Financial Results for the 1st quarter of the Fiscal Year ending March 31, 2024

Akifumi Kubota

Director, Executive Vice President, CFO
ANRITSU CORPORATION

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TSE Prime Market

TSE code：6754
https://www.anritsu.com

Cautionary Statement

All information contained in this release which pertains to the current plans, estimates, strategies and beliefs of ANRITSU CORPORATION (hereafter "Anritsu") that is not historical fact shall be considered forward-looking statements of future business results or other forward-looking projections pertinent to the business of Anritsu. Implicit in reliance on these and all future projections is the unavoidable risk, caused by the existence of uncertainties about future events, that any and all suggested projections may not, come to pass. Forward-looking statements include but are not limited to those using words such as "believe", "expect", "plans", "strategy", "prospects", "forecast", "estimate", "project", "anticipate", "may" or "might" and words of similar meaning in connection with a discussion of future operations or financial performance.

Actual business results are the outcome of a number of unknown variables and may substantially differ from the figures projected herein.
Factors which may affect the actual business results include but are not limited to the economic situation in the geographic areas in which Anritsu conducts business, including but not limited to, Japan, Americas, Asia, and Europe, changes in actual demand for Anritsu products and services, increases or decreases in the competitive nature of markets in which Anritsu sells products or buys supplies, changing aptitudes at providing services, and exchange rates.

You also should not place reliance on any obligation of Anritsu to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Anritsu disclaims any such obligation.

Agenda

1. Outline of our business segments
2. Consolidated performance review of the 1st quarter of the Fiscal Year ending March 31, 2024
3. Outlook for full year of the Fiscal Year ending March 31, 2024 (Consolidated)
4. Anritsu Initiatives

1. Outline of our business segments

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T&M
Evolution and advances of networked society

- Mobile：5G, 5G Utilization
- Network Infrastructure：Data center, Optical NW, Wireless NW
- Electronics：Base station construction and maintenance, Electronics parts, Wireless Equipment

PQA
Food safety

- X-ray inspection systems
- Metal Detector
- Checkweighers

Environmental Measurement

- Test for EVs and Batteries
- Local 5G, Private 5G
- Monitoring of Roads, Dams & Rivers, etc.

Others

- Sensing & devices
- Others

(Revenue by business segment)

110.9 billion Yen consolidated revenue in FY2022

T&M 66%			PQA 22%	EM 6%	Others 6%
Mobile 51%	Network Infrastructure 30%	Electronics 19%			

22.7 billion Yen consolidated revenue in FY2023 1Q

T&M 67%			PQA 24%	EM 3%	Others 6%
Mobile 43%	Network Infrastructure 37%	Electronics 20%			

(Revenue of T&M business by region)

Revenue in FY2022

Japan 15%	Asia & Others 43%	Americas 24%	EMEA 18%

Revenue in FY2023 1Q

Japan 14%	Asia & Others 41%	Americas 25%	EMEA 20%

T&M : Test & Measurement　PQA : Products Quality Assurance　EM : Environmental Measurement

2-1. Consolidated performance - Financial results -

- Orders decreased 23% YoY; Revenue decreased 13% YoY.
  Operating loss was 0.1 billion yen; Profit was 0.2 billion yen.

Unit: Billion Yen

International Financial Reporting Standards(IFRS)	FY2022 (Apr. to June)	FY2023 (Apr. to June)	YoY	YoY (%)
Order intake	29.8	23.0	(6.8)	-23%
Revenue	26.2	22.7	(3.5)	-13%
Operating profit (loss)	3.0	(0.1)	(3.1)	-
Profit (loss) before tax	3.9	0.4	(3.5)	-89%
Profit (loss)	2.9	0.2	(2.7)	-92%
Comprehensive income	6.7	3.4	(3.3)	-49%

（Note） Numbers for FY2022 and FY2023 are rounded off to the first decimal place in each column.

2-2. Consolidated performance - Results by business segment -

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- T&M business revenue and operating profit decreased YoY, PQA business revenue and operating profit increased YoY, Environmental Measurement business revenue decreased but operating profit increased YoY.

Unit: Billion Yen

International Financial Reporting Standards (IFRS)		FY2022 (Apr. to June)	FY2023 (Apr. to June)	YoY	YoY (%)
T&M	Revenue	**18.6**	**15.2**	**(3.4)**	**-18%**
	Op. profit (loss)	**3.4**	**0.4**	**(3.0)**	**-88%**
PQA	Revenue	**5.1**	**5.4**	**0.3**	**6%**
	Op. profit (loss)	**(0.1)**	**0.0**	**0.1**	**-**
Environmental Measurement	Revenue	**0.9**	**0.8**	**(0.1)**	**-6%**
	Op. profit (loss)	**(0.3)**	**(0.3)**	**0.0**	**-**
Others	Revenue	**1.6**	**1.4**	**(0.2)**	**-17%**
	Op. profit (loss)	**0.2**	**0.1**	**(0.1)**	**-72%**
Adjustment	Op. profit (loss)	**(0.2)**	**(0.3)**	**(0.1)**	**-**
Total	Revenue	**26.2**	**22.7**	**(3.5)**	**-13%**
	Op. profit (loss)	**3.0**	**(0.1)**	**(3.1)**	**-**

（Note1） :Numbers for FY2022 and FY2023 are rounded off to the first decimal place in each column.
（Note2） : Adjustment includes elimination of inter-segment transactions and non distributed company-wide expenses of each business segment.

T&M : Test & Measurement　　PQA : Products Quality Assurance

2-3. Consolidated performance - Revenue and Op. profit by quarters -

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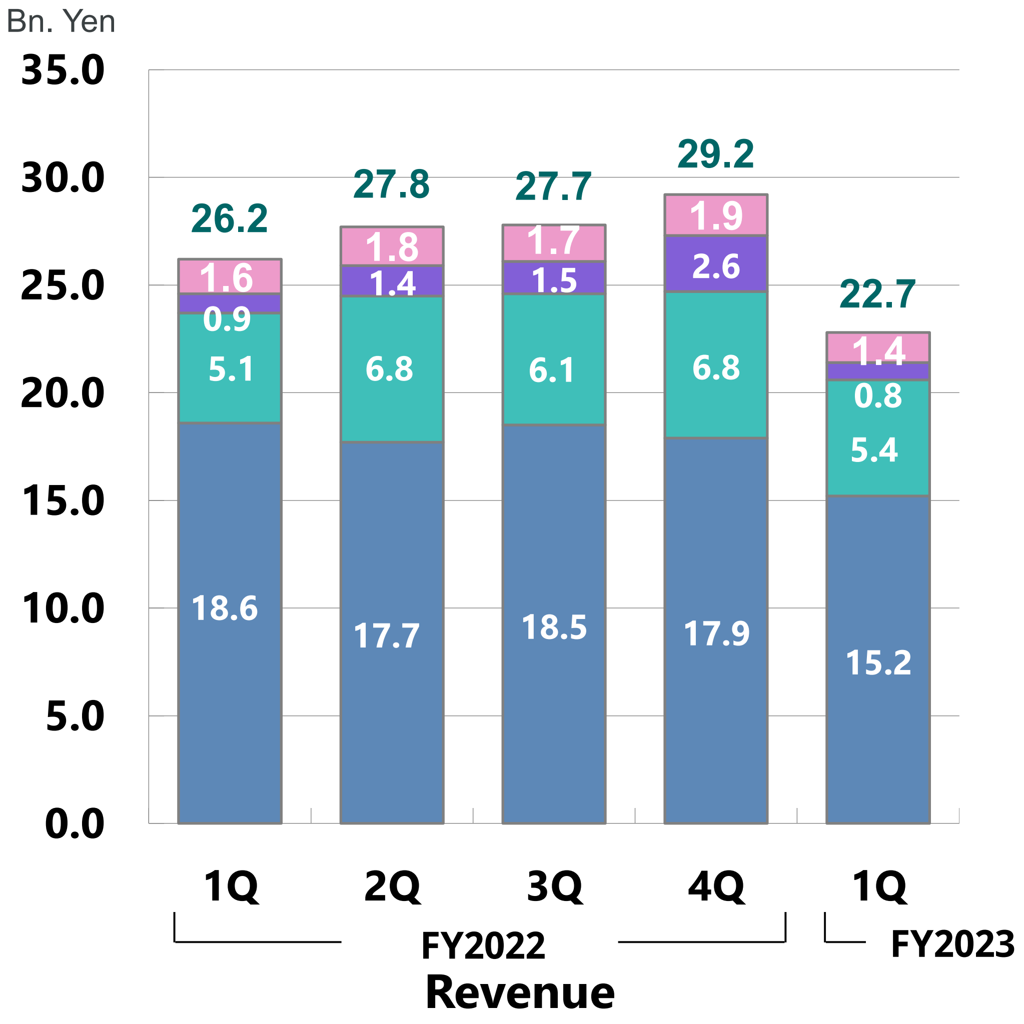
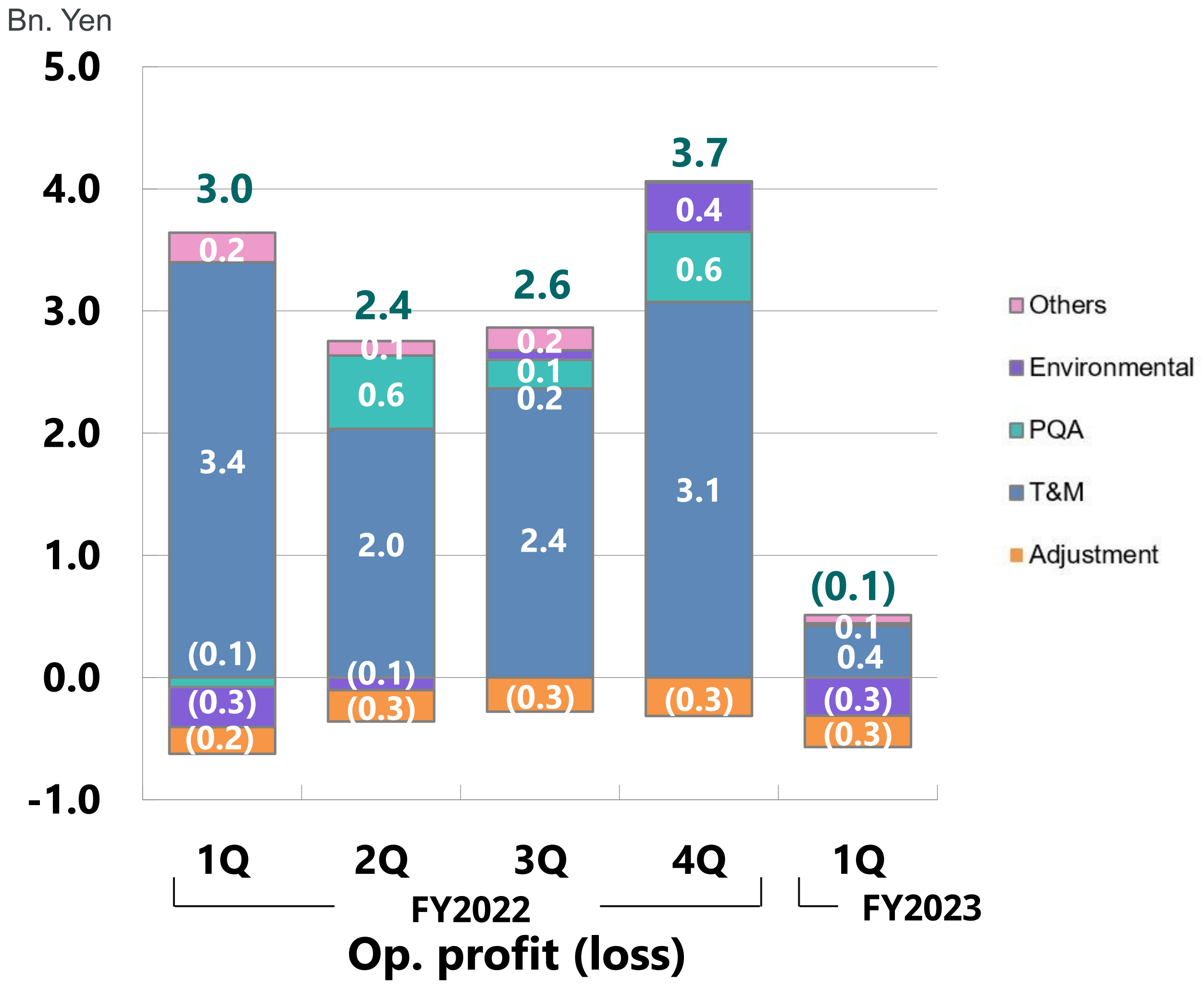
1Q(Apr.-June) Operating margin : T&M 2.8%, PQA 0.4%





Note : Numbers are rounded off to the first decimal place in each column.

2-4. Overview of operations by business segment

Segment	FY2023 (April to June)
T&M: Customers are cautious about capital investment due to rising global prices and labor costs, etc. Demand for higher-speed fixed networks is steady.	
Mobile	There is a movement to resume investment in 5G development market of United States and Taiwan.
Network Infrastructure	Investment in the higher-speed fixed networks remains steady, primarily led by markets in the United States and Europe.
Electronics	6G basic research has started.
Asia & Others/ Japan	5G Smartphone development bases are rising in India.
The United States	Investment in the higher-speed fixed networks remains steady. The data center market is booming due to the strong performance of generative AI, etc.
PQA: The meat markets in Europe and the United States are strong. Movement toward automation and labor-saving is active.	
Environmental: Demand for test solutions for EV/battery in Japan is solid.	

2-5. Transition of Order Intake

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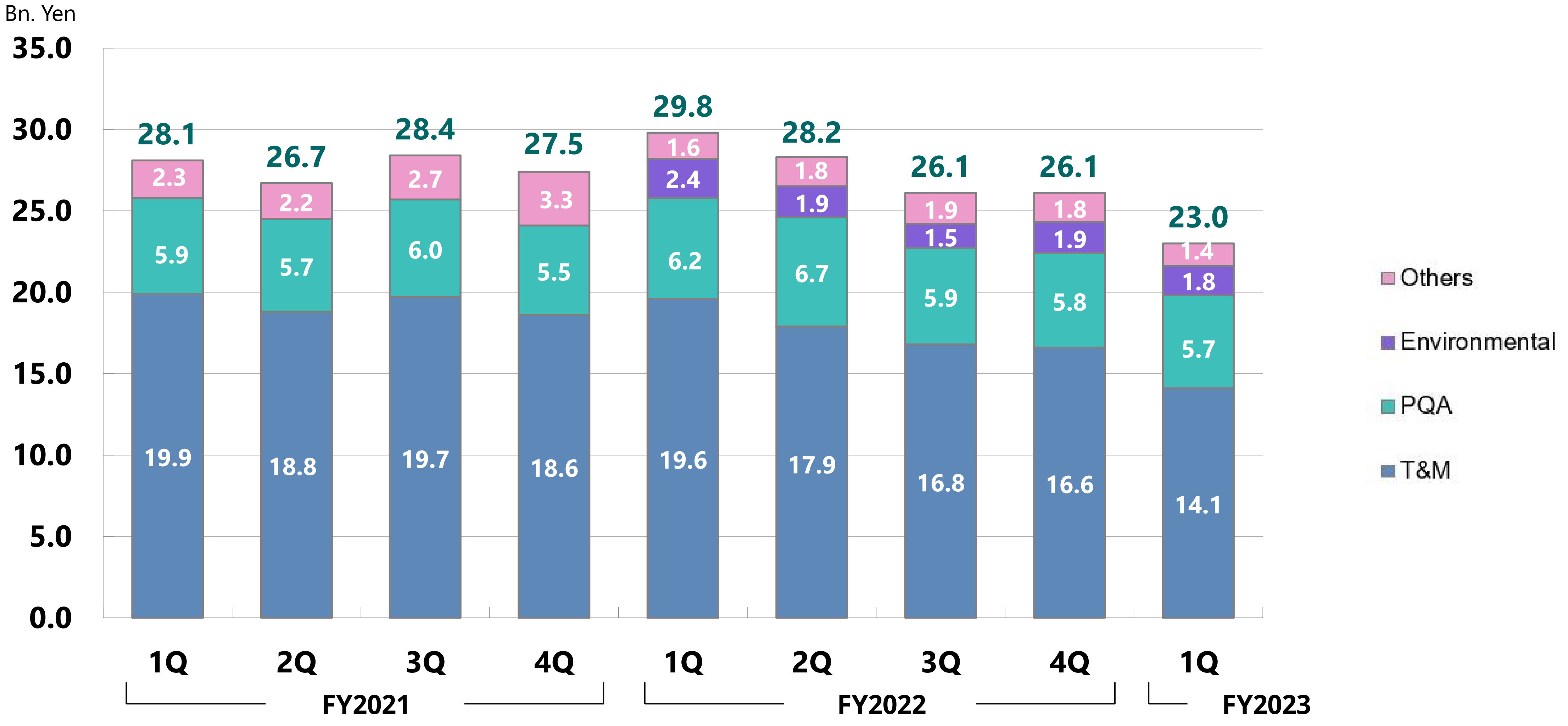
T&M : decreased 28% YoY, PQA : decreased 7% YoY, Environmental : decreased 27% YoY



Note : Numbers are rounded off to the first decimal place.

2-6. Transition of Revenue by Region

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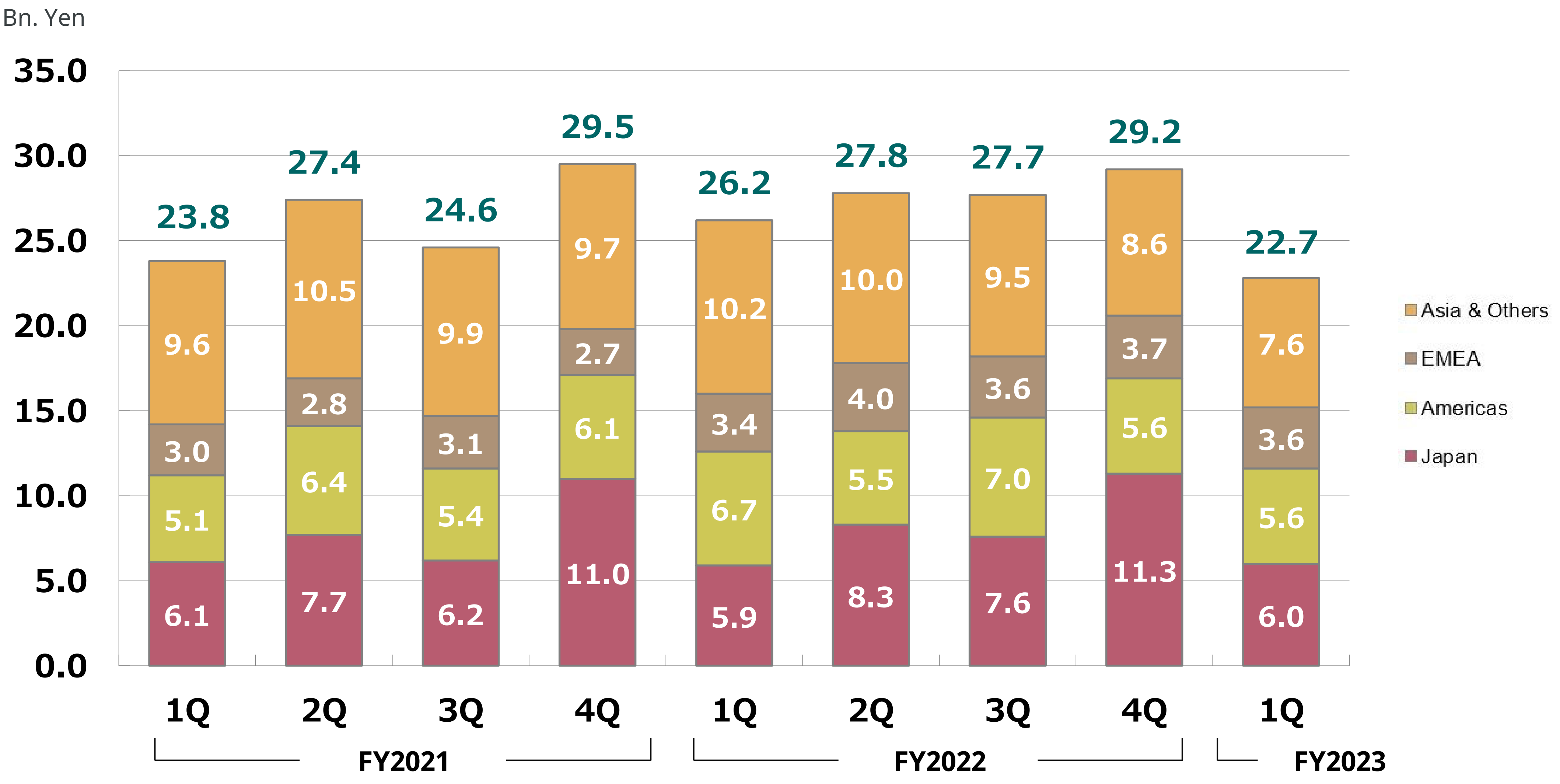


Note : Numbers are rounded off to the first decimal place.

2-7. Cash Flow

Operating cash flow margin ratio was 10.1%

FY2023 (Apr. to June)

Operating CF : 2.3 Bn. Yen
Investing CF : (1.1) Bn. Yen
Financing CF : (3.0) Bn. Yen

Free Cash Flow

Op.CF＋Inv. CF : 1.2 Bn. Yen

Cash at the end of period

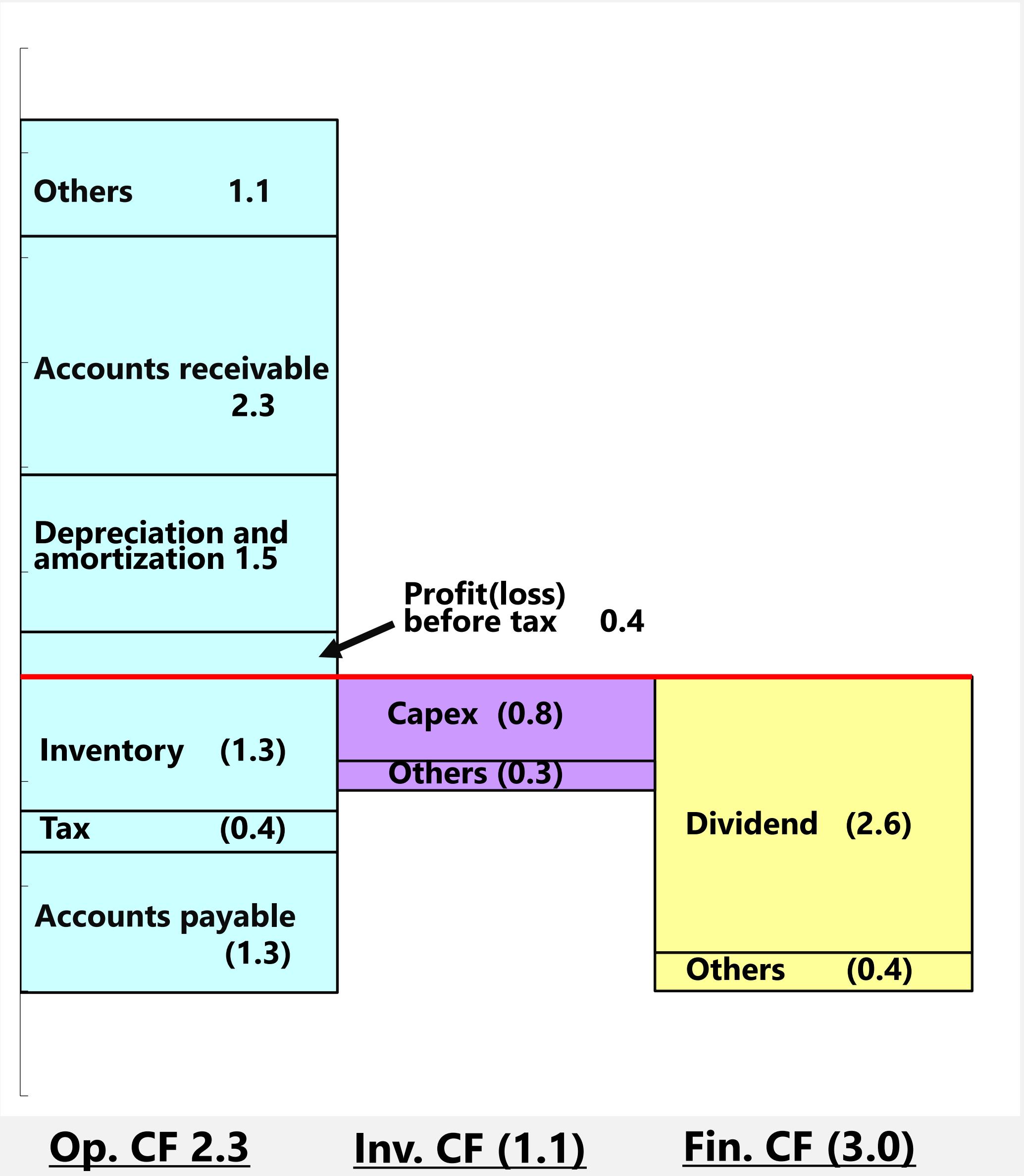
36.3 Bn. Yen

Interest-bearing debt

7.0 Bn. Yen

Note : Numbers are rounded off to the first decimal place.

Details Unit : Billion Yen



3. Forecast for full year of FY2023 (Consolidated)

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Remains unchanged from original forecast published on April 28, 2023

Unit: Billion Yen

		FY2022 Actual	FY2023 Forecast	FY2023 YoY	FY2023 YoY(%)
Revenue		110.9	115.5	4.6	4%
Operating profit (loss)		11.7	13.7	2.0	17%
Profit (loss) before tax		12.4	13.7	1.3	10%
Profit (loss)		9.3	10.0	0.7	8%
T&M	Revenue	72.8	74.0	1.2	2%
	Op. profit (loss)	10.9	12.0	1.1	10%
PQA	Revenue	24.8	26.0	1.2	5%
	Op. profit (loss)	1.3	1.6	0.3	20%
Environmental Measurement	Revenue	6.4	9.0	2.6	41%
	Op. profit (loss)	0.1	0.6	0.5	-
Others	Revenue	6.9	6.5	(0.4)	-6%
	Op. profit (loss)	0.6	0.5	(0.1)	-11%
Adjustment	Op. profit (loss)	(1.1)	(1.0)	0.1	-

Reference : Exchange rate : FY2022 (Actual) 1USD=135 yen, 1EURO=141 yen
FY2023 (Forecast) 1USD=130 yen, 1EURO=140 yen

Note: Numbers for actual and forecast are rounded off to the first decimal place in each column.

4. Anritsu Initiatives

Hirokazu Hamada

Representative Director, President
ANRITSU CORPORATION

4-1. T&M Mobile market trends and Business opportunity

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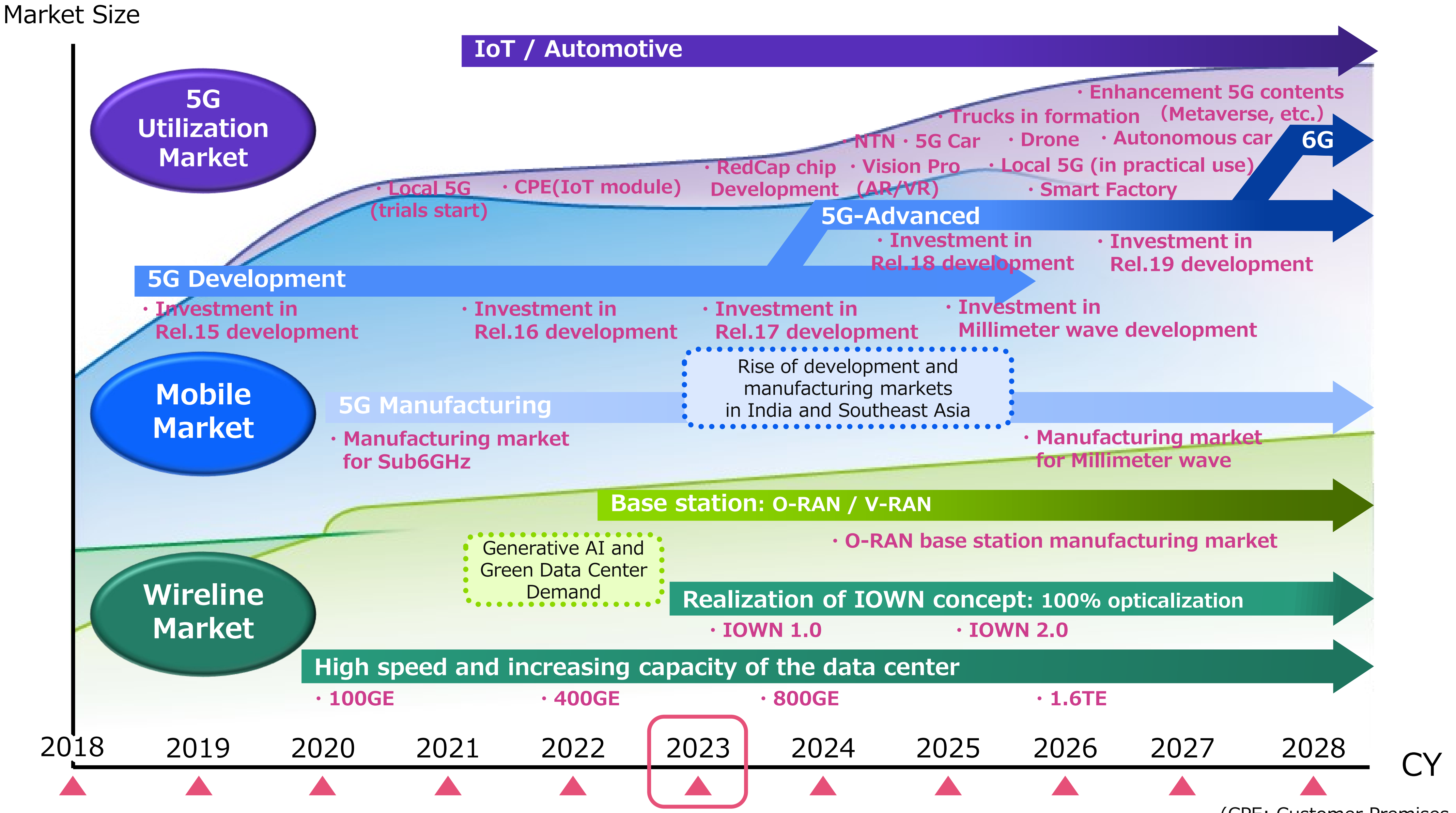
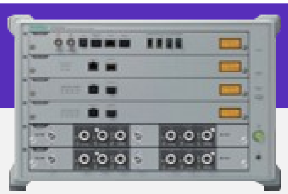


(CPE: Customer Premises Equipment)

4-2. Business drivers in T&M for this fiscal year

Mobile business (5G/5G utilization market)

- Investment in 5G utilization such as automotive and RedCap applications by chipset vendors
- Investment in development of devices for AR/VR
- Investment in 5G development/manufacturing bases in India and Southeast Asia



MT8000A Radio Communication Test Station for RedCap development

Network Infrastructure business (optical and digital market)

- Growing demand for 400GE and 800GE due to an increase in generative AI and green data centers
- Strengthening of optical networks and submarine cables due to an increase in data centers

MP2110A PAM4 Measurement Solution for 800G Optical Transceiver

MW90010B Coherent OTDR for verification of submarine cable

Electronics business

- Expansion of VNA demand for 6G research and development
- Expansion of wireless demand for government-related business use

ME7838 Series Broadband Vector Network Analyzer for 6G R&D

MS2080A Multifunction Spectrum Analyzer for field verification of various wireless equipment

4-3. Business drivers in PQA and Environmental Measurement for this fiscal year

PQA

- Growing demand for automation and labor-saving in the US and European meat markets
- Rise of the pharmaceutical market in India

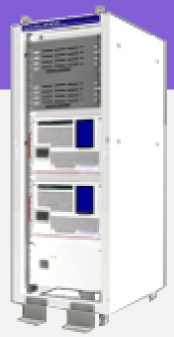
**XR75 DualX+
X-ray Inspection System
For meat market**

Capsule Pharmaceutical Checkweigher

Environmental Measurement

- Growing demand for test solutions for EV/battery

EV Powertrain Emulation



Battery Charging and Discharging Test System

4-4. Progress of Sustainable Development Goals（SDGs）in GLP2023

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	KPI	GLP2023 Goals	FY2022 Results	Progress
E Environment	Greenhouse gases *1 (Scope 1+2)	23% reduction compared to FY2015	6.7% reduction	△
	Greenhouse gases *1 (Scope 3)	13% reduction compared to FY2018	21.8% reduction	◎
	In house Power generation ratio (PGRE 30*2)	13% or more (compared to FY2018 power consumption)	7.2%	△
S Society	Advancement of women	A proportion of women in manager positions of 15% or more	10.5% (As of March 31st 2023, Global)	○
	Advancement of the elderly	Employment until the age of 70 and the establishment of a new compensation packages	Employment until the age of 70 and the establishment of a new compensation packages	◎
	Promote employment of physically challenged people	Achieve the legally mandated employment rate of 2.3% through job development	Established a special subsidiary, Hapi Sma Co., Ltd. Achieved 2.36% (As of March 31st 2023, Global)	◎
	Strengthening of supply chain due diligence	A cumulative total of 10 or more companies, over 3 years	Conducted due diligence on 6 companies (12 companies in total over 2 years)	◎
	Developing awareness on CSR procurement to suppliers at least twice a year, and provide training at least once a year		Dispatched of information three times and provided training once	◎
G Governance	Promoting the diversity of the Board of Directors	Percentage of outside directors 50% or more	Outside director ratio 50% achieved (5 of 10 persons)	◎
	Promoting the establishment of an internal control system at overseas subsidiaries	All overseas subsidiaries meet the criteria of Control Self -Assessment (CSA)	Companies meeting the criteria in 90% of the items: 87% (number of items : 181)	○

*1 The GLP2023 targets and actual results for greenhouse gases emissions do not include the figures for TAKASAGO LTD, which became a subsidiary of Anritsu in January 2022.
*2 PGRE30: Private Generation of Renewable Energy. The “30” stands for the target year of around 2030 and for the in-house power generation ratio target of around 30%.

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