Business Results for the First Quarter of FY2026

August 5, 2026

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 (FY2026.1Q From April, 2026 to June, 2026)

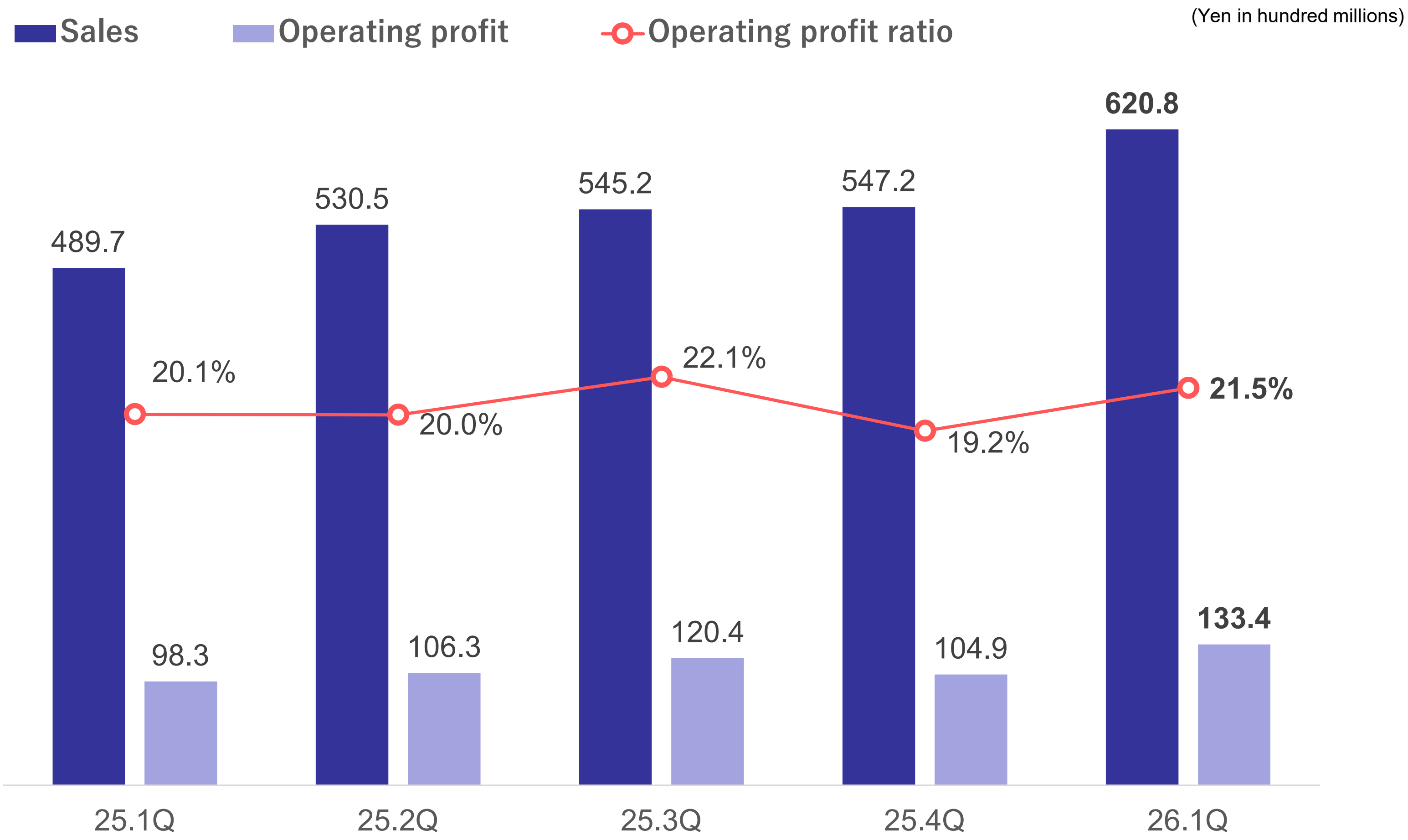
Sales increased YoY and QoQ across all market segments, marking a strong start to FY2026. While the impact of higher material costs persisted, profitability improved slightly as a result of higher shipment volumes. In the industrial segment, sales reached a new record high, driven by strong demand from Factory Automation (FA) applications. Sales to smartphone and consumer/mobile markets remained solid overall despite variations across regions and applications. In addition, sales to automotive/mobility-related applications continued to grow. As a result, net sales increased 26.8% year-on-year, operating profit rose 35.7%, and the operating profit ratio improved to 21.5%. Orders received totaled JPY 71.06 billion, up 36.6% from the same period of the previous year.

(Yen in hundred millions)

	FY2025.1Q 2025.Apr-Jun	FY2025.4Q 2026.Jan-Mar	FY2026.1Q 2026.Apr-Jun	YoY (2026.1Q/2025.1Q)	QoQ (2026.1Q/2025.4Q)
Orders	520.1	632.4	710.6	+36.6%	+12.4%
Sales	489.7	547.2	620.8	+26.8%	+13.5%
Operating profit	98.3	104.9	133.4	+35.6%	+27.1%
Operating profit ratio	20.1%	19.2%	21.5%	+1.4pt	+2.3pt

HRS

Changes in sales and operating profit (FY2025.1Q - FY2026.1Q / Consolidated basis)



Business Results for FY2026.1Q

(Yen in hundred millions)

	FY2025.1Q (FY ended June 30, 2025)	FY2026.1Q (FY ended June 30, 2026)	Increase/ Decrease (YoY)	Increase/ Decrease ratio (YoY)
Sales	**489.7**	**620.8**	**+131.1**	**+26.8%**
COGS Ratio	57.6%	58.1%	+0.5	
SGA Ratio	22.3%	19.9%	-2.4	
Operating profit	**98.3**	**133.4**	**+35.1**	**+35.6%**
(%)	20.1%	21.5%	+1.4pt	
Profit before tax	**102.4**	**144.7**	**+42.3**	**+41.3%**
(%)	20.9%	23.3%	+2.4pt	
Net profit	**72.3**	**73.3**	**+1.0**	**+1.4%**
(%)	14.8%	11.8%	-3.0pt	
Shareholder's Equity Ratio	**89.0%**	**86.4%**		
Earnings Per Share	**213.58円**	**224.03円**		

	FY2025.1Q	FY2026.1Q
1US$	144.59 yen	**159.49 yen**
1 €	163.80 yen	**185.39 yen**
100 won	10.34 yen	**10.63 yen**

FY2026.1Q Major Changes year-on-year

(Yen in hundred millions)

Sales

131.1 hundred millions yen **Increased**
(489.7 → 620.8)

General Industrial : + 65
Automotive/Mobility-related : + 28
Telecommunications : + 12
Hirose SER : + 11

COGS Ratio

0.5 pt Deteriorated (57.6% → 58.1%)

Variable Expense Ratio : 40.8% → 43.5%
Depreciation Ratio : 7.9% → 6.7%
Labor Cost Ratio : 7.8% → 7.3%

SGA Ratio

2.4 pt Improved (22.3% → 19.9%)

109.3 → 123.8 (+14.6)

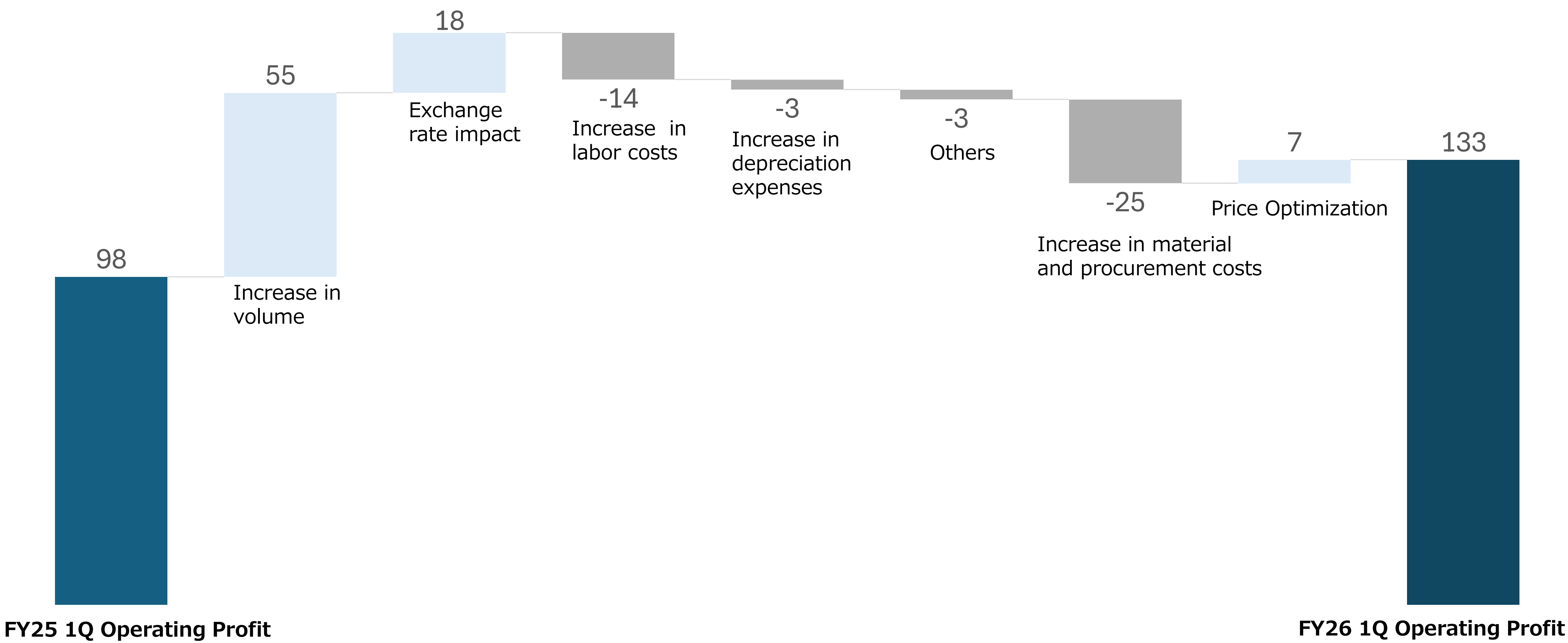
Financial income / costs

7.2 hundred millions yen **Increased**
(+4.0 → +11.2)

Foreign exchange gain/loss: -6.5 → +2.5

Analysis of Operating Profit for FY2026 Compared to the Same Period Last Year

(Yen in hundred millions)



Consolidated Balance Sheet （1）

Assets

Account	Mar 31, 2026	Jun 30, 2026	Increase/ Decrease	Remark
Cash and Cash equivalents	873.3	1,103.0	+229.7	Profit before tax +144 Transfer from Time Deposit +266 Dividend payment -85 Capital Investment (including buildings, etc.) -47
Trade and other receivables	498.7	568.8	+70.1	Sales Growth
Inventories	301.9	337.3	+35.4	Securing inventory due to increased production
Other financial assets	1,444.0	1,217.6	-226.4	Time deposit reduction -266
Property, plant and equipment	903.6	902.5	-1.1	
Right-of-use asset	59.1	64.3	+5.2	
Others	231.1	199.2	-31.9	Unpaid consumption tax refund -36
Total Assets	4,311.8	4,392.7	+80.9	
Total of cash in bank	**1,370.9**	**1,334.6**	**-36.3**	

(Yen in hundred millions)

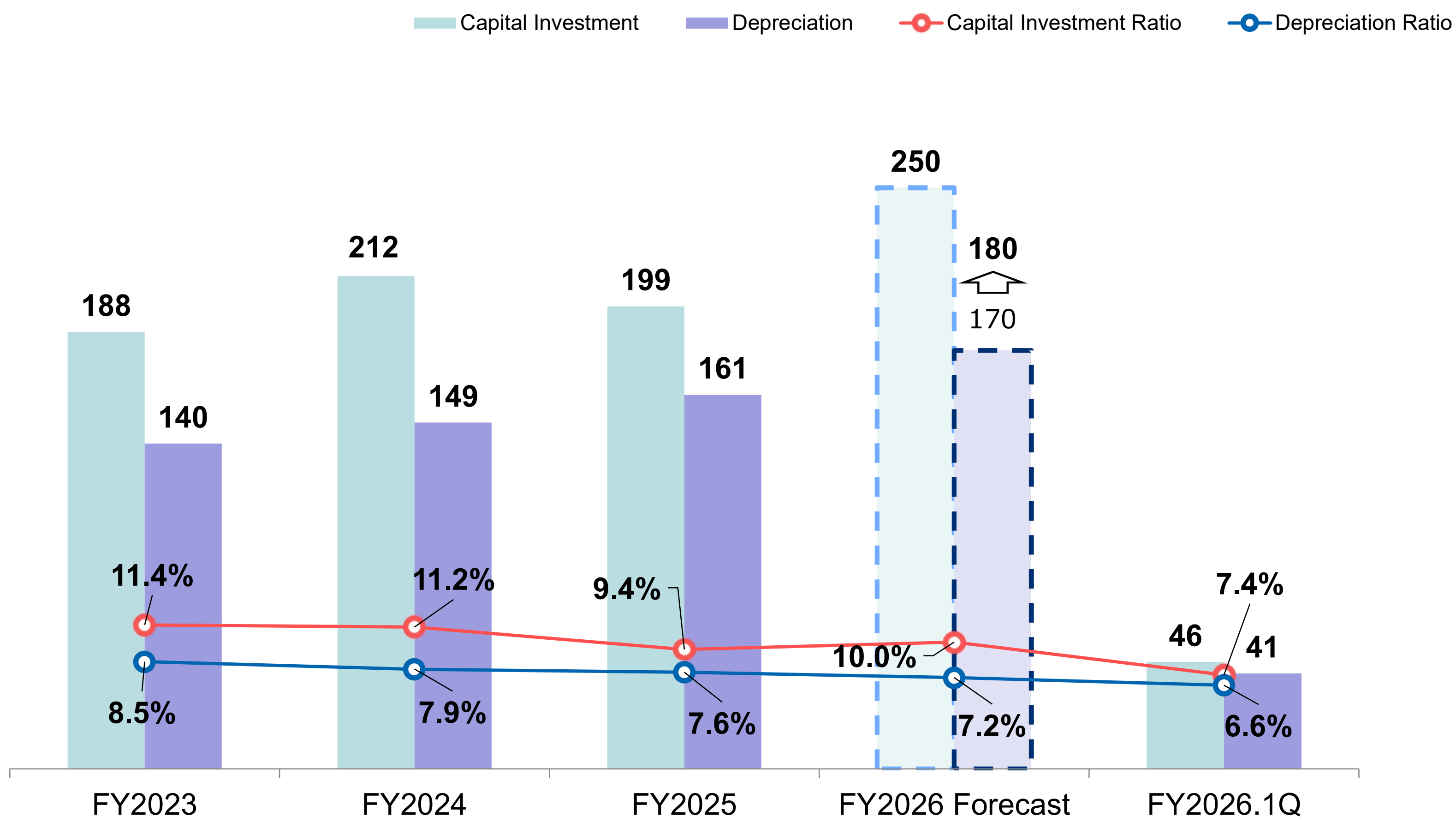
Consolidated Balance Sheet （2）

	Account	Mar 31, 2026	Jun 30, 2026	Increase/ Decrease	Remark
Liabilities	Payables and other debt	**167.5**	**205.4**	**+37.9**	Increased in accounts payable due to purchases Increase +21
	Lease liabilities	**62.2**	**67.4**	**+5.2**	
	Income taxes payable	**64.7**	**80.9**	**+16.2**	Surcharges for Transfer Pricing
	Others	**236.6**	**244.5**	**+7.9**	
	Total	**531.0**	**598.2**	**+67.2**	
Shareholder's Equity	Capital stock and Capital surplus	**208.7**	**209.7**	**+1.0**	
	Retained Earnings	**3,649.3**	**3,449.8**	**-199.5**	Net Income for the period +76 Dividend Payment -85 Cancellation of treasury shares -187
	Treasury Shares	**- 477.7**	**- 289.9**	**+187.8**	Cancellation of treasury shares+187
	Others	**400.5**	**424.9**	**+24.4**	Exchange Rate Conversion Adjustment (Due to Yen Depreciation) +14
	Total	**3,780.8**	**3,794.5**	**+13.7**	
	Total Liabilities and Shareholder's Equity	**4,311.8**	**4,392.7**	**+80.9**	

(Yen in hundred millions)

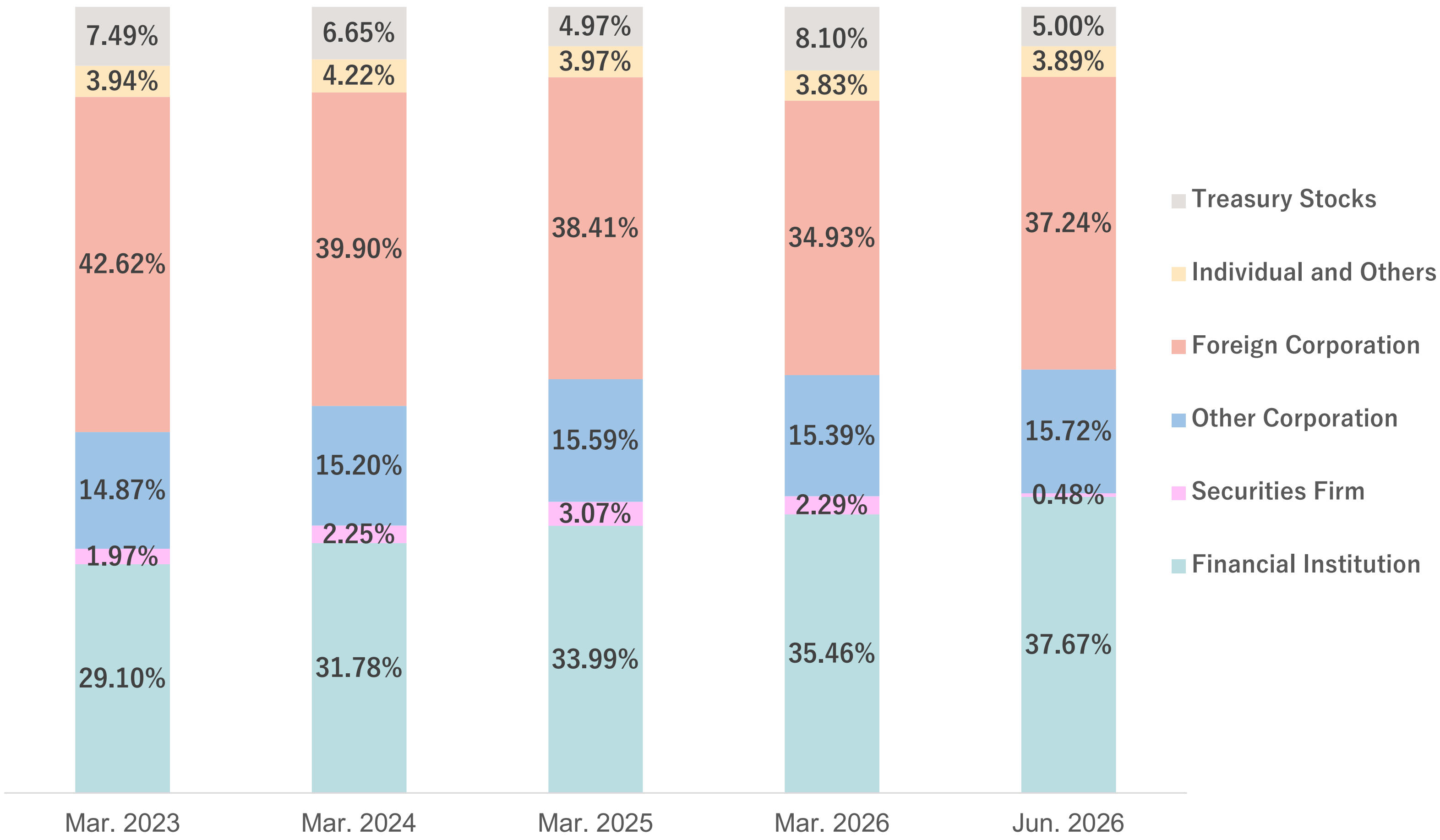
Changes in Capital Investment and Depreciation (Consolidated basis)

(Yen in hundred millions)



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

Distribution of Shareholders

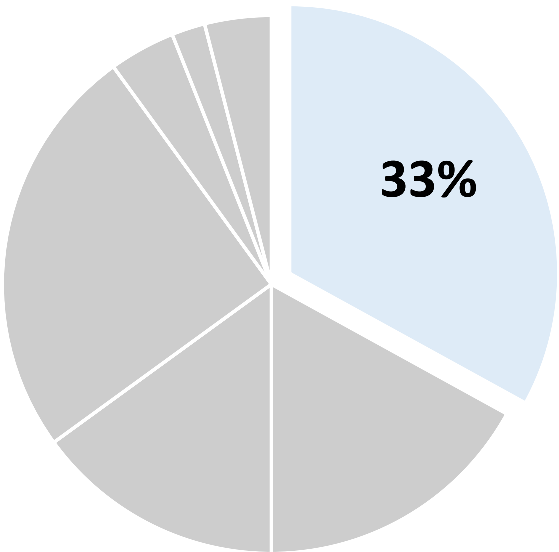


Sales by Application _ General Industrial

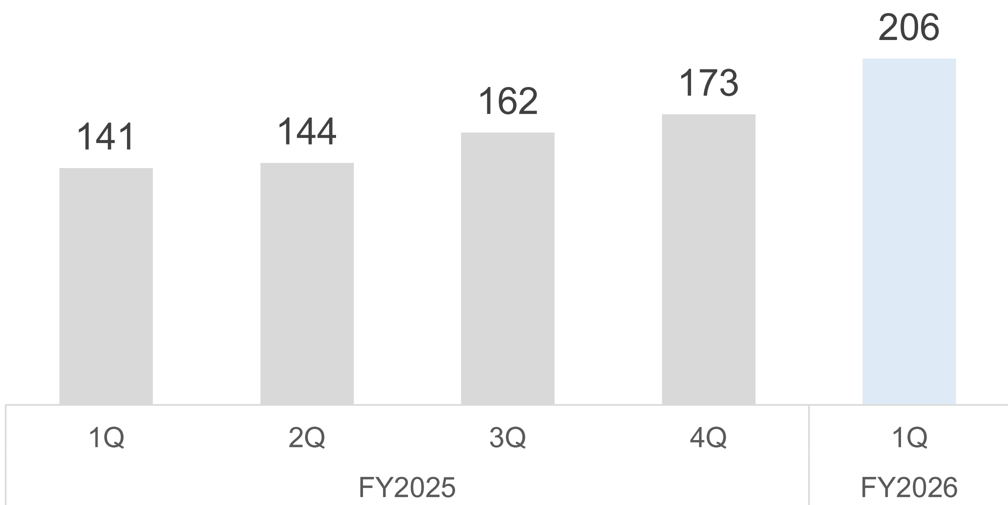
(Yen in hundred millions)

	FY2025		FY2026	YoY	QoQ
	1Q	4Q	1Q		
Sales	141	173	**206**	+46%	+19%

- **FY2026.1Q Composition Ratio**



- **Changes in Quarterly Sales**



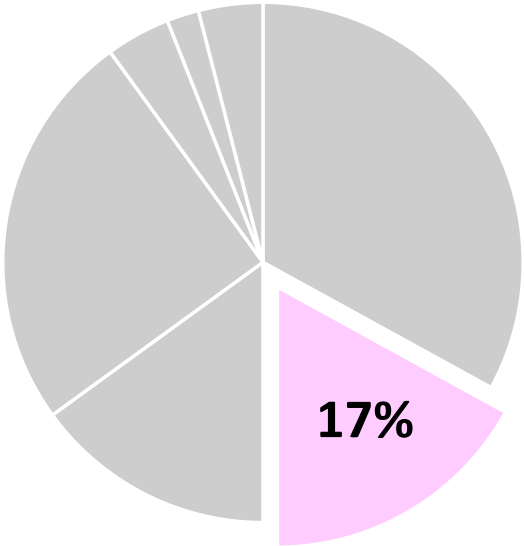
- **Driven by strong growth in FA-related applications, quarterly sales significantly surpassed the previous record high of JPY18 billion.**

Sales by Application _ Smartphone

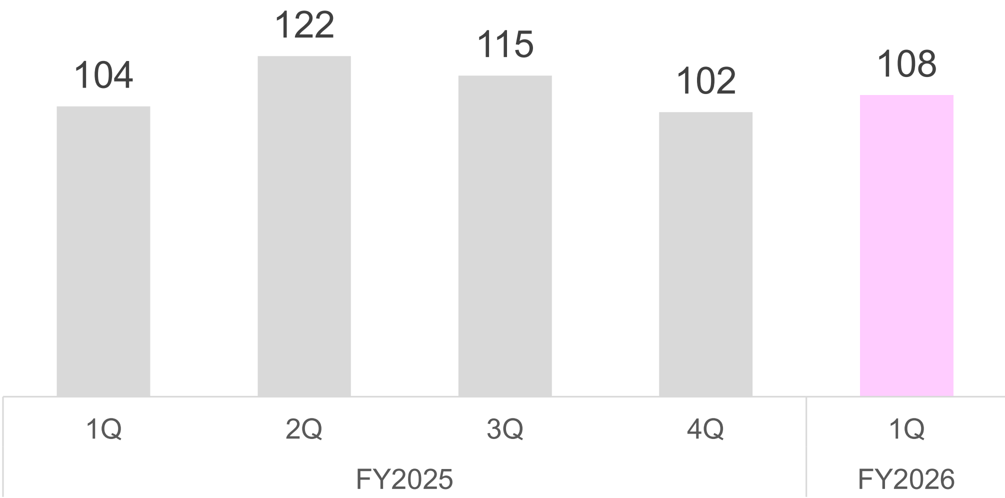
(Yen in hundred millions)

	FY2025		FY2026	YoY	QoQ
	1Q	4Q	1Q		
Sales	104	102	**108**	+4%	+6%

- **FY2026.1Q Composition Ratio**



- **Changes in Quarterly Sales**



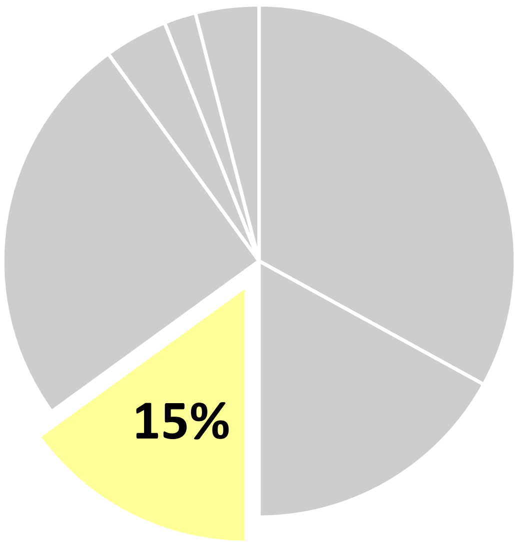
■ **Although sales to the China market were soft, solid performance in other markets supported a steady start overall.**

Sales by Application _ Consumer/Mobile Equipment

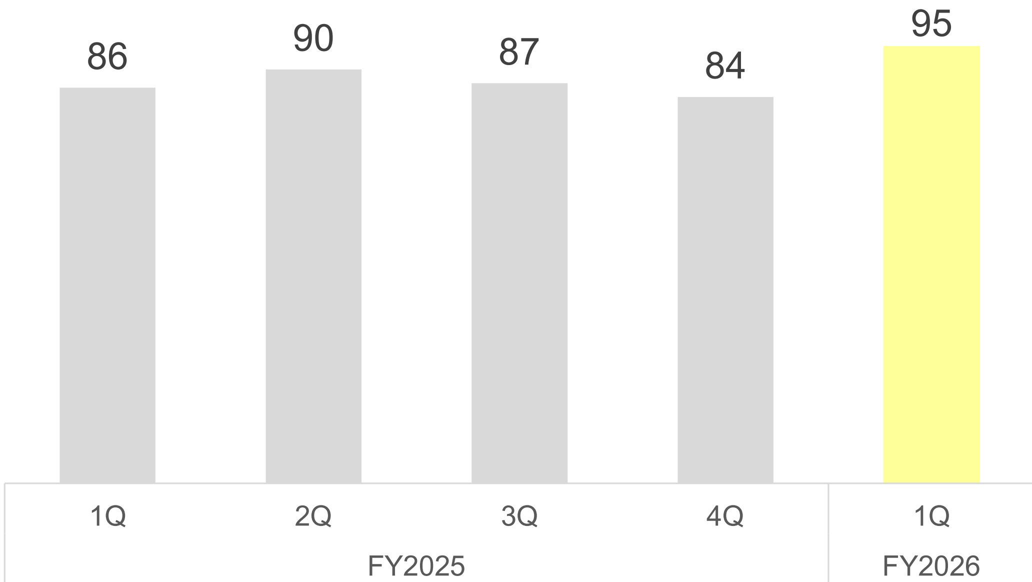
(Yen in hundred millions)

	FY2025		FY2026	YoY	QoQ
	1Q	4Q	1Q		
Sales	86	84	**95**	+10%	+13%

- **FY2026.1Q Composition Ratio**



- **Changes in Quarterly Sales**



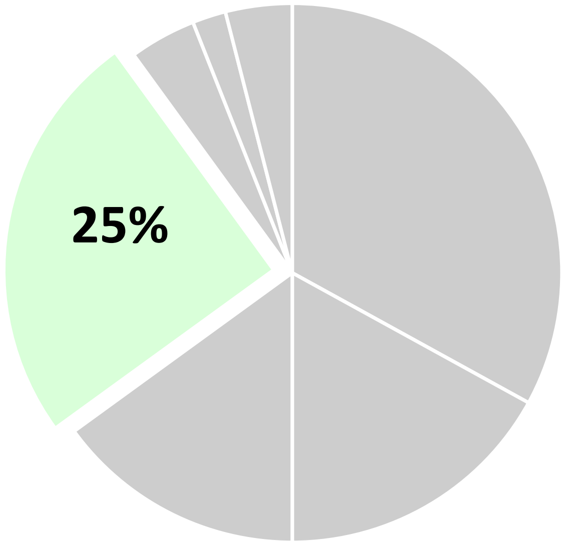
■ **Although its sales contribution remains limited, growth in edge AI-related applications, together with expanding customer and application coverage, helped drive overall growth.**

Sales by Application _ Automotive/Mobility-related

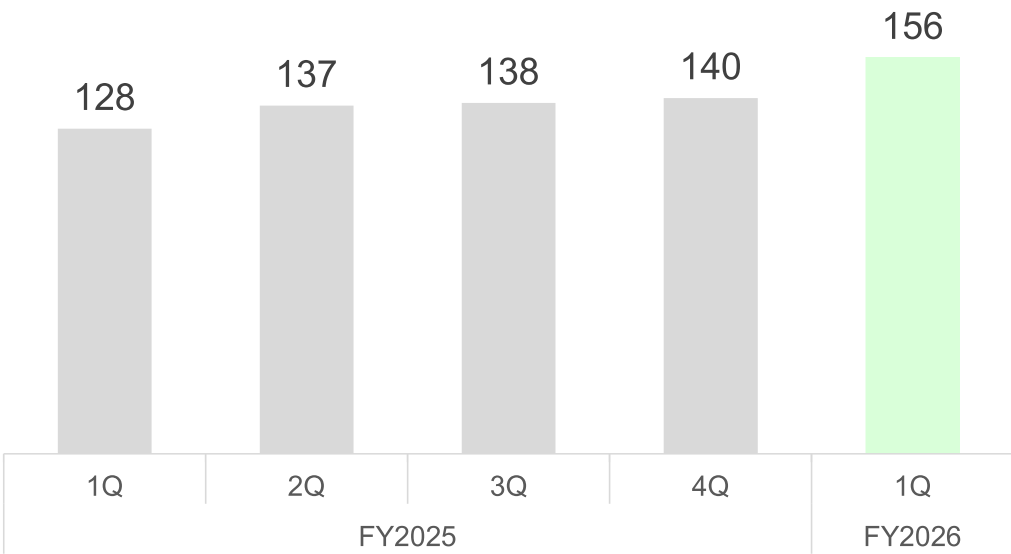
(Yen in hundred millions)

	FY2025		FY2026	YoY	QoQ
	1Q	4Q	1Q		
Sales	128	140	**156**	+22%	+11%

● FY2026.1Q Composition Ratio



● Changes in Quarterly Sales



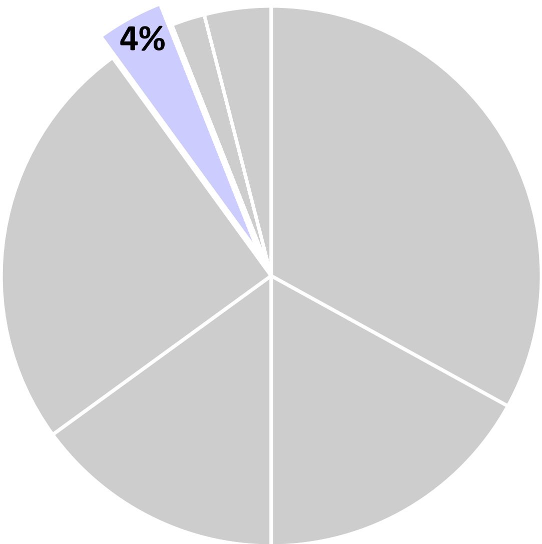
■ **Supported by a diversified customer base and broad product lineup, growth continued, with quarterly sales entering the JPY 15 billion range for the first time.**

Sales by Application _ Telecommunications infrastructure

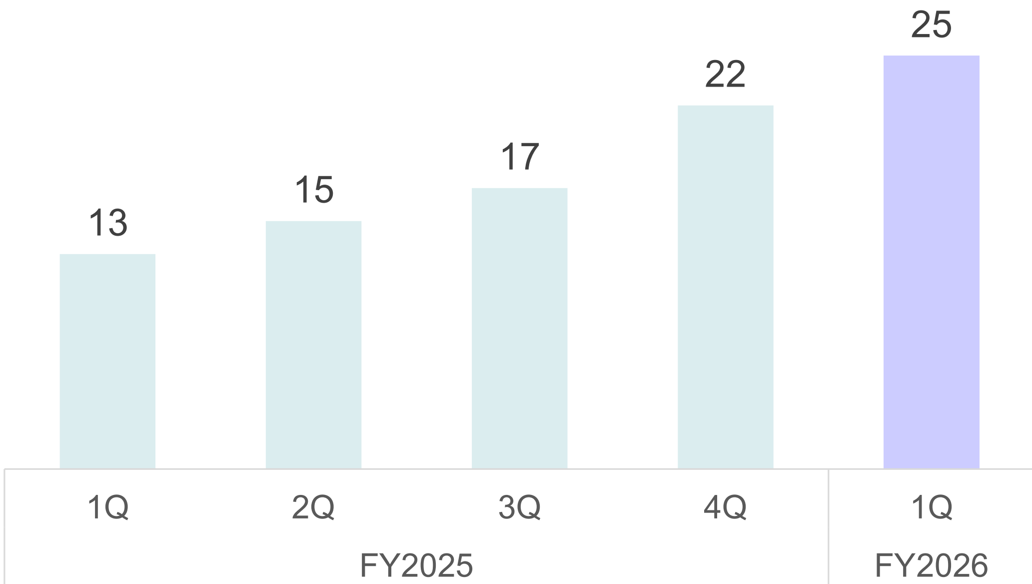
(Yen in hundred millions)

	FY2025		FY2026	YoY	QoQ
	1Q	4Q	1Q		
Sales	13	22	**25**	+92%	+14%

● FY2026.1Q Composition Ratio



● Changes in Quarterly Sales



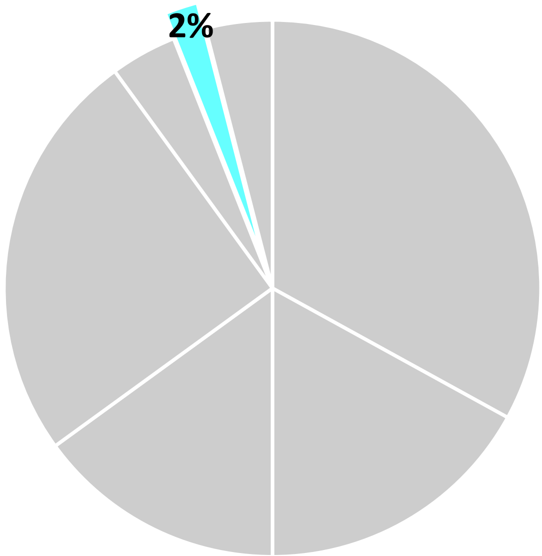
■ **Although the AI server sales mix remained largely flat, overall sales continued to grow steadily.**

Non-connector business: "Hirose SER"

(Yen in hundred millions)

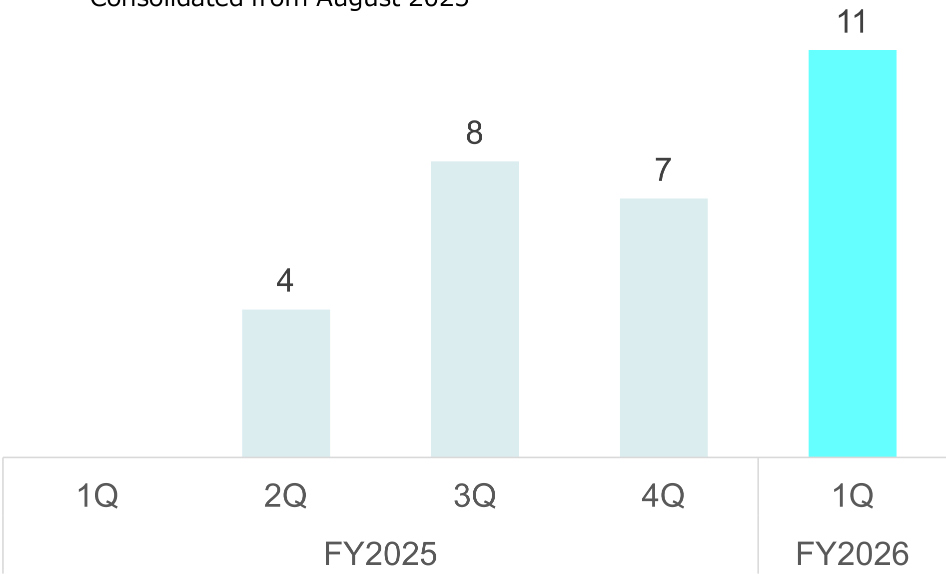
	FY2025		FY2026	YoY	QoQ
	1Q	4Q	1Q		
Sales	-	7	**11**	-	+57%

● **FY2026.1Q Composition Ratio**



● **Changes in Quarterly Sales**

Consolidated from August 2025



■ **While continuing capital investments to support the FY2026 sales target of JPY 6.0 billion, production ramp-up is progressing as planned.**

Business Forecast for the Year Ending March 31, 2027 (Consolidated)

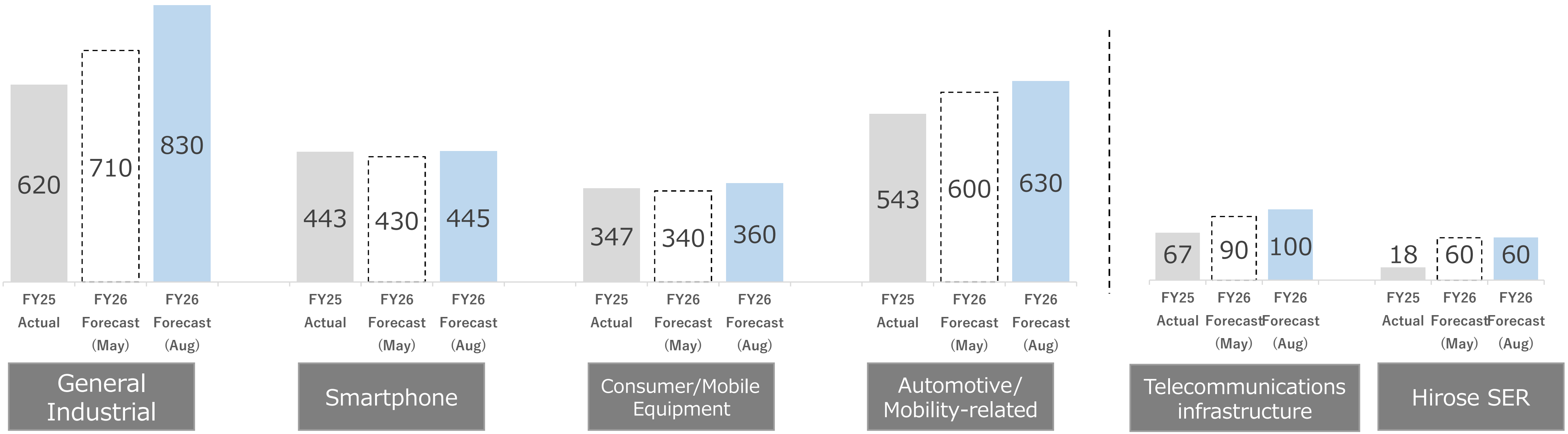
Guidance revised upward, primarily reflecting strength in the industrial market segment.

(Yen in hundred millions)	FY2025 Actual (FY ended March 31, 2026		FY2026 Forecast **in May** (FY ending March 31, 2027)		FY2026 Forecast **in Aug.** (FY ending March 31, 2027)		First Half Over the Previous Actual Amount		For the Year Over the Previous Actual Amount	
	First Half	For the Year	First Half	For the Year	First Half	For the Year	Amount Change	%	Amount Change	%
Sales	1,020.2	2,112.6	**1,150**	**2,300**	**1,250**	**2,500**	+229.8	+22.5%	+387.4	+18.3%
COGS Ratio	57.9%	57.9%	**60.0%**	**60.0%**	**59.8%**	**59.8%**				
Operating Profit	204.6	429.9	**230.0**	**460.0**	**255.0**	**500.0**	+50.4	+24.6%	+70.1	+16.3%
(%)	20.1%	20.4%	**20.0%**	**20.0%**	**20.4%**	**20.0%**				
Profit before tax	221.0	466.3	**240.0**	**480.0**	**275.0**	**530.0**	+54.0	+24.4%	+63.7	+13.7%
(%)	21.7%	22.1%	**20.9%**	**20.9%**	**22.0%**	**21.2%**				
Net Profit	155.2	331.4	**170.0**	**340.0**	**165.0**	**350.0**	+9.8	+6.3%	+18.6	+5.6%
(%)	15.2%	15.7%	**14.8%**	**14.8%**	**13.2%**	**14.0%**				
Earnings per share	—	991.91yen	—	**1,039.08yen**	—	**1,069.63yen**				
Dividend per share	245yen	505yen	**260yen**	**520yen**	**260円**	**520yen**				
ROE		8.9%		**9.0%**		**9.4%**				
Consolidated Dividend Payout Ratio	—	50.9%	—	**50.0%**	—	**48.6%**				

[Exchange rate]	FY2025 Actual	FY2026 Forecast
1US$	150.77yen	**155.00yen**
1 €	174.79yen	**180.00yen**
100won	10.59yen	**10.50yen**

Annual Sales Forecast by Connector Segment / Non-Connectors (Hirose SER) (round of number)

(Yen in hundred millions)



FY2026 Forecast for the previous year	YoY in May	YoY in Aug.
General Industrial	+15%	**+34%**
Smartphone	-3%	**±0%**
Consumer/Mobile Equipment	-2%	**+4%**
Automotive/Mobility-related	+10%	**+16%**
Telecommunications	+34%	**+49%**
Hirose SER	+233%	**+233%**

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 700,000 shares (2.14% 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. 10, 2026 to Nov. 30, 2026
Method of repurchase	Purchase on the Tokyo Stock Exchange

Topic: Establishment of Hirose Korea 'AMC Logistics Center'

Strengthening the supply system for the automotive market

To address growing demand for automotive products, Hirose Korea will establish the AMC Logistics Center (construction scheduled to commence in Sep 2026, with completion planned for Dec 2027). By strengthening its logistics and warehousing capabilities, the company will further enhance its global supply chain and expand its worldwide supply framework.

Role of the AMC Logistics Center
1. Responding to the growing demand for automotive connectors **2. Efficiency of inbound and outbound operations through the introduction of automated transport** **3. Achieving stable supply through improved storage capacity**

Building Overview
Site area: 6,404.7㎡
Building area: 3,781.8 m^2
Structure: 8-story

＜Appearance＞

Strengthening global supply systems by flexibly responding to market conditions and demand fluctuations

Appendix.
Sales by Applications round number (quarterly basis)

(Yen in hundred millions)

	FY2025 1Q	FY2025 2Q	FY2025 3Q	FY2025 4Q	FY2026 1Q	FY2026 1Q Composition ratio
General Industrial	141	144	162	173	206	**33%**
Smartphone	104	122	115	102	108	**17%**
Consumer/Mobile Equipment	86	90	87	84	95	**15%**
Automotive/ Mobility-related	128	137	138	140	156	**25%**
Telecommunications Infrastructure Equipment	13	15	17	22	25	**4%**
OA Equipment	5	5	4	5	5	**1%**
Total of Connector Sales	478	513	523	526	594	**95%**
Hirose SER*					11	2%
Others	12	17	22	21	16	3%
Total	**490**	**530**	**545**	**547**	**621**	**100%**

* Included in "Others" in FY2025

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ELECTRIC
CO.,LTD.