MEMBERSHIP

FINANCIAL SUMMARY
FOR THE YEAR ENDED MARCH 31, 2009

April 27, 2009

Company Name: **ANRITSU CORPORATION (Code Number:6754)** Listed at : Tokyo Stock Exchange

(URL http://www.anritsu.co.jp/)

Representative: Hiromichi Toda ; President and Director

Contact Person: Tetsuo Kawabe ; Senior Manager of Corporate Communication Dept.
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Date of shareholders' general meeting: June 25, 2009 Starting date of dividend payment: -
Date of submission of annual financial report (Yukashoken-Houkokusho): June 25, 2009

(millions of yen, round down)

1. Business results of the year ended March 31, 2009: Consolidated (From Apr. 1, 2008 to Mar. 31, 2009)

(1) Operational Results

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

	Net sales		Operating income (loss)		Ordinary income (loss)		Net income (loss)	
For the year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March, 2009	83,940	-16.5	905	-83.1	170	−	(3,540)	−
March, 2008	100,485	1.0	5,356	-15.8	(2,006)	−	(3,900)	−

	Basic net income (loss) per share	Diluted net income (loss) per share	Return on equity	Ordinary Income to total assets	Operating Income to net sales
For the year ended	Yen	Yen	%	%	%
March, 2009	(27.78)	-	-7.8	0.2	1.1
March, 2008	(30.60)	-	-6.8	-1.5	5.3

(Reference) Equity in income of affiliated companies

FY2008 (Mar. 31, 2009) : 26 llion yen FY2007 (Mar. 31, 2008) : 29 llion yen

(2) Financial Position

	Total assets	Net assets	Ratio of equity capital	Net assets per share
For the year ended	Millions of yen	Millions of yen	%	Yen
March, 2009	100,983	37,524	37.1	294.29
March, 2008	124,917	52,845	42.3	414.16

(Reference) Equity capital FY2008 (Mar. 31, 2009) : 37,505 million yen FY2007 (Mar. 31, 2008) : 52,791 million yen

(3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
For the year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March, 2009	6,916	(1,326)	(3,847)	18,538
March, 2008	6,251	(2,373)	(6,625)	16,684

2.Dividends

	Annual dividends per share					Total dividends	Dividend payout	Net assets to dividend
	Q1-end	Q2-end	Q3-end	Year-end	Annual			
For the year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March, 2008	-	3.50	-	3.50	7.00	892	-	1.6
March, 2009	-	3.50	-	0.00	3.50	446	-	1.0
For the year ending **March,2009** (Forecast)	-	0.00	-	0.00	0.00		-	

3. Forecast for the year ending March 31, 2010 :Consolidated (From Apr. 1, 2009 to Mar. 31, 2010)

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

	Net sales		Operating income (loss)		Ordinary income (loss)		Net Income (loss)		Basic net income (loss) per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Interim	35,000	-21.2	(300)	-	(900)	-	(1,000)	-	(7.85)
Annual	76,000	-9.5	2,200	143.1	1,000	486.3	500	-	3.92

4. Others

(1) Changes of scope of consolidation in the term: No

(2) Changes of principle, method, indication method, and others of accounting procedure concerning preparation of consolidated financial statement

1. Changes with the enforcement of amendments to accounting principles and others: Yes
2. Changes other than 1.: Yes

(3) The number of shares issued and outstanding

1. The number of shares issued and outstanding at end of term (Including treasury stocks)

FY2008 (Mar. 31, 2009) : 128,037,848 shares FY2007 (Mar. 31, 2008) : 128,037,848 shares

2. The number of treasury stocks at end of term

FY2008 (Mar. 31, 2009) : 594,428 shares FY2007 (Mar. 31, 2008) : 573,255 shares

(Reference) Financial Summary (Non-Consolidated)

1. Business results of the year ended March 31, 2009 (From Apr. 1, 2008 to Mar. 31, 2009)

(1) Operational Results

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

	Net sales		Operating income (loss)		Ordinary income (loss)		Net income (loss)	
For the year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March, 2009	41,229	-17.0	(1,241)	-	5,503	-	363	-
March, 2008	49,647	-1.1	461	-83.0	(5,076)	-	(4,586)	-

	Basic net income (loss) per share	Diluted net income (loss) per share
For the year ended	Yen	Yen
March, 2009	2.86	2.57
March, 2008	(35.98)	-

(2) Financial Position

	Total assets	Net assets	Ratio of equity capital	Net assets per share
For the year ended	Millions of yen	Millions of yen	%	Yen
March, 2009	123,782	64,251	51.9	504.01
March, 2008	125,109	64,741	51.7	507.49

(Reference) Equity capital FY2008 (Mar. 31, 2009) : 64,232 million yen FY2007 (Mar. 31, 2008) : 64,687 million yen

Forward-Looking Statements

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.

1. Results of Operations (Consolidated)
(1) General Overview

(Millions of yen)

		Change (YoY)
Orders	81,470	- 19.7%
Backlog of orders	12,153	- 16.9%
Net sales	83,940	- 16.5%
Operating income (loss)	905	- 4,451
Ordinary income (loss)	170	+ 2,176
Net income (loss)	(3,540)	+ 359

During the fiscal year ended March 31, 2009, the economic slowdown resulting from the U.S. economic stagnation and financial instability triggered by the subprime mortgage crisis spread globally. Signs of global recession have appeared, particularly from the second half, when the financial crisis deepened. In Japan, the economic recession has progressively worsened, including rapid deterioration in corporate earnings, due to the impact of the global economic slowdown and the high yen.

In the field of communication networks, the shift to broadband with various systems and the move toward integration in wireline and wireless networks progressed, as did the numerous diverse services using these networks. In the field of mobile communications, investment in the development of Long-Term Evolution (LTE), a next-generation worldwide platform, has begun in earnest. While expansion of demand generated by new technologies and services is leading to the creation of new companies, the trend toward realignment and mergers among existing companies is accelerating.

In these conditions, the Anritsu Group continued to work energetically to achieve the targets of the initial plan for the fiscal year. In the Test and Measurement segment, Anritsu promoted measures to enhance profitability and strengthen competitiveness based on Management Innovation 2008, which restructures Anritsu’s strategy for profitable growth. In addition, Anritsu established a base in Russia, a growth market, and introduced new products to the market including measuring instruments for research and development of LTE. In the Industrial Automation segment, with needs for food safety and security increasing worldwide, Anritsu moved to strengthen business development outside of Japan and enhance its price competitiveness with measures that included establishing and starting local production at a development and manufacturing subsidiary in Thailand.

In addition, in January, 2009 Anritsu implemented urgent management measures in response to increasingly cataclysmic changes in its operating environment amid growing curtailment of capital investment and postponement of investment among customers from the second half, when the financial crisis and economic recession deepened globally. Anritsu diligently implemented measures to improve profitability for the fiscal year ending March 31, 2010 and beyond, including headcount reductions, integration of the production organization for the Test and Measurement segment in Japan and reorganization of production and development bases overseas.

For the fiscal year ended March 31, 2009, orders decreased 19.7 percent compared with the previous fiscal year to 81,470 million yen, and net sales decreased 16.5 percent to 83,940 million yen, as a result of growing curtailment of capital investment and postponement of investment among customers centered on the core Test and Measurement segment, particularly from the second half.

Operating income decreased 83.1 percent compared with the previous fiscal year to 905 million yen, due to factors including the impact of the high yen and the decrease in sales of the Test and Measurement business, but the Company achieved ordinary income of 170 million yen, compared with ordinary loss of 2,006 million yen in the previous fiscal year. Further, the shift of certain items from non-operating expenses to operating expenses due to the application of the “Accounting Standard for Measurement of Inventories”

(Accounting Standards Board of Japan (ASBJ) Statement No. 9) reduced operating income by 885 million yen.

Net loss totaled 3,540 million yen, compared with net loss of 3,900 million yen in the previous fiscal year, partly as a result of loss on revaluation of inventories due to the application of “Accounting Standard for Measurement of Inventories,” as well as the recording of business structure improvement expenses including special retirement benefits incurred through the implementation of the urgent management measures.

(2) Overview by Business Segment

(Millions of yen)

	Net sales		Operating income (loss)	
		Change (YoY)		Change (YoY)
Test and Measurement	57,449	- 21.0%	(791)	- 4,917
Information and Communications	5,200	- 9.5%	70	- 5
Industrial Automation	12,980	- 4.5%	596	- 218
Services & Others	8,309	- 1.3%	1,995	+ 69
Elimination or corporate	-	-	(966)	+ 620
Total	83,940	- 16.5%	905	- 4,451

1. Test and Measurement

This segment develops, manufactures and sells measuring instruments and systems for a variety of communications applications, including IP network and mobile communications, RF/microwave and millimeter wave communications, and service assurance, to telecom operators, manufacturers of related equipment, and maintenance and installation companies around the world.

During the fiscal year ended March 31, 2009, segment sales decreased due to factors including waning demand in Japan for measuring instruments used in research and development of 3G and 3.5G services and in manufacturing of mobile handsets. In addition, amid marked curtailment of capital investment and postponement of investment by customers against the background of the global economic slowdown from the second half, demand in the United States and other regions, which had been strong, dropped rapidly.

Consequently, and as a result of the impact of the high yen versus other currencies, segment sales decreased 21.0 percent compared with the same period of the previous fiscal year to 57,449 million yen. Operating loss was 791 million yen, compared with operating income of 4,126 million yen for the same period of the previous fiscal year, reflecting the substantial decrease in net sales, despite efforts to achieve greater efficiency in R&D investment and allocation of selling, general and administrative expenses through implementation of Management Innovation 2008. The shift of certain items from non-operating expenses to operating expenses due to the application of the “Accounting Standard for Measurement of Inventories” (Accounting Standards Board of Japan (ASBJ) Statement No. 9) reduced operating income by 868 million yen.

2. Information and Communications

The Information and Communications business carries out development, manufacturing and sale of video monitoring systems, telemeters and other public works information systems for delivery to Japanese government and municipal offices, including the Ministry of Land, Infrastructure, Transport and Tourism, and video distribution solutions and network bandwidth control equipment for Internet service providers and other customers.

For the fiscal year ended March 31, 2009, sales of equipment such as remote monitoring systems for local governments were solid, but overall segment sales substantially decreased as a result of disappointing result in video monitoring systems business where bidding is becoming more competitive. Consequently, segment sales decreased 9.5 percent compared with the previous fiscal year to 5,200 million yen. Despite the decrease in sales, the Company achieved operating income of 70 million yen, a decrease of 7.3 percent from the previous fiscal year, due to successful efforts to be selective in accepting orders and to reduce cost of sales.

The Information and Communications business is conducted by Anritsu Networks Co., Ltd., a wholly owned subsidiary of the Company.

3. Industrial Automation

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

During the fiscal year ended March 31, 2009, overall demand for food inspection equipment, including detectors for foreign substances, was firm in the first half due to rising concern for food safety and security. In the second half, however, there was a growing move among food manufacturers in Japan and overseas in general to curtail capital investment as a result of the global economic slowdown. Consequently, segment sales decreased 4.5 percent compared with the previous fiscal year to 12,980 million yen. Operating income decreased 26.8 percent to 596 million yen due to downward pressure on prices resulting from a strong yen, in addition to the decrease in sales.

The Industrial Automation business is conducted by Anritsu Industrial Solutions Co., Ltd., a wholly owned subsidiary of the Company.

4. Services and Others

This segment comprises devices, precision measurement, environmental, logistics, welfare services, real estate leasing and other businesses.

During the fiscal year ended March 31, 2009, demand was strong for optical communications devices for the video distribution market in the device business. In the precision measurement business, demand was firm for 3-D optical displacement sensors used in flat-panel display (FPD) inspection systems, but demand decreased for solder paste inspection systems used in high-density packaging lines due to customers' curtailment of capital investment. As a result, segment sales decreased 1.3 percent compared with the same period of the previous fiscal year to 8,309 million yen. Operating income increased 3.6 percent compared with the same period of the previous fiscal year to 1,995 million yen.

The precision measurement business is conducted as Anritsu Precision Co., Ltd., a wholly owned subsidiary of the Company established on April 1, 2008.

(3) Business Environment by Segment and Issues to be Dealt With

1. Test and Measurement

The Test and Measurement business, which accounts for approximately 70 percent of the Anritsu Group's net sales, is divided into the following three (3) sub-segments.

1) NGN and Infrastructure

The NGN and Infrastructure sub-segment includes network construction maintenance, monitoring and service quality assurance solutions for wireline and wireless service providers, and solutions for communication equipment manufacturer needs in areas including design, production and testing.

In this area, with the increasing popularity of broadband network services, in addition to broadband services such as music and video download and IPTV, new services such as cloud computing are now being offered. Further, internet access via mobile phones is growing rapidly as flat-rate data services for mobile phones expand. As a result, demand for higher-speed networks is rising with increasing data traffic. At the same time, there is demand to curb the ever-growing electricity consumption as an environmental measure.

In backbone networks, with the start of full-scale construction of 40Gbps networks that respond to the rapid increase in high-speed traffic and optical networks aimed at decreasing energy consumption, as well as full-fledged research and development for 100Gbps network equipment, demand for related measuring equipment is expected to increase. At the same time, establishment of NGN through IP networks is progressing worldwide, and Anritsu anticipates demand for related equipment due to the growth of this market.

In access networks, Anritsu anticipates demand for measuring instruments for high-speed wireline and wireless access as this market expands with the global shift to high-speed access.

In service assurance, increased demand is anticipated for solutions that ensure service quality due to the development of new services using networks as platforms. At the same time, demand for professional services is expected in this market due to the shortage of network engineers.

The NGN and Infrastructure sub-segment is working to expand and stabilize business by providing comprehensive solutions from constructing and monitoring communications infrastructure to ensuring service quality in addition to research and development solutions for telecommunications equipment.

2) Mobile Phone Handset

The Mobile Phone Handset sub-segment includes measuring instruments for mobile phone acceptance testing by mobile phone service operators, and for design, production, function and performance verification, and maintenance of mobile phone handsets by manufacturers of mobile phones, IC chipsets and relevant components.

Demand in this sub-segment tends to be influenced by factors including technological innovations in mobile phone services, the degree of diffusion, and the number of new subscribers, new mobile phone models and mobile phones shipped. Amid the accelerating popularity of broadband services for mobile phones, full-scale development has begun for IC chipsets and mobile handsets supporting LTE, the 3.9 generation (3.9G) technology, as LTE services are expected to begin in each region in 2010 or later. Expanded demand for related measuring equipment is expected as a result. Anritsu worked to expand orders received by promptly launching new products for use in research and development of LTE handsets. Further, the Company is working to enhance its portfolio of solutions for the LTE handset market and maintain and expand market position by optimally employing the technologies gained in this process to continue developing and launching competitive products to meet expected demand for conformance testing (to confirm interconnectivity) and measuring equipment for manufacturing LTE handsets. Mobile phone handset unit sales are expected to decrease in 2009 compared with the previous year due to curtailed consumer spending resulting from the global economic slowdown. However, new demand is expected due to factors including stimulation of the handset manufacturing market by the start of 3G services in China. Anritsu will work to further expand business for accurately meeting this demand by providing competitive products such as measuring equipment for manufacturing 3G handsets, including TD-SCDMA.

3) General Purpose

The General Purpose Measuring Instruments sub-segment includes measuring instruments widely used in the electronics industry, particularly for design, production and evaluation of electronic devices used in telecommunications network-related communications equipment and other electronic equipment.

Demand in this sub-segment is expected to grow in the long term, but the short-term outlook is unclear due to the cutback in production of electronic components used in telecommunications equipment, automobiles and intelligent home appliances. Sales of handheld measuring instruments incorporating compact, high-density packaging and energy-saving technologies, an Anritsu strength, are growing even amid challenging market conditions. Anritsu will offer a wider range of applications for these markets, and work to further expand the business in this sub-segment by enhancing its lineup of network analyzers, spectrum analyzers and signal generators.

2. Information and Communications

The Information and Communications business accounts for about 5 percent of Anritsu Group’s net sales. It is easily influenced by the budgets of the national and local governments because a high proportion of its sales are for delivery to the government market. In addition, because of the connection with customers’ budget implementation periods, approximately 50 percent or more of its sales tend to be concentrated in the fourth quarter.

In the government market, although investment related to disaster prevention and IP infrastructure development continues to increase, the decline in overall spending for public works projects persists. In the private-sector market, demand is increasing for bandwidth control equipment for maintaining Quality of Service (QoS) due to expansion of video distribution and other services.

To address these factors, Anritsu Group will work to expand sales and improve profitability by offering high-quality solutions based on IP network technologies, an Anritsu Group strength, while further promoting its model of business cooperation with system integrators.

3. Industrial Automation

The Industrial Automation business accounts for about 15 percent of Anritsu Group’s net sales. Since approximately 80 percent of segment sales are made to food manufacturers, this segment is substantially influenced by the impact of economic growth rate and changes in consumer spending levels on food manufacturers’ business results. Its core products, metal detectors and X-ray inspection systems, have achieved the leading share in the market for inspection systems due to their high speed and high precision in detecting metal fragments and other alien materials in the food processing process. Promoting investment aimed at expanding market share in Asia, the United States and Europe resulted in an overseas sales ratio of approximately 30 percent.

Demand is for quality control inspection solutions is expected to remain comparatively firm due to continuing interest among manufacturers as food safety and security incidents rock Japan and overseas. However, there are grounds for concern, including curtailed capital investment by food manufacturers in Japan and overseas against a background of uncertainty about the future of the economy and a decline in cost competitiveness in overseas markets due to the strong yen. To address these factors, Anritsu will begin full-scale overseas production aimed at lowering production and distribution costs, and continue working to strengthen the price competitiveness of this business segment by commoditizing and standardizing basic units and reducing costs.

(4) Outlook for the Fiscal Year Ending March 31, 2010

For the year ending March 31, 2010, the global economy is expected to continue deteriorating. It will be necessary to keep a careful watch on factors including financial system insecurity and exchange rate trends and the resulting worsening of corporate profitability.

In this severe market environment, the Anritsu Group will deploy the following measures.

In the Test and Measurement segment, Anritsu aims to raise profitability by implementing the measures in Management Innovation 2008 announced in January 2008 and the urgent management measures announced in January 2009. In the Mobile Handset sub-segment, Anritsu will focus on enhancing the lineup of measurement instruments used for 3.9G LTE handsets, which are becoming mainstream. Anritsu will continue to promote the launch of new products that match market needs by getting closer to customers through sharing development road maps with key customers and strengthening its product planning ability. The Company will also work to further reduce costs by increasing management efficiency through the integration of production organizations in Japan and overseas.

In the Information and Communications segment, Anritsu will work to increase profitability by boosting the competitiveness of its IP network solutions and strengthening cooperation with system integrators.

In the Industrial Automation segment, while strengthening cost-cutting to improve profitability, Anritsu aims to expand business by promoting a product strategy of higher added value and differentiation, as well as further accelerating business development in overseas markets, such as beginning full-scale overseas production.

The performance forecast for the year ending March 31, 2010 is shown on page **9**.

In the core Test and Measurement segment, Anritsu anticipates sales growth in markets related to LTE, 3.9G mobile communications, but expects overall sales to decline in other Test and Measurement businesses due to continued curtailment of capital investment by customers. Anritsu projects total net sales of 76.0 billion yen, a 9.5 percent decrease compared with the year ended March 31, 2009.

Anritsu projects operating income of 2.2 billion yen, by 2.4 times operating income in the fiscal year ended March 31, 2009, due to reductions of fixed costs resulting from Management Innovation 2008 and the urgent management measures.

BUSINESS FORECAST FOR THE FISCAL YEAR ENDING MARCH 31, 2010

(Millions of yen)

	1st half of FY2009	FY2009
Net sales	35,000	76,000
Operating income (loss)	(300)	2,200
Ordinary income (loss)	(900)	1,000
Net income (loss)	(1,000)	500

Assumed exchange rate; 1US$=90Yen

(For Reference)

SEGMENT INFORMATION

(Millions of yen)

	FY2007		FY2008		FY2009 (Forecast)	
	From Apr. 1, 2007 To Mar. 31, 2008	%Change	From Apr. 1, 2008 To Mar. 31, 2009	%Change	From Apr. 1, 2009 To Mar. 31, 2010	%Change
Net sales	100,485	+ 1.0	83,940	- 16.5	76,000	- 9.5
Industry segment						
Test and Measurement	72,717	- 0.2	57,449	- 21.0	51,000	- 11.2
Info. and Comm.	5,749	- 4.4	5,200	- 9.5	5,000	- 3.9
Industrial Automation	13,595	+ 10.6	12,980	- 4.5	12,000	- 7.6
Services and Others	8,422	+ 2.0	8,309	- 1.3	8,000	- 3.7
Market						
Japan	44,280	- 1.7	37,459	- 15.4	36,500	- 2.6
Overseas	56,204	+ 3.3	46,480	- 17.3	39,500	- 15.0
Americas	19,557	+ 2.8	16,365	- 16.3	14,000	- 14.5
EMEA	19,092	+ 4.6	14,870	- 22.1	12,000	- 19.3
Asia and Others	17,554	+ 2.6	15,244	- 13.2	13,500	- 11.4

(Note) 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. Analysis of Financial Position

(1) Assets, Liabilities and Net Assets

	(Millions of yen)
Total assets	100,983
Liabilities	63,458
Net assets	37,524

Total assets, total liabilities and total net assets as of March 31, 2009 were as follows.

Total assets decreased 23,934 million yen compared with the end of the previous fiscal year to 100,983 million yen. A factor in the decrease was the application of “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ, Practical Issues Task Force No. 18), which reduced intangible fixed assets. Consequently, goodwill and intangible fixed assets decreased 8,354 million yen and 1,912 million yen, respectively. In current assets, notes and accounts receivable – trade decreased 7,187 million yen, and inventories decreased 5,922 million yen.

Total liabilities decreased 8,613 million yen compared with the end of the previous fiscal year to 63,458 million yen. This was mainly due to repayment of loans, as well as to reduction of notes and accounts payable – trade. Long-term debt in long-term liabilities decreased and short-term debt in current liabilities increased because 7,800 million yen in long-term debt became due for payment within one year.

Total net assets decreased 15,320 million yen compared with the end of the previous fiscal year to 37,524 million yen. Factors in the decrease included the net loss and the application of "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements," which reduced retained earnings. As a result, the ratio of equity capital was 37.1 percent, compared with 42.3 percent at the end of the previous fiscal year.

(2) Summarized Consolidated Cash Flows

	(Millions of yen)
Cash flows from operating activities	6,916
Cash flows from investing activities	(1,326)
Cash flows from financing activities	(3,847)
Cash and cash equivalents at end of period	18,538

In the year ended March 31, 2009, cash and cash equivalents on a consolidated basis (hereafter, “net cash”) increased 1,853 million yen from the end of the previous fiscal year to 18,538 million yen.

Free cash flow, the sum of cash flows from operating activities and cash flows from investing activities, was positive 5,589 million yen (compared with positive 3,877 million yen in the previous fiscal year).

Conditions and factors for each category of cash flow for the fiscal year are as follows.

1. Cash Flows from Operating Activities

Net cash provided by operating activities was 6,916 million yen (in the previous fiscal year, operating activities provided net cash of 6,251 million yen). Primary factors were a decrease in notes and accounts receivable – trade and the effects of measures to restrain inventories, which included more efficient management of demonstration products used in sales promotions as part of Management Innovation 2008 initiatives.

Depreciation and amortization was 3,181 million yen, a decrease of 166 million yen compared with the previous fiscal year.

2. Cash Flows from Investing Activities

Net cash used in investing activities was 1,326 million yen (in the previous fiscal year, investing activities used net cash of 2,373 million yen). The primary reason was acquisition of property, plant and equipment totaling 1,912 million yen, a decrease of 525 million yen compared with the same period of the previous fiscal year.

3. Cash Flows from Financing Activities

Net cash used in financing activities was 3,847 million yen (in the previous fiscal year, financing activities used net cash of 6,625 million yen). In addition to cash dividends paid, this was mainly due to repayment of loans at an overseas subsidiary.

Moreover, in the previous fiscal year Anritsu reduced long-term debt by repaying a 7.0 billion yen syndicated loan, but also issued its fourth series of unsecured bonds totaling 10.0 billion yen and took out a long-term syndicated loan of 7.0 billion yen mainly to procure funds for the redemption of the third series of unsecured bonds totaling 15.0 billion yen.

(3) Financial Condition

Anritsu's Group's funding requirements are mainly working capital such as material purchase costs and operating expenses incurred in manufacturing, sales and marketing of products, as well as capital investment funds and research and development expenses. In addition, despite continuing turmoil in financial markets resulting from the deepening global economic and financial crisis triggered by the subprime mortgage crisis in the United States, Anritsu Group established a committed 15.0 billion yen line of credit in April 2008 (effective until March 2011), thus securing stable financing. A debt covenant was added to the 7.0 billion yen syndicated loan the Company entered into with multiple financial institutions as a long-term loan in the previous fiscal year. Looking forward, while preparing for unforeseen financial risks, both domestic and overseas, in a dramatically changing market environment, Anritsu Group will swiftly and flexibly meet its capital requirements for working capital, regular repayment of long-term borrowings and business growth.

In the year ended March 31, 2009, Anritsu continuously made progress in reducing interest-bearing debt. As a result, the balance of interest-bearing debt was 43.6 billion yen (compared with 47.0 billion yen at the end of the previous fiscal year). However, due to the decrease in shareholders’ equity, the net debt-to-equity ratio was 0.67 (compared with 0.57 at the previous fiscal year-end), and the debt-to-equity ratio was 1.16 (compared with 0.89 at the previous fiscal year-end).

The Company will use increased cash flow generated by improvements in adjusted current earnings (net operating income after tax less an adjustment for the cost of capital) and asset turnover as well as enhanced capital efficiency resulting from measures including an internal Group cash management system to make further reductions in interest-bearing debt, improve the net debt-to-equity ratio, enhancing shareholders’ equity and fortify its financial structure.

At the end of March 2009, Rating and Investment Information, Inc. (R&I) rated Anritsu’s short-term debt a-2, and its long-term debt BBB. Anritsu will continue working to enhance its financial stability in order to improve its debt rating.

(Notes)

Net debt-to-equity ratio: (Interest-bearing debt – cash and cash equivalents) / Equity Capital

Debt-to-equity ratio: Interest-bearing debt / Equity Capital

(4) Cash Flow Outlook for the Year Ending March 31, 2010

1. Cash Flows from Operating Activities

Anritsu plans to increase cash provided by operating activities by making more effective use of operating assets such as inventories and notes and accounts receivable - trade. In particular, with respect to inventories, by conducting thorough supply chain management, including production innovation, the Company aims to raise the turnover ratio on the end-of-period balance of inventories to net sales from 5.7 times to 6.0 times or higher over the medium term.

2. Cash Flows from Investing Activities

Anritsu expects investing activities to use net cash in the year ending March 31, 2010.

The Company plans to focus capital investment on strengthening the foundation of the development environment, but the scale of investment is expected to decrease substantially compared with the fiscal year ended March 31, 2009.

3. Cash Flows from Financing Activities

Anritsu expects the balance of interest-bearing debt to increase from the fiscal year ended March 31, 2009. The Company expects to repay 7.0 billion yen in long-term loans in September 2009.

(5) Indicator Trend of Consolidated Cash Flows

	Year Ended March 31, 2006	Year Ended March 31, 2007	Year Ended March 31, 2008	Year Ended March 31, 2009
Shareholders' equity / Total assets (%)	40.0	43.9	42.3	37.1
Market capitalization / Total assets (%)	61.9	51.0	28.4	29.4
Interest bearing liabilities / Operating cash flows (years)	11.1	21.3	7.5	6.3
Operating cash flows / Interest expense (times)	5.6	1.9	6.2	9.8

(Notes)

1. *All indicators are calculated on a consolidated basis.*
2. ***Market capitalization** is calculated by multiplying the total number of shares outstanding at the end of the period (excluding treasury stock) by the closing share price at the end of the period.*
3. ***Interest-bearing liabilities** are liabilities stated on the consolidated balance sheets on which interest is paid (including zero coupon bonds with stock acquisition rights).*
4. ***Operating cash flows** and **Interest expense** are as reported in the consolidated statement of cash flows.*
5. *The terms which operating cash flows was negative don't calculate **Interest bearing liabilities / Operating cash flows** and **Operating cash flows / Interest expense.***

3. Profit Distribution Policy and Dividends for the Years Ended/Ending March 31, 2009 and March 31, 2010

Anritsu considers the return of profits to shareholders a management priority. Its basic policy for paying dividends from surplus funds is to increase the ratio of dividends on consolidated equity (DOE) to reflect the level of income during the consolidated period while comprehensively taking into account factors such as the operating environment and the outlook for results in the next fiscal year. The Company’s policy is to apply retained earnings to research and development and capital investment in order to respond to rapid technological advances and changes in the market structure.

The Company’s basic policy regarding distribution of surplus funds is to make two distributions of dividends annually, consisting of a fiscal year-end dividend by resolution of the General Meeting of Shareholders and an interim dividend approved by the Board of Directors.

As announced on January 28, 2009, Anritsu does not plan to pay a year-end dividend for the fiscal year ended March 31, 2008. As a result, total dividends for the fiscal year will be 3.50 yen per share.

In addition to the extremely unclear operating environment for the fiscal year ending March 31, 2010, Anritsu projects that it will take considerable time for financial markets to return to normal. The Company therefore believes it is necessary to prioritize increasing available liquidity. Accordingly, with apologies to shareholders, we have decided not to pay dividends for the fiscal year ending March 31, 2010.

4. Risk Information

(1) Inherent Risks In Anritsu Group's Technology and Marketing Strategies

Anritsu Group works to deploy its well-developed technological capabilities to promptly provide cutting-edge products and services that offer value to customers. However, the rapid pace of technological innovation in Anritsu Group’s core information and communication markets and Anritsu Group’s ability to deliver products and services in a timely manner to meet the needs and wants of customers are factors that have the potential to exert a material impact on Anritsu Group’s results.

Amid advances in mobile phone and internet protocol (IP) technologies, an especially important point is the ability to provide customers with timely solutions based on an accurate understanding of trends in research and development investment and service for quad play services incorporating data, voice, video and mobile service, as well as Fixed Mobile Convergence (FMC) and NGN.

(2) Market Fluctuation Risk

External factors including changes in the economy or market conditions and technological innovation affect the profitability of product lines the Group develops and have the potential to exert a significant material impact on the Anritsu Group’s results.

Because a high percentage of Test and Measurement segment sales are in the telecommunications market, capital investment trends among telecom operators, telecommunications equipment manufacturers and electronic component manufacturers have the potential to exert a material effect on business results. Telecom operators are progressively adopting technologies to handle rapid increases in data traffic. However, due to the global economic recession, they are also increasingly adopting shared open network use in order to curtail capital investment and increase service development efficiency. Moreover, business results for the mobile communications measuring instrument field, the cornerstone of earnings for the Anritsu Group, are affected by changes in technological innovation in mobile phone services, the number of subscribers and the replacement ratio for mobile phones. Business results are also affected by factors including changes in development methods as seen in the shift to mobile phone software platforms and response to intensifying price competition in measuring instruments used in handset production.

The Information and Communications business has a high proportion of sales to government entities, and the scale and status of implementation of government and municipal budgets for disaster prevention and IP networks may exert a material impact on its performance.

In the Industrial Automation business, sales to food manufacturers constitute about 80 percent of sales. Economic growth rates, consumer spending and raw material price trends have the potential to impact performance, capital investment and other issues among food manufacturers and materially influence its performance.

(3) Global Business Development Risks

Anritsu Group markets its products globally, and conducts business in the Americas, Europe, Asia and elsewhere. In particular, the overseas sales ratio for the Test and Measurement business is about 70 percent, and many customers likewise operate on a global scale. As a result, economic trends in countries worldwide, international conditions and progress in Anritsu Group's global strategy have the potential to exert a material impact on earnings. Of particular importance are the vertiginous changes in the competitive landscape resulting from the surge in global-scale mergers, acquisitions and realignment in the telecommunications industry as it reacts to the global economic recession that began in the United States. These changes are expected to continue. Significant changes in the resulting capital investment trends of key customers have the potential to exert a material impact on the Anritsu Group's operating results.

(4) Foreign Exchange Risk

Anritsu Group's sales outside Japan account for 55.4 percent of consolidated net sales. Anritsu Group hedges foreign exchange risk using instruments including forward foreign exchange contracts for foreign exchange transactions that occur upon collection of accounts receivable and other events. However, rapid changes in foreign exchange rates have the potential to exert a material impact on Anritsu Group's performance.

(5) Long-term Inventory Obsolescence Risk

Anritsu Group works to provide products and services that precisely meet customer needs and wants. However, particularly in the test and measuring instruments market, product lines are subject to rapid change in technology, which can easily result in obsolescent of products and parts, and cause inventory held for long periods to lose its value. These factors have the potential to exert a material impact on Anritsu Group's financial condition.

(6) Risk of Loss of Goodwill

As of March 31, 2009, the Anritsu Group recorded goodwill resulting from the acquisition of an overseas company for the purpose of expanding the territory of the Test and Measurement business. The impact on earnings of the Test and Measurement business from changes in the global economy and markets, intensifying competition and other factors has the potential to cause the Group to recognize a loss of goodwill.

Management Policies

1. Basic Policy

The management philosophy of Anritsu Corporation is to contribute to creating an affluent ubiquitous network society by providing "original & high-level" products and services with sincerity, harmony and enthusiasm. Based on this, Anritsu's Company Commitment is focused on high return for shareholders, win-win relationships with customers, employees who are proud of Anritsu, and contribution to society as a good citizen.

The Anritsu Group has built a solid base of customer trust with its portfolio of communications, test and measurement and inspection technologies that it has built up over the more than 110 years since its founding. These core technologies support the Group’s current businesses, including Test and Measurement, Information and Communications, and Industrial Automation, and are a source of its corporate value. Strong relationships with suppliers and good workplace relationships based on trust are also key management resources and another source of corporate value.

The Anritsu Group will continue working to raise corporate value by maximizing its use of these management resources while contributing to the realization of a safe, secure, and comfortable society.

2. Management Targets

Anritsu aims to maximize corporate value by managing its operations with a focus on consolidated cash flow. In addition, to evaluate the added value generated by capital invested, Anritsu uses an original metric, ACE (Anritsu Capital-cost Evaluation), for evaluating the results of each business.

In the year ending March 31, 2009, Anritsu was aiming to be a company with a high earnings-oriented structure, with consolidated ACE of 5.0 billion yen and a consolidated operating margin of 10 percent or higher.

However, as progress so far has fallen short of targets, Anritsu resolved to implement measures under Management Innovation 2008 in January 2008 and reduce fixed costs by formulating the urgent management measures in January 2009. The Company will work to reconstruct its strategy for profitable growth by improving profitability and strengthening competitiveness.

Main numerical management targets and progress toward achieving them are as follows.

	Year Ended March 31, 2006	Year Ended March 31, 2007	Year Ended March 31, 2008	Year Ended March 31, 2009	Year Ended March 31, 2009 （Targets）
ACE (Billions of yen)	(3.1)	(1.3)	(0.7)	(4.9)	5.0
ROE	0.9%	2.2%	(6.8)%	(7.8)%	10.0%
Operating Income to Net Sales	5.0%	6.4%	5.3%	1.1%	10.4%

ACE: After-tax operating income – Cost of capital

3. Medium- and Long-Term Management Strategy and Issues to be Dealt With

Based on the Mid-term Business Plan Anritsu Global LP 2008, Anritsu aims to become a company that contributes to the realization of a safe, secure, and comfortable society. During the fiscal year ended March 31, 2009, the Anritsu Group worked to effectively utilize Group resources under Management Innovation 2008.

The telecommunications industry is currently undergoing significant structural changes in conjunction with the advance of the ubiquitous network society, including fixed-mobile convergence, the integration of communications and broadcasting, and the construction of the IP-based next-generation network (NGN). In response to these structural changes, the Anritsu Group aims to expand the scope of its business to include the provision of network quality and service quality assurance as the global market leader in the field of communications measuring instruments. However, with notable customer curtailment in capital investment due to the worsening business environment in the fiscal year ended March 31, 2009, sales and operating income fell substantially short of initial targets. For the fiscal year ending March 31, 2010, Anritsu will work to realize its strategy for profitable growth through continuing implementation of Management Innovation 2008.

In the Information and Communications segment, Anritsu will promote the provision of new solutions for the public sector, including disaster prevention, with IP network technologies at their core. At the same time, the Company will work to expand the customer base beyond its traditional government market to include telecom operators and other private-sector entities by leveraging its traffic smoothing and other bandwidth control technologies for networks.

In the Industrial Automation business, with awareness of food safety rising around the world, Anritsu will work to develop business globally in ways such as strengthening its support framework for overseas customers, based on its core of highly competitive quality control (QC) inspection technologies.

Steady implementation of these strategies requires appropriately managing and reducing risks and transforming them from impediments into a source of competitive advantage. For this reason, Anritsu will strive to achieve its management targets by making ongoing improvements to the risk management system that incorporate upgrades to the internal control system, which the Company is currently devoted to promoting.

The Anritsu Group believes that honest business practices enhance corporate value, and will continue to actively conduct corporate social responsibility (CSR) activities. Anritsu intends to go beyond what it considers to be its primary CSR activity - contributing to the realization of a safe, secure, and comfortable society through its products and services - to review the activities of the entire Group in all areas of corporate social responsibility, including compliance, corporate governance, the environment, human rights and risk management. Doing so will lead to further improvement of the Group's management infrastructure. By attaining its desired future form through these ongoing CSR activities, Anritsu will raise its value for customers, shareholders, employees and all other stakeholders, and in doing so, contribute to achieving its management targets.

Consolidated Balance Sheets

(Unit: Millions of yen; round down)

Assets	FY2007 as of 3.31.08 (A)	FY2008 as of 3.31.09 (B)	(B) - (A)	Liabilities and Net assets	FY2007 as of 3.31.08 (A)	FY2008 as of 3.31.09 (B)	(B) - (A)
Assets	124,917	100,983	(23,934)	**Liabilities**	72,071	63,458	(8,613)
Current assets	75,659	62,286	(13,373)	Current liabilities	27,435	28,062	627
Cash and deposits	17,384	18,538	1,153	Notes payable-trade	7,269	5,020	(2,249)
Notes and accounts receivable-trade	27,616	20,428	(7,187)	Short-term loans payable	6,276	11,601	5,325
[Inventories]	[20,652]	[14,729]	[(5,922)]	Income taxes payable	830	889	59
Finished goods	9,018	6,029	(2,989)	Provision for directors' bonuses	27	7	(19)
Raw materials	6,430	5,024	(1,406)	Other	13,031	10,542	(2,488)
Work in process	5,202	3,675	(1,527)	Noncurrent liabilities	44,636	35,395	(9,240)
Deferred tax assets	9,071	7,542	(1,528)	Bonds payable	10,000	10,000	-
Other	1,353	1,392	38	Bonds with subscription rights to shares	15,000	15,000	-
Allowance for doubtful accounts	(418)	(344)	74	Long-term loans payable	15,734	7,003	(8,730)
Noncurrent assets	49,258	38,697	(10,561)	Deferred tax liabilities	865	659	(205)
Property, plant and equipment	21,946	20,986	(959)	Provision for retirement benefits	1,866	1,630	(235)
Buildings and structures, net	13,306	12,693	(612)	Provision for directors' retirement benefits	32	20	(12)
Machinery, equipment and vehicles, net	2,027	2,105	77	Provision for bonuses	8	-	(8)
Tools, furniture and fixtures	2,056	1,806	(250)	Other	1,129	1,081	(48)
Land	4,397	4,380	(17)				
Construction in progress	157	0	(156)	**Net assets**	52,845	37,524	(15,320)
Intangible assets	15,368	4,380	(10,988)	Shareholders' equity	58,540	43,810	(14,729)
Goodwill	12,518	3,523	(8,994)	Capital stock	14,049	14,049	-
Other	2,850	856	(1,993)	Capital surplus	22,999	22,999	-
Investments and other assets	11,943	13,330	1,387	Retained earnings	22,322	7,593	(14,728)
Investment securities	1,612	1,448	(164)	Treasury stock	(831)	(832)	(1)
Deferred tax assets	1,849	2,985	1,135	Valuation and translation adjustments	(5,749)	(6,305)	(556)
Long-term prepaid expenses	7,614	8,318	704	Valuation difference on available-for-sale securities	183	258	74
Other	890	613	(277)	Deferred gains or losses on hedges	(22)	(21)	1
Allowance for doubtful accounts	(24)	(35)	(11)	Foreign currency translation adjustment	(5,910)	(6,542)	(632)
				Subscription rights to shares	54	19	(34)
TOTAL	124,917	100,983	(23,934)	TOTAL	124,917	100,983	(23,934)

Consolidated Statements of Income

(Unit: Millions of yen; round down)

	FY2007 From April 1, 2007 to March 31, 2008(A)		FY2008 From April 1, 2008 to March 31, 2009(B)		Change	
	Amount	%	Amount	%	(B) - (A)	%
Net sales	100,485	100.0	83,940	100.0	(16,545)	-16.5
Cost of sales	56,474	56.2	52,005	62.0	(4,468)	-7.9
Gross profit	44,011	43.8	31,934	38.0	(12,077)	-27.4
Selling, general and administrative expenses	38,655	38.5	31,029	37.0	(7,625)	-19.7
Operating income	5,356	5.3	905	1.1	(4,451)	-83.1
Interest income	254		176		(77)	
Dividends income	38		34		(3)	
Other	444		311		(132)	
Non - operating income	737	0.7	522	0.6	(214)	-29.1
Interest expenses	888		706		(181)	
Foreign exchange losses	258		265		6	
Loss on disposal of obsolete inventories	2,426		21		(2,405)	
Loss on valuation of inventories	3,221		-		(3,221)	
Other	1,304		263		(1,041)	
Non - operating expenses	8,099	8.0	1,257	1.5	(6,842)	-84.5
Ordinary income	(2,006)	-2.0	170	0.2	2,176	-
Gain on revision of retirement benefit plan	-		1,201		1,201	
Compensation income for expropriation	-		98		98	
Gain on reversal of subscription rights to shares	-		34		34	
Gain on sales of noncurrent assets	35		-		(35)	
Extraordinary income	35	0.0	1,334	1.6	1,299	-
Business structure improvement expenses	-		2,213		2,213	
Loss on valuation of inventories	-		1,357		1,357	
Loss on valuation of investment securities	29		169		139	
Management innovation implementation expenses	1,156		-		(1,156)	
Extraordinary Loss	1,186	1.2	3,741	4.5	2,555	215.4
Income before income taxes	(3,156)	-3.2	(2,236)	-2.7	920	-
Income taxes-current	435	0.4	1,175	1.3	739	169.7
Income taxes-deferred	307	0.3	129	0.2	(178)	-58.0
Net income	(3,900)	-3.9	(3,540)	-4.2	359	-

Consolidated Statements of Changes in Net Assets

(Unit: Millions of yen; round down)

	FY2007 (From April 1, 2007 to March 31, 2008)	FY2008 (From April 1, 2008 to March 31, 2009)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	14,049	14,049
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	14,049	14,049
Capital surplus		
Balance at the end of previous period	22,999	22,999
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	22,999	22,999
Retained earnings		
Balance at the end of previous period	27,116	22,322
Changes of items during the period		
Dividends from surplus	△892	△892
Net income	△3,900	△3,540
Disposal of treasury stock	△1	△4
Other	-	△10,290
Total changes of items during the period	△4,794	△14,728
Balance at the end of current period	22,322	7,593
Treasury stock		
Balance at the end of previous period	△824	△831
Changes of items during the period		
Purchase of treasury stock	△9	△7
Disposal of treasury stock	2	6
Total changes of items during the period	△7	△1
Balance at the end of current period	△831	△832
Total shareholders' equity		
Balance at the end of previous period	63,341	58,540
Changes of items during the period		
Dividends from surplus	△892	△892
Net income	△3,900	△3,540
Purchase of treasury stock	△9	△7
Disposal of treasury stock	1	1
Other	-	△10,290
Total changes of items during the period	△4,801	△14,729
Balance at the end of current period	58,540	43,810

Consolidated Statements of Changes in Net Assets

(Unit: Millions of yen; round down)

	FY2007 (From April 1, 2007 to March 31, 2008)	FY2008 (From April 1, 2008 to March 31, 2009)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	705	183
Changes of items during the period		
Net changes of items other than shareholders' equity	△521	74
Total changes of items during the period	△521	74
Balance at the end of current period	183	258
Deferred gains or losses on hedges		
Balance at the end of previous period	△1	△22
Changes of items during the period		
Net changes of items other than shareholders' equity	△21	1
Total changes of items during the period	△21	1
Balance at the end of current period	△22	△21
Foreign currency translation adjustment		
Balance at the end of previous period	△2,441	△5,910
Changes of items during the period		
Net changes of items other than shareholders' equity	△3,469	△632
Total changes of items during the period	△3,469	△632
Balance at the end of current period	△5,910	△6,542
Total valuation and translation adjustments		
Balance at the end of previous period	△1,736	△5,749
Changes of items during the period		
Net changes of items other than shareholders' equity	△4,012	△556
Total changes of items during the period	△4,012	△556
Balance at the end of current period	△5,749	△6,305
Subscription rights to shares		
Balance at the end of previous period	13	54
Changes of items during the period		
Net changes of items other than shareholders' equity	40	△34
Total changes of items during the period	40	△34
Balance at the end of current period	54	19
Total net assets		
Balance at the end of previous period	61,619	52,845
Changes of items during the period		
Dividends from surplus	△892	△892
Net income	△3,900	△3,540
Purchase of treasury stock	△9	△7
Disposal of treasury stock	1	1
Other	-	△10,290
Net changes of items other than shareholders' equity	△3,972	△590
Total changes of items during the period	△8,773	△15,320
Balance at the end of current period	52,845	37,524

Consolidated Statements of Cash Flows

Year ended March 31, 2009 and 2008

(Unit: Millions of yen; round down)

	FY 2007 From April 1, 2007 to Mar 31, 2008 (A)	FY 2008 From April 1, 2008 to Mar 31, 2009 (B)	Change (B) - (A)
Net cash provided by operating activities			
Loss before income taxes	(3,156)	(2,236)	920
Depreciation and amortization	3,347	3,181	(166)
Amortization of goodwill	640	640	0
Decrease in allowance for doubtful accounts	(26)	(28)	(2)
Decrease in provision for bonuses	(39)	(8)	30
Interest and dividends income	(292)	(210)	81
Interest expenses	888	706	(181)
Foreign exchange losses	4	7	3
Gain on sales of investment securities	-	(5)	(5)
Loss on valuation of investment securities	29	169	139
Loss on sales and retirement of property, plant and equipment	65	57	(7)
Decrease (increase) in notes and accounts receivable - trade	(1,590)	5,811	7,402
Decrease of inventories	4,961	5,635	673
Increase (Decrease) in notes and accounts payable - trade	1,035	(1,225)	(2,260)
Increase (Decrease) in provision for retirement benefits	125	(235)	(360)
Increase in prepaid pension costs	(124)	(710)	(586)
Decrease in provision for directors' bonuses	(39)	(19)	19
Decrease in consumption taxes refund receivable	119	38	(81)
Decrease in accrued consumption taxes	(29)	(4)	25
Other, net	1,774	(3,111)	(4,886)
Sub Total	7,694	8,452	758
Interest and dividends income received	291	210	(80)
Interest expenses paid	(1,008)	(707)	301
Income taxes paid	(878)	(1,136)	(258)
Income taxes refund	152	96	(55)
Net cash provided by operating activities	6,251	6,916	665
Net cash used in investment activities			
Decrease in time deposits	-	700	700
Purchase of property, plant and equipment	(2,437)	(1,912)	525
Proceeds from sales of property, plant and equipment	132	34	(98)
Purchase of investment securities	(2)	(3)	(0)
Proceeds from sales of investment securities	-	5	5
Other, net	(65)	(150)	(84)
Net cash used in investment activities	(2,373)	(1,326)	1,047
Net cash used in financing activities			
Net decrease in short-term loans payable	(244)	(1,790)	(1,546)
Proceeds from long-term loans payable	7,640	-	(7,640)
Repayment of long-term loans payable	(8,120)	(975)	7,144
Proceeds from issuance of bonds	10,000	-	(10,000)
Redemption of bonds	(15,000)	-	15,000
Cash dividends paid	(892)	(892)	0
Purchase of treasury stock	(9)	(7)	2
Proceeds from sales of treasury stock	1	1	0
Other, net	-	(184)	(184)
Net cash used in financing activities	(6,625)	(3,847)	2,777
Effect of exchange rate change on cash and cash equivalents	(514)	111	625
Net increase (decrease) in cash and cash equivalents	(3,261)	1,853	5,115
Cash and cash equivalents at beginning of period	19,946	16,684	(3,261)
Cash and cash equivalents at end of period	16,684	18,538	1,853

Segment Information

Year ended March 31, 2009 and 2008

1. Information by industry segment

Year ended March 31, 2008 (From April 1, 2007 to March 31, 2008) (Unit : Millions of Yen ; round down)

	Test and Measurement	Information and Communications	Industrial Automation	Services and Others	Total	Elimination or corporate	Consolidated
Net sales :							
Outside customers	72,717	5,749	13,595	8,422	100,485	-	100,485
Inter - segment	176	4	35	3,240	3,457	(3,457)	-
Total	72,894	5,754	13,631	11,663	103,942	(3,457)	100,485
Operating expenses	68,767	5,677	12,816	9,737	96,999	(1,869)	95,129
Operating income	4,126	76	814	1,925	6,943	(1,587)	5,356
Identifiable assets	80,560	7,551	10,565	16,480	115,157	9,760	124,917
Depreciation and amortization	2,242	98	176	627	3,145	227	3,373
Capital expenditures	2,162	82	192	284	2,721	68	2,790

Year ended March 31, 2009 (From April 1, 2008 to March 31, 2009) (Unit : Millions of Yen ; round down)

	Test and Measurement	Information and Communications	Industrial Automation	Services and Others	Total	Elimination or corporate	Consolidated
Net sales :							
Outside customers	57,449	5,200	12,980	8,309	83,940	-	83,940
Inter - segment	165	0	20	2,820	3,006	(3,006)	-
Total	57,614	5,201	13,001	11,129	86,946	(3,006)	83,940
Operating expenses	58,405	5,130	12,404	9,134	85,074	(2,039)	83,035
Operating income	(791)	70	596	1,995	1,871	(966)	905
Identifiable assets	63,580	6,847	10,309	15,015	95,752	5,230	100,983
Depreciation and amortization	2,052	85	205	596	2,939	159	3,099
Capital expenditures	1,391	56	161	543	2,153	82	2,236

(Notes) 1. Segments are classified by the company for internal management purposes.
2. Main products of each industry segment
(1)Test and Measurement …… Measuring instruments for Digital communications and IP network, Optical communications equipment , Mobile communications equipment, RF / microwave and millimeter wave communications equipment /systems, Service assurance
(2)Information and Communications …… Public information systems, Video distribution systems, IP network equipment
(3)Industrial Automation …… Checkweighers, Automatic combination weighers, Inspection equipment
(4)Services and Others …… Logistics, Welfare related service, Lease on real estate, Corporate administration, Optical devices, Parts manufacturing, Precision measuring instruments and others
3. Operating expenses in elimination or corporate are basic research and development expense that can not be allocated to each segment. The amounts of such expenses were 1,730 million yen and 1,105 million yen for the years ended March 31, 2008 and 2009, respectively.
4. Corporate assets being included in the elimination or corporate of the years ended March 31, 2008 and 2009 amounted to 18,130 million yen and 21,363 million yen are principally cash, marketable securities and investment securities of the parent company and assets used for basic research and development.

2. Information by geographic area

Year ended March 31, 2008 (From April 1, 2007 to March 31, 2008) (Unit : Millions of Yen ; round down)

	Japan	Americas	Europe	Asia and Others	Total	Elimination or corporate	Consolidated
Net sales :							
Outside customers	50,167	20,437	19,266	10,614	100,485	-	100,485
Inter - segment	14,810	9,633	4,859	617	29,920	(29,920)	-
Total	64,977	30,070	24,126	11,231	130,406	(29,920)	100,485
Operating expenses	62,480	26,600	26,050	10,793	125,925	(30,796)	95,129
Operating income (loss)	2,496	3,470	(1,924)	438	4,480	875	5,356
Identifiable assets	111,007	33,695	15,203	4,993	164,899	(39,982)	124,917

Year ended March 31, 2009 (From April 1, 2008 to March 31, 2009) (Unit : Millions of Yen ; round down)

	Japan	Americas	Europe	Asia and Others	Total	Elimination or corporate	Consolidated
Net sales :							
Outside customers	43,056	16,443	14,930	9,510	83,940	-	83,940
Inter - segment	12,601	8,855	1,896	455	23,809	(23,809)	-
Total	55,657	25,299	16,827	9,965	107,749	(23,809)	83,940
Operating expenses	55,621	22,624	18,925	9,844	107,015	(23,980)	83,035
Operating income (loss)	36	2,674	(2,097)	120	734	170	905
Identifiable assets	104,111	26,760	8,483	4,837	144,193	(43,210)	100,983

(Notes) 1. The countries or areas of consolidated subsidiaries are classified based on the geographic factors from the current term.
2. Main countries based on such classification is as follows:
(1) Americas : U.S.A., Canada, Mexico, Brazil
(2) Europe : U.K., France, Germany, Italy, Sweden, Spain, Denmark
(3) Asia and Others : China, Korea, Taiwan, Singapore, Australia, Thailand
3. Corporate assets being included in the elimination or corporate of the years ended March 31, 2008 and 2009 amounted to 18,130 million yen and 21,363 million yen are principally cash, marketable securities and investment securities of the parent company.

3. Overseas sales

Year ended March 31, 2008 (From April 1, 2007 to March 31, 2008) (Unit : Millions of Yen ; round down)

	Americas	EMEA	Asia and Others	Total
Overseas sales	19,557	19,092	17,554	56,204
Consolidated net sales	-	-	-	100,485
Percentage of consolidated net sales	19.4%	19.0%	17.5%	55.9%

Year ended March 31, 2009 (From April 1, 2008 to March 31, 2009) (Unit : Millions of Yen ; round down)

	Americas	EMEA	Asia and Others	Total
Overseas sales	16,365	14,870	15,244	46,480
Consolidated net sales	-	-	-	83,940
Percentage of consolidated net sales	19.5%	17.7%	18.2%	55.4%

(Notes) 1. The countries or areas of consolidated subsidiaries are classified based on the geographic factors from the current term.
2. The details based on such classification are as follows:
(1) Americas : U.S.A., Canada, Mexico, Brazil
(2) EMEA : U.K., France, Germany, Italy, Sweden, Spain, Denmark, Near and Middle East, Africa
(3) Asia and Others : China, Korea, Taiwan, Singapore, Australia, Thailand
3. Overseas sales represents outside Japan sales of Anritsu and its consolidated subsidiaries.

Supplemental schedule

Consolidated Quarterly Financial Highlights

Year ended March 31, 2008

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	Millions of yen			
Net sales	20,499	28,312	22,864	28,808
Gross profit	8,878	12,234	10,786	12,113
Operating income (loss)	(939)	2,215	1,447	2,632
Ordinary income (loss)	(1,151)	834	1,141	(2,830)
Income (Loss) before income taxes	(1,151)	805	1,141	(3,952)
Net income (loss)	(1,851)	1,677	204	(3,930)
	Yen			
Net income (loss) per share : Basic	(14.53)	13.16	1.60	(30.84)
: Diluted	-	11.86	1.44	-
	Millions of yen			
Total assets	131,304	143,199	142,188	124,917
Net assets	60,399	60,423	59,803	52,845
	Yen			
Net assets per share	473.65	473.68	468.79	414.16
	Millions of yen			
Cash flows from operating activities	483	1,663	2,180	1,922
Cash flows from investing activities	(627)	(1,374)	(43)	(326)
Cash flows from financing activities	(7,004)	11,520	(2,196)	(8,944)
Net increase (decrease) in cash and cash equivalents	(6,864)	11,329	(80)	(7,647)
Cash and cash equivalents at end of period	13,082	24,412	24,332	16,684

Year ending March 31, 2009

	1st Quarter	2nd Quarter	3rd Quarter	**4th Quarter**
	Millions of yen			
Net sales	19,754	24,671	17,602	21,910
Gross profit	7,798	10,051	6,335	7,749
Operating income (loss)	(874)	1,419	(1,076)	1,437
Ordinary income (loss)	(778)	955	(1,717)	1,710
Income (Loss) before income taxes	(2,135)	936	(2,011)	974
Net income (loss)	(2,325)	759	(2,149)	174
	Yen			
Net income (loss) per share : Basic	(18.24)	5.96	(16.87)	1.37
: Diluted	-	5.37	-	1.23
	Millions of yen			
Total assets	112,540	108,834	103,108	100,983
Net assets	40,585	40,914	36,662	37,524
	Yen			
Net assets per share	318.26	320.87	287.52	294.29
	Millions of yen			
Cash flows from operating activities	3,002	2,271	(514)	2,155
Cash flows from investing activities	(580)	(523)	(367)	146
Cash flows from financing activities	(276)	(943)	381	(3,009)
Net increase (decrease) in cash and cash equivalents	2,411	508	(1,052)	(14)
Cash and cash equivalents at end of period	19,095	19,604	18,552	18,538

Supplemental schedule

Consolidated Quarterly Financial Position

Year ended March 31, 2008

Millions of yen ; round down

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Assets	**131,304**	**143,199**	**142,188**	**124,917**
Current assets	75,905	88,895	89,217	75,659
Fixed assets	55,399	54,303	52,971	49,258
Tangible fixed assets	23,428	23,036	22,688	21,946
Intangible fixed assets	18,566	17,564	17,325	15,368
Investments and other assets	13,404	13,703	12,958	11,943
Liabilities	**70,904**	**82,775**	**82,384**	**72,071**
Current liabilities	41,998	44,129	43,468	27,435
Long-term liabilities	28,906	38,646	38,916	44,636
Net assets	**60,399**	**60,423**	**59,803**	**52,845**
Common stock	14,049	14,049	14,049	14,049
Additional paid-in capital	22,999	22,999	22,999	22,999
Retained earnings	24,818	26,495	26,253	22,322
Treasury stocks, at cost	(826)	(830)	(832)	(831)
Valuation and translation adjustments	(661)	(2,335)	(2,717)	(5,749)
Reservation rights on common stock	19	43	48	54
Supplemental information: Debts with interest	**46,829**	**58,046**	**56,369**	**47,010**

Year ending March 31, 2009

Millions of yen ; round down

	1st Quarter	2nd Quarter	3rd Quarter	**4th Quarter**
Assets	**112,540**	**108,834**	**103,108**	**100,983**
Current assets	73,046	70,471	66,481	62,286
Fixed assets	39,493	38,363	36,626	38,697
Tangible fixed assets	22,365	22,052	21,095	20,986
Intangible fixed assets	4,896	4,673	4,449	4,380
Investments and other assets	12,231	11,637	11,081	13,330
Liabilities	**71,954**	**67,920**	**66,445**	**63,458**
Current liabilities	27,237	31,058	29,884	28,062
Long-term liabilities	44,717	36,861	36,561	35,395
Net assets	**40,585**	**40,914**	**36,662**	**37,524**
Common stock	14,049	14,049	14,049	14,049
Additional paid-in capital	22,999	22,999	22,999	22,999
Retained earnings	9,260	10,018	7,421	7,593
Treasury stocks, at cost	(832)	(834)	(833)	(832)
Valuation and translation adjustments	(4,911)	(5,339)	(6,993)	(6,305)
Reservation rights on common stock	19	19	19	19
Supplemental information: Debts with interest	**47,508**	**46,094**	**46,136**	**43,605**

Supplemental schedule

Consolidated Quarterly Segment Information

Year ended March 31, 2008

Millions of yen ; round down

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Net sales by industry segment	**20,499**	**28,312**	**22,864**	**28,808**
Test and Measurement	15,629	20,488	17,541	19,058
Information and Communications	464	1,714	655	2,915
Industrial Automation	2,670	4,127	2,920	3,877
Services and Others	1,735	1,982	1,748	2,957
Operating income (loss) by industry segment	**(939)**	**2,215**	**1,447**	**2,632**
Test and Measurement	(665)	1,685	1,536	1,569
Information and Communications	(237)	(44)	(254)	613
Industrial Automation	2	484	57	270
Services and Others	361	470	418	675
Elimination or corporate	(400)	(379)	(310)	(496)
Net sales by market	**20,499**	**28,312**	**22,864**	**28,808**
Japan	8,107	13,852	7,122	15,198
Americas	4,350	4,867	6,096	4,243
EMEA	4,142	4,819	5,032	5,098
Asia and Others	3,899	4,774	4,612	4,268

Year ending March 31, 2009

Millions of yen ; round down

	1st Quarter	2nd Quarter	3rd Quarter	**4th Quarter**
Net sales by industry segment	**19,754**	**24,671**	**17,602**	**21,910**
Test and Measurement	14,535	17,247	12,496	13,169
Information and Communications	533	824	579	3,264
Industrial Automation	2,849	4,306	2,476	3,348
Services and Others	1,836	2,293	2,051	2,128
Operating income (loss) by industry segment	**(874)**	**1,419**	**(1,076)**	**1,437**
Test and Measurement	(757)	846	(968)	88
Information and Communications	(329)	(126)	(109)	636
Industrial Automation	9	403	(238)	422
Services and Others	482	480	494	537
Elimination or corporate	(279)	(185)	(255)	(246)
Net sales by market	**19,754**	**24,671**	**17,602**	**21,910**
Japan	6,920	10,609	6,663	13,265
Americas	4,442	5,215	3,829	2,877
EMEA	4,138	4,300	3,513	2,918
Asia and Others	4,253	4,545	3,595	2,849

Supplemental schedule

Consolidated Quarterly Segment Information

Year ended March 31, 2008

Millions of yen ; round down

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Orders received	**24,761**	**26,590**	**24,943**	**25,156**
Test and Measurement	18,459	19,832	17,994	16,538
Information and Communications	725	1,174	1,616	2,473
Industrial Automation	3,029	3,871	2,976	3,908
Services & Others	2,548	1,711	2,355	2,236
Orders outstanding	**17,919**	**16,197**	**18,275**	**14,622**
Test and Measurement	13,166	12,510	12,963	10,443
Information and Communications	1,487	947	1,909	1,466
Industrial Automation	1,989	1,733	1,789	1,820
Services & Others	1,275	1,004	1,612	892

Year ending March 31, 2009

Millions of yen ; round down

	1st Quarter	2nd Quarter	3rd Quarter	**4th Quarter**
Orders received	**21,716**	**23,111**	**16,536**	**20,105**
Test and Measurement	15,518	16,315	10,766	13,670
Information and Communications	718	906	1,281	1,764
Industrial Automation	3,097	3,514	2,554	3,182
Services & Others	2,382	2,375	1,933	1,488
Orders outstanding	**16,584**	**15,025**	**13,958**	**12,153**
Test and Measurement	11,426	10,494	8,764	9,265
Information and Communications	1,651	1,733	2,436	936
Industrial Automation	2,068	1,276	1,354	1,188
Services & Others	1,438	1,520	1,402	763

Non - consolidated Balance Sheets

(Unit: Millions of yen; round down)

Assets	FY2007 as of 3.31.08 (A)	FY2008 as of 3.31.09 (B)	(B) - (A)
Assets	125,109	123,782	(1,327)
Current assets	47,708	44,262	(3,446)
Cash and deposits	10,433	8,142	(2,290)
Notes receivable-trade	1,031	662	(368)
Accounts receivable - trade	16,032	12,595	(3,437)
[Inventories]	[10,904]	[6,382]	[(4,521)]
Finished goods	4,561	2,360	(2,201)
Raw materials	4,360	3,205	(1,155)
Work in process	1,981	816	(1,165)
Deferred tax assets	7,394	6,031	(1,362)
Other	2,075	10,573	8,498
Allowance for doubtful accounts	(162)	(125)	36
Noncurrent assets	77,401	79,520	2,118
Property, plant and equipment	9,110	8,347	(762)
Buildings	6,800	6,511	(288)
Structures	170	162	(7)
Machinery and equipment	472	180	(292)
Vehicles	0	0	(0)
Tools, furniture and fixtures	1,173	1,000	(173)
Land	492	492	(0)
Intangible assets	512	434	(78)
Software	477	399	(78)
Other	35	34	(0)
Investments and other assets	67,778	70,738	2,960
Investment securities	935	940	5
Stocks of subsidiaries and affiliates	53,247	52,123	(1,124)
Long - term loans receivable	7,015	9,174	2,159
Long - term prepaid expenses	6,347	6,867	520
Deferred tax assets	-	1,393	1,393
Other	235	240	5
Allowance for doubtful accounts	(1)	(1)	0
TOTAL	125,109	123,782	(1,327)

Liabilities and Net assets	FY2007 as of 3.31.08 (A)	FY2008 as of 3.31.09 (B)	(B) - (A)
Liabilities	60,368	59,530	(837)
Current liabilities	20,755	27,231	6,476
Notes payable-trade	110	106	(4)
Accounts payable - trade	6,832	6,227	(604)
Short-term loans payable	1,040	8,140	7,100
Lease obligations	-	34	34
Accounts payable - other	4,023	3,186	(837)
Accrued expenses	1,013	369	(643)
Income taxes payable	67	201	133
Deposits received	7,338	8,584	1,245
Other	328	380	51
Noncurrent liabilities	39,613	32,299	(7,314)
Bonds payable	10,000	10,000	-
Bonds with subscription rights to shares	15,000	15,000	-
Long-term loans payable	14,000	7,000	(7,000)
Lease obligations	-	40	40
Deferred tax liabilities	345	-	(345)
Provision for directors' retirement benefits	18	14	(4)
Provision for bonuses	8	-	(8)
Other	240	244	3
Net assets	64,741	64,251	(489)
Shareholders'equity	64,530	63,996	(534)
Capital stock	14,049	14,049	-
Capital surplus	22,999	22,999	-
Legal capital surplus	22,999	22,999	-
Retained earnings	28,312	27,779	(532)
Legal retained earnings	2,468	2,468	-
Other retained earnings	25,844	25,311	(532)
General reserve	28,219	21,719	(6,500)
Retained earnings brought forward	(2,374)	3,592	5,967
Treasury stock	(831)	(832)	(1)
Valuation and translation adjustments	156	235	79
Valuation difference on available-for-sale securities	178	256	78
Deferred gains or losses on hedges	(22)	(21)	1
Subscription rights to shares	54	19	(34)
TOTAL	125,109	123,782	(1,327)

Financial Analysis

	FY2007 as of 3.31.08	FY2008 as of 3.31.09
Return on assets (ROA)	(3.5%)	0.3%
Return on equity (ROE)	(6.8%)	0.6%
Net income(loss) per share (EPS)	(JPY 35.98)	JPY 2.86
Shareholders' equity per share	JPY 507.49	JPY 504.01

	FY2007 as of 3.31.08	FY2008 as of 3.31.09
Current ratio (Current assets / Current liabilities)	229.9%	162.5%
Shareholders' equity to total liabities and shareholders' equity	51.7%	51.9%
Total capital turnover ratio	0.38	0.33
Inventory turnover ratio	3.70	4.77

Non-consolidated Statements of Income

(Unit: Millions of yen; round down)

	FY2007 From April 1, 2007 to March 31, 2008(A)		FY2008 From April 1, 2008 to March 31, 2009(B)		Change	
	Amount	%	Amount	%	(B) - (A)	%
Net sales	49,647	100.0	41,229	100.0	(8,418)	-17.0
Cost of sales	36,812	74.1	32,381	78.5	(4,430)	-12.0
Gross profit	12,834	25.9	8,847	21.5	(3,987)	-31.1
Selling, general and administrative expenses	12,373	25.0	10,089	24.5	(2,283)	-18.5
Operating income (loss)	461	0.9	(1,241)	-3.0	(1,703)	-
Interest income	260		263		3	
Dividends income	358		7,001		6,643	
Brand manegment fee	132		127		(5)	
Other	117		100		(17)	
Non-operating income	868	1.8	7,493	18.1	6,624	762.4
Interest expenses	184		265		81	
Interest on bonds	324		187		(137)	
Foreign exchange losses	474		79		(394)	
Loss on abandonment of inventories	2,373		–		(2,373)	
Loss on valuation of inventories	2,457		–		(2,457)	
Other	593		214		(378)	
Non-operating expenses	6,407	12.9	747	1.8	(5,659)	-88.3
Ordinary income (loss)	(5,076)	-10.2	5,503	13.3	10,580	-
Gain on revision of retirement benefit plan	–		785		785	
Gain on sales of noncurrent assets	35		501		466	
Compensation income for expropriation	–		98		98	
Gain on reversal of subscription rights to shares	–		34		34	
Reversal of allowance for doubtful accounts	112		–		(112)	
Extraordinary income	148	0.3	1,420	3.5	1,272	858.1
Loss on valuation of stocks of subsidiaries and affiliates	–		4,985		4,985	
Loss on valuation of inventories	–		1,289		1,289	
Business structure improvement expenses	–		591		591	
Loss on valuation of investment securities	29		52		22	
Management innovation implementation expenses	43		–		(43)	
Extraordinary loss	73	0.2	6,919	16.8	6,845	-
Income (Loss) before income taxes	(5,002)	-10.1	5	0.0	5,007	-
Income taxes-current	(409)	-0.9	50	0.1	459	-
Income taxes-deferred	(6)	-0.0	(408)	-1.0	(402)	-
Net income (loss)	(4,586)	-9.2	363	0.9	4,950	-

Non-consolidated Statements of changes in net assets

(Unit: Millions of yen; round down)

	FY2007 From April 1, 2007 to March 31, 2008	FY2008 From April 1, 2008 to March 31, 2009
Shareholders' equity		
Capital stock		
Balance at the end of previous period	14,049	14,049
Changes of items during the period		
Balance at the end of current period	14,049	14,049
Capital surplus		
Legal capital surplus		
Balance at the end of previous period	22,999	22,999
Changes of items during the period		
Balance at the end of current period	22,999	22,999
Retained earnings		
Legal retained earnings		
Balance at the end of previous period	2,468	2,468
Changes of items during the period		
Balance at the end of current period	2,468	2,468
Other retained earnings		
General reserve		
Balance at the end of previous period	28,219	28,219
Changes of items during the period		
Reversal of general reserve	-	(6,500)
Total changes of items during the period	-	(6,500)
Balance at the end of current period	28,219	21,719
Other retained earnings		
Retained earnings brought forward		
Balance at the end of previous period	3,105	(2,374)
Changes of items during the period		
Reversal of general reserve	-	6,500
Dividends from surplus	(892)	(892)
Net income (loss)	(4,586)	363
Disposal of treasury stock	(1)	(4)
Total changes of items during the period	(5,480)	5,967
Balance at the end of current period	(2,374)	3,592
Total retained earnings		
Balance at the end of previous period	33,792	28,312
Changes of items during the period		
Dividends from surplus	(892)	(892)
Net income (loss)	(4,586)	363
Disposal of treasury stock	(1)	(4)
Total changes of items during the period	(5,480)	(532)
Balance at the end of current period	28,312	27,779
Treasury stock		
Balance at the end of previous period	(824)	(831)
Changes of items during the period		
Purchase of treasury stock	(9)	(7)
Disposal of treasury stock	2	6
Total changes of items during the period	(7)	(1)
Balance at the end of current period	(831)	(832)
Total shareholders' equity		
Balance at the end of previous period	70,018	64,530
Changes of items during the period		
Reversal of general reserve	-	-
Dividends from surplus	(892)	(892)
Net income (loss)	(4,586)	363
Purchase of treasury stock	(9)	(7)
Disposal of treasury stock	1	1
Total changes of items during the period	(5,487)	(534)
Balance at the end of current period	64,530	63,996

Non-consolidated Statements of changes in net assets

(Unit: Millions of yen; round down)

	FY2007 From April 1, 2007 to March 31, 2008	FY2008 From April 1, 2008 to March 31, 2009
Valuation and translation adjustments		
Valuation difference on available for sale securities		
Balance at the end of previous period	688	178
Changes of items during the period		
Net changes of items other than shareholders' equity	(510)	78
Total changes of items during the period	(510)	78
Balance at the end of current period	178	256
Deferred gains or losses on hedges		
Balance at the end of previous period	(1)	(22)
Changes of items during the period		
Net changes of items other than shareholders' equity	(21)	1
Total changes of items during the period	(21)	1
Balance at the end of current period	(22)	(21)
Total valuation and translation adjustments		
Balance at the end of previous period	687	156
Changes of items during the period		
Net changes of items other than shareholders' equity	(531)	79
Total changes of items during the period	(531)	79
Balance at the end of current period	156	235
Subscription rights to shares		
Balance at the end of previous period	13	54
Changes of items during the period		
Net changes of items other than shareholders' equity	40	(34)
Total changes of items during the period	40	(34)
Balance at the end of current period	54	19
Net assets		
Balance at the end of previous period	70,719	64,741
Changes of items during the period		
Dividends from surplus	(892)	(892)
Net income (loss)	(4,586)	363
Purchase of treasury stock	(9)	(7)
Disposal of treasury stock	1	1
Net changes of items other than shareholders' equity	(491)	44
Total changes of items during the period	(5,978)	(489)
Balance at the end of current period	64,741	64,251

Executive personnel changes expected on June 25, 2009

1. Change of Representative Director

None

2. Other Changes

(Director)

(1) New Appointment

Name (Current Title)	New Title
Yasuyuki Oguma (Vice President (Executive Officer), General Manager of Management Strategy Center, Senior Manager of Environmental Promotion Center)	Director
Kenji Tanaka (Vice President (Executive Officer), General Manager of Marketing Div.)	Director

(2) Retiring Corporate Auditor

Name	Current Title
Kohei Ono	Director

(Corporate Auditor)

(1) New Appointment

Name (Current Title)	New Title
Kohei Ono (Director)	Full-time Corporate Auditor

(2) Retiring Corporate Auditor

Name	Current Title
Koji Shoji	Full-time Corporate Auditor

3. Expected New Order of Executive Personnel after Shareholder's Meeting:

(1) Directors and Corporate Auditors

Representative Director, President	Hiromichi Toda
Representative Director	Hirokazu Hashimoto
Director	Shigehisa Yamaguchi
Director	Yasuyuki Oguma
Director	Kenji Tanaka
Director (Outside Director)	Akira Kiyota
Full-time Corporate Auditor	Kohei Ono
Full-time Corporate Auditor	Goro Saito
Outside Corporate Auditor	Sukeaki Tatsuoka
Outside Corporate Auditor	Yasuo Matoi

(2) Executive Officers

President	Hiromichi Toda (*)	Group CEO
Executive Vice President	Hirokazu Hashimoto (*)	Chief financial and Corporate Officer, Global Audit Dept., Legal Dept., Security Trade Control Dept., Accounting and Control Dept., Network Sales Div.
Senior Vice President	Shigehisa Yamaguchi (*)	Chief Sales and CRM Strategy Officer, Global Sales Administration Dept., Americas Sales Center, EMEA Sales Center, APAC Sales Center, Service Assurance Div.
Vice President	Frank Tiernan	Deputy Chief Sales and CRM Strategy Officer, President of Anritsu U.S. Holding, Inc. (U.S.A.), President of Anritsu Company (U.S.A.)
Vice President	Yasuyuki Oguma (*)	Chief Business Planning Officer, Chief Information Officer, Chief Environmental Officer, General Manager of Management Strategy Center, Senior Manager of Environmental Promotion Center, Management Information System Dept., Corporate Communication Dept.
Vice President	Kenji Tanaka (*)	Chief Marketing Officer, General Manager of Marketing Div., Chief GP T&M Business Promotion Officer
Vice President	Junkichi Shirono	Chief SCM Strategy Officer, General Manager of Koriyama Business Office, General Manager of SCM Center, Senior Manager of Procurement Dept.
Vice President	Toshihiko Takahashi	Chief Technology Officer, General Manager of R&D Group, Chief Leading Edge T&M Business Promotion Officer
Vice President	Toshisumi Taniai	Chief Human Resource and Administration Officer, Senior Manager of Human Resource and Administration Dept.
Vice President	Nobuo Funahashi	Chief Japan Sales Officer General Manager of Measurement Solution Sales Div.

(Note) Names marked as (*): Board Member

Anritsu Corporation Supplement of FY2008

1. Supplement of Five-year Results

(million yen, round down)

- Consolidated -	Actual						予想
	2004/3	2005/3	2006/3	2007/3	2008/3	2009/3	2010/3
Net Sales	78,395	84,039	91,262	99,445	100,485	83,940	76,000
Change %	-0.2%	7.2%	8.6%	9.0%	1.0%	-16.5%	-9.5%
Operating Income	1,808	4,862	4,549	6,358	5,356	905	2,200
Change %	-	168.9%	-6.4%	39.8%	-15.8%	-83.1%	143.1%
as % of Net Sales	2.3%	5.8%	5.0%	6.4%	5.3%	1.1%	2.9%
Ordinary Income	-2,514	2,023	1,628	3,193	-2,006	170	1,000
Change %	-	-	-19.5%	96.1%	-	-	486.3%
as % of Net Sales	-3.2%	2.4%	1.8%	3.2%	-2.0%	0.2%	1.3%
Net Income	1,101	1,279	562	1,375	-3,900	-3,540	500
Change %	-	16.2%	-56.0%	144.4%	-	-	-
as % of Net Sales	1.4%	1.5%	0.6%	1.4%	-3.9%	-4.2%	0.7%
EPS	¥8.38	¥9.31	¥3.76	¥10.79	¥-30.60	¥-27.78	¥3.92
Orders	76,413	84,956	93,543	98,936	101,451	81,470	76,000
Change %	-3.3%	11.2%	10.1%	5.8%	2.5%	-19.7%	-6.7%
Cash Flow from Operating Activities	5,952	9,277	5,929	2,488	6,251	6,916	6,700
Change %	-	55.8%	-36.1%	-58.0%	151.2%	10.6%	-3.1%
Free Cash Flow	10,373	8,231	-5,015	2,908	3,877	5,589	5,500
Change %	-	-20.6%	-	-	33.3%	44.2%	-1.6%
Capital Expenditures	1,530	1,869	2,698	2,319	2,790	2,236	1,200
Change %	-46.6%	22.2%	44.3%	-14.1%	20.3%	-19.9%	-46.3%
Depreciation	4,257	3,400	3,453	3,599	3,373	3,099	2,800
Change %	-27.0%	-20.1%	1.6%	4.2%	-6.3%	-8.1%	-9.6%
R&D Expenses	9,886	10,514	12,509	14,072	(*)14,679	11,704	9,600
Change %	-25.2%	6.4%	19.0%	12.5%	4.3%	-20.3%	-18.0%
as % of Net Sales	12.6%	12.5%	13.7%	14.2%	14.6%	13.9%	12.6%
Number of employees	3,568	3,610	4,052	3,990	3,963	-	-

(*) R&D expenses as of Mar.2008 contain a lump amortization of capitalized R&D assets in overseas subsidiary.

Assumed exchange rate(average of year); 1US$=90

2. Supplement of Quarterly Results

(million yen, round down)

- Consolidated -	Actual							
Quarter Results	2007/Q1	2007/Q2	2007/Q3	2007/Q4	2008/Q1	2008/Q2	2008/Q3	2008/Q4
Net Sales	20,499	28,312	22,864	28,808	19,754	24,671	17,602	21,910
Y o Y	6.4%	4.0%	-3.8%	-1.3%	-3.6%	-12.9%	-23.0%	-23.9%
Operating Income	- 939	2,215	1,447	2,632	- 874	1,419	- 1,076	1,437
Y o Y	-	0.5%	14.0%	-18.1%	-	-35.9%	-	-45.4%
as % of Net Sales	-4.6%	7.8%	6.3%	9.1%	-4.4%	5.8%	-6.1%	6.6%
Ordinary Income	- 1,151	834	1,141	- 2,830	- 778	955	- 1,717	1,710
Y o Y	-	-42.1%	4.3%	-	-	14.4%	-	-
as % of Net Sales	-5.6%	2.9%	5.0%	-9.8%	-3.9%	3.9%	-9.8%	7.8%
Net Income	- 1,851	1,677	204	- 3,930	- 2,325	759	- 2,149	174
Y o Y	-	26.0%	-47.7%	-	-	-54.7%	-	-
as % of Net Sales	-9.0%	5.9%	0.9%	-13.6%	-11.8%	3.1%	-12.2%	0.8%

(million yen, round down)

Upper : Sales	Actual							
Lower : Oper. Income	2007/Q1	2007/Q2	2007/Q3	2007/Q4	2008/Q1	2008/Q2	2008/Q3	2008/Q4
Test and measurement	15,629	20,488	17,541	19,058	14,535	17,247	12,496	13,169
	- 665	1,685	1,536	1,569	- 757	846	- 968	88
Info. & Comm.	464	1,714	655	2,915	533	824	579	3,264
	- 237	- 44	- 254	613	- 329	- 126	- 109	636
Industrial Automation	2,670	4,127	2,920	3,877	2,849	4,306	2,476	3,348
	2	484	57	270	9	403	- 238	422
Services and Others	1,735	1,982	1,748	2,957	1,836	2,293	2,051	2,128
	- 38	90	107	179	202	295	239	290
Total Sales	20,499	28,312	22,864	28,808	19,754	24,671	17,602	21,910
Total Operating Income	- 939	2,215	1,447	2,632	- 874	1,419	- 1,076	1,437

"Services and Others" contains "Services and Others" and "Elimination or Corporate" of information by industry segment.

Anritsu Corporation Supplement of FY2008

3. Supplement of segment information

1) Net Sales by Industry Segment

(million yen, round down)

	First Half				Full Year			Estimate
	2005/9	2006/9	2007/9	2008/9	2007/3	2008/3	2009/3	2010/3
Test and measurement	27,119	34,440	36,117	31,783	72,882	72,717	57,449	51,000
YoY	2.6%	27.0%	4.9%	-12.0%	11.9%	-0.2%	-21.0%	-11.2%
Info. & Comm.	2,347	2,101	2,178	1,357	6,010	5,749	5,200	5,000
YoY	3.6%	-10.5%	3.7%	-37.7%	-17.0%	-4.4%	-9.5%	-3.9%
Industrial Automation	6,283	6,187	6,797	7,155	12,295	13,595	12,980	12,000
YoY	5.6%	-1.5%	9.9%	5.3%	0.8%	10.6%	-4.5%	-7.6%
Services and Others	3,041	3,764	3,717	4,129	8,256	8,422	8,309	8,000
YoY	-13.0%	23.7%	-1.2%	11.1%	23.0%	2.0%	-1.3%	-3.7%
Total	38,792	46,493	48,812	44,426	99,445	100,485	83,940	76,000
YoY	1.7%	19.9%	5.0%	-9.0%	9.0%	1.0%	-16.5%	-9.5%

2) Operating Income by Industry Segment

(million yen, round down)

	First Half				Full Year			Estimate
	2005/9	2006/9	2007/9	2008/9	2007/3	2008/3	2009/3	2010/3
Test and measurement	1,362	1,556	1,019	89	4,717	4,126	-791	1,300
YoY	54.0%	14.2%	-34.5%	-91.3%	-10.8%	-12.5%	-	-
Info. & Comm.	-869	-472	-282	-456	145	76	70	0
YoY	-	-	-	-	-	-47.5%	-7.3%	-
Industrial Automation	487	324	487	413	608	814	596	400
YoY	5.0%	-33.6%	50.4%	-15.2%	-22.7%	34.0%	-26.8%	-33.0%
Services and Others	71	465	51	498	887	338	1,029	500
YoY	-65.4%	547.4%	-88.9%	863.2%	99.8%	-61.8%	203.8%	-51.4%
Total	1,052	1,873	1,276	544	6,358	5,356	905	2,200
YoY	32.4%	78.0%	-31.9%	-57.4%	39.8%	-15.8%	-83.1%	143.1%

"Services and Others" contains "Services and Others" and "Elimination or Corporate" of information by industry segment.

3) Net Sales by Markets

(million yen, round down)

	First Half				Full Year			Estimate
	2005/9	2006/9	2007/9	2008/9	2007/3	2008/3	2009/3	2010/3
Japan	20,884	20,202	21,959	17,529	45,054	44,280	37,459	36,500
YoY	-0.3%	-3.3%	8.7%	-20.2%	-2.4%	-1.7%	-15.4%	-2.6%
Overseas	17,908	26,290	26,852	26,896	54,391	56,204	46,480	39,500
YoY	4.1%	46.8%	2.1%	0.2%	20.6%	3.3%	-17.3%	-15.0%
Americas	6,622	9,361	9,217	9,658	19,023	19,557	16,365	14,000
YoY	7.0%	41.3%	-1.5%	4.8%	23.4%	2.8%	-16.3%	-14.5%
EMEA	4,757	8,602	8,961	8,438	18,251	19,092	14,870	12,000
YoY	-1.5%	80.8%	4.2%	-5.8%	29.3%	4.6%	-22.1%	-19.3%
Asia and others	6,527	8,326	8,673	8,799	17,117	17,554	15,244	13,500
YoY	5.5%	27.6%	4.2%	1.4%	9.9%	2.6%	-13.2%	-11.4%
Total	38,792	46,493	48,812	44,426	99,445	100,485	83,940	76,000
YoY	1.7%	19.9%	5.0%	-9.0%	9.0%	1.0%	-16.5%	-9.5%

EMEA: Europe, Middle East and Africa