

Financial Results of FY2017 Q1: Q&A Summary

Q: Is there any synergy between Anritsu and Azimuth Systems which was acquired in September 2016?

A: We aim to provide a solution that integrates Azimuth Systems Fading Simulator technologies with Anritsu Signal Analyzer technologies. Synergy between Anritsu and Azimuth will happen from now.

Q: Financial results for Q1 of FY2017 recorded an operating loss. Did an in-house projection also expect an operating loss for Q1?

A: In-house projection of the T&M business for H1 seemed to be severe due to the continuous restrained investment in the smartphone-related market. Consequently, we were anticipating an operating loss for Q1. The financial results of Q1 for PQA business were as planned.

Q: In the T&M business, revenue decreased 1.5 billion yen and operating profit decreased 1.3 billion yen on a year - on - year basis. Please explain the reasons behind the disproportionately large decrease in operating profit compared to the decrease in revenue.

A: The main reason is the sales decline of measuring instruments for base stations in the North America market, which had a good gross margin.

Q: MS2850A, which is a 5G solution, seems to support analysis of bandwidth of 1GHz. Does the MS2850A divide the bandwidth for analysis?

A: MS2850A achieves highly precise measurement by not dividing the bandwidth of 1GHz.
(Note) Dividing: To lower frequency by 1/(integer) such as 1/8, 1/16 etc.

Q: Please explain the reasons for good performance in the PQA business.

A: Food manufacturers have strong investment appetite in both Japan and overseas markets and demand for X-ray inspection systems is growing steadily in all markets.