

Business Results for First Quarter, FY2013

Creative Links to World Electronic

Aug 1st, 2013

**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 1Q FY2013

[FY2012]

• 1Q : Except for the Korean company with strong orders, order level is low in Smartphone/Mobile market. On the other hand, Automotive continues to maintain the high level order.

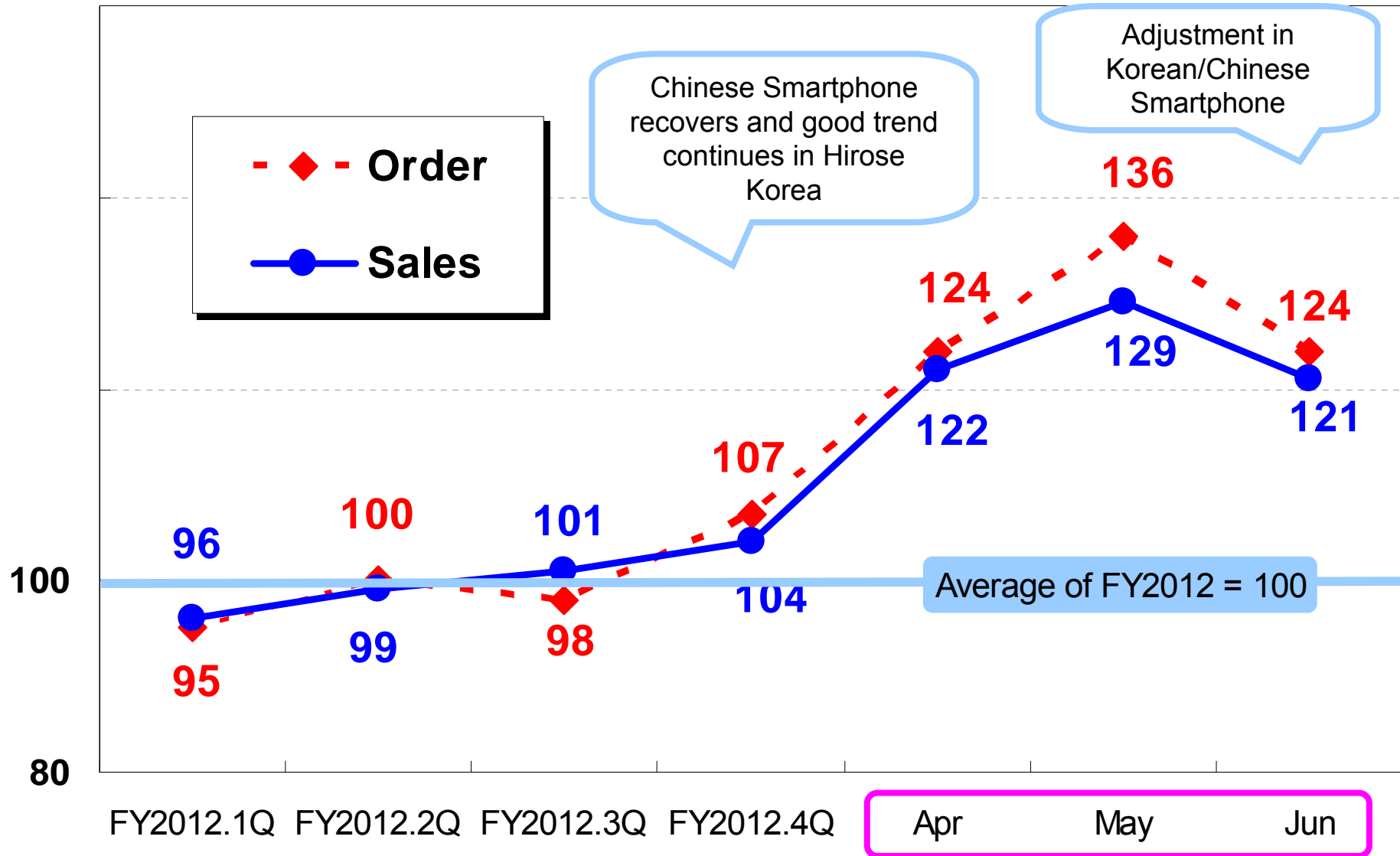
• 4Q : Sluggish Industrial market gradually shows a sign of recovery. In the Smartphone/Mobile market order, Korean market continues the good trend, and Chinese market has recovered in February. Automotive market grew steadily.

[1Q FY2013]

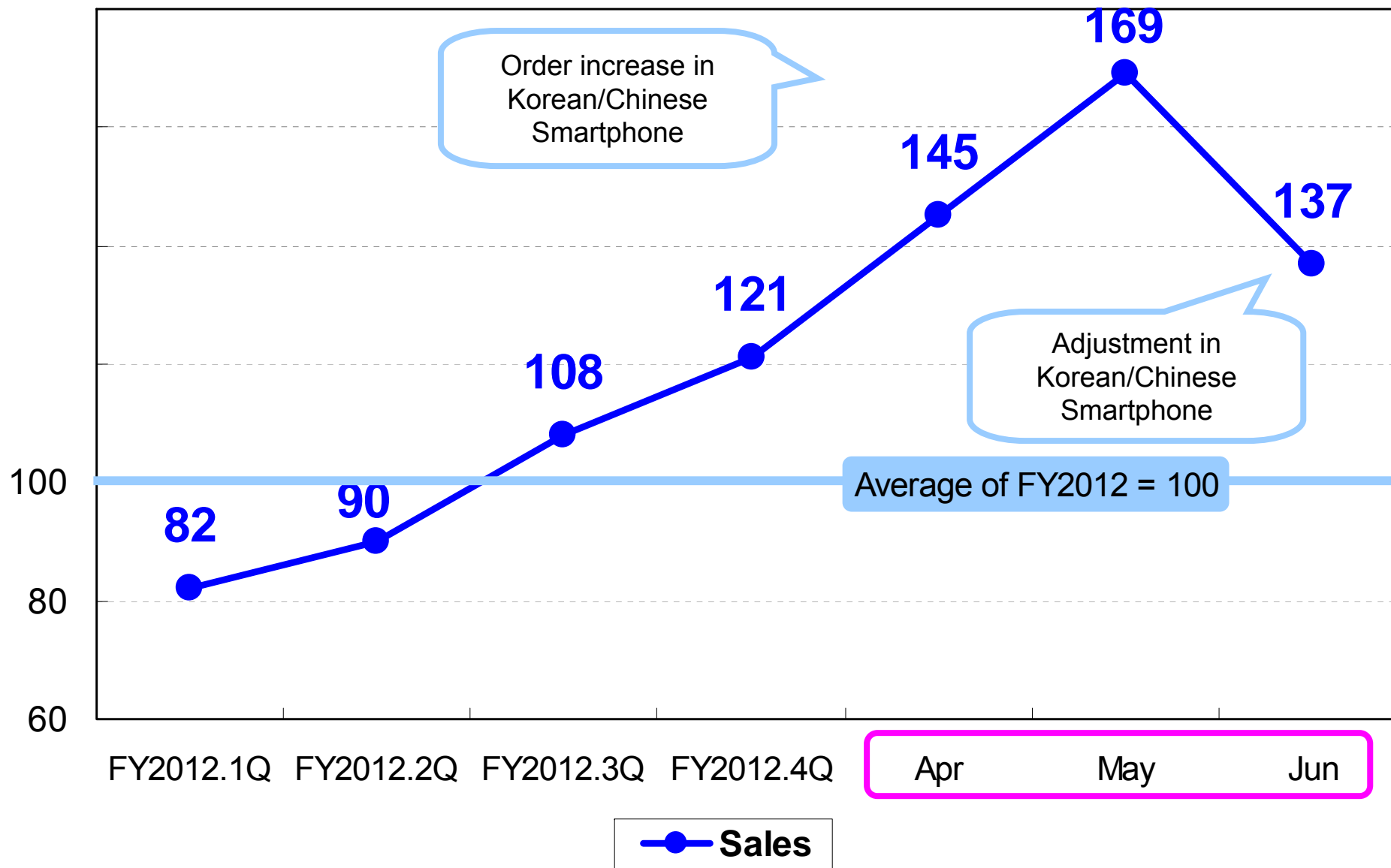
• **Good trend in Korean and Chinese Smartphone/Mobile market and Automotive market. And although the trend is not strong, Industrial market shows a sign of recovery.**

• **1Q FY2013 results settled on**
Order : 311.2 hundred million yen (32.9% YoY, 20.0% over 4Q FY2012)
Sales: 297.2 hundred million yen (28.7% YoY, 19.2% over 4Q FY2012)
Recurring Profit: 87.1 hundred million yen (Ratio 29.3%, 51.3%YoY, 68.2% over 4Q FY2012)

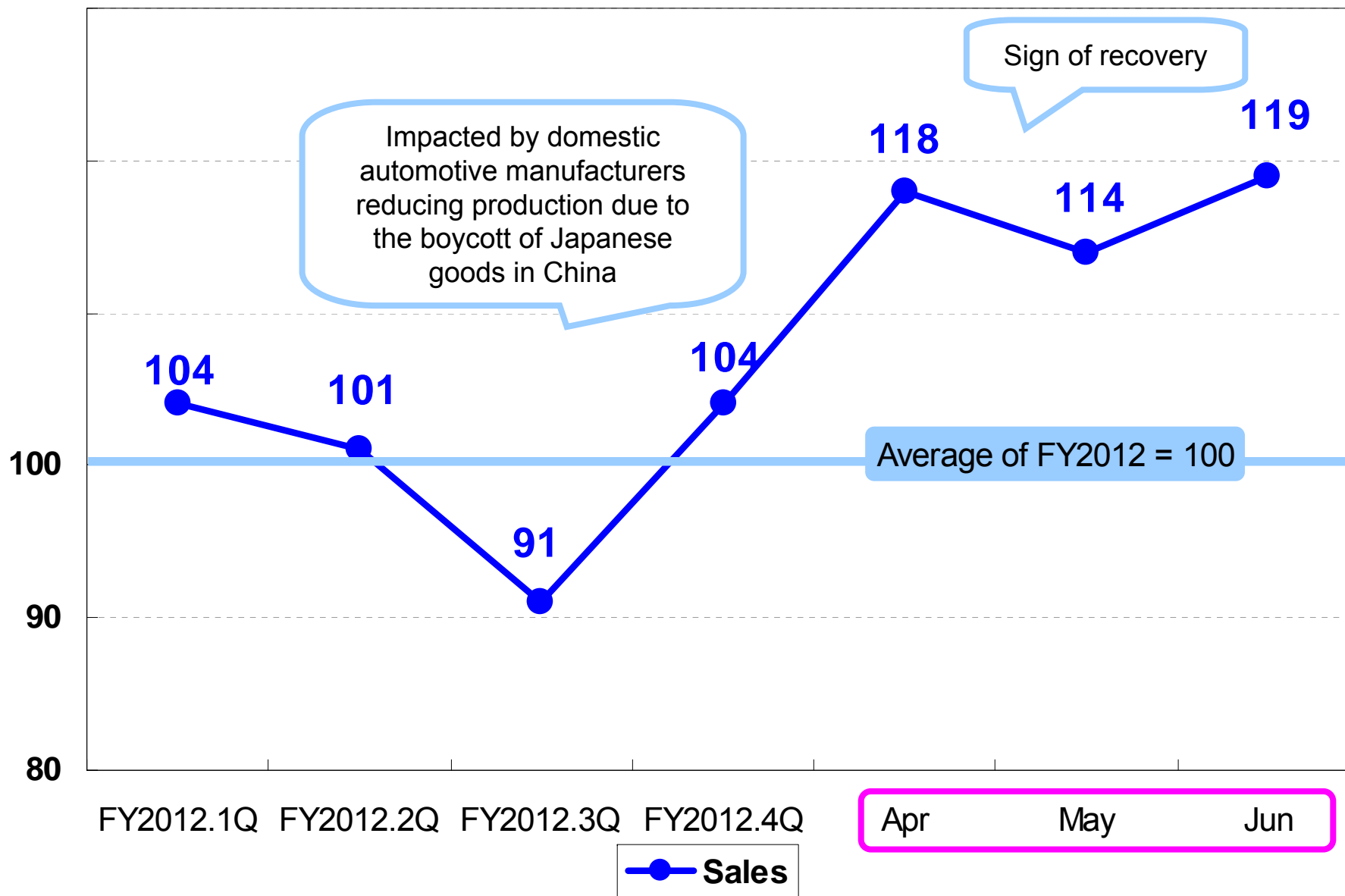
All Connectors



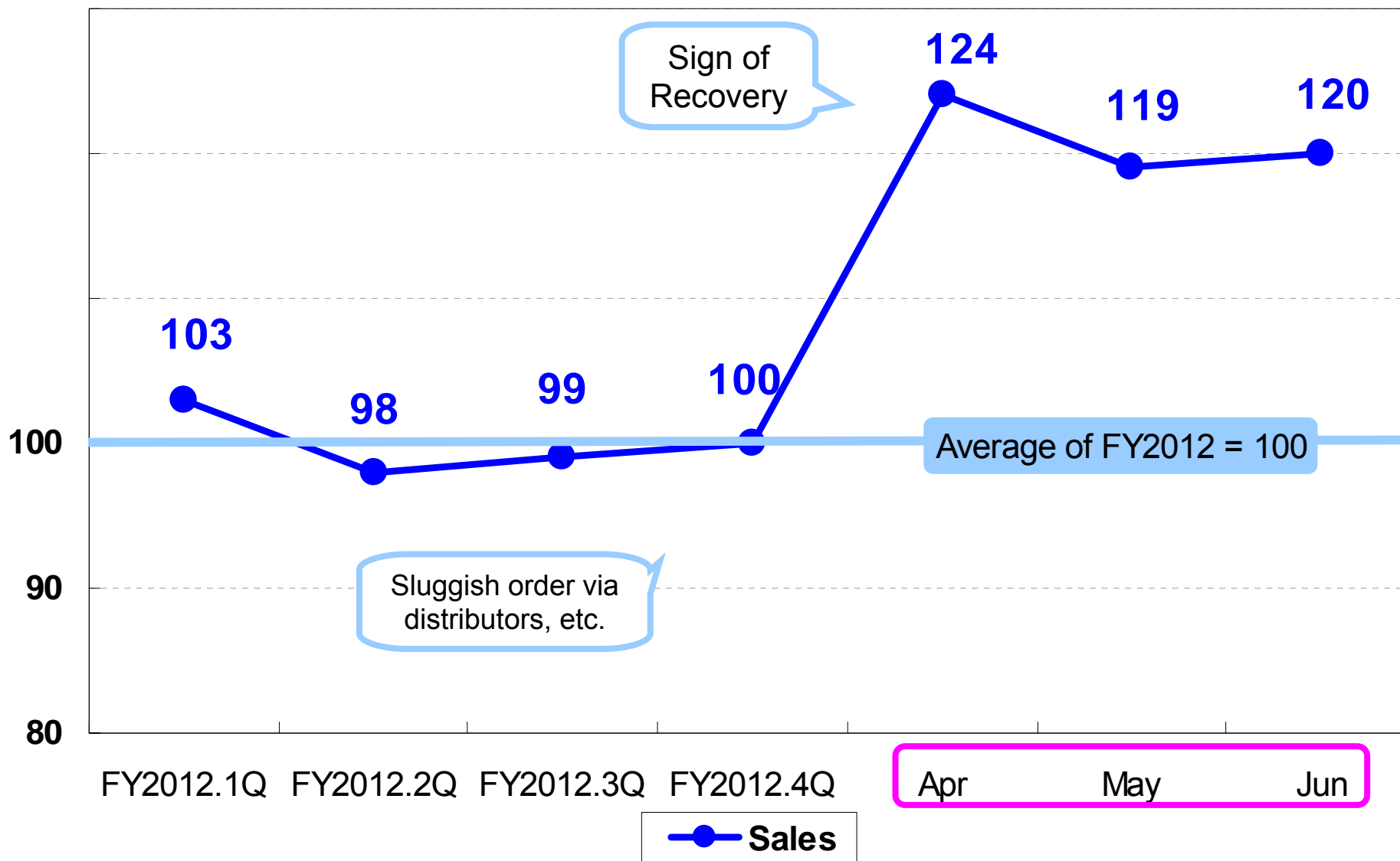
Smartphone / Mobile Phone



Automotive



**Associated Electric Equipment,
FA Controlling Device, and Others**



Business Results for 1Q, FY2012

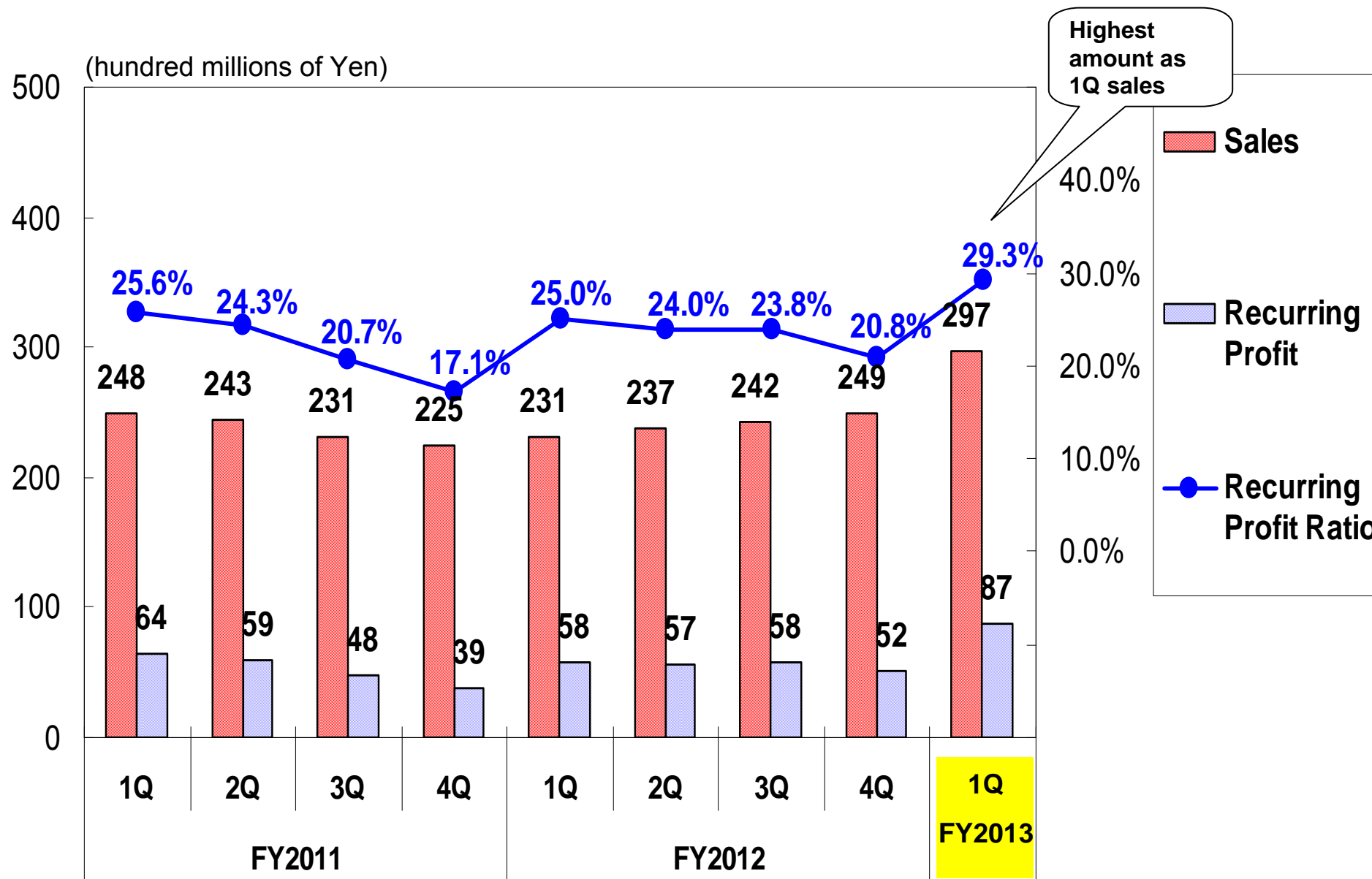
(hundred millions of Yen)

	(A)FY2012 1Q	(B)FY2013 1Q	(B)-(A)	(B)/(A)
Sales (COGS Ratio) (SGA Ratio)	230.9 (56.7%) (19.8%)	297.2 (54.8%) (18.0%)	66.3 (-1.9%) (-1.8%)	28.7%
Operating Profit (%)	54.2 23.5%	80.9 27.2%	26.7 (+3.7%)	49.3%
Recurring Profit (%)	57.6 25.0%	87.1 29.3%	29.5 (+4.3%)	51.3%
Net Profit (%)	33.8 14.7%	54.0 18.2%	20.2 (+3.6%)	59.7%
Total Assets	2,615.6	2,854.8	239.2	9.1%
Shareholders' Equity Ratio	90.3%	89.4%		
Income Per Share	97.8Yen	156.6Yen		

Major Changes over prior same period (unit:hundred millions of Yen)	
[Sales]	66.3 increase
Hirose Japan	Subsidiaries
+29.1	+37.2
[COGS Ratio]	1.9 point decrease
Purchase Cost Ratio	42.5% → 40.7%
[SGA Ratio]	1.8 point decrease
Ratio improvement	due to sales increase
[Non-Operating Expenses and Loss]	
Foreign Exchange Gain/Loss	-0.1 → +1.8

Exchange Rate:US\$	80.20Yen	98.76Yen
Exchange Rate:€	102.91Yen	128.95Yen
Exchange Rate:100Won	6.97Yen	8.81Yen

Sales and Profit by Quarter



Changes in Consolidated Balance Sheet

(hundred millions of Yen)

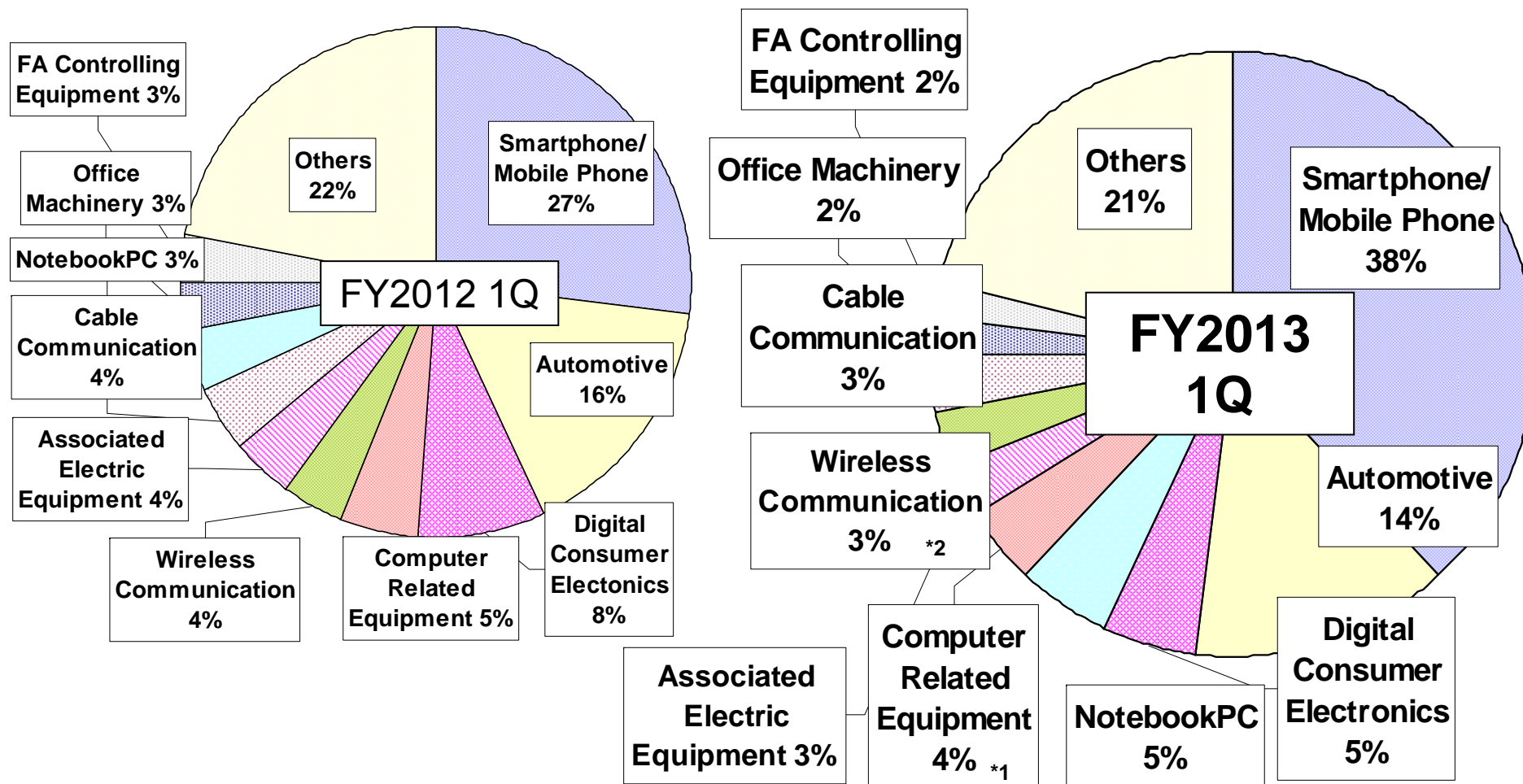
Account	(A) Mar 31, 2013	(B) Jun 30, 2013	(B) - (A)	Remark
Cash and Cash in Bank	1,157.0	1,162.5	5.5	Increase in overseas subsidiaries, etc.
Trade Receivables	241.9	271.8	29.9	Increase due to sales increase
Inventories	79.1	84.3	5.2	
Noncurrent Assets	322.1	339.9	17.8	Increase in machinery, equipment, and metal molds, etc.
Investment Securities	602.2	614.0	11.8	Stocks Market Valuation, etc.
Others	376.5	382.3	5.8	
Total Assets	2,778.8	2,854.8	76.0	

Changes in Consolidated Balance Sheet

(hundred millions of Yen)

Account	(A) Mar 31, 2013	(B) Jun 30, 2013	(B) - (A)	Remark
Notes Payable and Account Payable	108.0	124.5	16.5	Increase due to production increase
Income Taxes Payable	38.9	42.3	3.4	
Others	111.2	130.8	19.6	Increase in Accounts payable-facilities, Deferred tax liabilities, etc.
Total Liabilities	258.1	297.6	39.5	
Retained Earnings	2,788.0	2,817.9	29.9	Net Profit 54.0 - Dividend 24.2
Treasury Stocks	-552.6	-569.0	-16.4	Share buyback on May 2013(130,000 shares),etc.
Valuation Variance	33.8	41.9	8.1	Higher stock price (Nikkei closing price:12,398yen → 13,677yen)
Translation Adjustment	7.7	22.5	14.8	Due to weak yen
Others	243.8	243.9	0.1	
Total Shareholders' Equity	2,520.7	2,557.2	36.5	
Total Liabilities & Shareholders' Equity	2,778.8	2,854.8	76.0	

Sales by Market (Round Number) [Consolidated Basis]

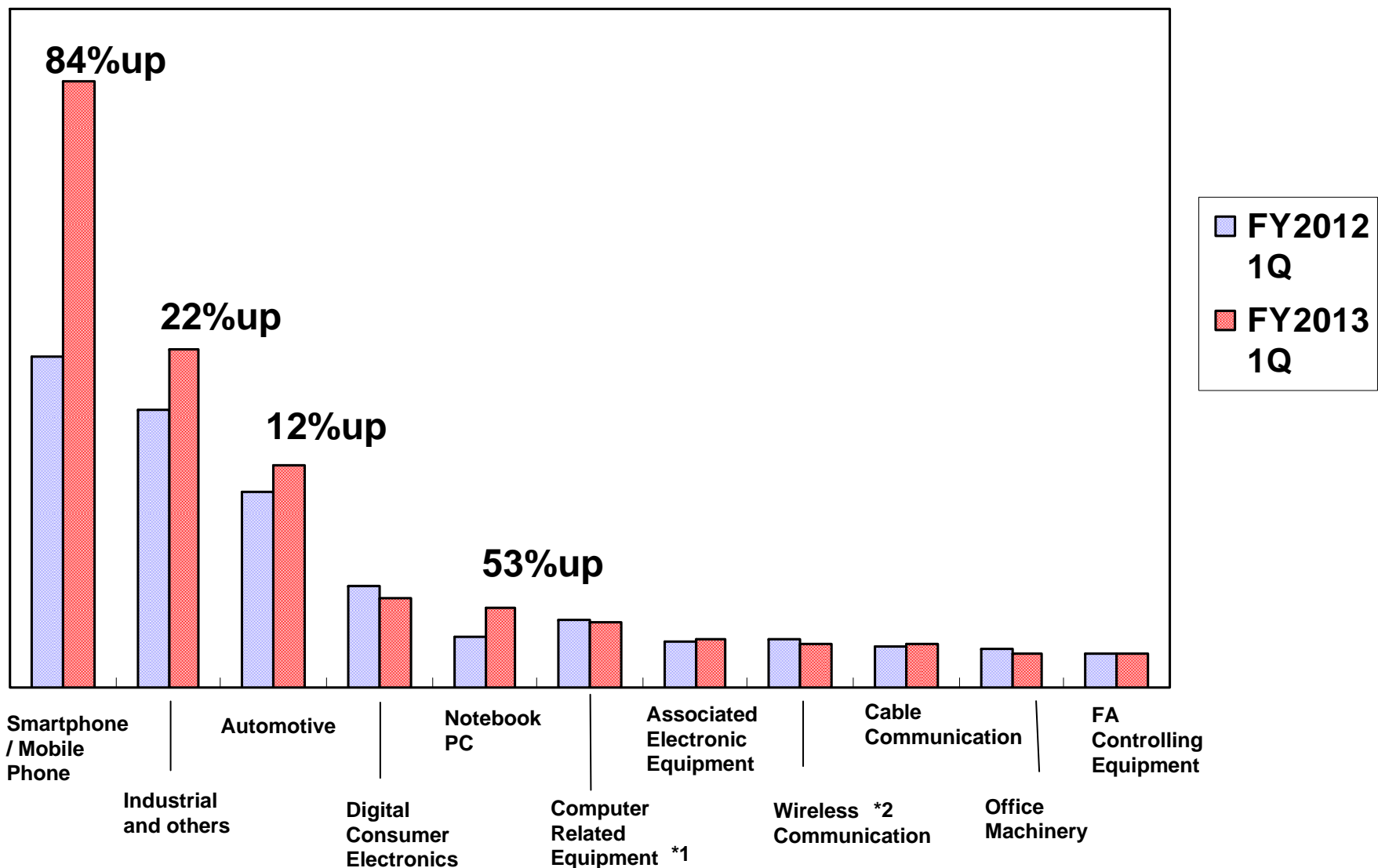


As this is in round number, please be noted that some ratio difference may occur. Thank you for your understanding.

*1 Computer Related Equipment – Notebook PC not included.

*2 Wireless Communication - Mobile Phone not included.

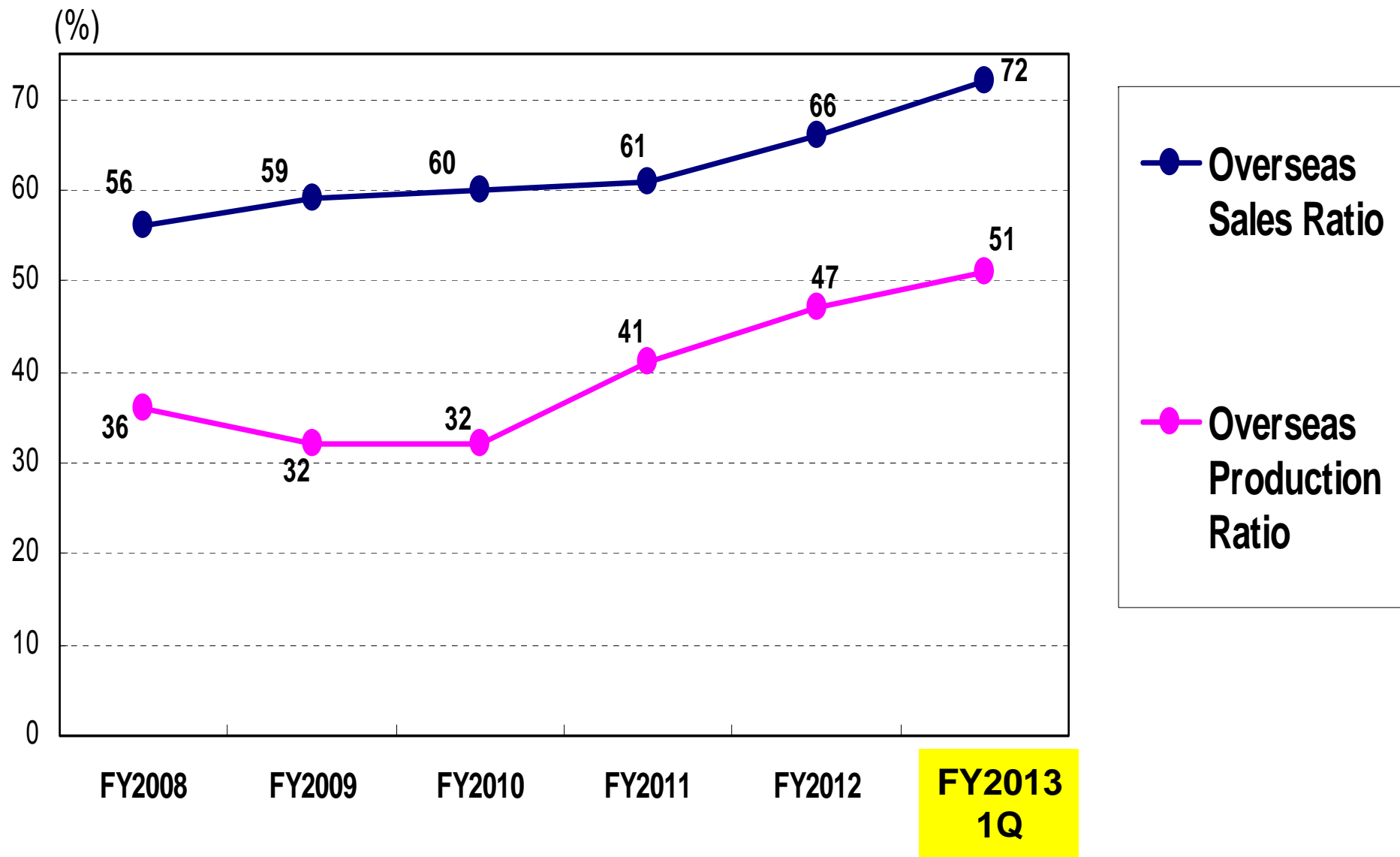
Sales Changes by Market (Round Number) [Consolidated Basis]



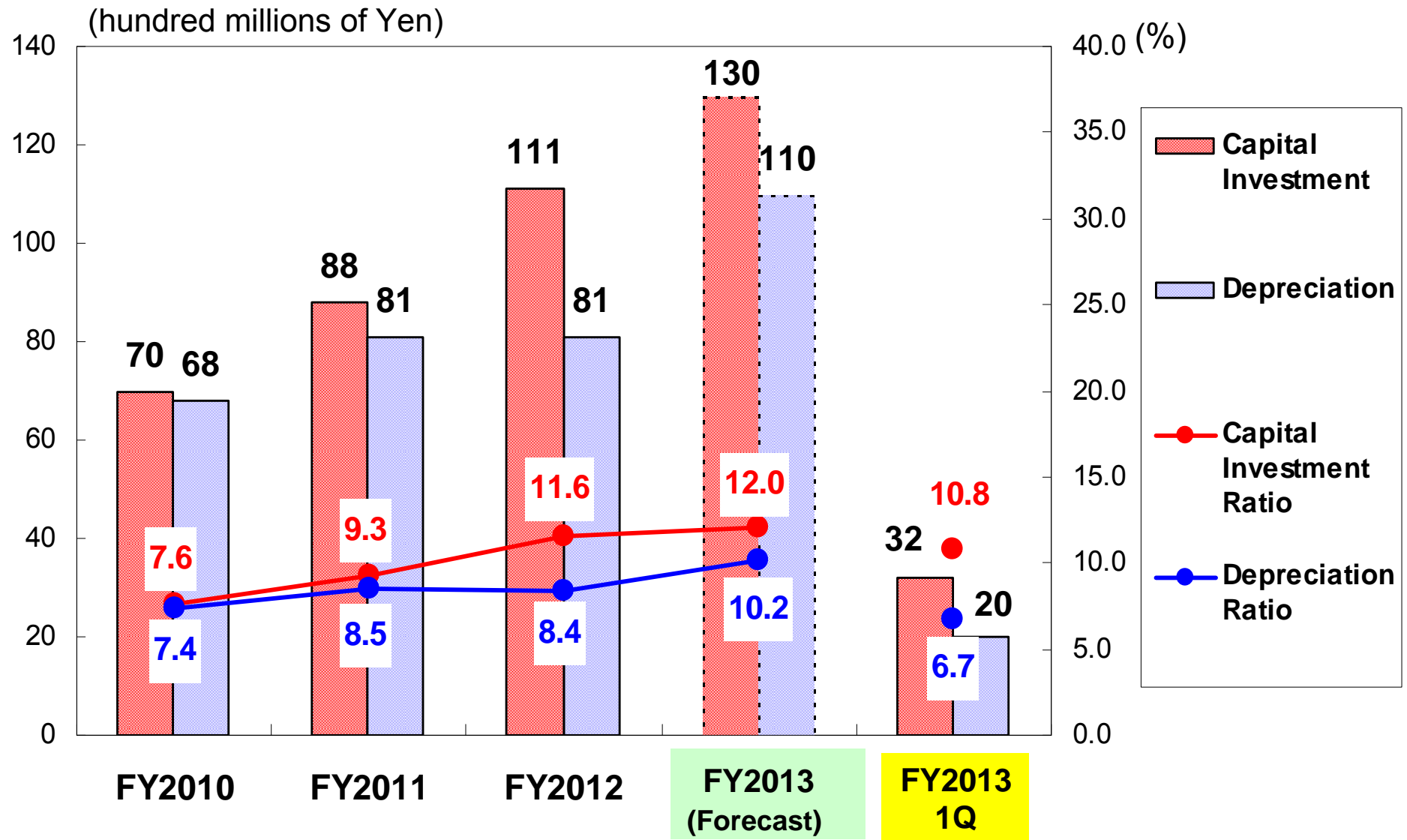
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Overseas Production and Sales Ratio



Capital Investment and Depreciation Change (Consolidated Basis)



(*Excluded: Investment in Yokohama Center building)

Business Forecast for the Year Ending March 31, 2014 (Consolidated)

- We have upwardly revised the forecast of First half business result as it is performing strongly.
- There are no changes in the forecast of Full year and dividend.

note) figures in green italics : previously announced data on May 8th

(hundred millions of Yen)

	FY2012(FY ended Mar 31,2013) Actual		FY2013 (FY ending Mar 31,2014) Forecast		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	Amount Change	%	Amount Change	%								
Sales (COGS)	467.7 (56.5%)	959.4 (57.8%)	<i>545.0</i> 580.0 (56.4%)	1,080.0 (57.4%)	112.3	24.0%	120.6	12.6%								
Operating Profit (%)	109.6 <i>23.4%</i>	209.8 <i>21.9%</i>	<i>130.0</i> 145.0 <i>25.0%</i>	250.0 <i>23.1%</i>	35.4	32.3%	40.2	19.1%								
Recurring Profit (%)	114.4 <i>24.5%</i>	223.9 <i>23.3%</i>	<i>135.0</i> 155.0 <i>26.7%</i>	265.0 <i>24.5%</i>	40.6	35.5%	41.1	18.4%								
Net Profit (%)	68.0 <i>14.5%</i>	135.0 <i>14.1%</i>	<i>85.0</i> 95.0 <i>16.4%</i>	170.0 <i>15.7%</i>	27.0	39.6%	35.0	25.9%								
Income Per Share	-	390.48Yen	-	493.67Yen	<table border="1"> <tr> <td></td> <td>On and After FY2013 2Q</td> </tr> <tr> <td>Exchange Rate: US\$</td> <td>95.00Yen</td> </tr> <tr> <td>Exchange Rate: €</td> <td>130.00Yen</td> </tr> <tr> <td>Exchange Rate: 100Won</td> <td>8.7Yen</td> </tr> </table>					On and After FY2013 2Q	Exchange Rate: US\$	95.00Yen	Exchange Rate: €	130.00Yen	Exchange Rate: 100Won	8.7Yen
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Exchange Rate: US\$	95.00Yen															
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Exchange Rate: 100Won	8.7Yen															
Dividend Per Share	70Yen	140Yen	80Yen	160Yen												
Consolidated Dividend Payout Ratio	-	35.9%	-	32.4%												