

# **Business Results for the First Quarter of FY2025**

**August 5, 2025**

**Hirose Electric Co., Ltd.**

[6806]

## 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.

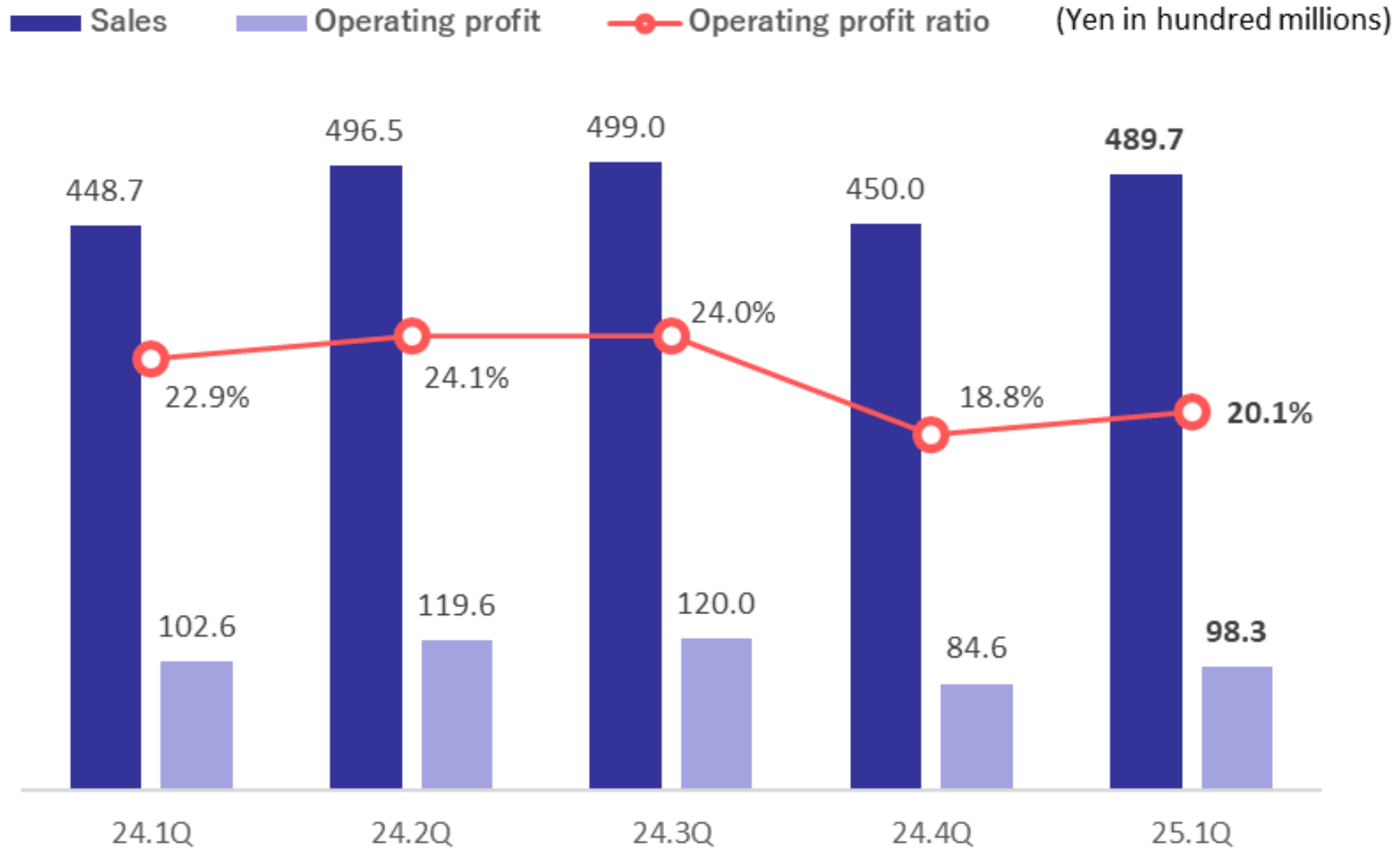
## Summary of the business results (FY2025.1Q From April, 2025 to June, 2025)

The general industrial equipment segment showed increasing signs of recovery, while the consumer/mobile equipment segment and smartphone segment, performed well. The automotive/mobility-related segment remained steady. As a result, overall sales increased by 9.1% year-on-year. However, operating profit declined by 4.2%, with an operating profit margin of 20.1%. Orders rose by 7.3% compared to the same period last year and by 8.9% compared to the previous quarter.

(Yen in hundred millions)

	FY2024.1Q 2024.Apr-Jun	FY2024.4Q 2025.Jan-Mar	FY2025.1Q 2025.Apr-Jun	YoY (2025.1Q/2024.1Q)	QoQ (2025.1Q/2024.4Q)
Orders	484.8	477.4	520.1	+7.3%	+8.9%
Sales	448.7	450.0	489.7	+9.1%	+8.8%
Operating profit	102.6	84.6	98.3	-4.2%	+16.2%
Operating profit ratio	22.9%	18.8%	20.1%	-2.8pt	+1.3pt

## Changes in sales and operating profit (FY2024.1Q - FY2025.1Q / Consolidated basis)



## Business Results for FY2025.1Q

(Yen in hundred millions)

	FY2024.1Q (FY ended June 30, 2024)	FY2025.1Q (FY ended June 30, 2025)	Increase/ Decrease (YoY)	Increase/ Decrease ratio (YoY)
Sales	448.7	489.7	+41.0	+9.1%
COGS Ratio	55.0%	57.6%	+2.6	
SGA Ratio	22.3%	22.3%	0.0	
Operating profit	102.6	98.3	-4.3	-4.2%
(%)	22.9%	20.1%	-2.8	
Profit before tax	118.4	102.4	-16.0	-13.5%
(%)	26.4%	20.9%	-5.5	
Net profit	84.0	72.3	-11.7	-14.0%
(%)	18.7%	14.8%	-3.9	
Shareholder's Equity Ratio	89.5%	89.0%		
Earnings Per Share	248.41円	213.58円		
			1US\$	FY2024.1Q FY2025.1Q
			1 €	155.88 yen 167.88 yen
			100 won	11.38 yen 10.34 yen

## FY2025.1Q Major Changes year-on-year

(Yen in hundred millions)

**Sales**

**41.0** hundred millions yen **Increased**  
(448.7 → 489.7)

General Industrial : +30  
Smartphone : +5  
Consumer/Mobile equipment : +2  
Automotive/Mobility-related : +4

**COGS Ratio**

**2.6 pt Deteriorated** (55.0% → 57.6%)

Variable Expense Ratio : 37.6% → 40.8%  
Depreciation Ratio : 8.1% → 7.9%  
Labor Cost Ratio : 7.8% → 7.8%

**SGA Ratio**

**Flat** (22.3% → 22.3%)

100.1 → 109.3 (Increased by 9.2)

**Financial income / costs**

**11.8** hundred millions yen **Decreased**  
(+15.8 → +4.0)

Exchange Gain or Loss : +3.2 → -6.5  
Interest Received and Others : +8.2 → +7.8

## FY2025.1Q YoY Variation Analysis

(Yen in hundred millions)

	Sales	Operating Profit	(%)	Profit before tax	(%)
<b>FY2024.1Q Actual</b>	<b>448.7</b>	<b>102.6</b>	<b>22.9%</b>	<b>118.4</b>	<b>26.4%</b>
Exchange rate	-26.5	-13.6		-24.0	
Labor cost increase		-11.5		-11.5	
Depreciation cost increase		-2.5		-2.5	
Increase in the product	67.5	23.3		22.0	
<b>Total amount of changes</b>	<b>41.0</b>	<b>-4.3</b>		<b>-16.0</b>	
<b>FY2025.1Q Actual</b>	<b>489.7</b>	<b>98.3</b>	<b>20.1%</b>	<b>102.4</b>	<b>20.9%</b>

## Consolidated Balance Sheet (1)

(Yen in hundred millions)

Assets

Account	Mar 31, 2025	Jun 30, 2025	Increase/ Decrease	Remark
Cash and Cash equivalents	856.7	817.7	-39.0	Profit before tax +102 Capital Investment(incl. buildings) -52 Dividend payment -83 Corporate tax payment -59
Trade and other receivables	403.9	447.0	+43.1	Increased by sales increase
Inventories	250.9	254.2	+3.3	
Other financial assets	1,513.7	1,565.1	+51.4	Securities + 36、Time deposit + 15
Property, plant and equipment	863.8	882.4	+18.6	Increased by Capital Investment
Right-of-use asset	49.4	47.9	-1.5	
Others	230.2	190.4	-39.8	Refund of uncollected consumption tax
Total Assets	4,168.7	4,204.7	+36.0	
Total of cash in bank	1,604.5	1,580.6	-23.9	



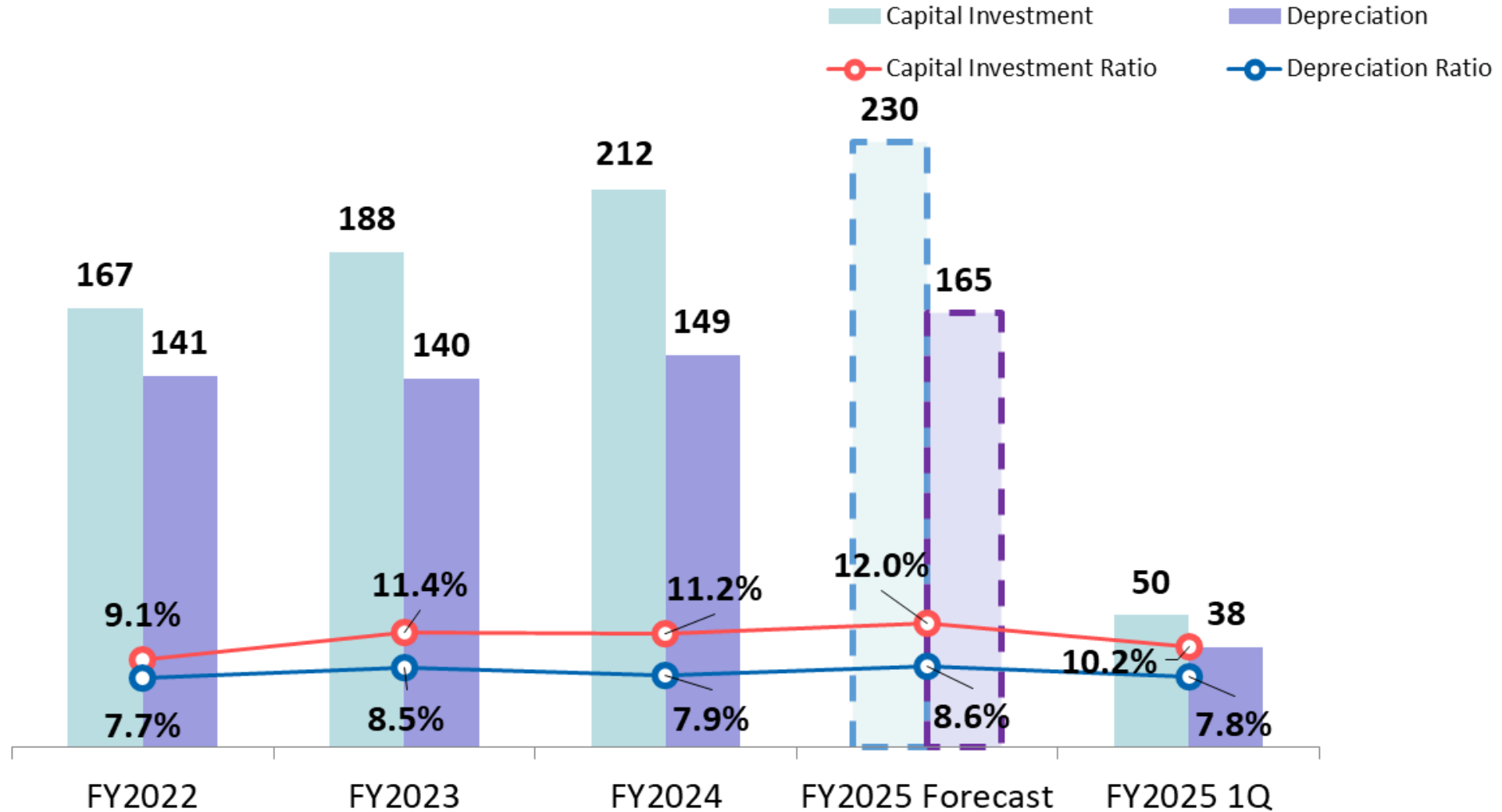
## Consolidated Balance Sheet (2)

(Yen in hundred millions)

	Account	Mar 31, 2025	Jun 30, 2025	Increase/ Decrease	Remark
Liabilities	Payables and other debt	129.0	155.1	+26.1	Increased by purchases and productions
	Lease liabilities	52.0	50.4	-1.6	
	Income taxes payable	81.4	46.5	-34.9	Domestic Corporate tax payment
	Others	204.8	211.2	+6.4	
	<b>Total</b>	<b>467.2</b>	<b>463.2</b>	<b>-4.0</b>	
Shareholder's Equity	Capital stock and Capital surplus	206.3	206.9	+0.6	
	Retained Earnings	3,489.7	3,479.1	-10.6	Net profit +72、Dividends paid -83
	Treasury Shares	- 274.6	- 274.6	-0.0	
	Others	280.1	330.1	+50.0	Translation adjustment (KRW appreciation etc.) +44
	<b>Total</b>	<b>3,701.5</b>	<b>3,741.5</b>	<b>+40.0</b>	
	<b>Total Liabilities and Shareholder's Equity</b>	<b>4,168.7</b>	<b>4,204.7</b>	<b>+36.0</b>	

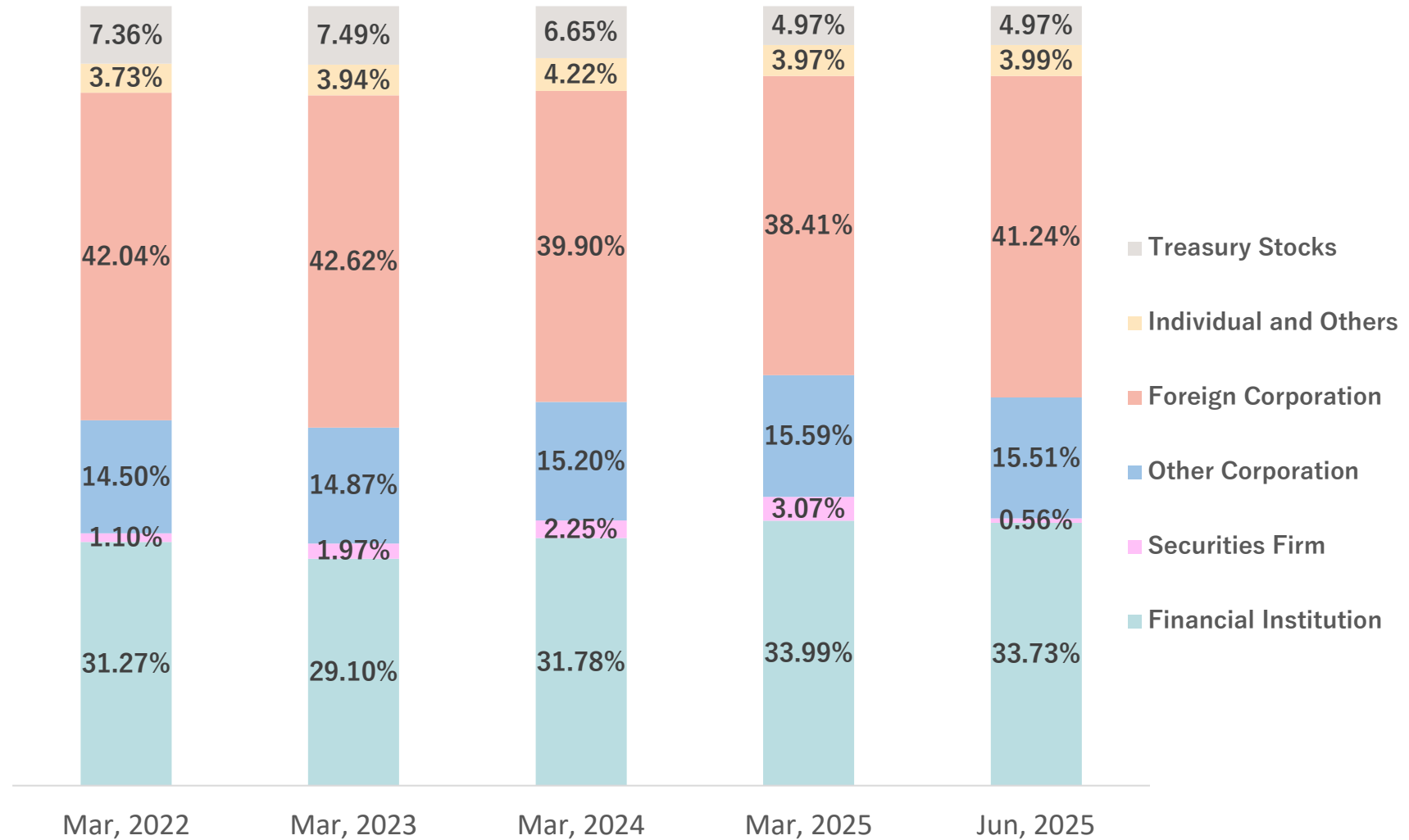
## Changes in Capital Investment and Depreciation (Consolidated basis)

(Yen in hundred millions)



(\*Excluded: Investment in land, building, software)

## Distribution of Shareholders

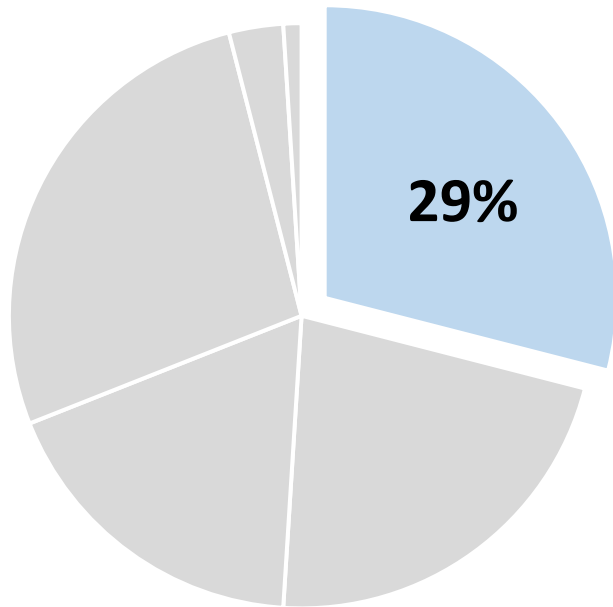


## Sales by Application \_ General Industrial

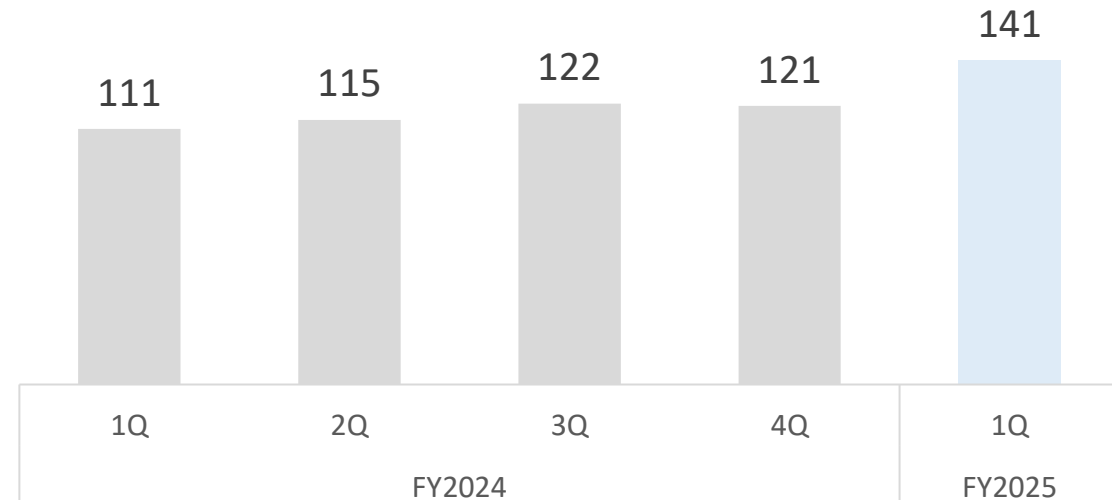
(Yen in hundred millions)

	FY2024		FY2025	YoY	QoQ
	1Q	4Q	1Q		
Sales	111	121	<b>141</b>	<b>+27%</b>	<b>+17%</b>

- **FY2025.1Q Composition ratio**



- **Changes in quarterly sales**



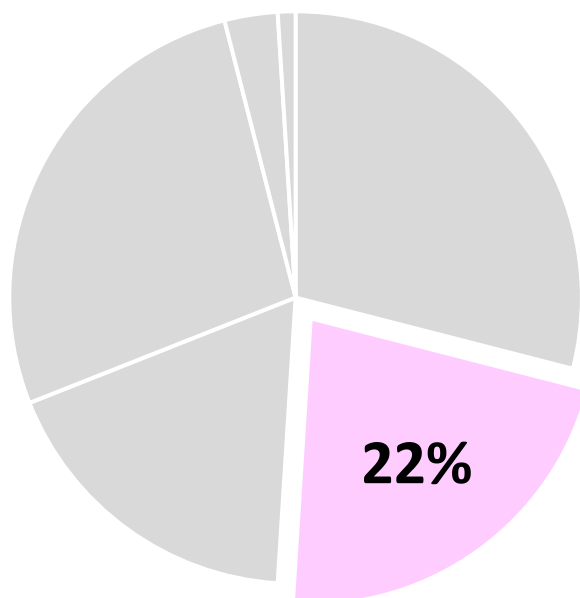
■ Inventory reduction appeared to have progressed further and has been reflected in sales.

## Sales by Application \_ Smartphone

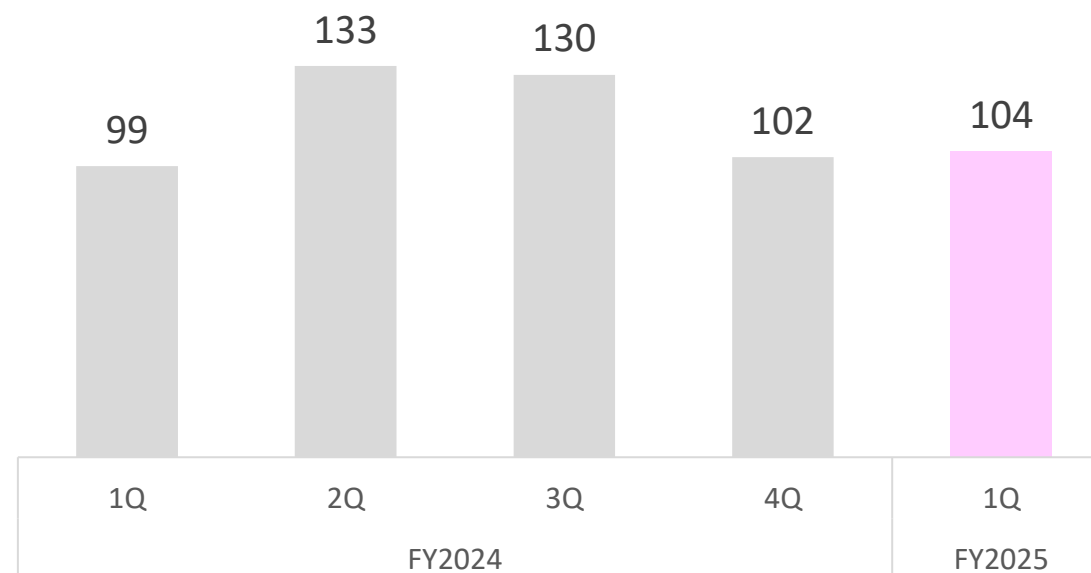
(Yen in hundred millions)

	FY2024		FY2025	YoY	QoQ
	1Q	4Q	1Q		
Sales	99	102	104	+5%	+2%

- FY2025.1Q Composition ratio



- Changes in quarterly sales



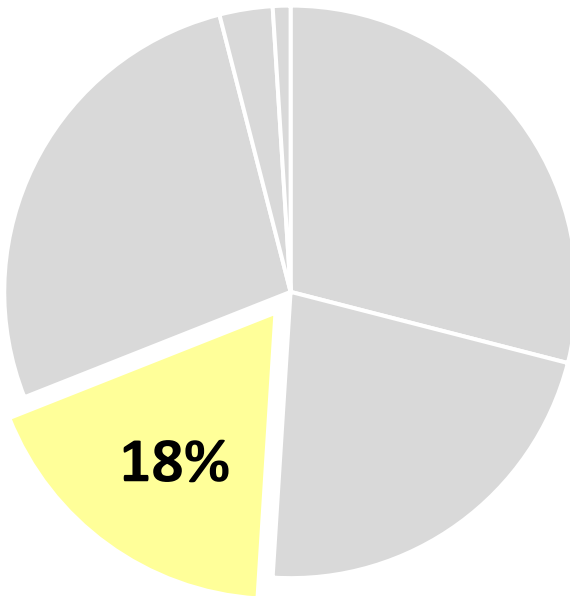
■ A favorable start, as expected.

## Sales by Application \_ Consumer/Mobile Equipment

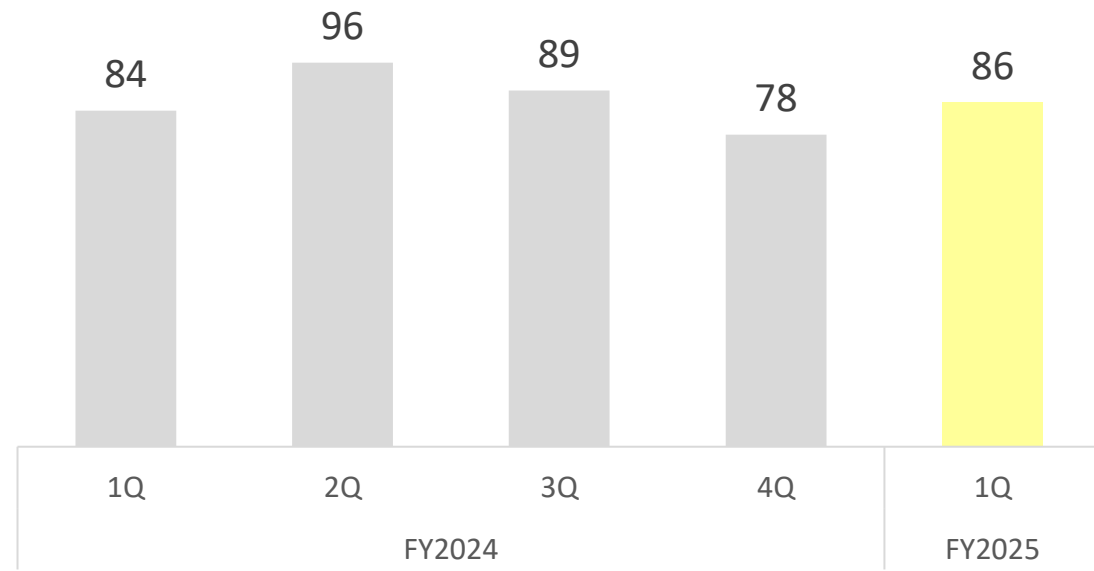
(Yen in hundred millions)

	FY2024		FY2025	YoY	QoQ
	1Q	4Q	1Q		
Sales	84	78	<b>86</b>	+2%	+10%

- FY2025.1Q Composition ratio



- Changes in quarterly sales



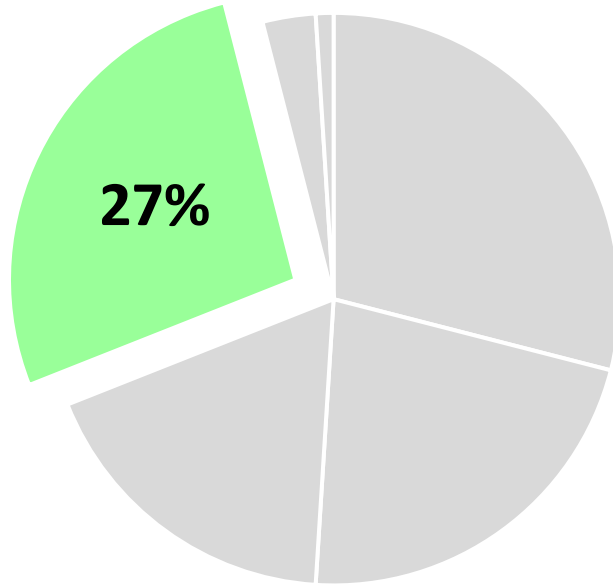
■ The start was resilient and stable.

## Sales by Application \_ Automotive/Mobility-related

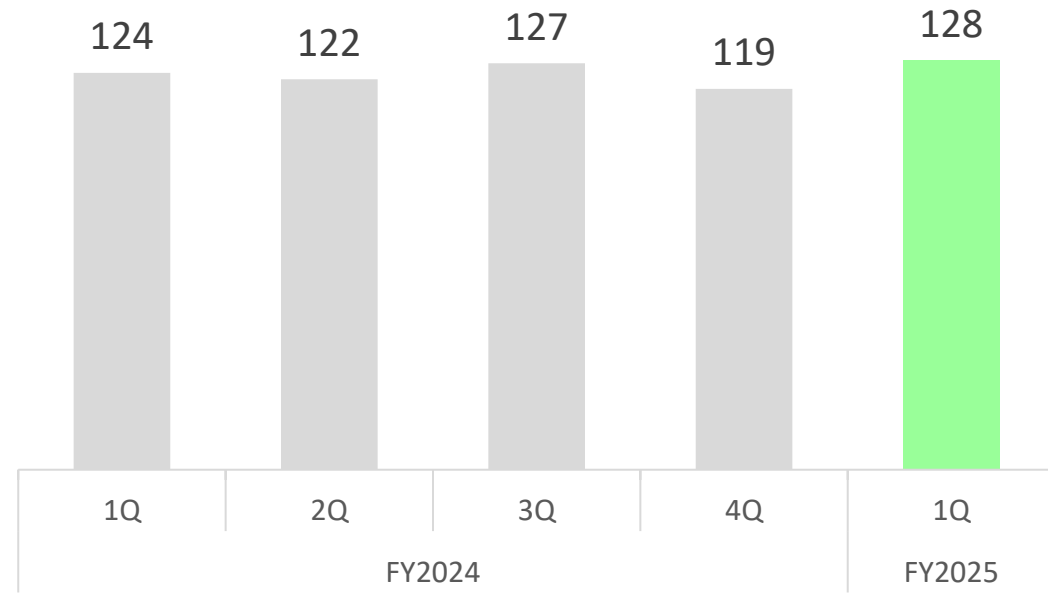
(Yen in hundred millions)

	FY2024		FY2025	YoY	QoQ
	1Q	4Q	1Q		
Sales	124	119	<b>128</b>	+3%	+8%

### ● FY2025.1Q Composition ratio



### ● Changes in quarterly sales



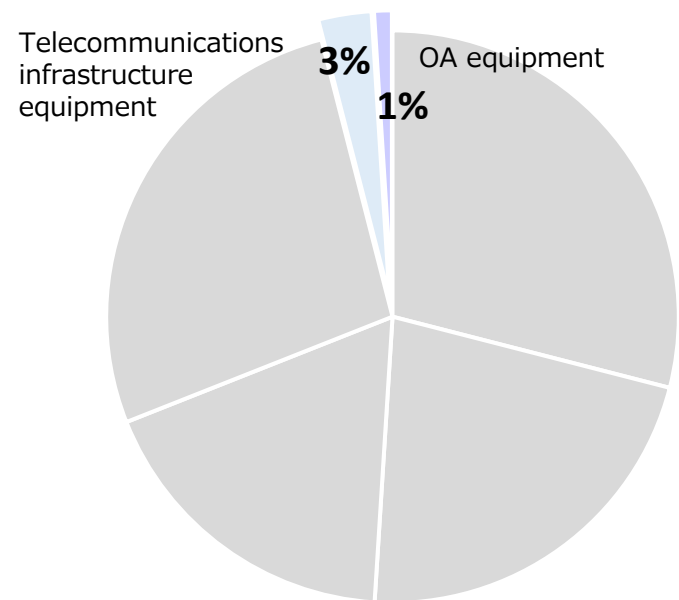
■ Sales remained robust against the projected 7% growth for fiscal year 2025.

## Sales by Application \_ Telecommunications infrastructure equipment / OA equipment

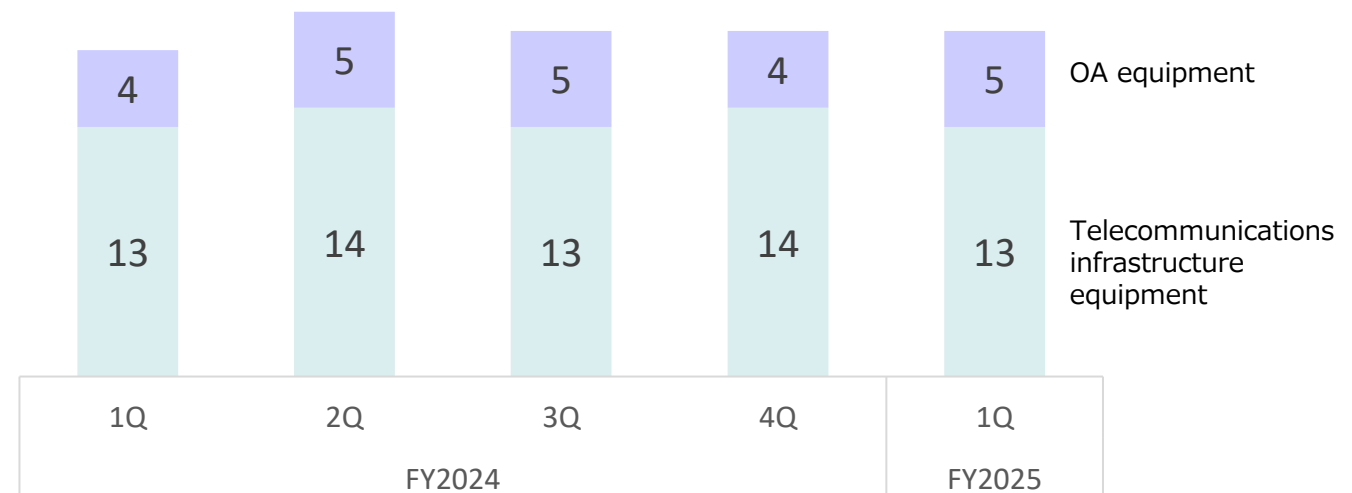
(Yen in hundred millions)

	FY2024		FY2025	YoY	QoQ
	1Q	4Q	1Q		
Telecommunications infrastructure equipment	13	14	13	±0%	-7%
OA equipment	4	4	5	+25%	+25%

### ● FY2025.1Q Composition ratio



### ● Changes in quarterly sales





# Business Forecast for the Year Ending March 31, 2026 (Consolidated)

There is no change from the forecast announced in May, 2025

	FY2024 Actual (FY ended March 31, 2025)		FY2025 Forecast (FY ending March 31, 2026)		First Half Over the Previous Actual Amount		For the Year Over the Previous Actual Amount	
(Yen in hundred millions)	First Half	For the Year	First Half	For the Year	Amount Change	%	Amount Change	%
<b>Sales</b>	945.2	1,894.2	<b>955.0</b>	<b>1,910.0</b>	+9.8	+1.0%	+15.8	+0.8%
COGS Ratio	54.7%	54.9%	<b>57.1%</b>	<b>57.6%</b>				
<b>Operating Profit</b>	222.2	426.7	<b>195.0</b>	<b>385.0</b>	-27.2	-12.2%	-41.7	-9.8%
(%)	23.5%	22.5%	<b>20.4%</b>	<b>20.2%</b>				
<b>Profit before tax</b>	238.5	462.2	<b>200.0</b>	<b>400.0</b>	-38.5	-16.1%	-62.2	-13.5%
(%)	25.2%	24.4%	<b>20.9%</b>	<b>20.9%</b>				
<b>Net Profit</b>	175.3	330.3	<b>140.0</b>	<b>280.0</b>	-35.3	-20.1%	-50.3	-15.2%
(%)	18.5%	17.4%	<b>14.7%</b>	<b>14.7%</b>				
Earnings per share	—	976.37円	—	<b>827.53円</b>	[Exchange rate]	FY2024 Actual	FY2025 Forecast	
Dividend per share	245円	490円	<b>245円</b>	<b>490円</b>		1US\$	152.58yen	<b>138.00yen</b>
						1 €	163.75yen	<b>155.00yen</b>
Consolidated Dividend Payout Ratio	—	50.2%	—	<b>59.2%</b>		100won	10.97yen	<b>9.80yen</b>

## Shareholder Returns: Share Buyback Program

**Announced in May 2025**

**Decided on a policy to acquire treasury shares up to a total of 60 billion yen over the four-year period from FY2025 to FY2028.**

HIROSE ELECTRIC CO., LTD. will execute the Share Buyback to increase the level of shareholder returns and to improve capital efficiency as well as to enable a flexible capital policy in response to changes in the business environment.

Class of shares	Common Stock
Total number of shares to be repurchased	Up to 1,050,000 shares (3.10% of total shares outstanding, excluding treasury stock)
Total amount to be paid for repurchase	Up to 15,000,000,000 yen
Period of repurchase	From Aug. 5, 2025 to Mar. 31, 2026
Method of repurchase	Purchase on the Tokyo Stock Exchange

# **Notice Concerning Acquisition of Shares of S.E.R. Corporation (to Make It a Subsidiary)**

**July 28, 2025** announced

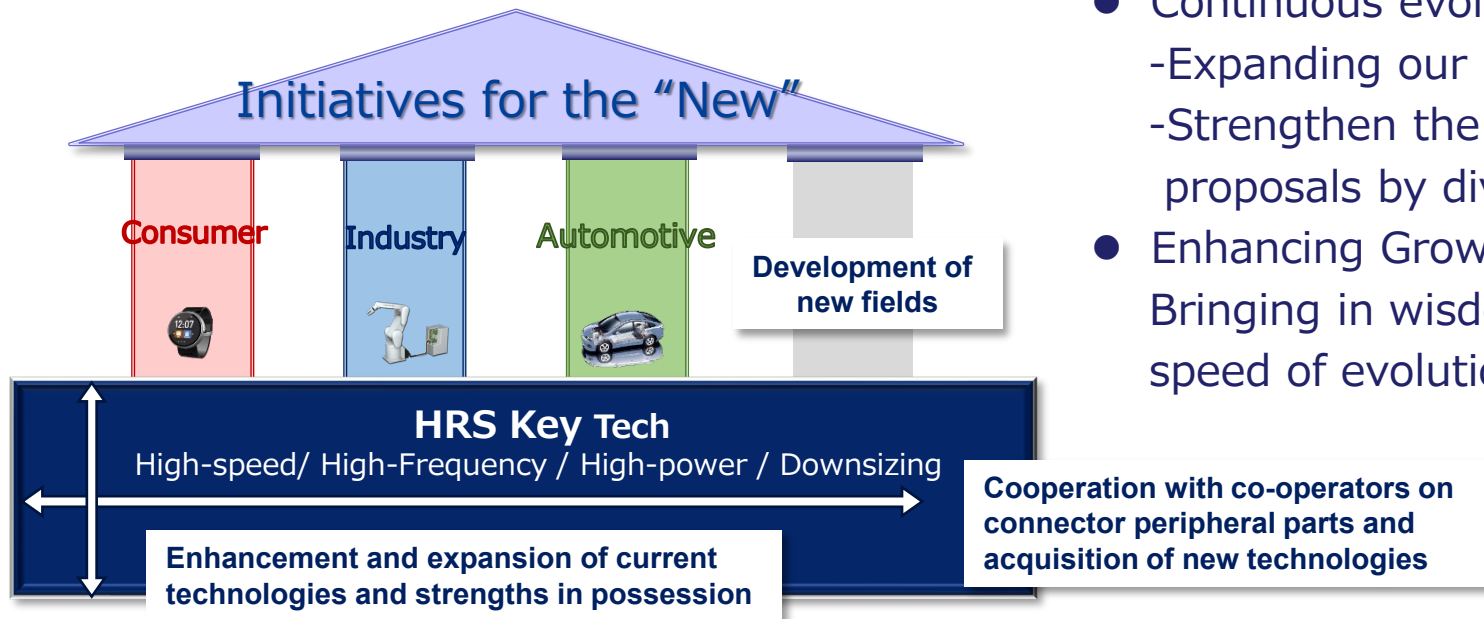
## Purpose of this M&A

Medium-Term Management Goals

3 pillars

+

Explore New Growth Drivers



- Continuous evolution of business looking ahead 5 to 10 years
  - Expanding our "connecting business" into new field
  - Strengthen the ability to read ahead and make proposals by diversifying contact points with the industry
- Enhancing Growth Potential
  - Bringing in wisdom from the outside and accelerating the speed of evolution

Acquired connection technologies related to semiconductor testing as seeds for future segment in new fields.  
 July 28, 2025 Notice Concerning the Acquisition of Shares of S.E.R., Co., Ltd. (Subsidiary)

## Significance for Semiconductor Inspection Related Businesses

1. The semiconductor market is expected to accelerate its growth over the long term.
2. Semiconductors are important components, and we aim to better grasp technological evolution and market trends more quickly. In this way, we will strengthen our ability to propose leading, advanced, and differentiated solutions.
3. Probes are contacts with excellent high-frequency characteristics and durability. They are expected to be applied not only to semiconductor inspection but also to high-performance connectors that we are aiming for.



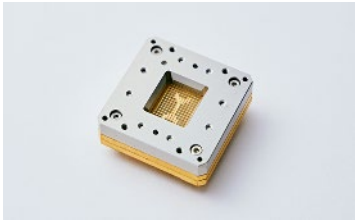
**Strengthening our connectivity business to ensure long-term company growth**



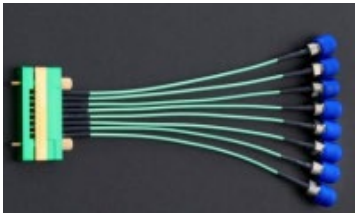
# S.E.R. Co., Ltd. and its subsidiary Kunohe Seimitsu Co., Ltd.

## S.E.R. Co., Ltd.

<https://www.ser.co.jp/english/>



Test socket



Multi-Coaxial Connector

### Company Profile

Location	Shinagawa-ku, Tokyo
Business Description	Manufacturing and sales of Test sockets and probes
Establishment	In 1984
Biography	Established mainly in sales of socket/connectors

## Kunohe Seimitsu Co., Ltd. (100% subsidiary of SER)

<https://kunoheimitsu.co.jp/en/>



Probe



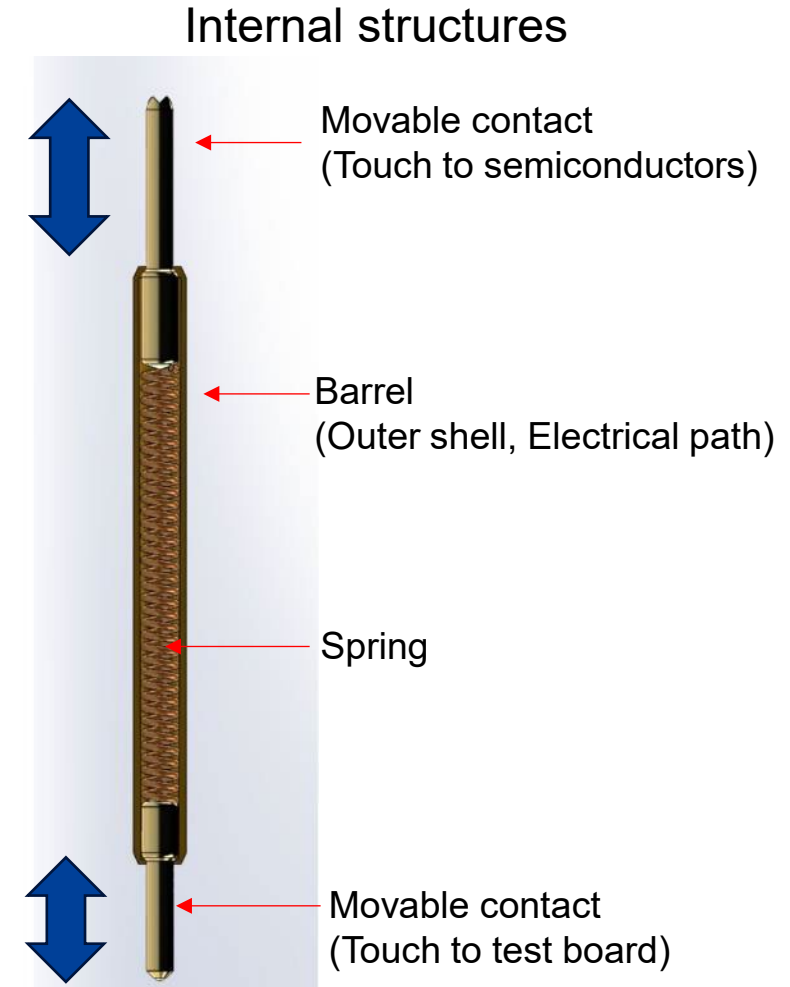
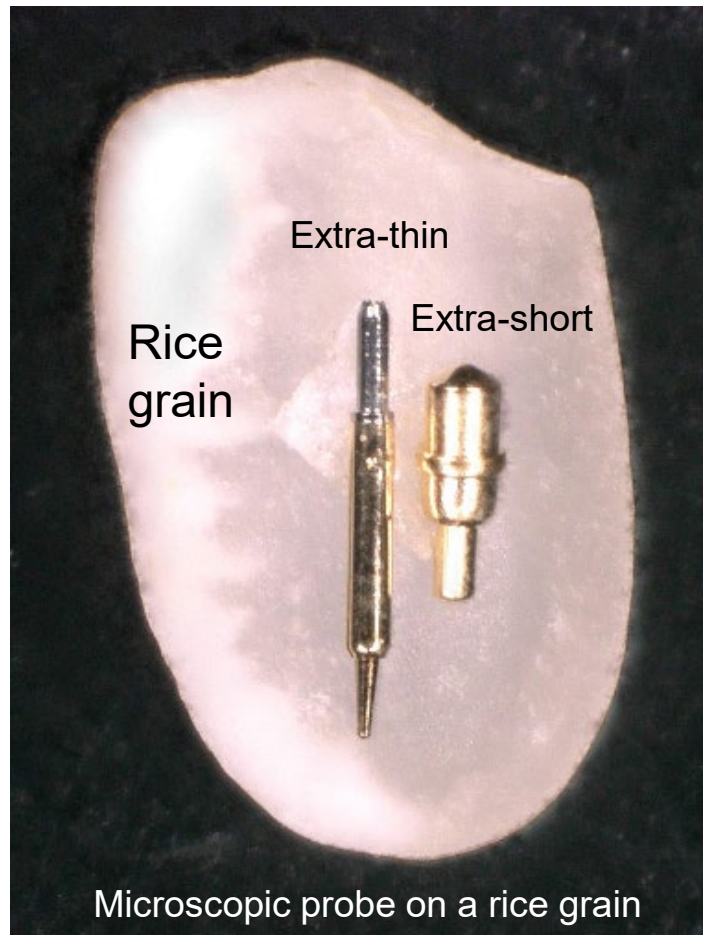
Machining

### Company Profile

Location	<ul style="list-style-type: none"> <li>•Kunohe District, Iwate Prefecture</li> <li>•Morioka City, Iwate Prefecture</li> </ul>
Business Description	Probe Manufacturing Sales, Metalworking
Establishment	In 1978
Biography	Former Citizen Fine Device Groups

▶▶ SER excels in sockets and ultra-small probes essential for semiconductor test that are becoming higher density and faster speed. Provides its technology to leading domestic and international companies in the semiconductor test industry ▶▶

## Example of SER's cutting-edge ultra-miniature probe



►► Compact, high electrical performance, durable, and mass-producible  
-- accelerating semiconductor development and improving test accuracy for  
greater customer value. ►►

## Subsidiary Officer System

Hirose Electric

Hirose Electric will dispatch directors to strengthen the management system. Established a new corporate planning office under the direct control of the president and is responsible for the management and growth strategies of the two companies.

S.E.R.  
Kunohe  
Precision

President and CEO	Tatsuya Arai	Hirose Electric 510 Development Office Manager Concurrent duties
Director	Kazunori Ishii	Hirose Electric Chairman of the Board of Directors Concurrent duties
Chairman of the Board of Directors	Yukio Serizawa	S.E.R., Kunohe Seimitsu Former Representative Director
Auditor	Keiji Hara	Hirose Electric, General Manager of Finance Department Concurrent duties

Corporate  
Planning Office

»» Leveraging the strengths of both HRS/SER companies to accelerate business expansion and technological innovation. We will provide high-quality, high-value-added solutions. »»



## Appendix.

## Sales by Applications round number (quarterly basis)

(Yen in hundred millions)

	FY2024				FY2025	FY2025 1Q Composition ratio
	1Q	2Q	3Q	4Q	1Q	
General Industrial	111	115	122	121	141	29%
Smartphone	99	133	130	102	104	22%
Consumer/Mobile Equipment	84	96	89	78	86	18%
Automotive/ Mobility-related	124	122	127	119	128	27%
Telecommunications Infrastructure Equipment	13	14	13	14	13	3%
OA Equipment	4	5	5	4	5	1%
<b>Total of Connector Sales</b>	434	485	486	438	478	100%
Others	14	12	13	12	12	
<b>Total</b>	<b>449</b>	<b>497</b>	<b>499</b>	<b>450</b>	<b>490</b>	

