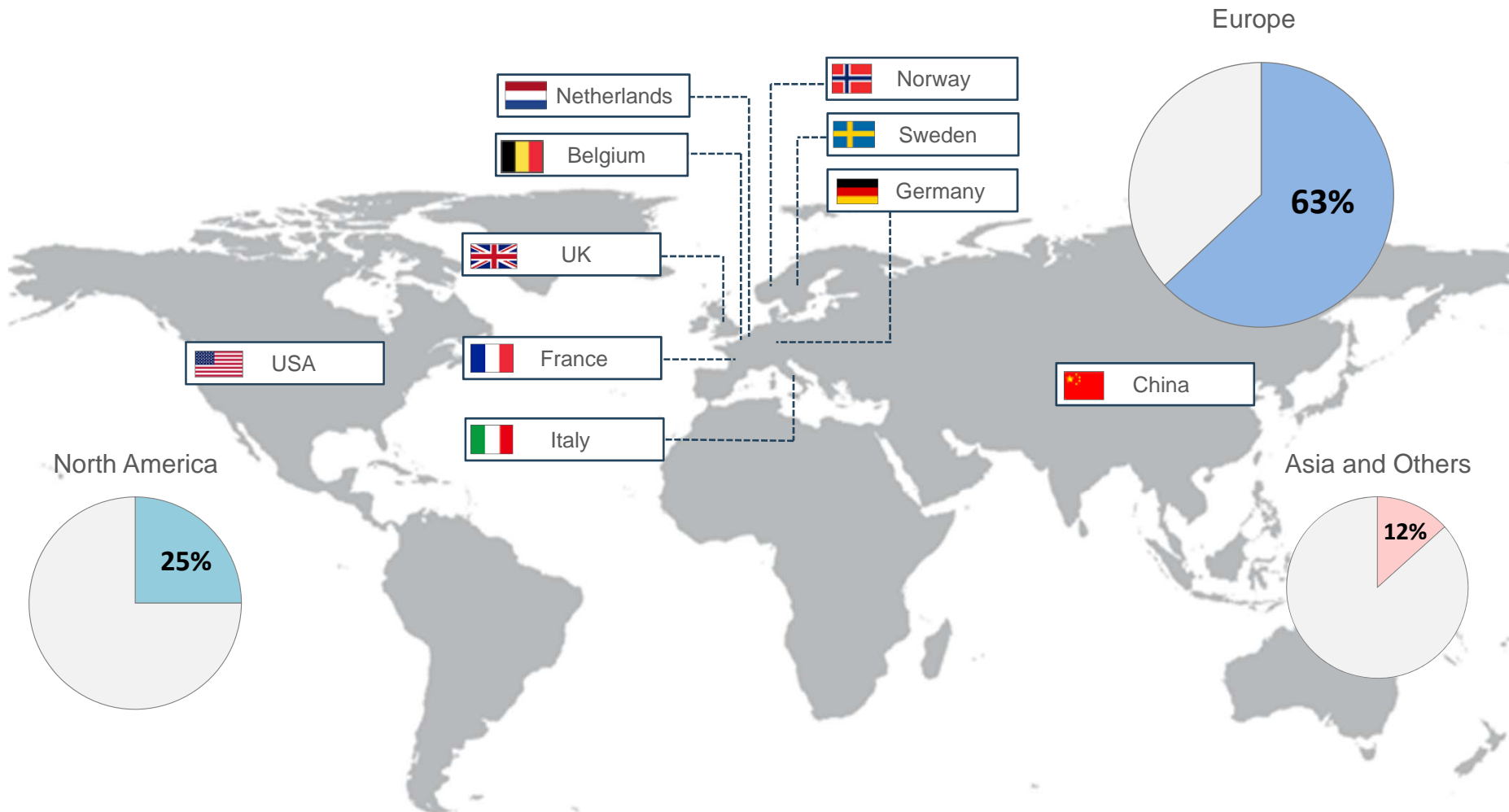
- Provide flexible planning and design expertise to meet customers' requirements



Sales Locations and Regional Sales Ratio of APEM



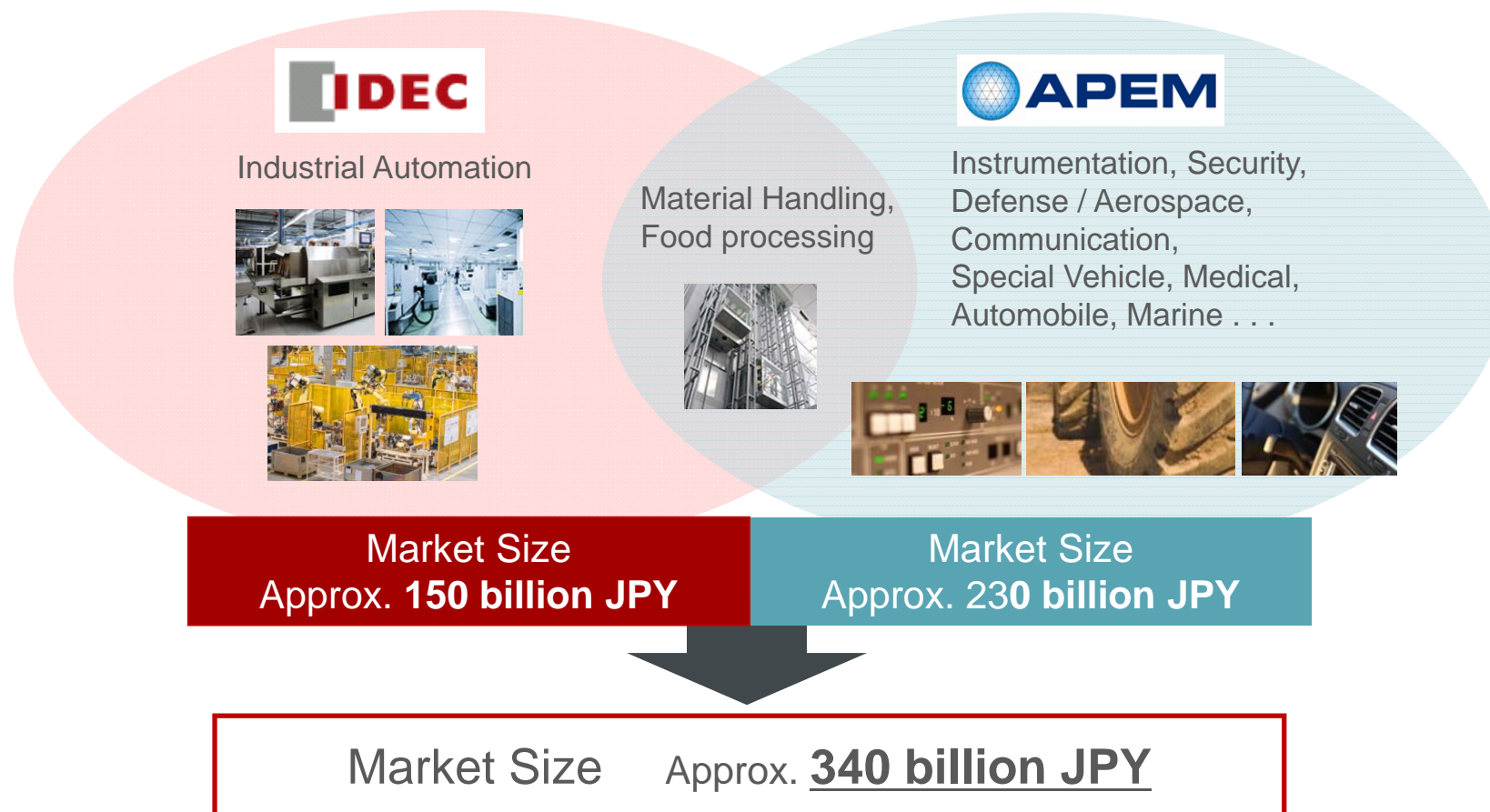
- After acquisition, IDEC + APEM sales outside of Japan to exceed 50%.



Market Size after the Acquisition



- Access to new markets including security and special vehicles
- More than double the addressable market size



Sales after the Acquisition



- Revenue growth through the expansion of the product portfolio

IDEC Net Sales : Approx. 43 billion JPY

Human-Machine Interface



Safety & EX protection



Control & Sensing



APEM Net Sales : Approx. 12 billion JPY

Human-Machine Interface

Panel switches	PCB switches	Joysticks	Switch Panels	LED Indicators
				

Consolidated sales : Approx. **55 billion JPY**

(EBITDA: Approx. 12%)

* Simple sum as of FY 2016



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