



Evolution of mobile broadband and T&M business LTE business

July 29, 2010

Kenji Tanaka
Anritsu Corporation
President of T&M group
Kenji Tanaka

Tokyo Stock Exchange : 6754

<http://www.anritsu.com/ja-JP/About-Anritsu/Investor-Relations/>

Discover What's Possible™

Copyright© 2010 Anritsu Corporation. All rights reserved

Anritsu

Cautionary Statement




All information contained in this release which pertains to the current plans, estimates, strategies and beliefs of Anritsu Corporation (hereafter "Anritsu") that is not historical fact shall be considered forward-looking statements of future business results or other forward-looking projections pertinent to the business of Anritsu. Implicit in reliance on these and all future projections is the unavoidable risk, caused by the existence of uncertainties about future events, that any and all suggested projections may not, come to pass. Forward-looking statements include but are not limited to those using words such as "believe", "expect", "plans", "strategy", "prospects", "forecast", "estimate", "project", "anticipate", "may" or "might" and words of similar meaning in connection with a discussion of future operations or financial performance.

Actual business results are the outcome of a number of unknown variables and may substantially differ from the figures projected herein.

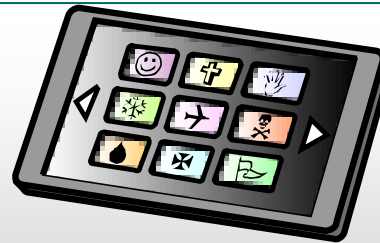
Factors which may affect the actual business results include but are not limited to the economic situation in the geographic areas in which Anritsu conducts business, including but not limited to, Japan, Americas, Asia, and Europe, changes in actual demand for Anritsu products and services, increases or decreases in the competitive nature of markets in which Anritsu sells products or buys supplies, changing aptitudes at providing services, and exchange rates.

You also should not place reliance on any obligation of Anritsu to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Anritsu disclaims any such obligation.

Index

-  **Evolution of mobile broadband and Anritsu business**
-  **LTE business**
-  **Sales records and next step**

Evolution of Mobile Broadband



Smart phones Multifunction terminals

New entrants such as IT companies



Increase of rich applications and services

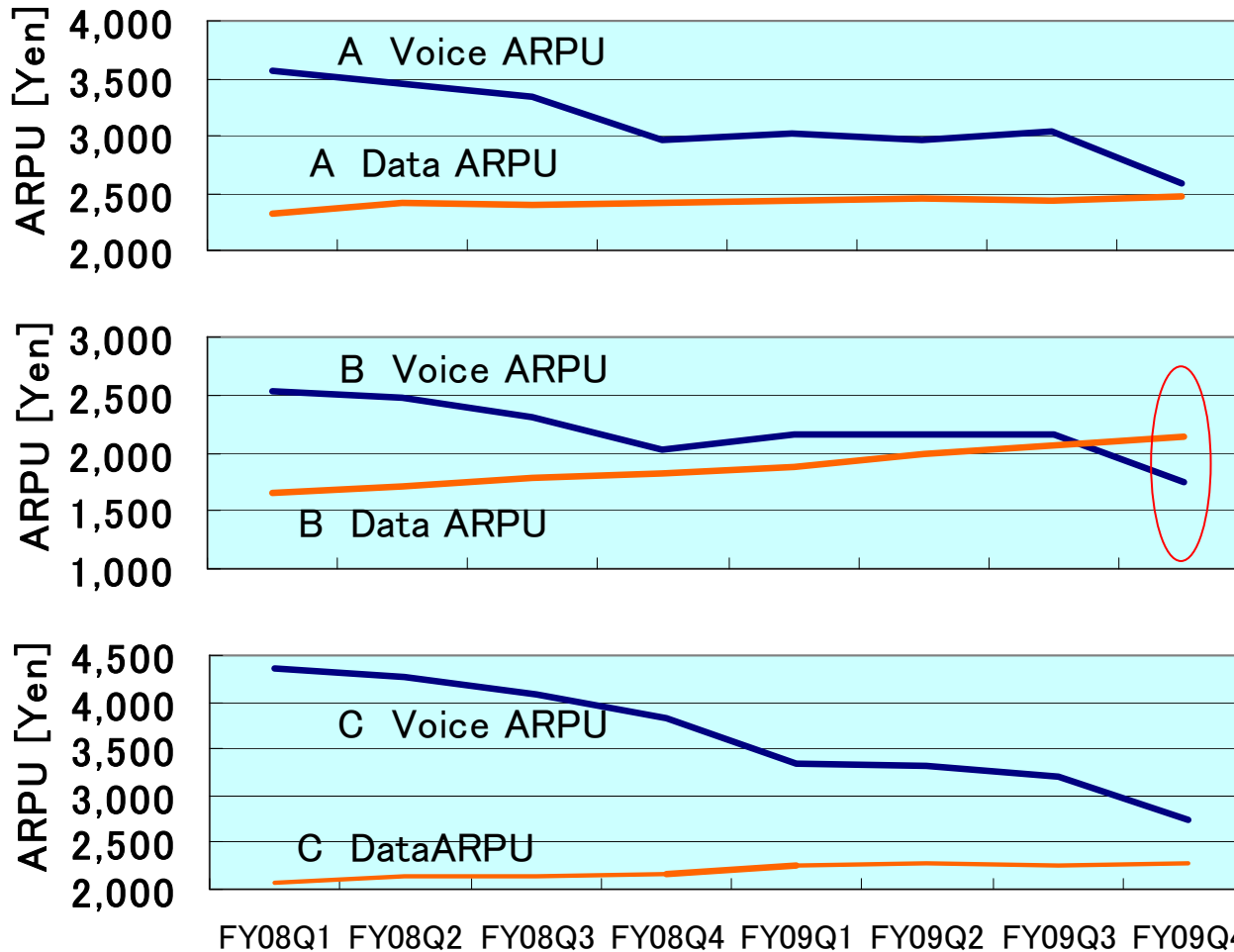
Demand for faster wireless communications
Demand for higher network traffic



New mobile communication standard,
building network infrastructure

Mobile access : rapid increase of traffic (moving to LTE, HSPA+)
Mobile backhaul : metal→optical, microwave
Core Network : faster speed / higher traffic (40G/100G)

Trend of Data ARPU and Voice ARPU



Data ARPU is going to exceed Voice ARPU

ARPU : Average monthly Revenue per User

Based on operators' releases

Network infrastructure to support services and applications

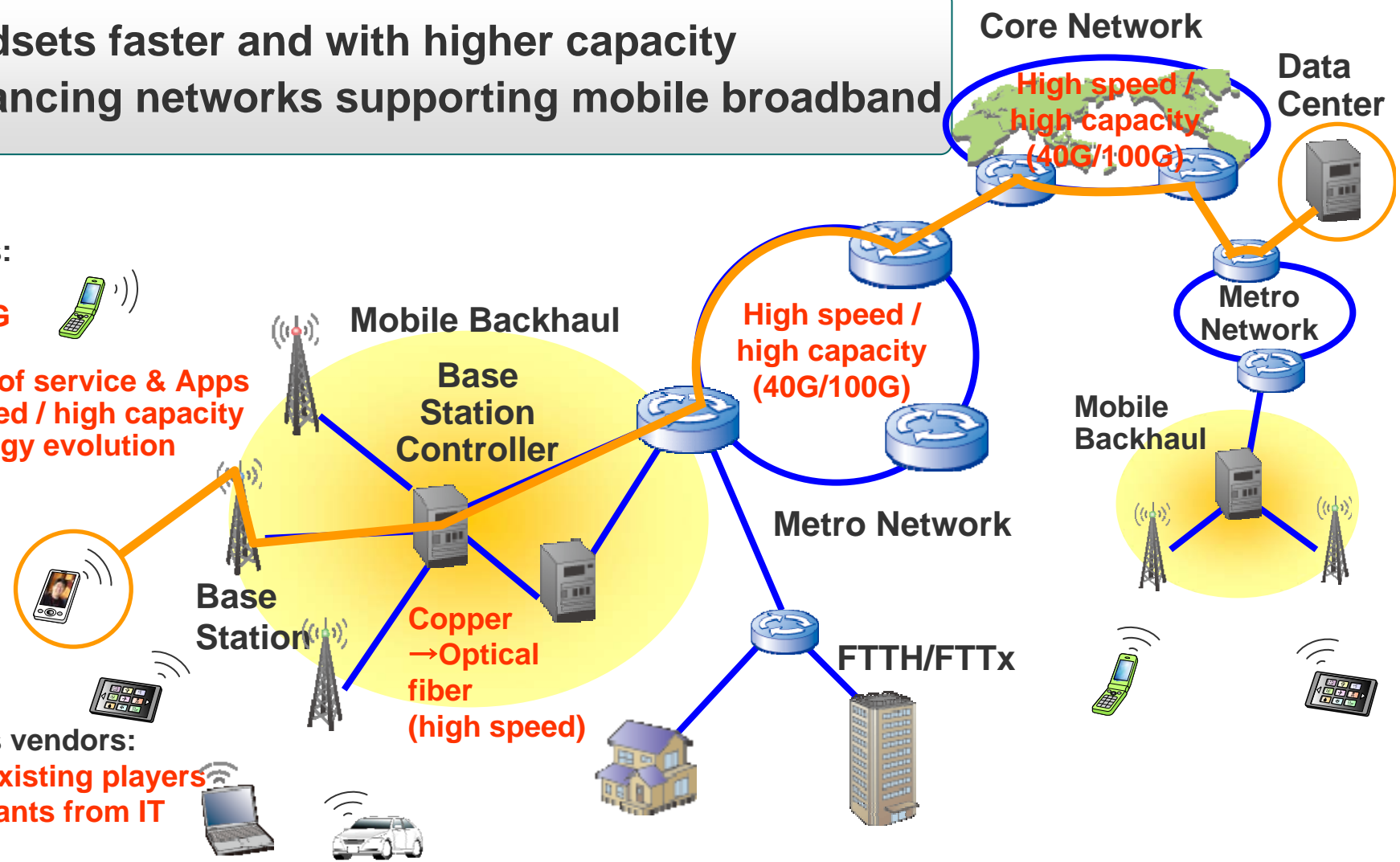


Handsets faster and with higher capacity
 Enhancing networks supporting mobile broadband

Handsets:
 2G
 →3G/3.5G
 →LTE

Increase of service & Apps
 High speed / high capacity
 Technology evolution

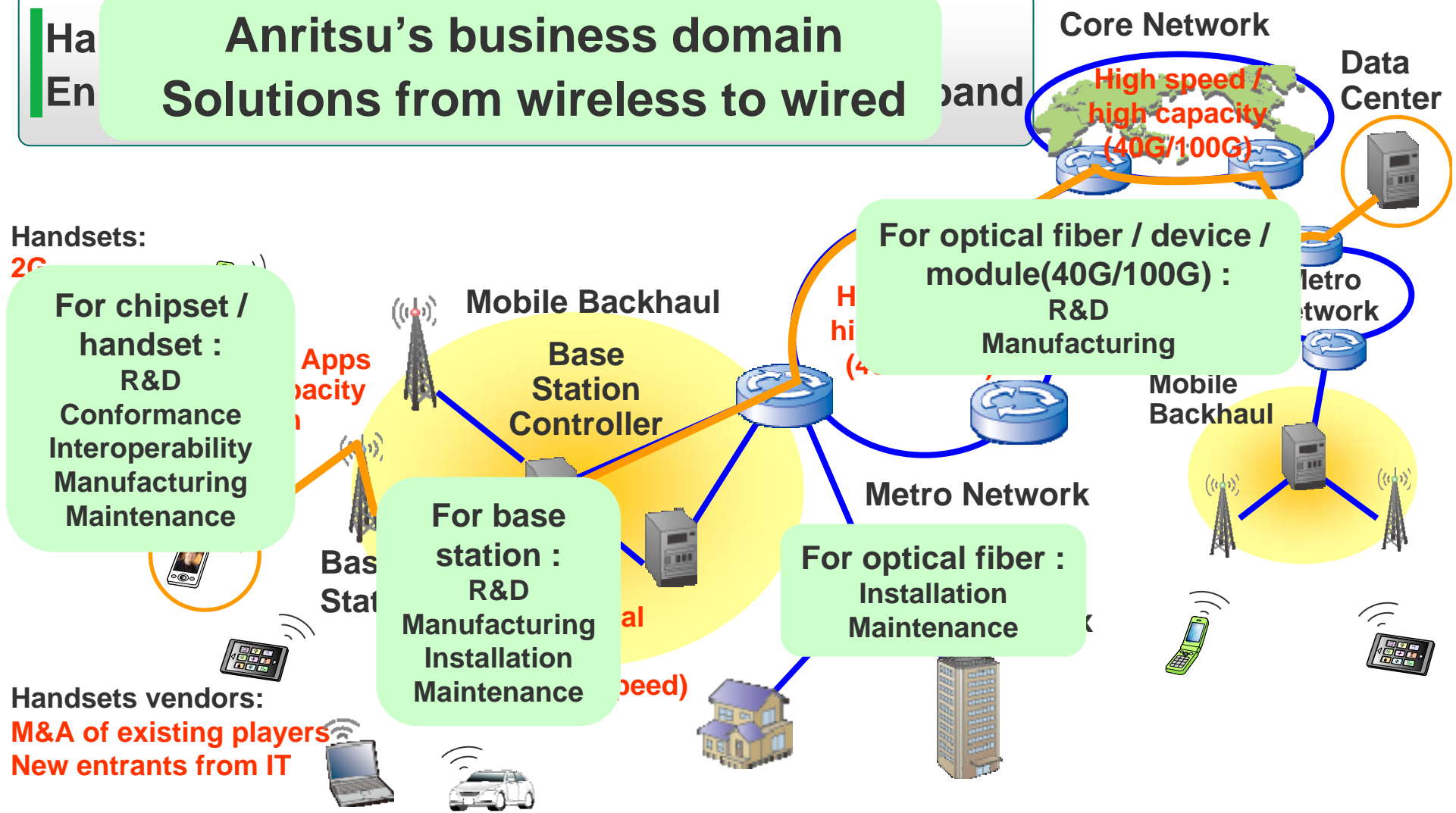
Handsets vendors:
 M&A of existing players
 New entrants from IT



Network infrastructure to support services and applications

Ha
En

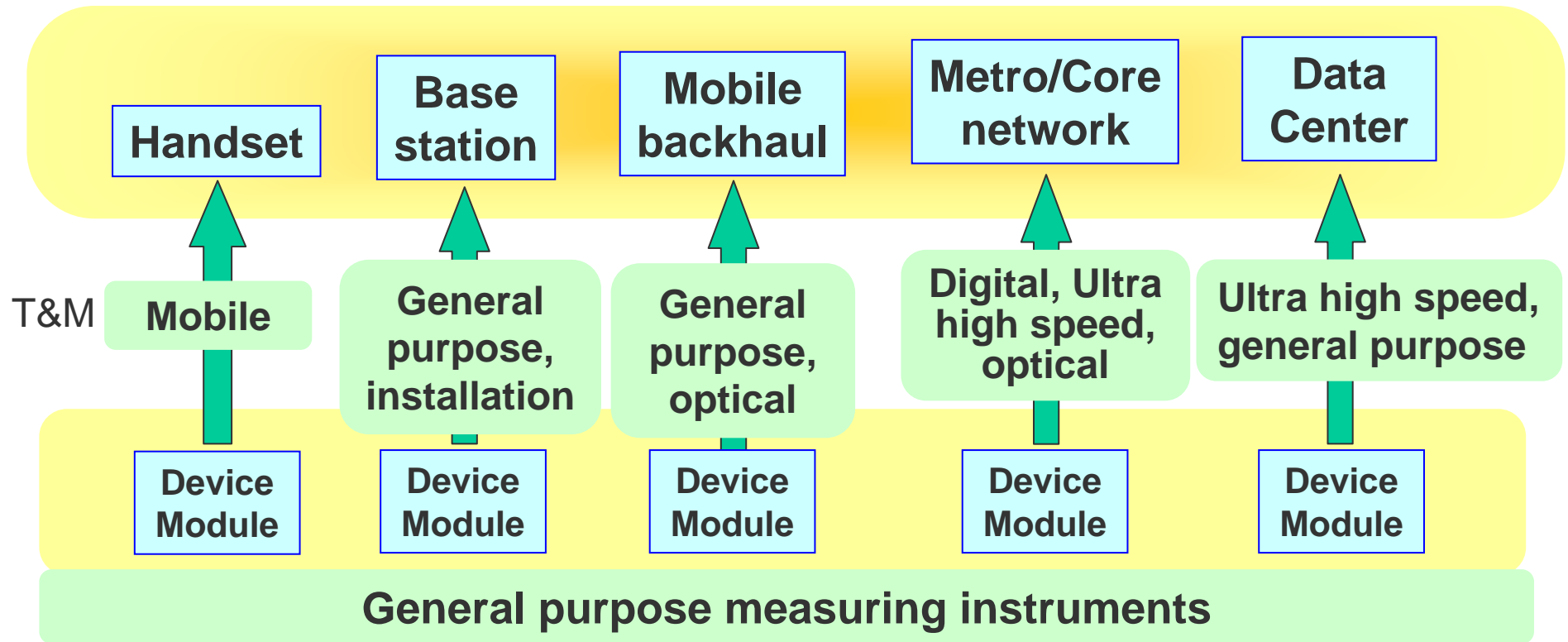
Anritsu's business domain
Solutions from wireless to wired band



Discover What's Possible™

Anritsu

Devices to support services and applications



Anritsu

Providing measuring solutions for all areas

Discover What's Possible™

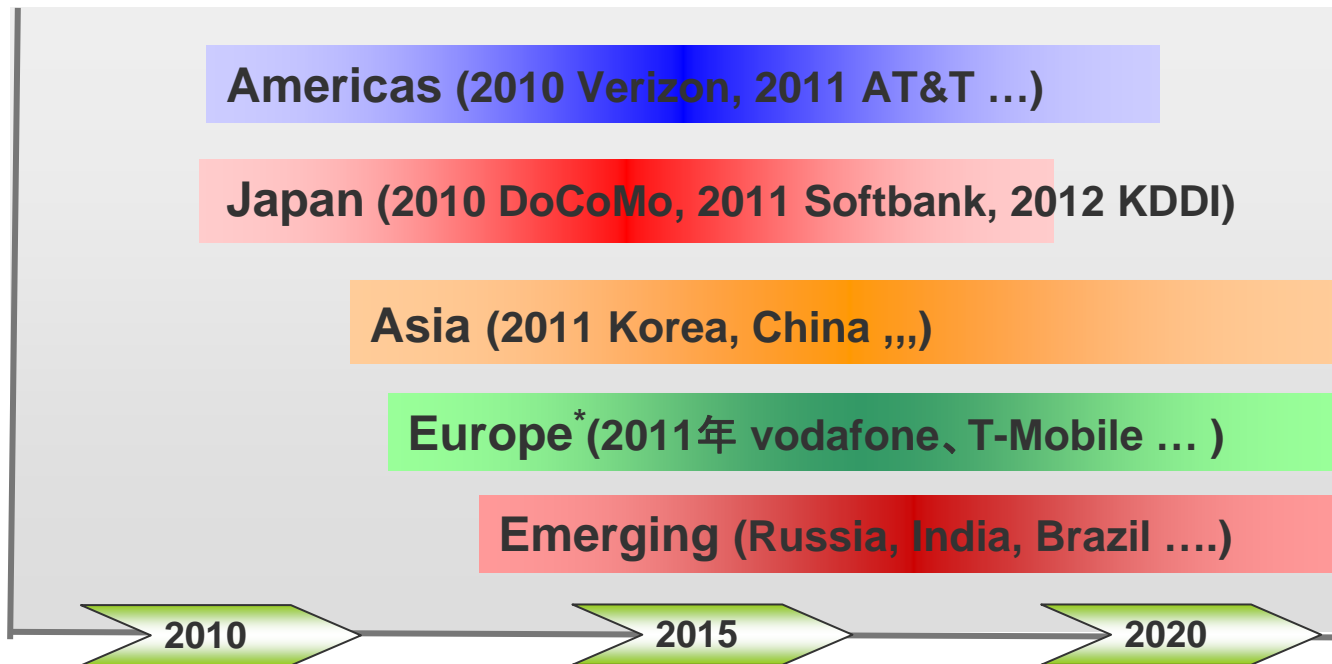
Anritsu

- 1. We maintain strong relationships with chipset and handset vendors, and always offer unrivaled development and conformance test solutions.**
- 2. We are developing business with UE vendors by offering leading operators Inter-Operability Test services.**
- 3. We are expanding our business by enhancing customer support readiness for new players, such as smart-phone makers.**

LTE network rollout and T&M business



Firm commitments to deploy LTE : 80 operators in 33 countries
A disparity in the speed and timing of LTE adoption among different countries
⇒ **Can be a long-term, stable business**

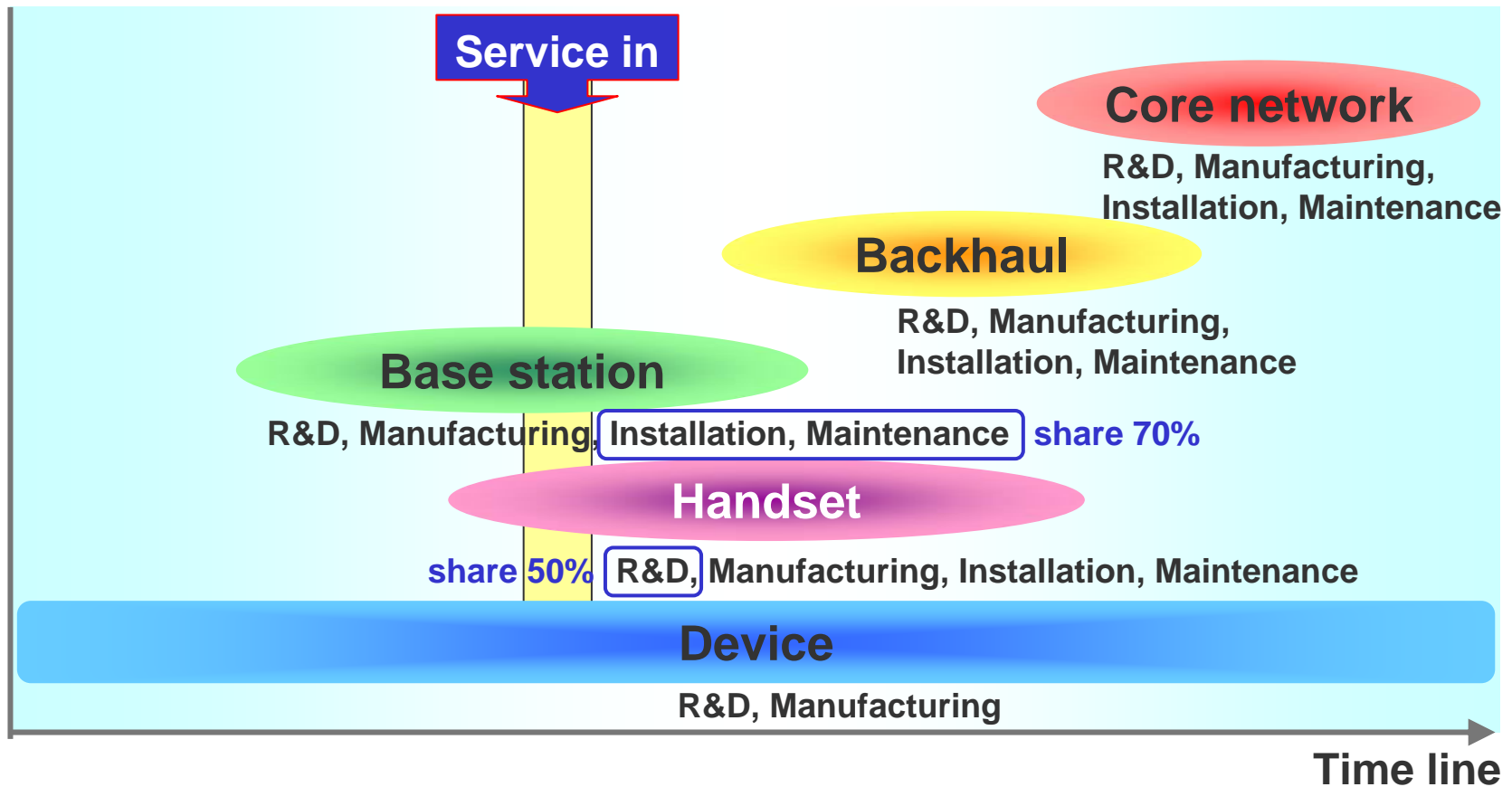


* TeliaSonera launched LTE service in 2009

T&M business opportunities



Device – handset / base station – mobile backhaul – core network
⇒ Can be a wide range and long term business



Increase of services and applications
⇒ **Demand on solutions to assure quality of services and applications**

Conformance testing

A test to assure interconnection between base stations to handsets conforming to 3GPP standard

Inter-operability testing

A test to assure connection and data exchange between different terminals, systems and networks

- 1. Providing W-CDMA measuring solutions with:
the first measuring solution in the world
firm relationships with the world leading customers
technological and supporting strengths**
- 2. Covering wireless and wired measuring solutions**

Anritsu: Specific Results & Future Developments



Initiative	Result	Date	Future Developments
Solutions for NTT DoCoMo (Japan) and Japanese terminal vendors	Won exclusive measurement contracts for chipset development	FYE 3/2009 FYE 3/2010	Expand business to measurement for individual terminal development, and conformance/IOT test.
Partnership with LG (Korea) "Mobile Word Congress" (Spain)	T&M solution for LG's LTE USB modem (Test demonstration done)	Feb. 2010	Improve relations with LGE & expand business
Solutions for Verizon Wireless (US)	Anritsu's BTS master selected for measurement for base-station construction & maintenance	Mar. 2010	Grow stable business by being de-facto measurement provider for base-station construction and maintenance
Conformance system for RF/protocol	Obtained GCF (certification authority) certification (industry leader)	Apr. 2010	Build on orders from key chipset vendors to expand business to terminal vendors
Partnership with Samsung (Korea) "NGMN Industry Conference & Exhibition 2010" (China)	Connection demonstration with Samsung's TD-LTE devices	Jun. 2010	Maintain partnership with Samsung on both FDD and TDD LTE, and expand business
Solution for China Mobile (China) (TD-SCDMA)	Won order for protocol conformance system (only Anritsu supports TD-SCDMA)	Jun. 2010	Offer continuous support from TD-SCDMA to TD-LTE, expand business in China, and expand business to terminal vendors selling in China
Solution for large telecommunication-equipment vendors	Won orders in base station-manufacturing business	Jun. 2010	Expand manufacturing business through continuous support

Anritsu

Discover What's Possible™