

Beyond testing, beyond limits, for a sustainable future together

Hirokazu Hamada

Representative Director , President
Anritsu Corporation

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MEMBERSHIP

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

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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.

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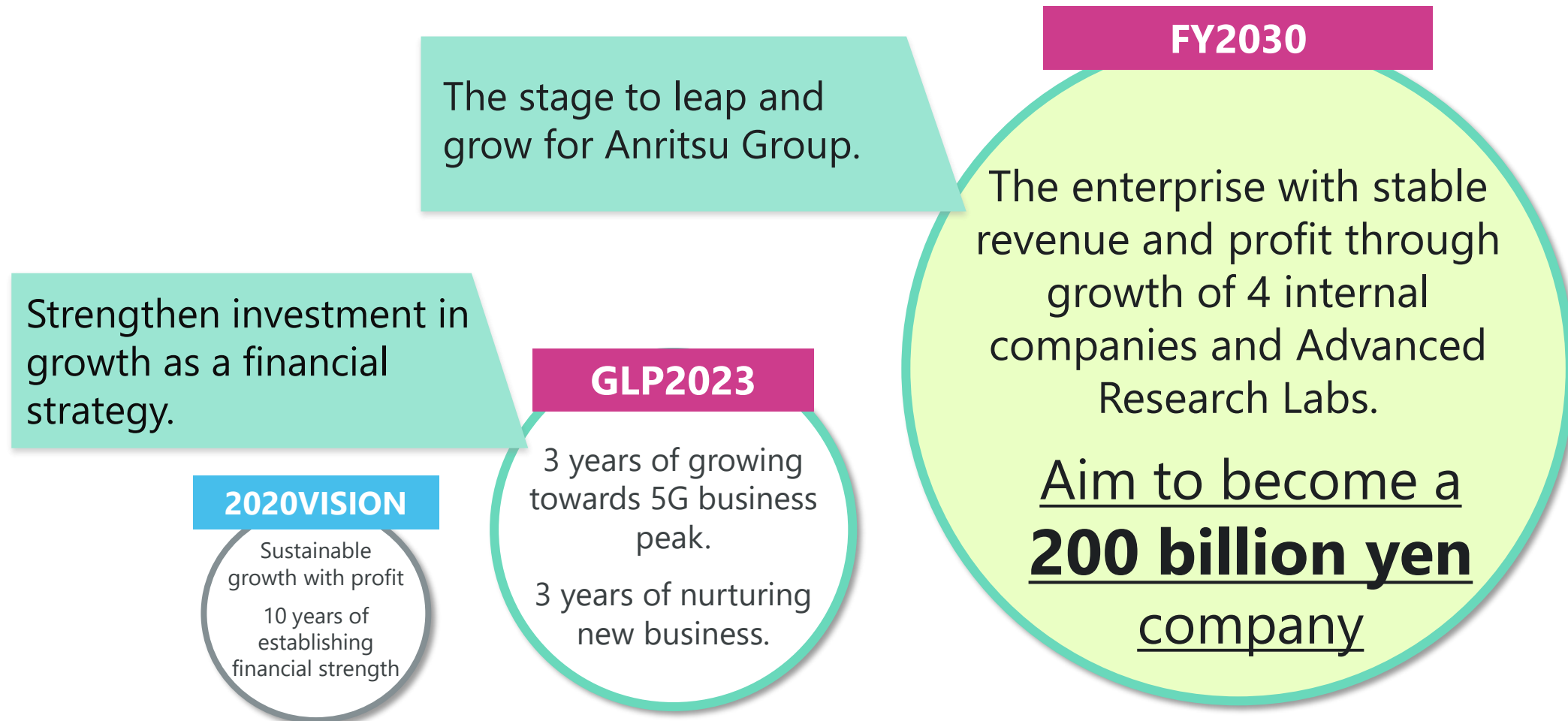
1. Mid term Business Plan GLP2023
2. Consolidated performance review of the Fiscal Year ended March 31, 2021

Appendix

1. Mid term Business Plan GLP2023

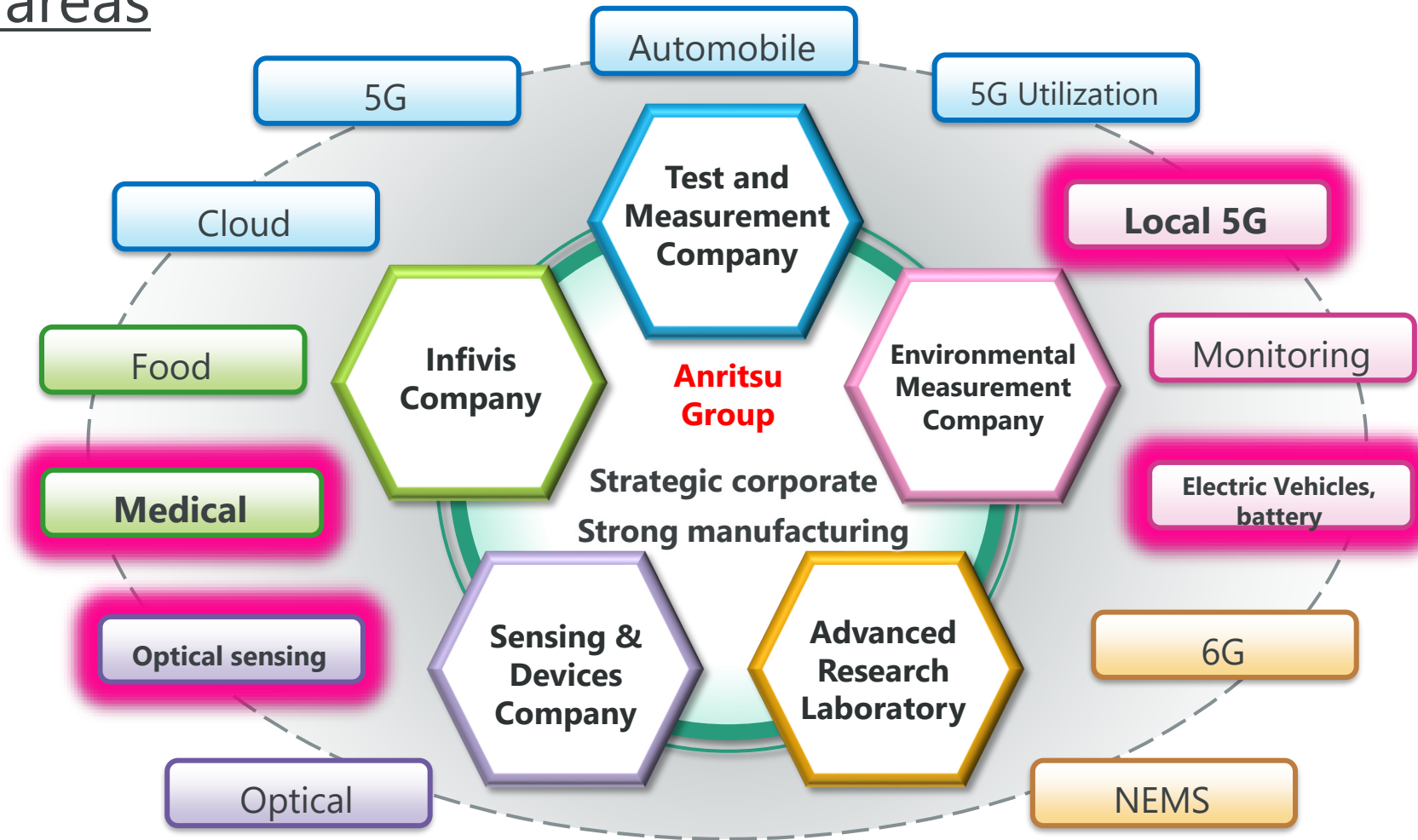
Management vision:

Beyond testing, beyond limits, for a sustainable future together



1-2. GLP2023 priority area

Focus on developing
four new areas



*Infivis Company : Promotes PQA business

*NEMS: Nano Electro Mechanical Systems

1-3. Revenue and operating profit plan

Indicators		FY2020	FY2021	FY2023
Revenue		105.9 B Yen	114.0 B Yen	140.0 B Yen
Op. profit		19.7 B Yen	20.5 B Yen	27.0 B Yen
Op. margin		19 %	18 %	19 %
Profit		16.1 B Yen	16.2 B Yen	20.0 B Yen
ROE		16 %	14 %	15 %
T&M	Revenue	74.8 B Yen	82.0 B Yen	100.0 B Yen
	Op. profit	17.7 B Yen	18.5 B Yen	23.0 B Yen
	Op. margin	24 %	23 %	23 %
PQA	Revenue	21.4 B Yen	23.0 B Yen	27.0 B Yen
	Op. profit	1.3 B Yen	1.8 B Yen	2.7 B Yen
	Op. margin	6 %	8 %	10 %

GLP2023

(Note) Exchange rate for GLP2023 : 1USD=105Yen, 1Euro=125Yen

1-4. Sustainable Development Goals (SDGs)

Goals and initiatives

GLP2023:KPI

E

Environment

Long-term plans and initiatives to reduce greenhouse gas emissions

- Greenhouse gases (Scope 1+2): 23% reduction compared to FY2015
 - Greenhouse gases (Scope 3): 13% reduction compared to FY2018
- ...**30% reduction by FY2030**

Increase in the share of in-house power generation (PGRE 30)

- In-house power generation ratio: 13% or more
- ... **To be increased to around 30% by 2030**

S

Social

Promoting diversity management

- Advancement of women: A proportion of women in senior management positions of 15% or more
- Advancement of the elderly: 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

Promoting global CSR procurement

- Strengthening of supply chain due diligence: A cumulative total of 10 or more companies, over 3 years
- Developing awareness on CSR procurement to suppliers at least twice per year, and provide training at least once each year

G

Governance

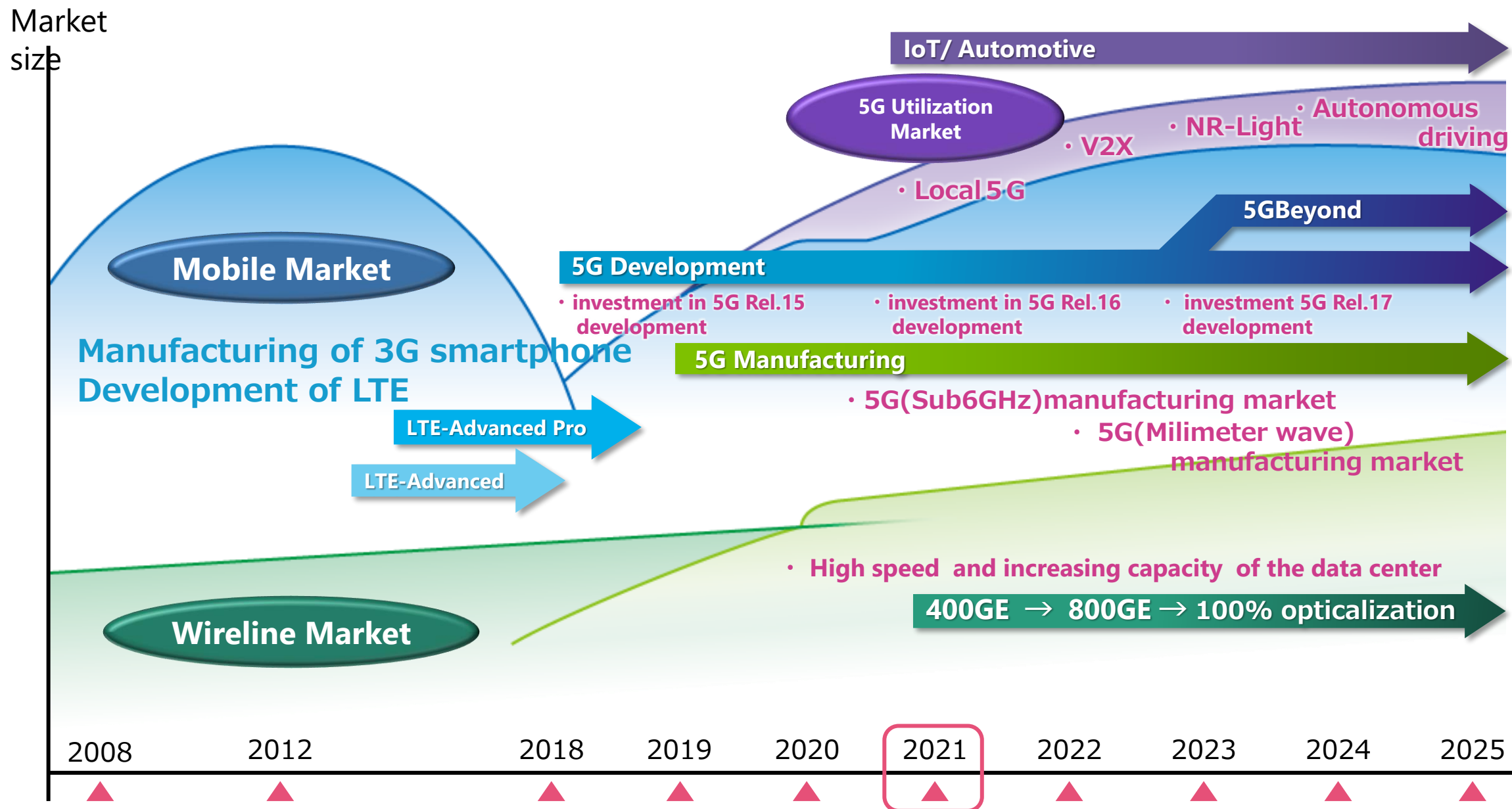
Improving global governance

- Promoting the diversity of the Board of Directors, outside director ratio 50% or more

Promoting the establishment of an internal control system at overseas subsidiaries

- All overseas subsidiaries meet the criteria of Control Self-Assessment (CSA)

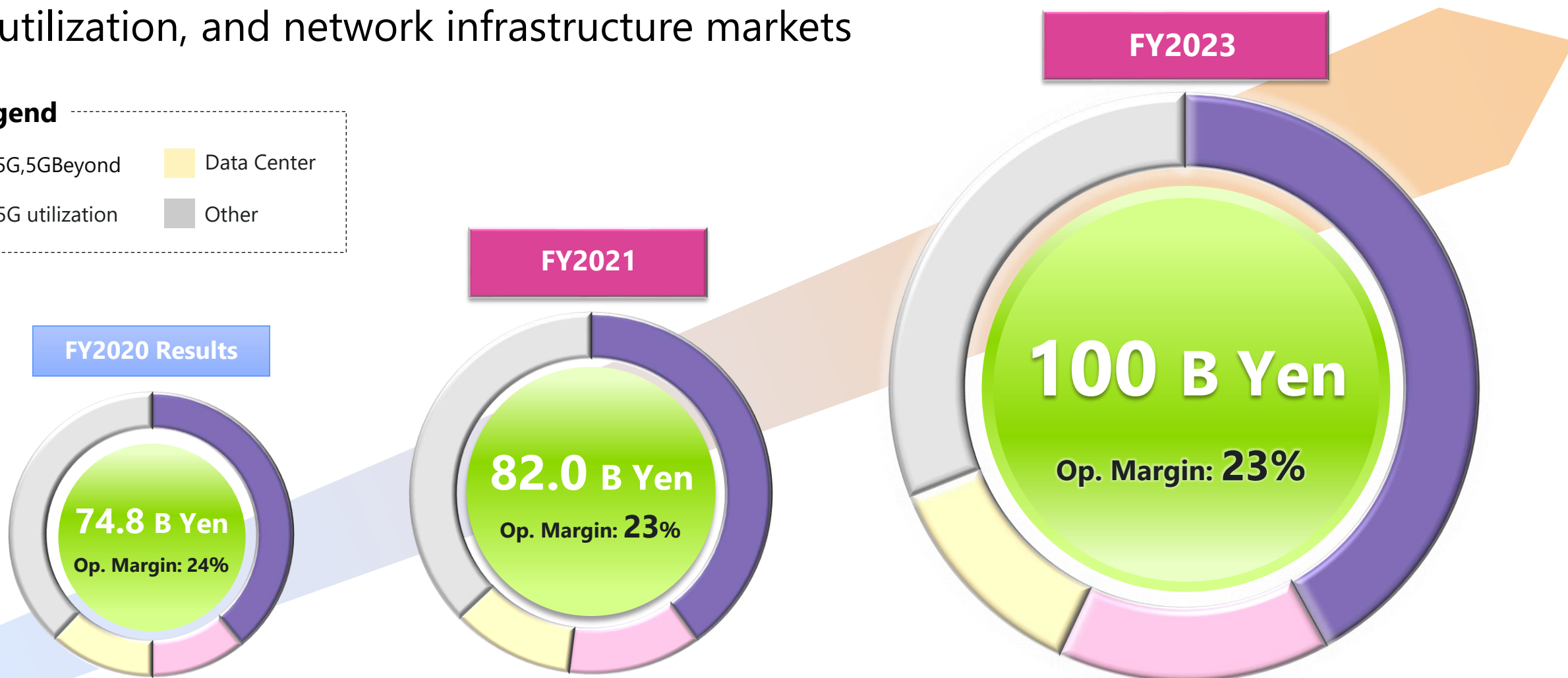
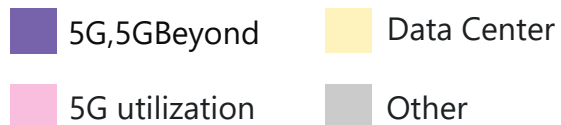
1-5. T&M : Mobile market trends and Business opportunity



1-6. T&M : GLP2023 revenue and operating profit plan

Capture demand over three years leading up to the peak of 5G, and promote business expansion in the smartphone, 5G utilization, and network infrastructure markets

Legend



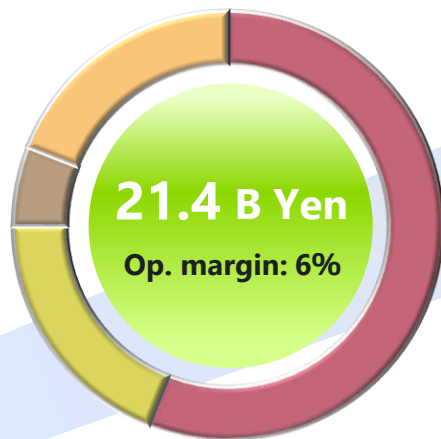
1-7. PQA : GLP2023 revenue and operating profit plan

- Creation of solutions that resolve critical issues of customers
- Value creations beyond “measurement” and respond adequately and promptly to the needs vary by regions around the world
- Enhance profitability through advancement of X-Ray inspection machines, improving presence in pharmaceutical market and enforcing operational innovations

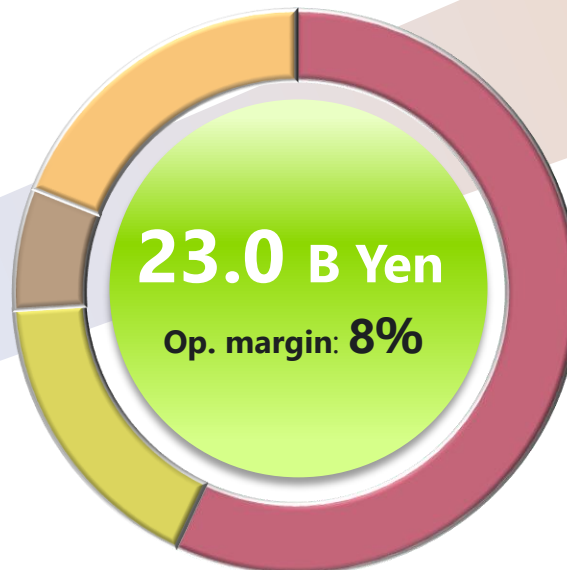
Legend



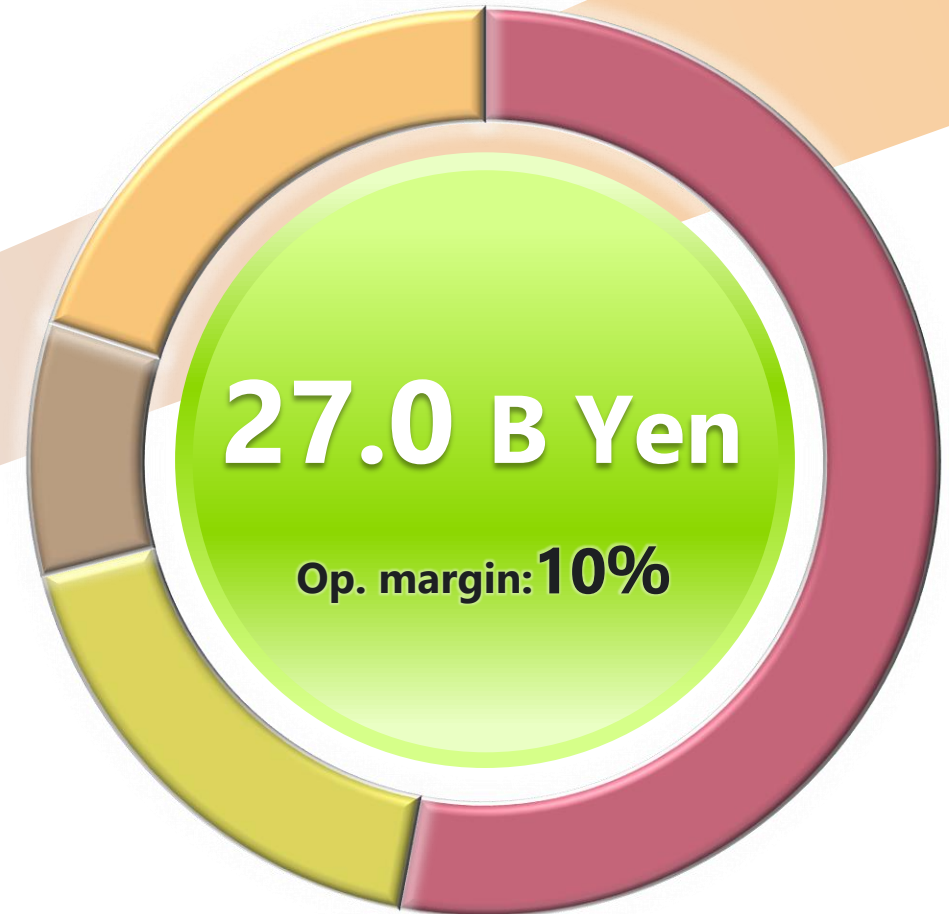
FY2020 Results



FY2021



FY2023



This graph presents a projection.

2. Consolidated performance review of the Fiscal Year ended March 31, 2021

2-1. 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 Food safety

- ▶ X-ray inspection systems
- ▶ Metal Detector
- ▶ Checkweighers



Others

- ▶ IP network equipment
- ▶ Opt. devices



(Revenue by business segment)

105.9 billion Yen consolidated revenue in FY2020

T&M 71%			PQA 20%	Others 9%
Mobile 59%	Network Infrastructure 25%	Electronics 16%		

(Revenue of T&M business by region in FY2020)

Japan 18%	Asia & Others 47%	Americas 23%	EMEA 12%
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T&M : Test & Measurement PQA : Products Quality Assurance

2-2. Consolidated performance - Financial results -

▶ Year-on-Year: A slight decrease in revenue, but an increase in profit

Unit: Billion Yen

International Financial Reporting Standards(IFRS)	FY2019 (Apr. to Mar.)	FY2020 (Apr. to Mar.)	YoY	YoY (%)
Order Intake	107.7	107.6	(0.1)	-0%
Revenue	107.0	105.9	(1.1)	-1%
Operating profit (loss)	17.4	19.7	2.3	13%
Profit (loss) before tax	17.2	19.8	2.6	15%
Profit (loss)	13.4	16.1	2.7	20%
Comprehensive income	11.9	19.9	8.0	66%

(Note) Numbers for FY2019 and FY2020 are rounded off to the first decimal place in each column.

2-3. Consolidated performance - Results by business segment -

▶ T&M : Profit increased due to a higher proportion of 5G products

▶ PQA : Revenue decreased while operating profit remained at the same level year on year

Unit: Billion Yen

International Financial Reporting Standards (IFRS)		FY2019 (Apr. to Mar.)	FY2020 (Apr. to Mar.)	YoY	YoY (%)
T&M	Revenue	75.2	74.8	(0.4)	-0%
	Op. profit (loss)	15.1	17.7	2.6	17%
PQA	Revenue	22.6	21.4	(1.2)	-5%
	Op. profit (loss)	1.3	1.3	0.0	4%
Others	Revenue	9.3	9.7	0.4	5%
	Op. profit (loss)	1.9	1.8	(0.1)	-5%
Adjustment	Op. profit (loss)	(0.9)	(1.2)	(0.3)	-
Total	Revenue	107.0	105.9	(1.1)	-1%
	Op. profit (loss)	17.4	19.7	2.3	13%

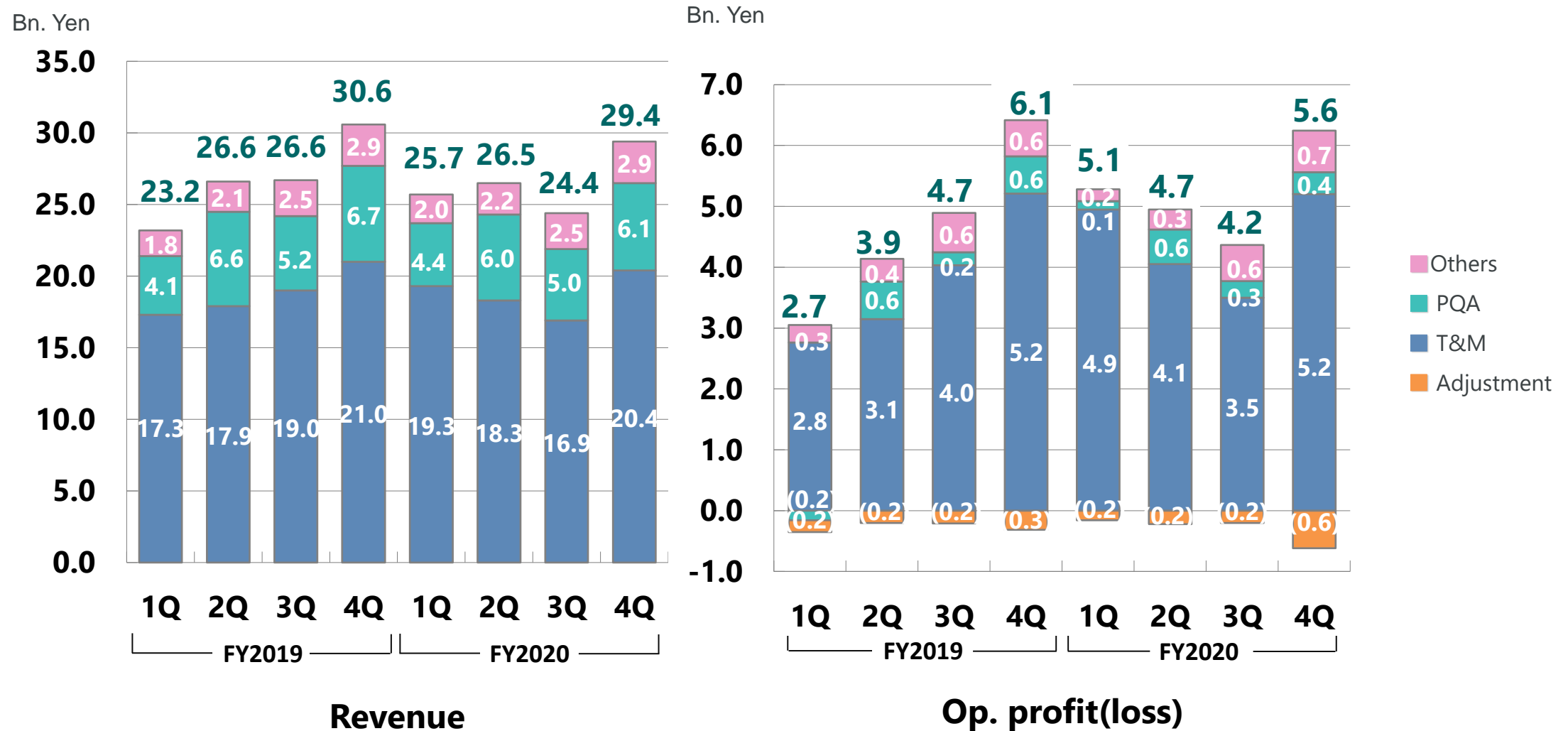
(Note 1) : Numbers for FY2019 and FY2020 are rounded off to the first decimal place in each column.

(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



2-4. Consolidated performance - Revenue and Op. profit by quarters -

4Q(Jan.-Mar.) Operating margin : Consolidated 19%, T&M 25% ,PQA 6%



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

2-5. Overview of operations by business segment

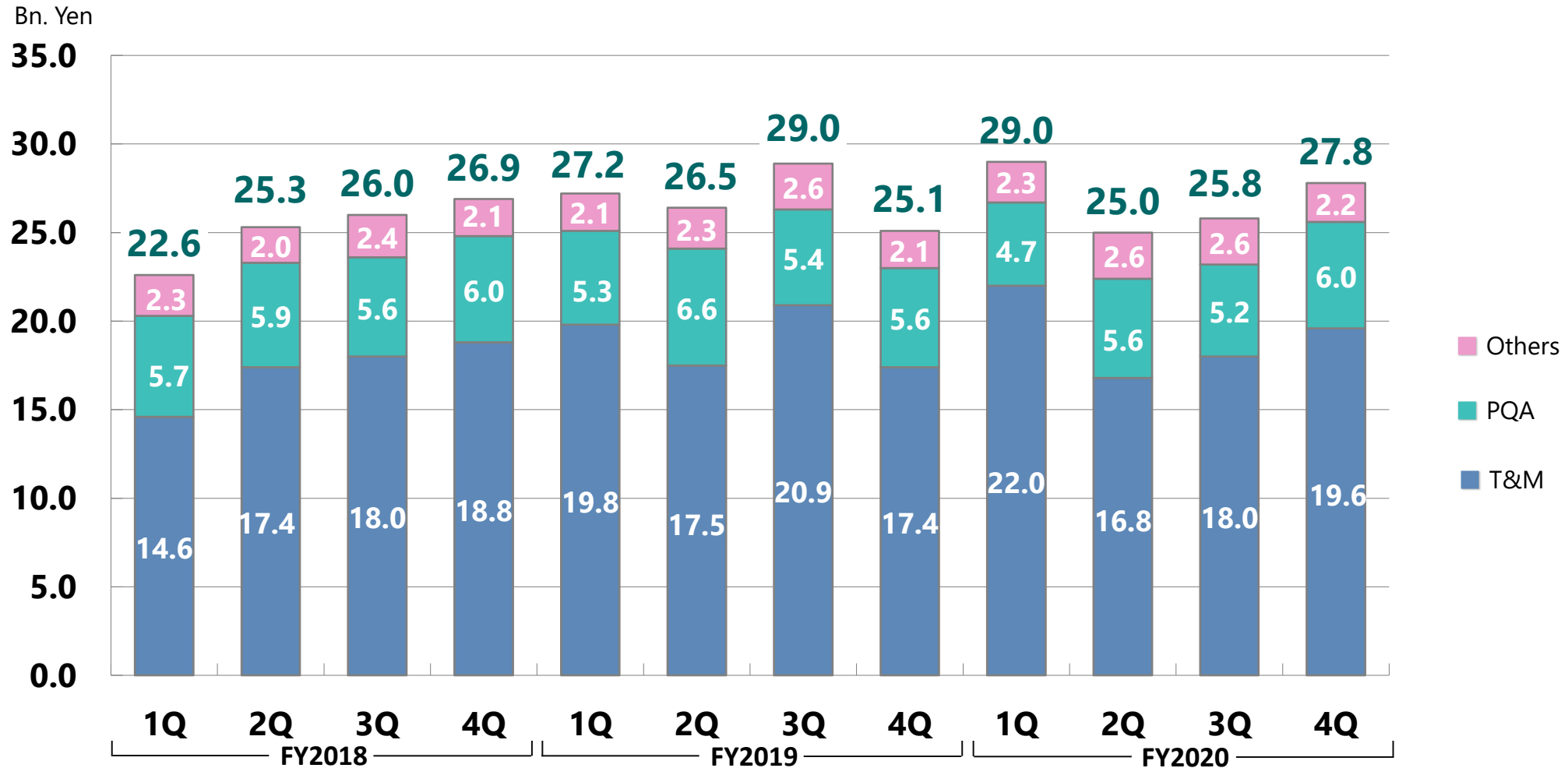
Segment FY2020 (April to March)	
	 T&M : Steady progress for both 5G commercialization schedule and development of high-speed data centers
	Mobile 5G development demand remains steady
	Network Infrastructure Increased investment in data centers, etc.
	Asia & Others/ Japan Expansion in investment aimed at 5G commercialization Japan is sluggish due to the spread of the COVID-19
	Americas Greater focus on 5G service area expansion
	 PQA : In the food market, uncertainty about the future due to the spread of the COVID-19 caused some customers to remain cautious to capital expenditures

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

2-6. Transition of Order Intake

▶ T&M : 13% increase year on year, 9% increase quarter on quarter

▶ PQA : 7% increase year on year

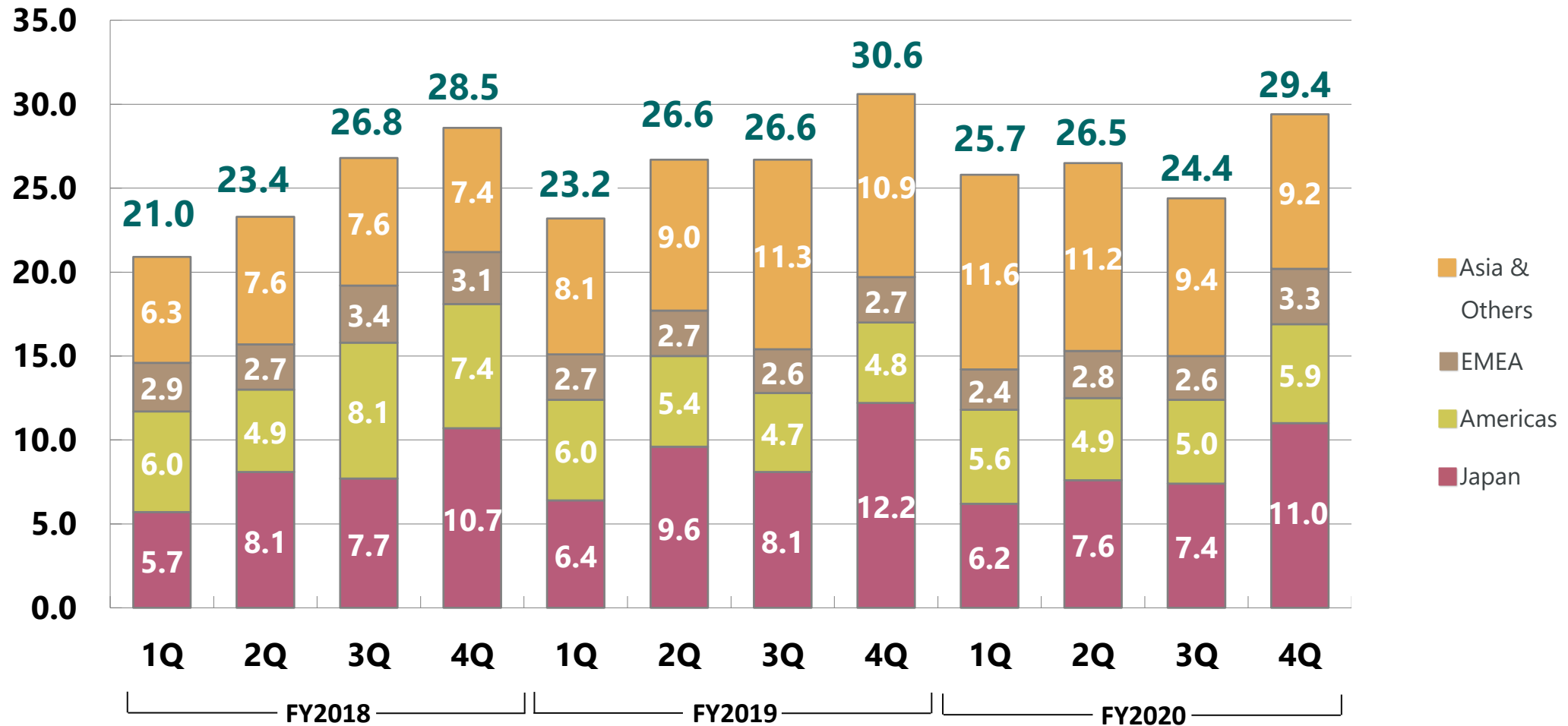


Note : Numbers are rounded off to the first decimal place in each column.

2-7. Transition of Revenue by Region

5G commercialization and steady demand for data centers in Asia

Bn. Yen



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

2-8. Cash Flow

▶ Operating cash flow margin ratio was 19.3%

FY2020

Operating CF : 20.5 Bn. Yen

Investing CF : (5.0) Bn. Yen

Financing CF : (14.5) Bn. Yen

Free Cash Flow

Op.CF + Inv. CF : 15.5 Bn. Yen

Cash at the end of period

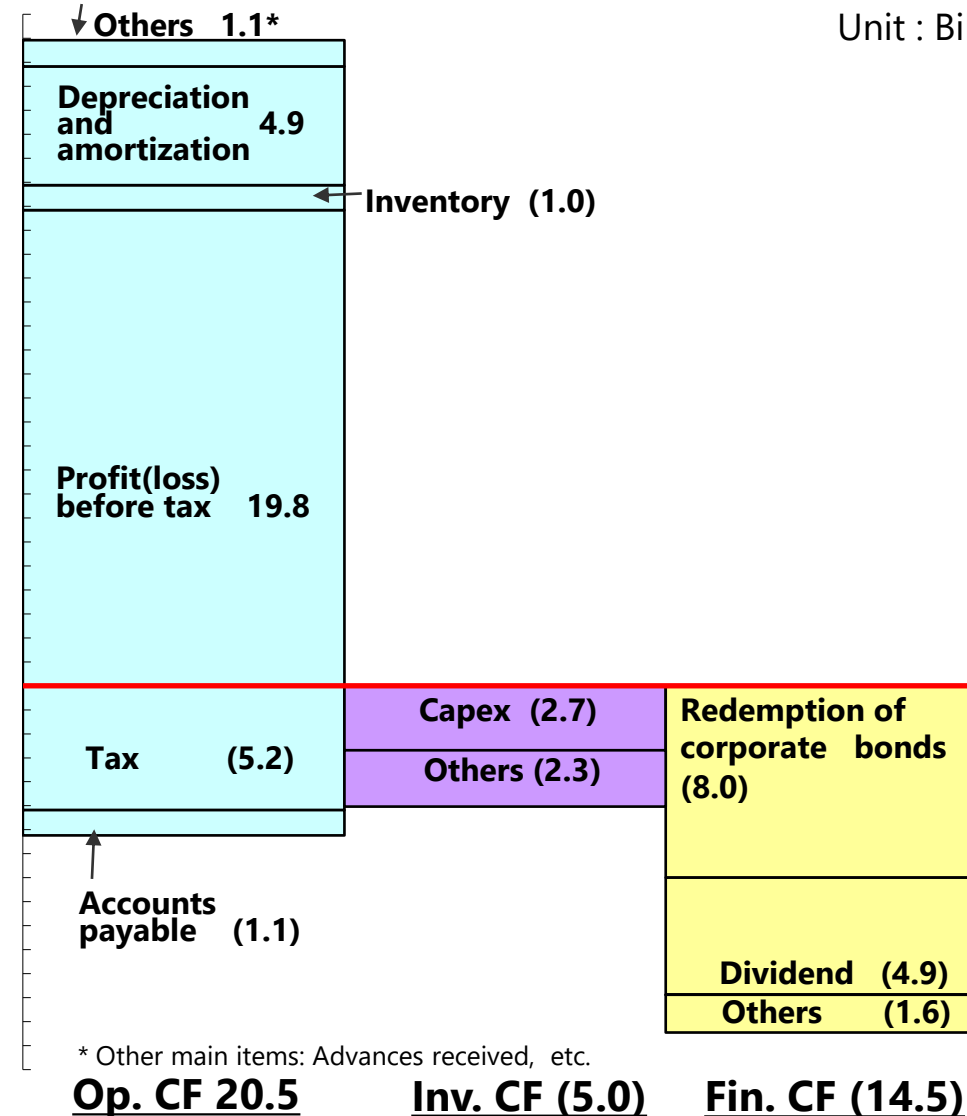
49.8 Bn. Yen

Interest-bearing debt

5.8 Bn. Yen

Details

Unit : Billion Yen



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

2-9. Forecast for full year of FY2021 (Consolidated)

▶ Although the impact of COVID-19 will remain, 5G-related demand is expected to grow

Unit: Billion Yen

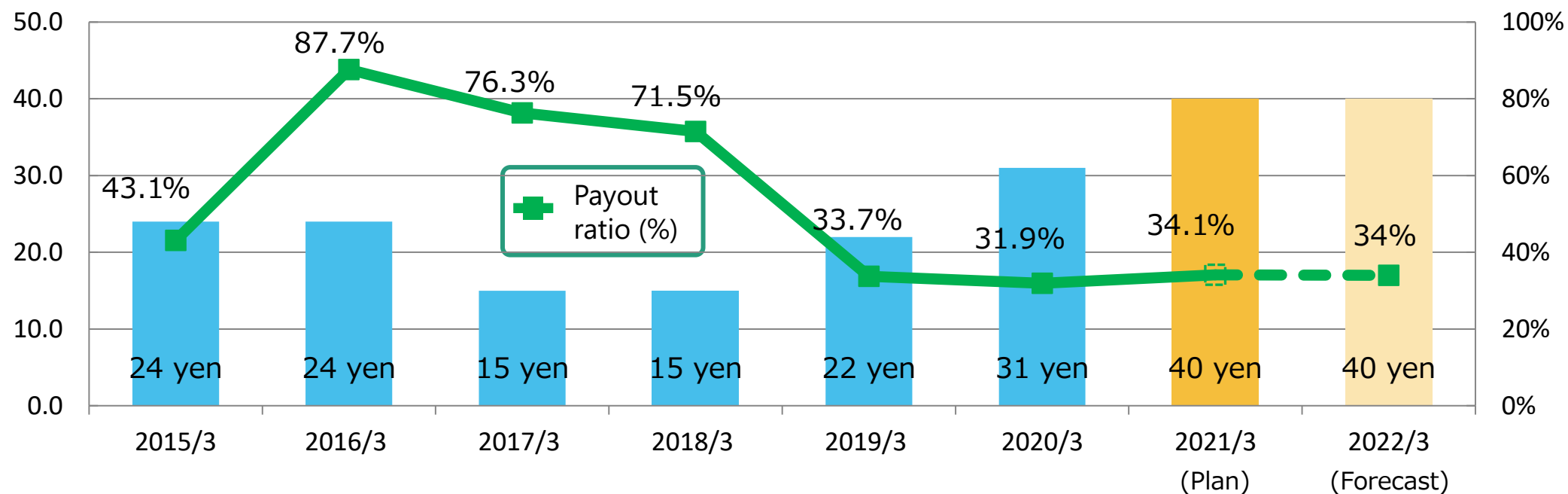
			FY2020	FY2021		
			Actual	Forecast	YoY	YoY(%)
Revenue			105.9	114.0	8.1	8%
Operating profit (loss)			19.7	20.5	0.8	4%
Profit (loss) before tax			19.8	20.5	0.7	3%
Profit (loss)			16.1	16.2	0.1	0%
T&M	Revenue		74.8	82.0	7.2	10%
	Op. profit (loss)		17.7	18.5	0.8	4%
PQA	Revenue		21.4	23.0	1.6	7%
	Op. profit (loss)		1.3	1.8	0.5	34%
Others	Revenue		9.7	9.0	(0.7)	-7%
	Op. profit (loss)		1.8	1.2	(0.6)	-33%
Adjustment	Op. profit (loss)		(1.2)	(1.0)	0.2	-

Reference : Exchange rate : FY2020 (Actual) 1USD=106 yen, 1EURO=123 yen
FY2021(Forecast) 1USD=105 yen, 1EURO=125 yen

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

2-10. Dividend plan and forecast

	Dividend per share	Profit	Payout ratio	DOE	ROE
FY2020(Plan)	40 yen	16.1 B yen	34.1%	5.4%	15.8%
FY2021(Forecast)	40 yen	16.2 B yen	34%	5%	14%



Appendix

VISION

We become a leading company supporting communications society built on 5G

Policies to achieve the plan

- Increase the ratio of 5G utilization and solutions for network infrastructure market within our business portfolio
- Transform our business solutions from simple provision of “measurement” tools to provision of values by “resolving through measurement”
- Increase investment in growth areas (5G Beyond, self-driving vehicles, ORAN/IOWN)

VISION

Towards the sustainable future, we become the most trusted First-to-Call company of the quality assurance for the customers around the world.

Policies to achieve the plan

- **Build solutions that resolve critical issues of our customers such as “ensuring safety and security” and “improvement of productivity and reduction of food losses”**
- **Provide the most trusted products and services through value creations beyond “measurement” and respond adequately and promptly to the needs vary by regions with localization approaches.**
- **Undertake profitability enhancement through expanding value-added solutions with advancement of X-ray inspection machines, improving the presence in global pharmaceutical market, one of our priority markets, and enforcing operational innovations.**

Established AK Radio Design as joint investment

■ Overview of the established company (tentative)

- **Company name : AK Radio Design**
- Location: 5-1-1 Onna, Atsugi-shi, Kanagawa, Japan
- Date of establishment: June 2021
- Investment Ratio: Anritsu Corporation: 50%,
KOZO KEIKAKU ENGINEERING Inc.: 50%

Network delay measurement / Fault analysis service

Measure the delay in the remote operation of robot and/or other 5G clients.



MT1000A Network Master Pro

Network
simulation

QualNet®

Anritsu Advancing beyond

Measuring instrument/ Measuring service



構造計画研究所
KOZO KEIKAKU ENGINEERING Inc.

Simulator / Analysis service

Coverage design and evaluation service

Measure the field strength of 5G signals in service area



ML8780A/81A Area Tester

Power distribution calculation
for license application



Radio wave interference simulation and measurement service



MS2090A Field Master Pro

Transmission propagation
simulation



Provide one-stop service of actual measurement with test instruments and analysis service with simulation software

