

# CONSOLIDATED FINANCIAL SUMMARY FOR THE SECOND QUARTER ENDED SEPTEMBER 30, 2020 (IFRS)

October 29, 2020

Company Name: **ANRITSU CORPORATION**

Stock exchange listings: Tokyo

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

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

Dividend payable date (as planned): December 4, 2020

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 second quarter ended September 30, 2020

(From April 1, 2020 to September 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 six months ended September, 2020	52,161	4.7	9,846	48.5	9,725	52.6	7,090	51.4	7,061	51.7	7,113	110.9
September, 2019	49,808	12.3	6,632	90.5	6,371	73.2	4,682	49.1	4,656	49.0	3,372	-23.0

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
For the six months ended September, 2020	51.38	51.36
September, 2019	33.89	33.88

### (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 six months ended September, 2020	134,069	98,736	98,549	73.5
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	—	15.50			
For the year ending March, 2021 (Forecast)			—	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)

Q2FY2020 (Sep. 30, 2020)	138,277,494	shares	FY2019 (Mar. 31, 2020)	138,257,294	shares
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2. Total number of treasury stock at the period end

Q2FY2020 (Sep. 30, 2020)	830,337	shares	FY2019 (Mar. 31, 2020)	830,188	shares
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3. Average number of issued shares during the period (quarterly period-YTD)

Q2FY2020 (Sep. 30, 2020)	137,438,967	shares	Q2FY2019 (Sep. 30, 2019)	137,376,098	shares
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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 October 29, 2020.

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# 1. Consolidated Financial Results

## (1) Operating Results

	Six Months Ended September 30,		(Millions of yen)	
	2019	2020	Change	
Orders	53,632	54,042	409	0.8%
Backlog	25,279	23,571	(1,708)	-6.8%
Revenue	49,808	52,161	2,352	4.7%
Operating profit (loss)	6,632	9,846	3,214	48.5%
Profit (loss) before tax	6,371	9,725	3,353	52.6%
Profit (loss)	4,682	7,090	2,407	51.4%
Profit (loss) attributable to owners of parent	4,656	7,061	2,405	51.7%

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. Standardization of ultralow latency communications and multiple simultaneous connections for expansion of use case (Release 16\*) has been finished in July 2020 among 3GPP. Continuously among 3GPP, 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, 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 for contaminant inspection using X-rays and quality guarantee toward packaging is expected to grow. However, in the short term, the spread of COVID-19 has caused some customers to be cautious about capital expenditures. Amid such environment, the PQA Group has worked to reinforce the competitiveness of its solutions focused on X-rays, as well as strengthen sales promotion measures as an alternative to face-to-face sales.

As a result, during the second-quarter of the fiscal year ending March 31, 2021, orders increased 0.8 percent compared with the same period of the previous fiscal year to 54,042 million yen, and revenue increased 4.7 percent compared with the same period of the previous fiscal year to 52,161 million yen. Operating profit increased 48.5 percent compared with the same period of the previous fiscal year to 9,846 million yen, profit before tax increased 52.6 percent compared with the same period of the previous fiscal year to 9,725 million yen. Profit increased 51.4 percent compared with the same period of the previous fiscal year to 7,090 million yen, and profit attributable to owners of parent increased 51.7 percent compared with the same period of the previous fiscal year to 7,061 million yen.

(\*) standard number used in 3GPP

Operating results by segment are as follows.

### 1. Test and Measurement

	Six Months Ended September 30,		(Millions of yen)	
	2019	2020	Change	
Revenue	35,176	37,522	2,345	6.7%
Operating profit (loss)	5,907	8,999	3,091	52.3%

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.

During the second-quarter of the fiscal year ending March 31, 2021, 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 6.7 percent compared with the same period of the previous fiscal year to 37,522 million yen, operating profit increased 52.3 percent to 8,999 million yen.

### 2. Products Quality Assurance

	Six Months Ended September 30,		(Millions of yen)	
	2019	2020	Change	
Revenue	10,698	10,376	(322)	-3.0%
Operating profit (loss)	460	704	244	53.2%

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

During the second-quarter of the fiscal year ending March 31, 2021, uncertainty about the future due to the spread of the COVID-19 caused some customers to take a cautious approach to capital expenditures. We worked to reduce Selling, general and administrative expenses by promoting operational efficiency. As a result, segment revenue decreased 3.0 percent compared with the same period of the previous fiscal year to 10,376 million yen, and operating profit increased 53.2 percent compared with the same period of the previous fiscal year to 704 million yen.

### 3. Others

	Six Months Ended September 30,		(Millions of yen)	
	2019	2020	Change	
Revenue	3,932	4,262	329	8.4%
Operating profit (loss)	661	522	(138)	-21.0%

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

During the second-quarter of the fiscal year ending March 31, 2021, segment revenue increased 8.4 percent compared with the same period of the previous fiscal year to 4,262 million yen, and operating profit decreased 21.0 percent compared with the same period of the previous fiscal year to 522 million yen.

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

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

With the timing of the end of COVID-19 pandemic still unclear, various efforts are being made to prevent the spread of the virus and to balance social and economic activities. Anritsu Group will continue striving to minimize the impact on its business by implementing measures to prevent infections and addressing the new normal.

The forecast about the second half of the fiscal year assumes that spread of COVID-19 will slow down. The situation of the spread of 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	Q2 FY2020 as of 9.30.20
Assets		
Current assets		
Cash and cash equivalents	47,669	47,230
Trade and other receivables	26,263	20,881
Other financial assets	29	16
Inventories	20,775	22,188
Income tax receivables	413	383
Other assets	3,857	2,724
Total current assets	99,009	93,424
Non-current assets		
Property, plant and equipment	25,259	25,469
Goodwill and intangible assets	3,833	4,343
Investment property	663	565
Trade and other receivables	287	544
Other financial assets	1,785	2,073
Deferred tax assets	7,548	7,402
Other assets	485	245
Total non-current assets	39,864	40,644
Total assets	138,873	134,069



(Millions of yen)

	End of FY2019 as of 3.31.20	Q2 FY2020 as of 9.30.20
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	7,467	6,216
Bonds and borrowings	9,882	4,808
Other financial liabilities	753	780
Income tax payables	4,028	3,404
Employee benefits	7,293	6,940
Provisions	435	408
Other liabilities	7,484	8,643
Total current liabilities	37,346	31,202
Non-current liabilities		
Trade and other payables	480	466
Bonds and borrowings	2,994	—
Other financial liabilities	1,015	1,025
Employee benefits	775	777
Provisions	108	111
Deferred tax liabilities	336	357
Other liabilities	1,484	1,390
Total non-current liabilities	7,195	4,129
Total liabilities	44,541	35,332
Equity		
Common stock	19,151	19,167
Additional paid-in capital	28,277	28,300
Retained earnings	43,182	47,500
Treasury stock	(1,119)	(1,119)
Other components of equity	4,681	4,701
Total equity attributable to owners of parent	94,172	98,549
Non-controlling interests	159	187
Total equity	94,331	98,736
Total liabilities and equity	138,873	134,069

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

Consolidated cumulative second quarter

(Millions of yen)

	FY2019 (6 months) From April 1, 2019 to September 30, 2019	FY2020 (6 months) From April 1, 2020 to September 30, 2020
Revenue	49,808	52,161
Cost of sales	23,179	23,783
Gross profit	26,628	28,378
Other revenue and expenses		
Selling, general and administrative expenses	13,892	13,111
Research and development expense	6,281	5,465
Other income	197	112
Other expenses	20	66
Operating profit (loss)	6,632	9,846
Finance income	274	155
Finance expenses	534	277
Profit (loss) before tax	6,371	9,725
Income tax expense	1,688	2,634
Profit (loss)	4,682	7,090
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Change of financial assets measured at fair value	33	202
Total	33	202
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation	(1,344)	(179)
Total	(1,344)	(179)
Total of other comprehensive income	(1,310)	22
Comprehensive income	3,372	7,113
Profit (loss), attributable to :		
Owners of parent	4,656	7,061
Non-controlling interests	26	28
Total	4,682	7,090
Comprehensive income attributable to :		
Owners of parent	3,345	7,084
Non-controlling interests	26	28
Total	3,372	7,113
Earnings per share		
Basic earnings per share (Yen)	33.89	51.38
Diluted earnings per share (Yen)	33.88	51.36

## Second quarter consolidated accounting period

(Millions of yen)

	FY2019 (3 months) From July 1, 2019 to September 30, 2019	FY2020 (3 months) From July 1, 2020 to September 30, 2020
Revenue	26,572	26,468
Cost of sales	12,500	12,540
Gross profit	14,071	13,927
Other revenue and expenses		
Selling, general and administrative expenses	7,054	6,627
Research and development expense	3,160	2,593
Other income	94	47
Other expenses	14	27
Operating profit (loss)	3,936	4,725
Finance income	104	71
Finance expenses	200	187
Profit (loss) before tax	3,840	4,609
Income tax expense	948	1,055
Profit (loss)	2,892	3,554
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Change of financial assets measured at fair value	45	(12)
Total	45	(12)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation	(391)	(134)
Total	(391)	(134)
Total of other comprehensive income	(346)	(147)
Comprehensive income	2,545	3,406
Profit (loss), attributable to :		
Owners of parent	2,880	3,545
Non-controlling interests	11	8
Total	2,892	3,554
Comprehensive income attributable to :		
Owners of parent	2,533	3,397
Non-controlling interests	11	8
Total	2,545	3,406
Earnings per share		
Basic earnings per share (Yen)	20.96	25.80
Diluted earnings per share (Yen)	20.95	25.79

### (3) Condensed Quarterly Consolidated Statements of Changes in Equity

Six months ended September 30, 2019 (From April 1, 2019 to September 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)	—	—	4,656	—	—	4,656	26	4,682
Other comprehensive income	—	—	—	—	(1,310)	(1,310)	—	(1,310)
Total comprehensive income	—	—	4,656	—	(1,310)	3,345	26	3,372
Share-based payments	19	14	6	14	—	54	—	54
Dividends paid	—	—	(1,854)	—	—	(1,854)	—	(1,854)
Purchase of treasury stock	—	—	—	(0)	—	(0)	—	(0)
Disposal of treasury stock	—	0	—	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	19	14	(1,848)	13	(0)	(1,800)	(0)	(1,800)
Balance at September 30, 2019	19,133	28,221	36,204	(1,119)	4,620	87,060	143	87,204

Six months ended September 30, 2020 (From April 1, 2020 to September 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)	—	—	7,061	—	—	7,061	28	7,090
Other comprehensive income	—	—	—	—	22	22	—	22
Total comprehensive income	—	—	7,061	—	22	7,084	28	7,113
Share-based payments	16	22	2	0	—	40	—	40
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	16	22	(2,743)	(0)	(2)	(2,708)	(0)	(2,708)
Balance at September 30, 2020	19,167	28,300	47,500	(1,119)	4,701	98,549	187	98,736

#### (4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	FY2019 (6 months) From April 1, 2019 to September 30, 2019	FY2020 (6 months) From April 1, 2020 to September 30, 2020
Cash flows from (used in) operating activities		
Profit (Loss) before tax	6,371	9,725
Depreciation and amortization expense	2,448	2,489
Interest and dividends income	(202)	(90)
Interest expenses	60	38
Loss (Gain) on disposal of property, plant and equipment	(48)	(0)
Decrease (Increase) in trade and other receivables	3,532	4,915
Decrease (Increase) in inventories	(2,648)	(1,654)
Increase (Decrease) in trade and other payables	(485)	(1,232)
Increase (Decrease) in employee benefits	(181)	(85)
Other, net	1,783	2,195
Sub Total	10,629	16,301
Interest received	166	55
Dividends received	36	35
Interest paid	(54)	(44)
Income taxes paid	(2,115)	(2,977)
Income taxes refund	28	1
Net cash flows from (used in) operating activities	8,691	13,371
Cash flows from (used in) investing activities		
Payments into time deposits	(1)	(4)
Proceeds from withdrawal of time deposits	478	4
Purchase of property, plant and equipment	(1,260)	(1,446)
Proceeds from sale of property, plant and equipment	296	3
Purchase of other financial assets	(0)	(0)
Proceeds from sale of other financial assets	0	5
Other, net	(645)	(1,100)
Net cash flows from (used in) investing activities	(1,132)	(2,539)
Cash flows from (used in) financing activities		
Net increase (decrease) in short-term borrowings	113	(73)
Repayments of long-term borrowings	(3,500)	—
Redemption of bonds	—	(8,000)
Repayments of lease liabilities	(465)	(426)
Dividends paid	(1,854)	(2,748)
Other, net	31	24
Net cash flows from (used in) financing activities	(5,675)	(11,224)
Effect of exchange rate change on cash and cash equivalents	(834)	(47)
Net increase (decrease) in cash and cash equivalents	1,047	(439)
Cash and cash equivalents at beginning of period	45,097	47,669
Cash and cash equivalents at end of period	46,145	47,230

(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
Revenue	23,236	26,572	26,610	(Millions of yen) 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
Total assets	130,144	129,926	132,453	(Millions of yen) 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
Cash flows from operating activities	4,741	3,949	340	(Millions of yen) 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
Revenue	25,693	26,468	—	(Millions of yen) —
Gross profit	14,450	13,927	—	—
Operating profit (loss)	5,121	4,725	—	—
Quarterly profit (loss) before tax	5,115	4,609	—	—
Quarterly profit (loss)	3,535	3,554	—	—
Quarterly profit (loss) attributable to owners of parent	3,515	3,545	—	—
Quarterly comprehensive income	3,706	3,406	—	— (Yen)
Quarterly basic earnings per share	25.58	25.80	—	—
Quarterly diluted earnings per share	25.57	25.79	—	—
Total assets	129,681	134,069	—	(Millions of yen) —
Total equity	95,350	98,736	—	— (Yen)
Equity attributable to owners of parent per share	692.46	717.00	—	—
Cash flows from operating activities	4,900	8,471	—	(Millions of yen) —
Cash flows from investing activities	(1,120)	(1,418)	—	—
Cash flows from financing activities	(10,982)	(242)	—	—
Net increase (decrease) in cash and cash equivalents	(7,217)	6,778	—	—
Cash and cash equivalents at end of period	40,451	47,230	—	—

# Consolidated Quarterly Financial Position

Year ended March 31, 2020

(Millions of yen)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Assets	<b>130,144</b>	<b>129,926</b>	<b>132,453</b>	<b>138,873</b>
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	<b>45,526</b>	<b>42,722</b>	<b>42,197</b>	<b>44,541</b>
Current liabilities	37,858	35,024	34,112	37,346
Non-current liabilities	7,667	7,697	8,084	7,195
Equity	<b>84,618</b>	<b>87,204</b>	<b>90,256</b>	<b>94,331</b>
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)	<b>18,460</b>	<b>14,664</b>	<b>14,703</b>	<b>14,594</b>

Year ending March 31, 2021

(Millions of yen)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Assets	<b>129,681</b>	134,069	—	—
Current assets	89,451	93,424	—	—
Non-current assets	40,230	40,644	—	—
Property, plant and equipment	25,204	25,469	—	—
Goodwill and intangible assets	4,016	4,343	—	—
Investment property	622	565	—	—
Other non-current assets	10,386	10,266	—	—
Liabilities	<b>34,331</b>	35,332	—	—
Current liabilities	27,152	31,202	—	—
Non-current liabilities	7,178	4,129	—	—
Equity	<b>95,350</b>	98,736	—	—
Common stock	19,161	19,167	—	—
Additional paid-in capital	28,328	28,300	—	—
Retained earnings	43,952	47,500	—	—
Treasury stock	(1,119)	(1,119)	—	—
Other component of equity	4,849	4,701	—	—
Non-controlling interests	178	187	—	—
Interest-bearing debt (including lease liabilities)	<b>6,642</b>	6,603	—	—



## Consolidated Quarterly Segment Information

Year ended March 31, 2020

(Millions of yen)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Orders by Segment	<b>27,166</b>	<b>26,466</b>	<b>28,974</b>	<b>25,102</b>
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	<b>25,650</b>	<b>25,279</b>	<b>28,721</b>	<b>23,003</b>
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	<b>23,236</b>	<b>26,572</b>	<b>26,610</b>	<b>30,604</b>
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	<b>2,695</b>	<b>3,936</b>	<b>4,682</b>	<b>6,099</b>
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	<b>23,236</b>	<b>26,572</b>	<b>26,610</b>	<b>30,604</b>
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	<b>29,019</b>	<b>25,022</b>	—	—
Test and Measurement	22,047	16,764	—	—
PQA	4,696	5,645	—	—
Others	2,276	2,612	—	—
Backlog by Segment	<b>25,237</b>	<b>23,571</b>	—	—
Test and Measurement	18,239	16,522	—	—
PQA	5,208	4,882	—	—
Others	1,790	2,166	—	—
Revenue by Segment	<b>25,693</b>	<b>26,468</b>	—	—
Test and Measurement	19,260	18,262	—	—
PQA	4,416	5,960	—	—
Others	2,016	2,245	—	—
Operating profit (loss) by Segment	<b>5,121</b>	<b>4,725</b>	—	—
Test and Measurement	4,946	4,052	—	—
PQA	138	566	—	—
Others	194	328	—	—
Adjustment	(158)	(222)	—	—
Revenue by Region	<b>25,693</b>	<b>26,468</b>	—	—
Japan	6,162	7,601	—	—
Americas	5,585	4,928	—	—
EMEA	2,357	2,773	—	—
Asia and Others	11,588	11,164	—	—

# 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	26,468	—	—
Y o Y	10.8%	13.7%	-0.7%	7.2%	10.6%	-0.4%	-	-
Operating profit	2,695	3,936	4,682	6,099	5,121	4,725	—	—
Y o Y	65.3%	112.6%	10.6%	72.8%	90.0%	20.0%	-	-
as % of Revenue	11.6%	14.8%	17.6%	19.9%	19.9%	17.9%	-	-
Profit before tax	2,531	3,840	4,864	5,945	5,115	4,609	—	—
Y o Y	44.5%	99.3%	16.6%	69.3%	102.1%	20.0%	-	-
as % of Revenue	10.9%	14.5%	18.3%	19.4%	19.9%	17.4%	-	-
Profit	1,790	2,892	3,658	5,056	3,535	3,554	—	—
Y o Y	5.4%	100.6%	16.5%	86.7%	97.4%	22.9%	-	-
as % of Revenue	7.7%	10.9%	13.7%	16.5%	13.8%	13.4%	-	-

(Millions of yen)

Upper : Revenue	2019/Q1	2019/Q2	2019/Q3	2019/Q4	2020/Q1	2020/Q2	2020/Q3	2020/Q4
Lower : Operating profit								
Test and Measurement	17,315	17,861	18,999	20,989	19,260	18,262	—	—
	2,761	3,146	4,031	5,208	4,946	4,052	—	—
PQA	4,088	6,610	5,153	6,722	4,416	5,960	—	—
	(158)	618	214	612	138	566	—	—
Others	1,832	2,100	2,457	2,892	2,016	2,245	—	—
	286	374	645	592	194	328	—	—
Adjustment	—	—	—	—	—	—	—	—
	(194)	(202)	(209)	(314)	(158)	(222)	—	—
Total revenue	23,236	26,572	26,610	30,604	25,693	26,468	—	—
Total operating profit	2,695	3,936	4,682	6,099	5,121	4,725	—	—

### 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