

Financial Results of FY2023 3Q: Q&A Summary

Q1: The T&M business sales forecast for FY2023 has been revised downward by 1 billion yen. Could you give us a breakdown by sub-segment?

A1: We lowered Mobile by 2 billion yen and raised Network Infrastructure by 1 billion yen.

Q2: What was the reason for the decline in the operating margin for the T&M business in FY23Q3, compared to FY23Q2?

A2: The operating margin declined due to a decrease in the ratio of high-margin mobile sales.

Q3: There are reports that adjustments of smartphone inventory have been progressing. What is the effect of this on the T&M business?

At present, demand for measuring instruments for 5G development has not expanded.

A3: However, we expect new demand for measuring instruments in the future as NTN and AI functions become standard in smartphones.

Q4: Please tell us how the future development of standardization by 3GPP will affect the T&M business.

A4: With the standardization of the “AI/ML model distribution/transfer” function in Release 18 and the standardization of FR3 (the 7 GHz to 15 GHz band) in Release 19, we expect development demand for AI chips and measurement demand for verification of communication protocols in the future.

Q5: How will the widespread use of NTN affect the T&M business?

A5: Since NTN-compliant terminals will require testing to ensure compliance with the standard, demand for measuring equipment for terminal development and manufacturing is expected.