

## Financial Results of FY2022 1Q: Q&A Summary

**Q1: What are the market trends in the mobile market by region?**

**A1:** The Asian market continues to perform well. Europe is also on the road to recovery. In the U.S. market, demand for next-generation chipsets and terminal development is strong. Demand for C-band related construction is not yet rising, and we are expecting growth going forward. Demand for millimeter wave measurements is increasing, especially for FWA (Fixed Wireless Access).

**Q2: What is the impact of the Shanghai lockdown in 1Q on T&M?**

**A2:** There was no major impact on orders and sales. At the end of the previous fiscal year, customs clearance was delayed at Shanghai Customs, but the situation has since been resolved and sales were generally recorded in 1Q. The situation is now almost back to normal.

**Q3: What are the factors behind PQA's 1Q operating loss? Will it have any impact on the full-year plan?**

**A3:** Despite strong sales in the U.S., the Company posted an operating loss due to lower-than-expected sales in China as a result of the Shanghai lockdown, as well as an increase in sales promotion expenses due to enhanced activities and higher component procurement costs. We aim to achieve the full-year plan by raising the top line from 2Q onward.

**Q4: What is the background of the strong demand for network-related products?**

**A4:** Demand for measuring equipment for data centers has been strong, supported by investments for 400G/800G, especially in the North American and Asian markets.

**Q5: Profit before tax is larger than operating profit. Please explain why.**

**A5:** Foreign exchange gains included in finance income were the main factor boosting profit before tax. Foreign exchange gains occur in receivables and payables denominated in foreign currencies. In current 1Q, the gains were recorded especially in receivables denominated in dollars.