

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

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

**A1:** Asian market continues to perform well. European market is also on the road to recovery, and in the U.S. market, demand for next-generation chipset and terminal development is strong. 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, and the situation where customs clearance was delayed at Shanghai Customs at the end of the previous fiscal year has been resolved and sales were generally booked 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 increase in sales promotion expenses due to stronger sales promotion activities and an increase in parts procurement costs. We aim to achieve the full-year plan by raising the top line from the 2Q onward.

**Q4: What is the background to 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 financial income were the main factor boosting profit before tax. Foreign exchange gains occur in receivables and payables denominated in foreign currencies, and in this 1Q, foreign exchange gains were recorded especially in receivables denominated in dollars.