Anritsu Corporation Acquires Shares of Azimuth Systems, Inc.

— Towards the realization of an IoT / 5G society —

Anritsu Corporation (Headquarters: Atsugi City, Kanagawa Prefecture, Japan; President: Hirokazu Hashimoto; hereafter, "Anritsu") announces that it has decided to acquire shares of Azimuth Systems, Inc. (located in Acton, Massachusetts, USA; hereafter, "Azimuth Systems"), a vendor of wireless performance test solutions for cellular, Wi-Fi and IoT, to make it a wholly owned subsidiary, and signed a purchase agreement on September 28, 2016. Anritsu will continue to provide test solutions that leverage the strengths of both companies in the growing IoT market and 5G business.

[About Azimuth Systems]

Azimuth Systems, Inc., founded in 2002 and headquartered in the suburbs of Boston, USA, specializes in channel emulators. Azimuth Systems develops and sells channel emulators for radio environment emulation. Their customers include base station vendors for mobile communications, telecom carriers, chipset vendors and UE vendors.

[Background]

Mobile broadband technologies are used as communication infrastructure in various settings in society. As research and development of next generation 5G advances under such circumstances, measurement requirements for high radio propagation quality (data quality) in wireless communication infrastructure are becoming more sophisticated and complex. In addition, with the dramatic increase in the number of devices in the IoT market, there is even greater necessity for environments that can re-create communication issues emerging in the field.

Channel emulators are indispensable in testing to ensure constant data quality under any environment and as a solution to re-create multiple field environments in the laboratory, not only for evaluation and verification but also for conformance testing in the research and development of mobile communications.

[Strategic significance of the acquisition]

Anritsu has been expanding the T&M business for mobile terminals by incorporating fading simulators developed in-house in its test solutions for 3G/4G. For future 5G solutions, we will further expand our business by integrating Azimuth Systems' channel emulator technologies with our technologies.

We will work with Azimuth Systems, which has been involved in the 5G

standardization process, to understand the test and measurement needs from base stations to cellular terminals and provide improved solutions to our customers.

Furthermore, by leveraging our global support network, we will bolster the global development of Azimuth Systems' business and enhance customer trust.

[Impact on the financial forecast]

Azimuth Systems' financial results will be included in Anritsu's consolidated financial results from the second half of FY2016. However, this will not have a significant impact on our sales and profits forecast.

[About Azimuth Systems]

Azimuth Systems, Inc., is a leader in performance test solutions for the cellular, Wi-Fi, and emerging wireless (e.g., IoT) ecosystems. Azimuth delivers solutions to re-create real-world device-network interaction wherever there is a wireless link (cellular, Wi-Fi, other proprietary technologies). With quite a few industry firsts such as the first Wi-Fi test solution, first MIMO test solution, and most recently the industry's first radio environment emulation solution, Azimuth is known for its innovative products, customer collaboration, and expertise in radio environment emulation, performance testing, and re-creating field environments in the lab. Headquartered in Acton (MA), USA, Azimuth has customer engagement offices around the world.

http://www.azimuthsystems.com/

[About Anritsu]

Anritsu Company is the United States subsidiary of Anritsu Corporation, a global provider of innovative communications test and measurement solutions for 120 years. Anritsu's "2020 VISION" philosophy engages customers as true partners to help develop wireless, optical, microwave/RF, and digital solutions for R&D, manufacturing, installation, and maintenance applications, as well as multidimensional service assurance solutions for network monitoring and optimization. Anritsu also provides precision microwave/RF components, optical devices, and high-speed electrical devices for communication products and systems. The company develops advanced solutions for 5G, M2M, IoT, as well as other emerging and legacy wireline and wireless communication markets. Anritsu sells in over 90 countries worldwide with approximately 4,000 employees.

Corporate Information

Anritsu Corporation

Investor Relations Department 5-1-1 Onna, Atsugi-shi, Kanagawa 243-8555, Japan TEL. 046.296.6507 <u>https://www.anritsu.com/ja-JP/about-anritsu/investor-relations/ir-contact/inquiry-ir</u>

Corporate Communication Department 5-1-1 Onna, Atsugi-shi, Kanagawa 243-8555, Japan TEL. 046.296.6671 https://www.anritsu.com/ja-JP/contact-us/inquiry-pr