

**Business Results for the year ended
March 31,2009**

Creative Links to World Electronics

May 14 2009

**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 FY2008

• Until 2Q, both orders and sales were increasing quite steadily.

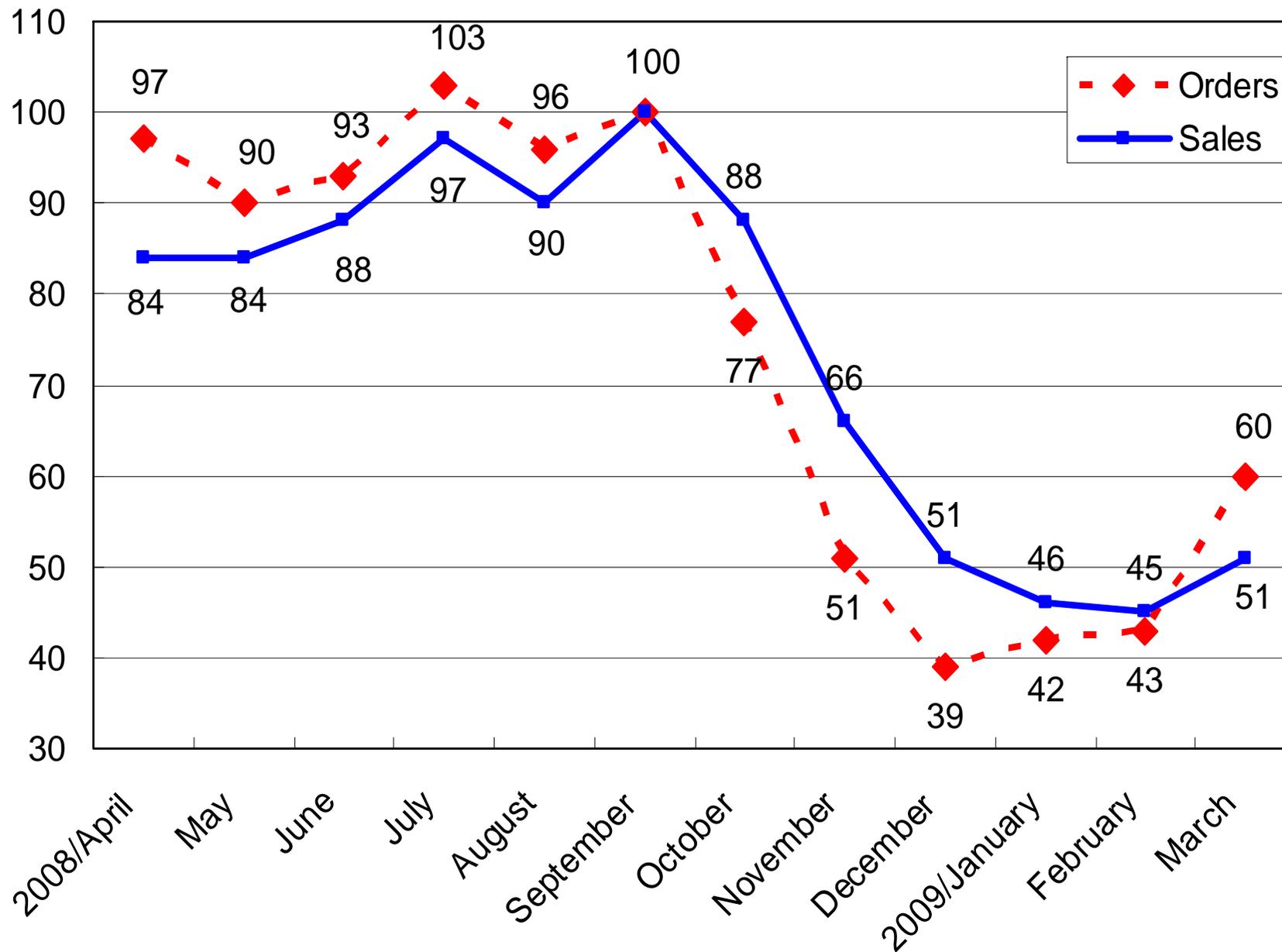
• From 3Q, triggered by the US financial crisis, there has been a global pullback in consumer spending and a huge sharp drop in real economy. Following this, the orders from set manufacturers, business companies and agencies have dropped in almost the entire field, regardless of domestic/overseas, application and fields (except for a part of mobile phones and digital consumer electronics, which we received steady orders.) As a result, FY2008/Dec became the bottom of order level.

• On 4Q, the orders of mobile phones, which seemed to have started ahead with the destocking, have increased slightly (estimated to be the influence of the China stimulus package.)

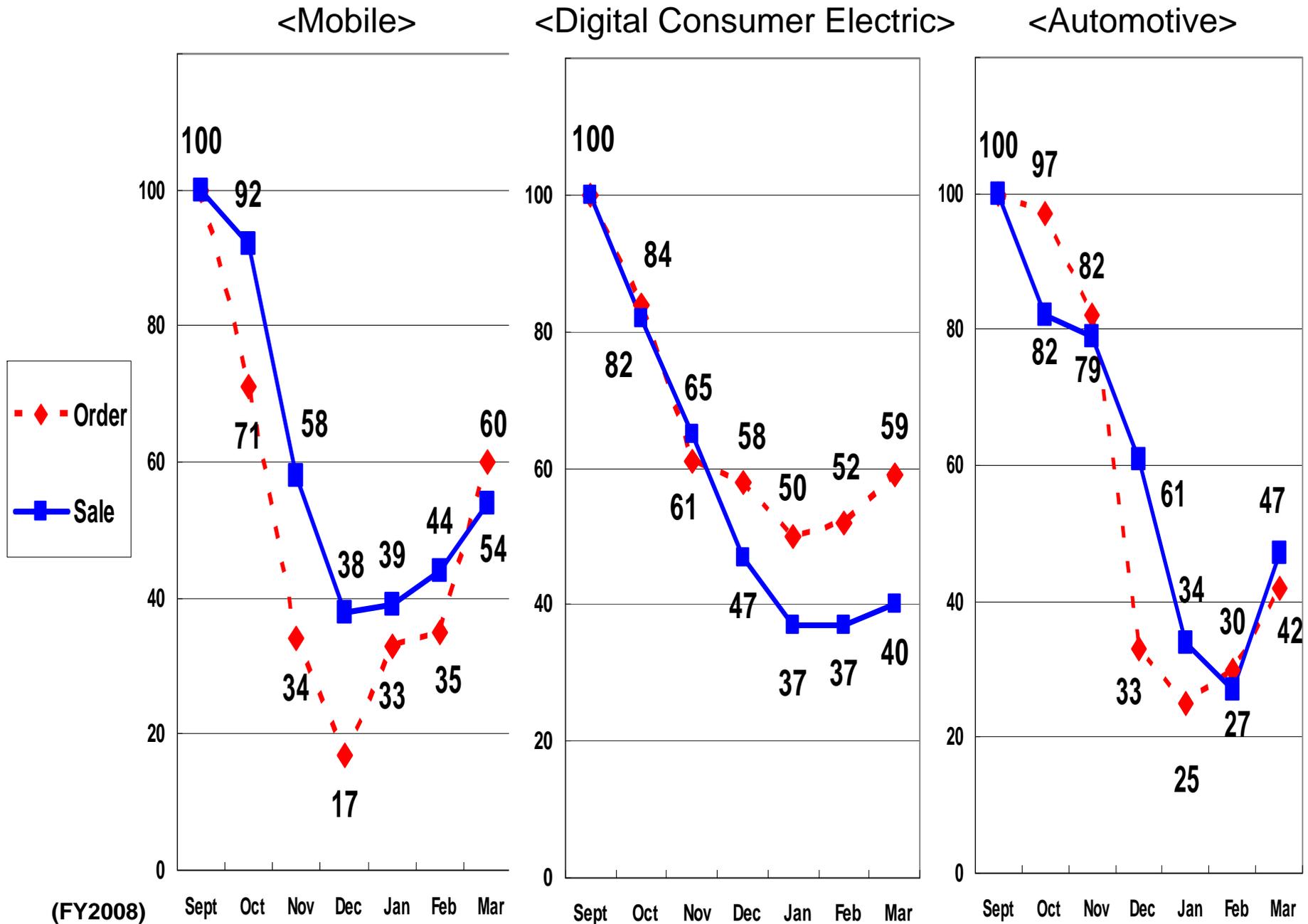
On March, there has been a partial sign of recovery in the domestic digital consumer electronic. FY2009/Feb became the bottom of sales.

• FY2008 settled on -26.3% order level year on year, -23.1% sales level year on year. (both Hirose based)

FY2008 Orders & Sales Index Number Change (Hirose-based)



FY2008 Orders and Sales Changes by Markets (Hirose-based)



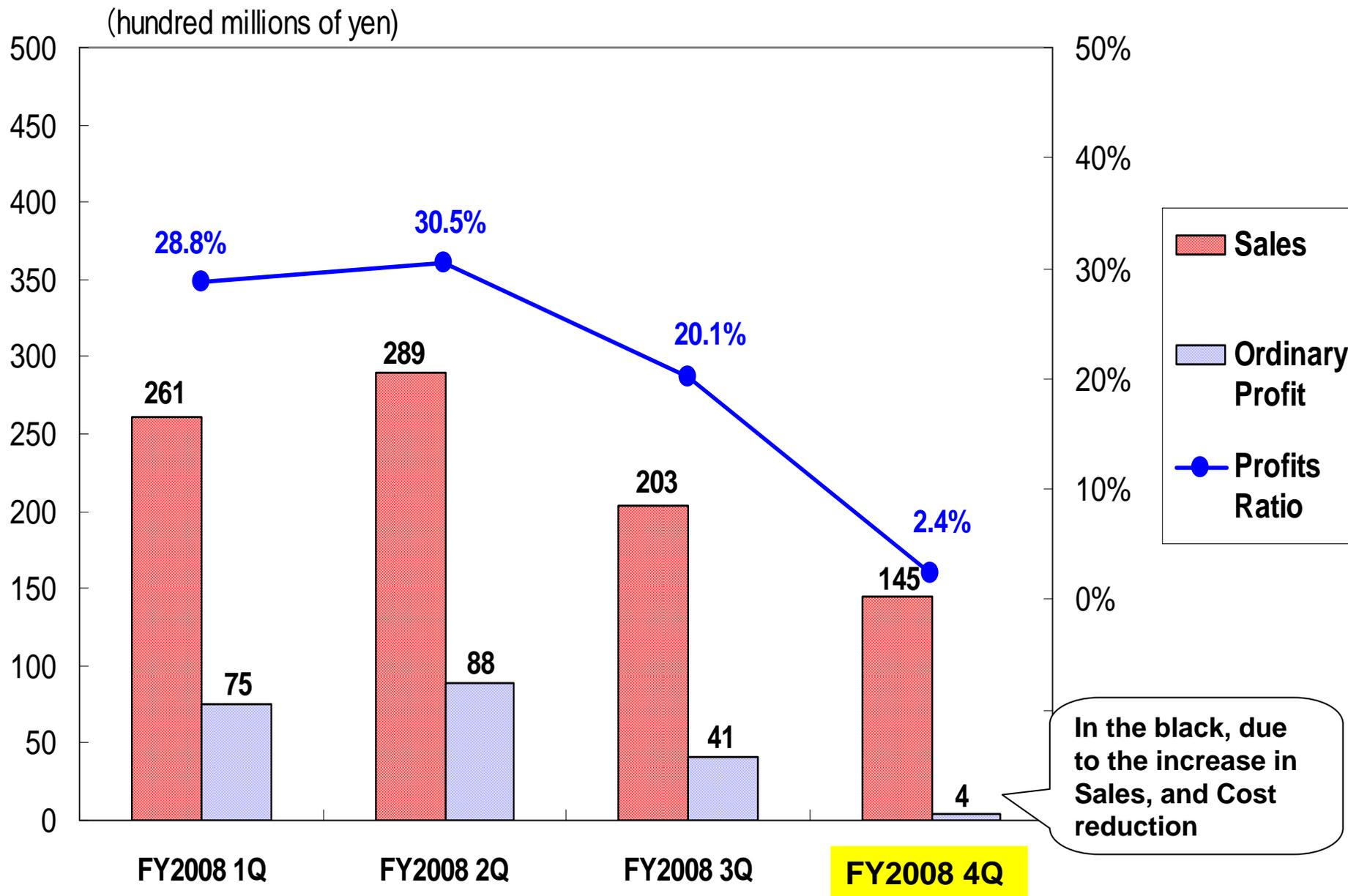
Business Results for FY2008

Note) Green Italics: Previous official amount on Feb, 2009

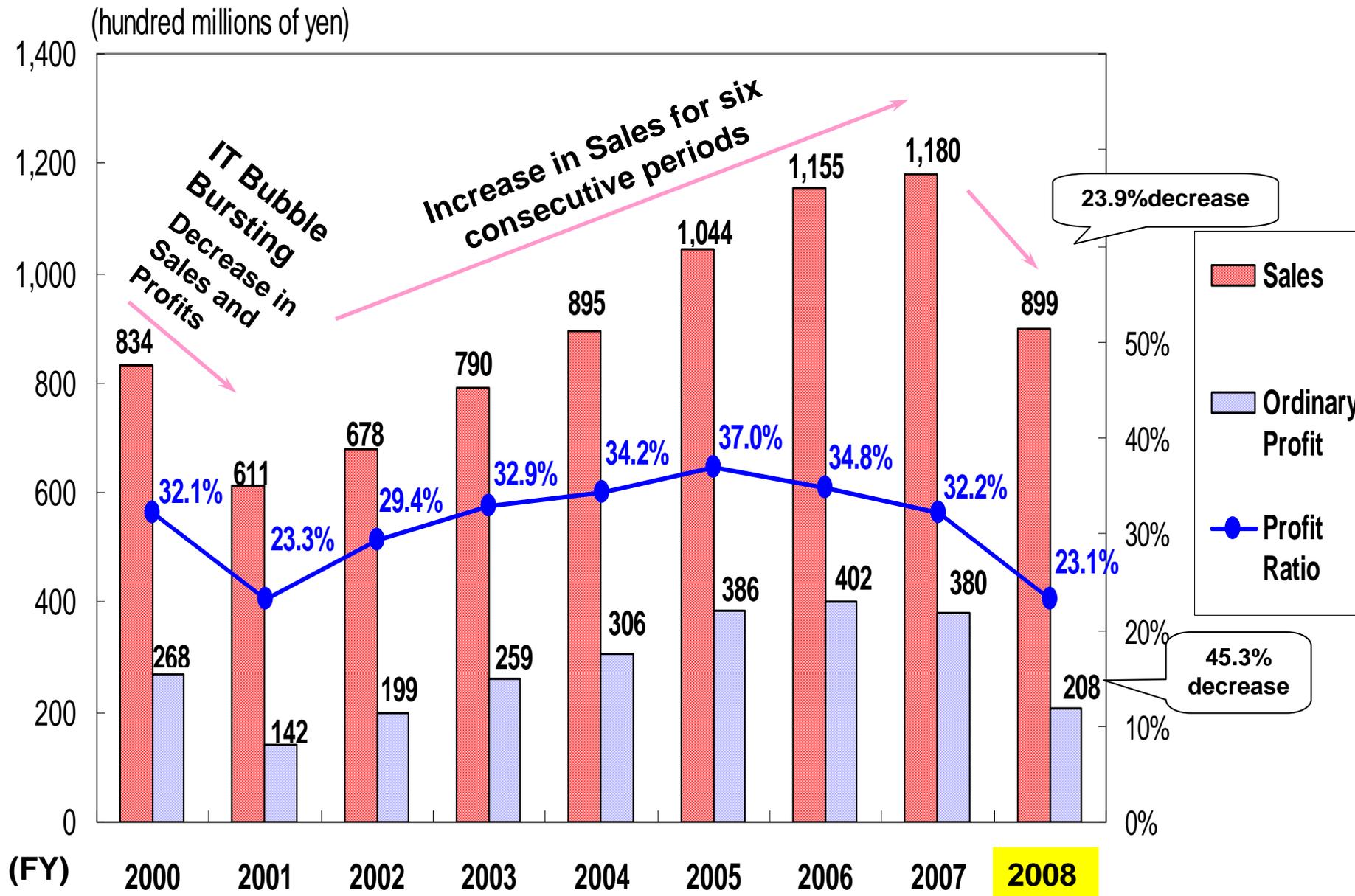
(hundred millions of yen)

	(A)FY2007	(B)FY2008	(B)-(A)	(B)/(A)	Major Changes over the prior same period (hundred millions of yen)				
Sales	1,180.4	<i>880.0</i> 898.7	-281.7	-23.9%	<p>[Sales] 281.7 decrease</p> <table border="0"> <tr> <td>Hirose</td> <td>Foreign subsidiaries</td> </tr> <tr> <td>-258.3</td> <td>-23.4</td> </tr> </table> <p>[COGS Ratio] 4.8 point increase</p> <p>Purchase Cost Ratio 42.7% => 44.7%</p> <p>Depreciation Ratio 7.3% => 9.8%</p> <p>[SGA Ratio] 3.9 point increase</p> <p>By decrease in sales, increase in IT related cost</p> <p>[Non-operating Expenses]</p> <p>Equity Method Profit 5.8=>-4.1</p> <p>Interest Received and Dividend 14.3=>15.9</p>	Hirose	Foreign subsidiaries	-258.3	-23.4
Hirose	Foreign subsidiaries								
-258.3	-23.4								
(COGS Ratio)	(54.2%)	(59.0%)	(+4.8%)						
(SGA Ratio)	(15.7%)	(19.6%)	(+3.9%)						
Operating Profit	354.4	<i>183.0</i> 191.7	-162.7	-45.9%					
(%)	30.0%	21.3%	(-8.7%)						
Ordinary Profit	379.8	<i>200.0</i> 207.8	-172.0	-45.3%					
(%)	32.2%	23.1%	(-9.1%)						
Net Profit	226.0	<i>130.0</i> 133.1	-92.9	-41.1%					
(%)	19.1%	14.8%	(-4.3%)						
Total Assets	2,683.6	2,452.0	-231.6	-8.6%					
Shareholders' Equity Ratio	88.4%	93.9%							
Income Per Share	587.4yen	356.6yen							
Dividend Per Share	160yen	130yen							
Dividend Payout Ratio	27.2%	36.5%							

Sales and Profits



Sales and Profits



Changes in Consolidated Balance Sheet

(hundred millions of yen)

Account	(A)Mar. 31, 2008	(B)Mar. 31, 2009	(B)-(A)	Remarks
Cash and Cash in bank	1,252.5	1,177.3	-75.2	From Dividend, Share buyback, and decrease in foreign subsidiaries (influenced by strong yen)
Trade Receivables	312.1	186.9	-125.2	Decrease in Sales(FY2007 4Q: 272=>FY2008 4Q: 145)
Inventories	65.6	56.2	-9.4	Decrease in Production
Investment Securities	533.2	548.1	14.9	Increase in corporation bond, etc. 36.9 Affiliated companies -22.0
Others	520.3	483.5	-36.8	Decrease in Tangible fixed assets -38.7
Total Assets	2,683.6	2,452.0	-231.6	

Changes in Consolidated Balance Sheet

(hundred millions of yen)

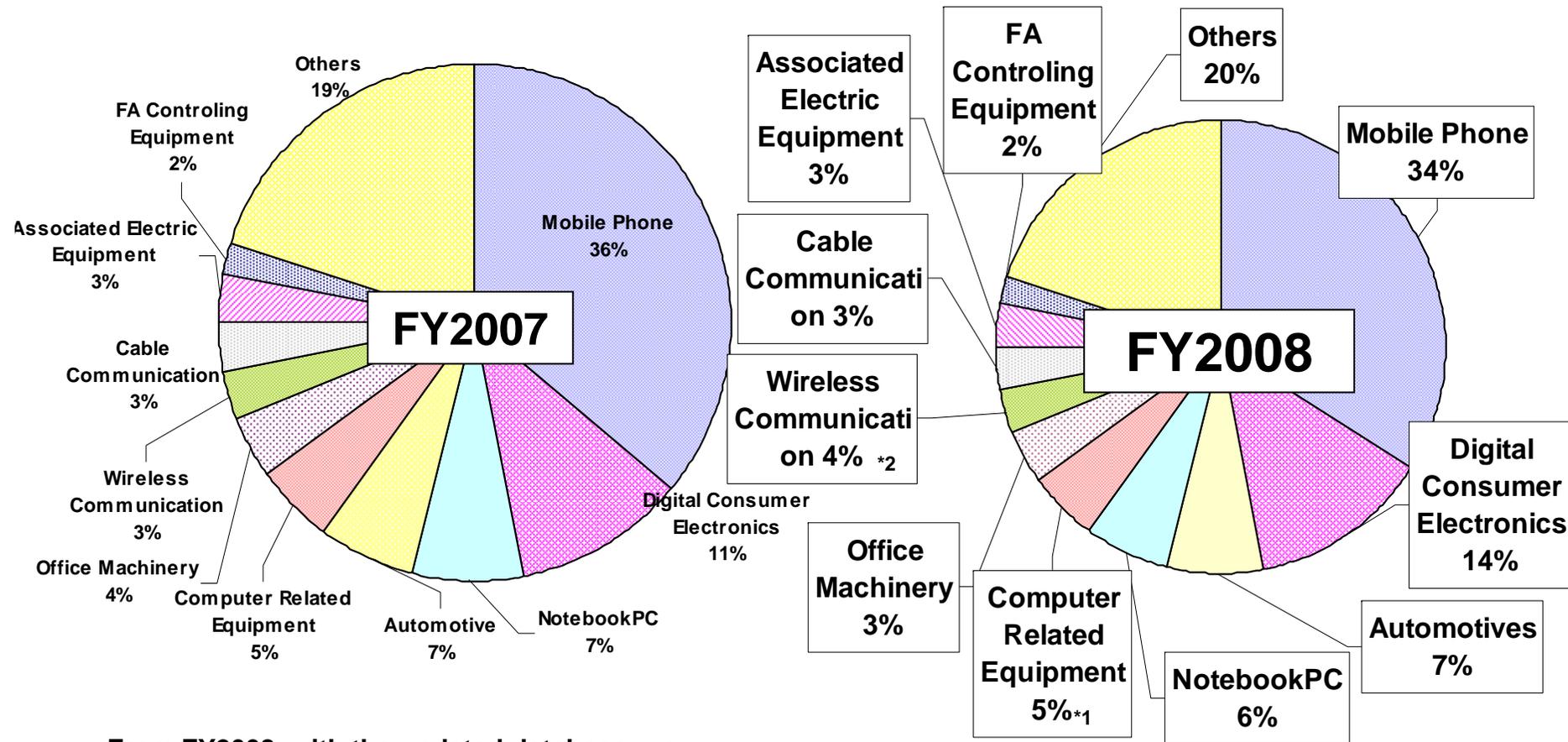
Accounts	(A)Mar.31, 2008	(B)Mar.31, 2009	(B)-(A)	Remarks
Notes Payables and Accounts Payables	162.7	68.0	-94.7	Purchase Decrease
Income Tax Payables, etc.	58.8	25.9	-32.9	From Profit Decrease
Others	89.4	56.0	-33.4	Deferred tax liability -20.3, Accounts Payables -9.3
Total Liabilities	310.9	149.9	-161.0	
Retained Earnings	2,388.3	2,460.4	72.1	Net Income 133.1-Dividend 60.0
Treasury Stocks	-265.0	-365.3	-100.3	Acquisition of 1092 thousand treasury stocks on FY2008
Valuation Variance	25.6	19.0	-6.6	Stock Prices Fallen
Translation Adjustment	-14.2	-50.4	-36.2	Adjustment due to Strong Yen
Others	238.0	238.4	0.4	
Total Shareholders'	2,372.7	2,302.1	-70.6	
Total Liabilities and Shareholders' Equity	2,683.6	2,452.0	-231.6	

Cash Flow

(hundred millions of yen)

	(A)FY2007 For the Year	(B)FY2008 For the Year	FY2008 Main Topics	
Cash Flows from Operating Activities	353.4	234.1	Pre-tax Income Decrease	198.1
			Depreciation Increase	107.1
			Accounts Receivables Decrease	122.1
			Corporation tax	-118.1
			Accounts Payables Decrease	-92.4
Cash Flows from Investing Activities	-775.2	-123.7	Acquisition of Tangible fixed assets	-72.9
			Investment Securities Increase	-51.6
Cash Flows from Financing Activities	-209.7	-160.3	Acquisition of Treasury Stocks	-100.3
			Dividend Payout	-60.0
Effect of Exchange Rate Change	-10.8	-14.9	Influenced by Strong yen	
Decrease in Cash and Cash Equivalents	-642.3	-64.9		
Cash and Cash Equivalents, Beginning Balance	1,244.8	602.5		
Cash and Cash Equivalents, Ending Balance	602.5	537.6		

Sales Ratio by Markets (in round numbers)



From FY2008, with the updated database, we will be classifying the proportion ratio as the above.

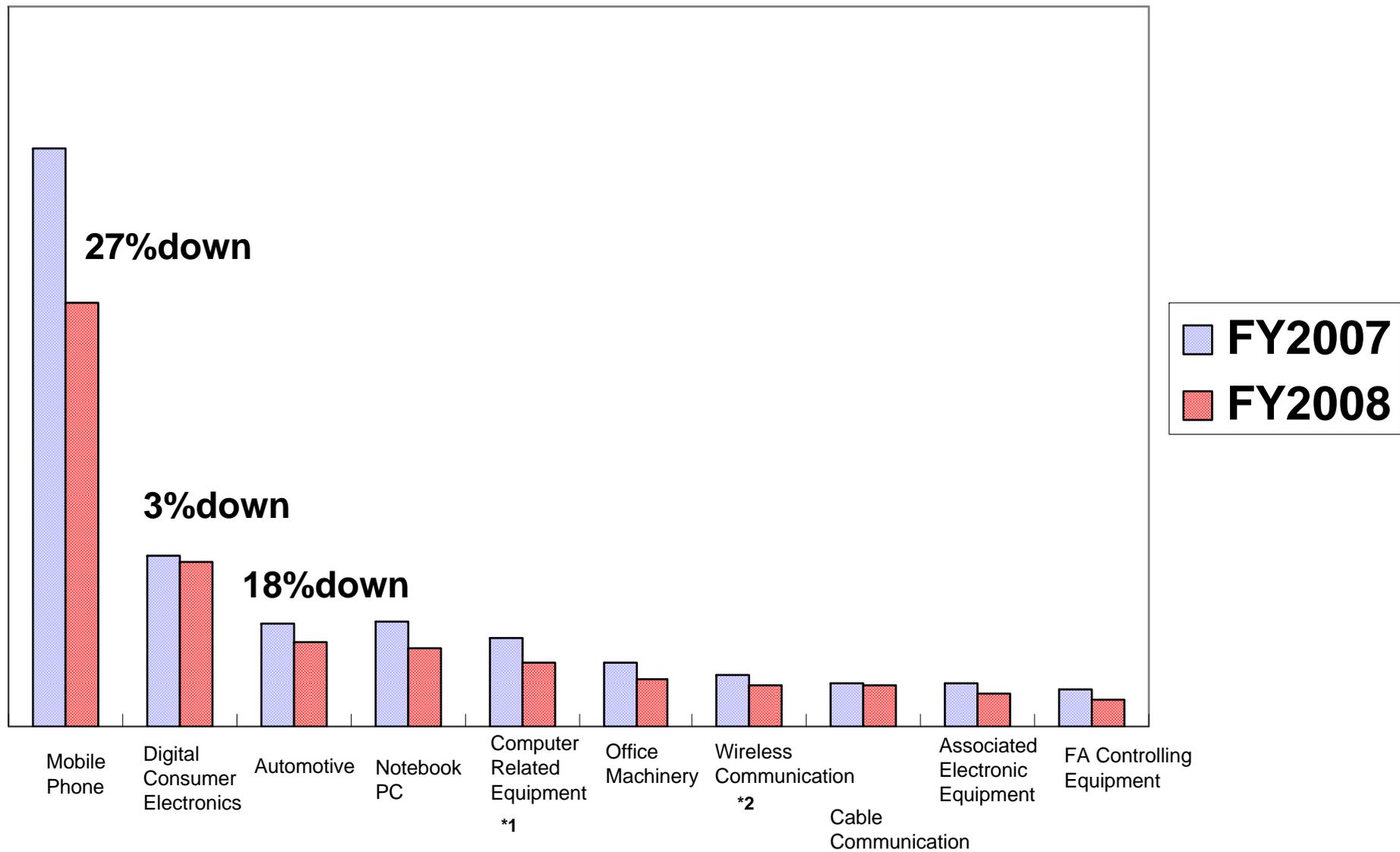
Based on this, the number of FY2007 is indicated in similar classification.

*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.

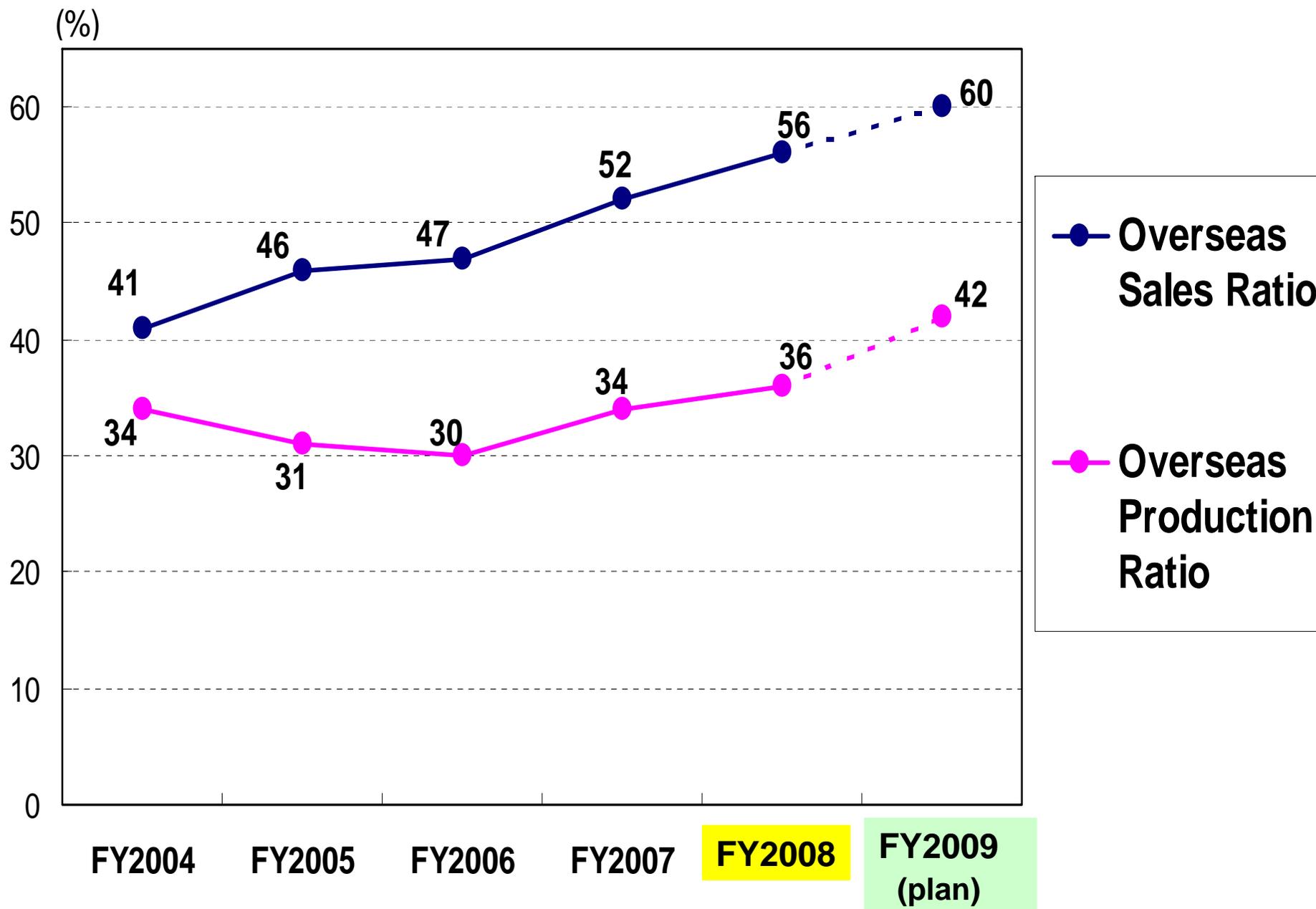
Sales Changes by Markets (in round numbers)



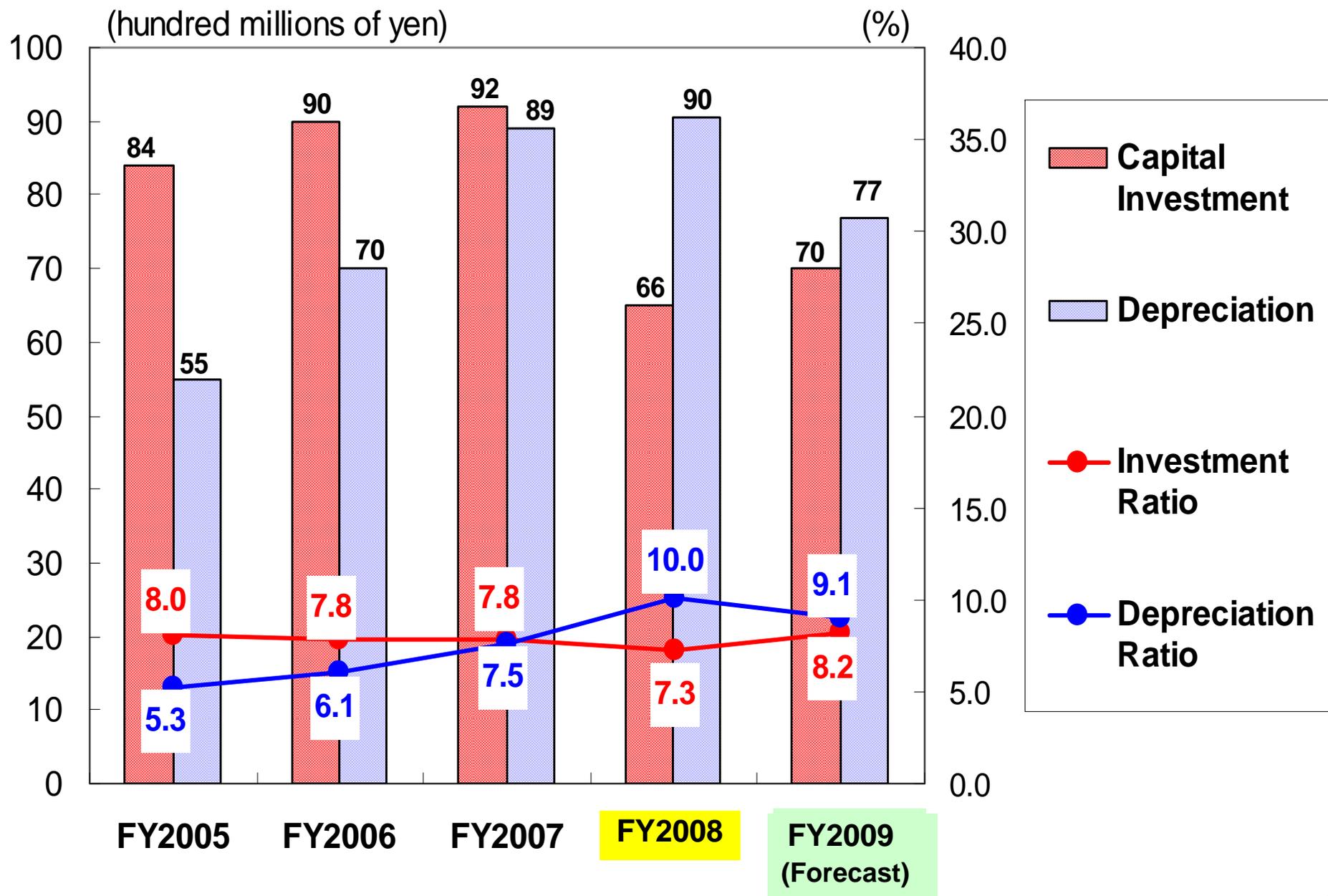
*1 Computer Related Equipment – Notebook PC not included.

*2 Wireless Communication - Mobile Phone not included.

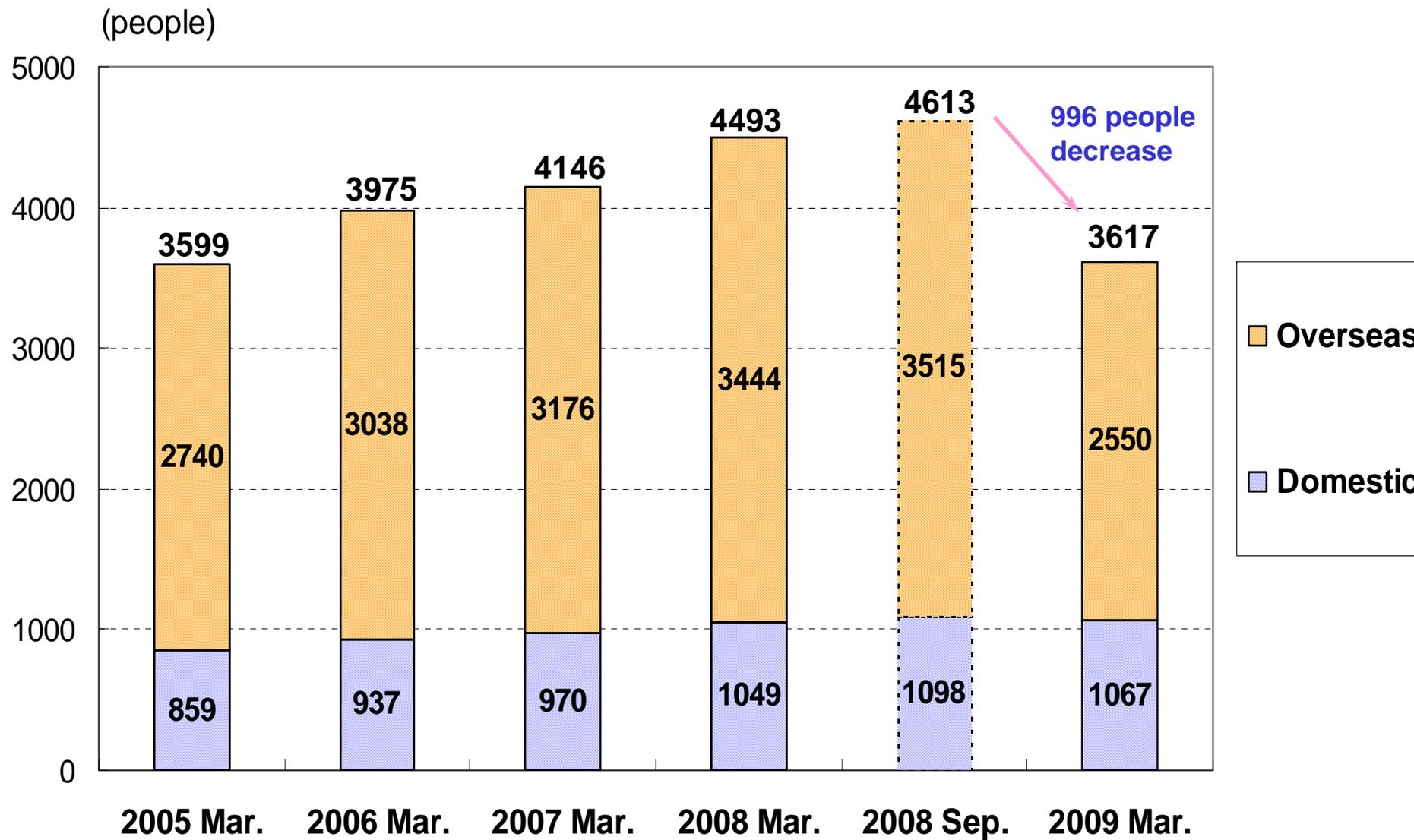
Overseas Production and Sales Ratio



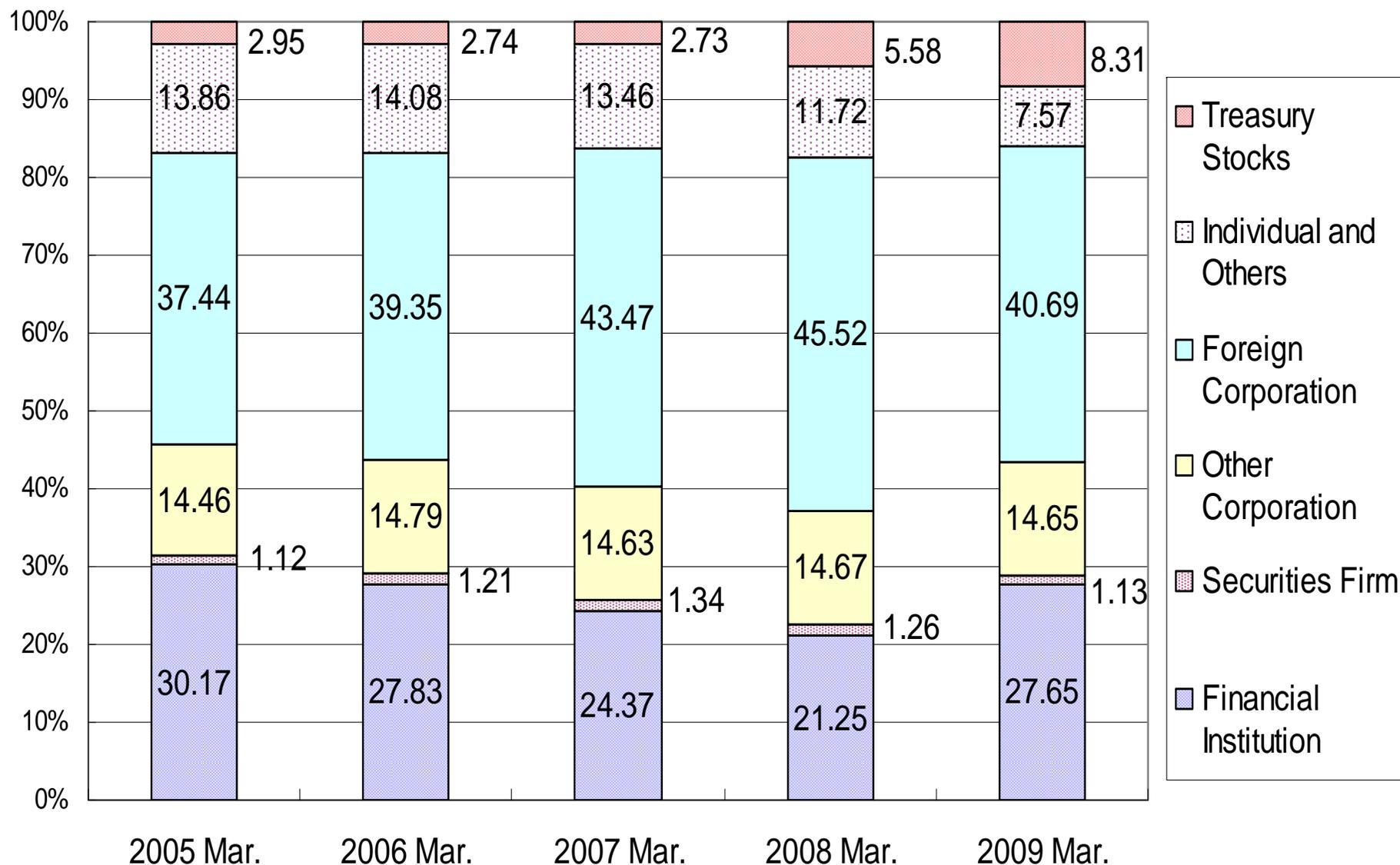
Capital Investment and Depreciation Change



Number of Employees (based on financial report)



Composition Rate of Shareholders



FY2009 Business Forecast

note)"First Half" regard as 1Q & 2Q, "Second Half" regard as 3Q & 4Q

(hundred millions of yen)

	(Actual) FY2008			(Forecast) FY2009			First Half Over Previous Actual Amount		Second Half Over Previous Actual Amount		For the Year Over 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%)	385.0 (59.7%)	465.0 (59.1%)	850.0 (59.4%)	-165.4	-30.1%	116.7	33.5%	-48.7	-5.4%
Operating Profit (%)	151.3 27.5%	40.4 11.6%	191.7 21.3%	75.0 19.5%	105.0 22.6%	180.0 21.2%	-76.3	-50.4%	64.6	159.9%	-11.7	-6.1%
Ordinary Profit (%)	163.5 29.7%	44.3 12.7%	207.8 23.1%	85.0 22.1%	115.0 24.7%	200.0 23.5%	-78.5	-48.0%	70.7	159.6%	-7.8	-3.8%
Net Profit (%)	96.9 17.6%	36.2 10.4%	133.1 14.8%	50.0 13.0%	70.0 15.1%	120.0 14.1%	-46.9	-48.4%	33.8	93.4%	-13.1	-9.8%
Income Per Share	-	-	356.57yen	-	-	327.02yen	*From FY2009, we will be including HST (which used to be our equity-method affiliate) as our consolidated subsidiary. However, its' effects on the sales, profits and losses are small.					
Dividend Per Share	80yen	50yen	130yen	60yen	60yen	120yen						
Dividend Payout Ratio	-	-	36.5%	-	-	36.7%						