

“2025” Medium and Long-term Growth Strategy

May 12, 2025
Hirose Electric Co., Ltd.
President
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Cautionary Statement

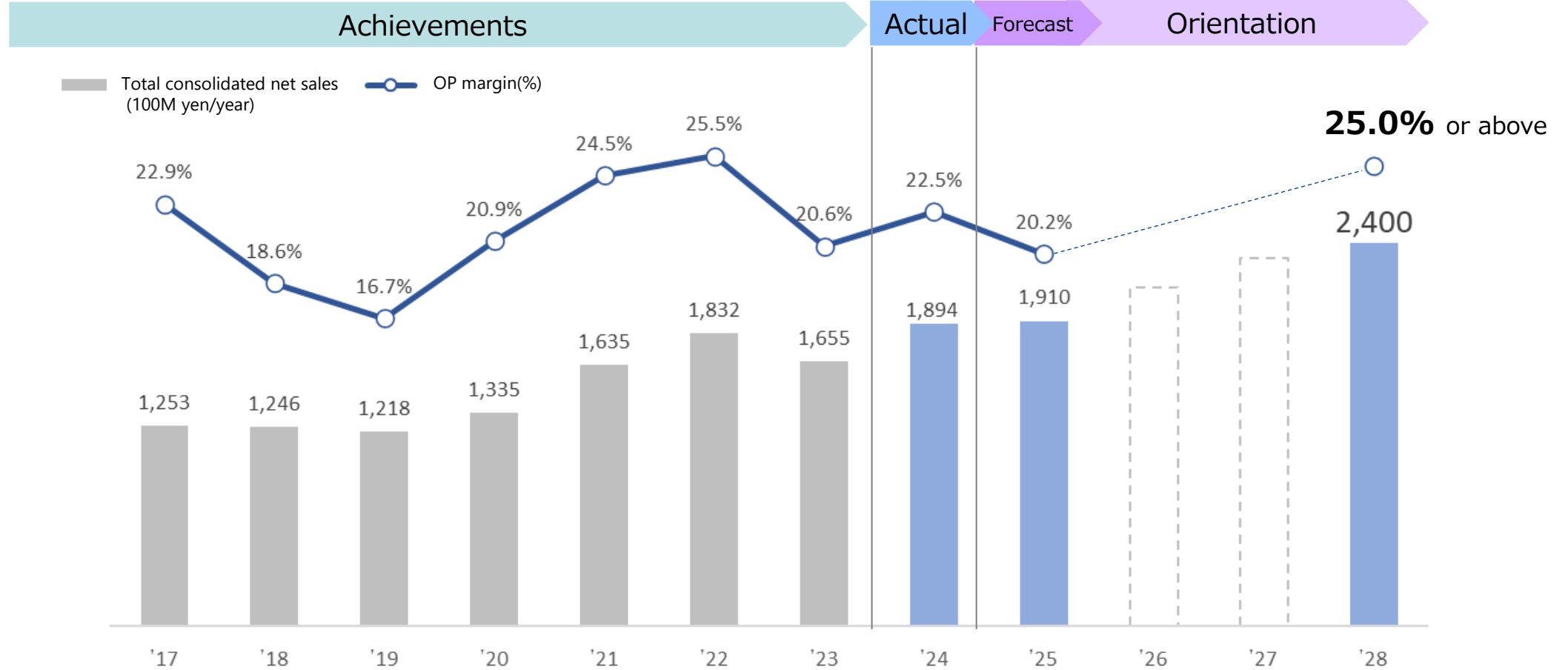
In this material, there are descriptions based on current estimation by Hirose Electric. Hirose cautions you that a number of important risks, uncertainties and others could cause actual results to differ materially from those discussed in the *forward-looking statements. Thank you for your understanding.

*Forward-looking statements include, but are not limited to, those statements using words such as “believe,” “expect,” “plans,” “strategy,” “prospects,” “forecast,” “estimate,” “project,” “anticipate,” “aim,” “may” or “might” and words of similar meaning in connection with a discussion of future operations, financial performance, events or conditions. These statements are based on management’s assumptions and beliefs in light of the information currently available to it.

Image of Business Growth



**Keep high-profit management
and grow over the medium to long term**



Beyond Covid-19 bubble, establish a new path for regrowth starting from FY25

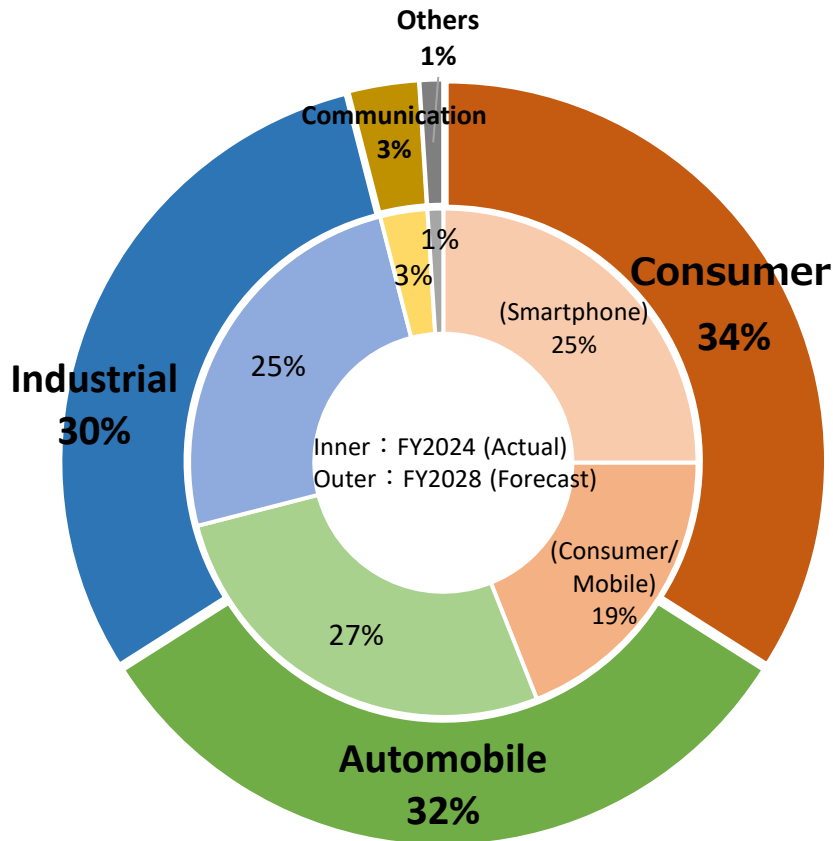


Medium-Term Management Targets

Strengthening Measures to Build a Path for Regrowth

Targets for FY2028

Sales Revenue : JPY 240 billions
Operation Profit Margin: 25% or more



- **Aim for the growth above the industry average and increase our market share through the growth with quality.**
- **Further Continued Growth through a Three-Pillar Portfolio**
 - ✓ Consumer: More stable growth with competitive products and strong customer relationship
 - ✓ Automotive: Become a mainstay of growth through our flexibility and resilience
 - ✓ Industrial Equipment: Make a leap forward in the global market by taking advantage of cross segment knowledge and experience.
- **Explore the 3 pillars + NEW growth drivers**
- **Continuous on-site improvement, quality improvement, DX and revitalization of human resources to improve productivity and further strengthening of the corporate structure.**

We have entered into a capital and business alliance with AIO CORE Co., Ltd. and agreed to jointly develop high-performance optical active connectors. With the joint developed products utilizing AIO CORE's silicon photonics chips, we will meet the growing needs for optical transmission in various fields such as the medical, communications, and automotive markets.

Copper to Copper



Copper to Fiber



High-speed, Low noise, Low power consumption, Light weight, etc.

Fiber to Fiber



Application Examples



Medical



Automotive



Communication

Initiatives in Each Field

Consumer All Market

Pursuit of downsizing development and integrated production

Lead the market, strengthening our product development and manufacturing capabilities

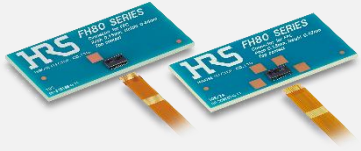
Market

1. Intensifying competition due to the rise of new connector suppliers, such as local Chinese manufacturers.
2. Increase in business opportunities, such as expansion of the wearable device market.

Our Initiatives

1. As a leader in micro-connectors, we will enhance our downsizing capabilities. (product design, mold development, process design, etc.)
2. Enhancing integrated production for competitiveness, generalizing equipment, and strengthening development and manufacturing technology.

[World's Lowest Profile Connector (0.44mm) FH80 Series]



Released the world's lowest profile connector in April 2025.

Accelerate the development and mass production of original micro-connectors.

Automotive Market

Cross-field and customer-oriented promotion

Leading to business growth with high ability to respond to fluctuations

Market

1. Growing connector demand with the progress of electrification.
2. Changes in requirements for connectors with the acceleration of technological changes.
3. Changes in the industrial structure, such as the rise of emerging EV manufacturers.

Our Initiatives

1. Using our advanced transmission technologies, we are expanding joint development with OEMs and automotive parts manufacturers.
2. Expanding the customer base, including emerging EV manufacturers.

[Co-Innovation Award from Marelli]



Global Tier 1 manufacturer Marelli's Supplier Excellence Award 2024 is the only connector supplier to receive the Co-Innovation Award.

Reason for award:

- Innovative connector proposals that anticipate needs
- Building open and active partnerships around the world
- Long-Term Strategy for Co-Growth
- Sustainable Initiatives for Carbon Neutrality

Industrial Market

Strengthening Global Expansion

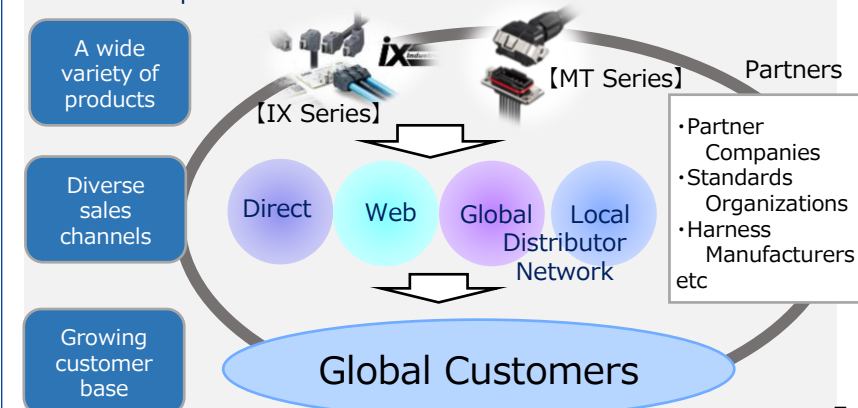
Big opportunity in the smart factory field.
We can leverage this for our product promotion.

Market

1. The functions of industrial equipment will expand with the growing need for automation.
2. Increasing the number of connectors used in industrial equipment and the emergence of new connector needs.

Our Initiatives

1. Expand development with overseas customers.
2. Web promotion and expansion of global distributor network.
3. Develop new solutions by collaborating with various companies.



Technology Exhibition in every three year will be held in 2025

September, 2025 in Yokohama at Pacifico Yokohama North, 2 days

November, 2025 in Osaka at Grandcube, 2 days

Features of the Exhibition

- **Future-oriented exhibition**

Most of the exhibits are products which is newly released, under development or in the concept stage.

- **Display a lot of adoption cases (actual devices)**

Exhibit actual devices adopting our connectors in each industry segment including consumer, industrial and automotive.

(Some devices are displayed in disassembled state)

- **All the guides are our engineers**

- **In 2022, approx. 7,700 guests visited the exhibition**



Key Visual for FY25

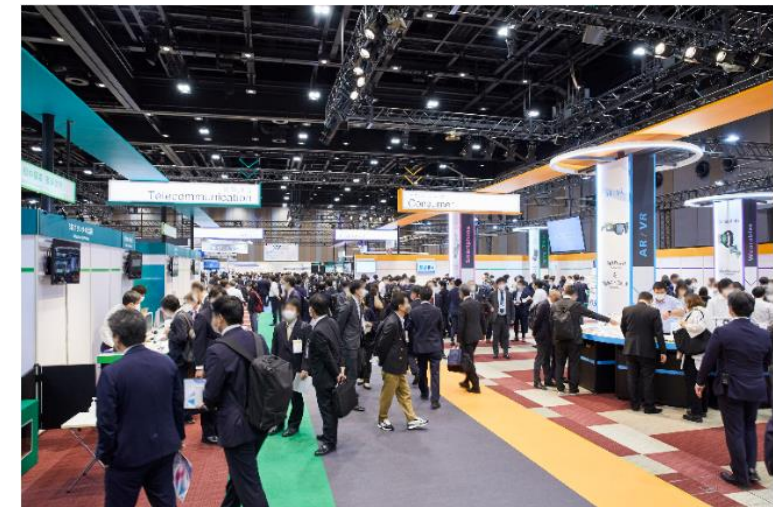


Image from FY22

➡➡ Through this exhibition, Hirose propose solutions to market and customers, and we will develop our customer's voice into future products. ➡➡

<<< FY 2025 >>>

- ▶ Strengthen the competence of “**Foresight, Sensitivity and the ability to drive and execute**”, and move forward.

<Special Strengthening Points>

- 〈1〉 Technological development capability and product appeal
(Proposal to design and mass production)
- 〈2〉 “Manufacturing expertise”
(KAIZEN & manufacturing innovation)
- 〈3〉 Human capital development
(Continued: Implement “the 1st year of deepening”)

Continuous
growth,
evolution

- ▶ “Individuals + Team will improve their capabilities”, deepen and evolve

<<< A Small Company Connecting Wisdom >>>
HRS Group competing on “Product appeal & Manufacturing Expertise”

