

Hirose 1Q FY 2025 Sales up +9.1% Bookings up +7.3%

For 1st quarter fiscal year 2025 (04/01/2025 – 06/30/2025), Hirose reported sales of 49.0 (48.97) billion yen, versus 44.9 (44.87) billion yen in 1st quarter fiscal year 2024. This is a year-over-year increase in sales of +9.1%. Bookings were also up, increasing +7.3%, from 48.5 (48.48) billion yen to 52.0 (52.01) billion. Unfortunately, due to the yen weakening against all major currencies compared to the same period last year, year-over-year net profit decreased -14.0% from 8.4 billion yen to 7.2 billion yen.

Fiscal Year 2025 Results

	FY 2024 - 1Q Apr-June 2024	FY 2025 - 1Q Apr-June 2025	YoY Percent Change
Sales	44.9	49.0	9.1%
Bookings	48.5	52.0	7.3%
Operating Profit	10.3	9.8	-4.2%
Net Profit	8.4	7.2	-14.0%

Yen in Billions

According to Hirose, “Q1 of FY2025 saw an increasing sense of recovery in the general industrial machinery market, good performance in the consumer mobile equipment and smartphone markets, and solid performance in the automotive and mobility-related market, resulting in sales growth of +9.1% YoY”.

On a quarter-over-quarter sequential basis, sales increased +8.8% to 49.0 billion yen, while bookings increased +8.9% to 52.0 billion yen.

Quarter over Quarter Sequential Change Fiscal Year 4Q 2024 versus 1Q2025

	FY 2024 - 4Q Jan-Mar 2025	FY 2025 - 1Q Apr-June 2025	QoQ Percent Change
Sales	45.0	49.0	8.8%
Bookings	47.7	52.0	8.9%
Operating Profit	8.5	9.8	16.2%

Yen in Billions

On a quarter-over-quarter basis by business, overall sales increase +8.9%, with general industrial sales leading the way with QOQ sales up +16.5%, followed by consumer/mobile equipment with QOQ growth of +10.3%. The only business showing a decline when viewed quarter-over-quarter was telecom infrastructure equipment, where sales declined -7.1%. It is important to note that the telecom infrastructure business is the smallest business and the decrease of -7.1% influenced overall quarter-over-quarter performance very little.

Quarter-Over-Quarter Change by Business
4Q2024 versus 1Q2025

Business	Actual 4Q FY2024	Actual 1Q FY2025	QoQ Percent Change
General Industrial	12.1	14.1	16.5%
Smartphone	10.2	10.4	2.0%
Consumer/Mobile Equipment	7.8	8.6	10.3%
Telecom Infrastructure Equipment	1.4	1.3	-7.1%
Automotive/ Mobility-related	11.9	12.8	7.6%
All Other Equipment	1.6	1.7	6.3%
Total	45.0	49.0	8.9%

Yen in Billions

From a year-over-year perspective, the business showing the most growth was general industrial, where quarterly year-over-year sales were up a strong +28.0%, followed by smartphones, where sales were up +5.1% and automotive/mobility-related business where sales were up +4.0%. Like quarter-over-quarter sales, the business showing the greatest decline was telecom infrastructure equipment, where sales declined -7.1%, followed by all other equipment, where sales declined -5.6%. It is important to note that these two businesses, telecom infrastructure equipment and all other equipment, together represented less than 5% of total quarterly sales.

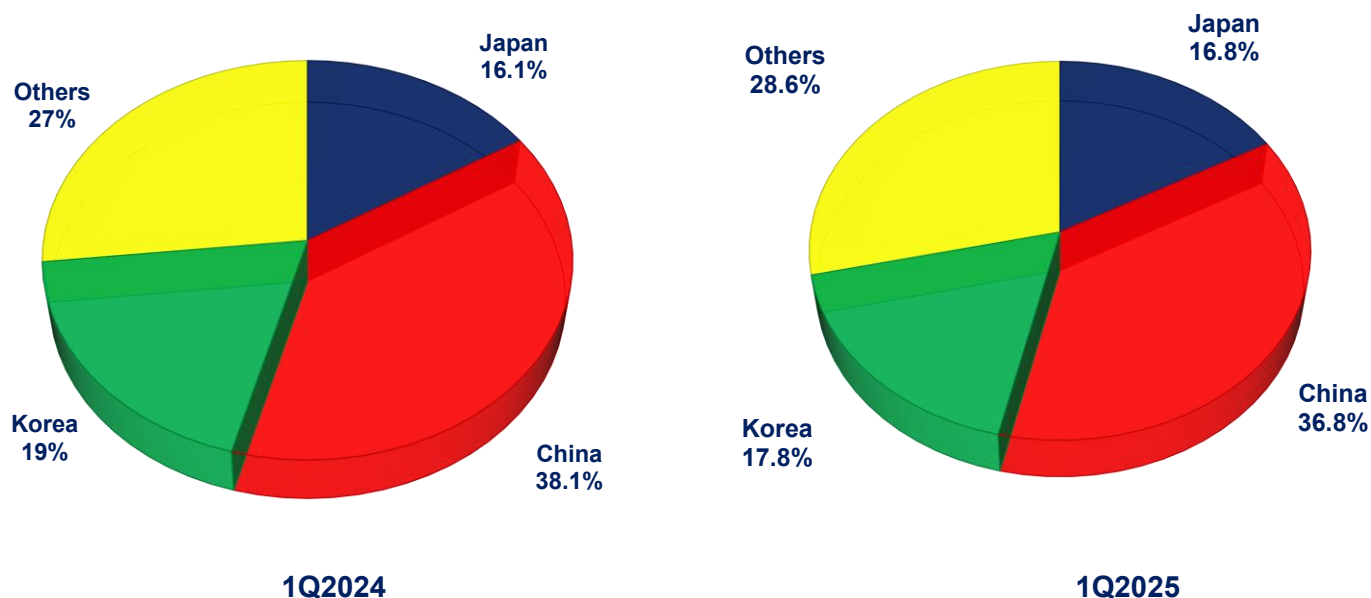
Hirose Year-Over-Year Change by Business
1Q FY2024 versus 1Q FY2025

Business	Actual 1Q FY2024	Actual 1Q FY2025	YoY Percent Change	1QFY2025 Composition Ratio
General Industrial	11.1	14.1	28.0%	29%
Smartphone	9.9	10.4	5.1%	22%
Consumer/Mobile Equipment	8.4	8.6	2.4%	18%
Telecom Infrastructure Equipment	1.4	1.3	-7.1%	3%
Automotive/ Mobility-related	12.4	12.8	4.0%	27%
All Other Equipment	1.8	1.7	-5.6%	1%
Total	44.9	49.0	9.1%	100%

Yen in Billions

From a regional standpoint, China recorded the most sales in 1Q2025, capturing 36.8% of quarterly sales, followed by Others, which includes North America and Europe, who represented 28.6% of total sales, up from 27% in 2024. Japan represented 16.8% of total sales, up from 16.1% in 1Q2024.

Hirose 1Q2024 vs 1Q2025 Sales By Region of the World



Half-Year and Full Year FY 2025 versus FY 2026 Forecast

Hirose's forecast for the year ending March 31, 2026, is shown below. It was stated that there was no change from the forecast stated in May.

Hirose Fiscal Year 2025 Forecast

	Actual First Half FY Ending 3/31/2025	Actual Total FY Ending 3/31/2025	Forecast First Half FY Ending 3/31/2026	Forecast Total FY Ending 3/31/2026	% Change First Half 2025/2026	% Change Full Year 2025/2026
Sales	94.5	189.4	95.5	191.0	1.0%	0.8%
Operating Profit	22.2	42.7	19.5	38.5	-12.2%	-9.8%
Net Profit	17.5	33.0	14.0	28.0	-20.0%	-15.2%

Yen in Billions

It was announced on July 28, 2025, that Hirose Electric Co., Ltd. had acquired all shares of Shinagawa, Tokyo based S.E.R. Corporation and its subsidiary, Kunohe Seimtsu and made it a subsidiary of the Company [Hirose]. "S.E.R. is engaged in the manufacturing and the sales of semiconductor test products. S.E.R. has a proven track record of delivering semiconductor test products to leading global companies in the industry, thanks to their advanced technologies and manufacturing capabilities. Through the acquisition of shares in this matter, the Company will support S.E.R.'s semiconductor test product business with the Company's manufacturing know-how, product development capabilities, and sales channels, thereby promoting more advanced product development and business expansion. The Company expects that the impact of the transaction on the Company's consolidated financial results for the fiscal year ending March 2026 will be minor."

Bishop & Associates Comments

Hirose's acquisition of S.E.R. is the first acquisition the company has made since it acquired ADD Ltd. from Yoshio Takahashi in September of 2022. The acquisition of S.E.R., solidified Hirose's previous comments about "exploring new growth drivers in addition to hedging risks by maintaining a solid portfolio based on our three pillars".

Like Bishop's outlook for 2025, uncertainty in future economic conditions, including the implementation of tariffs, the need to possibly raise prices because of raw material increases, and other factors have made this a very difficult environment to forecast, and for this reason, we understand Hirose's decision to remain with the forecast they submitted in May of 2025. Their continued strong bookings in FY2025, especially in the industrial domain, is a very positive sign. Bishop feels Hirose, like the connector industry overall, will be in a good position to meet their FY2025 forecast.