

CONSOLIDATED FINANCIAL SUMMARY
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2022
(IFRS)

January 30, 2023

Company Name: **ANRITSU CORPORATION**

Stock exchange listings: Tokyo

Securities code: 6754 URL: <https://www.anritsu.com>

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Quarterly statement filing date (as planned): February 10, 2023

Dividend payable date (as planned): -

Supplemental material of quarterly results: Yes

Convening briefing of quarterly results: Yes (for financial analysts and institutional investors)

(Millions of yen, round down)

1. Consolidated financial results of the third quarter ended December 31, 2022

(From April 1, 2022 to December 31, 2022)

(1) Consolidated Operating Results

(Note) Percentage figures indicate change from the same quarter a year ago.

	Revenue		Operating profit (loss)		Profit (loss) before tax		Profit (loss)		Profit (loss) attributable to owners of parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the nine months ended December, 2022	81,683	7.7	7,998	-26.9	8,775	-20.9	6,255	-23.8	6,249	-23.5	8,986	-4.5
December, 2021	75,864	-0.9	10,943	-22.2	11,097	-20.4	8,206	-21.7	8,168	-21.8	9,412	-10.2

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
For the nine months ended December, 2022	47.08		47.07	
December, 2021	59.83		59.81	

(2) Consolidated Financial Positions

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent to total assets ratio
For the nine months ended December, 2022	Millions of yen 148,759	Millions of yen 113,180	Millions of yen 112,928	% 75.9
For the year ended March, 2022	153,261	114,442	114,196	74.5

2. Dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Fiscal year end	Total
For the year ended March, 2022	Yen —	Yen 20.00	Yen —	Yen 20.00	Yen 40.00
For the year ending March, 2023	—	20.00	—		
For the year ending March, 2023 (Forecast)				20.00	40.00

(Note) Correction of dividend forecast from the most recent dividend forecast: No

3. Consolidated Forecast for the year ending March 31, 2023 (From April 1, 2022 to March 31, 2023)

(Note) Percentage figures indicate change from the previous period.

	Revenue		Operating profit (loss)		Profit (loss) before tax		Profit (loss)		Profit (loss) attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Annual	110,000	4.4	13,500	-18.2	14,500	-15.5	11,000	-14.3	11,000	-14.0	82.86

(Note) Correction of financial forecast from the most recent financial forecast: Yes

※ Others

(1) Material changes in subsidiaries during this period

(Changes in scope of consolidations resulting from change in subsidiaries) : None

Number of subsidiaries newly consolidated : -

Number of subsidiaries excluded from consolidation : -

(2) Changes in accounting policies and accounting estimates

1. Changes in accounting policies required by IFRS : None

2. Changes in accounting policies other than IFRS requirements : None

3. Changes in accounting estimates : None

(3) The number of issued shares

1. Number of issued shares at the period end (including treasury shares)

Q3FY2022 (Dec. 31, 2022)	135,865,594 shares	FY2021 (Mar. 31, 2022)	138,308,494 shares
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2. Total number of treasury shares at the period end

Q3FY2022 (Dec. 31, 2022)	4,197,048 shares	FY2021 (Mar. 31, 2022)	3,349,588 shares
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3. Average number of issued shares during the period (quarterly period-YTD)

Q3FY2022 (Dec. 31, 2022)	132,758,927 shares	Q3FY2021 (Dec. 31, 2021)	136,520,492 shares
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This financial summary is not subject to audit by a certified public accountant or an audit corporation.

Notes for using forecasted information and others

• This document has been translated from the Japanese original for reference purpose only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

• As the business forecast mentioned above are based on the recent information, actual results may vary substantially from projections above due to known or unknown risks, changes relating to uncertainties, and others. The reader should be aware that actual results may be materially different from any future results expressed herein due to various factors.

• With regard to notes for utilizing preconditions of outlook and business forecast, please refer to 1. Consolidated Financial Results (2) Outlook for the Fiscal Year Ending March 31, 2023 at page 4.

• Additional supplemental material related to the financial statements will be available at Anritsu's web site since the results briefing session to be held on January 30, 2023.

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1. Consolidated Financial Results

(1) Operating Results

	Nine Months Ended December 31,		(Millions of yen)	
	2021	2022	Change	
Orders	83,203	84,033	830	1.0%
Backlog	31,810	37,263	5,452	17.1%
Revenue	75,864	81,683	5,819	7.7%
Operating profit (loss)	10,943	7,998	(2,944)	-26.9%
Profit (loss) before tax	11,097	8,775	(2,322)	-20.9%
Profit (loss)	8,206	6,255	(1,951)	-23.8%
Profit (loss) attributable to owners of parent	8,168	6,249	(1,918)	-23.5%

In the field of information and communication, which is the main field of Test and Measurement Business, 5G smartphone penetration is slow despite that operators in each country has already initiated 5G service. This is because killer application has yet to emerge, as well as some of the technical challenges in 5G via mmWave.

Meanwhile, the completion of the "Release 17 (*1)" standardization is increasing utilization of 5G. Research and development for 5G utilization in the automotive field has begun, as well as research and demonstration experiments for building 5G networks in private domains, such as private 5G. In IoT field, demand for Customer-Premises Equipment (CPE) which is laid in last mile is increasing. In response, demand for developing 5G wireless module and Wi-Fi 6E (*2) has emerged. Furthermore, research and development for the next generation communication standard, 6G, has begun.

In 5G networks, the O-RAN ALLIANCE has been working to open up wireless access networks so that operators can build wireless networks more flexibly. By applying the O-RAN standard specifications to base station equipment that was previously configured with the manufacturer's proprietary interface, it has become easier to build multi-vendor radio access networks. As a result, operators around the world are introducing O-RAN.

Since the data traffic is expanding rapidly due to sophisticated cloud computing services and the progress of 5G services, the network infrastructure is under strain. To solve this issue, service providers that are pursuing higher-speed networks are concentrating on the promotion of 100Gbps services, and network equipment manufacturers are developing 400Gbps network equipment.

The future impact of COVID-19 remains uncertain, and the situation varies from region to region. In addition, rising prices and interest rates, increased geopolitical risks, and a prolonged global semiconductor shortage can also have an important impact on our business performance.

Anritsu takes measures against parts procurement risk like semiconductor shortage, such as securing inventory in an organized way, creating structure like strong relationship with business partners in order to get information quickly. Furthermore, we attempt to change high risk parts to alternative items for minimizing the risk.

Amid such environment, during the cumulated third-quarter of the fiscal year ending March 31, 2023, orders increased 1.0 percent YoY to 84,033 million yen, and revenue increased 7.7 percent to 81,683 million yen. Operating profit decreased 26.9 percent to 7,998 million yen, profit before tax decreased 20.9 percent to 8,775 million yen. Profit decreased 23.8 percent to 6,225 million yen, and profit attributable to owners of parent decreased 23.5 percent to 6,249 million yen.

(*1) Standard number used in 3GPP

(*2) A wireless LAN Standard that specifies the extension of the bandwidth used by the 6th generation Wi-Fi 6 to the 6 GHz band

Operating results by segment are as follows.

1. Test and Measurement

	Nine Months Ended December 31,		(Millions of yen)	
	2021	2022	Change	
Revenue	53,546	54,812	1,266	2.4%
Operating profit (loss)	10,267	7,801	(2,466)	-24.0%

This segment group develops, manufactures, and sells measuring instruments and systems for a variety of communication applications, and service assurance. The group delivers them to service providers, network equipment manufacturers, and maintenance and installation companies.

During the cumulated third-quarter of the fiscal year ending March 31, 2023, we captured the development and production-related demand for high-speed network transmission in data centers, as well as the demand for general purpose test instruments. However, due to temporary slow down of mobile market growth, soaring raw material prices as well as increased fixed costs and sales promotion expenses caused by global inflation, rising labor costs, etc., revenue increased and operating income decreased.

Consequently, segment revenue increased 2.4 percent YoY to 54,812 million yen, operating profit decreased 24.0 percent to 7,801 million yen.

2. Products Quality Assurance

	Nine Months Ended December 31,		(Millions of yen)	
	2021	2022	Change	
Revenue	16,089	18,043	1,954	12.1%
Operating profit (loss)	918	756	(161)	-17.6%

This segment group develops, manufactures, and sells production management systems and quality management systems, such as high-precision and high-speed auto checkweighers, automatic combination weighers and metal detectors, for the food, pharmaceutical and cosmetics industries.

During the cumulated third-quarter of the fiscal year ending March 31, 2023, capital investment for automation and manpower saving in quality assurance processes in the food market remained strong primarily in Americas. However, operating profit decreased due in part to higher sales promotion and parts procurement costs and distribution costs.

As a result, segment revenue increased 12.1 percent YoY to 18,043 million yen, operating profit decreased 17.6 percent to 756 million yen.

3. Others

	Nine Months Ended December 31,		(Millions of yen)	
	2021	2022	Change	
Revenue	6,228	8,826	2,598	41.7%
Operating profit (loss)	439	196	(243)	-55.3%

This segment comprises Environmental Measurement, Sensing & Devices, Logistics, Welfare services, Real estate leasing and other businesses.

TAKASAGO, LTD. became a consolidated subsidiary on January 4, 2022, and this segment business results include the company's business results from the fourth quarter of the last fiscal year.

As a result, segment revenue increased 41.7 percent YoY to 8,826 million yen, operating profit decreased 55.3 percent to 196 million yen.

(2) Outlook for the Fiscal Year Ending March 31, 2023

We have revised our business forecast announced on October 28, 2022, as shown on page 5.

There are concerns of a decline in the global economy as the result of rising prices, financial tightening policies, rising geopolitical risks, and other factors.

In the T&M business, our Group's main business segment, mobile market growth has temporarily slowed due to factors such as delays in investment decision-making by customers as a result of the uncertainty of economic situation produced by the sudden rise of inflation. We are offsetting soaring material costs and global cost increases by reflecting them in our prices, however, we do not expect to see the results of our profitability improvement measures until the latter half of the fourth quarter. On the other hand, we are diversifying our procurement in order to handle parts procurement risks, and the situation is improving.

Due to these conditions, and based on our actual results from the third quarter, we have revised our revenue forecast and operating income forecast for the T&M business downwards by 5.0 billion yen and 4.0 billion yen, respectively. The assumed exchange rates for the fourth quarter have been revised to 125 yen to the US dollar and 135 yen to the euro.

There are no changes to our business forecasts for the PQA business or Others business.

Our profit before tax forecast has been revised downward by 4.5 billion yen and our profit and profit attributable to owners of parent forecasts have been revised downward by 3.0 billion yen, respectively, to reflect changes to operating profit and the impact of recorded finance income and costs.

As initially planned, we expect to issue annual dividends of 40.00 yen per share.

Revised consolidated forecast for the fiscal year ending March 31, 2023 (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Revenue	Operating profit	Profit before tax	Profit	Profit attributable to owners of parent
Previously announced forecast (A) (announced on October 28, 2022)	115,000	17,500	19,000	14,000	14,000
Revised forecast (B)	110,000	13,500	14,500	11,000	11,000
Change (B - A)	(5,000)	(4,000)	(4,500)	(3,000)	(3,000)
Change (%)	-4.3	-22.9	-23.7	-21.4	-21.4
(Reference) Results for the fiscal year ended March 31, 2022	105,387	16,499	17,150	12,841	12,796

Actual exchange rate : April to December 1US\$=137 Yen

Assumed exchange rate : January to March 1US\$=125 Yen

Consolidated Revenue forecast by Business Segment

(Millions of yen)

	Previous forecast (A) (as of Oct. 28, 2022)	Revised forecast (B)	Change (B-A)	Change (%)	FY2021 results
Revenue	115,000	110,000	(5,000)	-4.3	105,387
Test and Measurement	78,000	73,000	(5,000)	-6.4	73,320
PQA	24,000	24,000	—	—	21,978
Others	13,000	13,000	—	—	10,089

Consolidated Operating Profit forecast by Business Segment

(Millions of yen)

	Previous forecast (A) (as of Oct. 28, 2022)	Revised forecast (B)	Change (B-A)	Change (%)	FY2021 results
Operating Profit	17,500	13,500	(4,000)	-22.9	16,499
Test and Measurement	16,000	12,000	(4,000)	-25.0	15,202
PQA	1,300	1,300	—	—	1,173
Others	1,200	1,200	—	—	1,123
Adjustment	(1,000)	(1,000)	—	—	(999)

Consolidated Revenue forecast by Region

(Millions of yen)

	Previous forecast (A) (as of Oct. 28, 2022)	Revised forecast (B)	Change (B-A)	Change (%)	FY2021 results
Revenue	115,000	110,000	(5,000)	-4.3	105,387
Japan	33,500	32,500	(1,000)	-3.0	31,036
Overseas	81,500	77,500	(4,000)	-4.9	74,350
Americas	25,000	25,000	—	—	23,065
EMEA	14,000	14,000	—	—	11,605
Asia and Others	42,500	38,500	(4,000)	-9.4	39,679

(*) EMEA : Europe, Middle East and Africa

(Note)

Statements made in these materials with respect to Anritsu's current plans, strategies and beliefs that are not historical fact are forward-looking statements of future business results or other forward-looking projections pertinent to the business of Anritsu. These descriptions are based on assumptions and judgments made by Anritsu's management from information currently available, and include certain risks and uncertain factors. Actual business results are the outcome of a number of unknown variables, and may substantially differ from the figures projected herein. Furthermore, Anritsu disclaims any obligation, unless required by law, to update or revise any forward-looking statements as a result of new information, future events or otherwise.

Factors which may affect the actual business results include but are not limited to the economic situation in the geographic areas where Anritsu conducts business, including but not limited to Japan, Americas, Europe, and Asia, pressure on prices due to trends in demand for Anritsu's products and services or to increased competition, Anritsu's ability to continue supplying products and services that are accepted by customers in a highly competitive market environment, and currency exchange rates.

2. Condensed Quarterly Consolidated Financial Statements

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	End of FY2021 as of March 31, 2022	Q3 FY2022 as of December 31, 2022
Assets		
Current assets		
Cash and cash equivalents	45,689	36,653
Trade and other receivables	26,622	23,078
Other financial assets	17	42
Inventories	25,591	31,680
Income taxes receivable	105	181
Other current assets	3,962	4,556
Total current assets	101,989	96,192
Non-current assets		
Property, plant and equipment	28,150	29,138
Goodwill and intangible assets	8,579	8,463
Investment property	255	233
Trade and other receivables	492	506
Investments accounted for using equity method	3	2
Other financial assets	1,378	1,552
Deferred tax assets	6,379	6,766
Other non-current assets	6,031	5,904
Total non-current assets	51,271	52,567
Total assets	153,261	148,759

(Millions of yen)

	End of FY2021 as of March 31, 2022	Q3 FY2022 as of December 31, 2022
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	8,426	7,418
Bonds and borrowings	1,133	1,142
Other financial liabilities	964	853
Income taxes payable	1,901	992
Employee benefits	8,181	5,644
Provisions	438	434
Other current liabilities	10,244	11,309
Total current liabilities	31,290	27,796
Non-current liabilities		
Trade and other payables	414	593
Bonds and borrowings	2,990	2,993
Other financial liabilities	1,489	1,667
Employee benefits	783	797
Provisions	113	115
Deferred tax liabilities	326	334
Other non-current liabilities	1,410	1,283
Total non-current liabilities	7,529	7,783
Total liabilities	38,819	35,579
Equity		
Share capital	19,189	19,217
Capital surplus	28,432	28,447
Retained earnings	63,206	59,143
Treasury shares	(6,199)	(6,177)
Other components of equity	9,566	12,297
Equity attributable to owners of parent	114,196	112,928
Non-controlling interests	246	251
Total equity	114,442	113,180
Total liabilities and equity	153,261	148,759

(2) Condensed Quarterly Consolidated Statement of Comprehensive Income

Consolidated cumulative third quarter

(Millions of yen)

	FY2021 (9 months) From April 1, 2021 to December 31, 2021	FY2022 (9 months) From April 1, 2022 to December 31, 2022
Revenue	75,864	81,683
Cost of sales	36,018	41,453
Gross profit	39,846	40,229
Other revenue and expenses		
Selling, general and administrative expenses	20,526	24,003
Research and development expense	8,237	8,458
Other income	237	290
Other expenses	375	58
Operating profit (loss)	10,943	7,998
Finance income	311	1,241
Finance costs	155	464
Share of profit (loss) of investments accounted for using equity method	(1)	(0)
Profit (loss) before tax	11,097	8,775
Income tax expense	2,891	2,519
Profit (loss)	8,206	6,255
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(75)	37
Total	(75)	37
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	1,280	2,693
Total	1,280	2,693
Total other comprehensive income	1,205	2,731
Comprehensive income	9,412	8,986
Profit (loss), attributable to :		
Owners of parent	8,168	6,249
Non-controlling interests	37	5
Total	8,206	6,255
Comprehensive income attributable to :		
Owners of parent	9,374	8,980
Non-controlling interests	37	5
Total	9,412	8,986
Earnings per share		
Basic earnings per share (Yen)	59.83	47.08
Diluted earnings per share (Yen)	59.81	47.07

Third Quarter Consolidated Accounting Period

(Millions of yen)

	FY2021 (3 months) From October 1, 2021 to December 31, 2021	FY2022 (3 months) From October 1, 2022 to December 31, 2022
Revenue	24,632	27,719
Cost of sales	11,798	14,531
Gross profit	12,834	13,188
Other revenue and expenses		
Selling, general and administrative expenses	6,747	7,933
Research and development expense	2,662	2,675
Other income	39	46
Other expenses	5	40
Operating profit (loss)	3,459	2,586
Finance income	191	83
Finance costs	67	665
Share of profit (loss) of investments accounted for using equity method	0	(0)
Profit (loss) before tax	3,583	2,004
Income tax expense	870	854
Profit (loss)	2,713	1,149
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(53)	56
Total	(53)	56
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	945	(2,317)
Total	945	(2,317)
Total other comprehensive income	891	(2,260)
Comprehensive income	3,605	(1,111)
Profit (loss), attributable to :		
Owners of parent	2,704	1,148
Non-controlling interests	8	0
Total	2,713	1,149
Comprehensive income attributable to :		
Owners of parent	3,596	(1,111)
Non-controlling interests	8	0
Total	3,605	(1,111)
Earnings per share		
Basic earnings per share (Yen)	20.02	8.73
Diluted earnings per share (Yen)	20.01	8.73

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

Nine months ended December 31, 2021 (From April 1, 2021 to December 31, 2021)

(Millions of yen)

	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at April 1, 2021	19,171	28,391	56,402	(1,120)	6,413	109,258	196	109,455
Profit (loss)	—	—	8,168	—	—	8,168	37	8,206
Other comprehensive income	—	—	—	—	1,205	1,205	—	1,205
Total comprehensive income	—	—	8,168	—	1,205	9,374	37	9,412
Share-based payment transactions	14	22	(0)	—	—	36	—	36
Dividends	—	—	(6,077)	—	—	(6,077)	—	(6,077)
Purchase of treasury shares	—	—	—	(5,079)	—	(5,079)	—	(5,079)
Dividends to non-controlling interests	—	—	—	—	—	—	(0)	(0)
Transfer from other components of equity to retained earnings	—	—	16	—	(16)	—	—	—
Total transactions with owners and other transactions	14	22	(6,062)	(5,079)	(16)	(11,120)	(0)	(11,121)
Balance at December 31, 2021	19,186	28,413	58,508	(6,199)	7,603	107,511	234	107,745

Nine months ended December 31, 2022 (From April 1, 2022 to December 31, 2022)

(Millions of yen)

	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at April 1, 2022	19,189	28,432	63,206	(6,199)	9,566	114,196	246	114,442
Profit (loss)	—	—	6,249	—	—	6,249	5	6,255
Other comprehensive income	—	—	—	—	2,731	2,731	0	2,731
Total comprehensive income	—	—	6,249	—	2,731	8,980	5	8,986
Share-based payment transactions	27	15	19	22	—	84	—	84
Dividends	—	—	(5,332)	—	—	(5,332)	—	(5,332)
Purchase of treasury shares	—	—	—	(4,999)	—	(4,999)	—	(4,999)
Disposal of treasury shares	—	0	0	0	—	0	—	0
Retirement of treasury shares	—	(0)	(4,999)	4,999	—	—	—	—
Dividends to non-controlling interests	—	—	—	—	—	—	(0)	(0)
Total transactions with owners and other transactions	27	15	(10,313)	22	—	(10,247)	(0)	(10,248)
Balance at December 31, 2022	19,217	28,447	59,143	(6,177)	12,297	112,928	251	113,180

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	FY2021 (9 months) From April 1, 2021 to December 31, 2021	FY2022 (9 months) From April 1, 2022 to December 31, 2022
Cash flows from operating activities		
Profit (Loss) before tax	11,097	8,775
Depreciation and amortization	3,788	4,385
Interest and dividend income	(81)	(227)
Interest expenses	45	48
Loss (gain) on sale and retirement of fixed assets	346	(43)
Decrease (Increase) in trade and other receivables	6,482	4,233
Decrease (Increase) in inventories	(2,743)	(5,044)
Increase (Decrease) in trade and other payables	183	(1,091)
Increase (Decrease) in employee benefits	(2,254)	(2,642)
Other, net	2,468	46
Subtotal	19,334	8,440
Interest received	59	200
Dividends received	22	26
Interest paid	(52)	(46)
Income taxes paid	(4,346)	(4,097)
Income taxes refund	349	219
Net cash provided by (used in) operating activities	15,366	4,743
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,502)	(3,236)
Proceeds from sale of property, plant and equipment	13	63
Purchase of other financial assets	(30)	(125)
Proceeds from sale of other financial assets	54	5
Payments for loans receivable	(10)	—
Other, net	(1,287)	(757)
Net cash provided by (used in) investing activities	(3,761)	(4,050)
Cash flows from financing activities		
Proceeds from long-term borrowings	3,000	—
Repayments of long-term borrowings	(3,000)	—
Repayments of lease liabilities	(655)	(902)
Purchase of treasury shares	(5,079)	(4,999)
Dividends paid	(6,077)	(5,332)
Other, net	23	43
Net cash provided by (used in) financing activities	(11,789)	(11,191)
Effect of exchange rate changes on cash and cash equivalents	811	1,461
Net increase (decrease) in cash and cash equivalents	626	(9,036)
Cash and cash equivalents at beginning of period	49,810	45,689
Cash and cash equivalents at end of period	50,436	36,653

(5) Notes to the Condensed Quarterly Consolidated Financial Statements
(Notes regarding Going Concern)

None

3. Others

Consolidated Quarterly Financial Highlights

Year ended March 31, 2022

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
				(Millions of yen)
Revenue	23,788	27,442	24,632	29,523
Gross profit	12,470	14,540	12,834	15,626
Operating profit (loss)	3,083	4,399	3,459	5,556
Quarterly profit (loss) before tax	3,085	4,428	3,583	6,053
Quarterly profit (loss)	2,100	3,392	2,713	4,635
Quarterly profit (loss) attributable to owners of parent	2,083	3,380	2,704	4,627
Quarterly comprehensive income	2,330	3,476	3,605	6,668
				(Yen)
Quarterly basic earnings per share	15.16	24.68	20.02	34.29
Quarterly diluted earnings per share	15.15	24.67	20.01	34.28
				(Millions of yen)
Total assets	141,699	142,604	142,123	153,261
Total equity	108,430	107,968	107,745	114,442
				(Yen)
Equity attributable to owners of parent per share	787.21	795.03	796.65	846.15
				(Millions of yen)
Cash flows from operating activities	7,895	3,747	3,723	665
Cash flows from investing activities	(1,344)	(978)	(1,439)	(4,945)
Cash flows from financing activities	(3,565)	(4,082)	(4,142)	(1,605)
Net increase (decrease) in cash and cash equivalents	3,242	(1,260)	(1,355)	(4,747)
Cash and cash equivalents at end of period	53,052	51,792	50,436	45,689

Year ending March 31, 2023

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
				(Millions of yen)
Revenue	26,180	27,783	27,719	—
Gross profit	13,443	13,597	13,188	—
Operating profit (loss)	3,017	2,395	2,586	—
Quarterly profit (loss) before tax	3,915	2,855	2,004	—
Quarterly profit (loss)	2,926	2,179	1,149	—
Quarterly profit (loss) attributable to owners of parent	2,917	2,183	1,148	—
Quarterly comprehensive income	6,651	3,446	(1,111)	—
				(Yen)
Quarterly basic earnings per share	21.70	16.55	8.73	—
Quarterly diluted earnings per share	21.70	16.55	8.73	—
				(Millions of yen)
Total assets	153,539	155,686	148,759	—
Total equity	115,076	116,910	113,180	—
				(Yen)
Equity attributable to owners of parent per share	865.12	886.02	857.68	—
				(Millions of yen)
Cash flows from operating activities	299	6,099	(1,655)	—
Cash flows from investing activities	(1,586)	(1,608)	(854)	—
Cash flows from financing activities	(6,319)	(1,875)	(2,996)	—
Net increase (decrease) in cash and cash equivalents	(5,782)	3,063	(6,317)	—
Cash and cash equivalents at end of period	39,907	42,970	36,653	—

Consolidated Quarterly Financial Position

Year ended March 31, 2022

(Millions of yen)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Assets	141,699	142,604	142,123	153,261
Current assets	97,409	98,020	96,844	101,989
Non-current assets	44,290	44,584	45,279	51,271
Property, plant and equipment	25,180	25,526	26,057	28,150
Goodwill and intangible assets	5,431	5,236	5,449	8,579
Investment property	440	399	357	255
Other non-current assets	13,238	13,422	13,414	14,286
Liabilities	33,269	34,636	34,377	38,819
Current liabilities	29,802	27,577	27,233	31,290
Non-current liabilities	3,466	7,059	7,143	7,529
Equity	108,430	107,968	107,745	114,442
Share capital	19,182	19,184	19,186	19,189
Capital surplus	28,392	28,397	28,413	28,432
Retained earnings	55,122	58,515	58,508	63,206
Treasury shares	(1,120)	(5,065)	(6,199)	(6,199)
Other component of equity	6,639	6,711	7,603	9,566
Non-controlling interests	213	225	234	246
Interest-bearing debt	5,818	6,392	6,477	6,521

Year ending March 31, 2023

(Millions of yen)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Assets	153,539	155,686	148,759	—
Current assets	100,011	101,647	96,192	—
Non-current assets	53,528	54,039	52,567	—
Property, plant and equipment	29,920	30,077	29,138	—
Goodwill and intangible assets	8,790	8,823	8,463	—
Investment property	233	233	233	—
Other non-current assets	14,585	14,904	14,731	—
Liabilities	38,463	38,776	35,579	—
Current liabilities	30,788	30,839	27,796	—
Non-current liabilities	7,675	7,936	7,783	—
Equity	115,076	116,910	113,180	—
Share capital	19,190	19,217	19,217	—
Capital surplus	28,446	28,434	28,447	—
Retained earnings	58,424	60,628	59,143	—
Treasury shares	(4,531)	(6,177)	(6,177)	—
Other component of equity	13,291	14,558	12,297	—
Non-controlling interests	255	250	251	—
Interest-bearing debt	6,721	6,878	6,656	—

Consolidated Quarterly Segment Information

Year ended March 31, 2022

(Millions of yen)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Orders by Segment	28,087	26,695	28,420	27,461
Test and Measurement	19,937	18,796	19,749	18,625
PQA	5,867	5,742	5,960	5,548
Others	2,282	2,156	2,711	3,287
Backlog by Segment	27,249	27,271	31,810	31,937
Test and Measurement	19,246	19,182	22,451	21,318
PQA	6,049	5,945	6,774	6,595
Others	1,953	2,143	2,584	4,023
Revenue by Segment	23,788	27,442	24,632	29,523
Test and Measurement	16,791	19,570	17,184	19,773
PQA	5,103	5,850	5,135	5,889
Others	1,893	2,021	2,313	3,860
Operating profit (loss) by Segment	3,083	4,399	3,459	5,556
Test and Measurement	2,851	4,217	3,198	4,934
PQA	377	360	179	254
Others	49	115	275	683
Adjustment	(194)	(293)	(194)	(316)
Revenue by Region	23,788	27,442	24,632	29,523
Japan	6,130	7,696	6,187	11,021
Americas	5,101	6,408	5,446	6,110
EMEA	2,964	2,840	3,108	2,692
Asia and Others	9,591	10,497	9,891	9,699

Year ending March 31, 2023

(Millions of yen)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Orders by Segment	29,769	28,175	26,089	—
Test and Measurement	19,564	17,887	16,827	—
PQA	6,161	6,659	5,932	—
Others	4,043	3,628	3,328	—
Backlog by Segment	37,381	39,287	37,263	—
Test and Measurement	23,721	25,218	23,442	—
PQA	7,983	7,911	7,501	—
Others	5,677	6,157	6,319	—
Revenue by Segment	26,180	27,783	27,719	—
Test and Measurement	18,595	17,745	18,472	—
PQA	5,081	6,844	6,117	—
Others	2,503	3,193	3,129	—
Operating profit (loss) by Segment	3,017	2,395	2,586	—
Test and Measurement	3,398	2,037	2,364	—
PQA	(76)	598	235	—
Others	(85)	17	264	—
Adjustment	(219)	(257)	(278)	—
Revenue by Region	26,180	27,783	27,719	—
Japan	5,875	8,276	7,578	—
Americas	6,651	5,490	7,022	—
EMEA	3,442	3,969	3,613	—
Asia and Others	10,211	10,047	9,505	—

Anritsu Corporation Supplement

1. Supplement of Trend of Results

(Millions of yen)

	Actual					Forecast
	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3
Revenue	85,967	99,659	107,023	105,939	105,387	110,000
Change %	-1.9%	15.9%	7.4%	-1.0%	-0.5%	4.4%
Operating profit (loss)	4,912	11,246	17,413	19,651	16,499	13,500
Change %	16.0%	128.9%	54.8%	12.8%	-16.0%	-18.2%
as % of Revenue	5.7%	11.3%	16.3%	18.5%	15.7%	12.3%
Profit (loss) before taxes	4,602	11,362	17,181	19,838	17,150	14,500
Change %	26.8%	146.9%	51.2%	15.5%	-13.5%	-15.5%
as % of Revenue	5.4%	11.4%	16.1%	18.7%	16.3%	13.2%
Profit (loss)	2,898	8,991	13,397	16,143	12,841	11,000
Change %	6.0%	210.2%	49.0%	20.5%	-20.5%	-14.3%
as % of Revenue	3.4%	9.0%	12.5%	15.2%	12.2%	10.0%
Basic earnings per share	¥20.97	¥65.20	¥97.20	¥117.18	¥93.98	¥82.86
Orders	88,542	100,819	107,709	107,567	110,665	110,000
Change %	-0.4%	13.9%	6.8%	-0.1%	2.9%	-0.6%
Cash flows from operating activities	7,946	12,247	14,721	20,481	16,031	12,000
Change %	-14.1%	54.1%	20.2%	39.1%	-21.7%	-25.1%
Free cash flows	4,014	11,631	11,035	15,452	7,324	5,500
Change %	-28.1%	189.7%	-5.1%	40.0%	-52.6%	-24.9%
Capital expenditures (* 1,4)	3,430	2,436	4,518	5,449	5,658	6,500
Change %	32.5%	-29.0%	85.5%	20.6%	3.8%	14.9%
Depreciation (* 2,4)	3,964	4,031	4,732	4,545	4,628	5,500
Change %	0.7%	1.7%	17.4%	-4.0%	1.8%	18.8%
R&D expenses (* 3)	10,556	12,008	13,321	11,246	11,386	12,000
Change %	-5.9%	13.8%	10.9%	-15.6%	1.2%	5.4%
as % of Revenue	12.3%	12.0%	12.4%	10.6%	10.8%	10.9%
Number of Employees	3,717	3,778	3,881	3,954	4,168	—

(* 1) Capitalized development cost booked as intangible asset is not included.

(* 2) Amortization of capitalized development cost booked as intangible asset is not included.

(* 3) R&D expenses are amounts of R&D investment including capitalized development cost.

Thus, these amounts do not agree the R&D expense booked on the consolidated statement of comprehensive income.

(* 4) The impact of the application of IFRS 16 is included from the year ended March 31, 2020.

2. Supplement of Quarterly Results

(Millions of yen)

	2021/Q1	2021/Q2	2021/Q3	2021/Q4	2022/Q1	2022/Q2	2022/Q3	2022/Q4
Revenue	23,788	27,442	24,632	29,523	26,180	27,783	27,719	—
Y o Y	-7.4%	3.7%	0.9%	0.5%	10.1%	1.2%	12.5%	-
Operating profit	3,083	4,399	3,459	5,556	3,017	2,395	2,586	—
Y o Y	-39.8%	-6.9%	-17.9%	-0.6%	-2.1%	-45.6%	-25.2%	-
as % of Revenue	13.0%	16.0%	14.0%	18.8%	11.5%	8.6%	9.3%	-
Profit before tax	3,085	4,428	3,583	6,053	3,915	2,855	2,004	—
Y o Y	-39.7%	-3.9%	-14.8%	2.5%	26.9%	-35.5%	-44.1%	-
as % of Revenue	13.0%	16.1%	14.5%	20.5%	15.0%	10.3%	7.2%	-
Profit	2,100	3,392	2,713	4,635	2,926	2,179	1,149	—
Y o Y	-40.6%	-4.6%	-19.9%	-18.2%	39.3%	-35.8%	-57.6%	-
as % of Revenue	8.8%	12.4%	11.0%	15.7%	11.2%	7.8%	4.1%	-

(Millions of yen)

Upper : Revenue	2021/Q1	2021/Q2	2021/Q3	2021/Q4	2022/Q1	2022/Q2	2022/Q3	2022/Q4
Lower : Operating profit								
Test and Measurement	16,791	19,570	17,184	19,773	18,595	17,745	18,472	—
	2,851	4,217	3,198	4,934	3,398	2,037	2,364	—
PQA	5,103	5,850	5,135	5,889	5,081	6,844	6,117	—
	377	360	179	254	(76)	598	235	—
Others	1,893	2,021	2,313	3,860	2,503	3,193	3,129	—
	49	115	275	683	(85)	17	264	—
Adjustment	—	—	—	—	—	—	—	—
	(194)	(293)	(194)	(316)	(219)	(257)	(278)	—
Total revenue	23,788	27,442	24,632	29,523	26,180	27,783	27,719	—
Total operating profit	3,083	4,399	3,459	5,556	3,017	2,395	2,586	—

3. Supplement of Segment Information

(1) Revenue by Segment

(Millions of yen)

	Actual					Forecast
	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3
Test and Measurement	54,433	68,168	75,165	74,809	73,320	73,000
Y o Y	-8.3%	25.2%	10.3%	-0.5%	-2.0%	-0.4%
PQA	22,549	23,074	22,575	21,419	21,978	24,000
Y o Y	15.1%	2.3%	-2.2%	-5.1%	2.6%	9.2%
Others	8,984	8,416	9,282	9,709	10,089	13,000
Y o Y	3.1%	-6.3%	10.3%	4.6%	3.9%	28.9%
Total	85,967	99,659	107,023	105,939	105,387	110,000
Y o Y	-1.9%	15.9%	7.4%	-1.0%	-0.5%	4.4%

(2) Operating Profit by Segment

(Millions of yen)

	Actual					Forecast
	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3
Test and Measurement	2,147	9,413	15,148	17,714	15,202	12,000
Y o Y	0.8%	338.3%	60.9%	16.9%	-14.2%	-21.1%
PQA	1,969	1,609	1,287	1,340	1,173	1,300
Y o Y	51.2%	-18.3%	-20.0%	4.1%	-12.5%	10.8%
Others	1,458	1,145	1,900	1,797	1,123	1,200
Y o Y	47.0%	-21.5%	65.9%	-5.4%	-37.5%	6.8%
Adjustment	(663)	(921)	(921)	(1,201)	(999)	(1,000)
Y o Y	-	-	-	-	-	-
Total	4,912	11,246	17,413	19,651	16,499	13,500
Y o Y	16.0%	128.9%	54.8%	12.8%	-16.0%	-18.2%

(*) Way to allot headquarter administrative expenses to each business segment changed from the year ended March 31, 2019 and figures of operating profit for the year ended March 31, 2018 are restated.

(3) Revenue by Region

(Millions of yen)

	Actual					Forecast
	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3
Japan	29,753	32,183	36,293	32,202	31,036	32,500
Y o Y	1.4%	8.2%	12.8%	-11.3%	-3.6%	4.7%
Overseas	56,213	67,475	70,729	73,736	74,350	77,500
Y o Y	-3.6%	20.0%	4.8%	4.3%	0.8%	4.2%
Americas	17,419	26,429	20,773	21,380	23,065	25,000
Y o Y	-11.3%	51.7%	-21.4%	2.9%	7.9%	8.4%
EMEA	12,781	12,170	10,693	11,021	11,605	14,000
Y o Y	2.1%	-4.8%	-12.1%	3.1%	5.3%	20.6%
Asia and Others	26,012	28,876	39,262	41,334	39,679	38,500
Y o Y	-0.5%	11.0%	36.0%	5.3%	-4.0%	-3.0%
Total	85,967	99,659	107,023	105,939	105,387	110,000
Y o Y	-1.9%	15.9%	7.4%	-1.0%	-0.5%	4.4%