

Consolidated Financial Results for the Three Months Ended June 30, 2025 (IFRS)

August 4, 2025

Company name: HIROSE ELECTRIC CO., LTD.
 URL: <https://www.hirose.com/corporate/en/>
 Stock listing: Tokyo Stock Exchange – Prime Market
 Code: 6806
 Representative: Shin Kamagata, President and Representative Director
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 Scheduled date of dividend payable: -
 Supplemental materials: Yes
 Earnings presentation held: Yes (For institutional investors and analysts)

(Amount Unit: Yen in Millions)
 (Amounts are rounded to nearest million yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (From April 1, 2025 to June 30, 2025)**(1) Consolidated Operating Results (Cumulative)**

(Percentage represents year-on-year changes)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total amount of comprehensive income	
Three months ended		%		%		%		%		%		%
June 30, 2025	48,972	9.1	9,833	(4.2)	10,238	(13.5)	7,227	(14.0)	7,227	(14.0)	12,233	(19.5)
June 30, 2024	44,871	10.9	10,261	13.3	11,842	11.2	8,404	39.6	8,404	39.6	15,200	(7.1)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	213.58	213.58
June 30, 2024	248.41	248.40

(Yen in millions)

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent
As of				%
June 30, 2025	420,469	374,150	374,150	89.0
March 31, 2025	416,866	370,147	370,147	88.8

2. Dividends

	Annual dividends				
	1st quarter end	2nd quarter end	3rd quarter end	Fiscal year end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2025	—	245.00	—	245.00	490.00
Year ending March 31, 2026	—				
Year ending March 31, 2026 (Forecast)		245.00	—	245.00	490.00

(Note) Revision of previously announced dividend forecast: None

3. Consolidated Financial Forecasts for the Year ending March 31, 2026 (From April 1, 2025 to March 31, 2026)

(Yen in millions)
(Percentage represents year-on-year changes)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
		%		%		%		%	Yen
2nd quarter end (cumulative total)	95,500	1.0	19,500	(12.2)	20,000	(16.1)	14,000	(20.1)	413.77
Fiscal year end	191,000	0.8	38,500	(9.8)	40,000	(13.5)	28,000	(15.2)	827.53

(Note) Revision of previously announced business forecast: None

*Notes

(1) Significant changes in the scope of consolidation during the period : None

(2) Changes in Accounting Policies and Changes in Accounting Estimates:

- | | |
|--|--------|
| 1. Changes in accounting policies required by IFRS | : None |
| 2. Changes in accounting policies due to other reasons | : None |
| 3. Changes in accounting estimates | : None |

(3) Number of Shares Issued (Ordinary Shares)

1. Number of shares issued at the end of the period (including treasury shares)

As of June 30, 2025: 35,693,969	As of March 31, 2025: 35,693,969
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2. Number of treasuries at the end of the period:

As of June 30, 2025: 1,858,381	As of March 31, 2025: 1,858,461
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3. Weighted-average number of shares outstanding during the period (quarterly cumulative):

Three months ended June 30, 2025: 33,835,464

Three months ended June 30, 2024: 33,831,643

*This financial results report is not subject to audit by certified public accountants or audit firms.

*Explanation for appropriate use of forecast and other notes

(Cautionary statements with respect to forward-looking statements)

Forward-looking statements, such as forecasts of business performance, stated in this document are based on information currently possessed by Hirose or certain assumption that Hirose has deemed rational. We cannot make any assurances that the contents mentioned in these forward-looking statements will ever materialize. Actual financial performance could be significantly different from our expectations because of various factors. For the assumptions used and other notes, please refer to “1. Overview of Operating Results and Financial Condition (4) Future Outlook” on page 6.

(Method of obtaining supplementary materials on the financial results)

We are planning to hold a financial results briefing for institutional investors and analysts on Tuesday, August 5, 2025, online. The presentation materials distributed in this briefing will be published on our website on the day.

(English translation)

This is the statement translated into English from the Japanese original of "Financial Results for Year Ending March 31, 2026." In the event of any discrepancy between this English translation and the Japanese original, the later shall prevail.

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1. Overview of Operating Results and Financial Condition

(1) Overview of Operating Results

During the three months ended June 30, 2025, the Japanese economy was on a recovery track due to strong inbound demand and solid personal consumption. However, the outlook remained uncertain due to high energy and raw material prices, rising commodity prices, trends in U.S. tariff policies, and heightened geopolitical risks.

In overseas market, inflation in Europe and the U.S. slowed down, but business confidence continued to decelerate, and in China, domestic demand remained sluggish against the backdrop of continued real estate recession.

Under this situation, Hirose group has been expanding global business mainly for smartphone market, automotive market, and industrial market. And we have been promoting reinforcement of development, sales, and production system for new products with highly added value to respond advanced market needs quickly.

Business performance showed signs of recovery in business for the industrial equipment market, with favorable results for the consumer equipment market and stable business for the automotive equipment market. As a result, the revenue in fiscal 2025 increased by 9.1% to JPY 48,972 million compared to the same period of the previous fiscal year. Operating profit decreased by 4.2% to JPY 9,833 million and profit attributable to owners of parent decreased by 14.0% to JPY 7,227 million as compared with the three months of fiscal 2024.

The business results by reportable segments are as stated below.

[Multi-pin connectors]

Our flagship multi-pin connectors include a variety of connector types such as circular connectors, rectangular connectors, connectors for ribbon cables, connectors for printed circuit boards, connectors used for FPCs (flexible printed circuits boards) and nylon connectors. These types of connectors are used widely, such as for smartphones, communication equipment, automotive electronics, measuring and control equipment, FA equipment, and medical electronics equipment, as well as other industrial equipment. We expect that demand for these connectors will grow associated with the progress of advanced information and telecommunications network society, and energy saving society considering environment in the future. Segment sales for the three months of fiscal 2025 increased by 7.5% to JPY 43,433 million, operating profit decreased by 9.4% to JPY 8,601 million compared with the three months of fiscal 2024.

[Coaxial connectors]

Coaxial connectors are a special type of high-performance connectors used primarily for microwave and other high-frequency signals. This is used mainly for antenna connection of Wi-Fi and Bluetooth for smartphone and PC, GPS antenna connection for automobiles and high-frequency signal connection for wireless communication device and electronic measuring instruments. Optical fiber connectors and coaxial switches are also included in this segment. Segment sales for the three months of fiscal 2025 increased by 41.5% to JPY 4,321 million, operating profit increased by 100.3% to JPY 1,274 million compared with the three months of fiscal 2024.

[Other products]

This segment includes micro switches and instruments for connectors. Segment sales for the three months of fiscal 2025 decreased by 14.9% to JPY 1,218 million. Operating loss amounted to JPY 42 million, compared with operating income of JPY 134 million in the same period of the previous year.

(2) Overview of Financial Condition

Total assets for the three months of fiscal 2025 increased by JPY 3,603 million to JPY 420,469 million compared to the end of the previous consolidated fiscal year mainly because other financial assets and trade and other receivables, etc. increased. Total liabilities decreased by JPY 400 million to JPY 46,319 million because of the decrease in corporate tax payable and other current liabilities. Total shareholders' equity increased by JPY 4,003 million to JPY 374,150 million, mainly due to the increase in other components of equity, such as the recognition of quarterly income and foreign currency translation adjustments, etc. As a result, the ratio of total equity attributable to owners of parent resulted in 89.0%, increased by 0.2 points compared with the previous consolidated fiscal year end.

(3) Overview of Cash Flows

Cash and cash equivalents (funds) on a consolidated basis for the three months of fiscal 2025 decreased by JPY 3,892 million to JPY 81,774 million compared to the end of the previous consolidated fiscal year

a. Cash flows from operating activities

Cash flows from operating activities for the three months of fiscal 2025 increased by JPY 11,839 million. (In the same period of the previous year, it increased by JPY 16,614 million.) This was mainly due to an increase in funds resulting from quarterly income before income taxes of JPY 10,238 million and depreciation and amortization of JPY 4,647 million.

b. Cash flows from investing activities

Cash flows from investing activities for the three months of fiscal 2025 decreased by JPY 7,181 million. (In the same period of the previous year, it decreased by JPY 18,865 million.) This was mainly due to a decrease in funds from JPY 5,228 million for the purchase of property, plant and equipment and JPY 3,085 million for the investment acquisition.

c. Cash flows from financing activities

Cash flows from financing activities for the three months of fiscal 2025 decreased by JPY 8,539 million. (In the same period of the previous year, it decreased by JPY 7,684 million.) This is because of the decrease in capital by dividends paid, JPY 8,290 million.

(4) Future Outlook

There is no change to the earnings forecast announced on May 9, 2025, for the first half and the full year of the fiscal year ending March 31, 2026.

There is also no change in the dividends' forecast.

2. Condensed Quarterly Consolidated Financial Statements and Primary Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Yen in millions)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and cash equivalents	85,666	81,774
Trade and other receivables	40,394	44,696
Inventories	25,091	25,420
Other financial assets	87,589	87,942
Other current assets	10,036	5,836
Total current assets	248,776	245,668
Non-current assets		
Property, plant and equipment	86,384	88,237
Right-of-use assets	4,937	4,787
Intangible assets	6,615	6,912
Other financial assets	63,785	68,566
Deferred tax assets	2,291	2,211
Retirement benefit asset	3,586	3,507
Other non-current assets	492	581
Total non-current assets	168,090	174,801
Total assets	416,866	420,469

(Yen in millions)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Trade and other payables	12,896	15,510
Lease liabilities	1,048	1,017
Other financial liabilities	44	9
Income taxes payable	8,139	4,649
Other current liabilities	6,937	6,662
Total current liabilities	29,064	27,847
Non-current liabilities		
Lease liabilities	4,153	4,024
Retirement benefit liability	304	310
Deferred tax liabilities	12,087	13,010
Other non-current liabilities	1,111	1,128
Total non-current liabilities	17,655	18,472
Total liabilities	46,719	46,319
Equity		
Share capital	9,404	9,404
Capital surplus	11,224	11,284
Retained earnings	348,972	347,909
Treasury shares	(27,462)	(27,462)
Other components of equity	28,009	33,015
Total equity attributable to owners of parent	370,147	374,150
Total equity	370,147	374,150
Total liabilities and equity	416,866	422,469

(2) Condensed Quarterly Consolidated Statement of Profit or Loss and Comprehensive Income

(Condensed Quarterly Consolidated Statement of Profit or Loss)

(Yen in millions)

	Three months ended June 30, 2024 (From Apr 1, 2024 to Jun 30, 2024)	Three months ended June 30, 2025 (From Apr 1, 2025 to Jun 30, 2025)
Revenue	44,871	48,972
Cost of sales	24,674	28,215
Gross profit	20,197	20,757
Selling, general and administrative expenses	10,007	10,926
Other income	102	227
Other expenses	31	225
Operating profit	10,261	9,833
Financial income	1,604	1,070
Finance costs	23	665
Profit before tax	11,842	10,238
Income tax expense	3,438	3,011
Net profit	8,404	7,227
Profit attributable to:		
Owners of parent	8,404	7,227
Earnings per share:		
Basic (yen)	248.41	213.58
Diluted (yen)	248.40	213.58

(Condensed Quarterly Consolidated Statement of Comprehensive Income)

(Yen in millions)

	Three months ended June 30, 2024 (From Apr 1, 2024 to Jun 30, 2024)	Three months ended June 30, 2025 (From Apr 1, 2025 to Jun 30, 2025)
Profit for the period	8,404	7,227
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Equity instruments measured at fair value through other comprehensive income	(610)	557
Total items that will not be reclassified to profit or loss	(610)	557
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	7,441	4,392
Financial assets measured at fair value through other comprehensive income	(35)	57
Total items that may be reclassified to profit or loss	7,406	4,449
Total other comprehensive income after tax	6,796	5,006
Total comprehensive income for the period	15,200	12,233
Total amount of comprehensive income attributable to:		
Owners of parent	15,200	12,233

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

(Yen in millions)

	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Total equity
Balance as of April 1, 2024	9,404	11,183	340,806	(35,807)	38,587	364,173	364,173
Quarterly profit			8,404			8,404	8,404
Other comprehensive income					6,796	6,796	6,796
Total of quarterly comprehensive income	—	—	8,404	—	6,796	15,200	15,200
Dividend of surplus			(7,443)			(7,443)	(7,443)
Purchase of treasury shares				(4)		(4)	(4)
Disposal of treasury shares		(8)		47		39	39
Cancellation of treasury shares		(8,274)		8,274		—	—
Share-based payment transactions		64				64	64
Transfer to retained earnings		8,144	(8,144)			—	—
Total transactions with owners	—	(74)	(15,587)	8,317	—	(7,344)	(7,344)
Balance as of June 30, 2024	9,404	11,109	333,623	(27,490)	45,383	372,029	372,029

(Yen in millions)

	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Total equity
Balance as of April 1, 2025	9,404	11,224	348,972	(27,462)	28,009	370,147	370,147
Profit for the period			7,227			7,227	7,227
Other comprehensive income					5,006	5,006	5,006
Total comprehensive income for the period	—	—	7,227	—	5,006	12,233	12,233
Dividend of surplus			(8,290)			(8,290)	(8,290)
Purchase of treasury shares				(2)		(2)	(2)
Disposal of treasury shares		0		4		4	4
Cancellation of treasury shares						—	—
Share-based payment transactions		59				59	59
Transfer to retained earnings						—	—
Total transactions with owners	—	59	(8,290)	1	—	(8,229)	(8,229)
Balance as of June 30, 2025	9,404	11,284	347,909	(27,462)	33,015	374,150	374,150

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Yen in millions)

	Three months ended June 30, 2024 (From Apr 1, 2024 to Jun 30, 2024)	Three months ended June 30, 2025 (From Apr 1, 2025 to Jun 30, 2025)
Cash flows from operating activities:		
Profit before tax	11,842	10,238
Depreciation and amortization	4,467	4,647
Impairment loss (or reversal)	-	111
Financial income	(1,604)	(1,070)
Financial costs	23	665
Decrease (increase) in trade and other receivables	(1,991)	(4,128)
Decrease (increase) in inventories	(98)	(52)
Increase (decrease) in trade and other payables	2,375	2,463
Others	1,958	3,993
Subtotal	16,972	16,867
Interest received	530	613
Dividends received	192	205
Income taxes paid	(1,080)	(5,846)
Cash flows from operating activities	16,614	11,839
Cash flows from investing activities		
Net increase (decrease) in time deposits	(5,685)	(759)
Proceeds from sale and redemption of investments	1,700	2,312
Purchase of investments	(5,713)	(3,085)
Purchase of property, plant and equipment	(8,642)	(5,228)
Others	(525)	(421)
Cash flows from investing activities	(18,865)	(7,181)
Cash flows from financing activities		
Purchase of treasury shares	(4)	(2)
Dividends paid	(7,443)	(8,290)
Repayments of lease liabilities	(276)	(250)
Others	39	3
Cash flows from financing activities	(7,684)	(8,539)
Effect of exchange rate changes on cash and cash equivalents	1,700	(11)
Decrease (increase) in cash and cash equivalents	(8,235)	(3,892)
Cash and cash equivalents at the beginning of the year	90,341	85,666
Cash and cash equivalents at the end of the year	82,106	81,774

(5) Notes on Condensed Quarterly Consolidated Financial Statements

(Note regarding the going concern assumption)

Not applicable

(Segment information)

1. Business segment

(1) Overview of reportable segments

In the reportable segments of Hirose group, it is possible to acquire isolated financial information among constituent units of our group. It is also an object being examined on a regular basis to evaluate our decision regarding resource allocation and business results by the board of directors.

Our business is manufacturing and selling mainly connectors and other products, and we formulate a domestic and global comprehensive strategy for our products and service.

Therefore, Hirose group consists of segments by products based on the shape of connectors. Our reportable segments are “multi-pin connectors” and “Coaxial connectors”.

“Multi-pin connectors” include circular and rectangular connectors implemented to the outside of devices. They also include connectors implemented internal of the devices, such as connectors for ribbon cables, connectors for printed circuit boards, connectors used for FPCs (flexible printed circuit boards) and nylon connectors.

“Coaxial connectors” are a special type of high-performance connectors connecting high-frequency signals such as microwave, and this segment includes optical fiber connectors.

(2) Information on reportable segments

The accounting method for reported business segments is generally the same as that applied in the consolidated financial statements for the previous fiscal year. Profits of reportable segments are based on operating income.

Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(Yen in millions)

	Reportable segments			Others *	Consolidated
	Multi-pin connectors	Coaxial connectors	Total		
Revenue					
Revenue from external customers	40,385	3,054	43,439	1,432	44,871
Total revenue	40,385	3,054	43,439	1,432	44,871
Operating profit	9,491	636	10,127	134	10,261
Financial income	—	—	—	—	1,604
Financial costs	—	—	—	—	23
Profit before tax	—	—	—	—	11,842

* “Others” category is not included into reportable segments. “Others” includes micro switches and instruments for connectors.

Geographic information

(Yen in millions)

	Japan	China	Korea	Others	Total
Revenue	7,246	17,095	8,586	11,944	44,871
Percentage of consolidated revenue (%)	16.1	38.1	19.1	26.7	100.0

Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(Yen in millions)

	Reportable segments			Others *	Consolidated
	Multi-pin connectors	Coaxial connectors	Total		
Revenue					
Revenue from external customers	43,433	4,321	47,754	1,218	48,972
Total revenue	43,433	4,321	47,754	1,218	48,972
Operating profit	8,601	1,274	9,875	(42)	9,833
Financial income	—	—	—	—	1,070
Financial costs	—	—	—	—	665
Profit before tax	—	—	—	—	10,238

* “Others” category is not included into reportable segments. “Others” includes micro switches and instruments for connectors.

Geographic information

(Yen in millions)

	Japan	China	Korea	Others	Total
Revenue	8,224	18,020	8,702	14,026	48,972
Percentage of consolidated revenue (%)	16.8	36.8	17.8	28.6	100.0

(Significant Subsequent Event)

(Share Buyback Program)

The Company announced that its Board of Directors resolved at a meeting on August 4, 2025, to repurchase its own shares under Article 156 of the Companies Act as applied pursuant to Article 165, paragraph 3 of the same law, as described below.

1.Reason to Share Buyback

The Company will execute Share Buyback to increase the level of shareholder returns and improve capital efficiency as well as to enable a flexible capital policy in response to changes in the business environment.

2.Details of Share Buyback Program

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