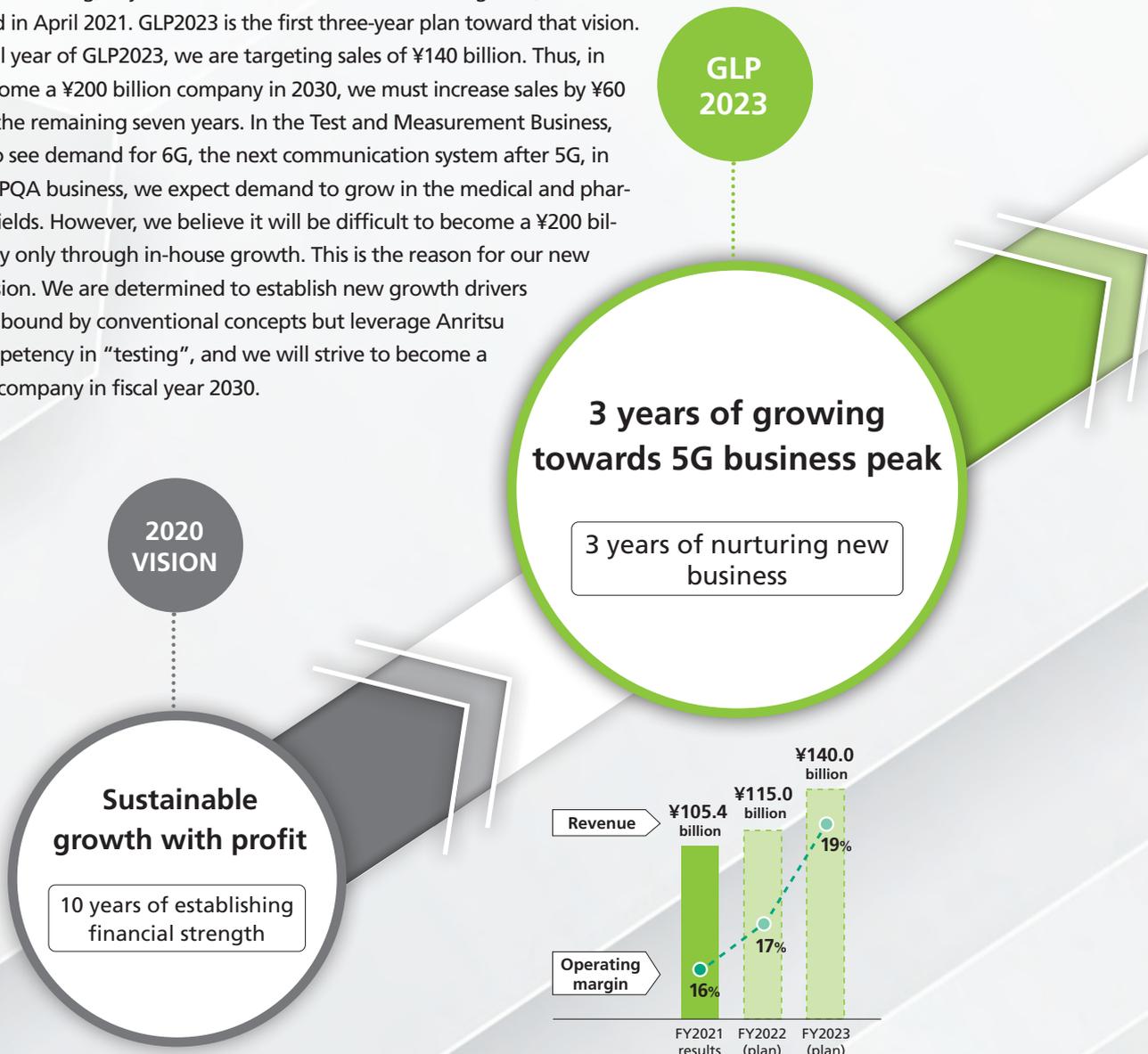


Group CEO Message

“Beyond testing, beyond limits for a sustainable future Aiming to be a ¥200.0 billion company by FY2030

Anritsu depends on its Test and Measurement Business for 70% of its sales and is greatly affected by the volatility of this market. For example, the transition of smartphone technology from 3G to 4G, and again from 4G to 5G, has fluctuated our business performance. As a result, Anritsu has remained in a growth dilemma for the past decades, with sales repeatedly rising and falling, and a headline figure in the vicinity of 100 billion yen. This situation is not favorable to Anritsu’s customers, employees, or other stakeholders. It has been a long-held desire of Anritsu to surpass its previous limitations and become a company that generates stable earnings. In order to achieve new growth, we have set a goal to become a ¥200 billion company in fiscal year 2030. This effort embodies our Company vision, “Beyond testing, beyond limits for a sustainable future together,” which was renewed in April 2021. GLP2023 is the first three-year plan toward that vision.

In the final year of GLP2023, we are targeting sales of ¥140 billion. Thus, in order to become a ¥200 billion company in 2030, we must increase sales by ¥60 billion over the remaining seven years. In the Test and Measurement Business, we expect to see demand for 6G, the next communication system after 5G, in 2030. In the PQA business, we expect demand to grow in the medical and pharmaceutical fields. However, we believe it will be difficult to become a ¥200 billion company only through in-house growth. This is the reason for our new Company vision. We are determined to establish new growth drivers that are not bound by conventional concepts but leverage Anritsu Group’s competency in “testing”, and we will strive to become a ¥200 billion company in fiscal year 2030.



together.”

FY2030

The enterprise
with stable revenue
and profit through growth
of 4 internal companies and
Advanced Research Labs

Revenue: **¥200** billion

Operating margin: **20%**

Management vision

**Beyond testing,
beyond limits,
for a sustainable future
together**

Delivering Safety and Security in an Era of Chaos and Uncertainty, through Testing

We are now in a chaotic era of unpredictable events such as outbreaks of COVID-19, the Russia-Ukraine crisis, heightened geopolitical risks, and the global shortage of semiconductors.

Under such unsettled circumstances, Anritsu's competency for "testing" will become increasingly vital. In the era of uncertainty, it is communications technology that delivers "safety and security." For example, in remote work, advanced technologies such as 5G make connections between remote employees stronger and faster. They make connections between the elderly and their families living long-distances away stronger and more reliable. Advances in communications technology make the bond between people in distance stronger, and create communication experiences as if they were meeting face-to-face. Anritsu's "testing" technology is making significant contributions to these advances.

Hirokazu Hamada

Representative Director, President
of Anritsu Group CEO



Group CEO Message



In the event of a disaster or a pandemic, a stable supply of food and medical supplies becomes crucial. Anritsu's "testing" technology detects whether or not foreign substances are mixed in food, preventing large amounts of food loss. Also, by "testing" whether the amount of medicine in a capsule is the prescribed amount, Anritsu's "testing" technology delivers safety and reliability of medicines to people.

In these chaotic and uncertain times, Anritsu's role is becoming even more important.

We will continue to deliver safety and security through "testing", and move toward a sustainable future together.

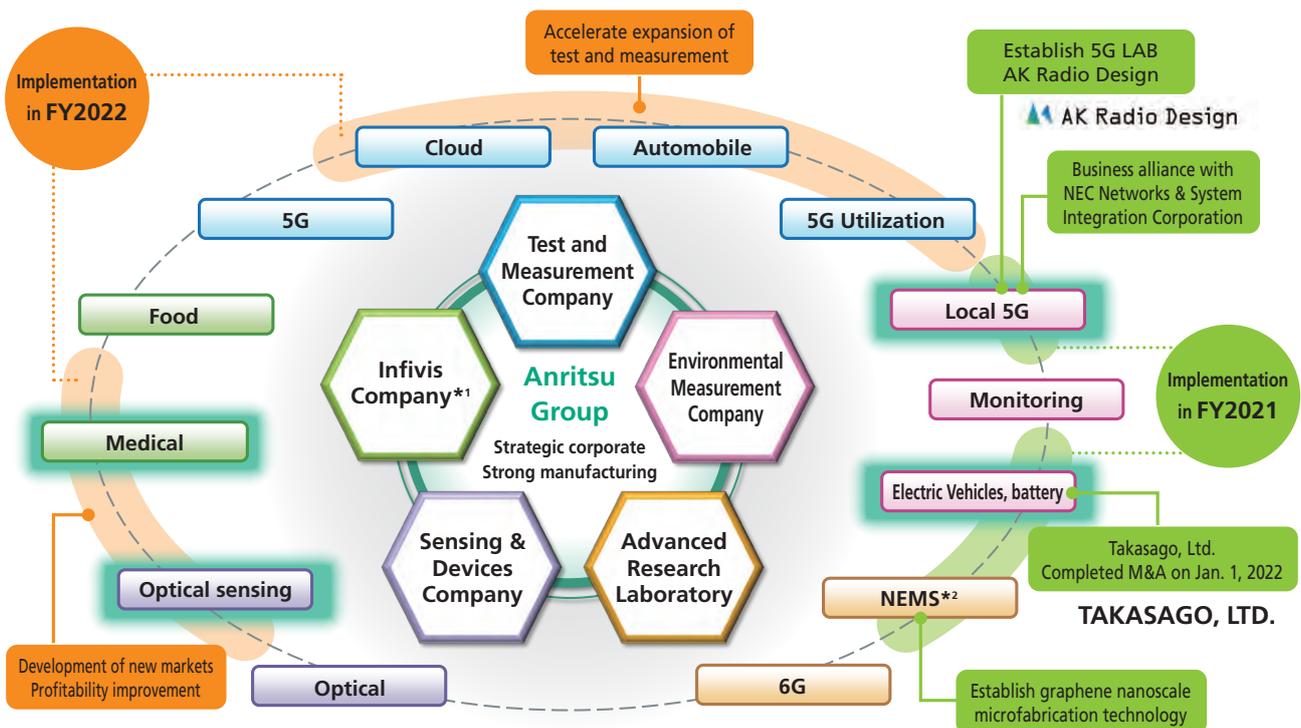
Overcoming an Unprecedented Crisis

Anritsu has a social role to play in supporting communications infrastructure and the safe supply of food and pharmaceuticals. We must be able to sustainably supply products and services in the face of earthquakes, floods, infectious diseases, and even a global shortage of semiconductors. To ensure this role, we will continue to overcome unprecedented crises by ensuring stable business continuity through the construction of new disaster-resistant factories, an IT environment that allows 80% of our employees to work remotely, and the mobility that enabled replacement of 300 parts for 20 models with alternative parts in response to the recent difficulty of parts procurement.

In the first year of GLP2023, consolidated revenue of ¥105.4 billion and consolidated operating profit of ¥16.5 billion fell far short of their ¥114.0 billion and ¥20.5 billion targets, respectively, due to the global semiconductor shortage and the COVID-19 lockdown in Shanghai.

Nevertheless, the situation in overseas markets remains favorable for both the Test and Measurement and the PQA businesses, with consolidated orders received totaling ¥110.7 billion which is 3% higher than last year. Going forward, 5G will shift from the phase of initial introduction to the phase of functional expansion. In our Test and Measurement Business, next growth drivers in addition to the

II GLP2023 priority area



*1 Infvis Company Promotes PQA business

*2 NEMS: Nano Electro Mechanical Systems

demand for 5G smartphones have become apparent. Those drivers are such as expansion of 5G utilization in non-communications fields like Automotives and IoT, the utilization of next-generation millimeter waves, base stations introducing O-RAN architectures, the acceleration of optical networks in the cloud.

Furthermore, in the medium- to long-term, we expect to see increased investment in next-generation communications including 6G, as we expect emergence of new catalysts for the communications field.

Those are such as local 5G and private 5G, metaverse, and satellite communications for wireless network field, and increasing the speed of IOWN and cloud computing for wired network field.

GLP2023 also includes initiatives in new growth fields. We have identified new growth fields where we expect the markets to grow. Those are electric vehicle and battery measurement market for the Environmental Measurement Business, the medical and pharmaceutical inspection market for the PQA Business, and the optical sensing device market for the Sensing & Devices Business. Therefore, we are implementing growth strategies in these four priority growth fields in GLP2023.

While capturing these new markets, we will make steady progress toward the targets of GLP2023 and our vision of becoming a ¥200 billion company in fiscal year 2030.

Regarding SDG Initiatives

Anritsu believes that responding to the requirements of a global society through business activities conducted in good faith and contributing to the resolution of social

issues is the best way to enhance the corporate value. In turn, in our GLP2023 plan, we have established initiatives and targets regarding sustainability issues.

In the environmental field, reduction of greenhouse gas emissions is progressing as planned. In addition, we are making progress with PGRE 30, a unique initiative for in-house renewable energy generation, including the installation of solar power generation equipment. As for the promotion of diversity management, the percentage of women in management positions globally is 10.9%, and we are still in the process of achieving our goal. We will continue to promote the promotion of female managers by increasing new graduate and mid-career hires, with a focus on women in engineering, and by enhancing our flexible work system.

With regard to the promotion of active roles for elderly employees, we are implementing a personnel system reform from fiscal year 2022, with the main objective of making all employees feel fulfilled and able to continue working into their later years. In addition, we have established Hapi Sma Co., Ltd. as a special subsidiary, thereby achieving our goal to meet the legally mandated employment ratio of Promote employment of physically challenged people.

Anritsu will contribute to the achievement of these globally-shared goals by promoting activities which encourage the recognition of the SDGs as issues of our own. In the spirit of Sincerity, Harmony, and Enthusiasm, the Anritsu Group is aiming to increase corporate value through contribution to the SDGs and to the sustainability of global society. We look forward to the continued support of our shareholders.

*PGRE30: Private Generation of Renewable Energy. The "30" stands for the target year of around 2030 and for the in-house power generation ratio target of around 30%.

II Progress of Sustainable Development Goals (SDGs) in GLP2023

	KPI	GLP2023 Goal	FY2021 results	Progress
E Environment	Greenhouse gases (Scope1+2)	23% reduction compared to FY2015	17.7% reduction	○
	Greenhouse gases (Scope3)	13% reduction compared to FY2018	14.7% reduction	◎
	In house power generation ratio (PGRE 30)	13% or more (compared to FY2018 power consumption)	16.8%	◎
S Society	Advancement of women	A proportion of women in manager positions of 15% or more	10.9% (As of March 31, 2022, Global)	○
	Promote employment of physically challenged people	Achieve the legally mandated employment rate of 2.3% through job development	Established a special subsidiary, Hapi Sma Co., Ltd. Achieved 2.54% (As of March 31, 2022)	◎
	Strengthening of supply chain due diligence	A cumulative total of 10 or more companies, over 3 years	Conducted due diligence on 6 companies	◎
G Governance	Promoting the diversity of the Board of Directors	Percentage of outside directors 50% or more	50% outside director percentage achieved (5 out of 10 directors)	◎