Business Results for the Second Quarter of FY2025

November 6, 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.

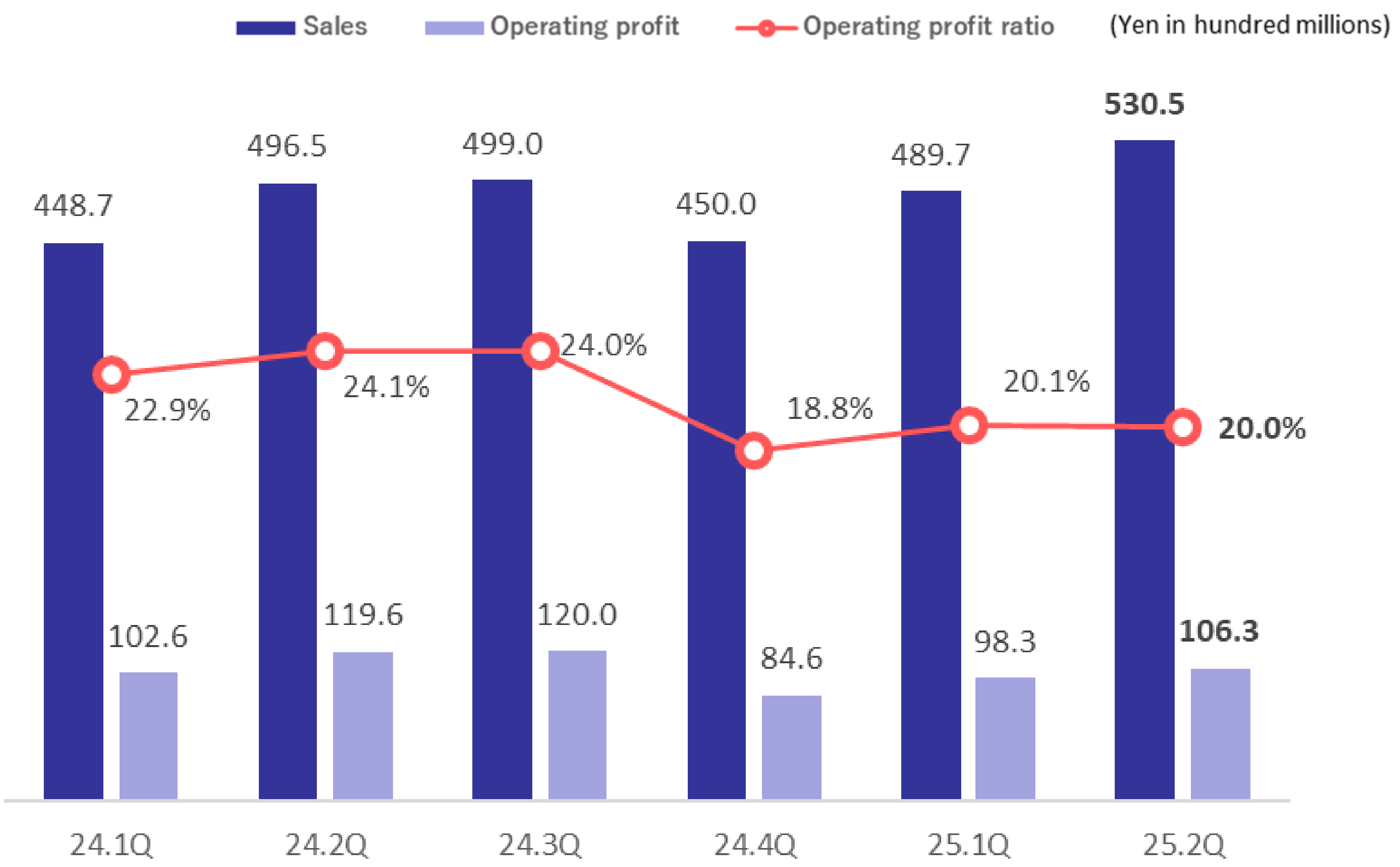
Summary of the business results (FY2025.1H From April 2025 to September, 2025)

Although overall sales were strong, an increase in labor costs, material costs including metal materials, were factors in the decline in profits.
For the general industrial market, progress exceeded the initial forecast while maintaining a recovery trend. Automobiles and mobility-related segment also continued to be strong. For the smartphone market, the increase in volume was as expected, both sales and operating profit were affected by sales price adjustment etc. Cumulative sales were +7.9% YoY, operating profit was -7.9%, and operating profit margin was 20.1%.
Orders received in the second quarter totaled 106.15 billion yen, +8.8% YoY.

(Yen in hundred millions)

	FY2024			FY2025			YoY
	1Q (24.4-6)	2Q (24.7-9)	1H (24.4-9)	1Q (25.4-6)	2Q (25.7-9)	1H (25.4-9)	2025.1H / 2024.1H
Orders	484.8	491.1	**975.9**	520.1	541.4	**1,061.5**	+8.8%
Sales	448.7	496.5	**945.2**	489.7	530.5	**1,020.2**	+7.9%
Operating profit	102.6	119.6	**222.2**	98.3	106.3	**204.6**	-7.9%
Operating profit ratio	22.9%	24.1%	**23.5%**	20.1%	20.0%	**20.1%**	-3.4pt

Changes in sales and operating profit （FY2024.1Q-FY2025.2Q / Consolidated basis)



Business Results for FY2025.1H

(Yen in hundred millions)

	FY2024.1H (Sep 30, 2024)	FY2025.1H (Sep 30, 2025)	Increase / Decrease (YoY)	Increase / Decrease ratio (YoY)
Sales	**945.2**	**1,020.2**	**+75.0**	**+7.9%**
COGS Ratio	54.7%	57.9%	+3.2	
SGA Ratio	21.7%	21.8%	+0.1	
Operating profit	**222.2**	**204.6**	**-17.6**	**-7.9%**
(%)	23.5%	20.1%	-3.4	
Profit before tax	**238.5**	**221.0**	**-17.5**	**-7.3%**
(%)	25.2%	21.7%	-3.5	
Net profit	**175.3**	**155.2**	**-20.1**	**-11.5%**
(%)	18.5%	15.2%	-3.3	
Shareholder's Equity ratio	**89.2%**	**88.4%**		
Earnings Per Share	**518.17 yen**	**459.37 yen**		

	FY2024 1H	FY2025 1H
1US$	152.63 yen	**146.04 yen**
1 €	165.95 yen	**168.06 yen**
100KRW	11.21 yen	**10.50 yen**

FY2025.1H Major Changes year-on-year

Sales

75.0 hundred millions yen Increased
(945.2 → 1,020.2)

General Industrial	: + 59
Smartphone	: − 6
Consumer/Mobile equipment	: − 4
Automotive/Mobility-related	: + 19

COGS Ratio

3.2 pt Deteriorated (54.7% → 57.9%)

Variable Expense Ratio	: 38.1% → 41.2%
Depreciation Ratio	: 7.7% → 7.8%
Labor Cost Ratio	: 7.5% → 7.8%

SGA Ratio

0.1 pt Deteriorated (21.7% → 21.8%)

205.6 → 222.0 hundred millions yen (+16.4)

Financial income / costs

0.1 hundred millions yen Increased
(+16.3 → +16.4)

Exchange Gain or Loss	: − 5.9 → − 1.8
Interest received and others.	: + 16.4 → + 15.9

FY2025.1H　YoY Variation Analysis

(Yen in hundred millions)

	Sales	Operating Profit	(%)	Profit before tax	(%)
FY2024.1H Actual	**945.2**	**222.2**	**23.5%**	**238.5**	**25.2%**
Exchange rate	-31.9	-20.1		-17.0	
Labor cost increase		-22.0		-22.0	
Depreciation cost increase		-6.1		-6.1	
Increase in the product	106.9	30.6		27.6	
Variable amount total	**75.0**	**-17.6**		**-17.5**	
FY2025.1H Actual	**1,020.2**	**204.6**	**20.1%**	**221.0**	**21.7%**

Consolidated Balance Sheet (1)

(Yen in hundred millions)

Assets

Account	Mar 31, 2025	Sep 30, 2025	Increase / Decrease	Remarks
Cash and Cash equivalents	**856.7**	**840.2**	**-16.5**	Profit before tax +221, Share Buyback -66, Capital investment (including buildings, etc.) -115, Dividend Payment -83, Payment of corporate tax, etc. -85
Trade and other receivables	**403.9**	**481.1**	**+77.2**	Increased sales
Inventories	**250.9**	**258.9**	**+8.0**	
Other financial assets	**1,513.7**	**1,528.2**	**+14.5**	Securities +58, Time deposit decreased -44
Property, plant and equipment	**863.8**	**895.1**	**+31.3**	Increase in production facilities
Right-of-use asset	**49.4**	**50.8**	**+1.4**	
Others	**230.2**	**215.1**	**-15.1**	Refund of Consumption Tax Outstanding
Total Assets	**4,168.7**	**4,269.5**	**+100.8**	
Total of cash in bank	**1,604.5**	**1,544.0**	**-60.5**	

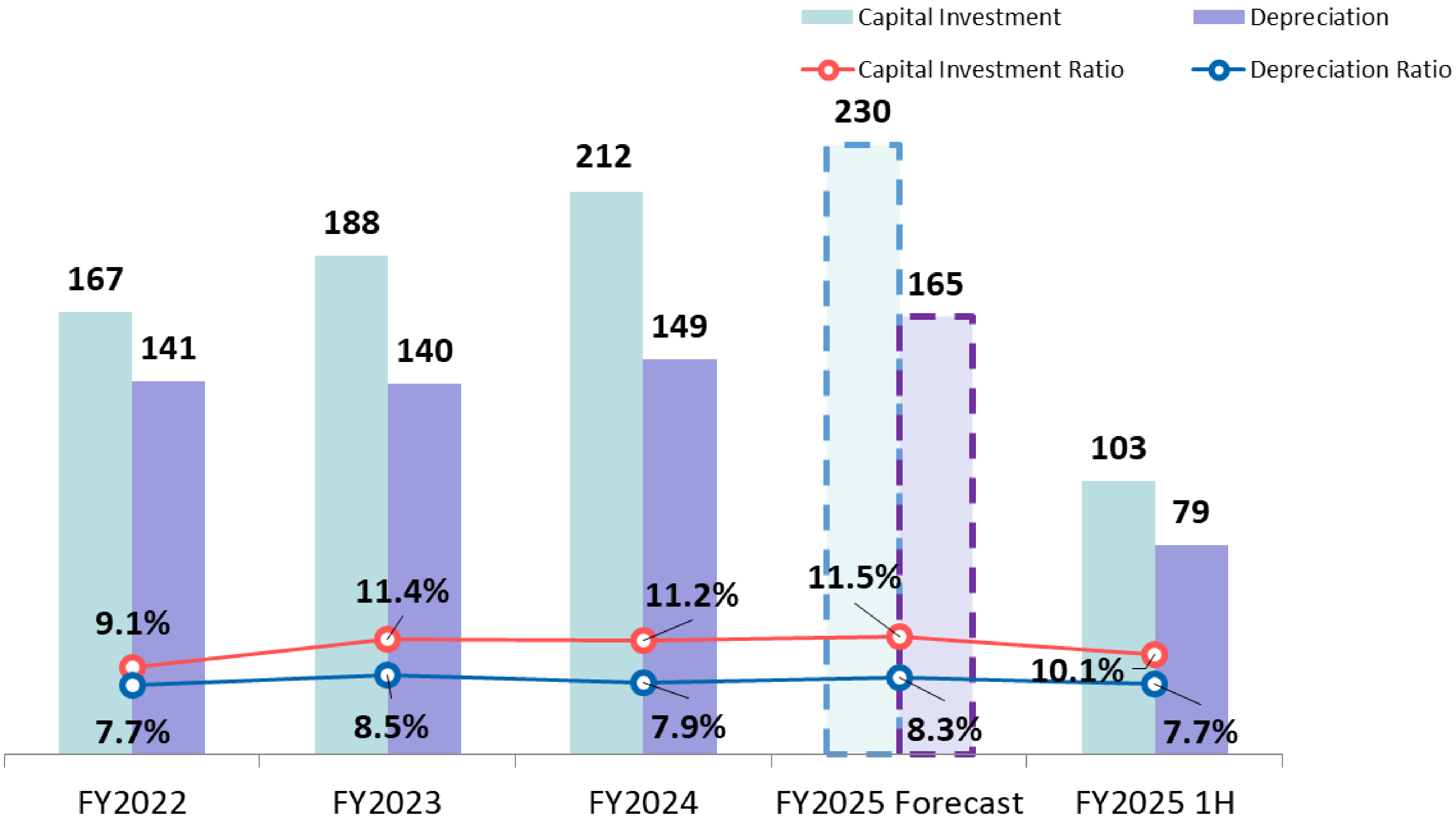
Consolidated Balance Sheet (2)

(Yen in hundred millions)

	Account	Mar 31, 2025	Sep 30, 2025	Increase / Decrease	Remarks
Liabilities	Payables and other debt	**129.0**	**140.2**	**+11.2**	Increase in accounts payable due to increased purchases +16
	Lease liabilities	**52.0**	**53.3**	**+1.3**	
	Income taxes payable	**81.4**	**55.1**	**-26.3**	Domestic corporate tax payment
	Others	**204.8**	**247.1**	**+42.3**	Bonus provision increase, Increase in deferred tax liabilities
	Total	**467.2**	**495.8**	**+28.6**	
Shareholder's Equity	Capital stock and Capital surplus	**206.3**	**207.3**	**+1.0**	
	Retained Earnings	**3,489.7**	**3,562.1**	**+72.4**	Net income +158 Dividend Payment -83
	Treasury Shares	**- 274.6**	**- 340.3**	**-65.7**	
	Others	**280.1**	**344.7**	**+64.6**	Adjust for substitution conversion (By KRW appreciated, etc.) +59
	Total	**3,701.5**	**3,773.7**	**+72.2**	
	Total Liabilities and Shareholder's Equity	**4,168.7**	**4,269.5**	**+100.8**	

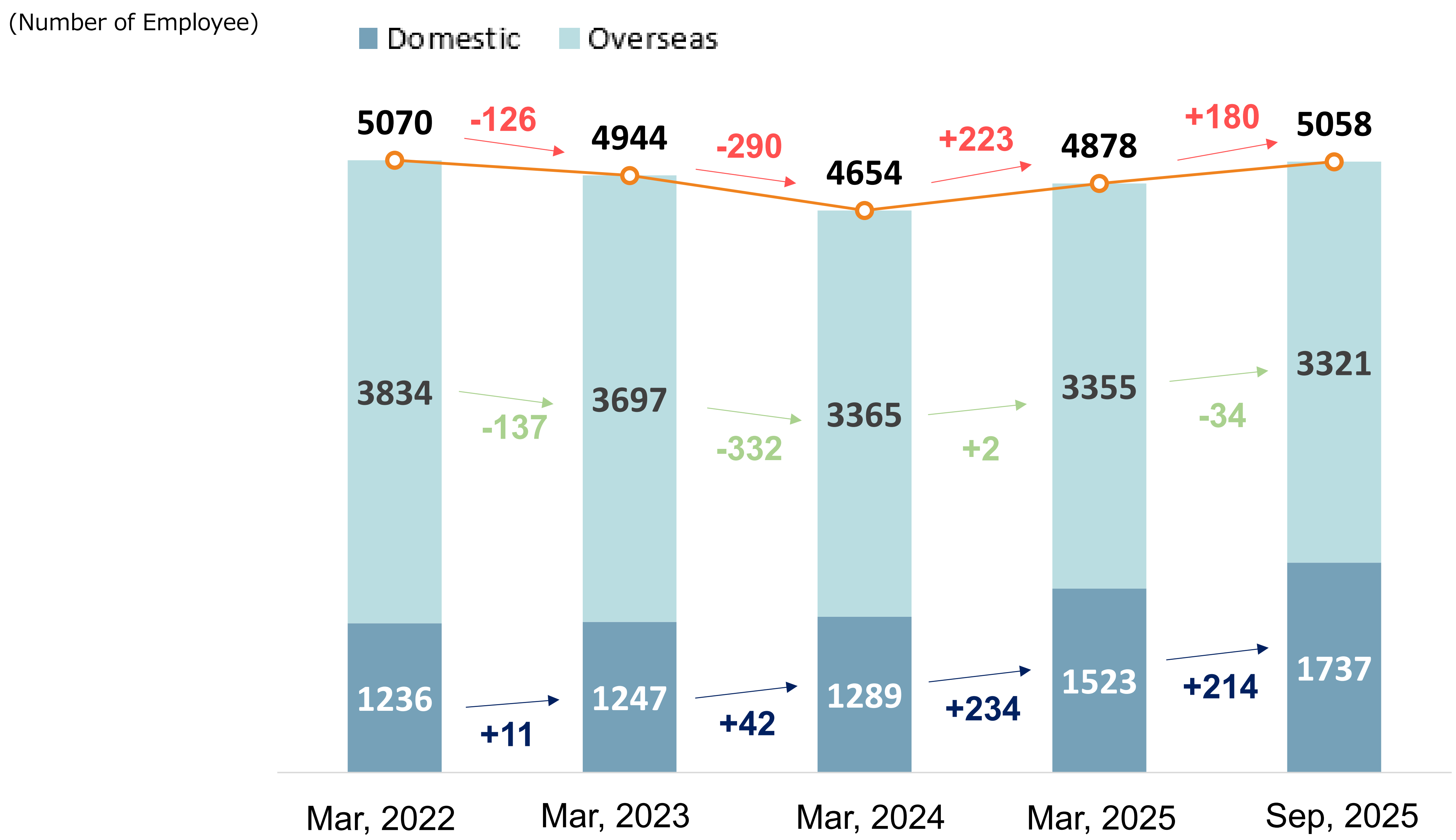
Changes in Capital Investment and Depreciation (Consolidated basis)

(Yen in hundred millions)

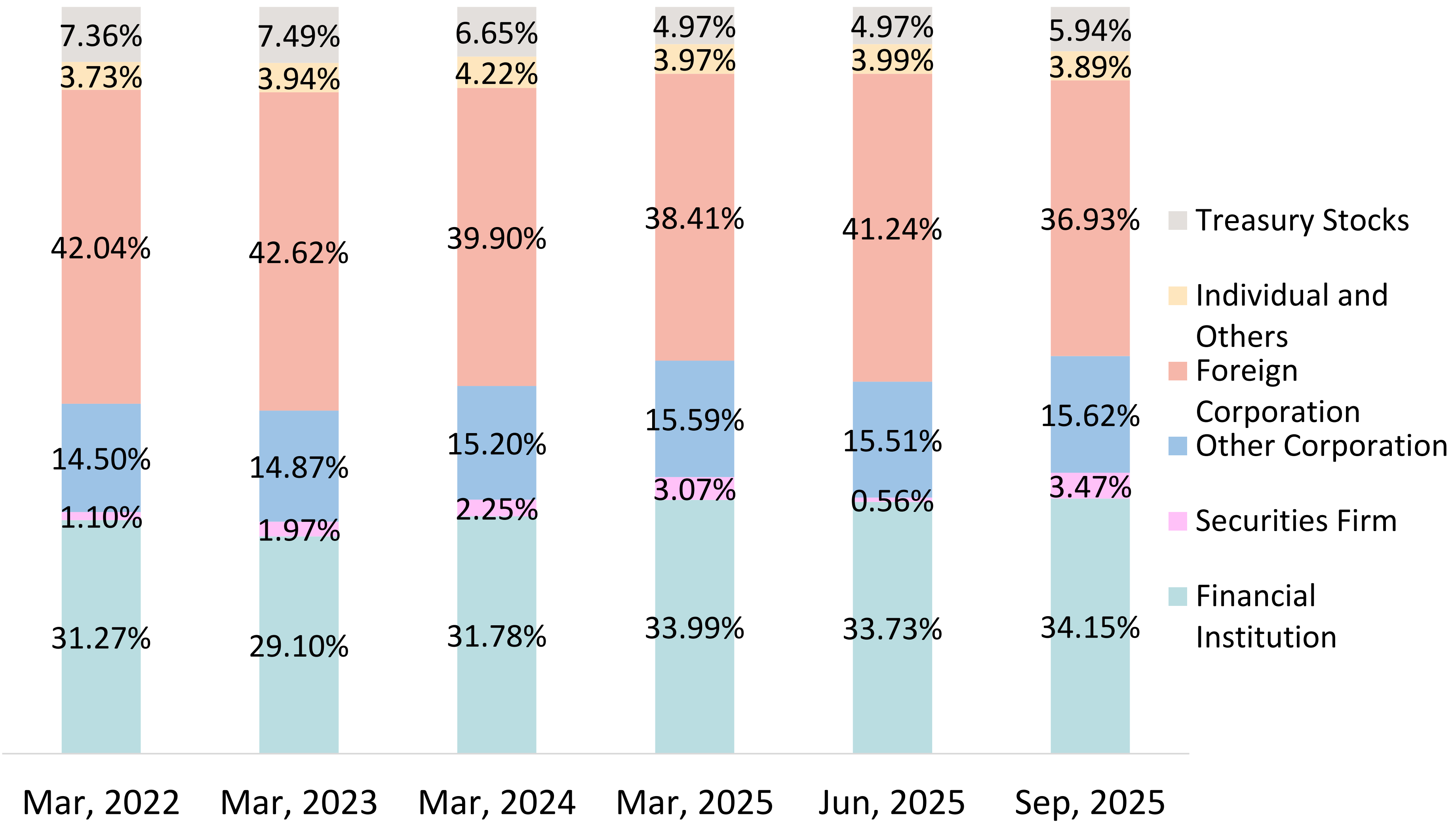


(*Excluded: Investment in land, building and software)

Numbers of Employee (Financial Report Basis)



Distribution of Shareholders

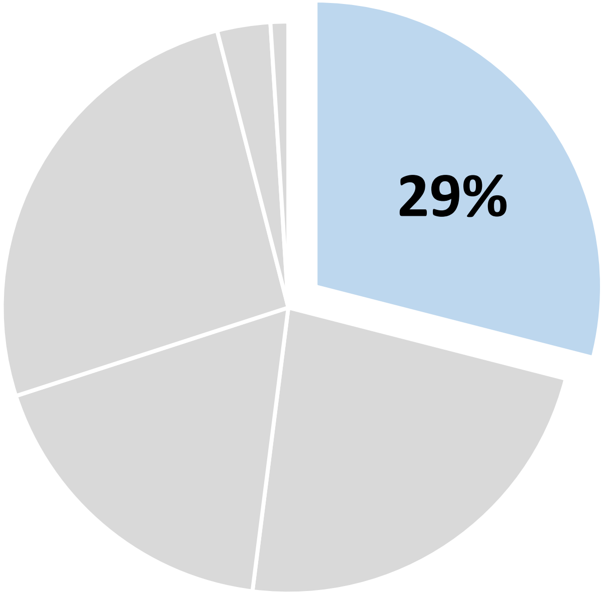


Sales by Application _ General Industrial

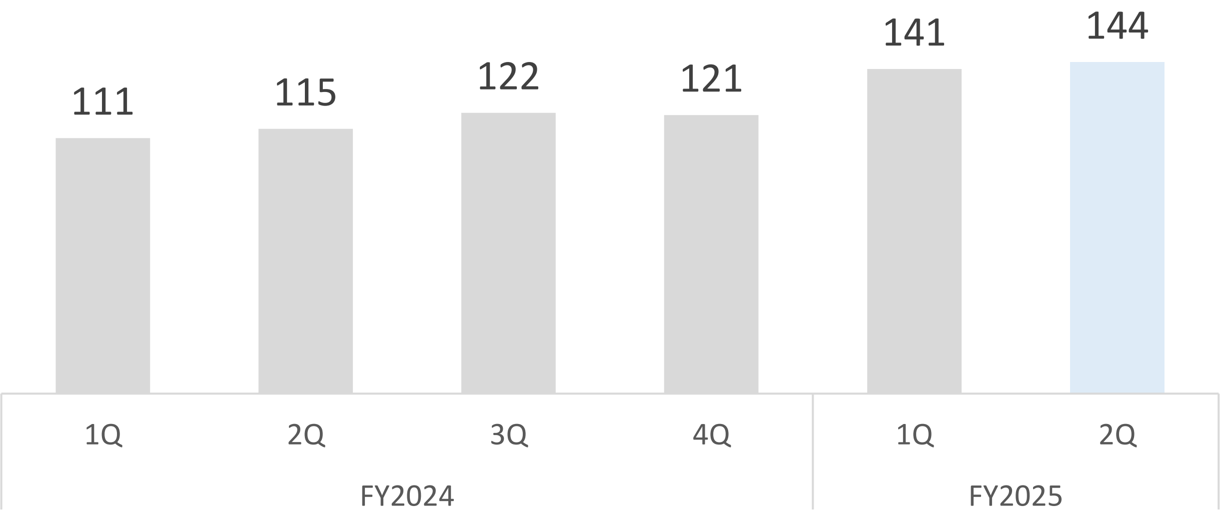
(Yen in hundred millions)

	FY2024			FY2025			YoY
	1Q	2Q	1H	1Q	2Q	1H	FY2025.1H /FY2024.1H
Sales	111	115	226	141	**144**	**285**	+26%

● FY2025 1H Composition ratio



● Changes in quarterly sales



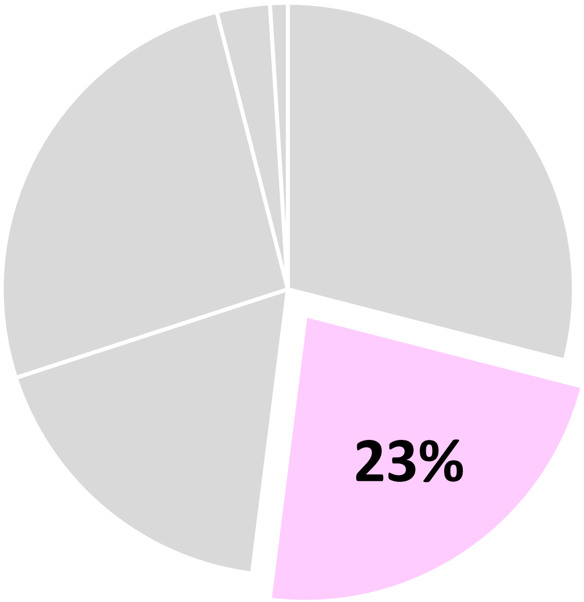
■ The recovery remains moderate, but the upward trend has been maintained, with performance exceeding initial forecasts.

Sales by Application _ Smartphone

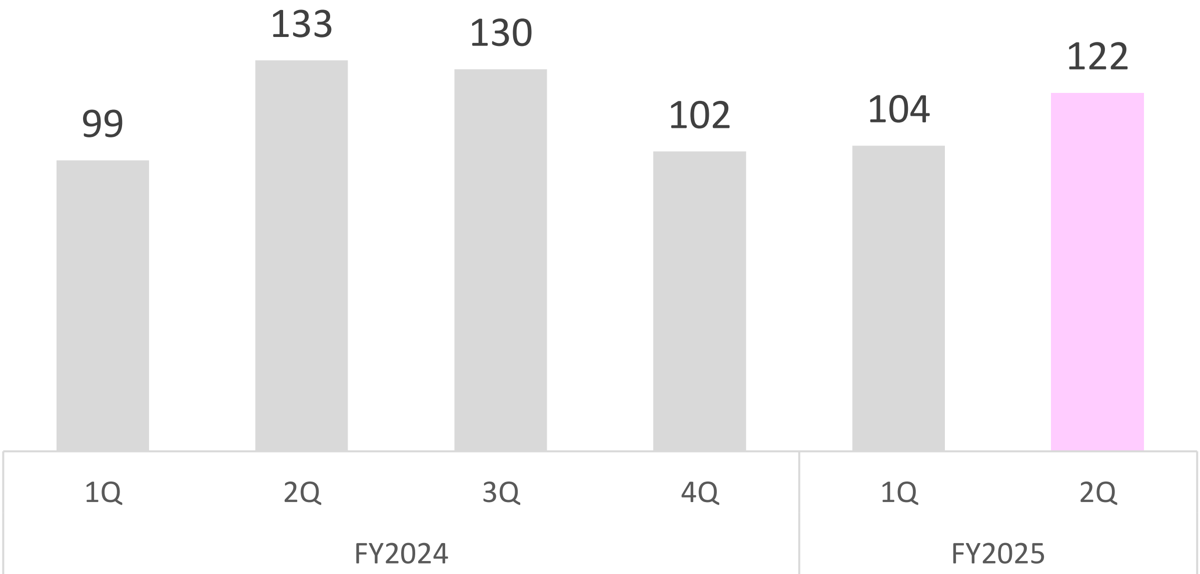
(Yen in hundred millions)

	FY2024			FY2025		YoY
	1Q	2Q	1H	1Q	2Q	1H	FY2025.1H /FY2024.1H
Sales	99	133	232	104	**122**	**226**	-3%

● FY2025 1H Composition ratio



● Changes in quarterly sales



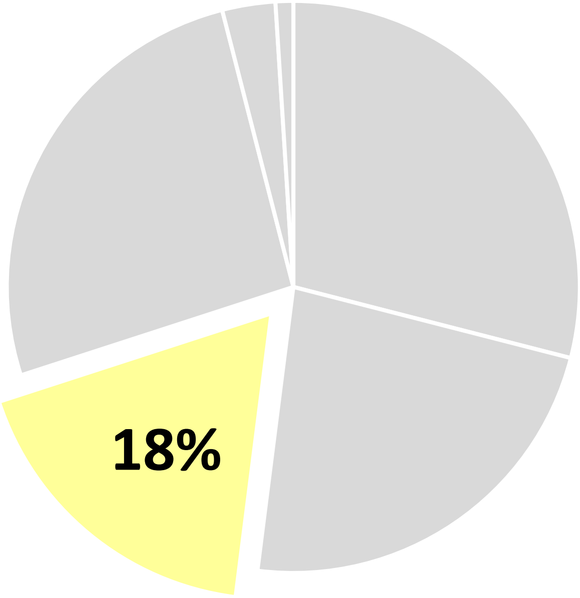
■ Although the volume increased as expected, price adjustments made for specific customers had an impact on sales results.

Sales by Application _ Consumer/Mobile Equipment

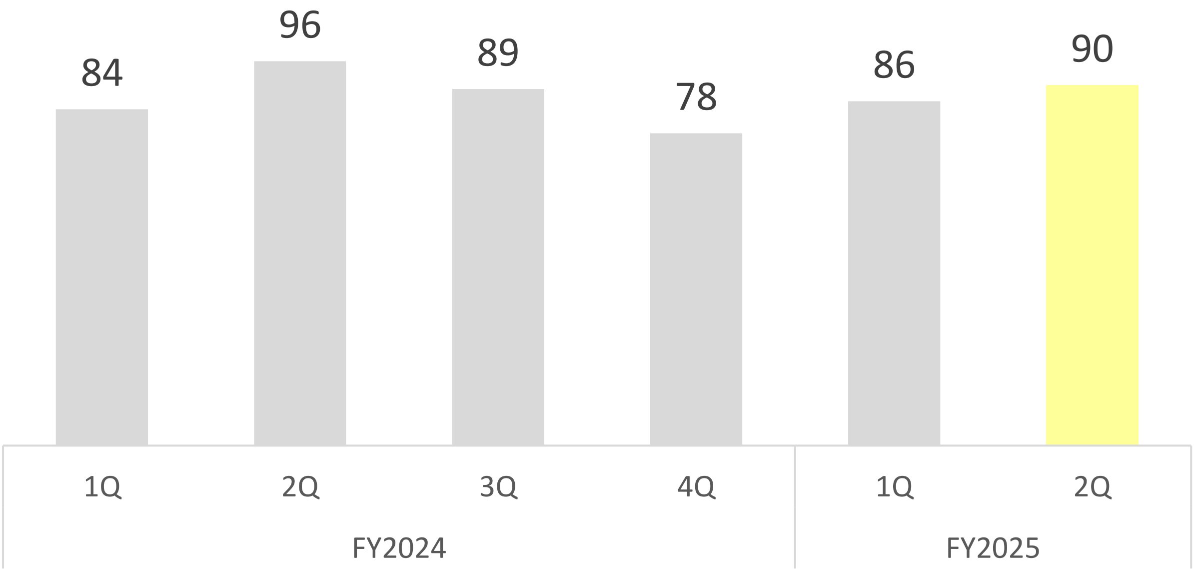
(Yen in hundred millions)

	FY2024			FY2025			YoY
	1Q	2Q	1H	1Q	2Q	1H	FY2025.1H /FY2024.1H
Sales	84	96	180	86	**90**	**176**	-2%

● FY2025 1H Composition ratio



● Changes in quarterly sales



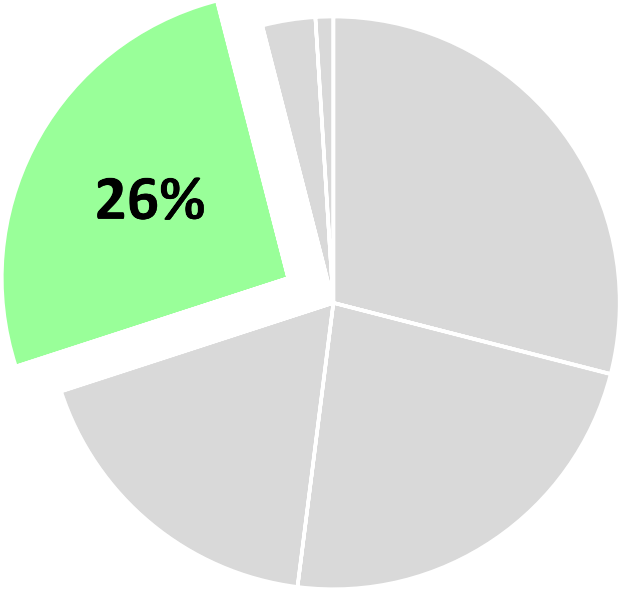
■ Despite a slowdown in the notebook PC and tablet market, sales increased due to seasonality.

Sales by Application _ Automotive/Mobility-related

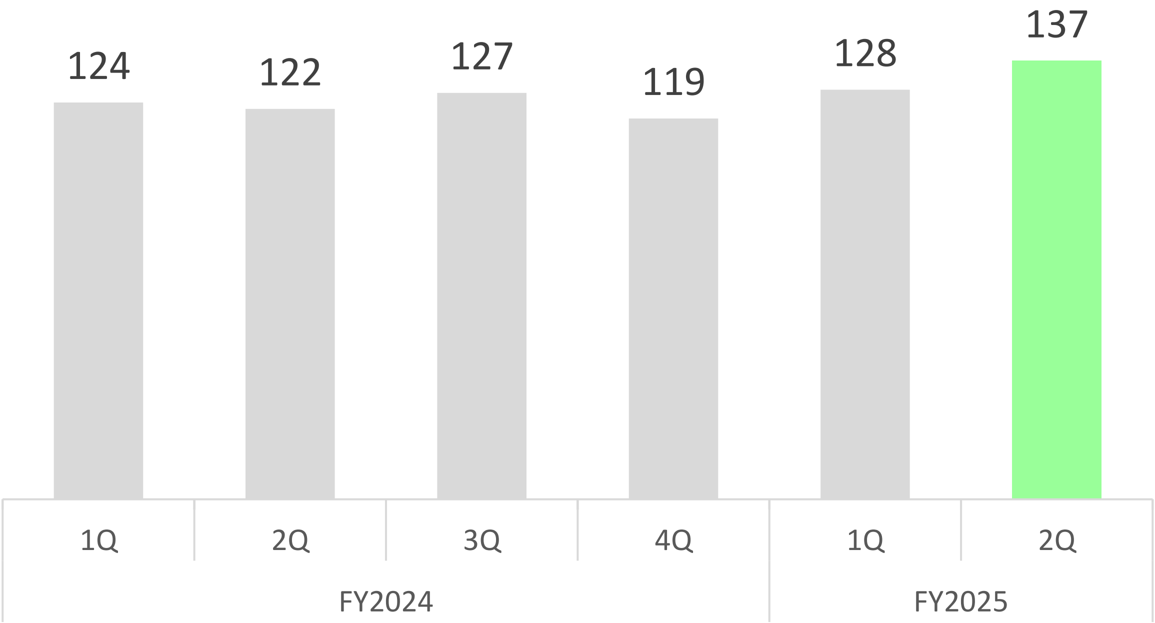
(Yen in hundred millions)

	FY2024			FY2025			YoY
	1Q	2Q	1H	1Q	2Q	1H	FY2025.1H /FY2024.1H
Sales	124	122	246	128	**137**	**265**	+8%

- **FY2025 1H Composition ratio**



- **Changes in quarterly sales**



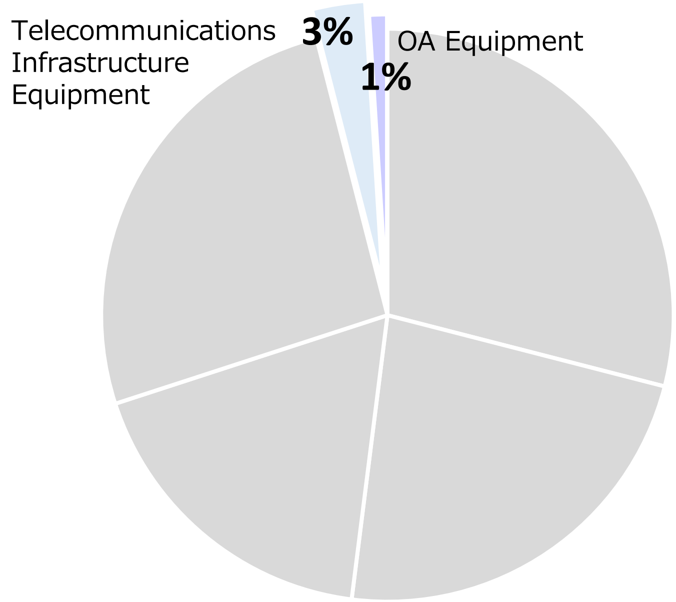
■ It was a solid result aligned with the FY25 growth forecast of +7%.

Sales by Application _ Telecommunications infrastructure equipment / OA equipment

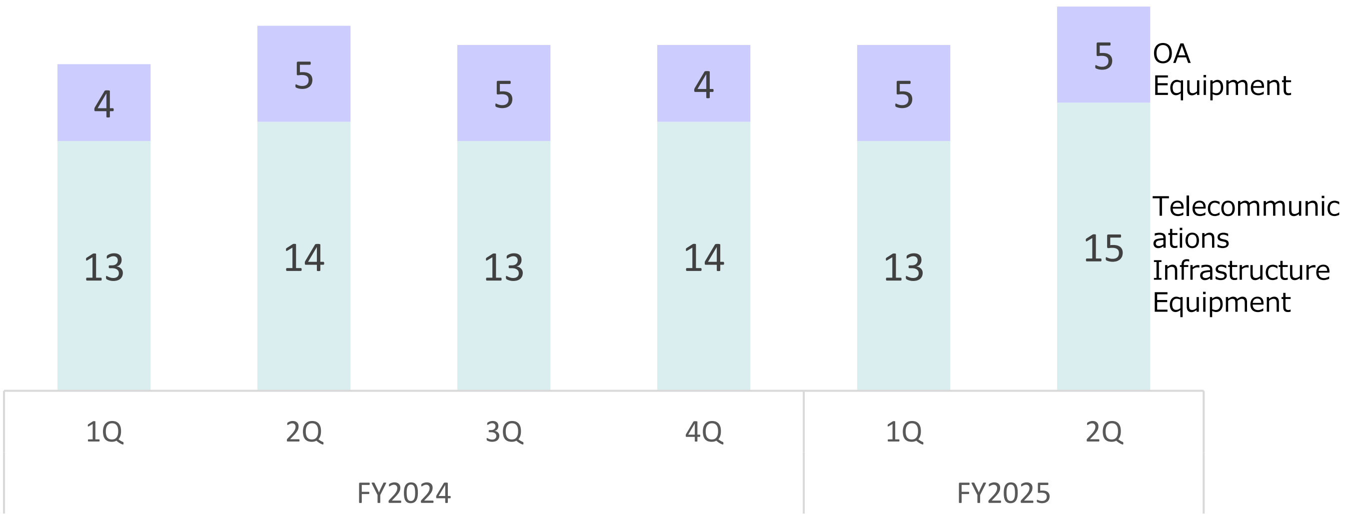
(Yen in hundred millions)

	FY2024			FY2025			YoY
	1Q	2Q	1H	1Q	2Q	1H	FY2025.1H /FY2024.1H
Telecommunications Infrastructure Equipment	13	14	27	13	**15**	**28**	+4%
OA Equipment (Office machine)	4	5	9	5	**5**	**10**	+11%

● FY2025 1H Composition ratio



● Changes in quarterly sales



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

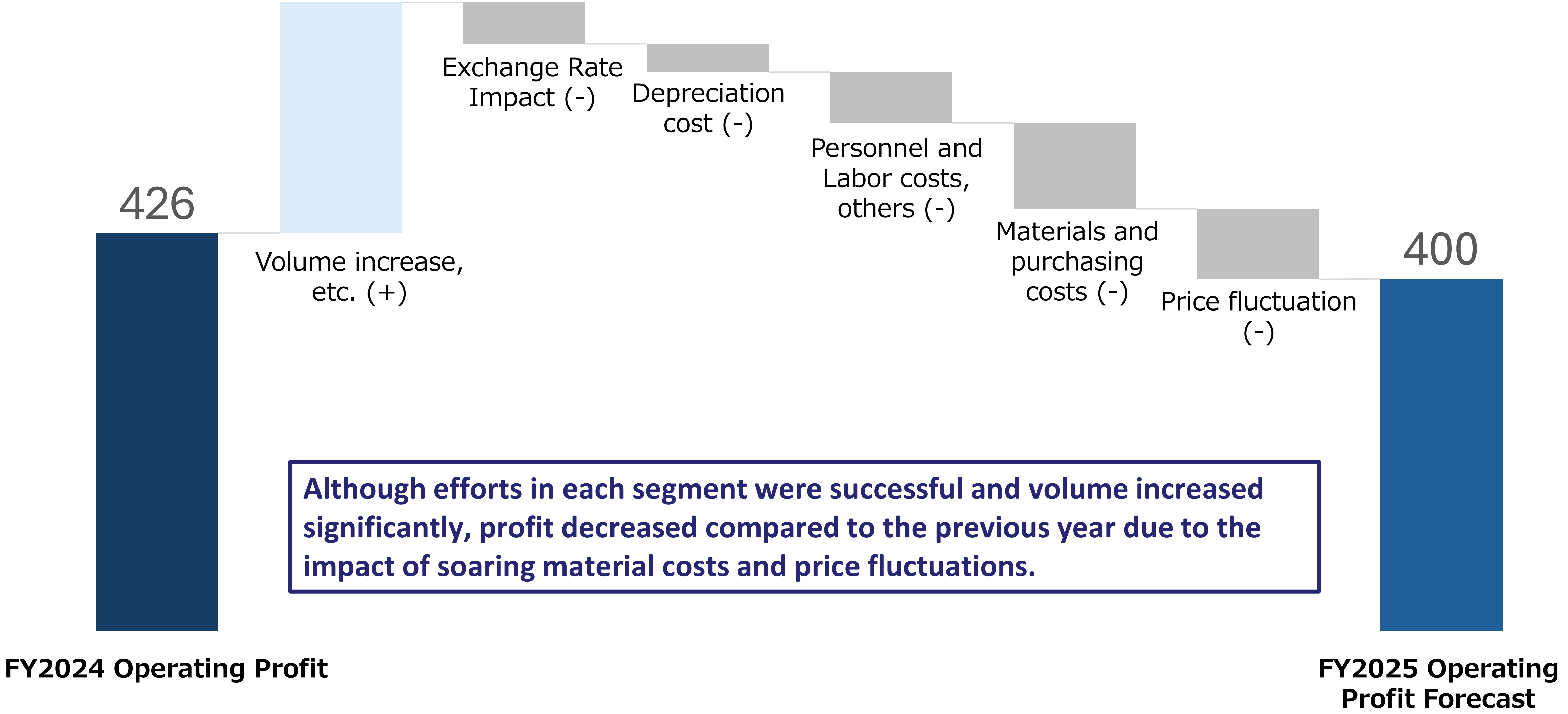
We will revise the forecast announced in May 2025 due to currency trends and stronger general industrial business performance.

(Yen in hundred millions)	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	
	First half	For the Year	First Half Actual	Forecast for the Year (As of May. 2025)	Revised Forecast for the Year	Amount change	%	Amount change	%
Sales	945.2	1,894.2	**1,020.2**	**1,910.0**	**2,000.0**	+75.0	+7.9%	+105.8	+5.6%
COGS Ratio	54.7%	54.9%	57.9%	**57.6%**	**56.5%**				
Operating Profit	222.2	426.7	**204.6**	**385.0**	**400.0**	-17.6	-7.9%	-26.7	-6.3%
(%)	23.5%	22.5%	20.1%	**20.2%**	**20.0%**				
Profit before Tax	238.5	462.2	**221.0**	**400.0**	**430.0**	-17.5	-7.3%	-32.2	-7.0%
(%)	25.2%	24.4%	21.7%	**20.9%**	**21.5%**				
Net Profit	175.3	330.3	**155.2**	**280.0**	**300.0**	-20.1	-11.5%	-30.3	-9.2%
(%)	18.5%	17.4%	15.2%	**14.7%**	**15.0%**				
Earnings per Share	—	976.37yen	—	**827.53yen**	**891.76yen**				
Dividend per Share	245yen	490yen	245yen	**490yen**	**490yen**				
Consolidated Dividend Payout Ratio	—	50.2%	—	**59.2%**	**54.9%**				

【exchange rate】	FY2024 Results	FY2025 Forecast
1US$	152.58 yen	**147.00 yen**
1 €	163.75 yen	**171.00 yen**
100KRW	10.97 yen	**10.50 yen**

FY2025 Year-on-year Operating Profit Variance Analysis

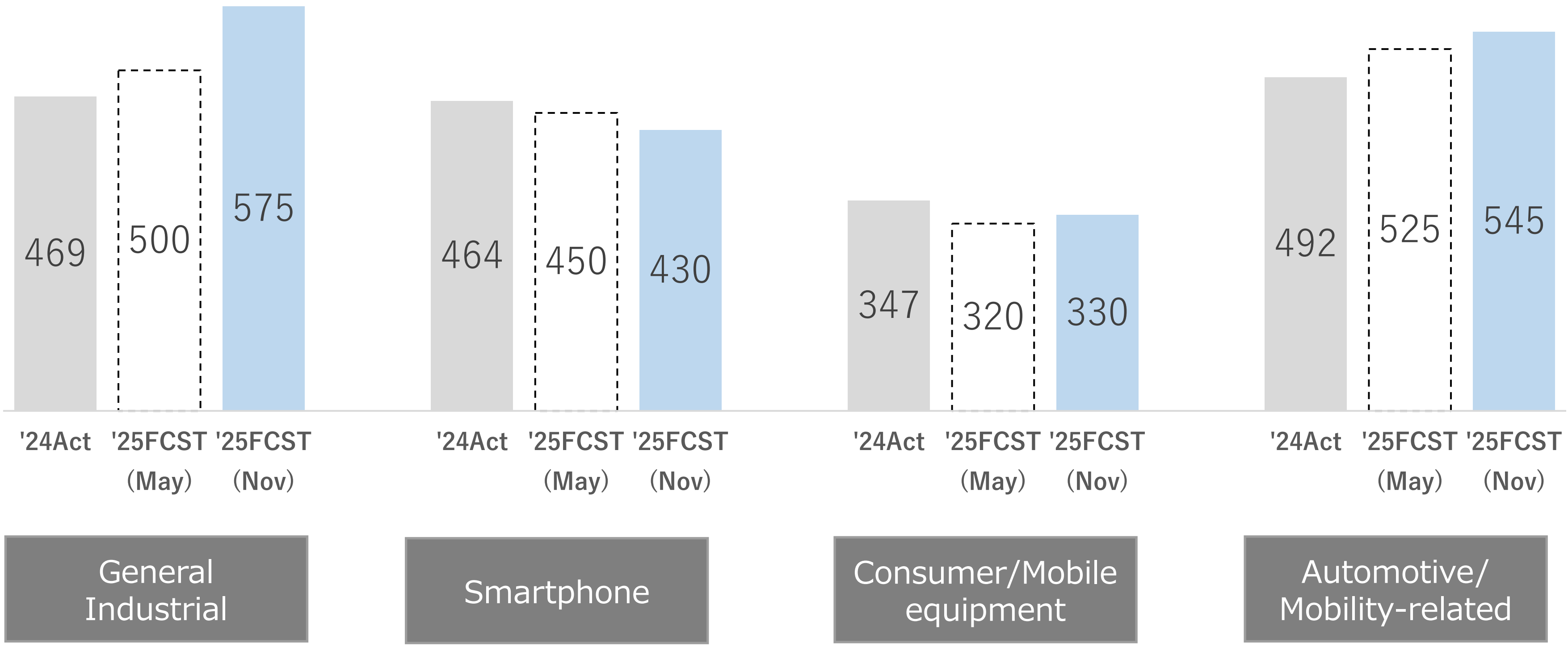
(Yen in hundred millions)



Although efforts in each segment were successful and volume increased significantly, profit decreased compared to the previous year due to the impact of soaring material costs and price fluctuations.

Revised Annual Sales Forecast by Segment (round of number)

(Yen in hundred millions)



FY2025 Annual growth ratio forecast	May. 2025 Forecast	Nov. 2025 Forecast
● General Industrial	+7%	+23%
● Smartphone	-3%	-7%
● Consumer/Mobile equipment	-8%	-5%
● Automotive/Mobility related	+7%	+11%

Hirose Technology Exhibition CONNECTION2025

Technology exhibition held once every three years ended with great success in Yokohama venue.
Less than **5,700 customers** from about **1,500 companies** visited the exhibition
(Increased by +24% compared to the previous show)

FY25 Key Visual

Photo1 at Yokohama venue

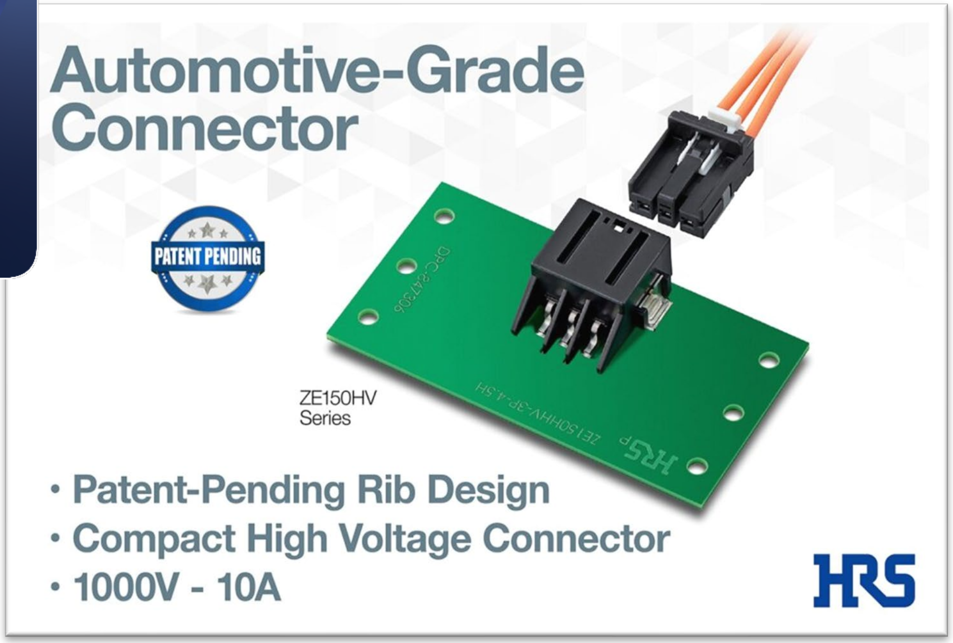
Photo2 at Yokohama venue

Incorporate customer feedback into future product development and provide problem-solving solutions.
This will lead to further results creation at the Osaka venue.

CES Innovation Awards® 2026 Winner

ZE150HV Series designed for powertrains of EV and HEV has been honored in the Vehicle Tech & Advanced Mobility category of the CES Innovation Awards.

CES Innovation Awards 2026 Honoree ™



With this award, our product becomes the fifth to be recognized by the CES Innovation Awards, following the FX26 Series and BM46 Series at CES 2020, the BM50 Series at CES 2022, and the BM55 Series at CES 2023. This also marks our first recognition for a wire connector.

Exhibiting at CES 2026 (Jan. 6 to 9, 2026) @ Las Vegas, US

CES: The world's biggest technology showcase

Leveraging our advanced, leading-edge, and differentiated product and technological capabilities to achieve sustainable mid- to long-term growth.

"The CES Innovation Awards are based upon descriptive materials submitted to the judges. CTA did not verify the accuracy of any submission or of any claims made and did not test the item to which the award was given."

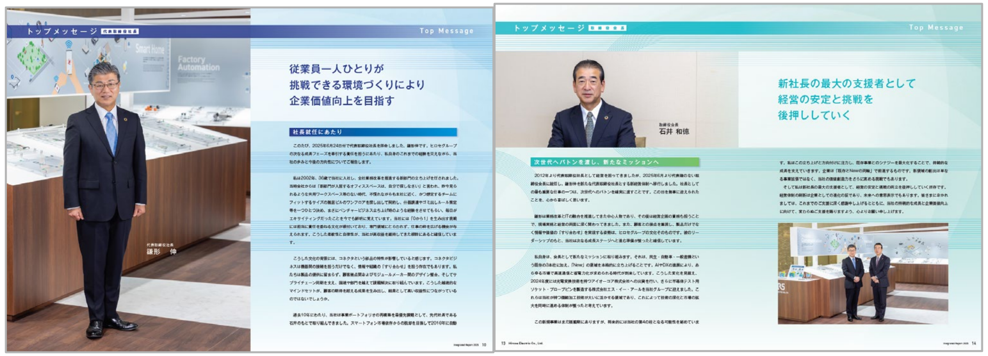
Integrated Report 2025

We have published our Integrated Report 2025, first, in Japanese.

FY2025 Integrated Report (Japanese ver.)
Issued in Oct. 31, 2025
https://www.hirose.com/corporate/ja/ir/integrated-report/

English ver. is scheduled to be available in late January, 2026.

With our new management structure, the report features messages from the new President, Chairman, and other executives, as well as co-creation stories with stakeholders, including partner companies. It offers a clear view of our value creation journey — we invite you to take a look.



Messages from President, Chairman

Message from the Newly Appointed Director and COO of HIROSE Europe

Collaborative stories with various stakeholders

Appendix.
Sales by Applications round number (quarterly basis)

(Yen in hundred millions)

	FY2024				FY2025		FY2025 1H Composition ratio
	1Q	2Q	3Q	4Q	1Q	**2Q**	
General Industrial	111	115	122	121	141	**144**	**29%**
Smartphone	99	133	130	102	104	**122**	**23%**
Consumer/Mobile Equipment	84	96	89	78	86	**90**	**18%**
Automotive/ Mobility-related	124	122	127	119	128	**137**	**26%**
Telecommunications Infrastructure Equipment	13	14	13	14	13	**15**	**3%**
OA Equipment	4	5	5	4	5	**5**	**1%**
Total of Connector Sales	434	485	486	438	478	**513**	**100%**
Others	14	12	13	12	12	17	
Total	**449**	**497**	**499**	**450**	**490**	**530**	

HIROSE
ELECTRIC
CO.,LTD.