

**CONSOLIDATED FINANCIAL SUMMARY
FOR THE FIRST QUARTER ENDED JUNE 30, 2020
(IFRS)**

July 30, 2020

Company Name: ANRITSU CORPORATION

Stock exchange listings: Tokyo

Securities code: 6754 URL: <https://www.anritsu.com>

Representative: Hirokazu Hamada ; President and Director

Inquiries: Akifumi Kubota ; Director, Executive Vice President, CFO

Tel : +81 46 296 6507

Quarterly statement filing date (as planned): August 13, 2020

Dividend payable date (as planned): -

Supplemental material of quarterly results: Yes

Convening briefing of quarterly results: Yes (for financial analysts and institutional investors)

(Millions of yen, round down)

1. Consolidated financial results of the first quarter ended June 30, 2020

(From April 1, 2020 to June 30, 2020)

(1) Consolidated Operating Results

(Note) Percentage figures indicate change from the same quarter a year ago.

	Revenue		Operating profit (loss)		Profit (loss) before tax		Profit (loss)		Profit (loss) attributable to owners of parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the three months ended June, 2020	25,693	10.6	5,121	90.0	5,115	102.1	3,535	97.4	3,515	97.9	3,706	348.4
June, 2019	23,236	10.8	2,695	65.3	2,531	44.5	1,790	5.4	1,776	5.0	826	-60.6

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
For the three months ended June, 2020	25.58	25.57
June, 2019	12.93	12.92

(2) Consolidated Financial Positions

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent to total assets ratio
	Millions of yen	Millions of yen	Millions of yen	%
For the three months ended June, 2020	129,681	95,350	95,171	73.4
For the year ended March, 2020	138,873	94,331	94,172	67.8

2. Dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Fiscal year end	Total
	Yen	Yen	Yen	Yen	Yen
For the year ended March, 2020	—	11.00	—	20.00	31.00
For the year ending March, 2021	—				
For the year ending March, 2021 (Forecast)		15.50	—	15.50	31.00

(Note) Correction of dividend forecast from the most recent dividend forecast: No

3. Consolidated Forecast for the year ending March 31, 2021 (From April 1, 2020 to March 31, 2021)

(Note) Percentage figures indicate change from the previous period.

	Revenue		Operating profit (loss)		Profit (loss) before tax		Profit (loss)		Profit (loss) attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Annual	110,000	2.8	17,500	0.5	17,500	1.9	13,500	0.8	13,500	1.1	98.23

(Note) Correction of financial forecast from the most recent financial forecast: No

※ Others

(1) Material changes in subsidiaries during this period

(Changes in scope of consolidations resulting from change in subsidiaries) : None

Number of subsidiaries newly consolidated : -

Number of subsidiaries excluded from consolidation : -

(2) Changes in accounting policies and accounting estimates

1. Changes in accounting policies required by IFRS : None

2. Changes in accounting policies other than IFRS requirements : None

3. Changes in accounting estimates : None

(3) The number of issued shares

1. Number of issued shares at the period end (including treasury stock)

Q1FY2020 (Jun. 30, 2020)	138,270,994 shares	FY2019 (Mar. 31, 2020)	138,257,294 shares
--------------------------	--------------------	------------------------	--------------------

2. Total number of treasury stock at the period end

Q1FY2020 (Jun. 30, 2020)	830,311 shares	FY2019 (Mar. 31, 2020)	830,188 shares
--------------------------	----------------	------------------------	----------------

3. Average number of issued shares during the period (quarterly period-YTD)

Q1FY2020 (Jun. 30, 2020)	137,432,824 shares	Q1FY2019 (Jun. 30, 2019)	137,367,081 shares
--------------------------	--------------------	--------------------------	--------------------

This financial summary is not subject to audit by a certified public accountant or an audit corporation.

Notes for using forecasted information and others

•As the business forecast mentioned above are based on the recent information, actual results may vary substantially from projections above due to known or unknown risks, changes relating to uncertainties, and others. The reader should be aware that actual results may be materially different from any future results expressed herein due to various factors.

•With regard to notes for utilizing preconditions of outlook and business forecast, please refer to 1. Consolidated Financial Results (2) Outlook for the Fiscal Year Ending March 31, 2021 at page 4.

•Additional supplemental material related to the financial statements will be available at Anritsu's web site since the results briefing session to be held on July 30, 2020.

INDEX

1. Consolidated Financial Results	2
(1) Operating Results	2
(2) Outlook for the Fiscal Year Ending March 31, 2021	4
2. Condensed Quarterly Consolidated Financial Statements	6
(1) Condensed Quarterly Consolidated Statement of Financial Position	6
(2) Condensed Quarterly Consolidated Statement of Profit or Loss and Other Comprehensive Income	8
(3) Condensed Quarterly Consolidated Statements of Changes in Equity	9
(4) Condensed Quarterly Consolidated Statements of Cash Flows	10
(5) Notes to the Consolidated Financial Statements	11
3. Reference Information	12
Consolidated Quarterly Financial Highlights	12
Consolidated Quarterly Financial Position	13
Consolidated Quarterly Segment Information	14
Anritsu Corporation Supplement	15

1. Consolidated Financial Results

(1) Operating Results

	Three Months Ended June 30,		(Millions of yen)	
	2019	2020	Change	
Orders	27,166	29,019	1,853	6.8%
Backlog	25,650	25,237	(412)	-1.6%
Revenue	23,236	25,693	2,456	10.6%
Operating profit (loss)	2,695	5,121	2,425	90.0%
Profit (loss) before tax	2,531	5,115	2,584	102.1%
Profit (loss)	1,790	3,535	1,744	97.4%
Profit (loss) attributable to owners of parent	1,776	3,515	1,739	97.9%

In the field of information and communication, which is the main field of Test and Measurement Business, 5G commercialization schedules of operators in each country are making progress smoothly. 5G services were launched in the US, Korea, Europe, and China. In Japan as well, 5G services were launched in certain areas, centered on cities, in March 2020. Continuously among 3GPP, specification development of ultralow latency communications and multiple simultaneous connections for expansion of use case (Release 16*) is under consideration, and the standardization has been finished in July 2020. In addition, new specifications (Release 17*) for improved 5G efficiency and capability, such as expansion of high frequency range, expansion of communication area, low-power consumption, and low-cost communication are planned to consider among 3GPP, and the standardization will be targeted to be finished in 2021.

Since the data traffic is expanding rapidly due to sophisticated cloud computing services and the progress of 5G services, the network infrastructure is under strain. Therefore, service providers that are pursuing higher-speed networks are concentrating on the promotion of 100Gbps services, and network equipment manufacturers are developing 400Gbps network equipment.

Amid such environment, the Test and Measurement Business Group has focused on solution development for the 5G investment demand as well as improvement of organizational infrastructure. Consequently, this group acquired development demand for 5G commercialization. Furthermore, it acquired development and production demand for higher-speed networks.

In the field of PQA (Product Quality Assurance), automation investment on processed foods production lines is underway, and demand is growing steadily for contaminant inspection using X-rays and quality guarantee toward packaging. Amid such environment, the PQA Group has worked to reinforce the competitiveness of its solutions focused on X-rays, as well as enhance and expand its global sales structure.

As a result, during the first-quarter of the fiscal year ending March 31, 2021, orders increased 6.8 percent compared with the previous fiscal year to 29,019 million yen, and revenue increased 10.6 percent compared with the previous fiscal year to 25,693 million yen. Operating profit increased 90.0 percent compared with the previous fiscal year to 5,121 million yen, profit before tax increased 102.1 percent compared with the previous fiscal year to 5,115 million yen. Profit increased 97.4 percent compared with the previous fiscal year to 3,535 million yen, and profit attributable to owners of parent increased 97.9 percent compared with the previous fiscal year to 3,515 million yen.

(*) standard number used in 3GPP

Operating results by segment are as follows.

1. Test and Measurement

	Three Months Ended June 30,		(Millions of yen)	
	2019	2020	Change	
Revenue	17,315	19,260	1,944	11.2%
Operating profit (loss)	2,761	4,946	2,185	79.1%

This segment develops, manufactures and sells measuring instruments and systems for a variety of communications applications, and service assurance, to service providers, manufacturers of network equipment, and maintenance and installation companies around the world.

During the first-quarter of the fiscal year ending March 31, 2020, development demand for 5G chipsets and mobile devices was growing steadily. In Asia in particular, development demand aimed at 5G commercialization grew, driven the 5G business. In addition, we acquired development and production demand for network speedup in data centers.

Consequently, segment revenue increased 11.2 percent compared with the previous fiscal year to 19,260 million yen, operating profit increased 79.1 percent to 4,946 million yen.

2. Products Quality Assurance

	Three Months Ended June 30,		(Millions of yen)	
	2019	2020	Change	
Revenue	4,088	4,416	328	8.0%
Operating profit (loss)	(158)	138	296	-

This segment develops, manufactures and sells production management and quality management systems, high-precision and high-speed auto checkweighers, automatic combination weighers and metal detectors, for the food, pharmaceutical and cosmetics industries.

During the first-quarter of the fiscal year ending March 31, 2021, demand for capital investment with the purpose of automating, labor saving, and strengthening quality assurance processes in food market was steady both in Japan and overseas. As a result, segment revenue increased 8.0 percent compared with the previous fiscal year to 4,416 million yen, and operating profit was 138 million yen. (Operating loss was 158 million yen in the same period of the previous fiscal year.)

3. Others

	Three Months Ended June 30,		(Millions of yen)	
	2019	2020	Change	
Revenue	1,832	2,016	184	10.1%
Operating profit (loss)	286	194	(92)	-32.3%

This segment comprises Information and Communications, Devices, Logistics, Welfare services, Real estate leasing and other businesses.

During the first-quarter of the fiscal year ending March 31, 2021, segment revenue increased 10.1 percent compared with the previous fiscal year to 2,016 million yen, and operating profit decreased 32.3 percent compared with the previous fiscal year to 194 million yen.

(2) Outlook for the Fiscal Year Ending March 31, 2021

The Anritsu Group has not changed the performance forecasts announced on April 27, 2020.

Uncertainty of the social and economic situation continues due to the spread of COVID-19. The forecast assumes that COVID-19 will be settled within the first half of the fiscal year. Consequently, the situation of the spread of the COVID-19 infection and the time of convergence could have additional impact on Anritsu Group's performance, including a further prolongation of the slump in economic activity. The Company will swiftly publish information when it is expected material impacts that should be disclosed.

BUSINESS FORECAST FOR THE FISCAL YEAR ENDING MARCH 31, 2021

	(Millions of yen)
	FY2020
Revenue	110,000
Operating profit (loss)	17,500
Profit (loss) before tax	17,500
Profit (loss)	13,500
Profit (loss) attributable to owners of parent	13,500

Assumed annual exchange rate : 1US\$=105Yen

(Reference)

FORECAST OF SEGMENT INFORMATION

(Millions of yen)

	FY2019 From Apr. 1, 2019 To Mar. 31, 2020	FY2020	
		From Apr. 1, 2020 To Mar. 31, 2021	Change
Revenue by Segment			
Revenue	107,023	110,000	2.8%
Test and Measurement	75,165	77,000	2.4%
PQA	22,575	24,000	6.3%
Others	9,282	9,000	-3.0%
Operating Profit by Segment			
Operating Profit	17,413	17,500	0.5%
Test and Measurement	15,148	15,500	2.3%
PQA	1,287	1,800	39.8%
Others	1,900	1,200	-36.8%
Adjustment	(921)	(1,000)	-
Revenue by Region			
Revenue	107,023	110,000	2.8%
Japan	36,293	37,000	1.9%
Overseas	70,729	73,000	3.2%
Americas	20,773	22,000	5.9%
EMEA	10,693	11,000	2.9%
Asia and Others	39,262	40,000	1.9%

(Note) EMEA: Europe, Middle East and Africa

(Note)

Statements made in these materials with respect to Anritsu's current plans, strategies and beliefs that are not historical fact are forward-looking statements of future business results or other forward-looking projections pertinent to the business of Anritsu. These descriptions are based on assumptions and judgments made by Anritsu's management from information currently available, and include certain risks and uncertain factors. Actual business results are the outcome of a number of unknown variables, and may substantially differ from the figures projected herein. Furthermore, Anritsu disclaims any obligation, unless required by law, to update or revise any forward-looking statements as a result of new information, future events or otherwise.

Factors which may affect the actual business results include but are not limited to the economic situation in the geographic areas where Anritsu conducts business, including but not limited to Japan, Americas, Europe, and Asia, pressure on prices due to trends in demand for Anritsu's products and services or to increased competition, Anritsu's ability to continue supplying products and services that are accepted by customers in a highly competitive market environment, and currency exchange rates.

2. Condensed Quarterly Consolidated Financial Statements

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	End of FY2019 as of 3.31.20	Q1 FY2020 as of 6.30.20
Assets		
Current assets		
Cash and cash equivalents	47,669	40,451
Trade and other receivables	26,263	23,126
Other financial assets	29	19
Inventories	20,775	22,879
Income tax receivables	413	426
Other assets	3,857	2,546
Total current assets	99,009	89,451
Non-current assets		
Property, plant and equipment	25,259	25,204
Goodwill and intangible assets	3,833	4,016
Investment property	663	622
Trade and other receivables	287	570
Other financial assets	1,785	2,091
Deferred tax assets	7,548	7,376
Other assets	485	349
Total non-current assets	39,864	40,230
Total assets	138,873	129,681

(Millions of yen)

	End of FY2019 as of 3.31.20	Q1 FY2020 as of 6.30.20
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	7,467	6,776
Bonds and borrowings	9,882	1,812
Other financial liabilities	753	780
Income tax payables	4,028	2,731
Employee benefits	7,293	4,957
Provisions	435	422
Other liabilities	7,484	9,670
Total current liabilities	<u>37,346</u>	<u>27,152</u>
Non-current liabilities		
Trade and other payables	480	465
Bonds and borrowings	2,994	2,994
Other financial liabilities	1,015	1,076
Employee benefits	775	776
Provisions	108	108
Deferred tax liabilities	336	371
Other liabilities	1,484	1,385
Total non-current liabilities	<u>7,195</u>	<u>7,178</u>
Total liabilities	<u>44,541</u>	<u>34,331</u>
Equity		
Common stock	19,151	19,161
Additional paid-in capital	28,277	28,328
Retained earnings	43,182	43,952
Treasury stock	(1,119)	(1,119)
Other components of equity	4,681	4,849
Total equity attributable to owners of parent	<u>94,172</u>	<u>95,171</u>
Non-controlling interests	159	178
Total equity	<u>94,331</u>	<u>95,350</u>
Total liabilities and equity	<u>138,873</u>	<u>129,681</u>

(2) Condensed Quarterly Consolidated Statement of Profit or Loss and Other Comprehensive Income

(Millions of yen)

	FY2019 (3 months) From April 1, 2019 to June 30, 2019	FY2020 (3 months) From April 1, 2020 to June 30, 2020
Revenue	23,236	25,693
Cost of sales	10,679	11,242
Gross profit	12,557	14,450
Other revenue and expenses		
Selling, general and administrative expenses	6,838	6,483
Research and development expense	3,121	2,871
Other income	103	67
Other expenses	5	41
Operating profit (loss)	2,695	5,121
Finance income	169	84
Finance expenses	333	89
Profit (loss) before tax	2,531	5,115
Income tax expense	740	1,579
Profit (loss)	1,790	3,535
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Change of financial assets measured at fair value	(11)	215
Total	(11)	215
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation	(952)	(44)
Total	(952)	(44)
Total of other comprehensive income	(964)	170
Comprehensive income	826	3,706
Profit (loss), attributable to :		
Owners of parent	1,776	3,515
Non-controlling interests	14	19
Total	1,790	3,535
Comprehensive income attributable to :		
Owners of parent	811	3,686
Non-controlling interests	14	19
Total	826	3,706
Earnings per share		
Basic earnings per share (Yen)	12.93	25.58
Diluted earnings per share (Yen)	12.92	25.57

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

Three months ended June 30, 2019 (From April 1, 2019 to June 30, 2019)

(Millions of yen)

	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at April 1, 2019	19,113	28,207	33,442	(1,133)	5,930	85,560	117	85,678
Adjustments due to changes in accounting policies	—	—	(45)	—	—	(45)	—	(45)
Balance at April 1, 2019 (restated)	19,113	28,207	33,396	(1,133)	5,930	85,515	117	85,632
Profit (loss)	—	—	1,776	—	—	1,776	14	1,790
Other comprehensive income	—	—	—	—	(964)	(964)	—	(964)
Total comprehensive income	—	—	1,776	—	(964)	811	14	826
Share-based payments	1	13	—	—	—	14	—	14
Dividends paid	—	—	(1,854)	—	—	(1,854)	—	(1,854)
Purchase of treasury stock	—	—	—	(0)	—	(0)	—	(0)
Dividends to non-controlling interests	—	—	—	—	—	—	(0)	(0)
Transfer from other components of equity to retained earnings	—	—	0	—	(0)	—	—	—
Total transactions with owners and other transactions	1	13	(1,854)	(0)	(0)	(1,840)	(0)	(1,840)
Balance at June 30, 2019	19,114	28,220	33,318	(1,133)	4,966	84,486	131	84,618

Three months ended June 30, 2020 (From April 1, 2020 to June 30, 2020)

(Millions of yen)

	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at April 1, 2020	19,151	28,277	43,182	(1,119)	4,681	94,172	159	94,331
Profit (loss)	—	—	3,515	—	—	3,515	19	3,535
Other comprehensive income	—	—	—	—	170	170	—	170
Total comprehensive income	—	—	3,515	—	170	3,686	19	3,706
Share-based payments	10	50	(0)	0	—	61	—	61
Dividends paid	—	—	(2,748)	—	—	(2,748)	—	(2,748)
Purchase of treasury stock	—	—	—	(0)	—	(0)	—	(0)
Dividends to non-controlling interests	—	—	—	—	—	—	(0)	(0)
Transfer from other components of equity to retained earnings	—	—	2	—	(2)	—	—	—
Total transactions with owners and other transactions	10	50	(2,745)	(0)	(2)	(2,687)	(0)	(2,687)
Balance at June 30, 2020	19,161	28,328	43,952	(1,119)	4,849	95,171	178	95,350

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	FY2019 (3 months) From April 1, 2019 to June 30, 2019	FY2020 (3 months) From April 1, 2020 to June 30, 2020
Cash flows from (used in) operating activities		
Profit (Loss) before tax	2,531	5,115
Depreciation and amortization expense	1,265	1,219
Interest and dividends income	(113)	(69)
Interest expenses	30	23
Loss (Gain) on disposal of property, plant and equipment	(3)	1
Decrease (Increase) in trade and other receivables	3,868	2,788
Decrease (Increase) in inventories	(2,184)	(2,185)
Increase (Decrease) in trade and other payables	(643)	(580)
Increase (Decrease) in employee benefits	(2,488)	(2,190)
Other, net	4,112	3,434
Sub Total	6,375	7,555
Interest received	79	34
Dividends received	33	34
Interest paid	(30)	(30)
Income taxes paid	(1,716)	(2,695)
Income taxes refund	0	1
Net cash flows from (used in) operating activities	4,741	4,900
Cash flows from (used in) investing activities		
Payments into time deposits	(1)	(4)
Proceeds from withdrawal of time deposits	37	4
Purchase of property, plant and equipment	(543)	(679)
Proceeds from sale of property, plant and equipment	5	0
Purchase of other financial assets	(0)	(0)
Proceeds from sale of other financial assets	0	5
Other, net	(206)	(446)
Net cash flows from (used in) investing activities	(708)	(1,120)
Cash flows from (used in) financing activities		
Net increase (decrease) in short-term borrowings	290	(73)
Redemption of bonds	—	(8,000)
Repayments of lease liabilities	(236)	(176)
Dividends paid	(1,854)	(2,748)
Other, net	1	16
Net cash flows from (used in) financing activities	(1,799)	(10,982)
Effect of exchange rate change on cash and cash equivalents	(664)	(15)
Net increase (decrease) in cash and cash equivalents	1,569	(7,217)
Cash and cash equivalents at beginning of period	45,097	47,669
Cash and cash equivalents at end of period	46,666	40,451

(5) Notes to the Condensed Quarterly Consolidated Financial Statements
(Notes regarding Going Concern)

None

3. Reference Information

Consolidated Quarterly Financial Highlights

Year ended March 31, 2020

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
				(Millions of yen)
Revenue	23,236	26,572	26,610	30,604
Gross profit	12,557	14,071	14,818	16,627
Operating profit (loss)	2,695	3,936	4,682	6,099
Quarterly profit (loss) before tax	2,531	3,840	4,864	5,945
Quarterly profit (loss)	1,790	2,892	3,658	5,056
Quarterly profit (loss) attributable to owners of parent	1,776	2,880	3,650	5,048
Quarterly comprehensive income	826	2,545	4,541	4,023
				(Yen)
Quarterly basic earnings per share	12.93	20.96	26.57	36.74
Quarterly diluted earnings per share	12.92	20.95	26.55	36.72
				(Millions of yen)
Total assets	130,144	129,926	132,453	138,873
Total equity	84,618	87,204	90,256	94,331
				(Yen)
Equity attributable to owners of parent per share	615.04	633.61	655.71	685.25
				(Millions of yen)
Cash flows from operating activities	4,741	3,949	340	5,689
Cash flows from investing activities	(708)	(424)	(933)	(1,619)
Cash flows from financing activities	(1,799)	(3,875)	(1,735)	(181)
Net increase (decrease) in cash and cash equivalents	1,569	(521)	(1,777)	3,302
Cash and cash equivalents at end of period	46,666	46,145	44,367	47,669

Year ending March 31, 2021

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
				(Millions of yen)
Revenue	25,693	—	—	—
Gross profit	14,450	—	—	—
Operating profit (loss)	5,121	—	—	—
Quarterly profit (loss) before tax	5,115	—	—	—
Quarterly profit (loss)	3,535	—	—	—
Quarterly profit (loss) attributable to owners of parent	3,515	—	—	—
Quarterly comprehensive income	3,706	—	—	—
				(Yen)
Quarterly basic earnings per share	25.58	—	—	—
Quarterly diluted earnings per share	25.57	—	—	—
				(Millions of yen)
Total assets	129,681	—	—	—
Total equity	95,350	—	—	—
				(Yen)
Equity attributable to owners of parent per share	692.46	—	—	—
				(Millions of yen)
Cash flows from operating activities	4,900	—	—	—
Cash flows from investing activities	(1,120)	—	—	—
Cash flows from financing activities	(10,982)	—	—	—
Net increase (decrease) in cash and cash equivalents	(7,217)	—	—	—
Cash and cash equivalents at end of period	40,451	—	—	—

Consolidated Quarterly Financial Position

Year ended March 31, 2020

(Millions of yen)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Assets	130,144	129,926	132,453	138,873
Current assets	91,252	91,394	93,790	99,009
Non-current assets	38,891	38,531	38,662	39,864
Property, plant and equipment	25,709	25,389	25,269	25,259
Goodwill and intangible assets	3,482	3,519	3,634	3,833
Investment property	788	746	705	663
Other non-current assets	8,911	8,875	9,054	10,107
Liabilities	45,526	42,722	42,197	44,541
Current liabilities	37,858	35,024	34,112	37,346
Non-current liabilities	7,667	7,697	8,084	7,195
Equity	84,618	87,204	90,256	94,331
Common stock	19,114	19,133	19,140	19,151
Additional paid-in capital	28,220	28,221	28,236	28,277
Retained earnings	33,318	36,204	38,347	43,182
Treasury stock	(1,133)	(1,119)	(1,119)	(1,119)
Other component of equity	4,966	4,620	5,499	4,681
Non-controlling interests	131	143	151	159
Interest-bearing debt (including lease liabilities)	18,460	14,664	14,703	14,594

Year ending March 31, 2021

(Millions of yen)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Assets	129,681	—	—	—
Current assets	89,451	—	—	—
Non-current assets	40,230	—	—	—
Property, plant and equipment	25,204	—	—	—
Goodwill and intangible assets	4,016	—	—	—
Investment property	622	—	—	—
Other non-current assets	10,386	—	—	—
Liabilities	34,331	—	—	—
Current liabilities	27,152	—	—	—
Non-current liabilities	7,178	—	—	—
Equity	95,350	—	—	—
Common stock	19,161	—	—	—
Additional paid-in capital	28,328	—	—	—
Retained earnings	43,952	—	—	—
Treasury stock	(1,119)	—	—	—
Other component of equity	4,849	—	—	—
Non-controlling interests	178	—	—	—
Interest-bearing debt (including lease liabilities)	6,642	—	—	—

Consolidated Quarterly Segment Information

Year ended March 31, 2020

(Millions of yen)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Orders by Segment	27,166	26,466	28,974	25,102
Test and Measurement	19,751	17,501	20,896	17,429
PQA	5,330	6,624	5,445	5,599
Others	2,083	2,341	2,632	2,073
Backlog by Segment	25,650	25,279	28,721	23,003
Test and Measurement	18,328	17,554	20,456	16,672
PQA	5,722	5,804	6,137	4,937
Others	1,599	1,920	2,128	1,393
Revenue by Segment	23,236	26,572	26,610	30,604
Test and Measurement	17,315	17,861	18,999	20,989
PQA	4,088	6,610	5,153	6,722
Others	1,832	2,100	2,457	2,892
Operating profit (loss) by Segment	2,695	3,936	4,682	6,099
Test and Measurement	2,761	3,146	4,031	5,208
PQA	(158)	618	214	612
Others	286	374	645	592
Adjustment	(194)	(202)	(209)	(314)
Revenue by Region	23,236	26,572	26,610	30,604
Japan	6,442	9,589	8,109	12,152
Americas	5,950	5,356	4,666	4,800
EMEA	2,722	2,673	2,583	2,714
Asia and Others	8,120	8,953	11,251	10,937

Year ending March 31, 2021

(Millions of yen)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Orders by Segment	29,019	—	—	—
Test and Measurement	22,047	—	—	—
PQA	4,696	—	—	—
Others	2,276	—	—	—
Backlog by Segment	25,237	—	—	—
Test and Measurement	18,239	—	—	—
PQA	5,208	—	—	—
Others	1,790	—	—	—
Revenue by Segment	25,693	—	—	—
Test and Measurement	19,260	—	—	—
PQA	4,416	—	—	—
Others	2,016	—	—	—
Operating profit (loss) by Segment	5,121	—	—	—
Test and Measurement	4,946	—	—	—
PQA	138	—	—	—
Others	194	—	—	—
Adjustment	(158)	—	—	—
Revenue by Region	25,693	—	—	—
Japan	6,162	—	—	—
Americas	5,585	—	—	—
EMEA	2,357	—	—	—
Asia and Others	11,588	—	—	—

Anritsu Corporation Supplement

1. Supplement of Trend of Results

(Millions of yen)

	Actual					Forecast
	2016/3	2017/3	2018/3	2019/3	2020/3	2021/3
Revenue	95,532	87,638	85,967	99,659	107,023	110,000
Change %	-3.3%	-8.3%	-1.9%	15.9%	7.4%	2.8%
Operating profit (loss)	5,897	4,234	4,912	11,246	17,413	17,500
Change %	-45.8%	-28.2%	16.0%	128.9%	54.8%	0.5%
as % of Revenue	6.2%	4.8%	5.7%	11.3%	16.3%	15.9%
Profit (loss) before taxes	5,434	3,628	4,602	11,362	17,181	17,500
Change %	-53.1%	-33.2%	26.8%	146.9%	51.2%	1.9%
as % of Revenue	5.7%	4.1%	5.4%	11.4%	16.1%	15.9%
Profit (loss)	3,767	2,734	2,898	8,991	13,397	13,500
Change %	-52.2%	-27.4%	6.0%	210.2%	49.0%	0.8%
as % of Revenue	3.9%	3.1%	3.4%	9.0%	12.5%	12.3%
Basic earnings per share	¥27.38	¥19.65	¥20.97	¥65.20	¥97.20	¥98.23
Orders	94,589	88,934	88,542	100,819	107,709	110,000
Change %	-6.4%	-6.0%	-0.4%	13.9%	6.8%	2.1%
Cash flows from operating activities	10,195	9,246	7,946	12,247	14,721	17,000
Change %	34.5%	-9.3%	-14.1%	54.1%	20.2%	15.5%
Free cash flows	1,153	5,581	4,014	11,631	11,035	12,000
Change %	-24.8%	384.0%	-28.1%	189.7%	-5.1%	8.7%
Capital expenditures (* 1,4)	5,399	2,588	3,430	2,436	4,518	5,000
Change %	-43.8%	-52.1%	32.5%	-29.0%	85.5%	10.7%
Depreciation (* 2,4)	3,736	3,935	3,964	4,031	4,732	5,000
Change %	17.3%	5.3%	0.7%	1.7%	17.4%	5.6%
R&D expenses (* 3)	13,089	11,212	10,556	12,008	13,321	13,500
Change %	-2.1%	-14.3%	-5.9%	13.8%	10.9%	1.3%
as % of Revenue	13.7%	12.8%	12.3%	12.0%	12.4%	12.3%
Number of Employees	3,846	3,788	3,717	3,778	3,881	-

(* 1) Capitalized development cost booked as intangible asset is not included.

(* 2) Amortization of capitalized development cost booked as intangible asset is not included.

(* 3) R&D expenses are amounts of R&D investment including capitalized development cost.

Thus, these amounts do not agree the R&D expense booked on the consolidated statement of profit or loss and other comprehensive income.

(* 4) From the year ended March 31, 2020 include the impact of the application of IFRS 16.

2. Supplement of Quarterly Results

(Millions of yen)

	2019/Q1	2019/Q2	2019/Q3	2019/Q4	2020/Q1	2020/Q2	2020/Q3	2020/Q4
Revenue	23,236	26,572	26,610	30,604	25,693	—	—	—
Y o Y	10.8%	13.7%	-0.7%	7.2%	10.6%	-	-	-
Operating profit	2,695	3,936	4,682	6,099	5,121	—	—	—
Y o Y	65.3%	112.6%	10.6%	72.8%	90.0%	-	-	-
as % of Revenue	11.6%	14.8%	17.6%	19.9%	19.9%	-	-	-
Profit before tax	2,531	3,840	4,864	5,945	5,115	—	—	—
Y o Y	44.5%	99.3%	16.6%	69.3%	102.1%	-	-	-
as % of Revenue	10.9%	14.5%	18.3%	19.4%	19.9%	-	-	-
Profit	1,790	2,892	3,658	5,056	3,535	—	—	—
Y o Y	5.4%	100.6%	16.5%	86.7%	97.4%	-	-	-
as % of Revenue	7.7%	10.9%	13.7%	16.5%	13.8%	-	-	-

(Millions of yen)

	2019/Q1	2019/Q2	2019/Q3	2019/Q4	2020/Q1	2020/Q2	2020/Q3	2020/Q4
Upper : Revenue								
Lower : Operating profit								
Test and Measurement	17,315	17,861	18,999	20,989	19,260	—	—	—
	2,761	3,146	4,031	5,208	4,946	—	—	—
PQA	4,088	6,610	5,153	6,722	4,416	—	—	—
	(158)	618	214	612	138	—	—	—
Others	1,832	2,100	2,457	2,892	2,016	—	—	—
	286	374	645	592	194	—	—	—
Adjustment	—	—	—	—	—	—	—	—
	(194)	(202)	(209)	(314)	(158)	—	—	—
Total revenue	23,236	26,572	26,610	30,604	25,693	—	—	—
Total operating profit	2,695	3,936	4,682	6,099	5,121	—	—	—

3. Supplement of Segment Information

(1) Revenue by Segment

(Millions of yen)

	Actual					Forecast
	2016/3	2017/3	2018/3	2019/3	2020/3	2021/3
Test and Measurement	67,729	59,333	54,433	68,168	75,165	77,000
Y o Y	-7.8%	-12.4%	-8.3%	25.2%	10.3%	2.4%
PQA	18,891	19,588	22,549	23,074	22,575	24,000
Y o Y	16.6%	3.7%	15.1%	2.3%	-2.2%	6.3%
Others	8,910	8,716	8,984	8,416	9,282	9,000
Y o Y	-3.1%	-2.2%	3.1%	-6.3%	10.3%	-3.0%
Total	95,532	87,638	85,967	99,659	107,023	110,000
Y o Y	-3.3%	-8.3%	-1.9%	15.9%	7.4%	2.8%

(2) Operating Profit by Segment

(Millions of yen)

	Actual					Forecast
	2016/3	2017/3	2018/3	2019/3	2020/3	2021/3
Test and Measurement	4,706	2,130	2,147	9,413	15,148	15,500
Y o Y	-47.4%	-54.7%	0.8%	338.3%	60.9%	2.3%
PQA	1,194	1,302	1,969	1,609	1,287	1,800
Y o Y	45.0%	9.0%	51.2%	-18.3%	-20.0%	39.8%
Others	575	992	1,458	1,145	1,900	1,200
Y o Y	-70.7%	72.5%	47.0%	-21.5%	65.9%	-36.8%
Adjustment	(578)	(190)	(663)	(921)	(921)	(1,000)
Y o Y	-	-	-	-	-	-
Total	5,897	4,234	4,912	11,246	17,413	17,500
Y o Y	-45.8%	-28.2%	16.0%	128.9%	54.8%	0.5%

(*) Way to allot headquarter administrative expenses to each business segment changed from the year ending March 31, 2019 and figures of operating profit for the year ended March 31, 2018 are restated. However, the above figures from the year ended March 31, 2016 to March 31, 2017 are not subjective to the adjustment.

(3) Revenue by Region

(Millions of yen)

	Actual					Forecast
	2016/3	2017/3	2018/3	2019/3	2020/3	2021/3
Japan	28,565	29,338	29,753	32,183	36,293	37,000
Y o Y	5.3%	2.7%	1.4%	8.2%	12.8%	1.9%
Overseas	66,966	58,299	56,213	67,475	70,729	73,000
Y o Y	-6.6%	-12.9%	-3.6%	20.0%	4.8%	3.2%
Americas	23,246	19,633	17,419	26,429	20,773	22,000
Y o Y	-4.6%	-15.5%	-11.3%	51.7%	-21.4%	5.9%
EMEA	13,537	12,520	12,781	12,170	10,693	11,000
Y o Y	-14.8%	-7.5%	2.1%	-4.8%	-12.1%	2.9%
Asia and Others	30,182	26,145	26,012	28,876	39,262	40,000
Y o Y	-4.1%	-13.4%	-0.5%	11.0%	36.0%	1.9%
Total	95,532	87,638	85,967	99,659	107,023	110,000
Y o Y	-3.3%	-8.3%	-1.9%	15.9%	7.4%	2.8%

Assumed exchange rate : FY2020 (Forecast) 1US\$=105 Yen