

## 1st Quarter of FY2011 Financial Results Q&A Summary

**Q:** What is the reason for Q1 operating profit greatly exceeding the initial planned results?

**A:** We received more orders than initially planned, which were highly-profitable products ; so one reason for the improvement in profit comes from the product mix changes.

**Q:** Please explain about the background of securing orders from major handset vendors for the manufacturing-related business.

**A:** We think it's because we have long been highly rated for our R&D-oriented solutions, and have been recognized for our continual efforts to provide customers with support systems and measurement solutions compatible with a full range of mobile standard i.e. 2G,/2.5G/3G/3.5G/LTE for use in manufacturing.

**Q:** What's the reason for the forecast of a fall in sales and profit for the T&M business in the second half?

**A:** In the first half we saw the Christmas sales season boost demand for smart phones, which was accompanied by the active investment of EMS and handset vendors and greater-than-expected growth in LTE development-related demand. However, in the second half it is likely that the business will return to its normal level as continued investment by Tier 1 vendors remains back at forecast's levels.

**Q:** Is the upward revision of results for the T&M business only attributable to the mobile segment, or are forecasts for other sub-segments also likely to be revised upwards?

**A:** While the mobile segment is pushing up the overall results, general-purpose measurement devices and other segments are also contributing to the growth in business.

**Q:** Please tell us more about potential business chances for T&M in response to the rising use of Wifi on smart phones and other various devices.

**A:** We offer both mobile phone-related (cellular) and also non-cellular solutions, such as Wifi and Bluetooth. The diversification of wireless communication standards provides new business opportunities for Anritsu.

**Q:** Can you tell us what is the likely impact of the assumed exchange rate on business results?

**A:** The assumed exchange rate is USD\$1= ¥ 80. The impact of exchange rate fluctuations on operating profit is 100 million yen for every movement of 1 yen.

**Q:** Please elaborate on the company's stance on the repayment of long-term debt and SB considering the current accumulation of cash.

**A:** At this stage we'd like to maintain a range of financing methods.