

Direction of Medium-term Growth Strategy

2016, May 10th
Hirose Electric Co.,Ltd.

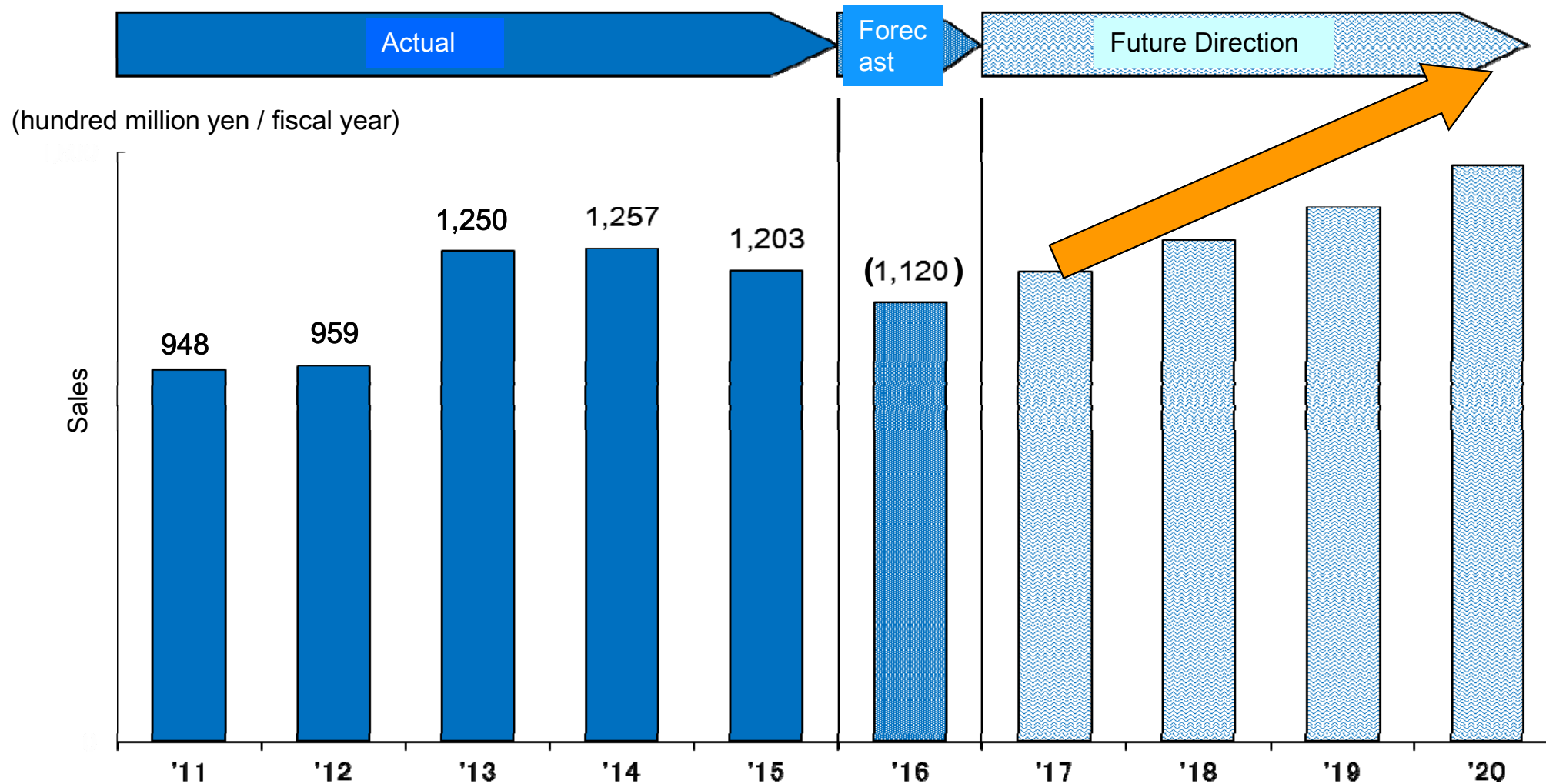
President
Kazunori Ishii

Cautionary Statement

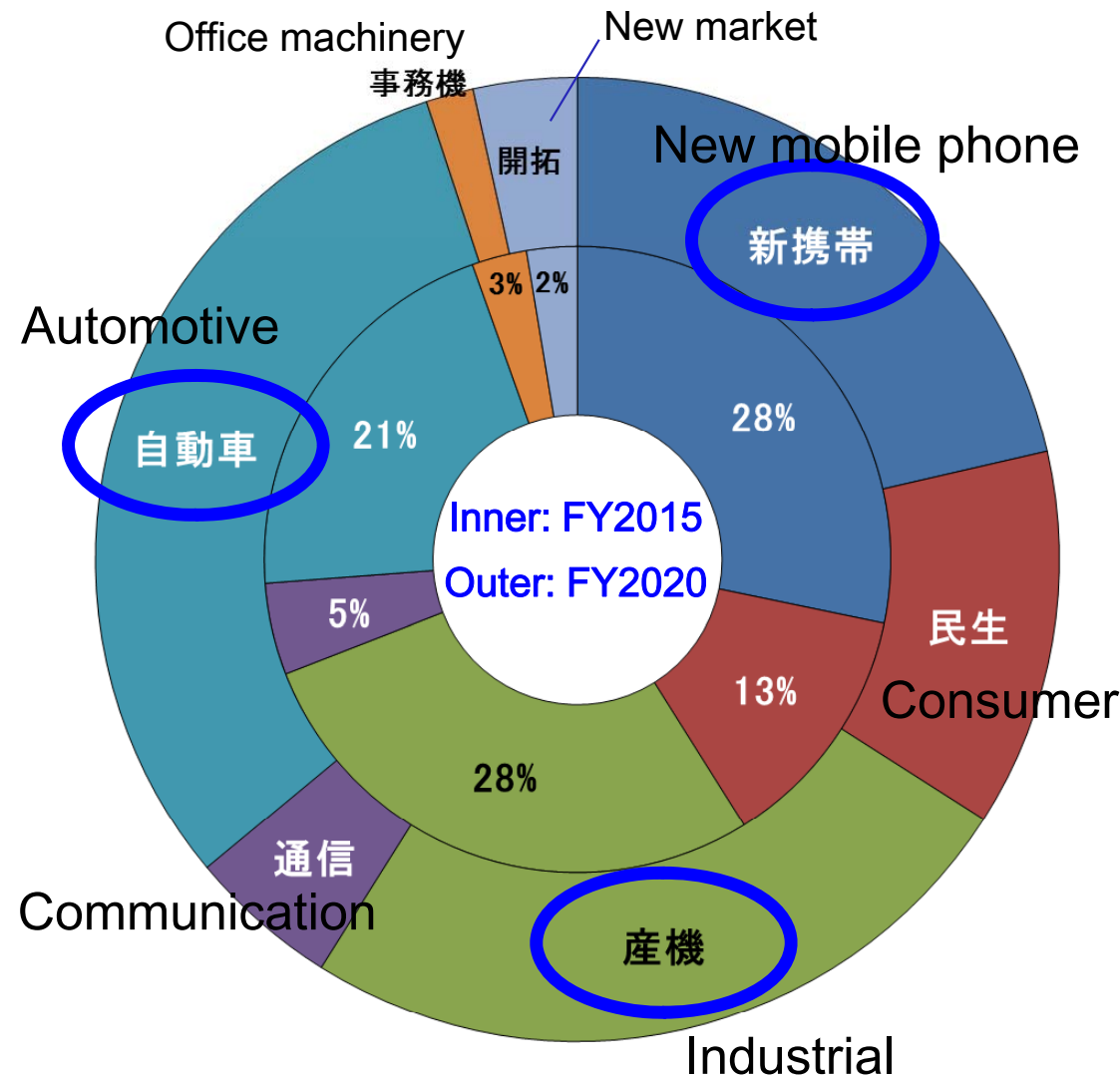
In this material, there are descriptions based on current estimation by Hirose Electric.

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.

Maintain high profit management and grow sales in the medium-term



--> 2016 decrease but bottom out for continuous added-value growth

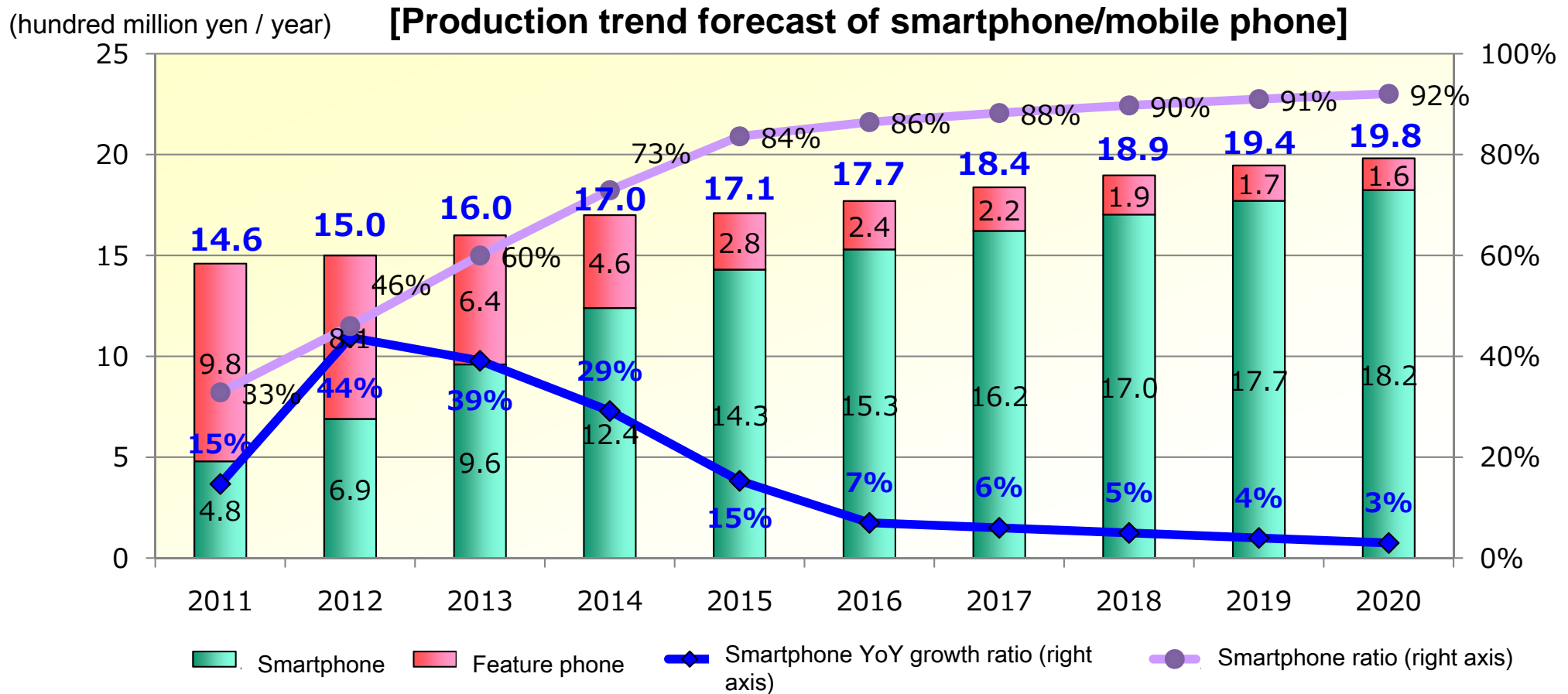


- Slowdown in smartphone growth and expansion of new information terminal (→ See P.5,6 for more)
- Accelerating preparation for next core business
- Double-wheeled growth plan - “smartphone + consumer” and “automotive/industrial + infrastructure” (→ See P.7,8 fore more)

--→Accelerate medium-term management and grow continuously

Production trend of smartphone

■ Smartphone which had continued double-digit growth will slow down to single-digit after 2016, but is still expected to increase by tens of millions unit per year.



Source: HRS estimation

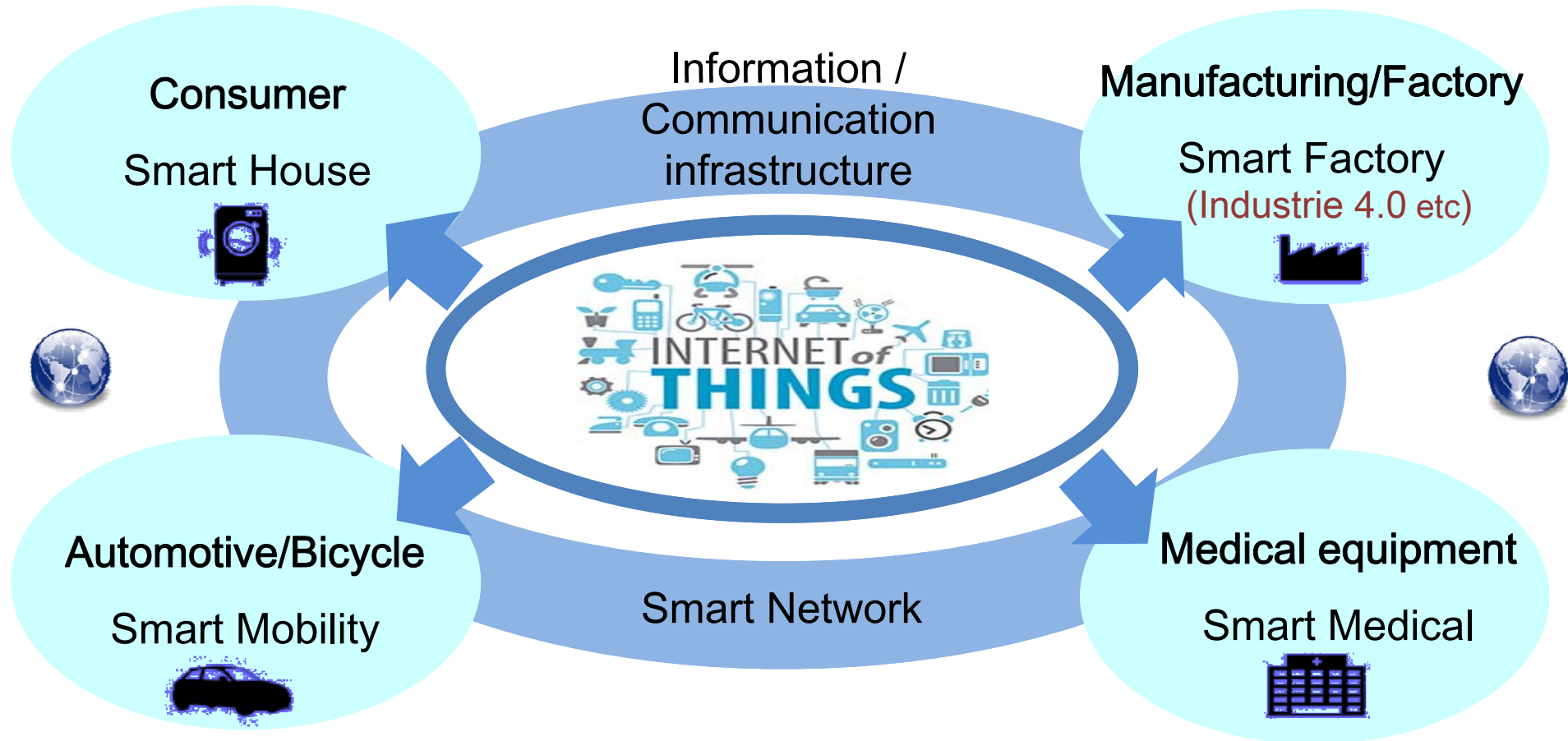
--> Smartphone market will continue mild growth

- Real cloud society will arrive, with each wearable device and IoT module connecting internet by communication function devices with smartphone, tablet etc. as host device



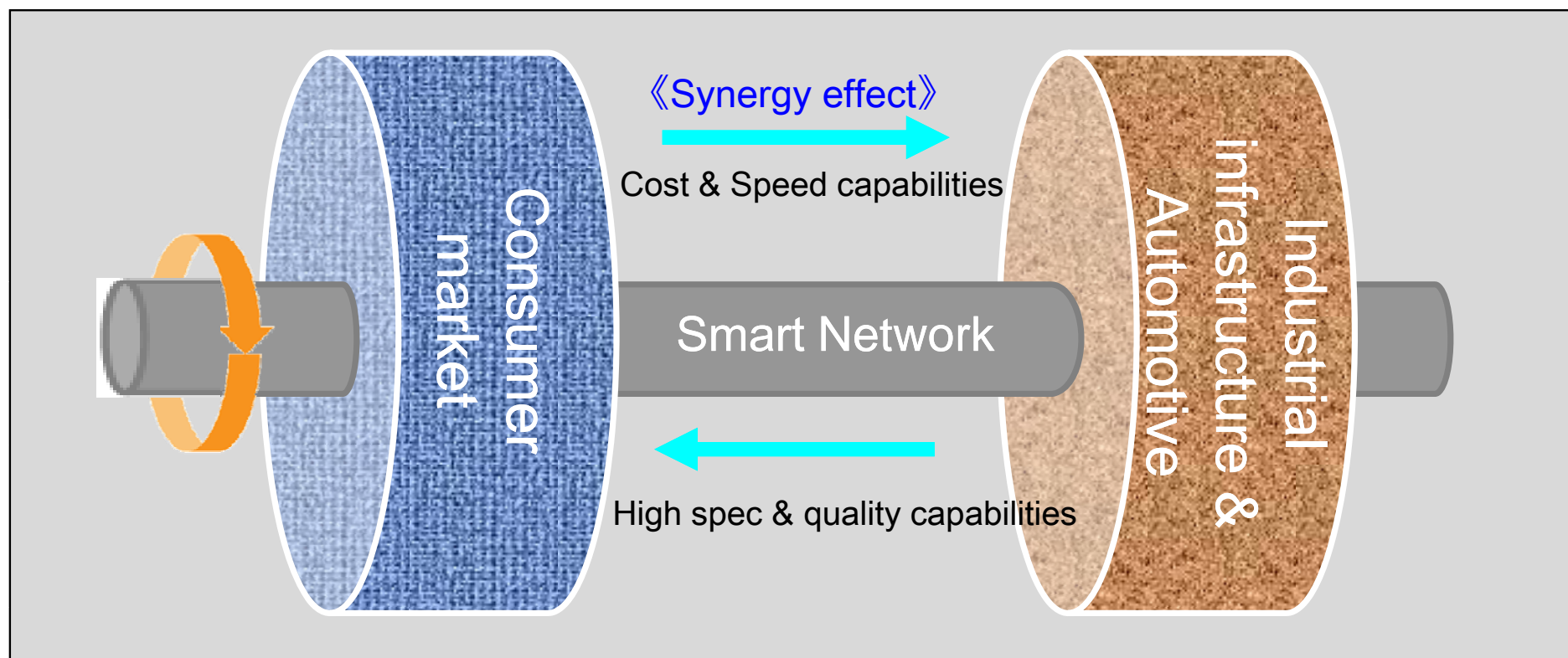
--> Information terminal connected to internet will become more various, and smaller and space-saving connectors will be needed (Smartphone market product use will enhance)

- New product, service, system utilizing IoT will spread to various market

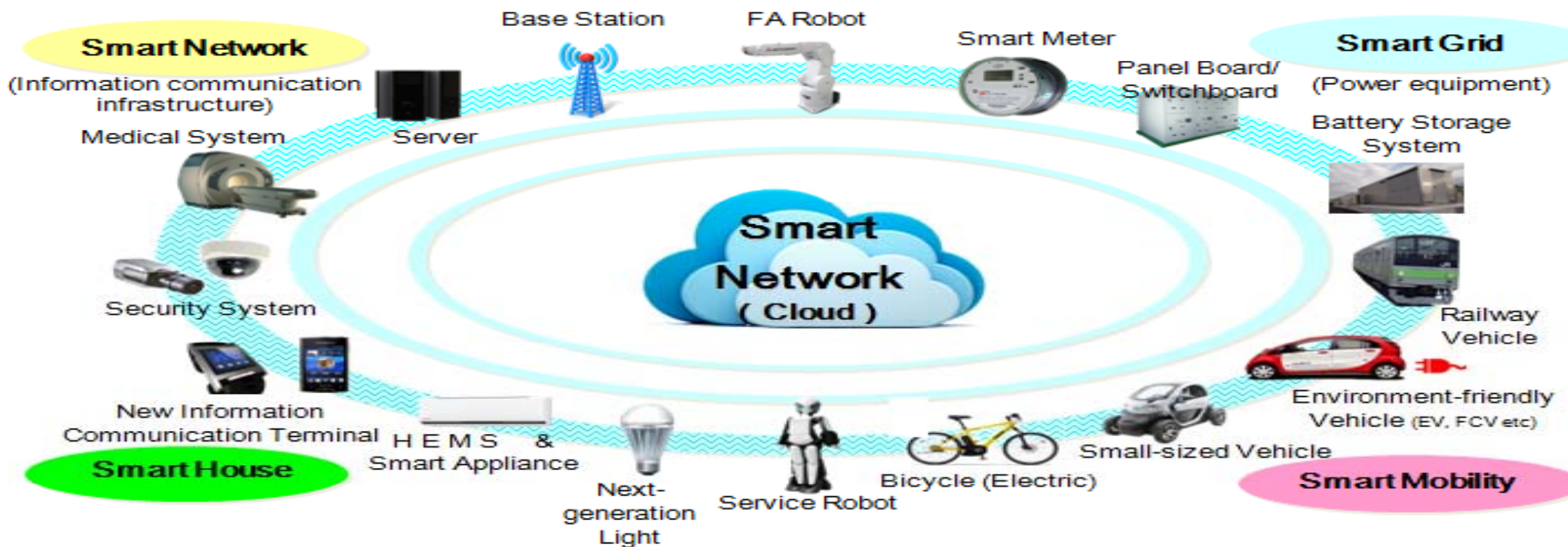


--> New connector needs will arise in many market

■ Basic direction



--> [Consumer] & [Automotive, Industrial infrastructure]
Double-wheels of continuous growth!



“Key trend” : “IoT (Connecting to everything)” “Cloud” “ECO”

“Key technology” : Enhance “High speed”, “High-frequency”, “High-power”, “Smaller”

Strategic investment

Technology development

- ◆ High speed, high-frequency transmission technology
- ◆ Large current, environment resistant technology
- ◆ Mold processing, plating technology

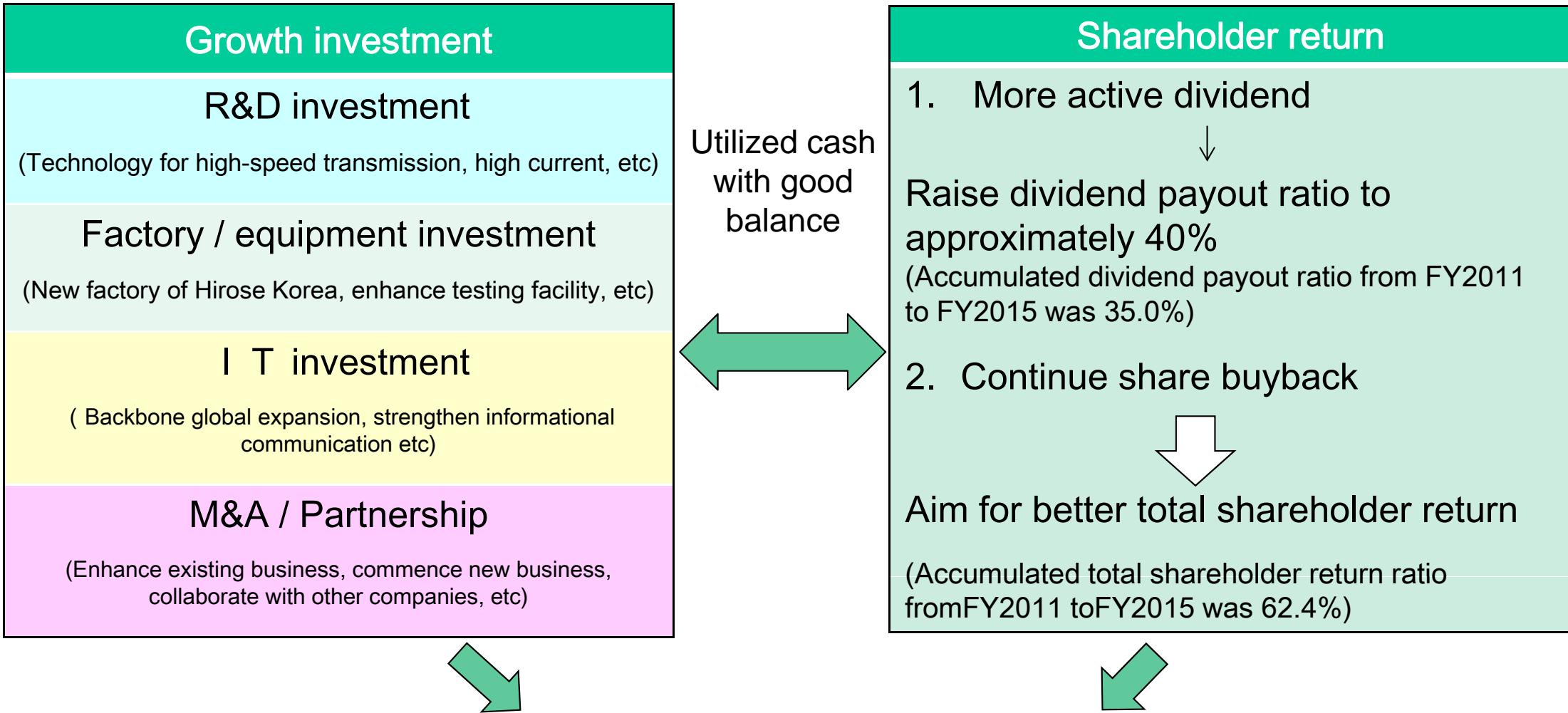
Factory / Equipment

- ◆ Reinforce domestic/overseas factory
- ◆ Ultraprecise process equipment
- ◆ Testing/assessment facility for automotive / industrial

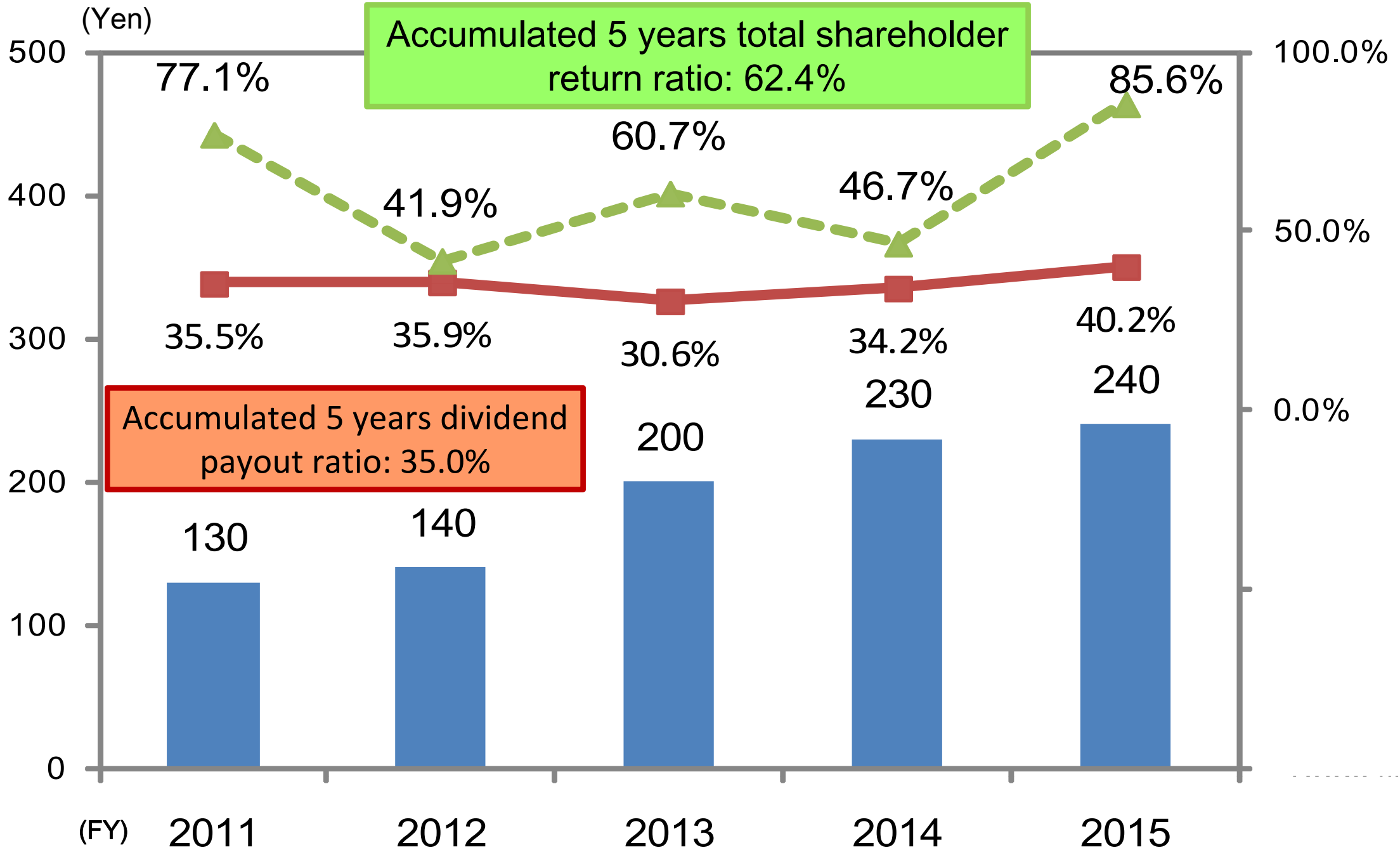
IT infrastructure

- ◆ Reinforce each main system
- ◆ Enrich communication system
- ◆ Equip decision-making support system

We will use cash prioritizing investment based on medium-term growth strategy and then aim for better shareholder return



By “growing profit and improving to appropriate shareholders’ equity”, we aim to return to over 8% ROE on and after FY2018!



〈〈〈New fiscal year: FY2016〉〉〉

Accomplish “G-WING”!!

-This will be the starting year of
“Hirose’s forthcoming launch and jump”-