Financial Results for the 3rd quarter of the Fiscal Year ending March 31, 2013

February 1st, 2013

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FASF MEMBERSHIP

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

Ⅰ. Consolidated performance review of 3Q ended Dec. 31st, 2012

- Ⅰ-1. Outline of our business segments
- Ⅰ-2. Consolidated performance
- Ⅰ-3. Outlook for full year of the fiscal year ending March, 2013

Ⅱ. Implementing a reduction in investment units

Appendix

Ⅰ-1. Outline of our business segments

Test & Measurement (T&M)
For development, manufacturing, construction and maintenance
- Mobile
- Network Infrastructure
- Electronics

Industrial Automation
- Food Safety
- X-ray inspection systems
- Checkweighers

Others
- IP network equipment
- Opt. devices

(Sales by business segment : 93.6 Billion Yen net sales in FY2011)

T&M 75%			Industrial	Others
Mobile 45%	Network Infrastructure 30%	Electronics 25%	15%	10%

(Sales of T&M business by region)

Japan	Asia & Pacific	Americas	EMEA
30%	30%	25%	15%

(No notes here)

Ⅰ-2. Consolidated Performance -Segments-

Mobile broadband service has been becoming a growth driver for Anritsu T&M business, which continues to show solid performance

Segment	3Q (Apr. to Dec. 2012) conditions
Test & Measurement (T&M)	･Mobile: Continuing strong demands for LTE development Demands for smartphone manufacturing remained firm in general ･Network infrastructure :Investment for wireless infrastructure drive the business
	･Japan: Investment for smartphone R&D and manufacturing concentrated in H1 ･Asia: Mobile market continued to perform strongly led by testers for manufacturing of smartphones ･Americas: Demands for smartphone and LTE R&D lead the market
Industrial Automation	The segment remained firm in Japan and other regions

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Financial Results FY2012 3Q

Q3 results (Apr. to Dec.) overall showed continuously that demand in the mobile broadband services field was the driving force of the Anritsu Group's performance. In particular, development demand for LTE , smartphone and tablet development, markets for various manufacturing applications, frequency realignment, and maintenance investment for improving the connection quality of wireless networks are the growth drivers.

The T&M market overview is as follows.

(1) There has been steady demand, primarily from chipset vendors and development vendors of smartphones with LTE, the 4th generation new ultra-high speed mobile communications protocols, for measurement systems for R&D on LTE and testers exclusively for development applications.

(2) The ratio of smartphones within the total number of mobile terminal units shipped has been further increasing. This has stimulated competition in the development and sales of new models, as it was seen in strong capital investment in the mobile terminal manufacturing market. However, capital investment such as from EMS in China, and individual mobile terminal vendors have not been uniform, as reflected in the situation regarding management, number of new models launched, sales plans and progress status, and inventory conditions, etc.

(3) Regarding the infrastructure market for wireless networks, strong performance was seen in the construction of base station networks and investment related to frequency realignment in the Japanese and North American markets.

Region specific performance is as follows.

(1) In the Japanese market, H1 saw concentrated active investment by Japanese mobile terminal vendors aiming for a recovery in performance with the launch of new smartphone models.

(2) The Asian market continued to perform strongly led by testers for manufacturing of smartphones, including those for development.

(3) In the North American market, mobile-related development applications, quality assurance and investment in network maintenance remained steady.

The Industrial Automation business remained firm in Japan and other regions in general.

Other businesses, such as the Information & Communications business, moved towards recovering profits from the previous year.

Ⅰ -2. Consolidated performance -Financial results-

Net sales and operating income both on par year-on-year

Unit: Billion Yen

	3Q FY2011 (Apr. to Dec.)	3Q FY2012 (Apr. to Dec.)	YoY	YoY (%)
Order Intake	66.7	69.6	2.9	4%
Revenue	66.2	67.7	1.5	2%
Operating profit (loss)	11.9	11.6	(0.3)	-2%
Profit (loss) before tax	10.7	11.5	0.8	8%
Profit (loss)	7.6	9.4	1.8	23%
Comperhensive Income	6.5	10.8	4.3	66%
Free Cash Flow	9.9	6.6	(3.3)	-34%

Note : Numbers are rounded off in each column

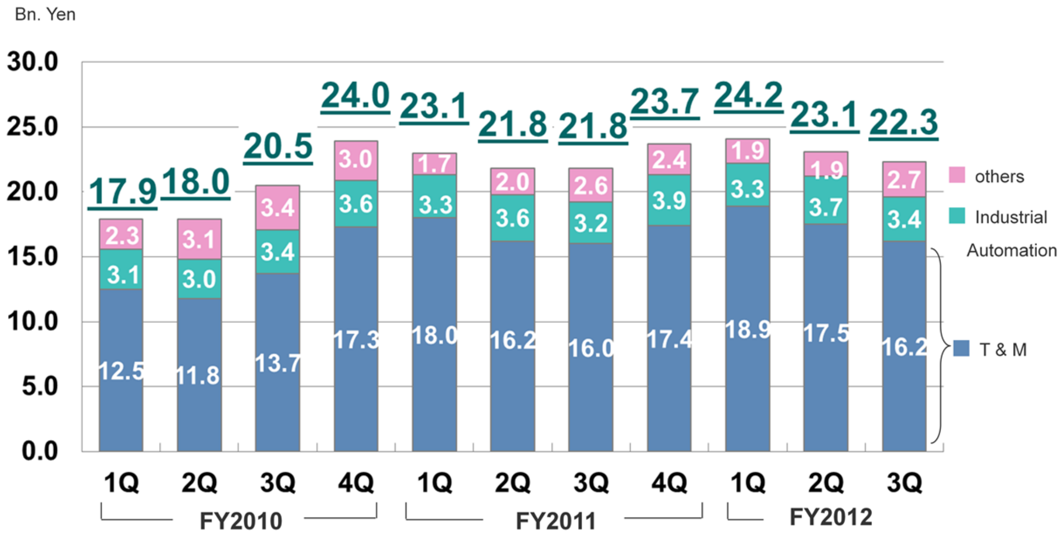
Orders increased 4% year-on-year to 69.6 billion yen.

Revenue grew 2% year-on-year to 67.7 billion yen, which was on par with the same period of the pervious year. Meanwhile, Operating profit also managed to remain on par year-on-year at 11.6 billion yen.

The exchange rate gain from the weakening yen in December was offset with financing costs, resulting in a profit before tax of 11.5 billion yen. Net profit increased significantly year-on-year to reach 9.4 billion yen; this can be attributed to a decrease in tax expense due to revisions in estimated effective tax rates.

Ⅰ-2. Consolidated performance -Orders by business segment-

T&M : Growth in orders year-on-year for nine consecutive quarters



Note : Numbers are rounded off in each column

T&M business orders for the quarter surpassed those of the same quarter the previous year for the ninth consecutive quarters, beginning with the Q3 of FY2010.

Ⅰ-2. Consolidated performance -Earnings by bus. segment-

Op. margin of T&M business : 22.0%

Unit: Billion Yen

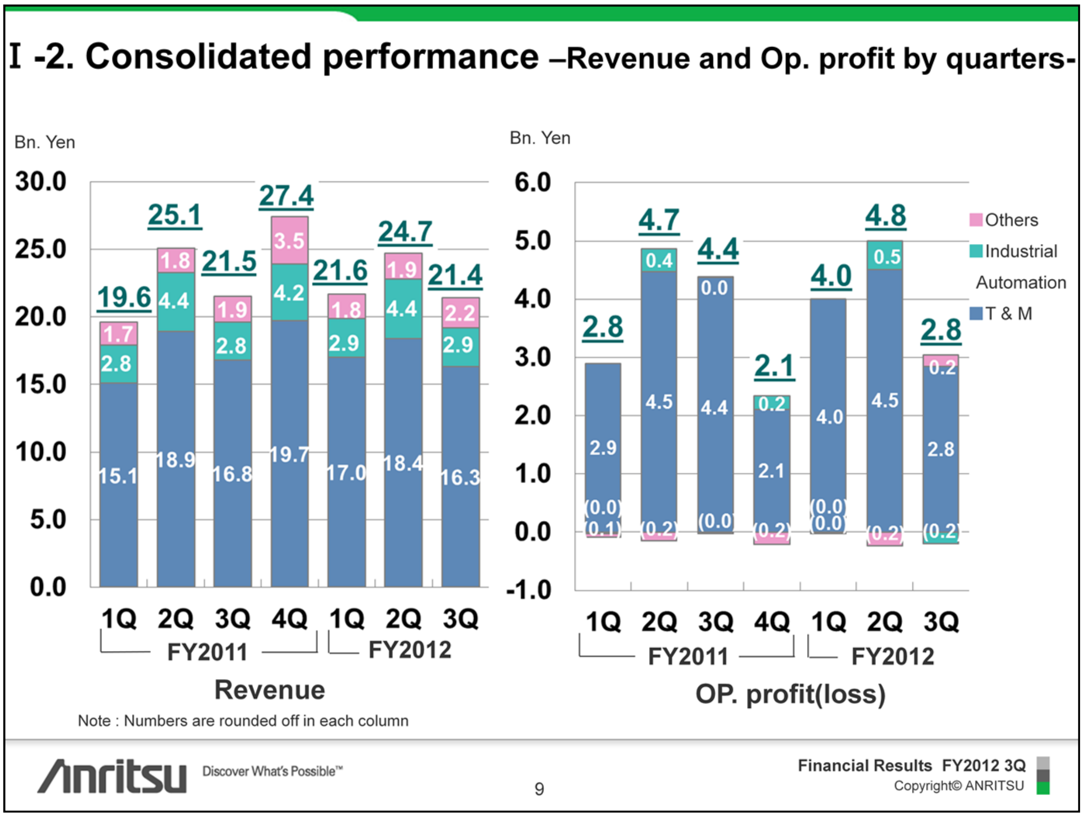
		3Q FY2011 (Apr. to Dec.)	3Q FY2012 (Apr. to Dec.)	YoY	YoY (%)
Test & Measurement	Revenue	50.9	51.7	0.8	2%
	Op. profit (loss)	11.7	11.4	(0.3)	-3%
Industrial Automation	Revenue	10.0	10.1	0.1	1%
	Op. profit (loss)	0.3	0.3	0.0	-16%
Others	Revenue	5.4	5.9	0.5	9%
	Op. profit (loss)	(0.2)	(0.0)	0.2	-
Total	Revenue	66.2	67.7	1.5	2%
	Op. profit (loss)	11.9	11.6	(0.3)	-2%

Note : Numbers are rounded off in each column

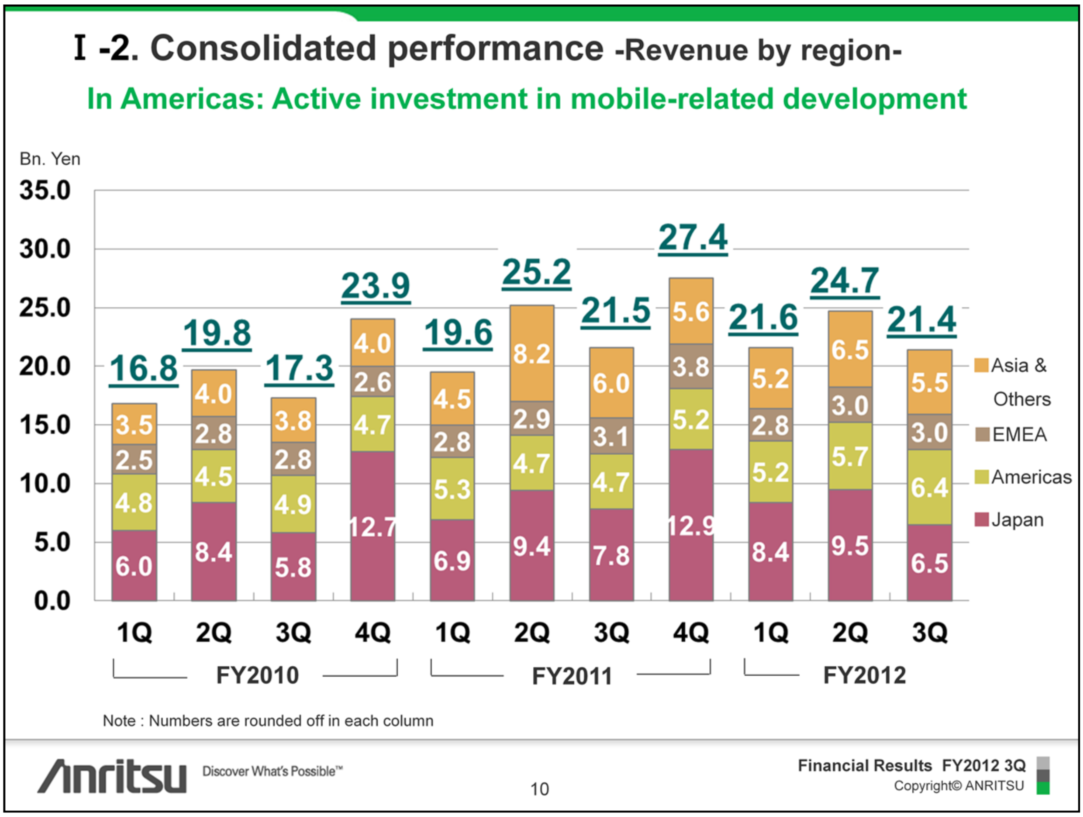
T&M business achieved 51.7 billion yen in revenue, up by 2% in comparison to the corresponding period of the previous year, 11.4 billion yen in operating profit and 22.0% of operating margin.

The Industrial Automation business posted revenue of 10.1 billion and operating profit of 0.3 billion yen, which were the same level year-on-year, and 2.8% of operating margin.

In other businesses, tangible results were seen from the management structural reform of the Information & Communications business.



Consolidated operating profit margin of Q1, Q2 and Q3 in FY2012 have become 18.5% ,19.3% and 13.3%, and those of T&M business have become 23.6%, 24.5%, and 17.4%, respectively.



The American market continued to grow in Q3 following Q2. Meanwhile, the Japanese market saw the transfer of the smartphone manufacturing sites of leading players to China and restraining on development investment in new models, which along with other factors showed an indication of reduction in capital investment. The European market was on par year-on-year, while the Asian market declined year-on-year.

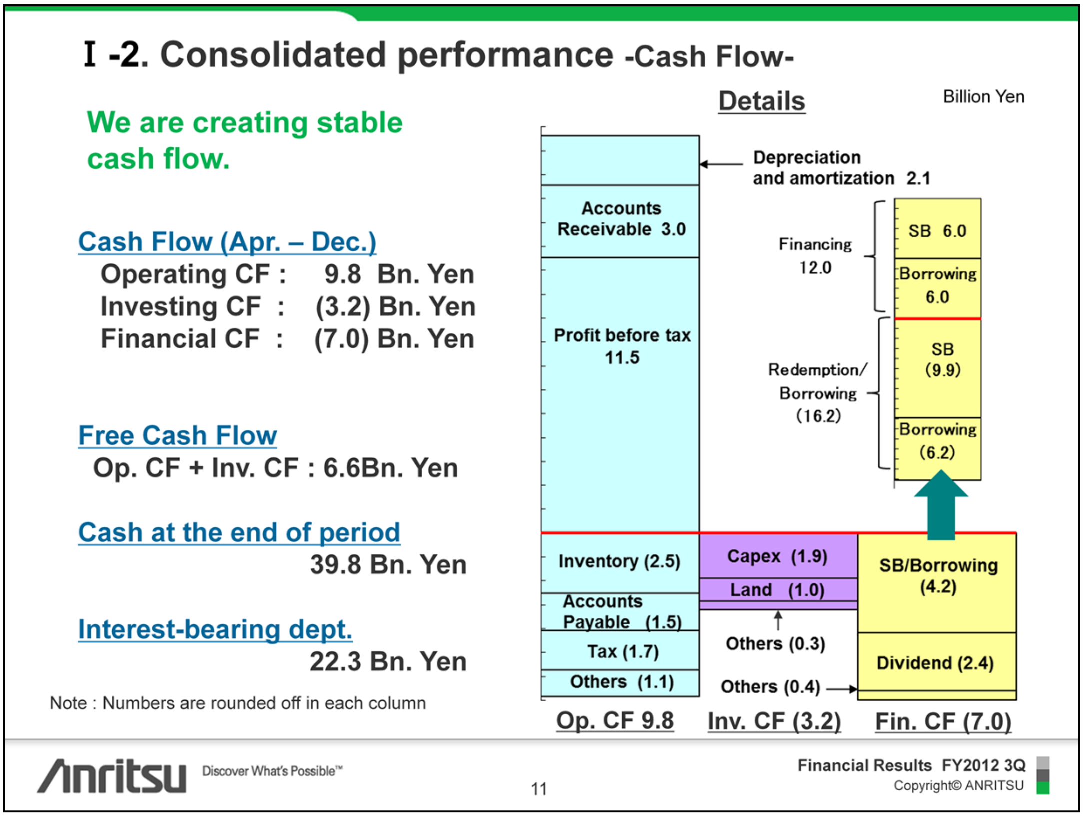
The main features throughout April to December in 2012 are as listed below.

(1) In Americas, along with active development investment in LTE-related markets by leading North American players and operators, investment in the installation and maintenance market of wireless base stations is also performing steadily.

(2) EMEA has maintained its year-on-year performance levels, despite the continuing harsh economic climate such as cutback on staff in leading mobile terminal and chipset vendors, and close down of development bases and manufacturing sites.

(3) The Asian market performed steadily, centering on capital investment by mobile terminal vendors.

(4) In the Japanese market, the launch of new smartphone models by mobile terminal vendors and investment by operators in wireless network maintenance and development were particularly notable in H1, a tendency to restrain capital investment overall was seen upon entering H2.



As a result of the increase in profit before tax and improvement in working capital, operating cash flow amounted 9.8 billion yen in capital acquired and an operating cash flow margin ratio was 14.5%.

Investment cash flow of 2.8 billion in capital investment mainly consisted of capital investment to bolster the T&M business, and 1 billion yen to acquire land for building a new factory in Koriyama city, Fukushima prefecture. This new factory is scheduled to be in operation from the beginning of July 2013.

As a result, the free cash flow amounted to 6.6 billion yen.

Funding within the financial cash flow came to a net minus of 4.2 billion yen. This is comprised of a total of 12 billion yen in funding consisting of 6 billion yen in the issue of straight bonds and 6 billion yen in long-term borrowing from financial institutions, offset against the compression of 16.2 billion yen in interest-bearing debt made up of 9.9 billion yen in the redemption of bonds and 6.2 billion yen in the repayment of borrowings.

The total dividend of 2.4 billion yen consists of the interim dividend paid out in December (7.5 yen per share) of 1 billion yen, and the year-end dividend of the previous fiscal year (10 yen per share).

Subsequently, the balance of cash equivalents at the end of the period was on par with that at the beginning of the fiscal year, at 39.8 billion yen.

Ⅰ-3. Outlook for full year of FY2012 (IFRS based)

No revision

Unit: Billion Yen

		FY2011	FY2012			
		Actual	3Q FY2012 (Apr. to Dec.)	Full Year Revised Forecast	YoY	YoY(%)
Revenue		93.6	67.7	94.5	0.9	1%
Operating profit (loss)		14.0	11.6	16.5	2.5	18%
Profit (loss) before tax		13.1	11.5	15.5	2.4	18%
Profit (loss)		8.0	9.4	12.0	4.0	51%
Test & Measurement	Revenue	70.6	51.7	70.0	(0.6)	-1%
	Op. profit (loss)	13.8	11.4	15.0	1.2	8%
Industrial Automation	Revenue	14.2	10.1	15.0	0.8	6%
	Op. profit (loss)	0.6	0.3	1.0	0.4	75%
Others*	Revenue	8.9	5.9	9.5	0.6	7%
	Op. profit (loss)	(0.4)	(0.0)	0.5	0.9	-

Note 1 : Exchange rate for FY2012(estimate) 1USD = 80 yen, 1EURO=100yen
Note 2 : Numbers are rounded off in each column
Note 3 : Others segment includes Information & Communication segment in FY2012.

The outlook for the FY2012 full year performance is the same as the revised forecast figures announced at the Q2 earnings announcement (October 2012).

As for the environment surrounding the Mobile T&M business, which is driving the Anritsu Group's performance, there are no major changes in the macro forecast, which sees further expansion in investment in the development and distribution of LTE as well as rapid growth in smartphone subscribers, etc.

Meanwhile, there is also no change in the outlook of a fall in T&M business sales in H2 in comparison with H1. Accordingly, the "Explanation of the full-year outlook and initiatives for securing income" in the briefing materials from the Q2 earnings announcement is stated in reference below.

"(Reasons for a fall in income in H2) This can be attributed to various factors including the trend toward further prolongation of the deteriorating global business sentiment that started around the latter half of Q2, the impact of the boycotting of Japanese products in China, and uncertainty in the willingness to investment by Japanese mobile terminal vendors.

As for profit, due to incorporating factors such as an increase in strategic investment costs for enhancing customer support capabilities and falling sales in the Japanese market, the full year operating margin will be set at a target of 20% for the T&M business.

Despite the outlook for such a severe business environment, Anritsu is fully committed to achieving its revised performance forecast."

II. Implementing a reduction in investment units

Share Unit	Change to 100 shares (currently 1,000 shares)
Scheduled implementation date	April 1, 2013 (From April 1, the trading unit will become 100 shares on the Tokyo Stock Exchange)
Purpose	To improve the liquidity of the Company’s shares and further expand the investor base

With the purpose of improving the liquidity of the Company’s shares and further expanding the investor base, through providing a more accessible investment environment for all investors and shareholders, the Company will change the share unit from 1,000 shares to 100 shares from the new fiscal year beginning on April 1, 2013.

We appreciate the support and cooperation of all our shareholders and investors in the year to come. This concludes our Q3 business report for FY2012.

Appendix

Appendix 1

The T&M Division has received an award from Frost & Sullivan* for 3 consecutive years.

- For 2012, received "2012 Global Test & Measurement Company of the Year" (January 2013)

- 2011

- 2010

Note : Frost & Sullivan is a global market research company.

(No notes here)

Appendix 2
3-years business plan GLP2014 (IFRS)

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GLP2014

Indicators		FY2011	FY2012	FY2014
Revenue		93.6 B Yen	94.5 B Yen	110.0 B Yen
Op. profit		14.0 B Yen	16.5 B Yen*2	19.0 B Yen
Profit		8.0 B Yen	12.0 B Yen*2	13.0 B Yen
ROE		19.5 %	20 %	≧20 %
ACE*1		5.2 B Yen	7.0 B Yen	9.0 B Yen
T&M	Revenue	70.6 B Yen	70.0 B Yen	80.0 B Yen
	Op. profit	13.8 B Yen	15.0 B Yen*2	16.0 B Yen
Indust Auto.	Revenue	14.2 B Yen	15.0 B Yen	18.0 B Yen
	Op. profit	0.6 B Yen	1.0 B Yen	1.5 B Yen

(Note 1) ACE（Anritsu Capital-cost Evaluation）:Operating profit after tax - Capital Cost
(Note 2) FY2012 planned values have the revised forecasts in Oct. 2012.

(No notes here)

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(No notes here)

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