

Hirose Electric Business Results Briefing for FY2021

“2022” Medium and long-term Growth Strategy

May 9, 2022

Hirose Electric Co., Ltd.

President

Kazunori Ishii

Cautionary Statement

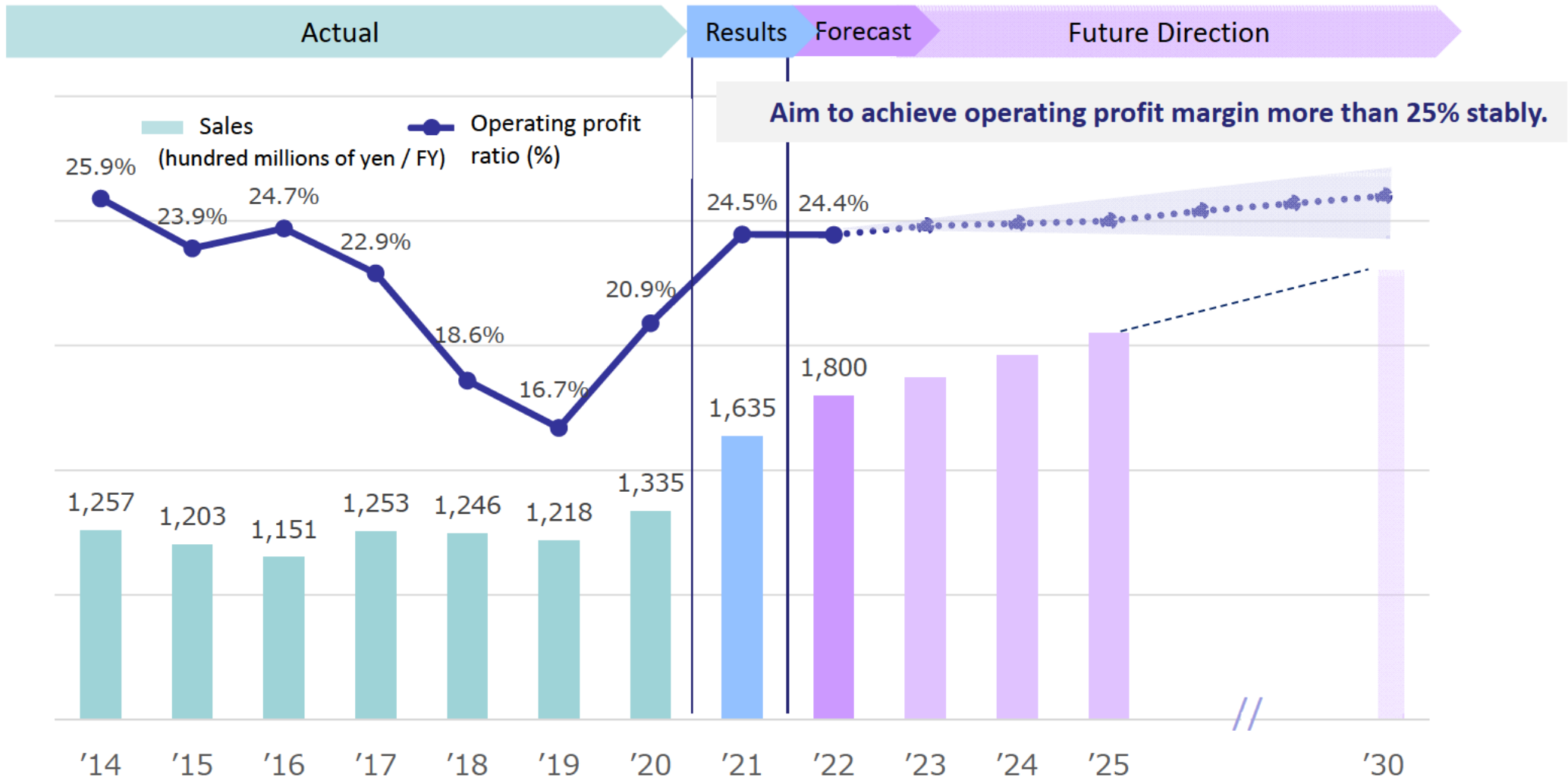
In this material, there are descriptions based on current estimation by Hirose Electric.

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.

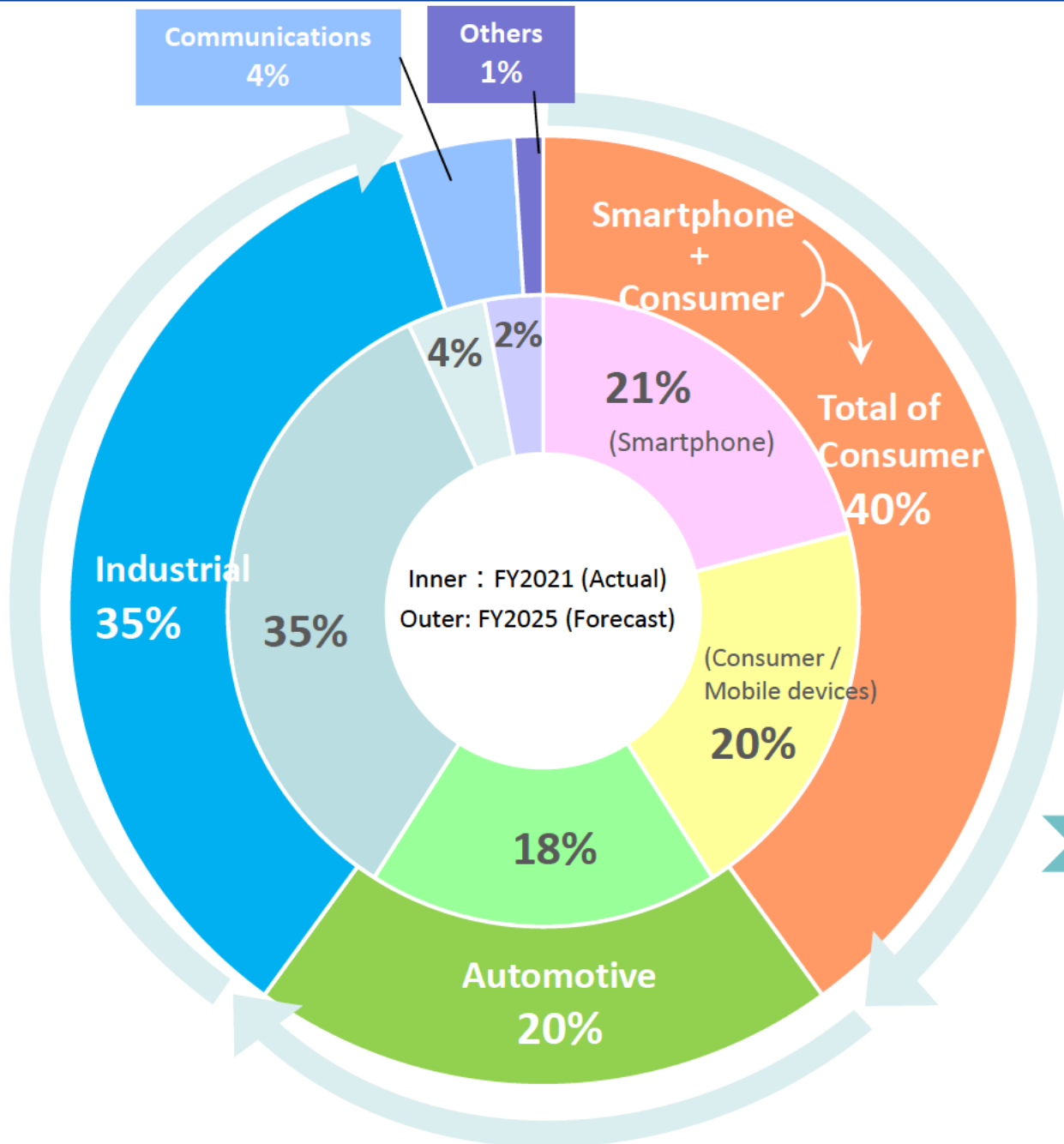
HRS: Growth image

By maintaining high profitability business and make continuous growth in medium and long-term



FY2020-FY2021 : [Strengthen the foundation]
FY2022-FY2025 : [Full growth]

Medium-term: Application Images



FY2021

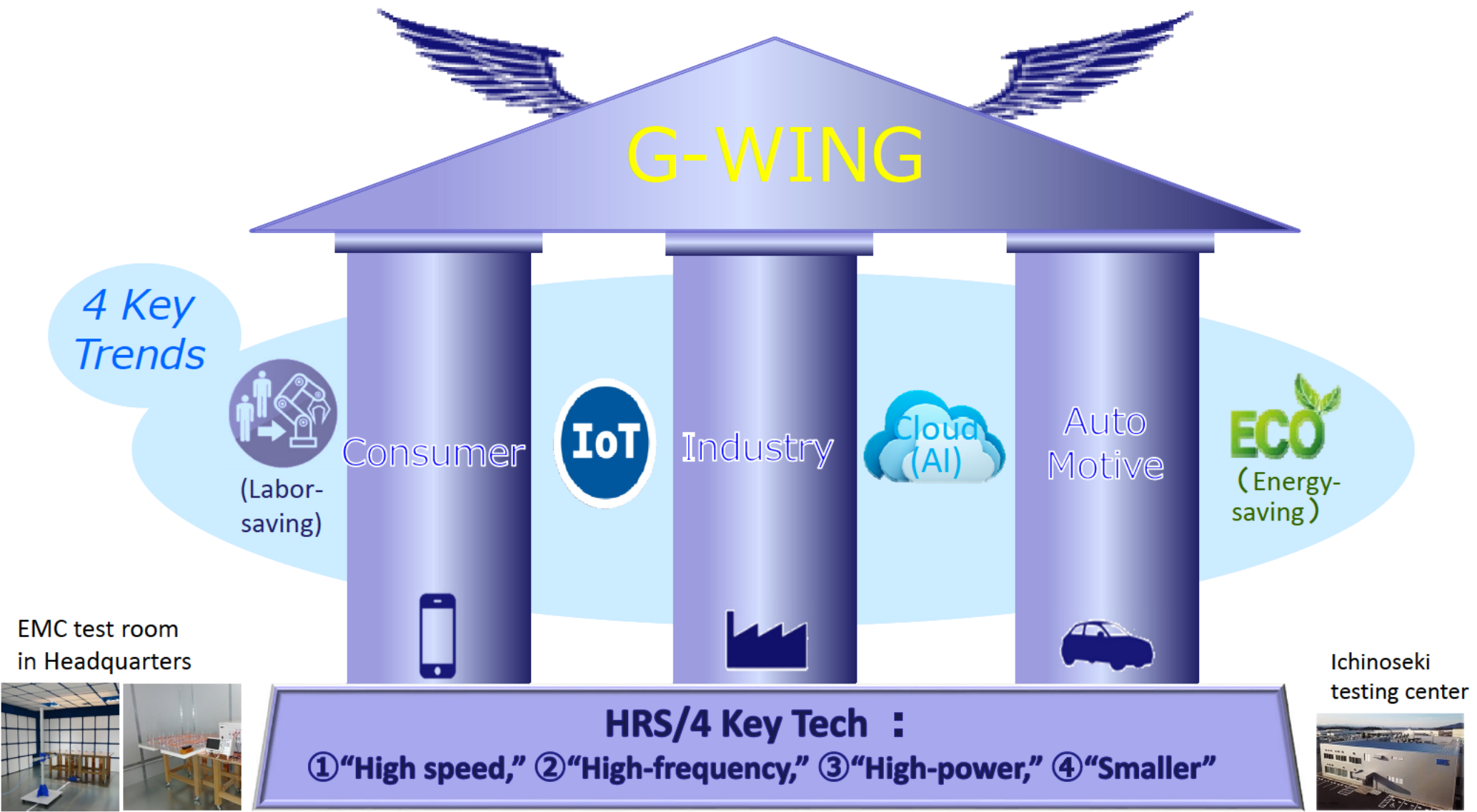
- Full-scale spread of digitalization and IoT
→ Strong demand in consumer market
- Acceleration of next generation infrastructure (5G)
- High growth in industrial market
→ Acceleration of automation and robotics

FY2025

- Grow our business with three pillars
“Smartphone and consumer equipment”
“Automotive” “Industrial and infrastructure”
- Increase more initiatives for the future
(continuous growth)

We are going to establish well-balanced business structure and strong company who can respond to various changes

Medium-term: Application Strategy Images



➡➡ We will enhance our proposal ability to take the lead, pursue the cutting edge and achieve differentiation through cross-cutting activities. ➡➡

Changes in Market Environment

■ New Life Style

- New Normal (New lifestyle)
- Acceleration of Digital Transformation
- The spread of IoT
- Teleworking take root

■ New Values

- “Quantity” in addition to “Quality” need
- Environmental friendly, including carbon neutral
- Promote awareness and activities related to ESG and SDGs
- Quick response to the risk of natural disaster and other incidents
- Health and safety conscious

■ Possible Risks

- Supply issues caused by the shortage of raw material, parts and human resources, and the difficulties in logistics
- Economic problems due to global inflations
- Currency exchange fluctuation risk
- Geopolitical risk

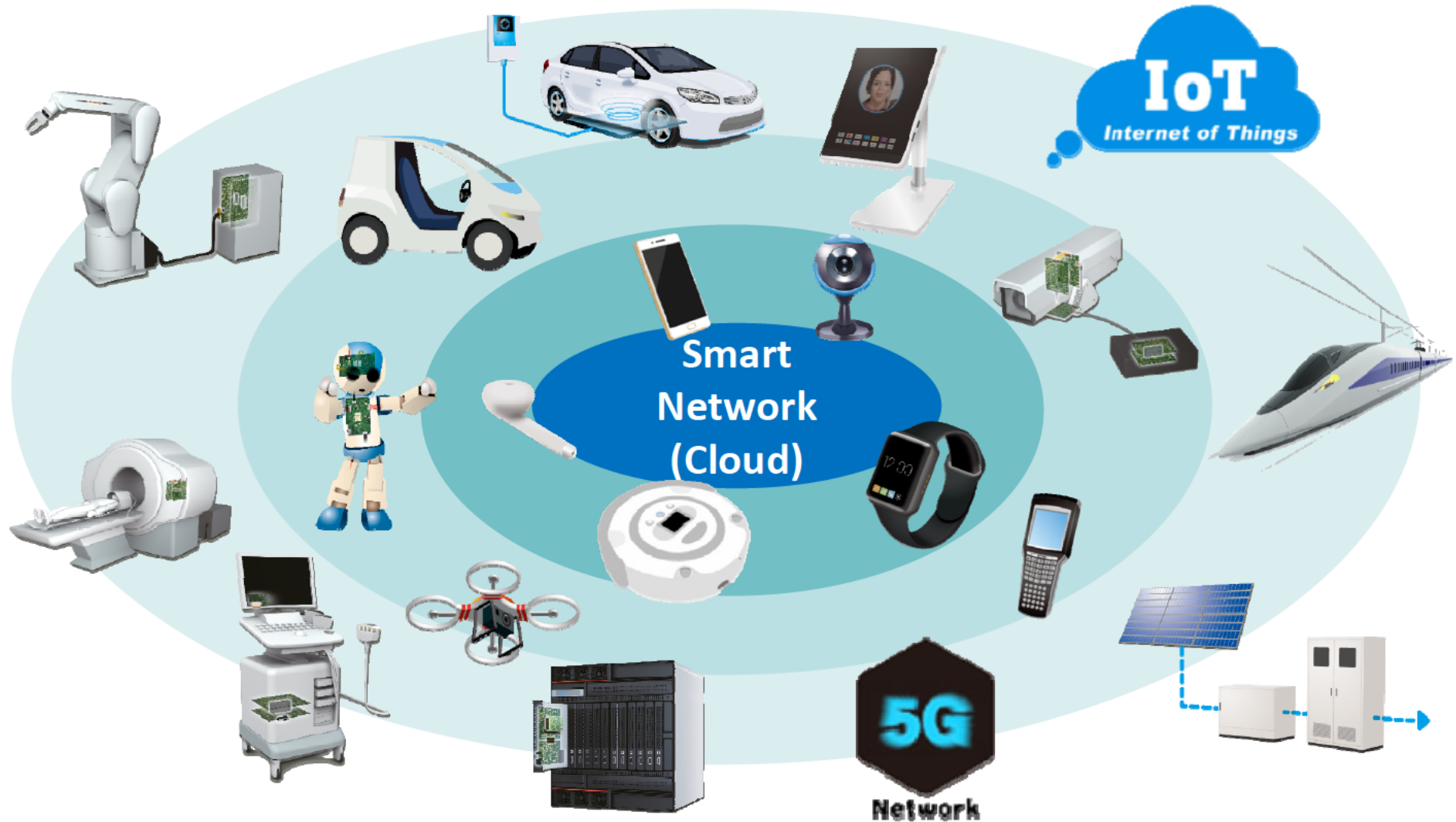
Hirose’s high-value-added products enhance its function and quality.

Moreover they should face social issues and changes continuously and stably.

We are trying to create new business opportunities speedily.

Future Growth Market

Hirose can respond to diversifying, changing and expanding needs, from home electronics equipment to devices supporting social infrastructure.



Opportunity of “connecting business” has been expanding more and more

Strengthen manufacturing and function

Koriyama [NEW] factory



Advanced “manufacturing” factory focusing on “Automotive” and “General industrial”

Scheduled to be completed within FY2023
(about 2.7times as current total floor area)

The extension of Hirose Korea precision connector center



Strengthen development and manufacturing of “micro connectors”

Scheduled to start operation in FY2024
(about 1.3times as current total floor area)

Strengthen supply capabilities and manufacturing capabilities for mid-term in major industry segments

Reinforce the foundations

Measures to reinforce the foundations to make a further leap forward based on the sales increase in FY2021 (from FY2022)

Invest in human capital

We set FY2022 as “the first year of deepening” human capital development, and we reform the system and encourage employee’s challenges.

- ① Pursue the uniqueness of HRS
(Rebuilding of Hirose Philosophy, “Iki-Iki project” managed by employees)
- ② Structure to encourage challenges (Renewal of evaluation system, 360-degree assessment, etc.)
- ③ Establish a dedicated department committed to human capital development

Invest in ESG

Invest to address social issues

- ① Promote carbon neutral
“Reduce emissions from Scope1 and 2 by 60% in FY2027 (compared with FY2021)”
We will make an investment to achieve this target.
- ② Carry out various programs for health and productivity management

Invest in IT

Construct common platform in HRS group (planned to invest more than JPY10 billion in mid-term)

- ① Construction of next-generation SCM
- ② Digitalization and centralization of design information
- ③ Visualize global sales activities by commonalizing SFA

Hirose Technology Exhibition CONNECTION2022

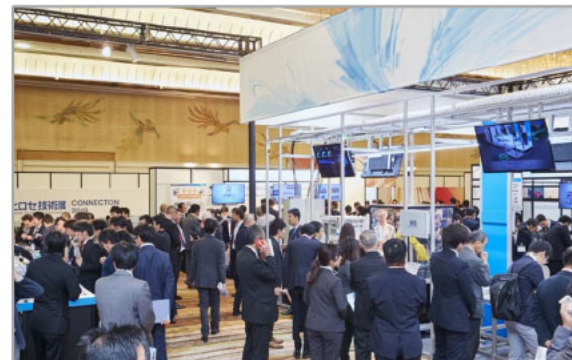
Technology Exhibition held every three year

➤➤ **“Connection” creates the future** ➤➤

*tentative title

November: Yokohama (Pacifico Yokohama North)

December: Osaka (Grandcube Osaka)



Features of Hirose Technology Exhibition

● Future-oriented exhibition

Most of the exhibits are products which is newly released, under development or in the concept stage.

● Display a lot of adoption cases (actual devices)

Exhibit actual devices adopting our connectors in each industry segment including consumer, industrial and automotive.

(Some devices are displayed in disassembled state)

● All explainers are our engineers

● In 2019, about 7,000 people visited the exhibition

➤➤ **Through this exhibition, Hirose propose solutions to market and customers, and we will develop our customer's voice into future products.** ➤➤

The policy of FY2022

<<< FY2022 >>>

➤ Strengthen “foresight, sensitivity and responsiveness” and move forward

<Especially strengthening points>

〈 1 〉 Technological development capabilities and product appeal (design to mass production)

〈 2 〉 “Manufacturing Expertise”
(Strengthen manufacturing capabilities)

〈 3 〉 Human capital development
(the first year of deepening)

Full-fledged recovery
⇒ Continuous growth
and evolution

➤ “Hirose Technology Exhibition >>>“Connection” creates the future<<<

➤➤➤ HRS Group competes in product appeal and manufacturing expertise ➤➤➤

HRS HIROSE
ELECTRIC
CO.,LTD.