

Financial Results for the 1st quarter of the Fiscal Year ending March 31, 2025

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TSE Prime Market
TSE code : 6754
<https://www.anritsu.com>

(No notes here)

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.

(No notes here)

Agenda

1. Outline of our business segments
2. Consolidated performance review of the 1st quarter of the Fiscal Year ending March 31, 2025
3. Outlook for full year of the Fiscal Year ending March 31, 2025 (Consolidated)
4. Anritsu Initiatives

Appendix: Glossary

(No notes here)

1. Outline of our business segments

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

Safety & security of food & medicals/pharmaceuticals

- ◆ Food inspection market
- ◆ Medical/pharmaceutical inspection market



EM

Toward a decarbonized society

- ◆ Test market for EVs and batteries
- ◆ Installation support for Local 5G and Private 5G



Others

- ◆ Sensing & devices
- ◆ Others



(Revenue by business segment)

110.0 billion Yen consolidated revenue in FY2023

T&M 64%			PQA 23%	EM 7%	Others 6%
Mobile 42%	Network Infrastructure 36%	Electronics 22%			

25.2 billion Yen consolidated revenue in FY2024 1Q

T&M 67%			PQA 22%	EM 6%	Others 5%
Mobile 41%	Network Infrastructure 37%	Electronics 22%			

(Revenue of T&M business by region)

Revenue in FY2023

Japan 16%	Asia & Others 38%	Americas 26%	EMEA 20%
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Revenue in FY2024 1Q

Japan 15%	Asia & Others 41%	Americas 28%	EMEA 16%
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(No notes here)

2-1. Consolidated performance - Financial results -

- Orders increased 13% YoY; Revenue increased 11% YoY.
Operating profit increased 0.7 billion yen YoY; Profit increased 0.5 billion yen YoY.

Unit: Billion Yen

International Financial Reporting Standards(IFRS)	FY2023 (Apr. to June)	FY2024 (Apr. to June)	YoY	YoY (%)
Order intake	23.0	26.0	3.0	13%
Revenue	22.7	25.2	2.5	11%
Operating profit (loss)	(0.1)	0.6	0.7	-
Profit (loss) before tax	0.4	1.3	0.9	194%
Profit (loss)	0.2	0.7	0.5	197%
Comprehensive income	3.4	3.4	0.0	1%

(Note) Numbers for FY2023 and FY2024 are rounded off to the first decimal place.

The Group's consolidated order intake increased 13% YoY to 26.0 billion yen and revenue increased 11% YoY to 25.2 billion yen. Operating profit increased 0.7 billion yen YoY to 0.6 billion yen and profit increased 0.5 billion yen YoY to 0.7 billion yen. Comprehensive income increased 1% YoY to 3.4 billion yen.

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

▶ Revenue and operating profit increased YoY in T&M, PQA, and Environmental Measurement business

Unit: Billion Yen

International Financial Reporting Standards (IFRS)		FY2023 (Apr. to June)	FY2024 (Apr. to June)	YoY	YoY (%)
T&M	Revenue	15.2	16.8	1.6	11%
	Op. profit (loss)	0.4	0.6	0.2	43%
PQA	Revenue	5.4	5.6	0.2	4%
	Op. profit (loss)	0.0	0.1	0.1	538%
Environmental Measurement	Revenue	0.8	1.5	0.7	81%
	Op. profit (loss)	(0.3)	(0.1)	0.2	-
Others	Revenue	1.4	1.3	(0.1)	-1%
	Op. profit (loss)	0.1	0.3	0.2	361%
Adjustment	Op. profit (loss)	(0.3)	(0.4)	(0.1)	-
Total	Revenue	22.7	25.2	2.5	11%
	Op. profit (loss)	(0.1)	0.6	0.7	-

(Note1) : Numbers for FY2023 and FY2024 are rounded off to the first decimal place.

(Note2) : Adjustment includes elimination of inter-segment transactions and non distributed company-wide expenses of each business segment.

In the T&M business, revenue increased 11% YoY to 16.8 billion yen and operating profit increased 43% YoY to 0.6 billion yen (operating margin of 3.6%) due to the strong testing demand for increasing network speeds in data centers, driven by the increased adoption and growth of generative AI.

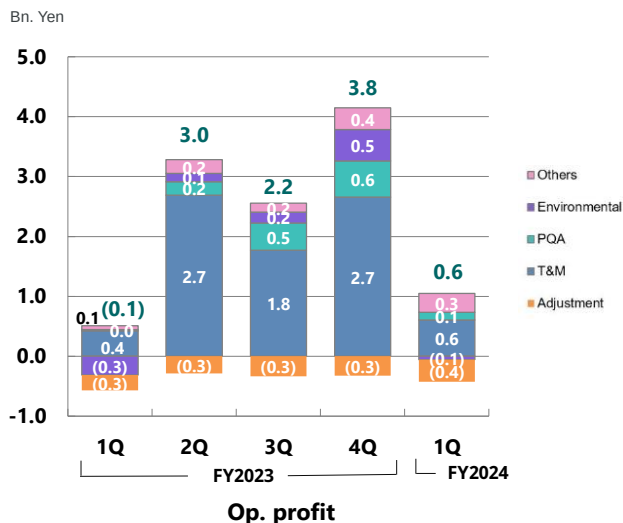
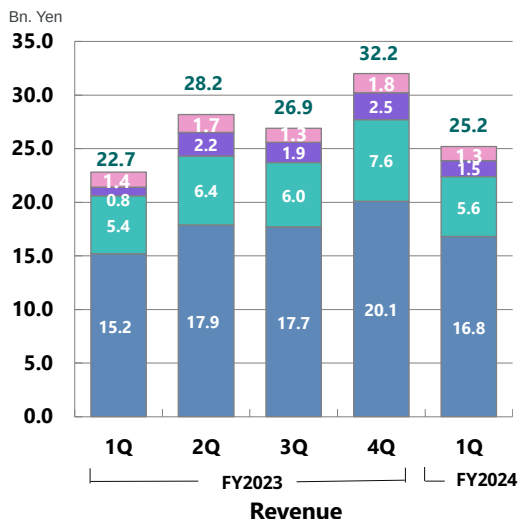
In the PQA business, demand for capital investment aimed at automation and manpower savings in the quality assurance process in the food market was strong, so that revenue increased 4% YoY to 5.6 billion yen, and operating profit increased 0.1 billion yen YoY to 0.1 billion yen (operating margin of 2.3%).

In the Environmental Measurement business, test demand for the EVs and batteries was strong in Japan, and revenue increased 81% YoY to 1.5 billion yen and operating profit improved 0.2 billion yen YoY to -0.1 billion yen.

In other businesses, revenue decreased 1% YoY to 1.3 billion yen and operating profit increased 0.2 billion yen YoY to 0.3 billion yen (operating margin of 23.5%).

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

1Q(Apr.-June) Operating margin : Consolidated 2.5%, T&M 3.6%, PQA 2.3%



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

The operating profit and the operating margin for consolidated and each business segment for first Quarter are as follows:

Consolidated	: 0.6 billion yen (Operating margin : 2.5%)
T&M	: 0.6 billion yen (Operating margin : 3.6%)
PQA	: 0.1 billion yen (Operating margin : 2.3%)
Environmental Measurement	: (0.1) billion yen

2-4. Overview of operations by business segment

Segment FY2024 (April to June)

➡ T&M: Capital investment, which had been stagnant due to rising global prices and labor costs, has resumed. However, cautiousness regarding investment remained. Demand for higher-speed fixed networks is steady.

Mobile	There is continuing demand despite unstable investments in the 5G development market.
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Network Infrastructure	The creation of green data centers and data centers dedicated for generative AI use is accelerating.
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Electronics	6G basic research has started.
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Asia & Others/Japan	Although investments in the Chinese 5G smartphone development market are stagnating, data center-related markets are booming.
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The United States	The data center market is booming due to the strong performance of generative AI, etc. Base station construction and maintenance market is slow.
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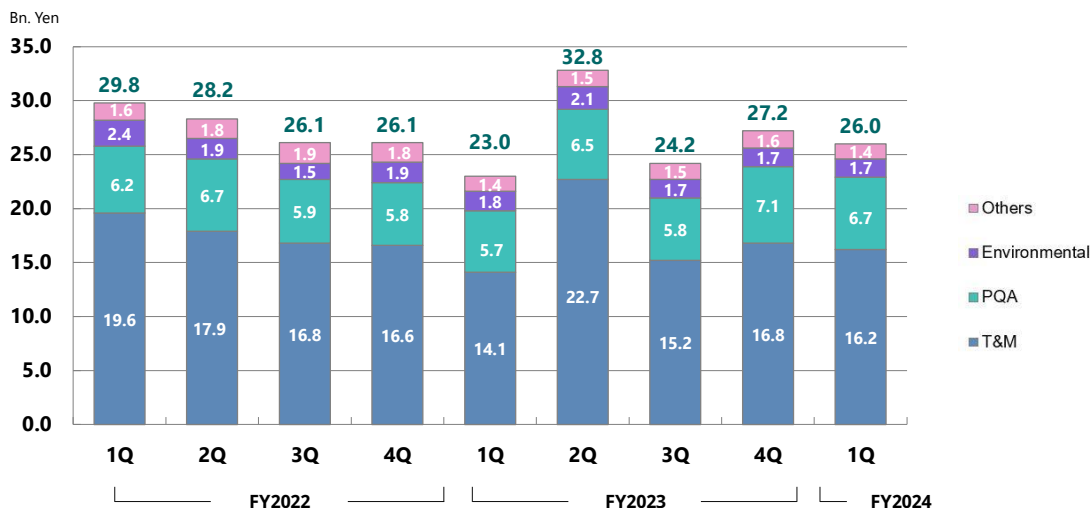
➡ PQA: Strong demand overseas, mainly in the Americas.
Performance in Japan is strong due to inbound demand.

➡ Environmental: Demand for test solutions for EV/battery in Japan is solid.

(No notes here)

2-5. Transition of Order Intake

▶ T&M : increased 15% YoY, PQA : increased 18% YoY, Environmental Measurement : decreased 8% YoY



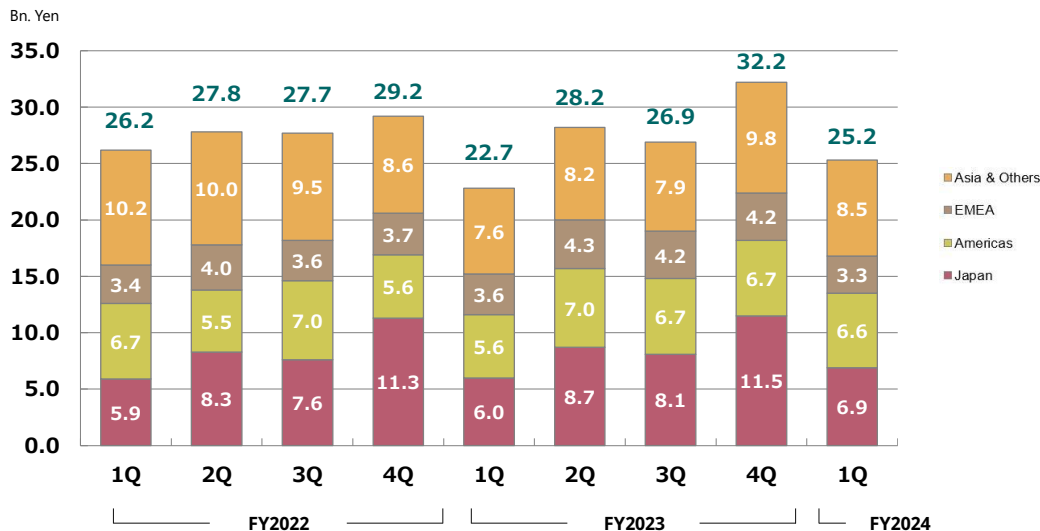
Order intake for the T&M business in the first quarter increased 15% YoY to 16.2 billion yen.

Order intake for the PQA business in the first quarter increased 18% YoY to 6.7 billion yen.

Order intake for the Environmental Measurement business in the first quarter decreased 8% YoY to 1.7 billion yen.

The order backlog for the entire Group was 36.8 billion yen (decreased 1% YoY), 23.8 billion yen (increased 1% YoY) for the T&M business, 8.0 billion yen (increased 13% YoY) for the PQA business, and 3.9 billion yen (decreased 21% YoY) for the Environmental Measurement business.

2-6. Transition of Revenue by Region



(No notes here)

2-7. Cash Flow

▶ Operating cash flow margin ratio was 15.2%

FY2024 (Apr. to June)

Operating CF : 3.8 Bn. Yen

Investing CF : (0.8) Bn. Yen

Financing CF : (2.9) Bn. Yen

Free Cash Flow

Op.CF + Inv. CF : 3.1 Bn. Yen

Cash at the end of period

47.2 Bn. Yen

Interest-bearing debt

7.3 Bn. Yen

Details

Unit : Billion Yen

Anritsu
Advancing beyond

Accounts receivable	2.4		
Depreciation and amortization	1.5		
Inventories	0.7		
Profit(loss) before tax	1.3		
Tax	(1.1)	Capex (0.8)	
Accounts payable	(1.0)		Dividend (2.6)
			Others (0.3)

Op. CF 3.8

Inv. CF (0.8)

Fin. CF (2.9)

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

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The operating cash flow was inflow of 3.8 billion yen.

The investing cash flow was outflow of 0.8 billion yen.

As a result, the free cash flow amounted to an inflow of 3.1 billion yen.

The financial cash flow was outflow of 2.9 billion yen. The main outflows was dividends payment of 2.6 billion yen (Dividend per share: Fiscal year end dividend: 20 yen).

Consequently, the balance of cash equivalents at the end of the period increased by 1.5 billion yen from the beginning of the fiscal year to 47.2 billion yen.

3. Forecast for full year of FY2024 (Consolidated)

Remains unchanged from that announced on April 25, 2024.

Unit: Billion Yen

		FY2023	FY2024		
		Actual	Forecast	YoY	YoY(%)
Revenue		110.0	115.0	5.0	5%
Operating profit (loss)		9.0	11.0	2.0	22%
Profit (loss) before tax		10.0	11.0	1.0	11%
Profit (loss)		7.7	8.3	0.6	8%
T&M	Revenue	71.0	73.8	2.8	4%
	Op. profit (loss)	7.5	9.2	1.7	22%
PQA	Revenue	25.4	26.7	1.3	5%
	Op. profit (loss)	1.3	1.9	0.6	47%
Environmental Measurement	Revenue	7.4	9.0	1.6	21%
	Op. profit (loss)	0.5	0.7	0.2	30%
Others	Revenue	6.1	5.5	(0.6)	-10%
	Op. profit (loss)	0.8	0.4	(0.4)	-51%
Adjustment	Op. profit (loss)	(1.2)	(1.2)	0	-

Reference : Exchange rate : FY2023 (Actual) 1USD=145 yen, 1EURO=157 yen
FY2024 (Forecast) 1USD=145 yen, 1EURO=155 yen

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

The Full-year forecast for the fiscal year ending March31, 2025 remains unchanged from that announced on April 25, 2024.

4. Anritsu Initiatives

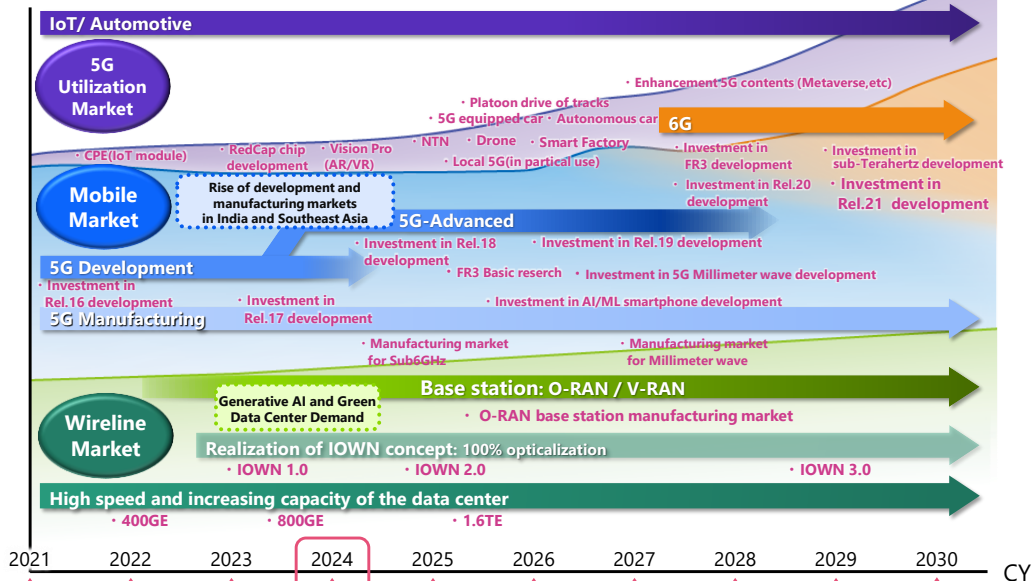
Hirokazu Hamada

Representative Director, President
ANRITSU CORPORATION

(No notes here)

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

Market size



Since 2021, the worldwide smartphone shipments has continued to decline, and the test instrument market for 5G smartphones has been in gradual decline. However, we believe that the market for test instruments related to the 5G utilization field will continue to grow moderately, and as the test instrument market for 5G smartphone recovers we expect the 5G test instrument market to continue until around 2027. In addition, FR3 (7GHz-15GHz), the candidate frequency band for use in 6G has been determined in WRC-23, and research for the realization of 6G is starting in Korea and the US. 6G is expected to be standardized in 3GPP Release 21 with the aim of starting service in 2030, and we expect the demand for test instruments will start in earnest around 2027.

Generative AI, which emerged in 2023, has driven data center speeds to higher speeds, and upgrading demand from 400GE to 800GE is strong. In addition, demand for 1.6TE speedup is also moving forward. We believe that moves toward network sophistication, such as all-optical networks, will drive test instrument demand for the networks.

4-2. Development solutions for high-speed intra-server communications

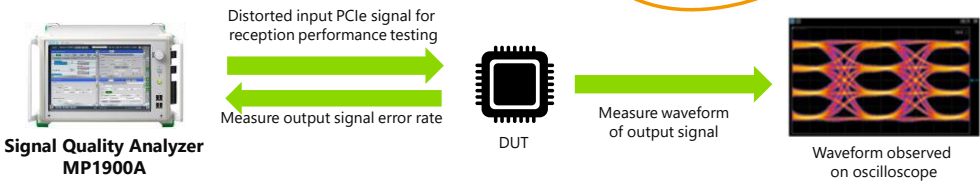
Support for PCIe Gen6 for high-speed intra-server communications

800GE is increasingly being used for optical networks between servers. In conjunction with this, implementation of PCIe Gen6 is progressing to support high-speed communication between CPUs/GPUs, memory, and modules on server blades.

Advantages of MP1900A:

- In-house developed devices generate high quality waveforms of output signals
- Support for Link Training (loopback testing) protocol required for Gen6 (industry first*) *: Based on a survey of Anritsu

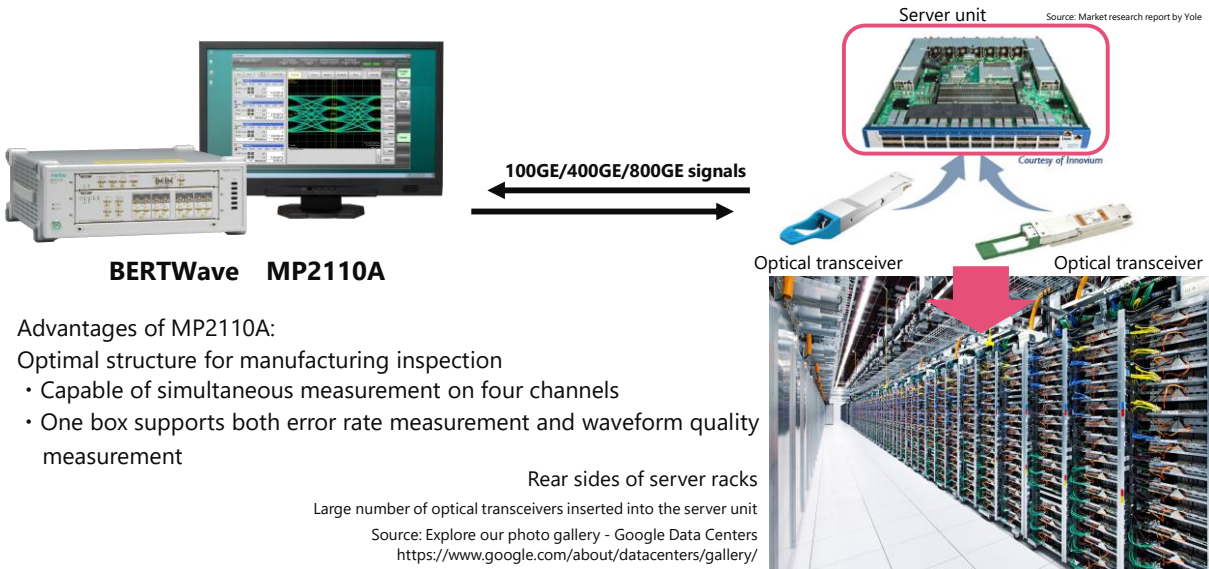
Used for data error rate and waveform quality evaluation



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4-3. Solutions for module manufacturing for network acceleration

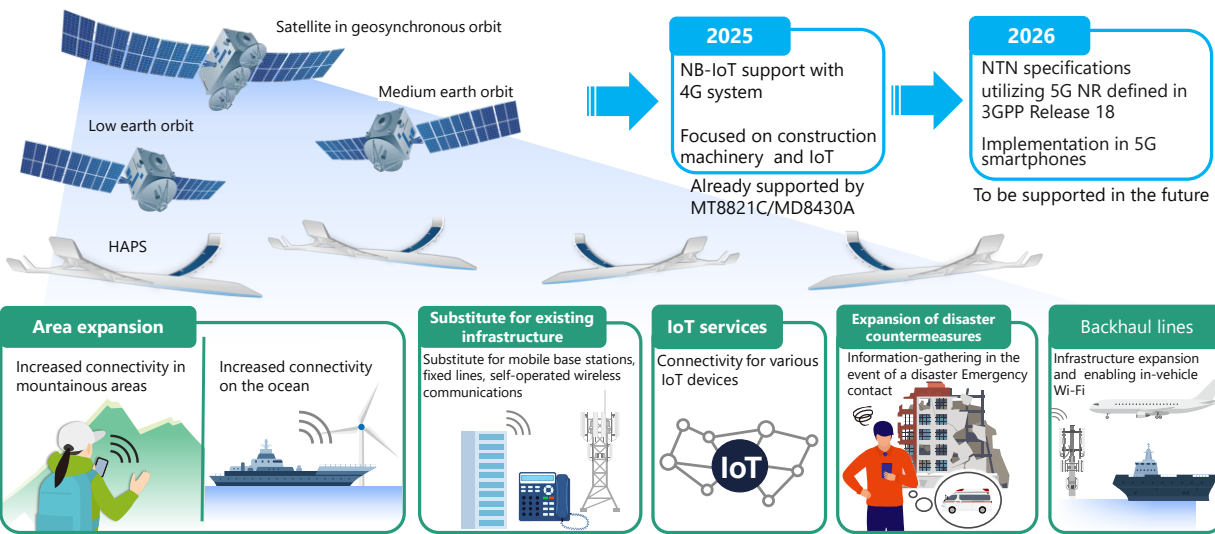
Supports evaluation of optical transceivers used to meet the growing data center capacity due to the spread of generative AI



(No notes here)

4-4. Development solutions for mobile communications using satellites or HAPS **Anritsu**
Advancing beyond

Support for NTN standards towards realization of mobile communication services using satellite or HAPS



NTN use cases

(No notes here)

4-5. Progress of Sustainable Development Goals (SDGs) in GLP2023

	KPI	GLP2023 Goals	FY2023 Results	Progress
E Environment	● Greenhouse gases *1 (Scope 1+2)	23% reduction compared to FY2015	36.6% reduction	◎
	● Greenhouse gases *1 (Scope 3)	13% reduction compared to FY2018	38.8% reduction	◎
	● In house Power generation ratio (PGRE 30*2)	13% or more (compared to FY2018 power consumption)	10.4% (Reference: FY2020 results 3.3%)	△
S Society	● Advancement of women	A proportion of women in manager positions of 15% or more	12.1% (As of April 1 st 2024, Global) (Reference: End of March 31 st 2021 results 10.8%)	△
	● 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 continue of a new compensation packages	○
	● Promote employment of physically challenged people	Achieve the legally mandated employment rate of 2.3% through job development	Achieved 2.66% (As of March 31 st 2024, Global)	○
	● Strengthening of supply chain due diligence	A cumulative total of 10 or more companies, over 3 years	20 companies in total over 3 years (Conducted due diligence on 8 companies in FY2023)	◎
	● Developing awareness on CSR procurement to suppliers at least twice a year, and provide training at least once a year		Dispatched information 3 times and provided training 2 times (Dispatched information 9 times and provided training 4 times in total over 3 years)	○
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 all of the items: 90% (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%.

(No notes here)

Appendix : Glossary

3GPP :	3rd Generation Partnership Project
5G NR :	5th Generation New Radio access technology
AR :	Augmented Reality
CPE :	Customer Premises Equipment
CSR:	Corporate Social Responsibility
DD :	Due Diligence
EM:	Environmental Measurement
EMEA :	Europe, Middle East, Africa
EV :	Electric Vehicle
GLP :	Global Long-term management Plan
HAPS :	High Altitude Platform Station
IOWN :	Innovative Optical and Wireless Network
ML :	Machine Learning
NTN :	Non-Terrestrial Network
NW :	Network
O-RAN :	Open Radio Access Network
PCIe Gen6 :	Peripheral Component Interconnect Express Generation 6
PGRE :	Private Generation of Renewable Energy
PQA :	Products Quality Assurance
RedCap :	Reduced Capability
T&M:	Test and Measurement
VR :	Virtual Reality
V-RAN :	Virtual Radio Access Network
WRC :	World Radiocommunication Conference

(No notes here)



(No notes here)