

Business Results for Third Quarter, FY2009

Creative Links to World Electronic

February 9th, 2010

**Hirose Electric
Co.,LTD**

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.**

Business Situation of 3Q FY2009

[1Q FY2009]

- Partial correction in connectors for oversea mobile. However, orders for domestic digital consumer electronic and automobile have increased steadily.

[2Q FY2009]

- Sales for mobile has increased steadily. Digital consumer electronics and automotives, despite the ups and downs due to the summer vacation, are basically recovering. Automotives especially have topped last year level.

[3Q FY2009]

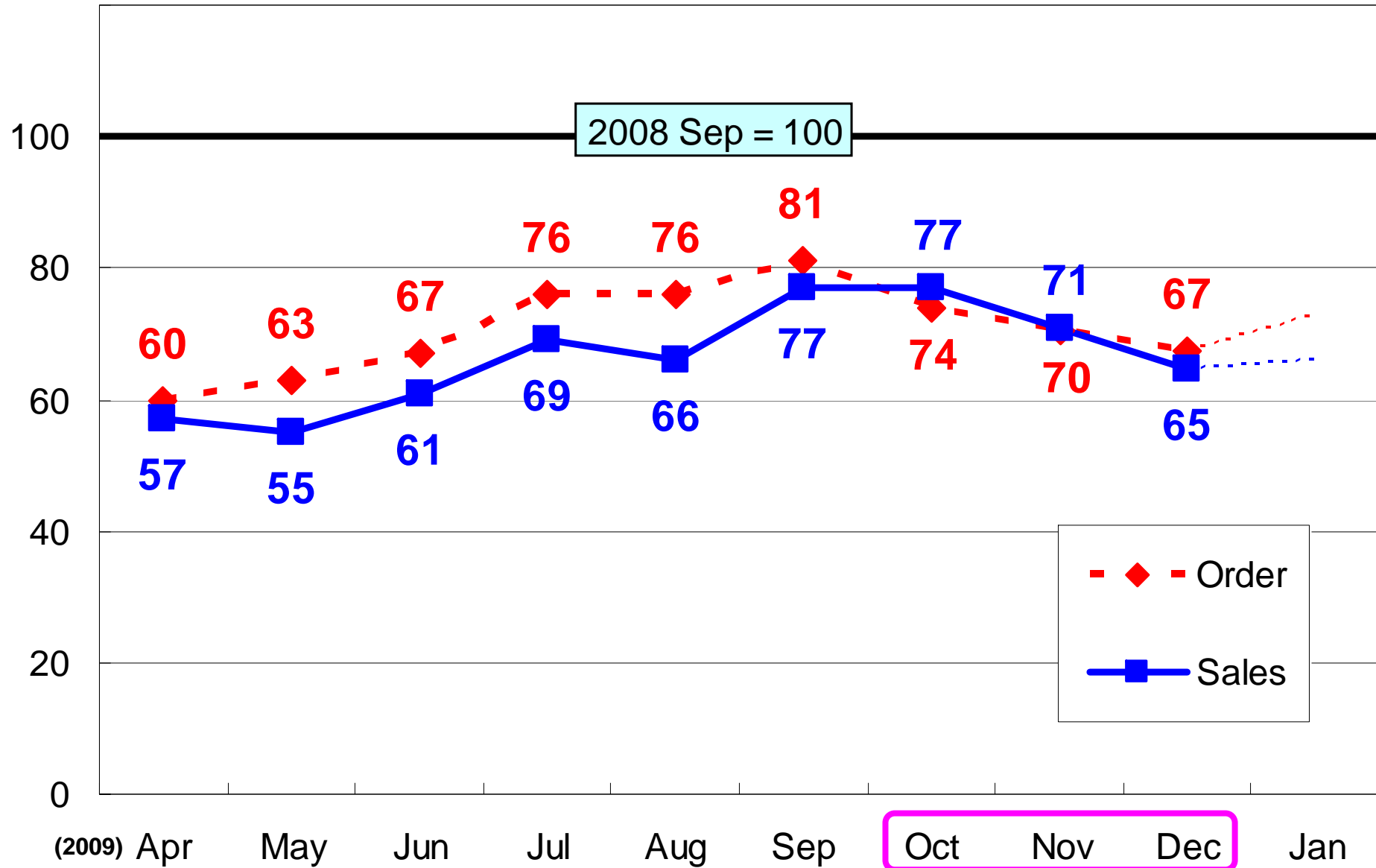
- Order and sales YoY have both increased significantly. However, there were adjustments in mobile and digital consumer electronics due to seasonal reason. On the other hand, automotive have been relatively steady. There are signs of recovery in the industrial area as well.

- 3Q FY2009 settled on 30.2% YoY in order level (-6.8% QoQ), 9.1% YoY in sales level (0.3% QoQ)

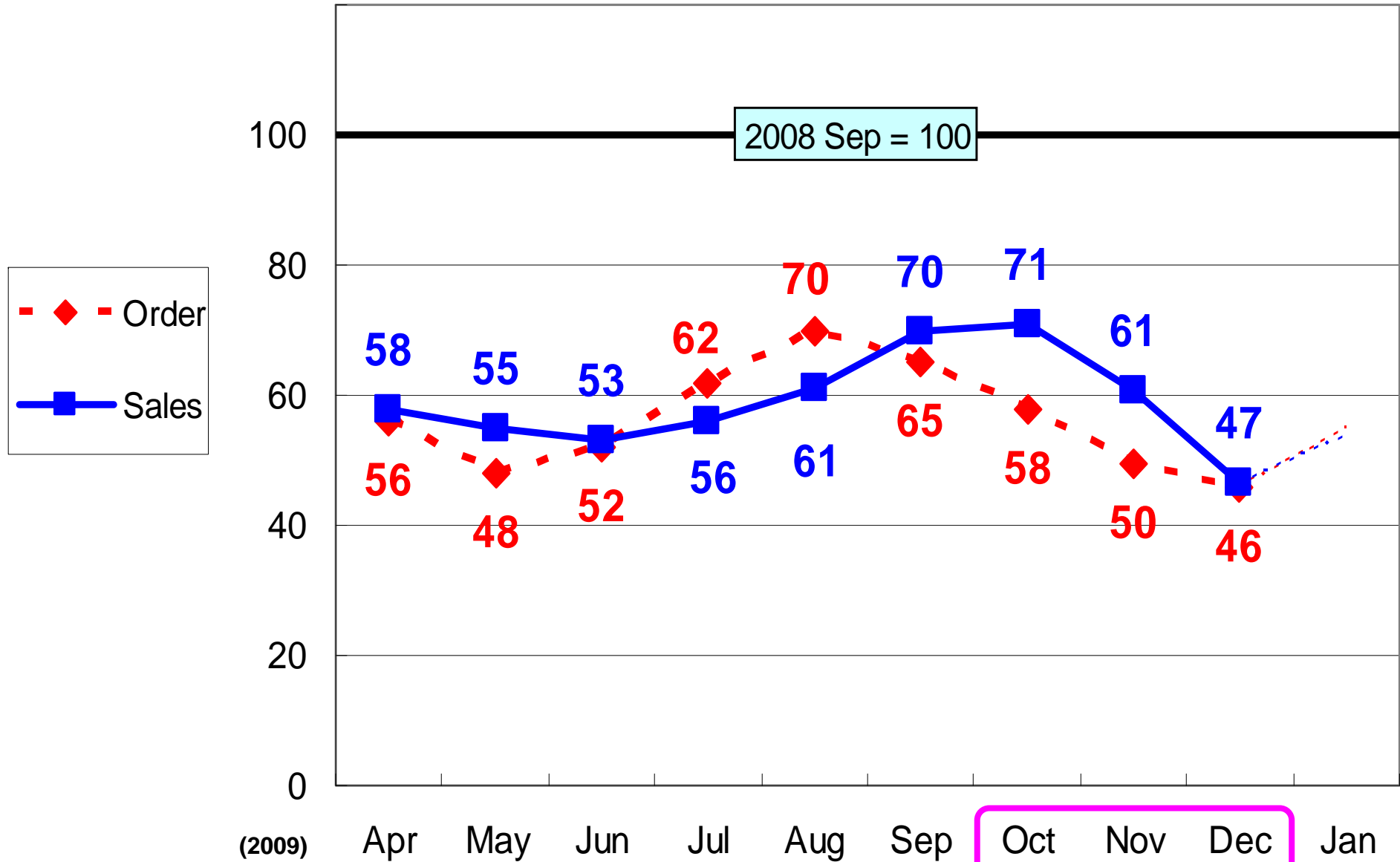
[1Q - 3Q FY2009]

- 1Q - 3Q (in total) FY2009 settled on 635.2 hundred million yen in order level (-12.4% YoY), 623.0 hundred million yen in sales level (-17.4% YoY), 164.7 hundred million yen in ordinary profit (-19.3% YoY).

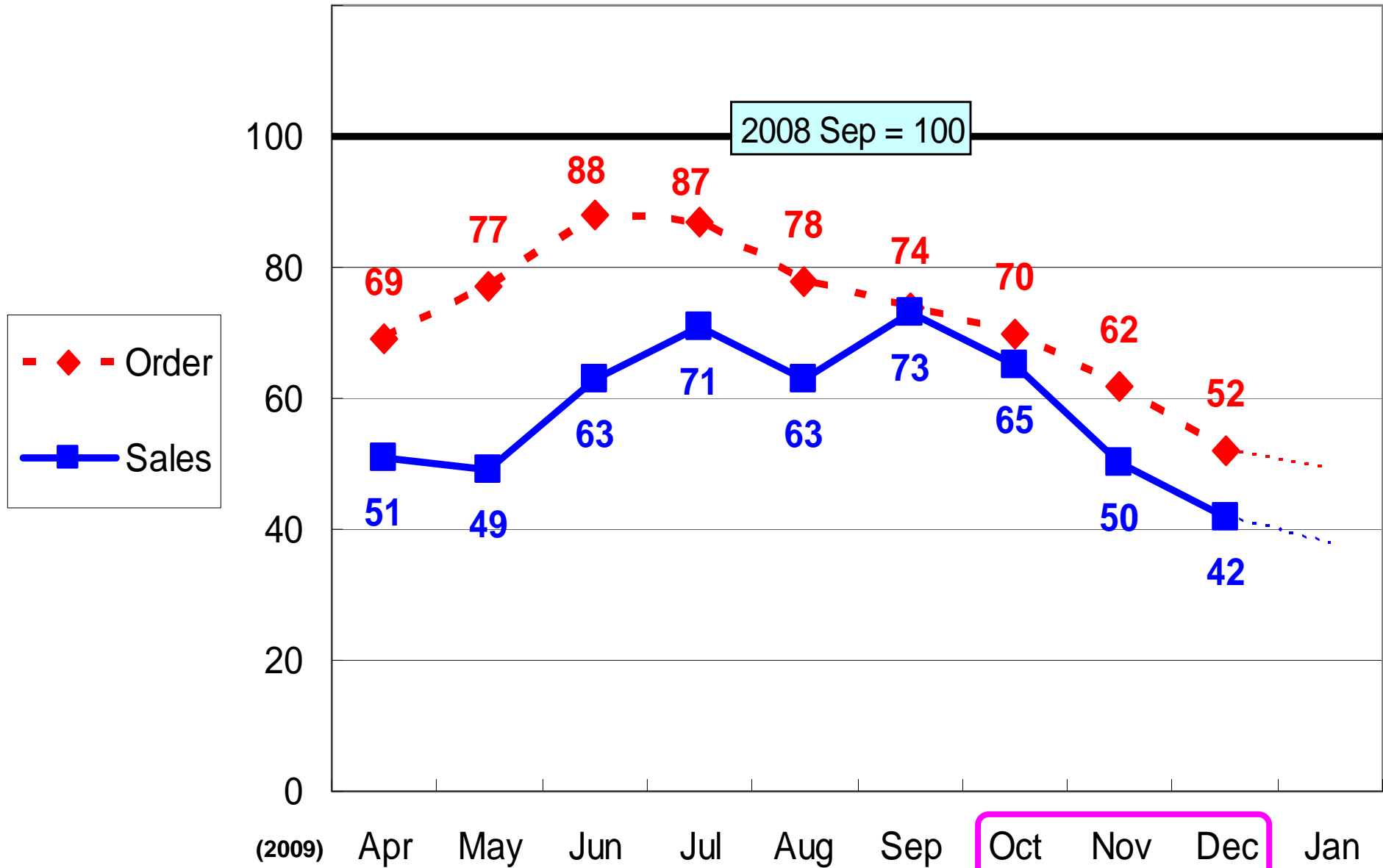
2009 (Apr–Dec) Orders and Sales Changes (Domestic Consolidation Basis, Index Number)



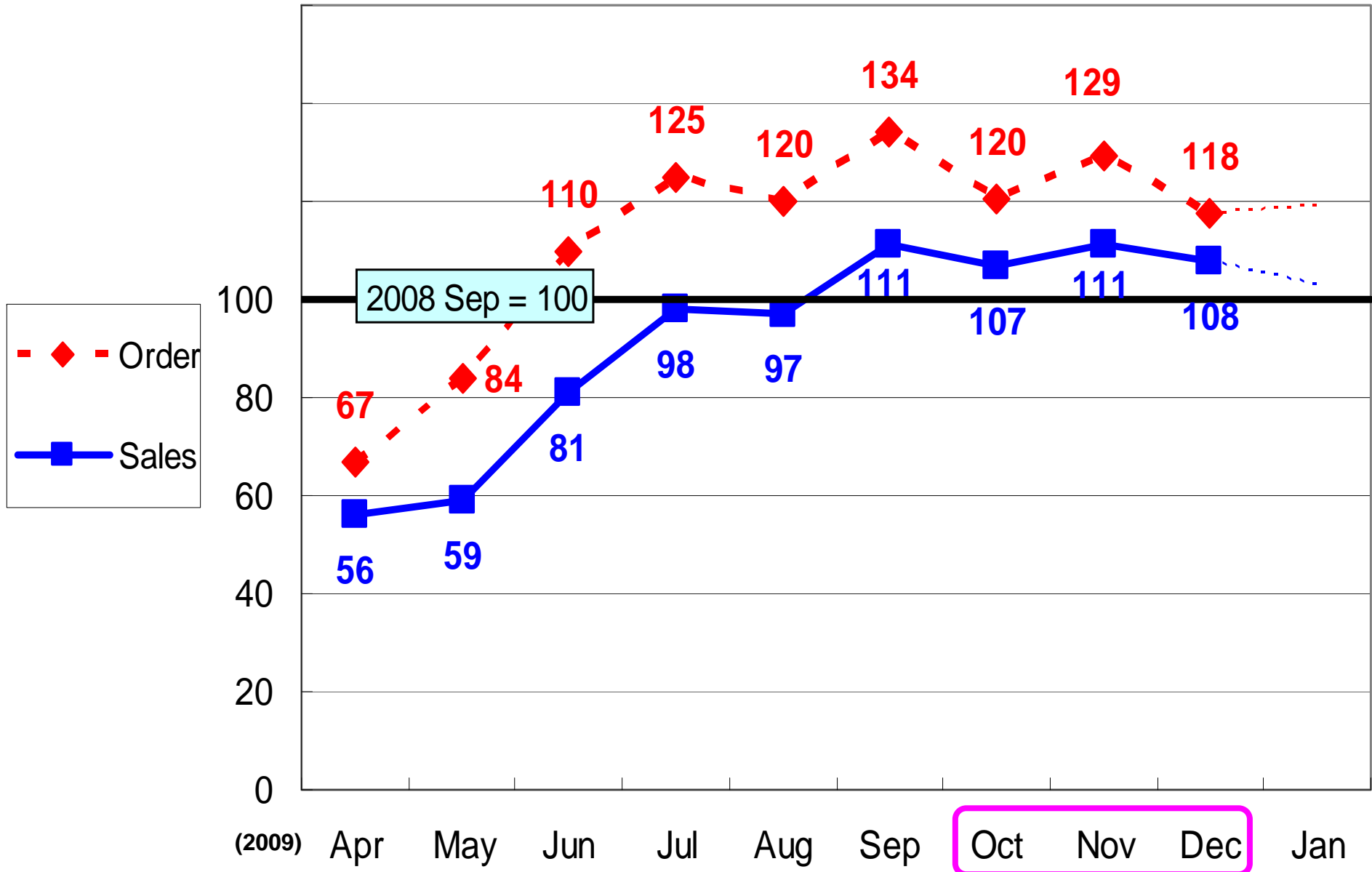
<Mobile>



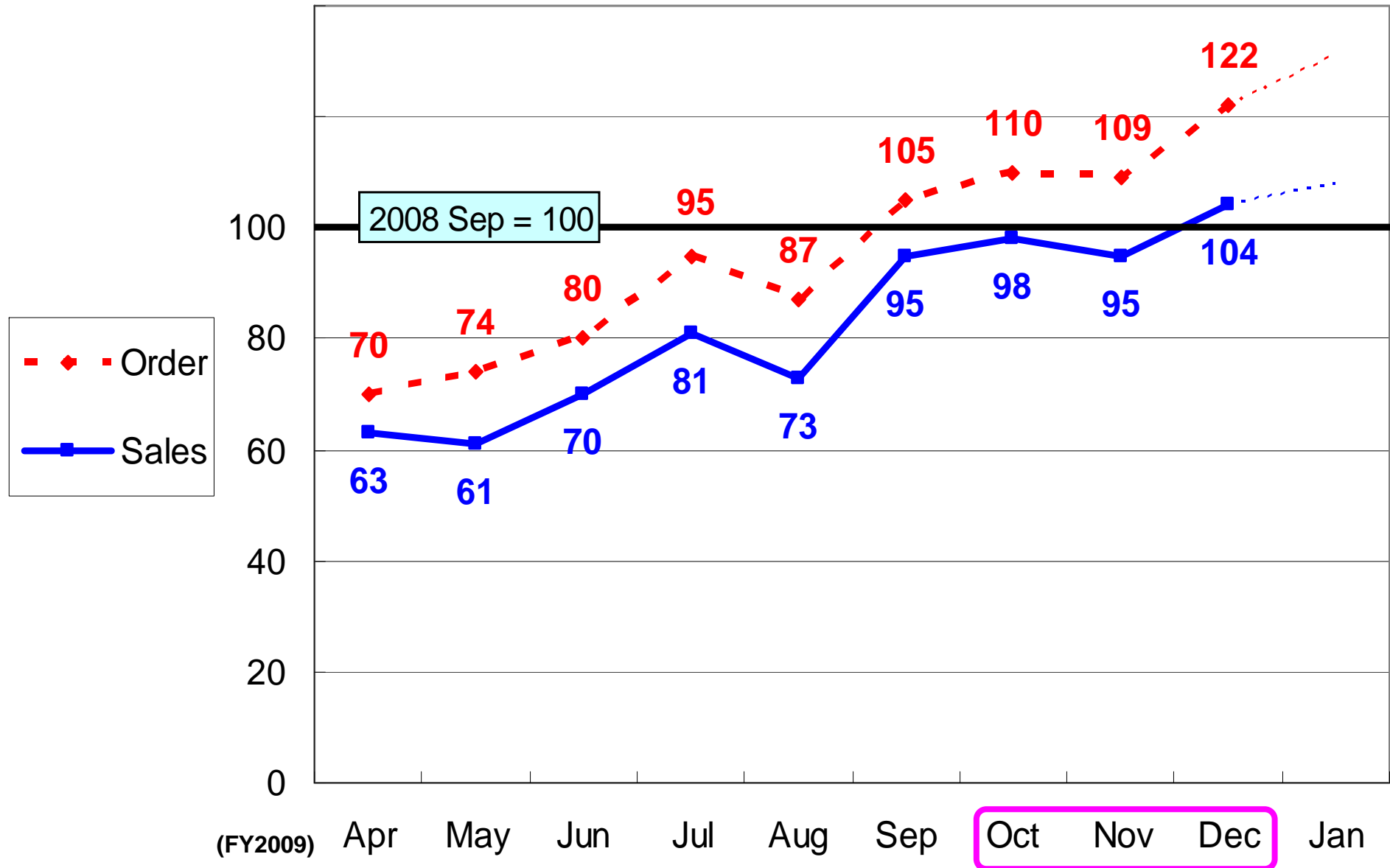
< Digital Consumer Electronic >



<Automotive>



<Associated Electric Equipment, FA Controlling Device, and Others>



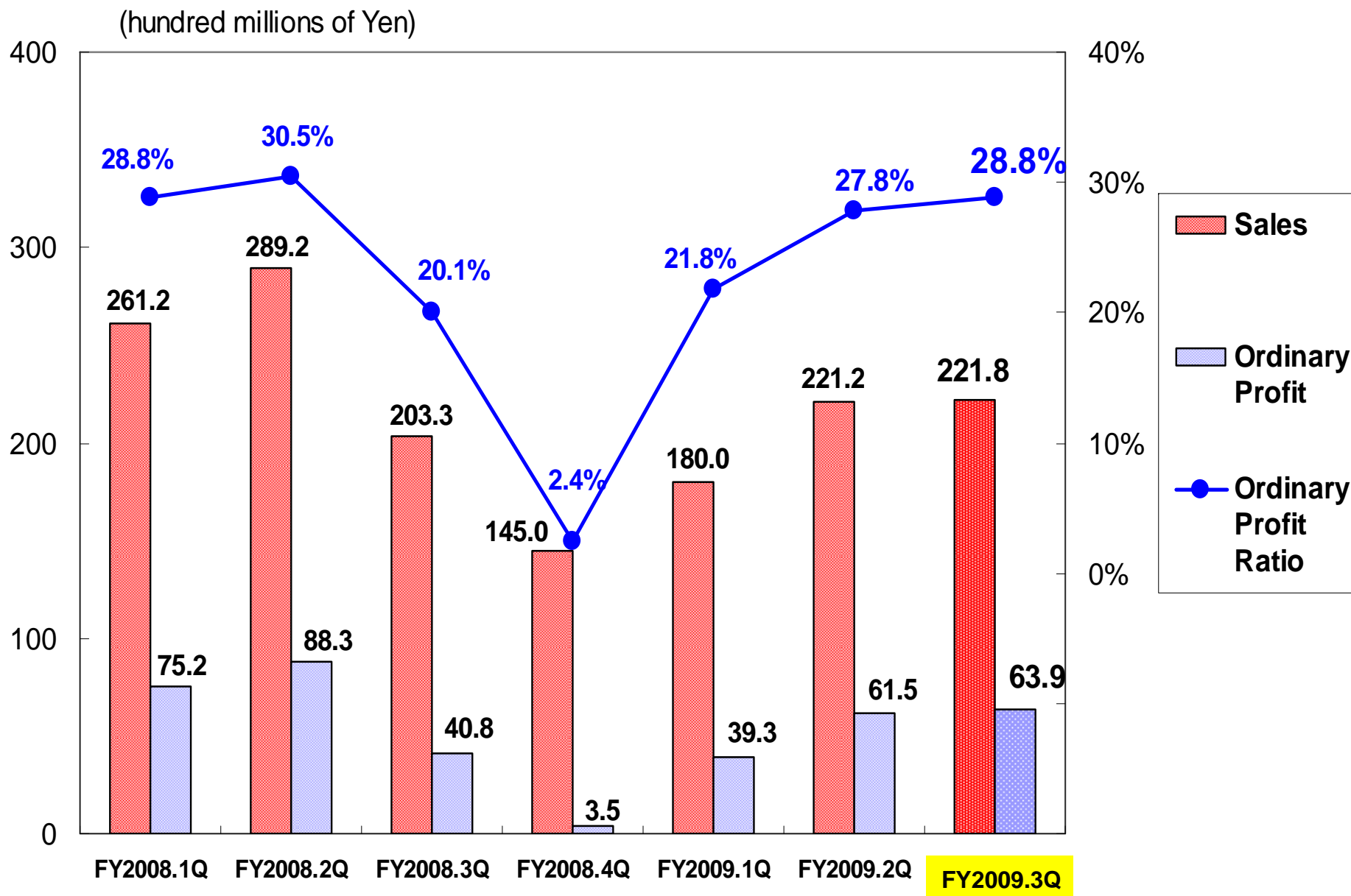
Business Results for Third Quarter, FY2009

(hundred millions of Yen)

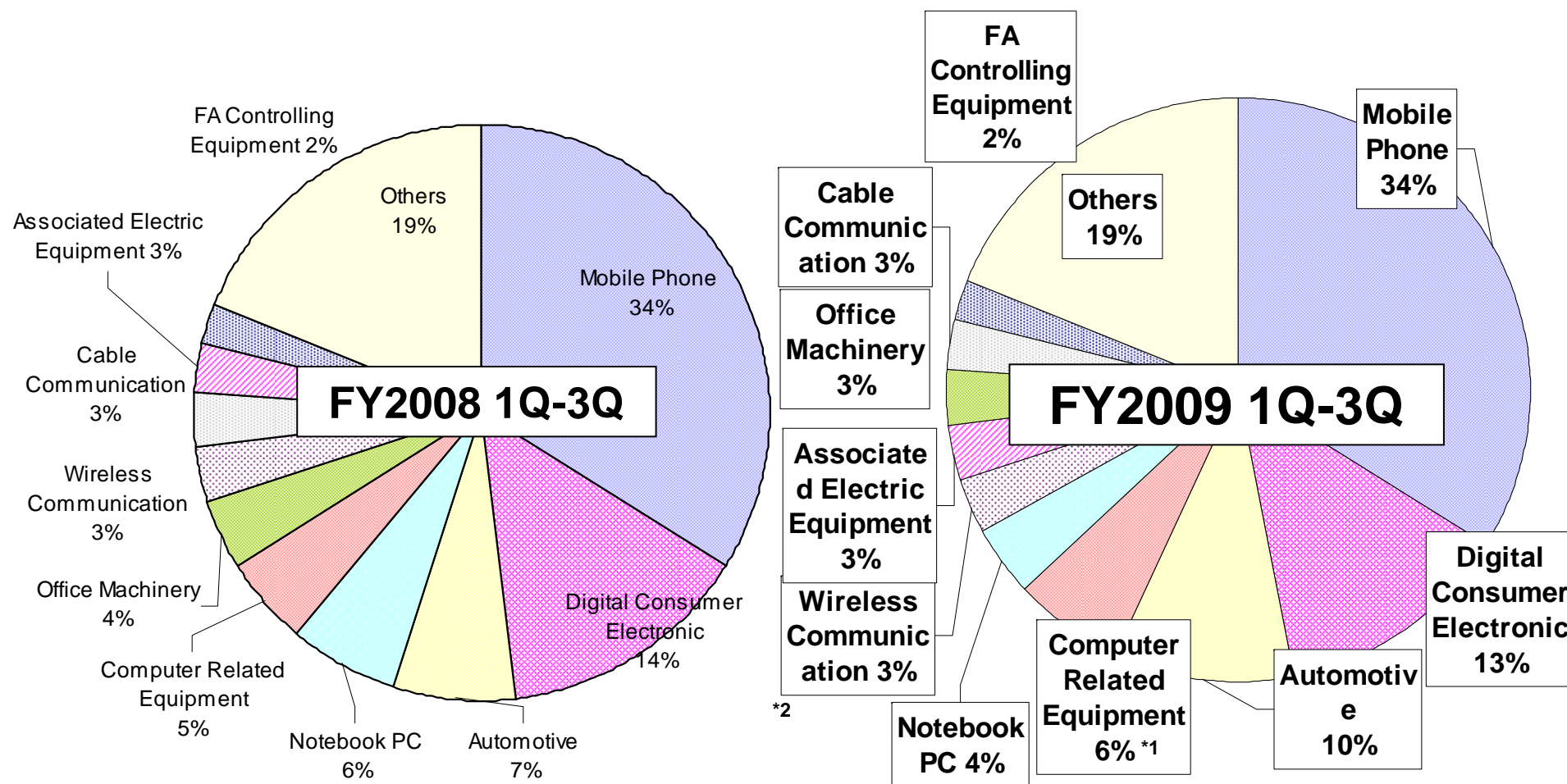
	(A) FY2008 1Q - 3Q	(B) FY2009 1Q - 3Q	(B)-(A)	(B)/(A)
Sales	753.8	623.0	-130.8	-17.4%
(COGS Ratio)	(56.7%)	(56.4%)	(-0.3%)	
(SGA Ratio)	(18.3%)	(19.4%)	(+1.1%)	
Operating Profit	188.7	150.7	-38.0	-20.1%
(%)	25.0%	24.2%	(-0.8%)	
Ordinary Profit	204.2	164.7	-39.5	-19.3%
(%)	27.1%	26.4%	(-0.7%)	
Net Profit	122.1	101.2	-20.9	-17.1%
(%)	16.2%	16.2%	(±0.0%)	
Total Assets	2,505.8	2,535.3	29.5	1.2%
Shareholders' Equity Ratio	91.3%	92.2%		
Income Per Share	325.48Yen	276.68Yen		

Major Changes over prior same period (unit: hundred millions of Yen)		
[Sales]	130.8 decrease	
	Foreign	
Hirose	Subsidiaries	HST
-145.5	+1.3	+13.4
[COGS Ratio]	0.3 point decrease	
Purchase Cost Ratio	42.1% --> 42.0%	
Depreciation Ratio	8.4% --> 7.6%	
[SGA Ratio]	1.1 point increase	
Successful in 16.9 reduction, but increase due to significant sales decrease		
[Non-Operating Expenses]		
Equity Method Profit	1.1-->4.3	
Interest Received & Dividend	12.5-->9.1	

Sales and Profits by Quarter



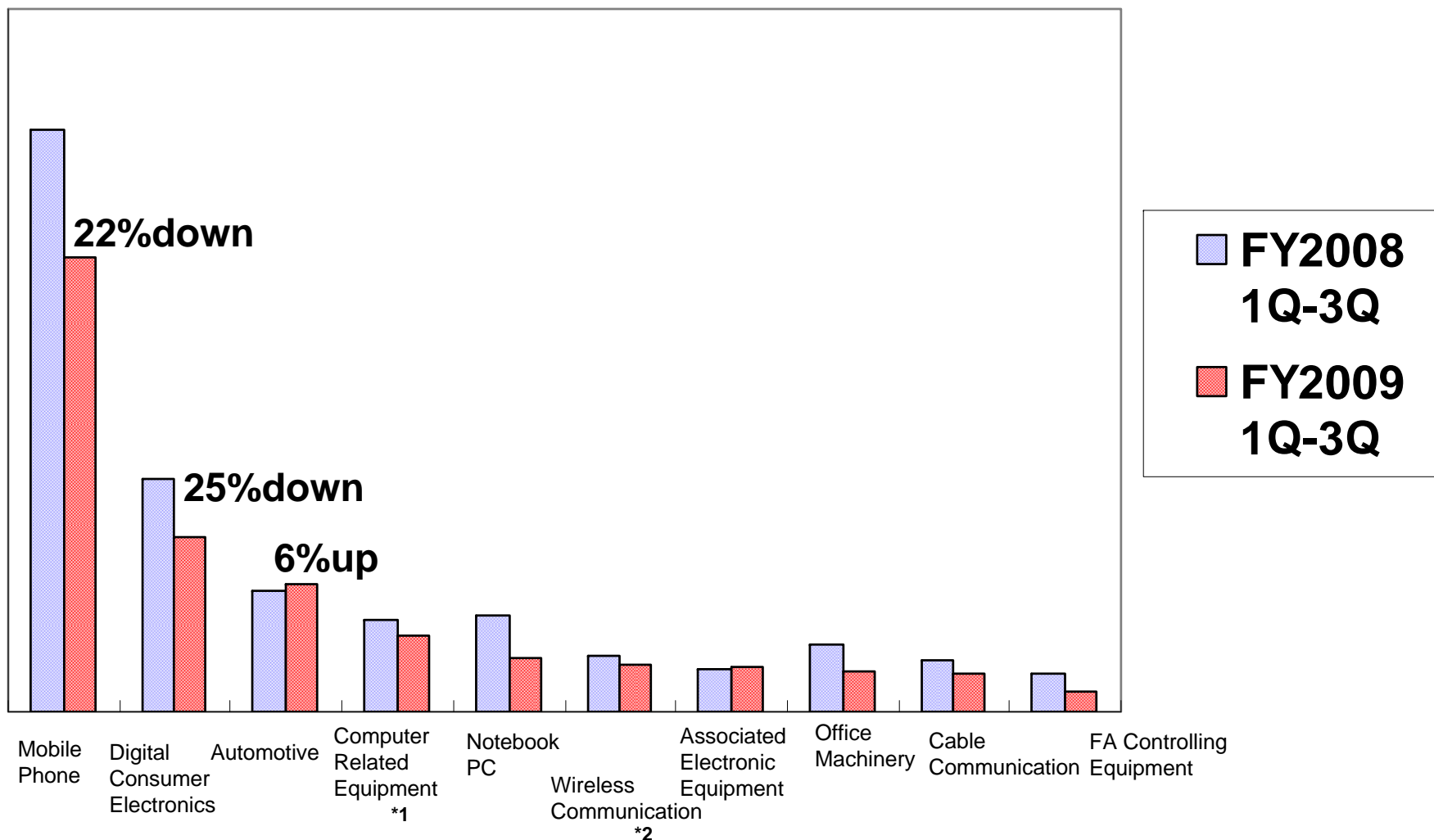
Sales by Markets (round number)



*1 Computer Related Equipment – Notebook PC not included.
 *2 Wireless Communication - Mobile Phone not included.

Please be noted that as this is in round number, some ratio difference may occur. Thank you for your understanding.

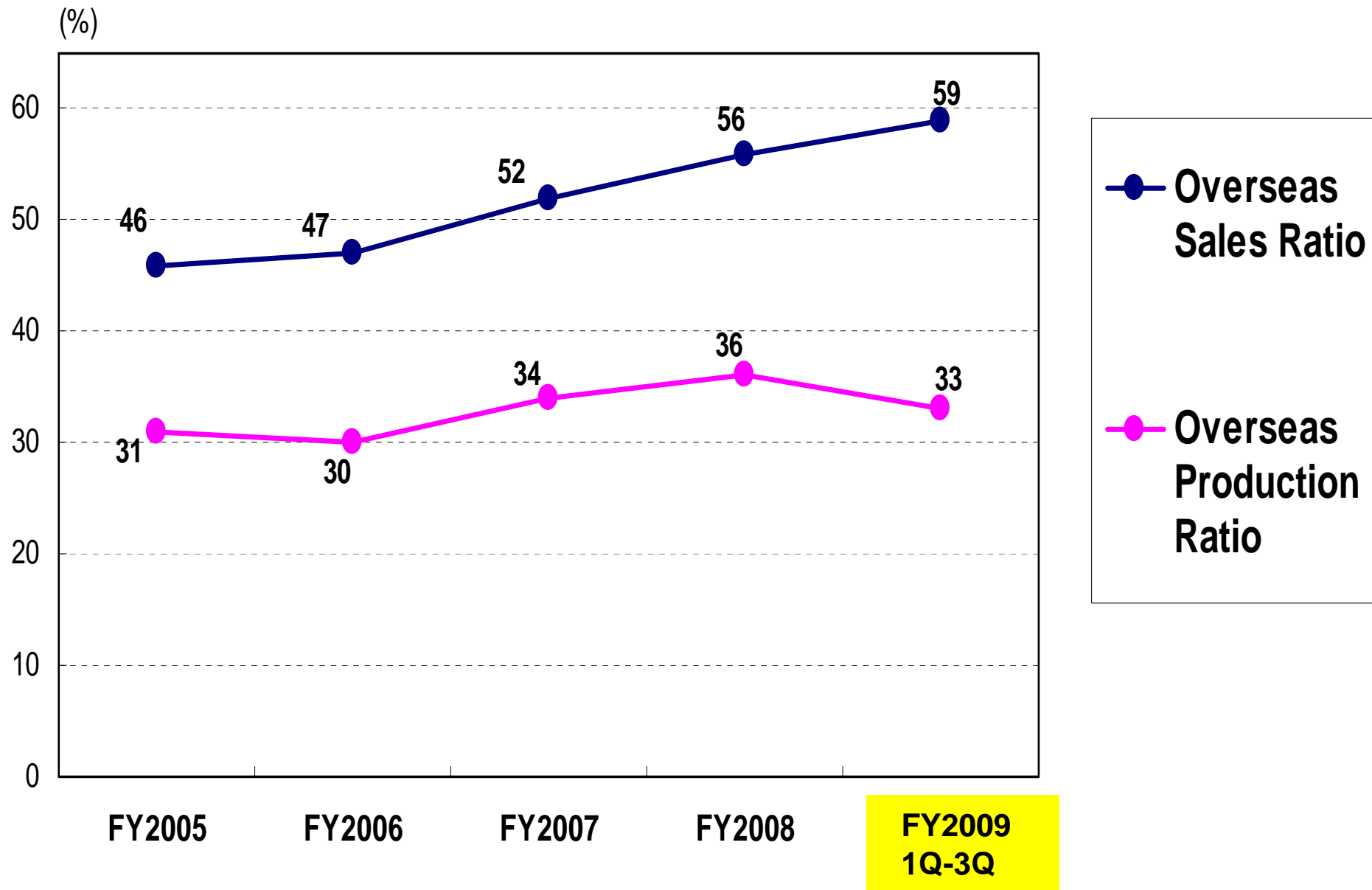
Sales Changes by Markets (in round numbers)



Please be noted that as this is in round number, some ratio difference may occur. Thank you for your understanding.

*1 Computer Related Equipment – Notebook PC not included.
 *2 Wireless Communication - Mobile Phone not included.

Overseas Production and Sales Ratio



Changes in Consolidated Balance Sheet

(hundred millions of Yen)

Account	(A) Mar 31, 2009	(B) Dec 31, 2009	(B)-(A)	Remarks
Cash and Cash in Bank	1,177.3	1,146.1	-31.2	Dividend, share buybacks, etc.
Trade Receivables	186.9	241.7	54.8	Increase in Sales (FY2008 4Q 145.0 -->FY2009 2Q 221.8)
Inventories	56.2	62.5	6.3	Increase in Sales and Production
Investment Securities	548.1	623.2	75.1	Increase in Corporate Bond
Others	483.5	461.8	-21.7	
Total Assets	2,452.0	2,535.3	83.3	

Changes in Consolidated Balance Sheet

(hundred millions of Yen)

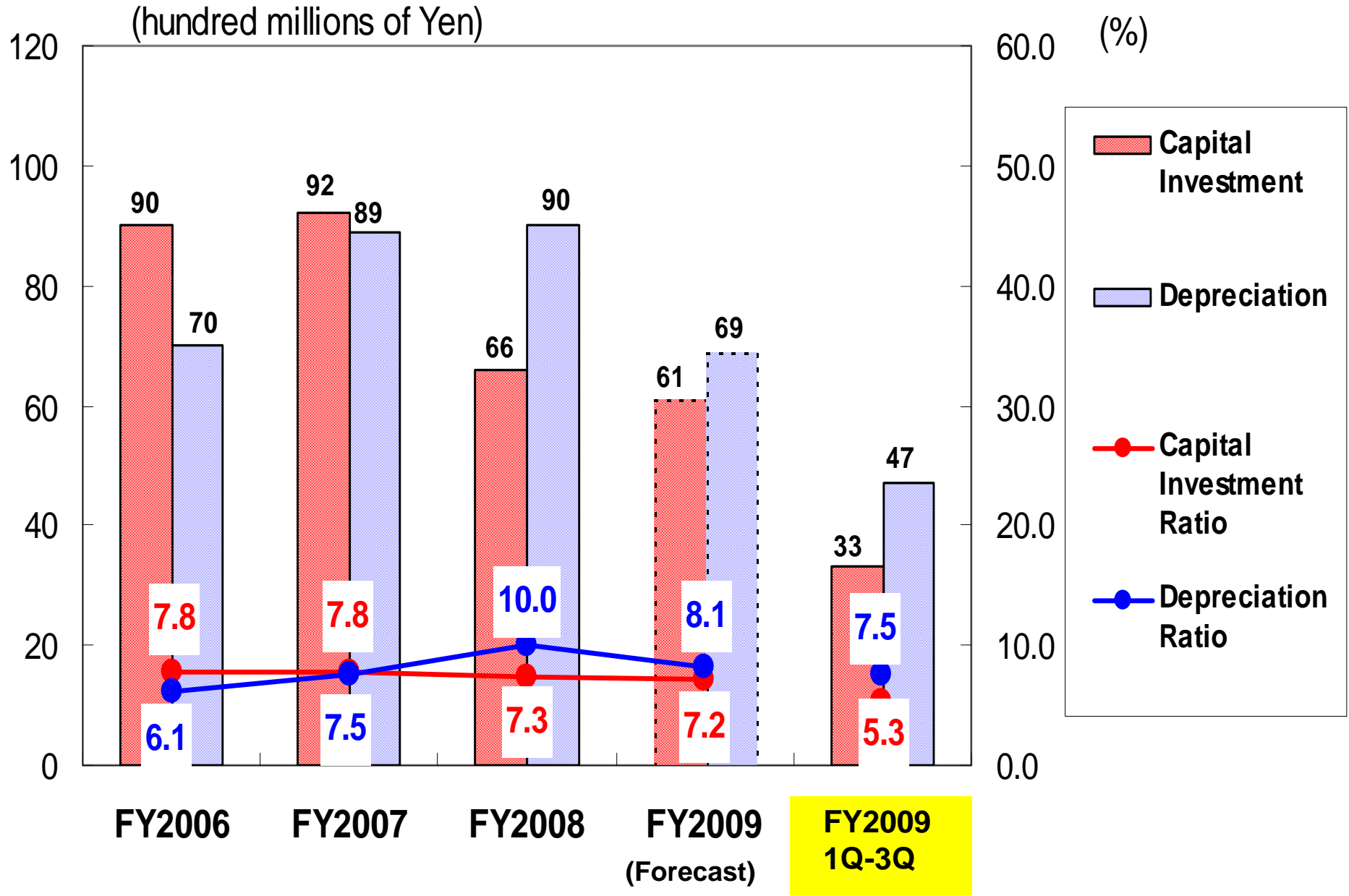
Account	(A) Mar 31, 2009	(B) Dec 31, 2009	(B)-(A)	Remarks
Notes Payable and Accounts Payables	68.0	112.9	44.9	Purchase increase due to production increase
Income Tax Payables, etc.	25.9	27.7	1.8	
Others	56.0	54.4	-1.6	
Total Liabilities	149.9	195.0	45.1	
Retained Earnings	2,460.4	2,521.1	60.7	Net Income 101.2 - Dividend 40.2
Treasury Stocks	-365.3	-395.3	-30.0	Share buyback
Valuation Variance	19.0	24.6	5.6	Stock Price Risen
Translation Adjustment	-50.4	-48.5	1.9	
Others	238.4	238.4	0.0	
Total Shareholders' Equity	2,302.1	2,340.3	38.2	
Total Liabilities and Shareholders's Equity	2,452.0	2,535.3	83.3	

Cash Flow

(hundred millions of Yen)

	(A) FY2008 3Q	(B) FY2009 3Q	Main Changes of 3Q
Cash Flows from Operating Activities	167.8	148.9	Pre-Tax Net Income 163.1 Depreciation 59.7 Corporation Tax -53.3 Notes and accounts receivables decrease -51.2
Cash Flows from Investing Activities	-163.8	-109.6	Increase of time deposit over 3 months period 7.9 Redemption of investment securities 150.0 Acquisition of tangible fixed assets -43.3 Acquisition of investment securities -222.4
Cash Flows from Financing Activities	-159.5	-69.8	Dividend payment -39.7 Share buyback acquisition -30.1
Effect of Exchange Rate Change	-16.8	-1.2	
Decrease in Cash and Cash Equivalents	-172.3	-31.7	
Cash and Cash Equivalents, Beginning Balance	602.5	537.6	
Beginning Balance Adjustment due to Changes in Criteria of Consolidation	-	4.1	Due to newly consolidated HST
Cash and Cash Equivalents, Ending Balance	430.2	510.1	

Capital Investment and Depreciation Changes (Domestic Consolidated Basis)



Business Forecast of the Year Ended March 31, 2010



	FY2008 (Actual)			FY2009 (Forecast)			First Half Over the Previous Actual Amount		Second Half Over the Previous Actual Amount		For the Year Over the Previous Actual Amount	
	First Half	Second Half	For the Year	First Half	Second Half	For the Year	Amount Change	% Change	Amount Change	% Change	Amount Change	% Change
Sales (COGS Ratio)	550.4 (55.4%)	348.3 (64.7%)	898.7 (59.1%)	401.2 (57.2%)	448.8 (59.1%)	850.0 (58.2%)	-149.2	-27.1%	100.5	28.9%	-48.7	-5.4%
Operating Profit (%)	151.3 27.5%	40.4 11.6%	191.7 21.3%	90.4 22.5%	99.6 22.2%	190.0 22.4%	-60.9	-40.3%	59.2	146.5%	-1.7	-0.9%
Ordinary Profit (%)	163.5 29.7%	44.3 12.7%	207.8 23.1%	100.8 25.1%	109.2 24.3%	210.0 24.7%	-62.7	-38.3%	64.9	146.5%	2.2	1.1%
Net Profit (%)	96.9 17.6%	36.2 10.4%	133.1 14.8%	61.5 15.3%	63.5 14.1%	125.0 14.7%	-35.4	-36.5%	27.3	75.4%	-8.1	-6.1%
Income Per Share	-	-	356.57Yen	-	-	343.13Yen	Unchanged from the previously announced data of Nov. 2009.					
Dividend Per Share	80Yen	50Yen	130Yen	60Yen	60Yen	120Yen						
Dividend Payout Ratio	-	-	36.5%	-	-	35.0%						