

Financial Results of FY2020 1Q: Q&A Summary

Q1: What are the main reasons in achieving 22 billion yen, a 12% growth year-on-year, of order intake in FY20Q1 T&M business?

A1: This is mainly due to demand for 5G device development and favorable sales of measuring instruments for data centers, in addition to being able to capture orders postponed from FY19Q4 to FY20Q1.

Q2: What are the main reasons in sales increase of FY20Q1 in Asian countries?

A2: Infectious situation of COVID-19 is relatively subdued in many countries. In addition, demand for measuring instruments is expanding steadily due to the progress in 5G commercialization, particularly in Sub6GHz, where there are few technological issues, in Asian countries.

Q3: What specifically is the T&M demand for the data center in FY20Q1?

A3: T&M demand for functional verification of the interface in the development and manufacture of optical modules and devices.

Q4: How much of an impact of COVID-19 is factored into the outlook for the Q2 and thereafter?

A4: The outlook for full-year results is based on the assumption that COVID-19 will be contained within the first half of FY2020, and there is no change to the assumption at this point. The perspective on COVID-19 remains uncertain, and we will continue to carefully monitor the situation.

Q5: Are there any changes in scale of the 5G mobile measurement market?

A5: No, there is no change in the scale of the measurement market, around 90% for the LTE, as explained at the IR meeting of FY19Q3.

Q6: What is the effect of COVID-19 in PQA business, including sales activities and supply chain?

A6: In Japan, we were able to resume customer visits in June, but restrictions began to emerge again on visiting customers in July due to concerns on the second wave. There are no problem in the supply chain at the moment.