

## Financial Results of FY2021 1Q: Q&A Summary

**Q1:** How do you evaluate the result of order intake for T&M business in 1Q? What is the outlook for 2Q and later?

**A1:** We achieved order intake as planned by capturing demand from 5G development and network speed-up in data centers.

For 2Q and later, we expect a recovery in demand especially due to the installation of C-band base stations in USA.

**Q2:** The demands for testers for field maintenance of base stations is also expected in USA. What is the action plan under the difficulty of international travel.

**A2:** Our main products are handheld testers for that market. Since this business is completed locally in USA, the impact from difficulty of international travel by COVID-19 is limited.

**Q3:** The shortage of semiconductor affected to sales in 1Q. Was the result as planned other than that factor? Is the shortage of semiconductor expected to continue in 2Q and afterwards?

**A3:** The result was as planned other than the shortage of semiconductor.

This situation of semiconductor shortage will be a risk factor and we have been taking actions against it such as adoption of alternative parts or design changes.

**Q4:** What is the reason for not changing the position of 5G business in the T&M business cycle?

**A4:** We have not changed our forecast that 5G T&M market will grow towards its peak in 2023-2024.

We can expect a big growth of the number of 5G subscribers in the future and installation of base stations and development of new 5G devices will continue. Also, new 3GPP standards will be released and we expect steady growth until around 2023-2024.

**Q5:** Order intake and sales for PQA business recovered in 1Q. Will this trend continue in 2Q and later?

**A5:** In 1Q, order intake and sales recovered in areas where the situation of COVID-19 is improving, and capital investment for automation of quality assurance process and labor saving is steady both in Japan and the other countries.

However, we should pay attention to the risk of re-spreading of COVID-19 causing customer's cautious approach to investment.