

Financial Results of FY2017 Q2: Q&A Summary

Q: Why did the Q2 operating profit ratio improve from Q1 in the T&M business?

A: The main reasons are an improvement of gross margin by introducing new products, more extensive cost reductions, and more effective R&D and SG&A expenses.

Q: It is reported that we have seen the emergence of investment related to LTE-Advanced Pro. What kind of measuring demand does this have?

A: It has a measuring demand for Gigabit LTE development to realize the plan for operator with higher speed.

Q: Are there any changes in the prospects for 5G-related business, which is expected to grow in the future?

A: There is no change in the prospects. We expect that investment related to 5G will become apparent from Q4. We are working on product development with an eye on testing demands accompanying the sophistication of wireless technology and communication technology.

Q: What kind of measures are currently taken in the PQA business in order to achieve revenue of 25 billion yen and an operating margin of 12% in FY2020?

A: The PQA business is strengthening its new product development, sales network and maintenance service system globally, so that it gains stronger differentiation.