



May 6, 2022

Company name: HIROSE ELECTRIC CO., LTD.  
Representative: Kazunori Ishii  
President and Representative Director  
(Code: 6806, Tokyo Stock Exchange – Prime Market)  
Contact person details: Shin Kamagata  
Corporate Board Director, Group President, Administration Group  
(Department Tel: +81-45-620-7410)

### Notice of Capital Policy

Hirose Electric (the “Company”), at the board of directors held on May 6, 2022, decided about the capital policy as stated below.

#### 1. Return on equity (ROE)

**The Company aim to achieve more than 10% ROE by FY2025**, as well as realize the goal of 25% operating profit ratio by FY2025 which is one of our target of medium term business plan. The Company will also carry out the acquisition of treasury shares appropriately.

#### 2. Dividend

In FY2021, the Company announced the basic policy of dividend that the Company maintain 50% of dividend payout ratio in four years from FY2021 to FY2024. The Company aim to realize the target of 50% dividend payout ratio in next four years from FY2022 to FY2025 continuously.

If the Company will face below situation, this policy might be reviewed.

(1) Unintended sudden environmental changes or unpredictable financial performance downfall (2) Due to natural disasters or other special reasons, normal business is unable to operate (3) Large amount of capital investment is needed due to huge M&A

The details about purchase of treasury shares in FY2022 will be informed once it has been decided.