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.
Index

1. Mid term Business Plan GLP2023
2. Outline of our Business Segments
3. T&M Business Segment
4. PQA Business Segment
5. ESG Initiatives
6. Financial Results for the 1st quarter of the Fiscal Year ending March 31, 2024

Appendix
1. Mid term Business Plan GLP2023
1-1. The vision toward FY2030

Beyond testing, beyond limits, for a sustainable future together

Progress and changes of plan for GLP2023

Vision toward FY2030
(Including growth through M&A)

Growth drivers for T&M
- 6G, IOWN
- 5G Utilization
  - Automotive driving, Smart City, Smart Factory
  - Satellite communication
- O-RAN, V-RAN
- Next Generation Computing

Growth drivers for PQA
- Global business development in the food market
- Penetration into the pharmaceutical market
- Quality Inspection Business Using AI

Growth drivers for Environmental measurement
- EV ・ Battery, Decarbonization of social infrastructure
- Industry DX, Local 5G, Smart Factory
- Smarter social infrastructure
- Global Expansion

This graph is for illustrative purposes only.
1-2. GLP2023 priority area progress

- Test and Measurement Company
- Automotive
- Expansion and acceleration T&M
- Cloud
- Electric Vehicles
- NEMS
- Monitoring
- Environmental Measurement Company
- 5G Utilization
- Local 5G
- Optical
- Sensing & Devices Company
- Advanced Research Laboratory
- 6G
- Medical
- Food
- Optical sensing
- AK Radio Design
- TAKASAGO
- Completed M&A Jan. 4, 2022
- Established graphene nanoscale microfabrication technology
- Open 5G LAB
- AK Radio Design社
- 5G Utilization
- Collaboration with NESIC
- AK Radio Design
- Opening 5G LAB
- 5G Utilization
- Test and Measurement Company
- Anritsu Group
- Strong manufacturing
- Strategic corporate
- Medical
- Medical
- 5G
- Food
- Food
- Optical sensing
- Optical sensing
- 6G
- 6G
- Anritsu Group
- Develop new market
- Improve profit margin
- Anritsu Group

*Infivis Company: Promotes PQA business
*EV: Electric Vehicle
*NEMS: Nano Electro Mechanical Systems
1-3. Revenue and operating profit plan (1/2)

<table>
<thead>
<tr>
<th>Indicators</th>
<th>FY2020 Act</th>
<th>FY2021 Act</th>
<th>FY2022 Act</th>
<th>FY2023 Plan</th>
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<tr>
<td></td>
<td>Revenue</td>
<td>Revenue</td>
<td>Revenue</td>
<td>Revenue</td>
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<tr>
<td></td>
<td>Profit</td>
<td>Profit</td>
<td>Profit</td>
<td>Profit</td>
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<td></td>
<td>ROE</td>
<td>ROE</td>
<td>ROE</td>
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<td></td>
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<td>FY2020 Act</td>
<td>FY2021 Act</td>
<td>FY2022 Act</td>
</tr>
<tr>
<td></td>
<td></td>
<td>105.9 B Yen</td>
<td>105.4 B Yen</td>
<td>110.9 B Yen</td>
</tr>
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<td></td>
<td></td>
<td>19.7 B Yen</td>
<td>16.5 B Yen</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>19 %</td>
<td>16 %</td>
<td>11 %</td>
</tr>
<tr>
<td></td>
<td></td>
<td>16.1 B Yen</td>
<td>12.8 B Yen</td>
<td>9.3 B Yen</td>
</tr>
<tr>
<td></td>
<td></td>
<td>16%</td>
<td>11%</td>
<td>8%</td>
</tr>
<tr>
<td></td>
<td>FY2021 Act</td>
<td>FY2022 Act</td>
<td>FY2023 Plan</td>
<td></td>
</tr>
<tr>
<td></td>
<td>73.3 B Yen</td>
<td>72.8 B Yen</td>
<td>74.0 B Yen</td>
<td></td>
</tr>
<tr>
<td></td>
<td>72.8 B Yen</td>
<td>74.0 B Yen</td>
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<tr>
<td></td>
<td>74.0 B Yen</td>
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</table>

<table>
<thead>
<tr>
<th>T&amp;M</th>
<th>Revenue</th>
<th>74.8 B Yen</th>
<th>73.3 B Yen</th>
<th>72.8 B Yen</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Op. profit</td>
<td>17.7 B Yen</td>
<td>15.2 B Yen</td>
<td>10.9 B Yen</td>
</tr>
<tr>
<td></td>
<td>Op. margin</td>
<td>24 %</td>
<td>21 %</td>
<td>15 %</td>
</tr>
<tr>
<td></td>
<td></td>
<td>FY2023 Plan</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>74.0 B Yen</td>
<td></td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PQA</th>
<th>Revenue</th>
<th>21.4 B Yen</th>
<th>22.0 B Yen</th>
<th>24.8 B Yen</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Op. profit</td>
<td>1.3 B Yen</td>
<td>1.2 B Yen</td>
<td>1.3 B Yen</td>
</tr>
<tr>
<td></td>
<td>Op. margin</td>
<td>6 %</td>
<td>5 %</td>
<td>5 %</td>
</tr>
</tbody>
</table>

*1: The plan for FY2023 has been changed from the original plan formulated in April 2021.

*1 Exchange rate for GLP2023 1USD=105 Yen, 1EURO=125 Yen

*2 Exchange rate for FY2022 1USD=135 Yen, 1EURO=141 Yen

*3 Exchange rate for FY2023 (Forecast) 1USD=130 Yen, 1EURO=140 Yen
1-4. Revenue and operating profit plan (2/2)

Revenue

Op. profit trends

Op. Profit (B Yen)

Environmental Measurement

T&M Revenue

PQA Revenue

Consolidated

T&M

PQA

GLP Plan

Consolidated

9% 15% 17% 14% 11% 6% 5% 6% 11% 16% 19% 16% 11% 12% 19%

T&M

9% 20% 21% 17% 12% 7% 4% 4% 14% 20% 24% 21% 15% 16% 23%

PQA

5% 4% 6% 7% 5% 6% 7% 9% 7% 6% 6% 5% 5% 6% 10%

GLP Plan

GLP2012

GLP2014

GLP2017

GLP2020

GLP2023

ANRITSU CORPORATION

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1-5. GLP2023 : Financial strategy (1/3)

◆ Emphasis on growth, profitability and efficiency
◆ Strengthen growth investment
◆ Enhancement of shareholder returns

KPI to measure Corporate value : ROE ≥ 15%

![ROE chart]

<table>
<thead>
<tr>
<th>Year</th>
<th>ROE(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2010</td>
<td>7.9</td>
</tr>
<tr>
<td>FY2011</td>
<td>19.5</td>
</tr>
<tr>
<td>FY2012</td>
<td>25.0</td>
</tr>
<tr>
<td>FY2013</td>
<td>13.3</td>
</tr>
<tr>
<td>FY2014</td>
<td>10.2</td>
</tr>
<tr>
<td>FY2015</td>
<td>4.9</td>
</tr>
<tr>
<td>FY2016</td>
<td>3.5</td>
</tr>
<tr>
<td>FY2017</td>
<td>3.7</td>
</tr>
<tr>
<td>FY2018</td>
<td>10.9</td>
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<tr>
<td>FY2019</td>
<td>14.9</td>
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<tr>
<td>FY2020</td>
<td>15.8</td>
</tr>
<tr>
<td>FY2021</td>
<td>11.5</td>
</tr>
<tr>
<td>FY2022</td>
<td>8.0</td>
</tr>
</tbody>
</table>
1-6. GLP2023 : Financial strategy (2/3)

Promotion of cash flow management
Improve operating CF by strengthening profit structure and promoting efficiency of working capital

Cash flow trends

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>6.7</td>
<td>8.5</td>
<td>1.5</td>
<td>1.2</td>
<td>5.6</td>
<td>4.0</td>
<td>11.6</td>
<td>11.0</td>
<td>15.5</td>
<td>7.3</td>
<td>6.1</td>
</tr>
<tr>
<td>(5.0)</td>
<td>(5.3)</td>
<td>(6.0)</td>
<td>(9.0)</td>
<td>(3.7)</td>
<td>(3.9)</td>
<td>(0.6)</td>
<td>(3.7)</td>
<td>(5.0)</td>
<td>(8.7)</td>
<td>(5.2)</td>
</tr>
</tbody>
</table>

[B yen] 25.0

Operating CF
Investing CF
Free CF
1-7. GLP2023 : Financial strategy (3/3)

Allocation of operating cash flow : Priority allocation of cash to growth investment

GLP2020
FY18-20

GLP2023
FY21-23

Growth investment
Capital investment & Others

Strengthen financial structure
Debt repayment & Cash increase

Shareholders returns
Dividend

Allocation of operating cash flow (Actual)

Growth investment

Capital investment, M&A & Others

Strengthen financial structure
Debt repayment & Cash increase

Shareholders returns
Dividend & Purchase of Treasury Stock

Allocation of operating cash flow (Plan)


FY2021-FY2022 Act.
Growth Investment: 13.9Byen (36%)
M&A (TAKASAGO Completed): 4Byen
Capital investment & Others: 9.9Byen

Shareholders Returns: 21.4Byen (55%)
Dividend: 11.4Byen
Purchase of Treasury Stock: 10Byen

Strengthen financial structure: 3.4Byen (9%)
Debt repayment
1-8. Shareholder Return Policy

The Company’s basic policy for returning profits to its shareholders is to distribute profits in accordance with its consolidated performance and by taking into account the total return ratio.

With regard to dividends, while taking the basic approach of raising dividends on equity (DOE) in accordance with the increase in consolidated profits for the fiscal year, the Company aims at a consolidated dividend payout ratio of 50 percent or more(*1). The Company's basic policy is to make distributions of dividends, twice a year, consisting of a fiscal year-end dividend and an interim dividend by resolution of the General Meeting of Shareholders and by approval of the Board of Directors.

The Company intends to carry out the purchase of treasury stock appropriately as necessary, by taking into account its financial situation, the trends in stock prices and other factors, in an effort to execute capital policies that respond flexibly to changes in the corporate environment.

(*1) This is the revised targets based on a resolution of the Board of Directors in April 28, 2023. As of the end of the current fiscal year, the pre-revision target was consolidated dividend payout ratio of 30 percent or more.
Cost structure improvement measures
- Introduction of high value added solutions (professional services, software)
- Thorough enforcement of development ROI & ROIC management (*1)
- SG&A expenses: Organizational structure and optimal allocation of human resources in response to changes in customer trends

*1: KPI target index for R&D investments is an R&D ROI (gross profit / R&D investment value) of 4.0 times or higher.
### 1-10. Sustainable Development Goals (SDGs)

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

*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%.
2. Outline of our Business Segments
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

**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

<table>
<thead>
<tr>
<th>Segment</th>
<th>T&amp;M 66%</th>
<th>PQA 22%</th>
<th>EM 6%</th>
<th>Others 6%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>51%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Network Infrastructure</td>
<td>30%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electronics</td>
<td>19%</td>
<td></td>
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</table>

22.7 billion Yen consolidated revenue in FY2023 1Q

<table>
<thead>
<tr>
<th>Segment</th>
<th>T&amp;M 67%</th>
<th>PQA 24%</th>
<th>EM 3%</th>
<th>Others 6%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>43%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Network Infrastructure</td>
<td>37%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electronics</td>
<td>20%</td>
<td></td>
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</table>

(Revenue of T&M business by region)
Revenue in FY2022

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<tr>
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</thead>
<tbody>
<tr>
<td>Japan</td>
<td>15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asia &amp; Others</td>
<td>43%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Americas</td>
<td>24%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EMEA</td>
<td>18%</td>
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Revenue in FY2023 1Q

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<tbody>
<tr>
<td>Japan</td>
<td>14%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asia &amp; Others</td>
<td>41%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Americas</td>
<td>25%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EMEA</td>
<td>20%</td>
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</table>
Providing Solutions : For Smartphone Development

In order to comply with the latest 3GPP standards for smartphone development, Anritsu’s instruments act as a base station emulator to provide an environment for debugging RF and communication protocol operations. Smartphone development engineers will be able to verify the operation of their own designs.

Smartphones under development cannot be connected to the base stations in real network. Anritsu’s MT8000A emulates a base station and network, connecting to smartphones under development to help engineers debug.

Finally, the developed smartphone will be verified for conformance with 3GPP standards using a conformance test system before commercialization.
2-3. PQA Business Segment

Providing Solutions : For Food Safety and Security

With our X-ray inspection systems, it is possible to inspect the inner contents to detect not only foreign bodies, but also defective shapes and insufficient quantities of products in various food production lines. We provide unique solutions for more reliable and advanced quality control.

- High-sensitivity detection achieved through advanced technology
  Filtering technology
  The combination of signal processing (filtering) applied to transparencing images improves the ability to extract foreign body signals.

- Image processing technology
  Inappropriate parts can be more accurately identified thanks to advanced signal processing and image analysis algorithm technologies.

Inspection for chicken bone residues
Detects stones, plastics, bone residues, etc. in food and other products.

Inspection for foreign bodies
Missing item inspection
Inspection for missing items in the bento lunch box.

Check for perforation
Food packages are inspected to ensure that the contents have not pierced through the sealing area.
2-4. Target Areas of Environmental Measurement Business

- **Carbon neutrality**: Performance improvement and diffusion of EVs and batteries, Decarbonization of social infrastructure

- **Industrial Digitalization**: Use of local 5G and digital technologies for labor saving and productivity improvement in operation (ex: smart factories)

- **Resilience of social infrastructure**: Sophistication of infrastructure monitoring for those such as Telecommunications, Roads, Electric power, Water supply, Railroad and etc.

Contributing to solving social issues by combining Anritsu Group's competencies
2-5. Examples of Environmental Measurement Business Solutions

We provide a variety of test solutions used to evaluate the performance and reliability of batteries, inverters, and motors, which are the main components of EVs. For labor saving and productivity improvement in factories, we support the introduction and use of local 5G and digital technologies.

Development of EV • Battery

- Electric vehicle Powertrain emulation
- Battery charge/discharge testing

Smart Factory

- Support for the introduction of local 5G
- Support for manufacturing DX system
2-6. Sensing & Devices Business Segment

Providing Solutions

(1) For optical communications market: Semiconductor lasers for excitation used in optical fiber amplifiers (OFAs) that amplify optical signals as it is, and semiconductor optical amplifiers (SOAs) used in optical transceivers to counter attenuation in the communication signals.

(2) For sensing market: Ophthalmic medical device, devices for gas leak detection

Products such as pump lasers and semiconductor optical amplifiers (SOA) used in optical fiber amplifiers and optical transceivers are supporting communication networks.

*SOA: Semiconductor Optical Amplifier
2-7. 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

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

Electronics business
• Expansion of VNA demand for 6G research and development
• Expansion of wireless demand for government-related business use
2-8. 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

**Environmental Measurement**

- Growing demand for test solutions for EV/battery
3. T&M Business Segment
### 3-1. T&M Business Areas

<table>
<thead>
<tr>
<th></th>
<th>R&amp;D</th>
<th>Manufacturing</th>
<th>Installation/Maintenance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wireline Communication</td>
<td>Network Infrastructure (30%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wireless Communication</td>
<td>Mobile (51%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Purpose</td>
<td>Electronics (19%)*</td>
<td></td>
<td><em>Electronics components etc.</em></td>
</tr>
</tbody>
</table>
3-2. T&M : Mobile market trends and Business opportunity

Mobile Market
- 5G Manufacturing
  - Manufacturing market for Sub6GHz
- Base station: O-RAN / V-RAN
- Realization of IOWN concept: 100% opticalization
  - IOWN 1.0
  - IOWN 2.0
- Generative AI and Green Data Center Demand
- High speed and increasing capacity of the data center
  - 100GE
  - 400GE
  - 800GE
  - 1.6TE

Wireline Market
- O-RAN base station manufacturing market

5G Development
- Investment in Rel.15 development
- Investment in Rel.16 development
- Investment in Rel.17 development
- Investment in Millimeter wave development

5G Utilization Market
- IoT / Automotive
  - Enhancement 5G contents
  - Trucks in formation (Metaverse, etc.)
  - NTN 5G Car
  - Drone
  - Autonomous car
  - Vision Pro (AR/VR)
  - Local 5G (in practical use)
  - Smart Factory
  - RedCap chip Development
  - Local 5G (trials start)
  - CPE (IoT module)
- 5G Advanced
  - Investment in Rel.18 development
  - Investment in Rel.19 development

5G Manufacturing
- Manufacturing market for Millimeter wave

Rise of development and manufacturing markets in India and Southeast Asia

- Investment in Rel.16 development
- Investment in Rel.17 development
- Investment in Millimeter wave development
- Investment in Rel.18 development
- Investment in Rel.19 development

CY
2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028
(CPE: Customer Premises Equipment)
3-3. Current Worldwide 5G Situations

**Europe**
Sub6: Major European carriers to deploy 5G networks in 2022. As of March 31, 2021, 5G services were launched in 24 of the 27 EU countries.
Millimeter wave: In Italy, it is promoted as FWA. In Germany, it has also been deployed as the dedicated private service.

**China**
1,196 million 5G subscribers (as of March 31, 2023)*
2,120 million connected IoT devices (as of June 30, 2023)*
Sub6: About 3 million 5G Base Stations have been installed as of June 30, 2023. *
Millimeter wave: Ongoing demonstration trials *

**South East Asia/Oceania**
Sub6: 5G services have been launched in 10 out of 16 Southeast Asian countries including Australia, Thailand, and the Philippines (as of September 30, 2022).
Millimeter wave: Services started in Australia in 2021, but there is almost no coverage area. *

**Korea**
30 million 5G subscribers (as of April 30, 2023)*
Sub6: 200,000 Base Stations have been installed; more than 90% of population covered.
Millimeter wave: Licenses of carriers including SK telecom were cancelled. New carriers are scheduled to be selected by the end of 2023. *

**US**
119 million 5G subscribers (as of Dec. 31, 2022)*
Sub6: Verizon announced in August 2023 that the entire C-band is now available for service. *
Millimeter wave: Priority is given to area development in the C-band. *

**Japan**
69.81 million 5G subscribers (as of March 31, 2023)*
Sub6: All major cities in all 47 prefectures are covered.
The total number of 5G base stations installed by 4 carriers: 88,000 (5G using 4G band, as of March 31, 2022). *
Millimeter wave: Four carriers have launched services since the latter half of 2020. However, population coverage rates of 4 carriers are 0.0%. *

Source: Prepared Anritsu based on publicly available information as of July 2021, September 2022
* some information updated as of August 2023
3-4. Global 5G/Utilization/6G trends

**US**
- **5G**: Increase in number of subscribers of Verizon as a result of its area expansion
- **Utilization**: GAFA and others move to market AR/VR headsets for gaming and metaverse
- **6G**: U.S. and Japanese governments announced in a joint statement that they will invest $4.5 billion in 6G R&D ($2.5 billion U.S., $2 billion Japan)

**Asia/Others**
- **5G**: Increase in number of developers of chipsets for use in low-end devices
- **Utilization**: Expansion of Indian offshore development
- **6G**: Solid investment in development and manufacturing of IoT wireless modules for use in Private 5G/FWA

**Japan**
- **5G**: Efforts are being made to expand the service areas through the use of 4G frequency band
- **Utilization**: Research & development are accelerating toward the release of 5G-equipped vehicles in 2024
- **6G**: In a plan released in March 2021, China plans to support for 5G-Advanced, 6G, and other research and development

**Europe**
- **5G**: Subscribers increasing in conjunction with launch of services in various countries
- **Utilization**: In Germany, Nokia is leading the deployment of Local 5G for industrial applications
- **6G**: 6G specification by 3GPP is expected to correspond from Release 21 planned roughly in 2028
  - Investment in EU: €0.9 billion (2021-2027)
  - Investment by German Government: €0.7 billion (2021-2025)

**Korean government investment: 220 billion won (2021-2025)**

Source: Created by Anritsu based on publicly available information (as of January 2023)
3-5. Anritsu’s initiatives toward 6G

- Design technology for mmW over 100GHz
- R&D of passive devices up to 300GHz band

**6G Anritsu initiatives**

- Low latency: 1/10 of 5G
- 1/100 power consumption of the current
- Autonomy
- Scalability

**Features**
- Supports high frequency testing in 330GHz band by adding mmW expansion modules.

**Targeted customers**
- Research labs for high frequency devices and universities, device manufacturers, material vendors, telecom equipment manufacturers

**Beyond 5G/6G**
Performance evaluation of materials, circuit boards, devices and antennas
ME7838 Series
Vector Network Analyzers
3-6. T&M business of 5G utilization market

**T&M business field of 5G utilization market**

- **Use the advanced 5G features**
  - Telematics (C-V2X)
  - Autonomous driving (Sidelink Communication)

- **Use the 5G features**
  - Local 5G, Private 5G
  - Smart Factory (NR-Light)
  - IoT module (CPE, AR/VR, etc.)

**Business size**

- Smartphone/Tablet terminal
- Automobile field
- Industrial equipment field
- Home & Security field
- Smart meter field
- Other IoT field

(CPE: Customer Premises Equipment)
3-7. 5G terminal development/manufacturing process and test solutions

- **Chipset development and commercial handset development**
  - Verification of Core Technologies at Chipset Vendors
  - Protocol
  - Baseband Chipset / RF Front End

- **Sub6 / Millimeter wave**
  - Evaluation of Functions & Performance at UE Vendors
  - Evaluation of Functions & Performance

- **Sub6 / Millimeter wave**
  - Conformance Test at UE Vendors & Test Houses
  - Conformance Test (CT)
  - ME7873NR/ME7834NR 5G NR Conformance Test and Carrier Acceptance Test System

- **Commercial handset development**
  - Acceptance Test at Carriers & Test Houses
  - Carrier Acceptance Test (CAT)
  - Acceptance Test at Carriers & Test Houses

- **Sub6**
  - Mass production
  - Mass Production Test at UE Vendors & EMS
  - RF Calibration & Inspection

- **Chipset development and commercial handset development**
  - Conformance Test at UE Vendors & Test Houses
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3-8. Role of MT8000A (1/2)

**Actual Live Network**

- **5G Base Station**
  - Emulates a Base Station that communicates with a smartphone and executes RF performance tests
  - Enables RF performance tests while mobile device is connected to a Base Station

**Test environment**

- **MT8000A**
  - Emulates a Base Station that communicates with a smartphone and executes RF performance tests
3-9. Role of MT8000A (2/2)

**Test environment**

MT8000A

5G smartphone under protocol testing

Emulates a Base Station that communicates with a smartphone and executes function tests

**Protocol testing**

Enables functional verification that cannot be done with an actual Base Station under Live Network, as well as tests of phone behaviors under various abnormal network conditions that cannot be confirmed in the normal healthy connection.

**Example of Handover process**

Base Stations and a smartphone are repeatedly exchanging signals

Verification of (Debugging of) various functional processes

Base Station (Source)

Communication

Base Station (Destination)

Communication

Electric field measurement

Handover

moving
3-10. 5G Test Solutions Conformance Test

The test to verify developed smartphones conform to the 3GPP standards.

ME7834NR
5G NR Mobile Device Test Platform
Communication Protocol Conformance Test

ME7873NR
5G New Radio RF Conformance Test System
Wireless Performance Conformance Test

3GPP

Scenario

Test case

An organization that mainly runs device conformance tests in Europe and Asia

PTCRB

An organization that runs device conformance tests in Americas

Carrier Acceptance Test (CAT) for each telecommunications carrier
DOCOMO
AT&T
Verizon
CMCC etc.
3-11. Food chain and players in mobile telecom market

For R&D
- Operators
  - AT&T
  - Verizon
  - T-Mobile
  - Orange
  - BT
  - Deutsche Telekom
  - China Mobile
  - China Unicom
  - China Telecom
  - NTT DoCoMo
  - KDDI
  - Softbank
  - Rakuten
  - SK Telecom
  - KT
  - LG
  - etc.
- Chipset vendors
  - Qualcomm, Samsung, MediaTek, Apple, Spreadtrum, Broadcom, Marvell, Realtek, Altair, Sequans, etc.
- Test houses
  - SGS, 7 layers, Cetecom, TMC, Canvas M, TechMahindra, etc.

For production
- Wireless modules / component vendors
  - EMS
    - Foxconn, Asus, BYD, Quanta, HEG, etc.
- Smartphone & Tablet vendors
  - America: Apple, Amazon, Google, Microsoft - Nokia
  - Asia: Samsung, OPPO, Vivo, Xiaomi, Lenovo, TCL, ZTE, Coolpad, HTC, Micromax
  - Japan: Sony, Fujitsu, Sharp, Kyocera, etc.
- Application providers
- MVNO
- Own factories
- Base Stations
  - Ericsson, NOKIA, Samsung, Fujitsu, NEC, ZTE etc.
### 3-12. Roadmap of 5G

<table>
<thead>
<tr>
<th></th>
<th>CY2021</th>
<th>CY2022</th>
<th>CY2023</th>
<th>CY2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rel.15</td>
<td></td>
<td></td>
<td>Rel.17</td>
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<tr>
<td>Commercial</td>
<td></td>
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<td>Rel.18</td>
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<tr>
<td>device</td>
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<td>development</td>
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<td>Rel.16</td>
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<td>Chipset</td>
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<td>development</td>
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</tr>
</tbody>
</table>

*Created by Anritsu referring to publicly available information

(Aas of the end of March 2022. Selected major countries)
# 3-13. Digest of Rel-16 & Rel-17

*Source: Prepared by the Company based on publicly available information

<table>
<thead>
<tr>
<th>Release 15</th>
<th>Release 16</th>
<th>Release 17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>5G Extreme Mobile Broadband</strong></td>
<td>• 5G system resilience (securing multiple paths by CoMP, multi-TRP, etc.)</td>
<td>• <strong>&quot;NR-Light&quot;</strong> for Industrial IoT (for MTC; monitoring cameras and wearable devices, etc.)</td>
</tr>
<tr>
<td></td>
<td>• <strong>NR-U</strong>: Use of unlicensed spectrum (5GHz band, 6GHz band)</td>
<td>• NR-U of 60GHz band</td>
</tr>
<tr>
<td></td>
<td>• Local 5G (introduction of non-public network system)</td>
<td>• High-precision positioning function (within several decimeters)</td>
</tr>
<tr>
<td><strong>Ecosystem Growth</strong></td>
<td>• Enhancement of URLCC</td>
<td>• <strong>Sidelink Communication</strong> enhance (inter-device communication without BS)</td>
</tr>
<tr>
<td></td>
<td>• Support of time synchronization for TSN*</td>
<td>• Multi cast for V2X</td>
</tr>
<tr>
<td></td>
<td>• High-precision positioning function (within several meters)</td>
<td>• Non-terrestrial networks (satellite, etc.)</td>
</tr>
<tr>
<td><strong>Automobile, etc.</strong></td>
<td>• 5G V2X: Enhancement of C-V2X</td>
<td></td>
</tr>
<tr>
<td><strong>Network deployment</strong></td>
<td>• <strong>IAB</strong>: Integrated Access and Backhaul (mmWave using inter-BS communication)</td>
<td>• Use of frequencies exceeding 52.6GHz (extension to 71GHz)</td>
</tr>
<tr>
<td></td>
<td>• Wireless-wireline convergence</td>
<td>• Network slicing enhancement</td>
</tr>
<tr>
<td><strong>Device enhancement</strong></td>
<td>• Device power saving</td>
<td>• Network automation enhancement</td>
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<td></td>
<td>• Enhancement of Massive MIMO (multi-user MIMO)</td>
<td>• Further device power saving</td>
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<td>• Further enhanced MIMO</td>
<td>• Further enhanced MIMO</td>
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<td></td>
<td>• Multiple USIMs</td>
<td>• Multiple USIMs</td>
</tr>
<tr>
<td></td>
<td>• Cloud gaming QoS</td>
<td>• Cloud gaming QoS</td>
</tr>
</tbody>
</table>

**NR-U**: NR-Unlicensed

**TSN (Time Sensitive Networking)**: A standard originally used for networks that guarantees synchronization of time and real-time performance in Ethernet communications.
3-14. Introduction of new technologies in the automotive market and Anritsu’s initiatives

<table>
<thead>
<tr>
<th>Year</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
</tr>
</thead>
<tbody>
<tr>
<td>LTE-V2X</td>
<td>5G V2X</td>
<td>4G Telematics</td>
<td>5G Telematics</td>
<td></td>
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</tr>
</tbody>
</table>

*Penetration of connected cars*
- LTE-V2X
- 5G V2X
- 4G Telematics
- 5G Telematics

*Advancement of autonomous driving*
- Level 2
- Level 3
- Level 4

*Connected cars / V2X*
- V2X (vehicle-to-vehicle / Road-to-vehicle communication)

*Connected HIL System*
- Partnership with leading HIL vendors

- **UN-R144 (eCall), NG eCall**
- **Cyber Security**
- **V2X (802.11p, C-V2X)**
- **Infotainment Services**

**Features**
Provides test cases to verify unique test needs of Automotives for fast travel & constant connectivity

**Target Markets**
Automotive (connected cars, automated driving)

**Target Customers**
Automobile manufacturers, agricultural and construction machinery manufacturers, automotive communication equipment manufacturers: Tier 1, etc.

**Development of 5G telematics functionality for release of 5G-equipped vehicles**

MX728000A  SmartStudio Automotive Suite

Example
- Does handover between base stations occur smoothly while driving?
- Is it always connected?

Verification of the above by combination of MT8000A and MD8475B, etc.
Local 5G has been newly introduced in Japan and is expected to be introduced overseas as an advanced form of private LTE.

**Stadiums**
- Video distribution within the facility

**Parking lot management**
- Gate-free
- Automatic billing
- Theft monitoring

**VR**
- Games
- Virtual simulations

**Plants**
- Remote robot control
- AGV control

**Agriculture / dairy**
- Temperature control
- Livestock health management

**Construction / work sites**
- Autonomous / remote construction

**Logistics warehouses**
- Automated warehouse systems
- Delivery systems

**River / weather monitoring**
- High-definition video monitoring

**Hospitals**
- Telemedicine

**Source:** Local 5G Review Working Group Report Draft, Land Mobile Communications Division, Telecommunications Bureau, Radio Department, Ministry of Internal Affairs and Communications

**AGV:** Automatic (Automated) guided Vehicle
3-17. Application of Local 5G in Anritsu Products

**Latency measurements in remote operations**
Measurement of latency in remote operation of robots

**Measurement of cellular interference**
Measurement of cellular interference due to overlapping local 5G areas

**Base Station performance testing and communication area measurements**
Measurement of electric field strength in the communication area

**Device and sensor module performance testing**
Testing of device and sensor module radio characteristics and protocol

- **MT8000A Radio Communication Test Station**
- **ML8780J Area Tester**
- **MS2840A/50A Signal Analyzer**
- **MT1000A Network Master Pro**
- **MS2090A Field Master Pro**
- **MS2080A Field Master**
- **MT8000A Radio Communication Test Station**
5G NR Base-Station Field Performance Measurements and Coverage Mapping

**Field Master Pro MS2090A/ Field Master MS2080A**
- Frequency Range MS2090A: 9 kHz to 9/14/20/26.5/32/43.5/54 GHz
  MS2080A: 9 kHz to 4 GHz
- Supports RF measurements of GSM, LTE, and 5G Base Stations, as well as 5G demods.
- TX spurious up to 54 GHz

**Usage: 5G NR Base Station Measurement**
3GPP TS 38.104 V15 gNB Base Station Performance Evaluation
- Frequency error · Occupied bandwidth
- Time offset · Adjacent channel leakage ratio
- Cell/Sector ID · Tx spurious up to 12.75 GHz
- Modulation quality · EIRP
- Unwanted emissions · Synchronization Signal Block (SSB)
- FR1 & FR2 · Up to 64 beams supported

**Usage: 5G Coverage Mapping**
Plot indoor and outdoor coverage maps from 5G NR gNB. Displayed measurements include channel power, EIRP, and RSRP.
3-19. 5G Band Allocations in the World

**SubGHz**
- 600/700 MHz

**Sub6GHz**
- 3.3~4.2 GHz
- 4.4~4.99 GHz

**Millimeter wave**
- 26/28 GHz
- 38/42 GHz

*Created based on public disclosure information.*
3-20. Contributing to the establishment of 5G network infrastructure

**Features of 5G**: 1/10×Latency  100×Peak Data Rate  100×Capacity

- **Smart Devices**
  - 5G New RAT
  - O-RAN
  - C-RAN
  - CPRI
  - NB-IoT
  - Small Cell

- **Mobile Networks**
  - Support for Mobile Network by Widespread products ranging from RF to optical
  - Spectrum Analyzer
  - Signal analyzer
  - New HH SPA
  - Field Master Pro
  - OTDR

- **Fixed Networks**
  - Support for high-speed 100GE/400GE communications
  - 40G/100G Analyzer
  - 400G Tester
  - BERTWave Series
  - eoSight
  - Signal Quality Analyzer

- **Cloud**
  - Continued world leader in bit error rate test
  - Hyperscalers
  - Data Center
  - Internet
  - PCIe
  - AOC

- **R&D and Manufacturing**
  - Solution for IoT Device/Module
  - IoT Device / Module Measurement

- **Internet**
  - Internet

**Support for Mobile Networks**
- Mobile devices
- 5G New RAT
- O-RAN
- C-RAN
- CPRI
- NB-IoT
- Small Cell

**Support for Fixed Networks**
- 100GE/400GE communications
- WDM
- OTN
- Ethernet
- SDN/NFV

**Cloud**
- Hyperscalers
- Data Center
- Internet
- PCIe
- AOC

**IoT Device / Module Measurement**
- Field Master Pro
- OTDR
- New HH SPA

**Internet**
- Internet

**5G New RAT**
- O-RAN
- C-RAN
- CPRI
- NB-IoT
- Small Cell

** Continuation of world leader in bit error rate test**
- 100×Peak Data Rate
- 100×Capacity
3-21. Test Solutions for support of Cloud Service expanding

Data traffic extending explosively

Data Center

- Expansion of Data Center
- Higher-speed
- Larger-capacity
- Conversion to fiber optics

DCI
High speed communication
10GE/40GE/100GE → 400GE/800GE

Main Competitors
Viavi (formerly known as JDSU)

Keysight

Measurement objects: High speed optical devices & modules etc.

Source: Omdia; Datacom Transceiver and AOC Forecast: 2022–27  19 SEP 2022

© 2022 Omdia

High-speed (from 100G to 800G) optical modules by data rate

Revenue ($m)

- 100G
- 200G
- 400G
- 800G

2021 2022 2023 2024 2025 2026 2027

Source: Omdia

Manufacturing, I&M

Solution

MP1900A Signal Quality Analyzer

Equipment (Router, Switch) in Data Center

Optical modules

Optical devices

MT1000A Network Master Pro (Ethernet/CPRI/OTDR Test Equipment)

MT1040A Network Master Pro (400G Tester)

MS9740B Optical Spectrum Analyzer

MP2110A BERTWave

Source: Omdia; Datacom Transceiver and AOC Forecast: 2022–27  19 SEP 2022

Revenue ($m)

- $2,000
- $4,000
- $6,000
- $8,000
- $10,000
- $12,000

2021 2022 2023 2024 2025 2026 2027

100G 200G 400G 800G
3-22. Speeding Up Solutions for Data Centers

Portable measuring instrument supporting 400G Ethernet

MT1040A
Network Master Pro

■ Features
Verification speeding up Data Centers upgrades 100G Ethernet 400G Ethernet

■ Target markets
- Communication networks and Data Centers

■ Target customers
- Telecom carriers, communication network installers, communication equipment maintainers, network device vendors
4. PQA Business Segment
4-1. PQA business segments (Products Quality Assurance)

General examples of food production process

- Contamination
- Variation in the amount of contents
- Breaks and chips
- Defective packaging (sealing)
- Printing error/Print blur

Major customers

Mondelez, Nestle, Kraft Heinz, Nippon Ham Group, Glico Group, Nissui Group, etc.
### 4-2. The growing PQA business

<table>
<thead>
<tr>
<th>Market</th>
<th>Major initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America, EMEA, Asia</td>
<td>Develop market with X-ray inspection systems as a key solution</td>
</tr>
<tr>
<td>Japan</td>
<td>Improve market share through quality assurance solutions with high added value in response to cutting-edge needs</td>
</tr>
</tbody>
</table>

**Main Competitors:** Mettler-Toledo, Ishida, Marel
Global market size expects to become 310 billion yen by 2026 (estimated by Anritsu)
Average growth rate of 5%
4-4. Solutions for pharmaceutical market

Metal detectors for pharmaceutical market

KDS1004PSW  Metal detectors for pills and capsules

OK
NG
Position Sensor

OK
NG

Administration

Pills
Capsules

Features

Detects metal in pills and capsules with high sensitivity and determines pass/fail.
- Can detect metal fragments down to 0.1 mm

Customers

- Pharmaceutical companies

Quicca Pharma
Comprehensive quality control management system for pharmaceuticals

■ Features
Detects metal in pills and capsules with high sensitivity and determines pass/fail.
- Can detect metal fragments down to 0.1 mm

■ Customers
- Pharmaceutical companies
4-5. Product Introduction: Solutions for the Meat Market

**Features**
Newly developed sensor is highly sensitive and can detect minute bone residue with high sensitivity.

**Target Customers**
Meat processing companies, frozen food companies

**KXH7534ASGCD** X-ray inspection machine with dual energy sensor

Highly sensitive detection of foreign materials, applicable to thick and uneven meat and frozen foods, etc.

Test case
(2 layers of chicken meat)

New model
Conventional model

Red dots are detected foreign materials
5. ESG Initiatives

5.1 New Company Vision and Sustainability Management
5.2 Environmental Initiatives
5.3 Social and Employee Engagement/Well-being Initiatives
5.4 Corporate Governance
5-1-1. Corporate Philosophy and Sustainability Policy

Creating a Sustainable Future Together

In April 2021, Anritsu formulated its new Company Vision and Company Policy toward 2030. Our Sustainability Policy was revised at the same time. We take on the challenges of creating a sustainable society together with our stakeholders through the actions of every employee under the Company philosophy, Company vision, and Company policy.

**Sustainability Policy**

The Anritsu Group aims to increase our long-term corporate value through contributing to building a sustainable future of the global society with “Sincerity, Harmony, and Enthusiasm.”

1. We will contribute to building a safe, secure, and prosperous global society through our business activities, based on our long-term vision.
2. We will take the initiative in solving environmental issues, such as climate change, to contribute to building a people- and planet-friendly future.
3. We will respect the human rights of all people and strive to create a workplace offering healthy lives and decent work for all where diverse individuals can grow together.
4. We will operate as a business with high corporate responsibility, peaceful, just, and ethics while maintaining business transparency to meet our social obligations.
5. We will promote communications with stakeholders to develop strong partnerships and meet the challenges of solving social issues.

Revision April 2021
5-1-2. Anritsu's Sustainability Management

The Future Goal of Our Sustainability Management

Solving Social Issues Through Business

Anritsu Group
Put into place a safe and secure infrastructure which leads to the building of a sustainable society and encourages innovation.

Test and Measurement Business
Put in place a robust network infrastructure.

POA Business
- Reducing food loss
- Ensuring product quality

Environmental Measurement Business
- Preventing and mitigating natural disasters

Sensing and Devices Business
- Put in place a robust network infrastructure
- Ensuring healthy lives

Challenges to Meet the Needs of Society (ESG)

Environment
- Contributing to the creation of a sustainable society with sustainable consumption and corporate production practices
- Increasing the share of power and renewable energy generation of total energy consumption
- Reducing CO2 emissions into the environment through the introduction of waste reduction systems and water usage reduction
- Developing and refining high-quality products and services
- Supporting management that ensures financial stability

Social
- Sustaining the trust and support of society and the environment
- Ensuring customers and suppliers
- Sustaining the trust and support of society and the environment

Governance
- Ensuring ethical corporate activities through risk management and transparent, fair, and ethical decision-making
- Promoting risk management

The Creation of Shared Value through the Promotion of Communication
- Providing information and communicating with stakeholders

The Future Goal of Our Sustainability Management

Developing a Safe, Secure, and Prosperous Global Society

Anritsu will contribute along with its customers to the resolution of social issues through its business operations. The company takes on challenges to meet the needs of society and places great value on communication with stakeholders while working to advance the sustainability of a global society.
## 5-1-3. Sustainable Development Goals (SDGs)

<table>
<thead>
<tr>
<th>Goals and initiatives</th>
<th>GLP2023:KPI</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Environment</strong></td>
<td></td>
</tr>
</tbody>
</table>
| 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 renewable power generation (PGRE 30) | ● In-house power generation ratio: 13% or more  
... To be increased to around 30% by 2030 |
| **Social** |
| Promoting diversity management | ● Advancement of women: A proportion of women in manager 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 |
| 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) |
5-2-1. Environmental and climate change initiatives

Policy

To achieve carbon neutrality by 2050, we will strengthen our scientifically based targets (SBTs) for reducing greenhouse gas emissions, and actively work on initiatives such as reducing energy consumption, increasing the share of private power generation of renewable energy, purchasing energy from renewable sources, collaborating with suppliers, and reducing the power consumption of our products.

Response to TCFD Recommendations

On June 30, 2021, Anritsu officially expressed our support for the TCFD recommendations. Even before this, we have been disclosing information (Governance, Strategy, Risk Management, Indices and Goals) in accordance with the recommendations since 2020. We will continue to address climate change and disclose information in accordance with the TCFD recommendations.

Formulation of SBT:

In December 2019, the Science Based Targets initiative (SBTi) approved the Anritsu Group’s greenhouse gas emissions reduction targets as science-based targets under the 2°C scenario. We are formulating specific long-term measures to achieve carbon neutrality by 2050. A key theme in the GLP2023 Environmental Initiative is the Formulate and Implement Carbon Neutrality Plan 2050. We plan to strengthen our SBT-certified reduction targets and revise them in light of the 1.5°C scenario.
5-2-2. Anritsu Climate Change Action PGRE 30

**PGRE 30:** Anritsu Group’s energy consumption in fiscal year 2018 as a reference, the plan is intended to invest in solar power generation facilities (a renewable energy source) and increase the private renewable energy generation ratio from 0.8% to about 30% by around 2030.

(Anritsu Group’s unique initiative)

FY2020: we installed a 1,100 kW solar power generation facility at Anritsu company (U.S.A.), which started generating electricity in October 2020.

FY2022: We plan to expand solar power generation facilities and install storage batteries at the Tohoku site in Koriyama City, Fukushima Prefecture.

* The “PGRE” in “PGRE 30,” Anritsu’s climate change mitigation initiative, stands for “Private Generation of Renewable Energy,” and the “30” represents the achievement period of around 2030 and the target ratio of an in-house power generation roughly 30%.

<table>
<thead>
<tr>
<th>Year</th>
<th>Solar Power Generated (MWh)</th>
<th>Solar Power Consumed (MWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2017</td>
<td>233</td>
<td>218</td>
</tr>
<tr>
<td>FY2018</td>
<td>241</td>
<td>225</td>
</tr>
<tr>
<td>FY2019</td>
<td>246</td>
<td>239</td>
</tr>
<tr>
<td>FY2020</td>
<td>892</td>
<td>891</td>
</tr>
<tr>
<td>FY2021</td>
<td>4,476</td>
<td>4,475</td>
</tr>
</tbody>
</table>

**PGRE30: Share of Solar Power Generated Privately to Consumed Privately**

- About 30%
- More than 13%

30\%
5-3-1. Promoting Work Style Reform and Diversity

Workstyle Reform

Placing the lifestyle of each individual at the center of how they spend the 24 hours of each day and where they place work in that day, Anritsu Group is focused on enabling its employees to enjoy a harmonious life-work balance (we use this term to emphasize “life” first, rather than the more common “work-life balance”). In fiscal year 2021, we introduced a system for tracking and visualizing screen time on the computers of teleworking employees to reduce overtime.

As a result, the average annual total of overtime in the Domestic Anritsu Group decreased by 36% and 6.5% from fiscal year 2019 and fiscal year 2020, respectively. We will continue to improve working conditions in fiscal year 2022 under our workstyle reform.

Promoting the Advancement of Female Employees

Women-focused recruiting and career-development initiatives are underway at Anritsu to support female employees more directly involved in the process of growing the Company and raising its corporate value while also supporting them to maintain a life-work balance.

The female participation rate of the tier-based training system for leaders and sub-leaders increased to 15% in fiscal year 2021. Other measures, such as the training program aimed at supporting the advancement of women’s careers, also proved to be successful, leading to the appointment of two female managers in fiscal year 2020 and two more in fiscal year 2021 (14% of all newly appointed managers in both years).
5-3-2. Supply Chain Management

Mid-Term Goals until the End of Fiscal year 2023

▶ Conducting a CSR procurement survey with at least ten suppliers in three years and on a more global scale (mainly in Asia)
▶ Deepening supplier understanding of Anritsu’s CSR procurement initiatives through a three-year program, which provides procurement-related information and other useful knowledges
▶ Raising the ratio of Anritsu-certified green suppliers and providing non-green suppliers with environmental education to cultivate an eco-friendly supply chain

CSR Procurement Survey

Before opening an account with a supplier, we review the supplier’s credit standing, quality, and environmental management and inspect their factory. We also conduct a CSR procurement survey of our suppliers to confirm the status of their efforts to comply with our CSR Procurement Guidelines and take action as necessary. The survey asks self-assessment questions in such areas as human rights and labor ethics, product quality and safety, and information security. Given the increasing importance of human rights across the supply chain in recent years, the survey also includes questions on prohibition of forced labor, prohibition of child labor, consideration for young workers, consideration for working hours, appropriate wages and benefits, prohibition of inhumane treatment, prohibition of discrimination, and freedom of association and the right to collective bargaining.

Conducting Due Diligence

Our goal under GLP2023 (fiscal year 2021 to 2023) is to conduct due diligence on a cumulative total of at least ten companies. In fiscal year 2021, we conducted online audits on six suppliers in Japan, Germany and China, including those originally planned for fiscal year 2020 but postponed due to COVID-19, and we confirmed that none of them presented serious risks associated with human rights, labor, or health and safety. In addition, none of our suppliers has been found to be out of compliance according to our CSR procurement questionnaire surveys and onsite inspections that have been conducted to date.
### 5-4-1. Initiatives to strengthen Corporate Governance

#### 5-4-1.1. Initiatives to strengthen Corporate Governance

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>Adoption of executive office system</td>
</tr>
<tr>
<td>2001</td>
<td>Establishment of III Department (III Promotion Center)</td>
</tr>
<tr>
<td>2004</td>
<td>Establishment of Compensation Advisory Committee (change of name to Compensation Committee in January 2016)</td>
</tr>
<tr>
<td>2006</td>
<td>Establishment of an Internal Audit Department (Global Control Improvement Center) (Currently Global Audit Department)</td>
</tr>
<tr>
<td>2011</td>
<td>Increase in number of outside directors to three</td>
</tr>
<tr>
<td>2011</td>
<td>Establishment of Nominating Committee</td>
</tr>
<tr>
<td>2015</td>
<td>Transition to the structure of a company with an Audit &amp; Supervisory Committee</td>
</tr>
<tr>
<td>2016</td>
<td>Establishment of Management Audit Department</td>
</tr>
<tr>
<td>2016</td>
<td>Appointment of lead independent outside directors, establishment of Independent Committee</td>
</tr>
<tr>
<td>2016</td>
<td>Introduction of Performance-Incentive Stock Compensation Program (change from previous Stock program)</td>
</tr>
<tr>
<td>2021</td>
<td>Start of Audit &amp; Supervisory Committee Effectiveness Evaluations (Conducted every year)</td>
</tr>
<tr>
<td>2021</td>
<td>Increase in the number of outside directors who are members of the Audit and Supervisory Committee (four members, including three outside directors; half of the Board of Directors are outside directors)</td>
</tr>
</tbody>
</table>

#### Notes:

- **Ratio of outside directors and auditors** = number of outside directors / number of directors + number of outside Audit & Supervisory board members
- **Number of outside directors** = number of directors + number of Audit & Supervisory board members
- **Number of outside directors** = number of directors + number of Audit & Supervisory board members

*Due to the transition to a company with an Audit & Supervisory Committee in June 2015, the names "Audit & Supervisory board members" and "outside Audit & Supervisory board member" have been changed since fiscal year 2015 to "Audit & Supervisory Committee members" and "outside Audit & Supervisory Committee member" respectively.*
* Anritsu adopts a “Company with an Audit Committee.”
## 5-4-3. Composition of Directors and Committees

### Composition of the Audit & Supervisory Committee and Voluntary

<table>
<thead>
<tr>
<th>Composition</th>
<th>Audit &amp; Supervisory Committee</th>
<th>Nominating Committee</th>
<th>Compensation Committee</th>
<th>Independent Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director</td>
<td>✪</td>
<td>✪</td>
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<tr>
<td>Outside Dir.</td>
<td>✪</td>
<td>✪</td>
<td>✪</td>
<td>✪</td>
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<tr>
<td>Chairperson</td>
<td>✪</td>
<td>✪</td>
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</tbody>
</table>

### Meetings Held for the Board of Directors and its Advisory Committees (FY2021)

<table>
<thead>
<tr>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
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<td>BD</td>
</tr>
</tbody>
</table>

BD: Board of Directors  
AS: Audit & Supervisory Committee  
C: Compensation Committee  
N: Nominating Committee  
I: Independent Committee
Under the officers’ compensation structure, the amount equivalent to 50% of their basic remuneration is calculated as the performance-linked compensation. In this regard, the Company has introduced a system to motivate such directors to be as profit-conscious as shareholders and engage in management with awareness of the Company’s business performance from the medium- to long-term viewpoint and its stock value. However, in principle, the Company offers to non-executive officers (including outsider directors) fixed remuneration only. Performance-linked compensation is intended to contribute to motivating each individual to strive to achieve performance targets toward the realization of the Company’s vision, and incorporates what are considered appropriate indicators for the Company for short-term incentive compensation, i.e., bonus, the amount of which is equivalent to 30% of the basic remuneration, and medium- to long-term incentive compensation, i.e., stock compensation, the amount of which is equivalent to 20% of the basic remuneration.
Anritsu has established a “Training Program for Next-Generation of Executives” to cultivate the next generation of management candidates. In order to select management leaders who will take the lead in realizing our vision for 2030, we have established the following Executive Management Values as five critical factors in candidate evaluation: the power of empathy and awareness with the Company’s vision and policy, high character, initiative, the power of action, and rationale thinking power, strategic and conceptual thinking power, and high ethical values. Candidates are reviewed by the Group CEO on a case-by-case basis and on a two-year cycle with respect to these values. Training programs will be OJT/OffJT based on the results of the candidate’s evaluation, in order for the next generation of executives to gain more experience.
6. Financial Results for the 1st quarter of the Fiscal Year ending March 31, 2024
6-1. 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.

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

(Note) Numbers for FY2022 and FY2023 are rounded off to the first decimal place in each column.
6-2. Consolidated performance - Results by business segment -

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.

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

(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
6-3. Consolidated performance - Revenue and Op. profit by quarters -
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.
## 6-4. Overview of operations by business segment

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

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

Note: Numbers are rounded off to the first decimal place.
6-6. Transition of Revenue by Region

Note: Numbers are rounded off to the first decimal place.
6-7. 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.
### 6-8. Forecast for full year of FY2023 (Consolidated)

Remains unchanged from original forecast published on April 28, 2023

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

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.
Appendix
A-1. C-Band Situation in the United States

January 2022
Verizon launched service using the C-band.

August 2023
Verizon announced that entire C-band is now available for service.

(CBRS: Citizens Broadband Radio Service)

* Source: The figure shows an overview of a map created by Anritsu with reference to generally available information.
A-2. Status of inclusion in ESG indices (1/2)

- Anritsu has been included in the “FTSE Blossom Japan Index”, the “MSCI Japan ESG Select Leaders Index”, the “MSCI Japan Empowering Women Index” and the “S&P/JPX Carbon Efficient Index” of GPIF (Japan Government Pension Investment Fund).

FTSE Blossom Japan Index
The ESG index is designed by FTSE Russell, a group company of London Stock Exchange. The FTSE Blossom Japan Index is designed to measure the performance of Japanese companies that demonstrate strong environmental, social and governance (ESG) practices.

MSCI Japan ESG Select Leaders Index
This index of ESG overall type has been developed by MSCI Inc. (U.S.A). Companies which have high ESG rate in the top 700 market capitalization are selected.

MSCI Japan Empowering Women Index (WIN)
This index has been developed by MSCI Inc. (U.S.A). Companies which have excellent gender diversity at their industry in the top 500 market capitalization are selected.

S&P/JPX Carbon Efficient Index
Based on carbon data provided by Trucost, one of the pioneers of environmental research companies, S&P Dow Jones Indices (U.S.A), a leading independent provider, has been developed the index methodologies. The indices are designed to increase index weights of the companies which have low Carbon to Revenue Footprints (annual greenhouse gas (GHG) emissions divided by annual revenue) and actively disclosure carbon emission information.
A-3. Status of inclusion in ESG indices (2/2)

- In addition, the company has been included in the following ESG indices.

**FTSE4Good Index Series**  
The World ESG index is designed by FTSE Russell, a group company of London Stock Exchange. The FTSE4Good Index Series offers a representation of the leading global companies in terms of environmental, social and governance criteria.

**SOMPO Sustainability Index**  
Sompo Japan Nipponkoa Asset Management Co., Ltd. (Japan) has used this ESG index. “Buna-No-Mori environment investigation” conducted by SOMPO RISK MANAGEMENT and the “Integrex investigation” conducted by Integrex Inc. put into effect, and those two investigations selected the brand.
Our external assessment of ESG (Environmental, Social and Governance) is as follows.

**CDP**
International non-profitable organization CDP asks the main enterprise of the world to disclose the environmental information and sends a letter of inquiry of environmental research. The answer is analyzed and estimated and elucidates for the investors. Anritsu has got the “B” which means the risk and influence of the climate change was being managed.

**The Excellent Award of Climate Change Report as part of the 24th Environmental Communication Awards**
The Ministry of the Environment of Japan and Global Environmental Forum are sponsors and commends the enterprise doing excellent communication activity about the environment. “Anritsu Sustainability Report 2020” received the Excellent Award of Climate Change Report as part of the 24th Environmental Communication Awards in the environmental report section.

**An Excellent Enterprise of 2021 Health and Productivity Management Award**
Anritsu Corporation was certified as an Excellent Enterprise of 2021 Health and Productivity Management, the award co-hosted by Ministry of Economy, Trade and Industry of Japan and Nippon Kenko Kaigi, in the large enterprise category for 5 consecutive years.

**Kurumin Mark Certification**
Kurumin certification is a system in which the Ministry of Health, Labor and Welfare of Japan certifies companies that are working to support a balance between work and child-rearing. Anritsu is continuously working to improve the environment to support work-life balance, and after 2015 and 2018, it obtained the third certification in 2020 and was given the Kurumin mark with 3 stars.

**Kanagawa Support Care Company Certification**
This is the certification of companies that have a base in Kanagawa Prefecture that actively supports both work and care for employees.