

Announcement of the decision about  
“The Basic Policy for holding and cancellation of treasury stocks”

January 30, 2018

Hirose Electric (“the Company”) announced that, at the Board of Directors’ meeting held on January 30, 2018, the Company resolved “the basic policy for holding and cancellation of treasury stocks.

**“The Basic Policy for holding and cancellation of treasury stocks”**

**1. “The Basic Policy for holding and cancellation of treasury stocks”**

- (1) The Company secure fixed treasury stocks to conduct M&A strategy (M&A, business and capital alliance and so on.)
- (2) The Company set the maximum amount of treasury stocks which could be secured as about 5% of total issued shares and conduct cancellation of treasury stocks which exceed the amount every fiscal year, in order to dispel the concern about the dilution of stocks which might be caused by the release of treasury stocks.

**2. Schedule for the cancellation of treasury stocks**

The Company is planning on performing the cancellation of treasury stocks (except for 5% of total issued stocks), which remains after “the allotment share without contribution” announced today, by the end of June, 2018.

Further details will be informed later.