

Hirose Electric business results briefing for FY2018

“2019” Medium and long-term Growth Strategy

9th May, 2019

Hirose Electric Co., Ltd.

President and Representative Director
Kazunori Ishii

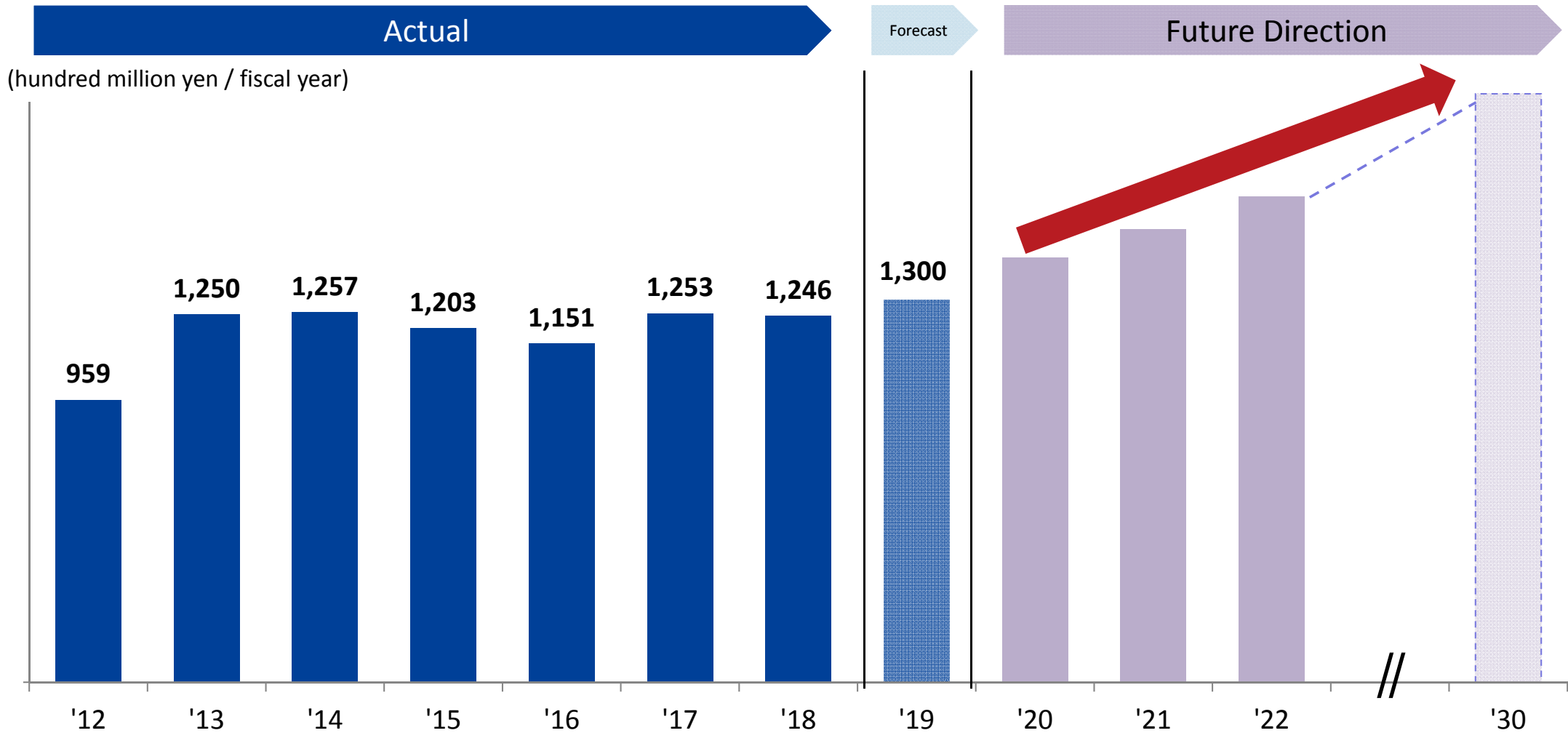
Cautionary Statement

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.

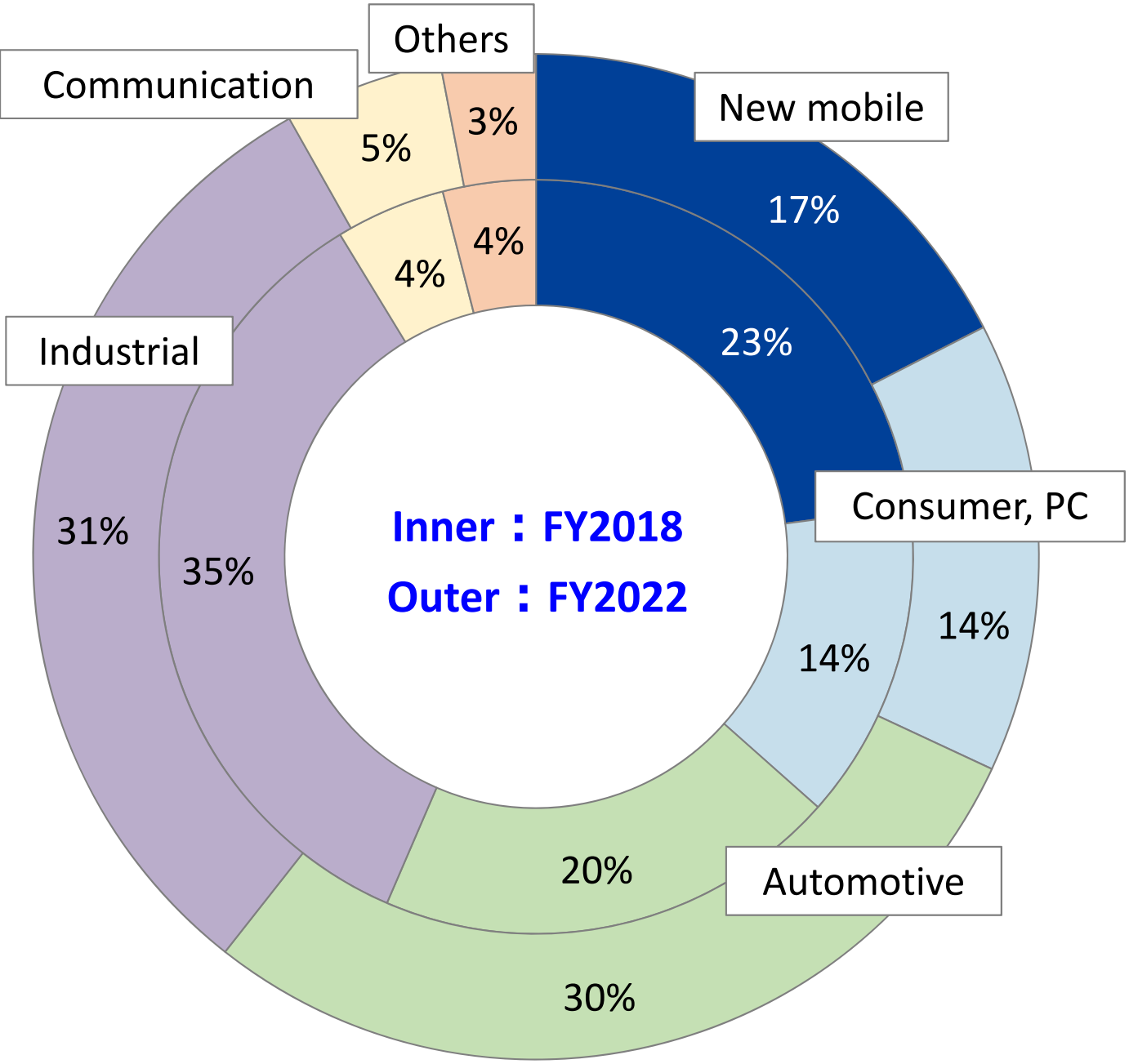
HRS : Growing Image (re-post +)

Maintain high profit management and make strong growth in the medium and long term



The result of FY2018 : “Recession”
 After FY2019 : Recover from FY2019 (Re-challenge)

Application image for medium-term



2018

Smartphone growth had been slowing down clearly.

Then we strived to expand new mobile and increase efforts for next generation (5G)



2022

We will grow by three pillars;
 “Smartphone, Consumer”
 “Automotive”
 “Industrial, Infrastructure”

Action Plan for FY2019

➤ Increase power to achieve “G-WING (medium-term plan) “ and show results

- 〈1〉 ability to manufacture
- 〈2〉 ability to develop technology
- 〈3〉 ability to execute global operation and localization in each area (glocalization)

“Evolution”



➤ We accelerate execution powerfully for this year based on “Actual Recognition” and “Foreseeing” even more.

Enhance functions and ability to manufacture (1/2) <repost +>

[started operation in January, 2017]

Hirose Korea Precision Connector Center



» Strengthen the ability to develop and manufacture micro connector

[started operation in March, 2018]

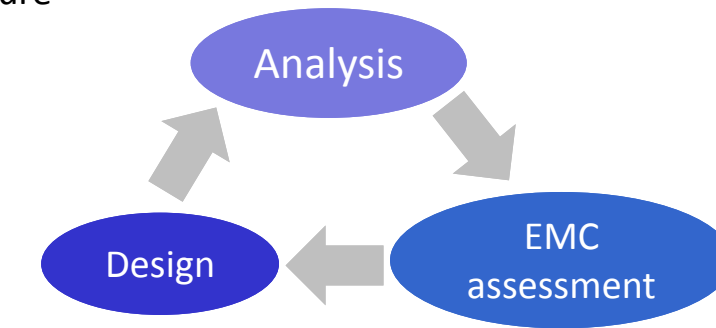
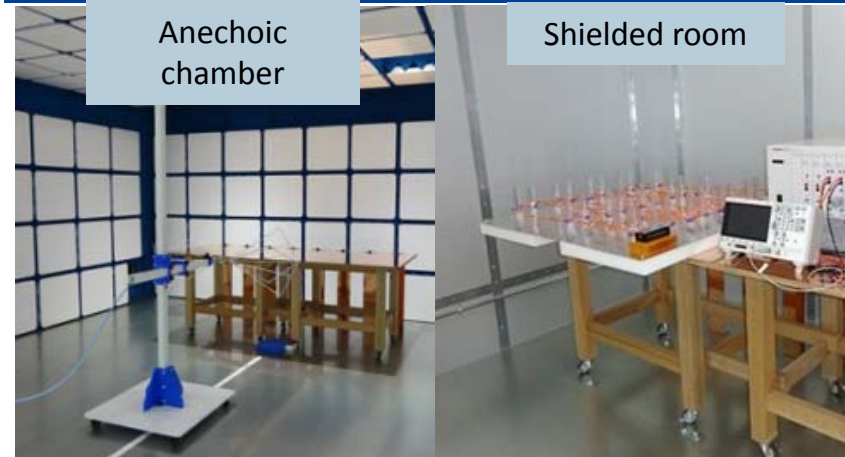
Ichinoseki (New) testing center



» Testing equipment area increased by three times

[Opened in April, 2017]

EMC test room in Yokohama Center



» Lead to the improvement of “design quality” and “development speed”

- ✓ Enhance the testing ability (shorten the lead time for tests)
- ✓ Increase testing facilities for automotive
- ✓ Acquire international certification for testing and calibration laboratories.

ISO/IEC 17025、ISO/IATF 16949、ISO 9001、ISO 14001

Enhance functions and ability to manufacture (2/2) <repost +>

[started operation in May, 2018]

Miyako: Precise mold block



» enhance ability to manufacture micro connector

[planning to start operation in FY2019]

Kikuna Office: mold center



Image

» strengthen efforts for automotive and industrial

[started operation in Sep, 2018]

Malaysia Plant : extension



» Enhance production for industrial and high-speed connector

[planning to be completed in June, 2019]

China Suzhou Plant : extension



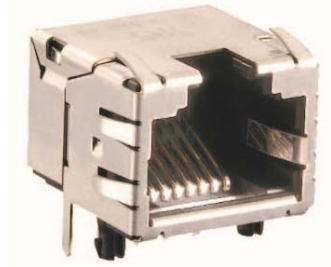
» Increase production for automotive connector

New collaboration with Harting, Germany for Ethernet solution

In 2016, we developed new standard of small connector “ix Industrial” for industrial equipment

Solution for FA network to replace RJ45 (small, strong, high-speed)

<existing product> RJ45



<new standard> ix Industrial



Implementation space was **reduced by 70%** compared to RJ45

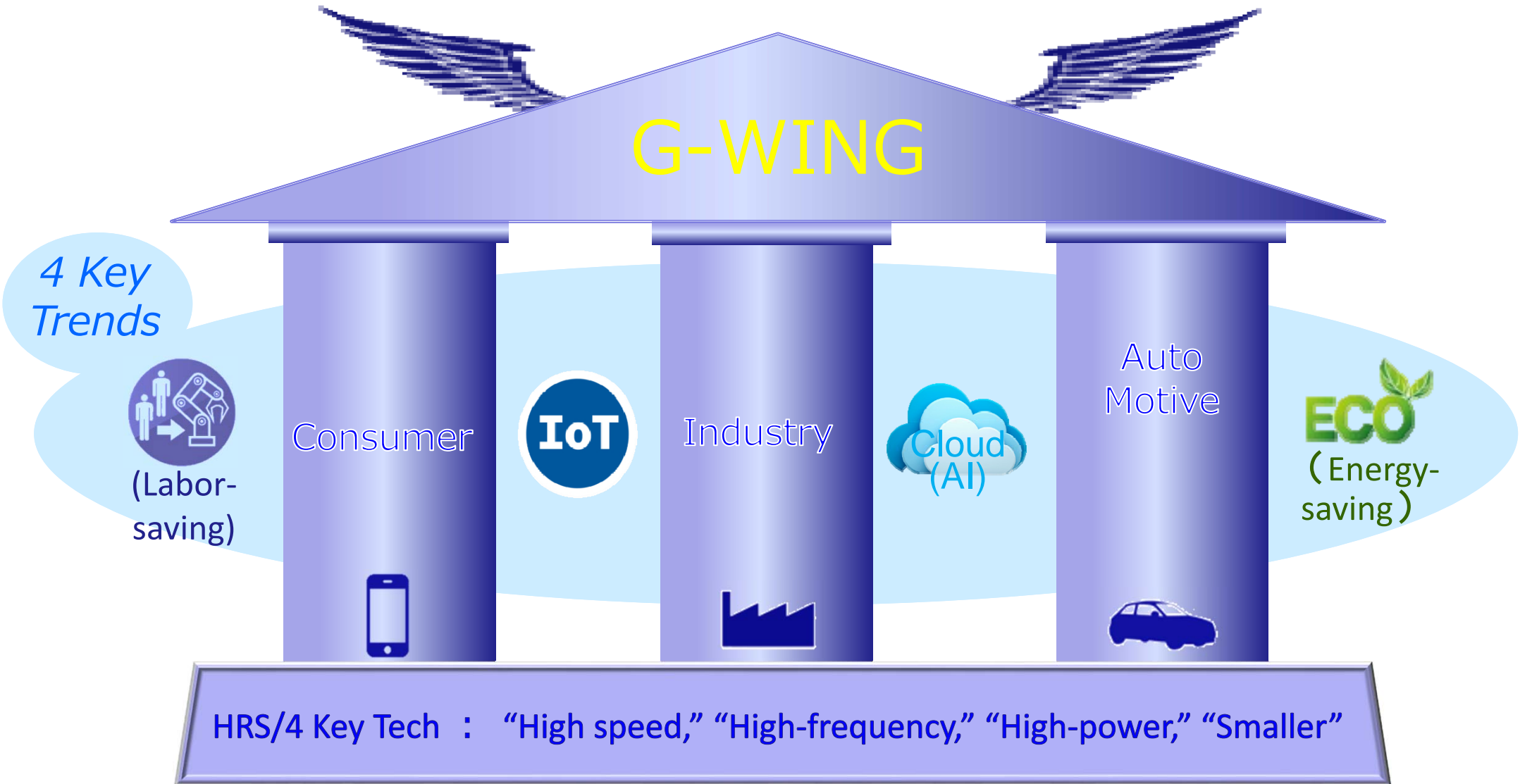
Hirose and Harting agreed to develop “Single Pair Ethernet connector” for industrial equipment together in 2019

Solution for industrial IoT (this allows transmission distance longer than before up to 1km.)

Single Pair Ethernet connector



HRS : Application strategy image <re-post +>



**“Three strong pillars” + “4 Key Tech”
⇒ Strengthen our cross-cutting proposal**

Hirose Technology Exhibition < CONNECTION 2016 ⇒ 2019 >

2016



2019

〔Tokyo〕 Tokyo Prince Hotel 17th Oct (Thu) - 18th (Fri)
 〔Osaka〕 Grand Cube Osaka 28th Nov (Thu) - 29th (Fri)

In 2016
 Over 6,500 visitors

We will reflect your opinion to our future products.
 We truly appreciate your continuous cooperation and support.