

**Business Results for the year ended
March 31,2010**

Creative Links to World Electronic

May 14th 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 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 have both increased significantly YoY. 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.

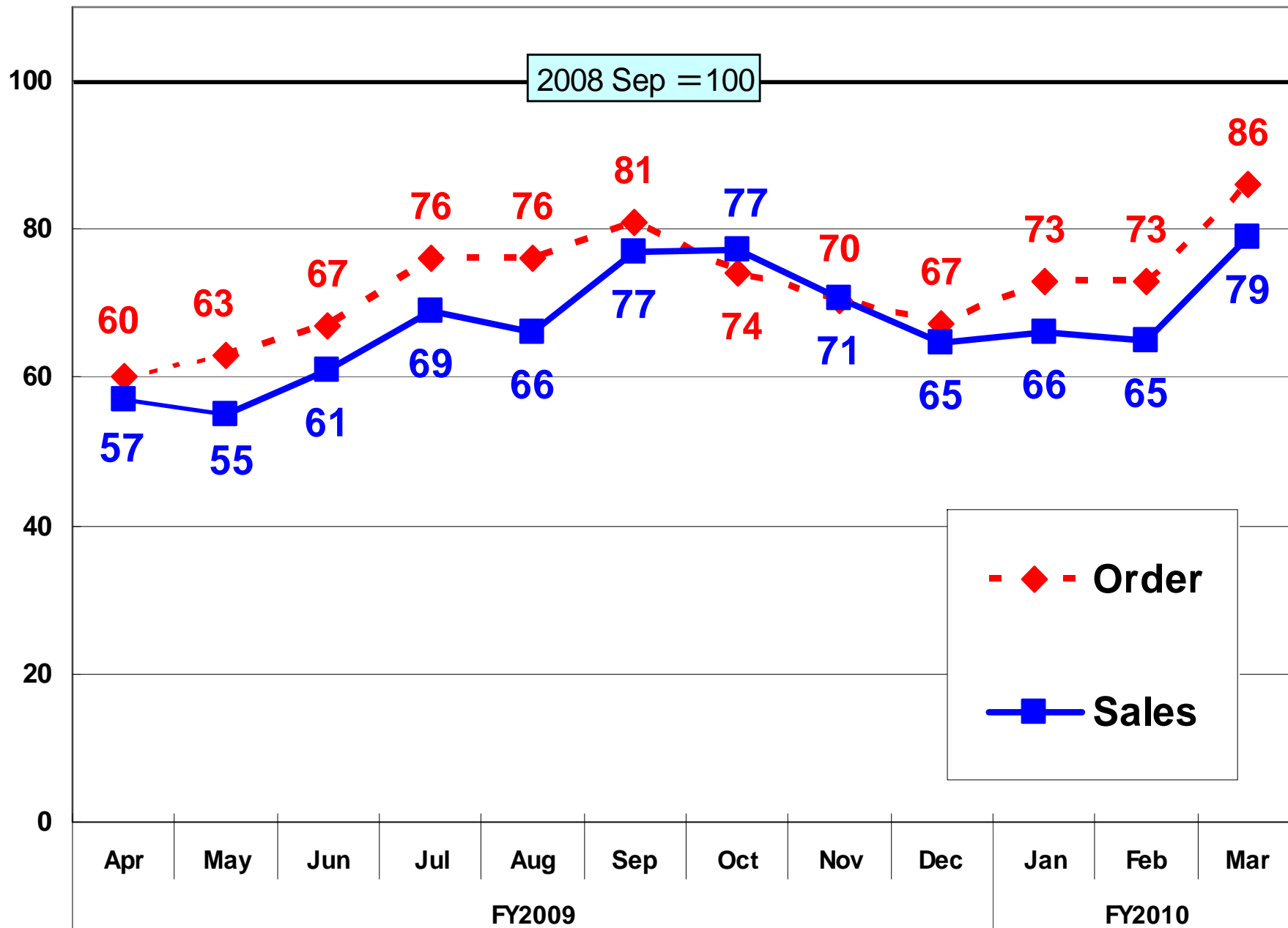
[4Q FY2009]

• Automotive and industrial are continuously increasing steadily. Mobile also increasing, especially connectors for China. We recorded an annual peak in March, both in order and sales.

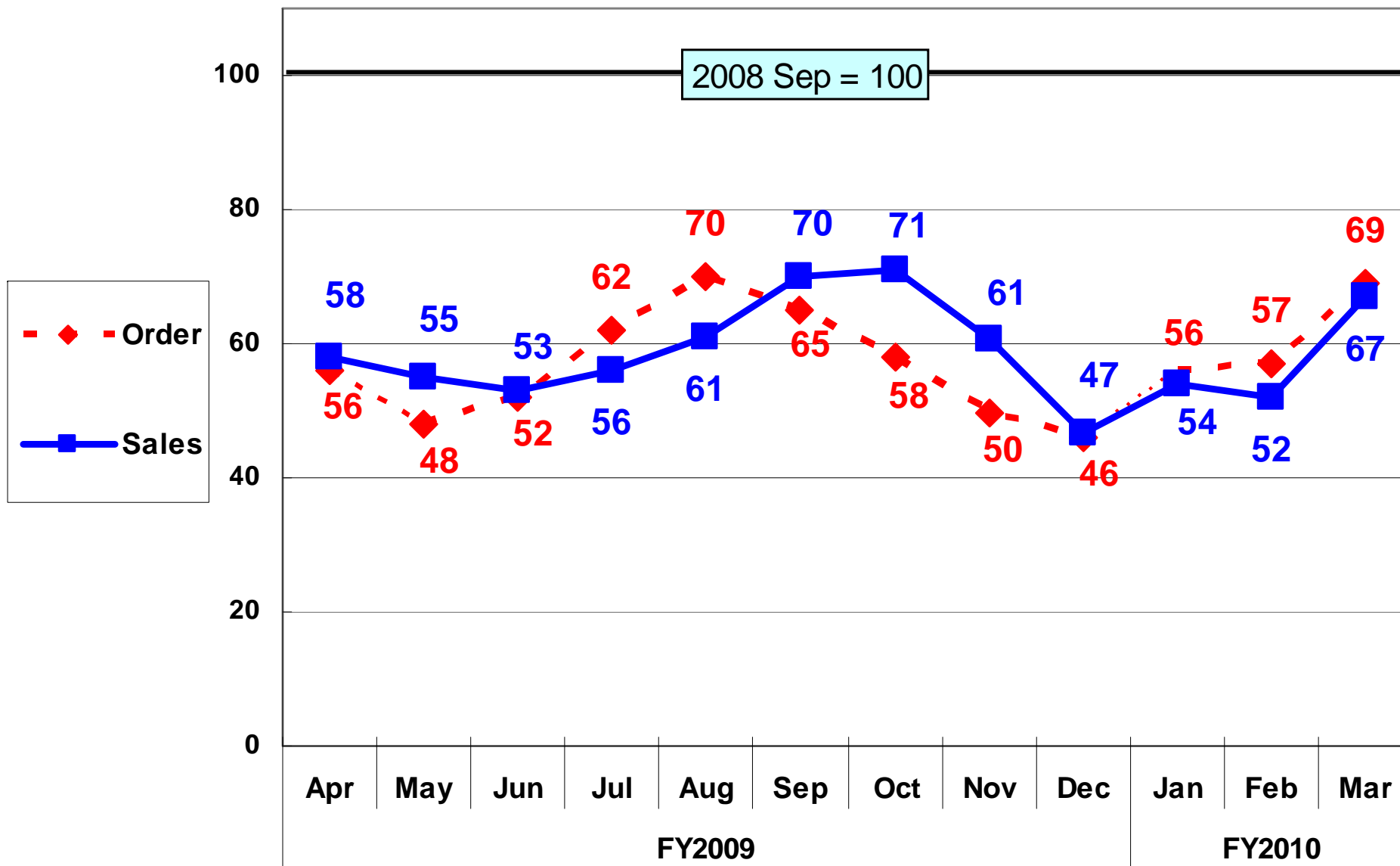
[FY2009 Annual Total]

- **FY2009 Annual Total** -Order 872.1 hundred million yen (0.9% YOY)
-Sales 844.7 hundred million yen (-6.0% YOY)
-Recurring Profit 220.0 hundred million yen (5.9% YOY)

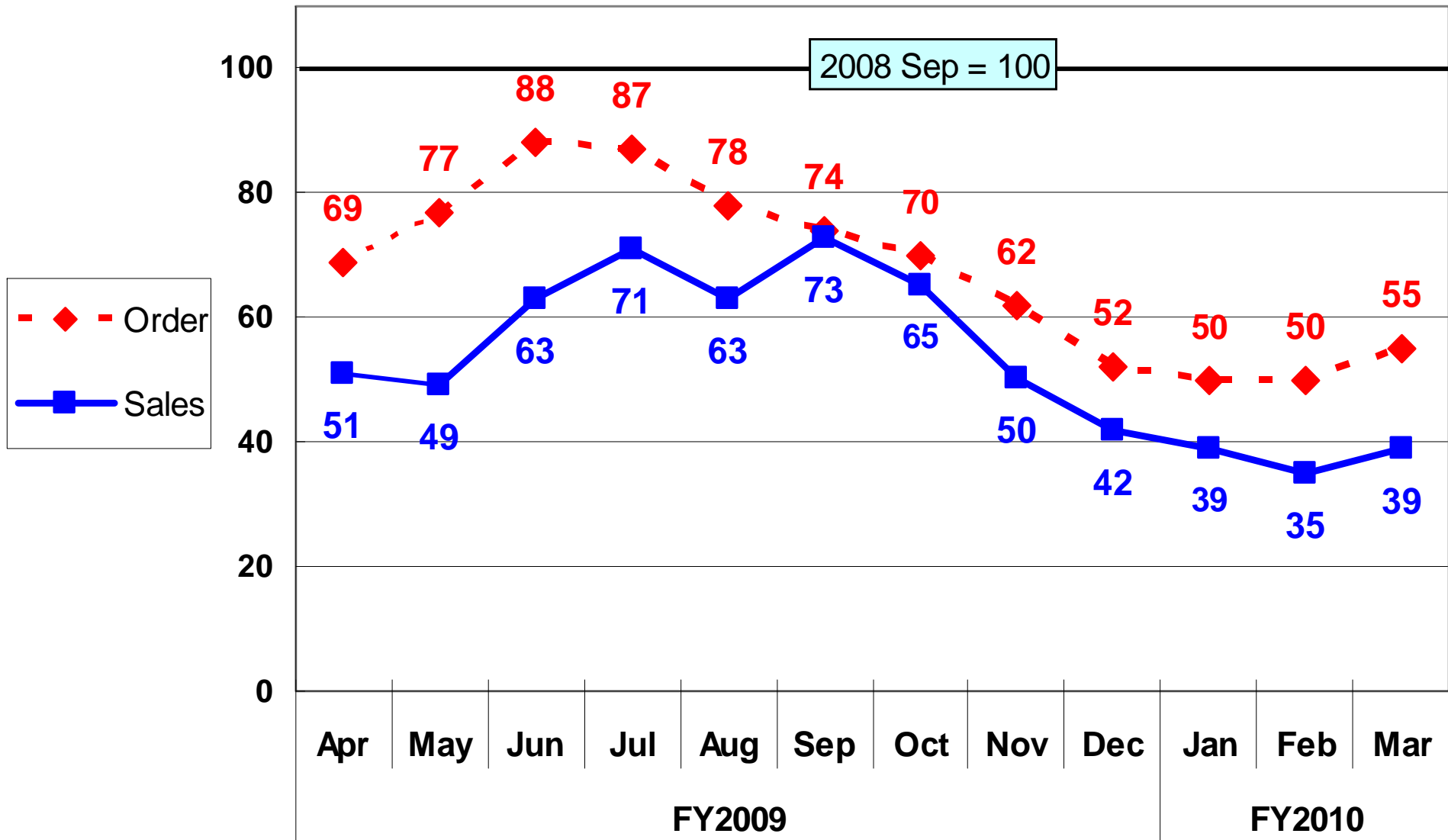
2009 Orders and Sales Changes (Domestic Consolidation Basis, Index Number)



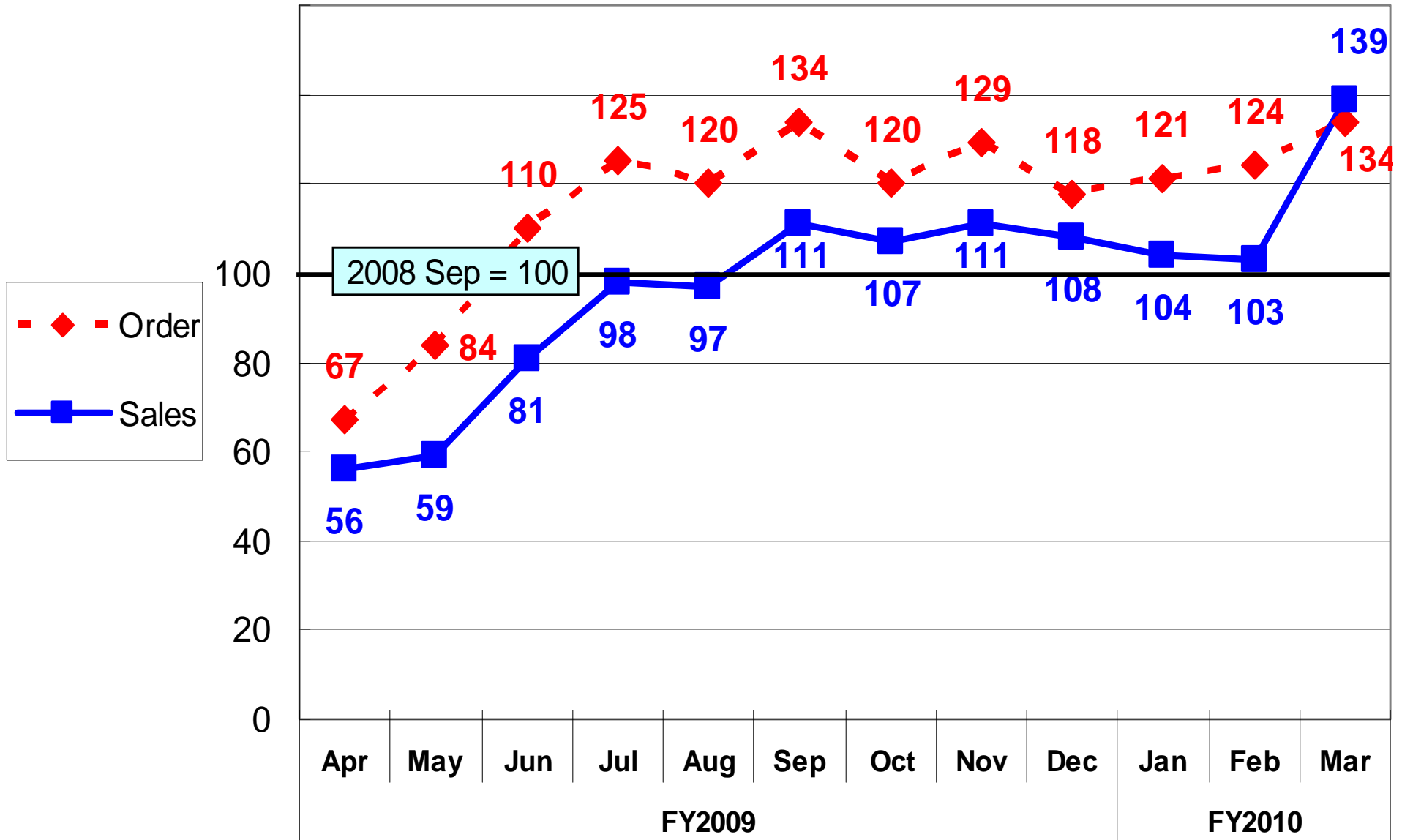
<Mobile>



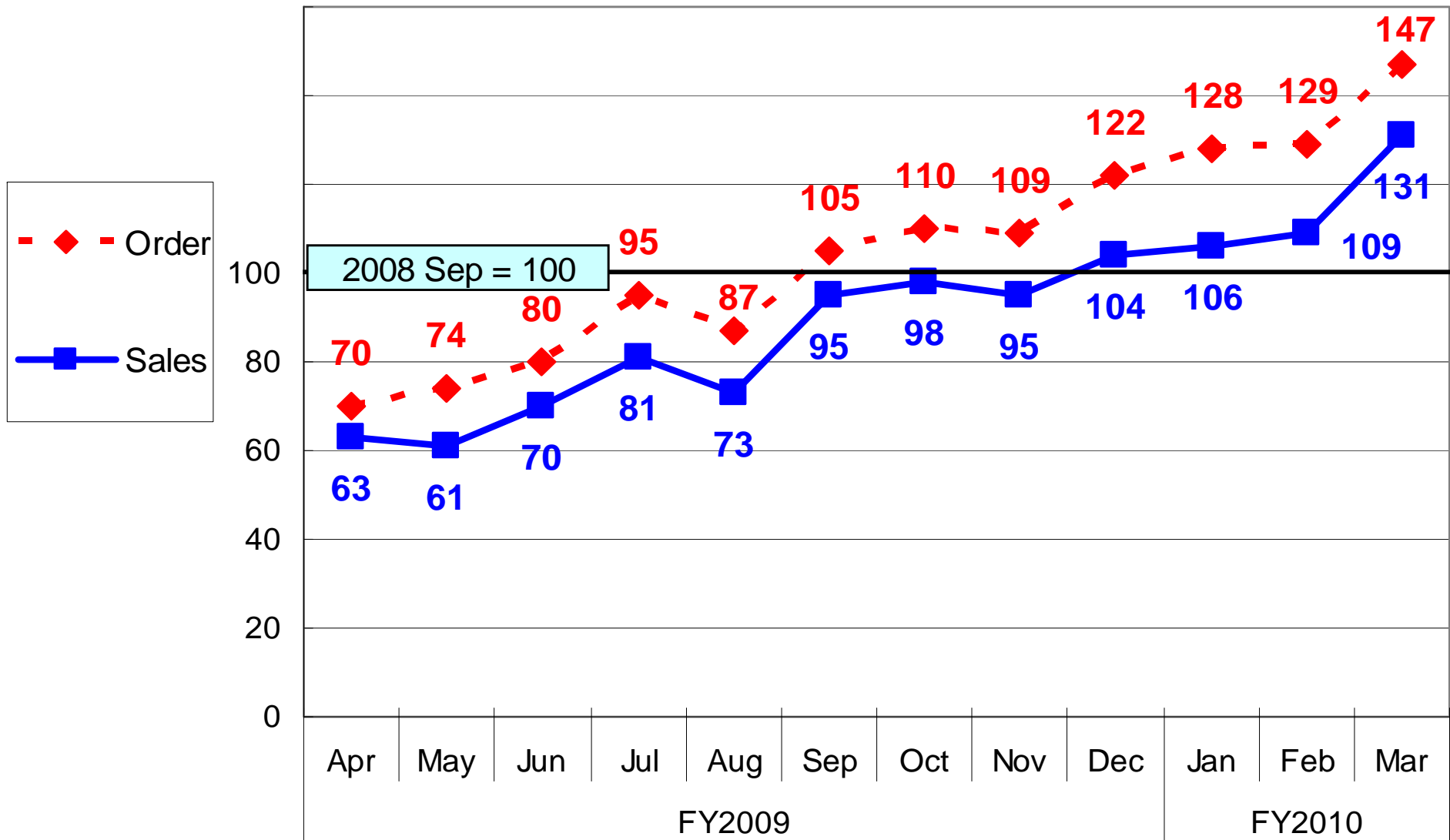
< Digital Consumer Electronic >



<Automotive>



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



Business Results for FY2009

Note) Green Italics: Official amount of Nov, 2009

(hundred millions of Yen)

	(A)FY2008	(B)FY2009	(B)-(A)	(B)/(A)
Sales	898.7	<i>850.0</i>	-54.0	-6.0%
(COGS Ratio)	(59.1%)	(56.7%)	(-2.4%)	
(SGA Ratio)	(19.6%)	(19.2%)	(-0.4%)	
Operating Profit		<i>190.0</i>		
	191.7	204.1	12.4	6.5%
(%)	21.3%	24.2%	(2.9%)	
Recurring Profit		<i>210.0</i>		
	207.8	220.0	12.2	5.9%
(%)	23.1%	26.0%	(2.9%)	
Net Profit		<i>125.0</i>		
	133.1	132.7	-0.4	-0.3%
(%)	14.8%	15.7%	(-0.9%)	
Total Assets	2,452.0	2,529.0	77.0	3.1%
Shareholders' Equity Ratio	93.9%	91.1%		
Income Per Share	356.59Yen	363.15Yen		
Dividend Per Share	130Yen	120Yen		
Dividend Payout Ratio	36.5%	33.0%		

Major Changes over prior same period (unit: hundred millions of Yen)

[Sales] 54.0 decrease
 Foreign
 Hirose Subsidiaries HST
 -79.6 +7.2 +18.4

[COGS Ratio] 2.4 point decrease

Purchase Cost Ratio 42.8% --> 42.2%
 Depreciation Ratio 9.8% --> 7.9%

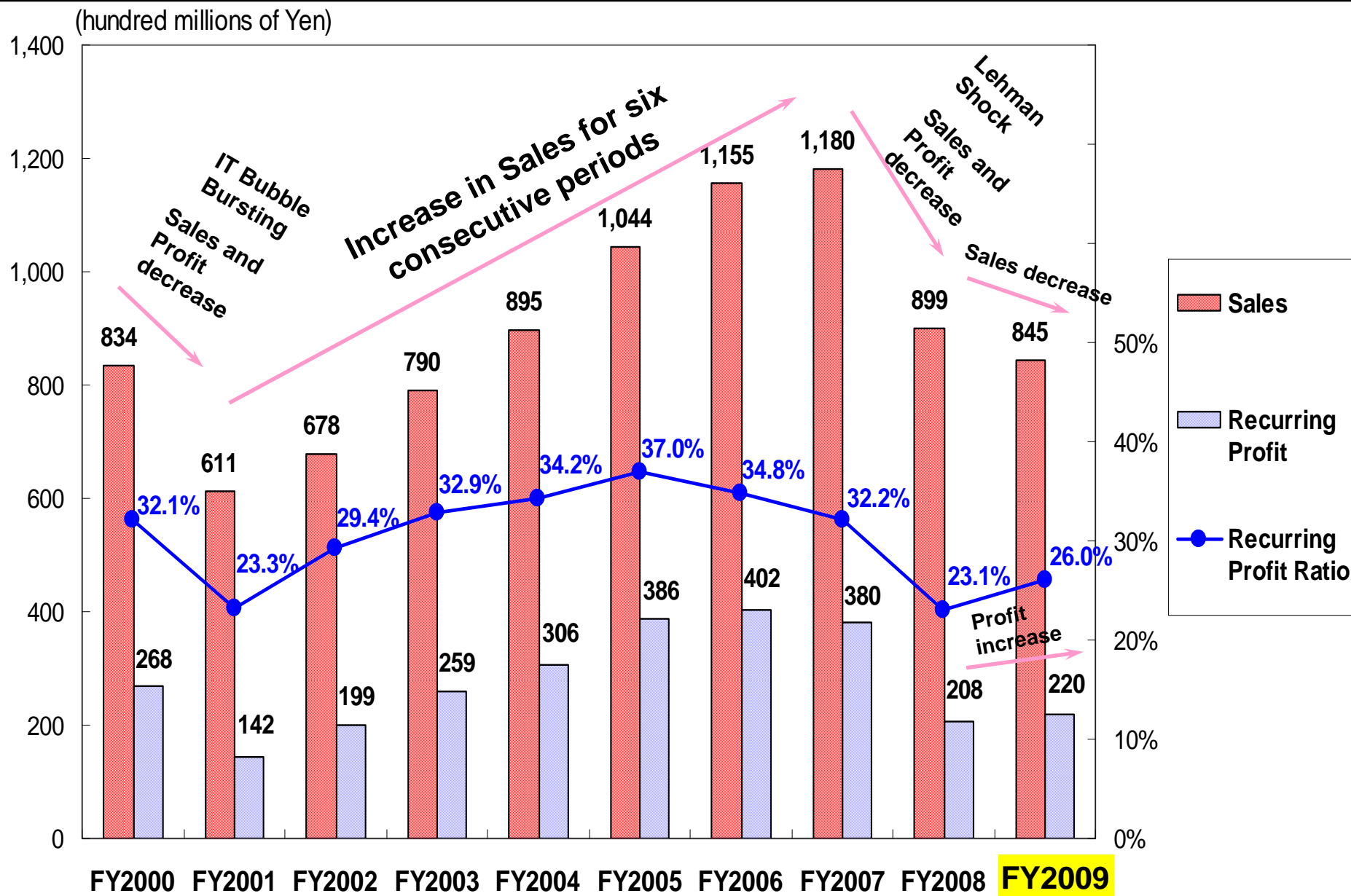
[SGA Ratio] 0.4 point decrease

Due to decrease in labor cost and depreciation, etc.

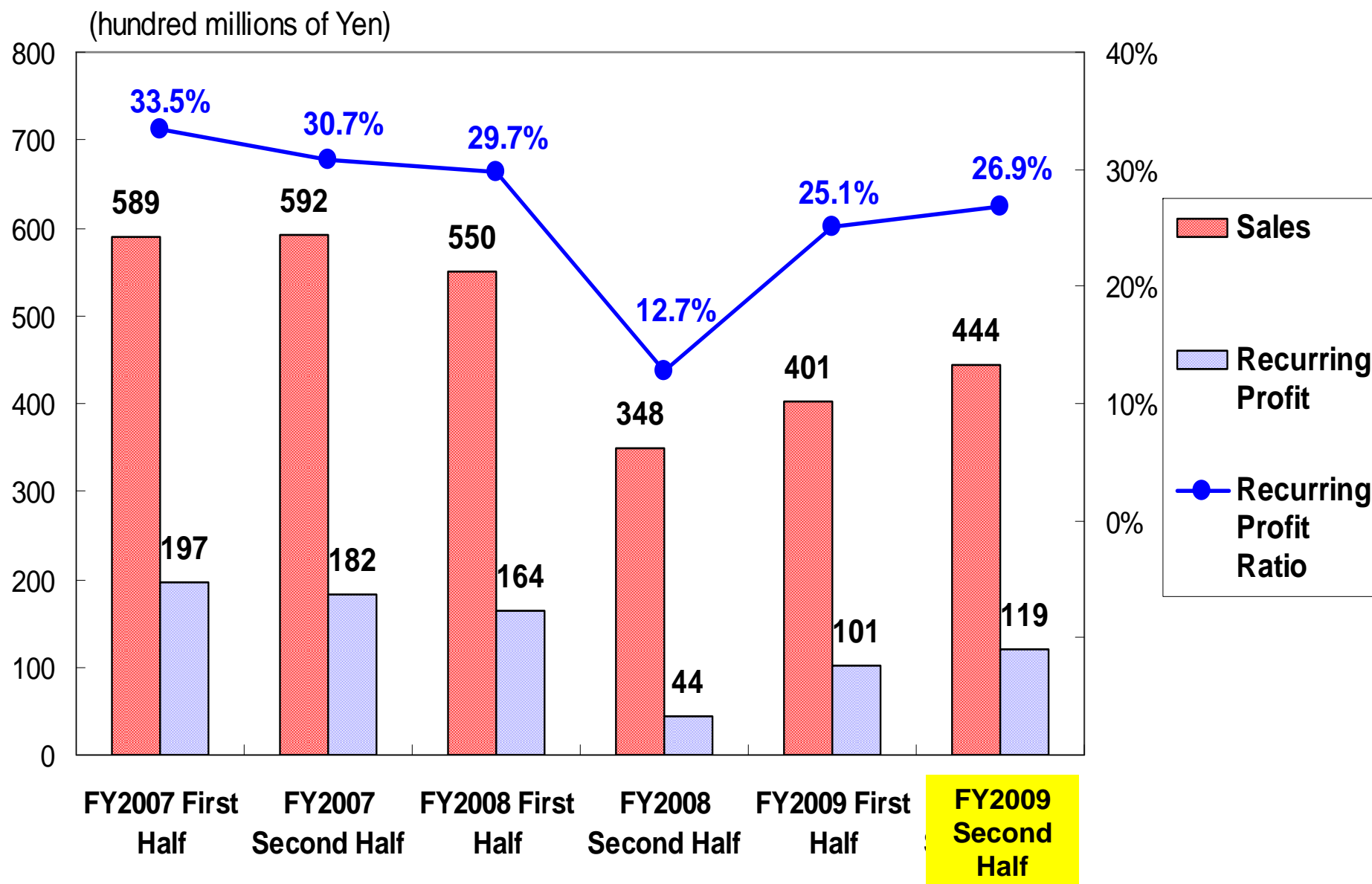
[Non-Operating Expenses]

Equity Method Profit -4.1--> +4.1
 Interest Received & Dividend 15.9--> 11.3

Sales and Profits



Sales and Profits by Half-Yearly



Changes in Consolidated Balance Sheet

(hundred millions of Yen)

Account	(A) Mar 31, 2009	(B) Mar 31, 2010	(B) - (A)	Remark
Cash and Cash in Bank	1,177.3	1,095.7	-81.6	Dividend, Share Buybacks, etc.
Trade Receivables	186.9	240.1	53.2	Increase in Sales (FY2008 4Q 145.0 → FY2009 4Q 212.0)
Inventories	56.2	63.0	6.8	Increase in Sales and Production
Investment Securities	548.1	652.6	104.5	Increase in Corporate Bond
Others	483.5	477.6	-5.9	
Total Assets	2,452.0	2,529.0	77.0	

Changes in Consolidated Balance Sheet

(hundred millions of Yen)

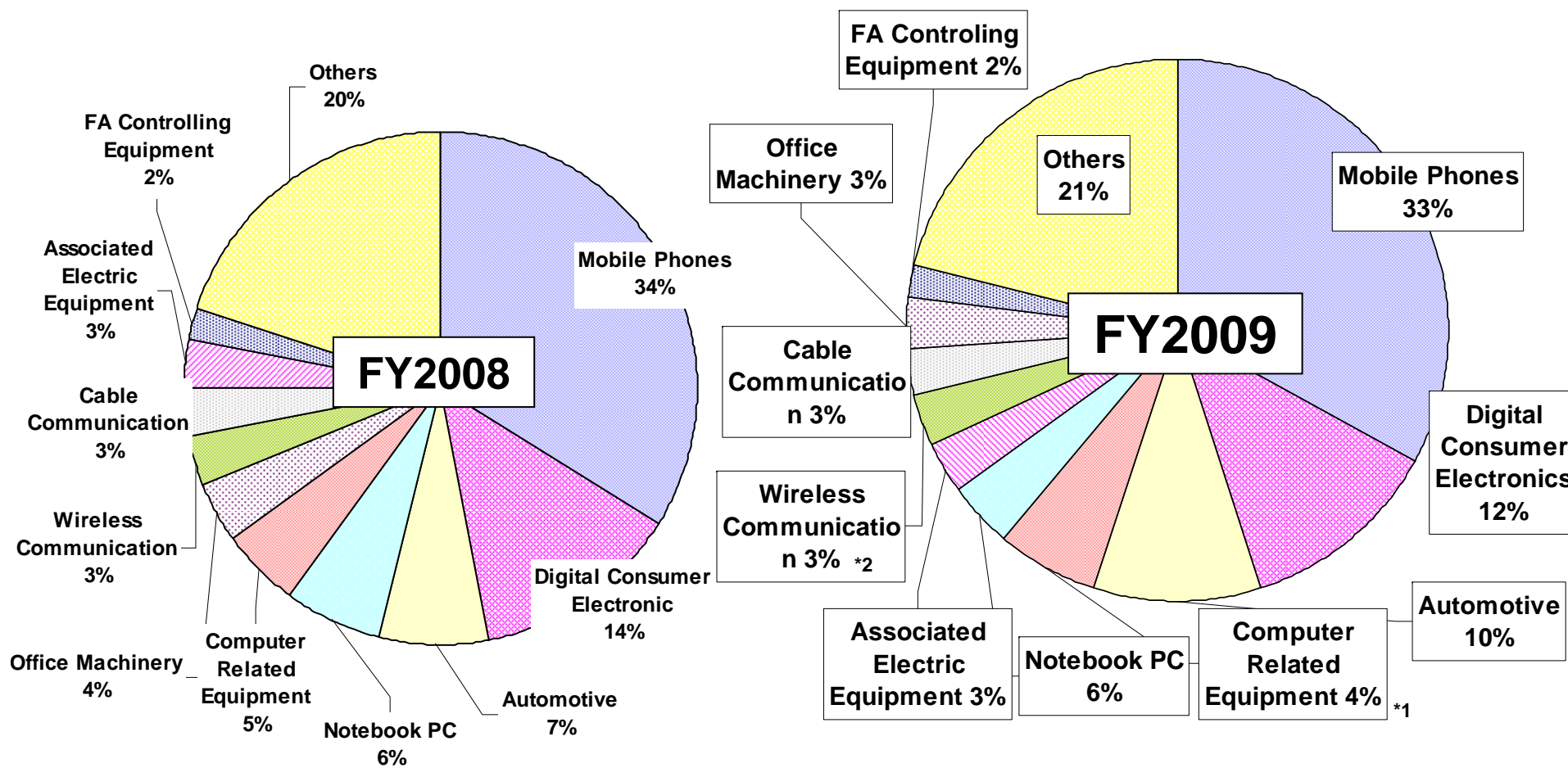
Account	(A)Mar 31, 2009	(B)Mar 31, 2010	(B)-(A)	Remark
Notes Payable and Account Payable	68.0	120.1	52.1	Purchase increase due to production increase
Income Taxes Payable, etc	25.9	48.9	23.0	
Others	56.0	55.9	-0.1	
Total Liabilities	149.9	224.9	75.0	
Retained Earnings	2,460.4	2,552.6	92.2	Net Income 132.7- Dividend 40.1
Treasury Stocks	-365.3	-465.4	-100.1	Share buyback
Valuation Variance	19.0	23.5	4.5	Stock Price Risen
Translation Adjustment	-50.4	-45.1	5.3	
Others	238.4	238.5	0.1	
Total Shareholders' Equity	2,302.1	2,304.1	2.0	
Total Liabilities and Shareholders' Equity	2,452.0	2,529.0	77.0	

Cash Flow

(hundred millions of Yen)

	(A)FY2008 Annual	(B)FY2009 Annual	Main Changes of FY2009
Cash Flows from Operating Activities	234.1	233.9	Pre-Tax Net Income 218.0 Depreciation 83.1 Notes and Accounts Receivable increase -48.9 Corporation Tax -55.0 Account Payables increase 48.6
Cash Flows from Investing Activities	-123.7	-66.2	Decrease of time deposit over 3 months period 116.6 Acquisition of tangible fixed assets -78.3 Increase in investment securities -102.2
Cash Flows from Financing Activities	-160.3	-140.6	Share buyback acquisition -100.3 Dividend Payment -40.2
Effect of Exchange Rate Change	-14.9	-0.7	
Increase in Cash and Cash Equivalents	-64.9	26.6	
Cash and Cash Equivalents, Beginning Balance	602.5	537.6	
Beginnng Balance Adjustment due to Changes in Criteria of Consolidation	-	4.1	Due to newly consolidated HST
Cash and Cash Equivalents, Ending Balance	537.6	568.4	

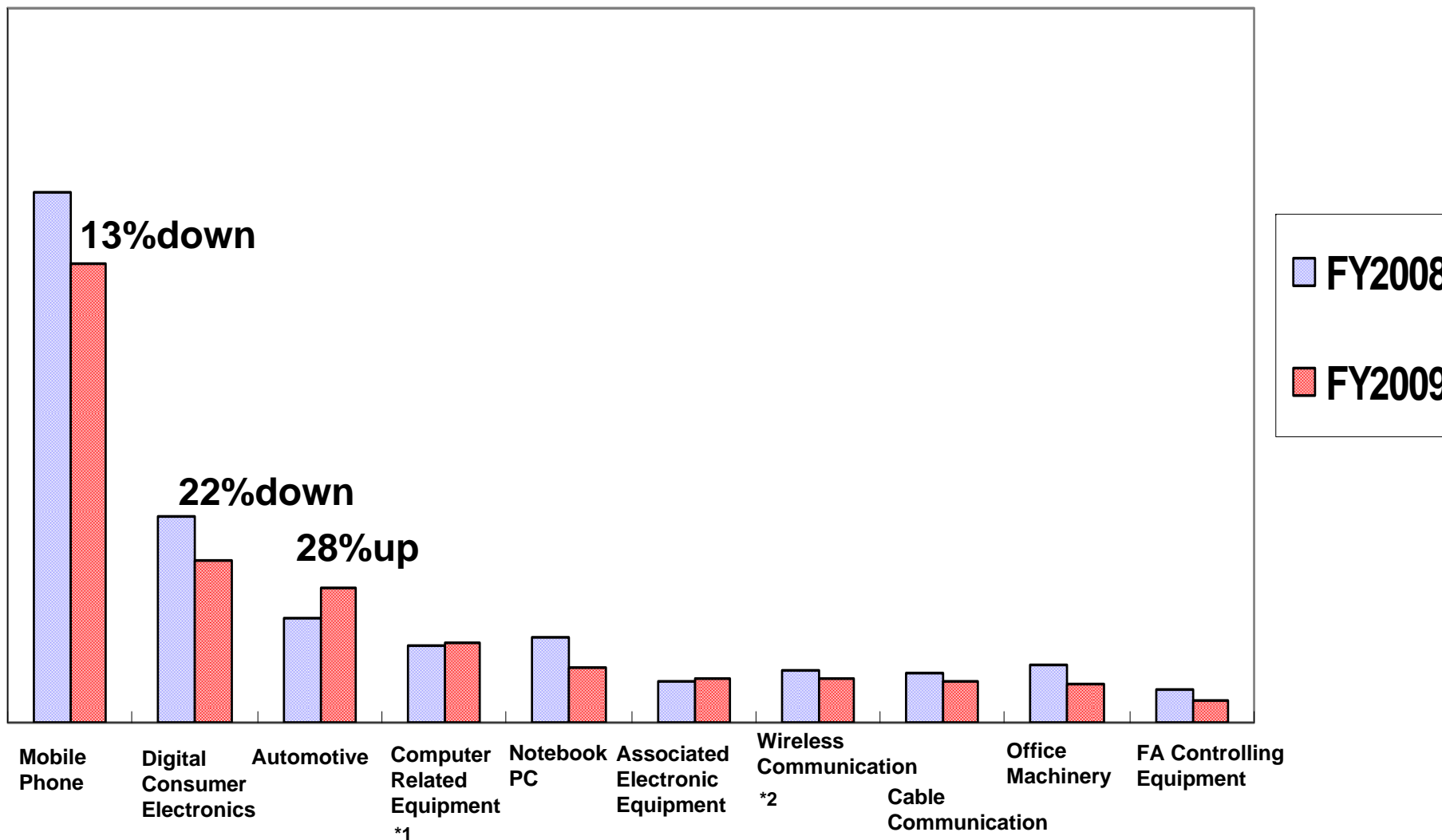
Sales Ratio (in round numbers)



*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.

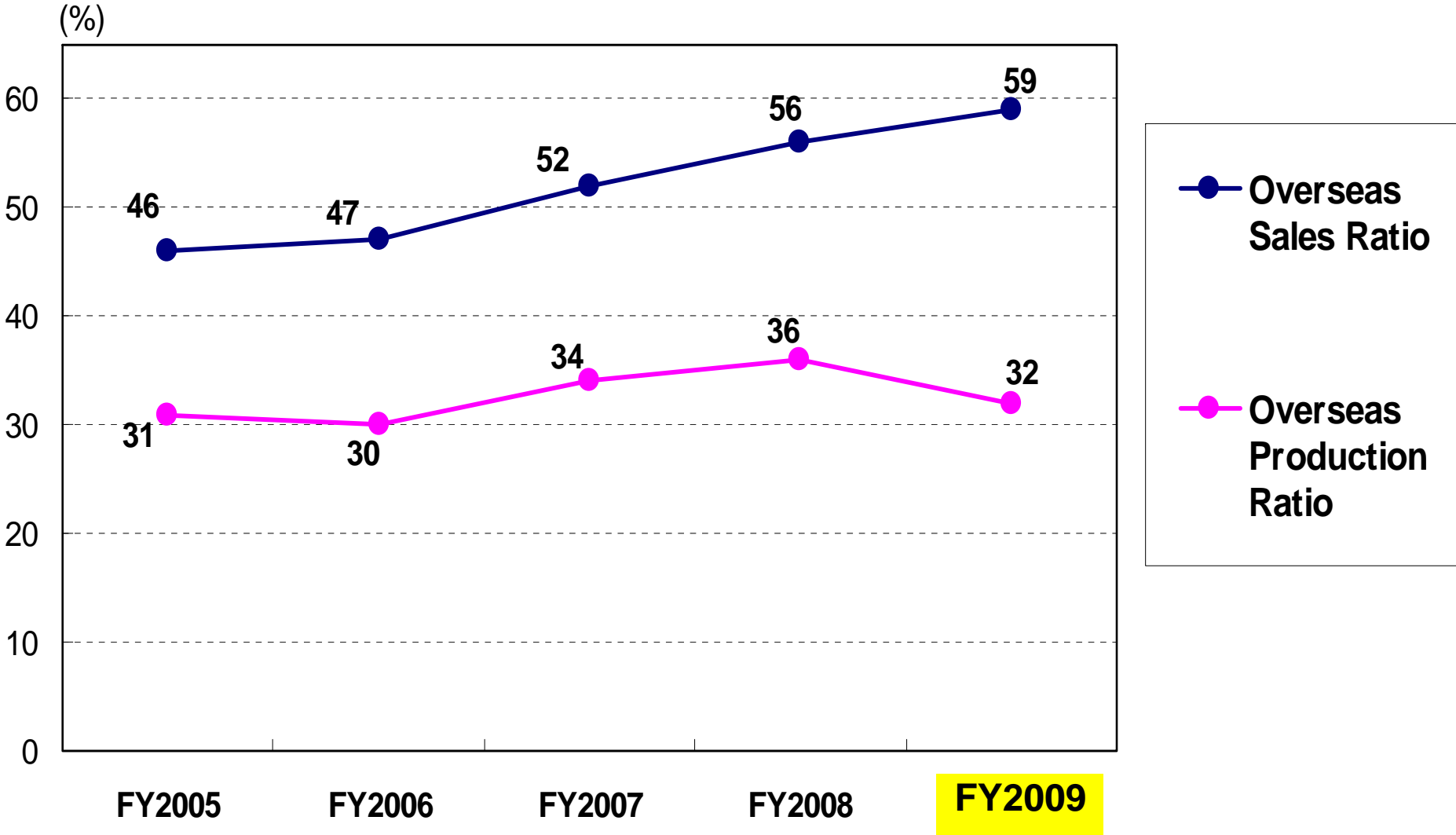
Sales Changes by Markets (in round numbers)



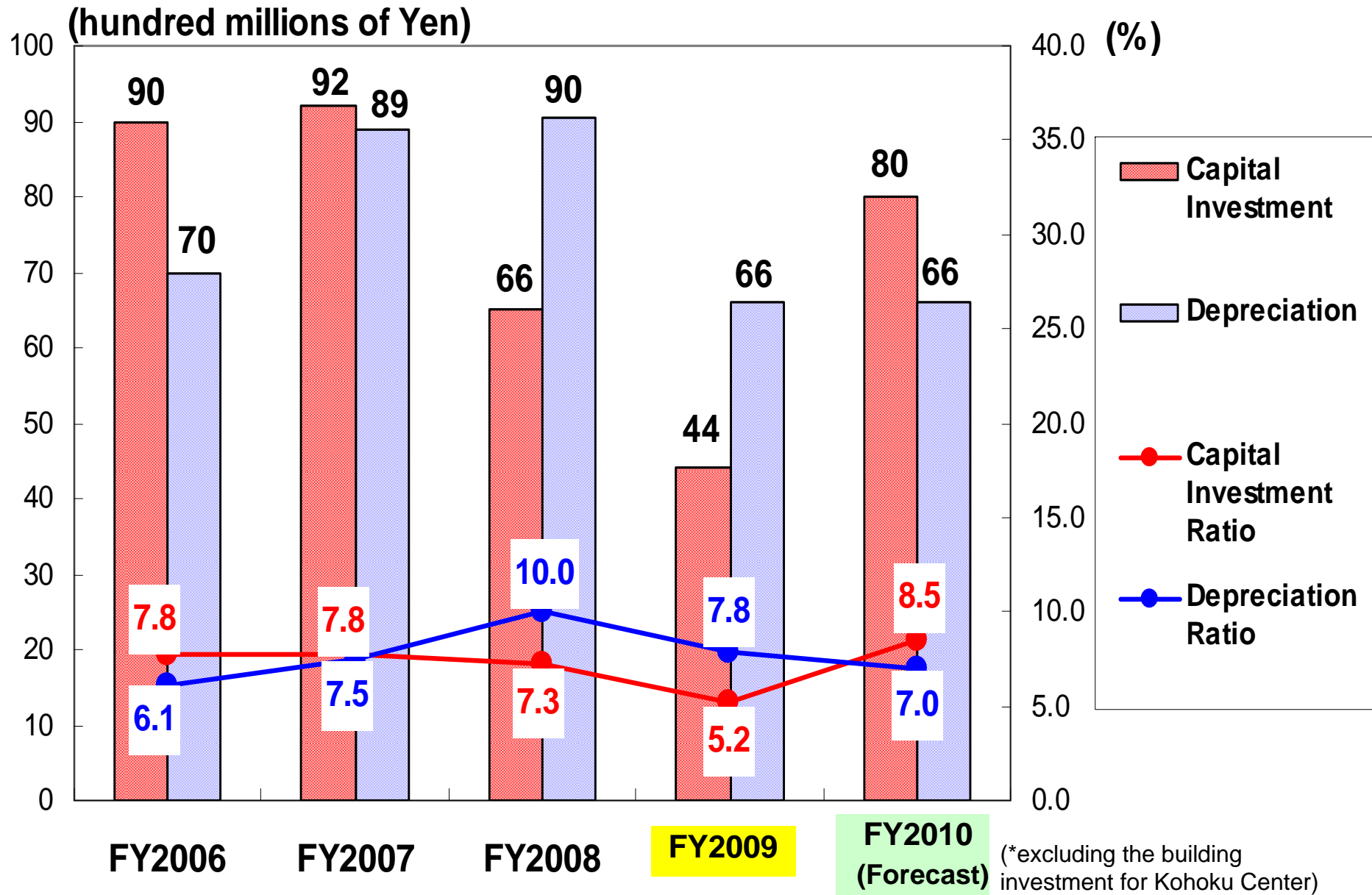
*1 Computer Related Equipment – Notebook PC not included.

*2 Wireless Communication - Mobile Phone not included.

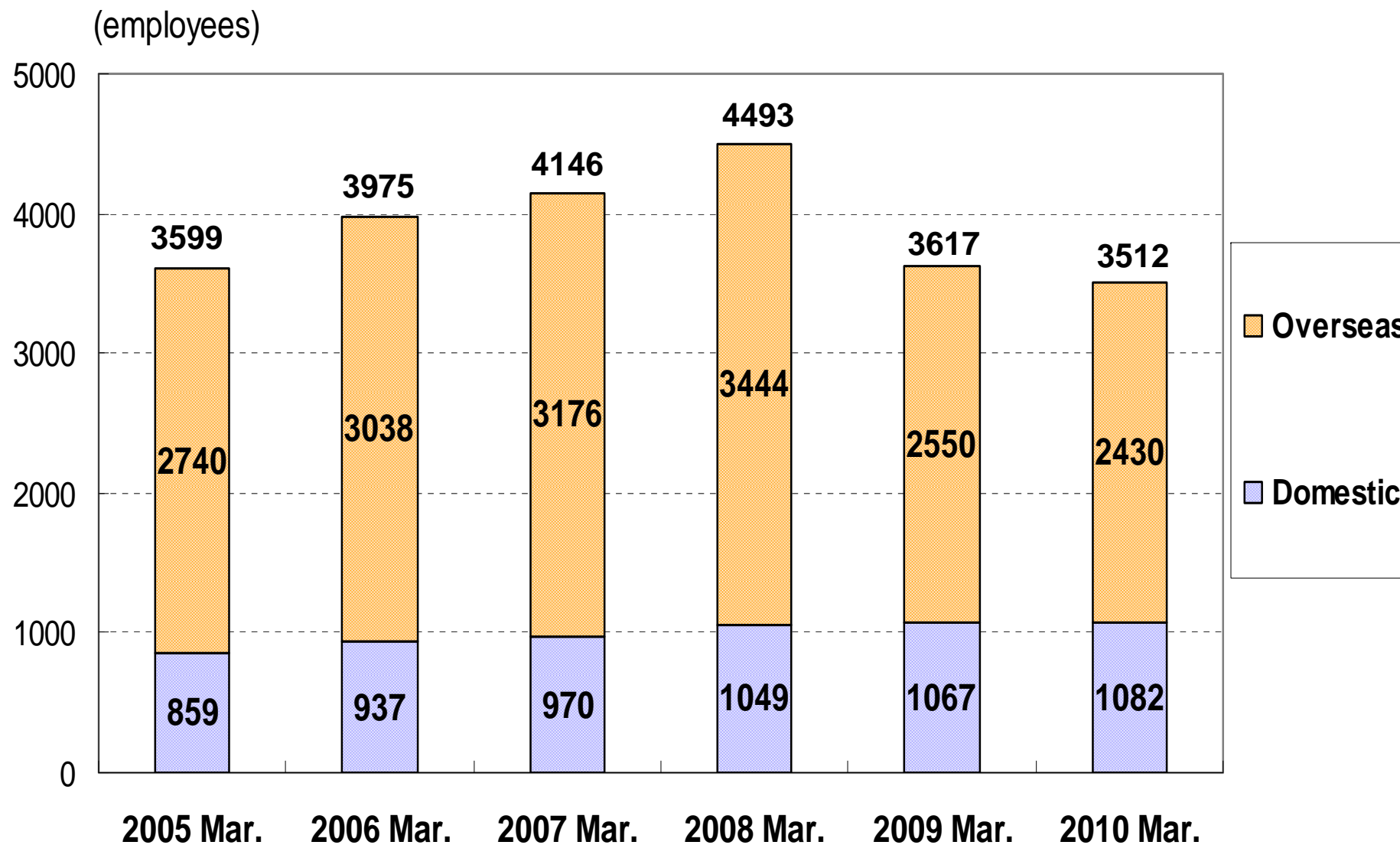
Overseas Production and Sales Ratio



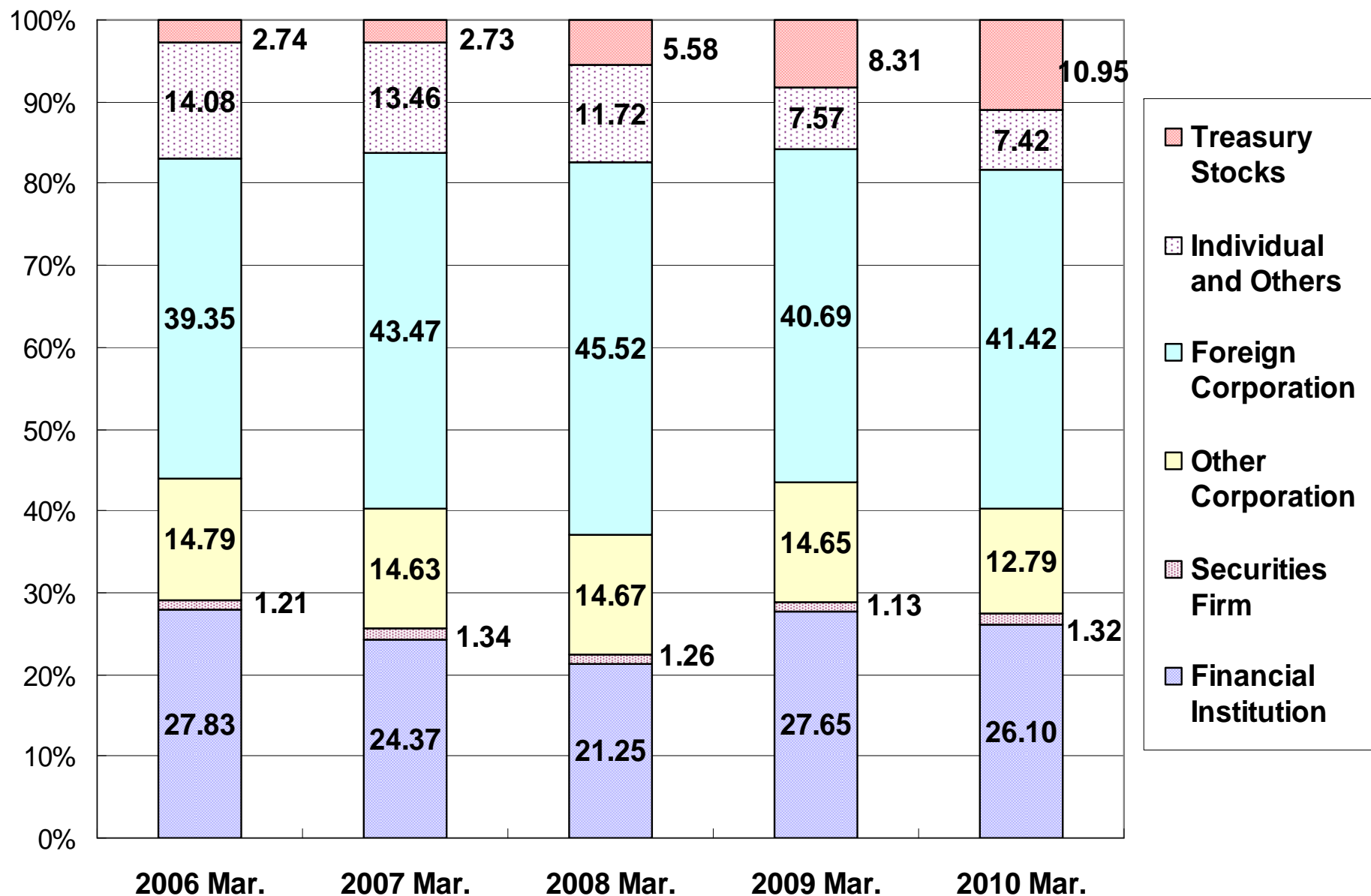
Capital Investment and Depreciation Changes (Domestic Consolidated Basis)



Number of Employees (financial report basis)



Distribution of Shareholders



Business Forecast of the Year Ended March 31, 2011



note) First Half - 1Q & 2Q, Second Half - 3Q & 4Q

(hundred millions of Yen)

	FY2009 (Actual)			FY2010 (Forecast)			First Half		Second Half		For the Year	
	First Half	Second Half	For the Year	First Half	Second Half	For the Year	Over the Previous Actual Amount		Over the Previous Actual Amount		Over the Previous Actual Amount	
							Amount Change	% Change	Amount Change	% Change	Amount Change	% Change
Sales (COGS Ratio)	401.2 (57.2%)	443.5 (56.2%)	844.7 (56.7%)	465.0 (54.3%)	475.0 (55.1%)	940.0 (54.7%)	63.8	15.9%	31.5	7.1%	95.3	11.3%
Operating Profit (%)	90.4 22.5%	113.7 25.6%	204.1 24.2%	125.0 26.9%	125.0 26.3%	250.0 26.6%	34.6	38.3%	11.3	9.9%	45.9	22.5%
Recurring Profit (%)	100.8 25.1%	119.2 26.9%	220.0 26.0%	132.0 28.4%	133.0 28.0%	265.0 28.2%	31.2	31.0%	13.8	11.6%	45.0	20.5%
Net Profit (%)	61.5 15.3%	71.2 16.1%	132.7 15.7%	80.0 17.2%	80.0 16.8%	160.0 17.0%	18.5	30.1%	8.8	12.4%	27.3	20.6%
Income Per Share	-	-	363.15Yen	-	-	448.95Yen						
Dividend Per Share	60Yen	60Yen	120Yen	75Yen	75Yen	150Yen						
Dividend Payout Ratio	-	-	33.0%	-	-	33.4%						