

Long-term Business Plan

Becoming a cutting-edge,
trusted global market leader

April 27th, 2012

Hirokazu Hashimoto
President and Group CEO
Anritsu Corporation



TSE code : 6754
<http://www.anritsu.com>



Anritsu Discover What's Possible™

1

Copyright© ANRITSU 

Cautionary Statement

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

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

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

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

Agenda

1. Review of Mid-term business plan
2. 2020 VISION
3. Middle and long-term management basic strategy
4. Business strategy: Test & Measurement, Industrial Automation
5. 3-years business plan GLP2014

As the table of contents shows, I will be explaining the Anritsu Group's "2020 Vision" — our corporate vision for the year 2020 — and providing an overview of the basic management strategies, growth drivers, and numerical targets of the NEXT10 process used to achieve that vision.

1. Review of mid-term business plan (GLP2012, Anritsu 120)

Early achievement of the all targets

Japanese Accounting Standard

Main term	2012 March Act.	2013 March GLP2012	2015 March Anritsu 120
Sales	93.6 B Yen*1	90 B Yen	100 B Yen
Operating margin	15.5 %	10 %	12 %
ROE	21.5 %	10 %	12 %
ACE*2	9.1 B Yen	2 B Yen	4 B Yen

*1 : Sales adjusted by Anritsu 120 original exchange rate(1US\$=90yen) would be over 100B Yen (simulated)

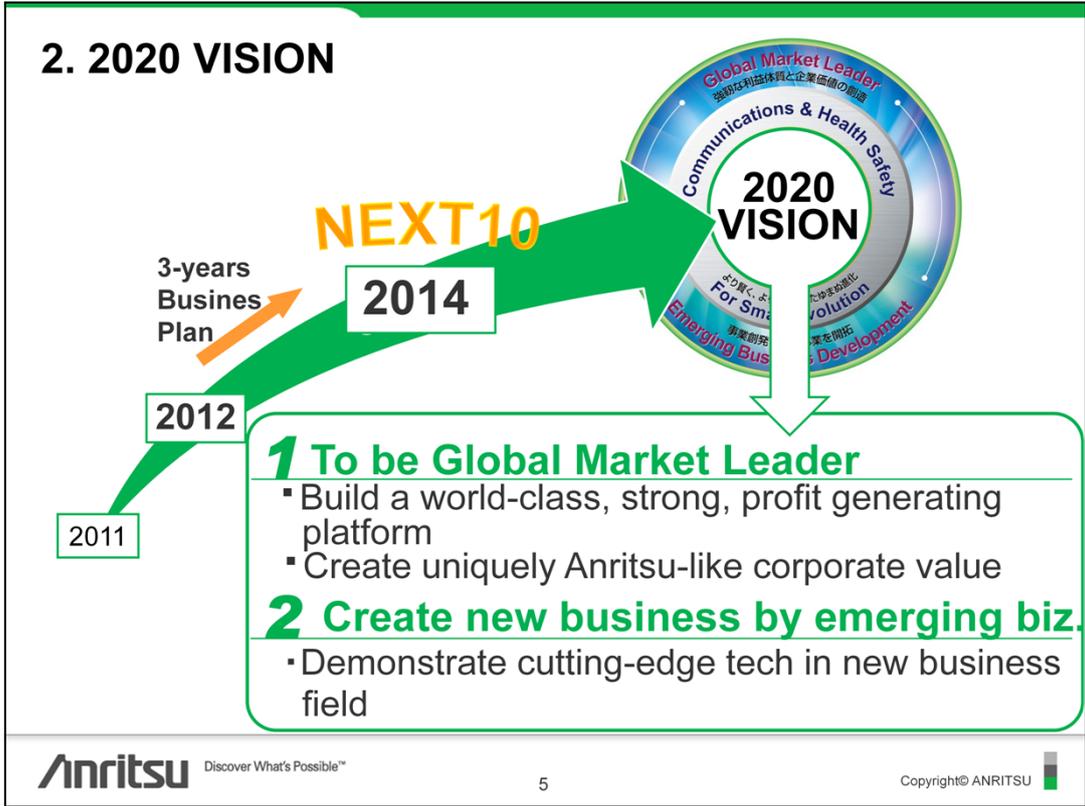
*2 : ACE (Anritsu Capital-cost Evaluation) : Operating income after tax - Capital Cost

First, let us compare the Group's fiscal year 2011 operating results against the past management objectives of fiscal year 2012 as the final year for 3 years Long-term Business Plan GLP2012.

In fiscal year 2011, the Group's operating results surpassed targets for all primary management indicators, sales, operating margin, ROE, and ACE.

Further, if we take into account assumed exchange rates changes and adjust sales accordingly, the Group also achieved all primary management objectives for the 5 year Anritsu120 plan as well.

Based on these operating results, we have worked to establish new medium and long-term management objectives.



2020 Vision is composed of two central pillars, based on our fundamental management vision, “continuous growth with sustainable superior profits”.

Building a world-class, strong, profit generating platform as a global market leader. Offering original & high level customer value and societal value, befitting our position as a global market leader, in order to create uniquely Anritsu-like corporate value, both in tangible and intangible forms.

The medium and long-term growth driver for our core T&M business is the further expansion and penetration of “mobile broadband services”. Within that trend, we will not merely rely on the evolution of existing solutions, but also dedicate our efforts to business innovation and new business development. For fields other than T&M business, as well, we will work to develop emerging businesses that take advantage of the Anritsu Group’s core competencies and cutting-edge technologies, turning them into business fields that will act as central pillars of business in the future.

During the NEXT10 (2011 to 2020) time period, in order to push forward with the two critical challenges above, we will work to reorganize and further enrich our management infrastructure.

3. Middle and long-term management basic strategy

Capture growth drivers without fail,
and realize “continuous profitable growth”

	Market average annual growth rate	Growth driver	Target	
			Sales growth rate	Operating margin
T&M	3-5%	① Mobile broadband service market ② Asia Market	≥7%	≥20%
Indust. Auto.	3-5%	① Asia Market North America Market	≥7%	≥12%
Cnsolidated	—	—	—	≥18%

I will now discuss the primary elements of the medium and long-term basic management strategy for each business sector.

T&M business

There is a consensus that an average annual growth rate of 3 to 5% is expected for the electronic measurement market. Anritsu will focus its competitive strengths in (1) the mobile broadband service market, and (2) the Asian market, as these two markets are expected to have particularly high rates of growth within the electronic measurement market. Anritsu will work to achieve a sales growth rate of 7% or more. The medium and long-term target operating margin is 20% or more.

Industrial Automation business

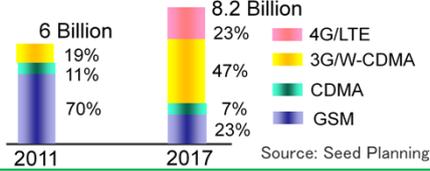
An average annual growth rate of 3 to 5% is expected for the quality assurance market for food, drug, and other product packaging processes. Anritsu will use its position as a top supplier in the advanced Japanese market to achieve a sales growth rate of 7% or more, focusing on the Asian and North American markets, which are expected to see tremendous future growth. The medium and long-term target operating margin is 12% or more.

The medium and long-term target operating margin for the group as a whole is 18% or more.

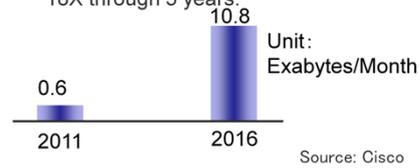
4. Business strategy : Test & Measurement Mobile Broadband Market

【Telecom. Market】

Increasing mobile subscriber of 3G and LTE



Mobile data traffic will increase 18X through 5 years.



Provide T&M solutions for development, production, installation and maintenance



Smartphone/Chipset



Network Infrastructure
Base station, 40G/100G Opt. digital
Service assurance



Devices/Modules for telecom.



Anritsu Discover What's Possible™

7

Copyright© ANRITSU

The Anritsu Group will engage in ICT service business, not only in the T&M business sector, but in areas from Information and Communications business to Devices business.

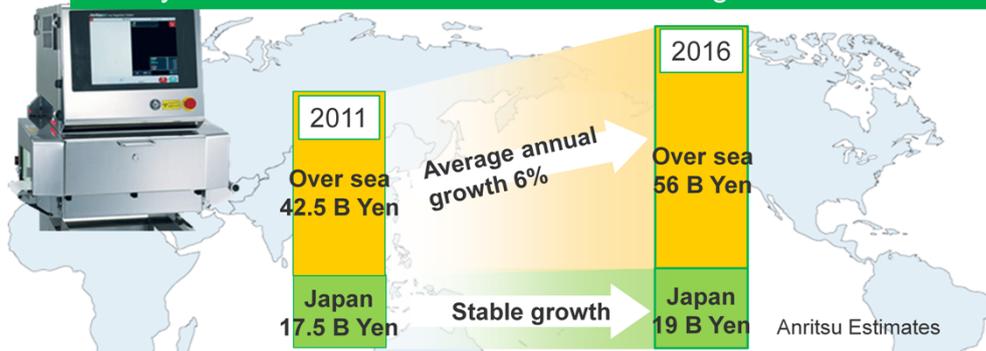
Global mobile broadband service expansion will be the driver of growth in the ICT field.

This trend will be seen most prominently in (1) the spread and penetration of 3G and LTE, and (2) the explosive growth of mobile data traffic, over the course of the medium and long-term period. Building networks which constantly support “safe, secure and comfortable society at anytime, anywhere” will be essential to realizing a sustainable society, from entertainment applications to core social infrastructures. Anritsu will use its advantages as a cutting-edge provider of wired and wireless measurement solutions to resolve the networking issues faced by our customers, and by society itself. Anritsu's goal, as a global market leader, is to be its customers' best partner.

4. Business strategy : Industrial Automation

Expand foreign business

Quality assurance market size for food and drug related industries.



Focused market	Major initiative
Asia: Fishery and meat processing (mainly metal detector and Weighers)	(1) Establish Anritsu brand recognition at major food companies (2) Develop localization in emerging countries
North America: Meat processing (mainly X-ray inspection system)	

Anritsu Discover What's Possible™

8

Copyright© ANRITSU

As for the Industrial Automation business, while the core Japanese market is expected to remain flat, Anritsu is accelerating its business expansion in the Chinese and ASEAN markets, which are growing extremely large. The Group is implementing initiatives to expand foreign management resources in order to achieve the long-term target of raising the foreign sales ratio to 50%. In order to provide support for safe, secure, healthy, and rich lives and societies, Anritsu is striving to be the leading partner in the food and drug quality assurance solution field.

5. 3-years business plan GLP2014

IFRS

GLP2014

Indicators		FY2011 IFRS Non-audit)	FY2012	FY2014
Sales		93.6 B Yen	94.5 B Yen	110 B Yen
Op. Income		13.9 B Yen	15.5 B Yen	19 B Yen
Net Income		8.1 B Yen	10 B Yen	13 B Yen
ROE		20 %	20 %	20 %
ACE		5.3 B Yen	7 B Yen	9 B Yen
T&M	Sales	70.5 B Yen	70 B Yen	80 B Yen
	Op. Income	13.7 B Yen	14 B Yen	16 B Yen
Indust Auto.	Sales	14.2 B Yen	15 B Yen	18 b Yen
	Op. Income	0.5 B Yen	1 B Yen	1.5 B Yen

(Note) ACE (Anritsu Capital-cost Evaluation) : Operating income after tax - Capital Cost
 Actual FY2011 (IFRS based) is not audited as of Mar. 31, 2012 therefore may differ from the figures projected herein after audit.

Anritsu Discover What's Possible™

Copyright© ANRITSU

Next, I discussed the growth rates and profit rates of the medium and long-term basic management strategy.

I will be presenting the targets for GLP2014, the 3 year plan that ends in March 2015 — fiscal year 2014 — which marks the 120th year since Anritsu was founded.

(The target figures I will present are based on the International Financial Reporting Standard (IFRS).)

2020 VISION



The Anritsu Group's goal is to be a cutting-edge, trusted global market leader, chosen by customers as their best partner.

The Group will continue to do our utmost to achieve the medium and long-term targets presented today.

We appreciate the support and encouragement of all of our shareholders and investors.

Anritsu

Discover What's Possible™

Anritsu Discover What's Possible™

Copyright© ANRITSU 