CONSOLIDATED FINANCIAL SUMMARY
FOR THE YEAR ENDED MARCH 31, 2014
(IFRS)

April 24, 2014

Company name: **ANRITSU CORPORATION (Securities code : 6754)**

Stock exchange listings: Tokyo
（URL http://www.anritsu.com/）

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Date of general shareholders' meeting (as planned): June 26, 2014
Dividend payable date (as planned): June 27, 2014
Annual securities report filing date (as planned): June 26, 2014
Supplemental material of annual results: Yes
Convening briefing of annual results: Yes (for financial analysts and institutional investors)

(Millions of yen, round down)

1. Consolidated financial results of the year ended March 31, 2014
(From April 1, 2013 to March 31, 2014)

(1) Consolidated operating results
(Note) Percentage figures indicate change from the previous period.

	Revenue		Operating profit (loss)		Profit (loss) before tax		Profit (loss)		Profit (loss) attributable to owners of parent		Total comprehensive income (loss)	
For the year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March, 2014	101,853	7.6	14,123	-10.1	14,239	-11.8	9,318	-32.9	9,305	-33.0	13,501	-17.5
March, 2013	94,685	1.1	15,714	12.2	16,139	23.3	13,888	74.2	13,896	74.3	16,362	130.1

	Basic earnings per share	Diluted earnings per share	Profit to equity attributable to owners of parent ratio	Profit before tax to total assets ratio	Operating profit to revenue ratio
For the year ended	Yen	Yen	%	%	%
March, 2014	64.93	64.89	13.3	11.8	13.9
March, 2013	98.41	97.03	25.0	14.3	16.6

(Reference) Investments accounted for using equity method
FY2013 (March 31, 2014) : 10 million yen FY2012 (March 31, 2013) : 31 million yen

(2) Consolidated financial positions

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent to total assets ratio	Equity attributable to owners of parent per share
For the year ended	Millions of yen	Millions of yen	Millions of yen	%	Yen
March, 2014	127,149	74,896	74,886	58.9	522.54
March, 2013	115,095	64,539	64,542	56.1	450.36

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and equivalents, end of period
For the year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March, 2014	13,792	(5,312)	(4,359)	43,215
March, 2013	11,771	(5,030)	(10,035)	37,690

2. Dividends

	Dividend per share					Total Dividends	Payout ratio (Consolidated)	Ratio of total amount of dividends to equity attributable to owners of parent (Consolidated)
	First quarter	Second quarter	Third quarter	Fiscal year end	Total			
For the year ended	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
March, 2013	-	7.50	-	12.50	20.00	2,866	20.3	5.1
March, 2014		10.00	-	10.00	20.00	2,866	30.8	4.1
For the year ending	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
March, 2015 (Forecast)	-	12.00	-	12.00	24.00		31.3	

3. Consolidated forecast for the year ending March 31, 2015 (From April 1, 2014 to March 31, 2015)
(Note) Percentage figures indicate change from the previous period.

	Revenue		Operating profit (loss)		Profit (loss) before tax		Profit (loss)		Profit (loss) attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Annual	109,000	7.0	16,000	13.3	16,000	12.4	11,000	18.0	11,000	18.2	76.75

※ Others

(1) Material changes in subsidiaries during this period
(Changes in scope of consolidations resulting from change in subsidiaries) : None
Number of subsidiaries newly consolidated : -
Number of subsidiaries excluded from consolidation : -

(2) Changes in accounting policies and accounting estimates
1. Changes in accounting policies required by IFRS : Yes
2. Changes in accounting policies other than IFRS requirements : None
3. Changes in accounting estimates : None

(3) The number of shares issued and outstanding
1. Number of issued and outstanding shares at the period end（including treasury stock）
FY2013 (March 31, 2014) : 143,956,194 shares　FY2012 (March 31, 2013) : 143,956,194 shares
2. Total number of treasury stock at the period end
FY2013 (March 31, 2014) : 643,246 shares　FY2012 (March 31, 2013) : 642,176 shares
3. Average number of issued and outstanding shares during the period
FY2013 (March 31, 2014) : 143,313,484 shares　FY2012 (March 31, 2013) : 141,211,779 shares

(Reference) Non-consolidated financial results

1. Financial results of the year ended March 31, 2014 (From April 1, 2013 to March 31, 2014)

(1) Operating 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, 2014	54,091	3.2	7,294	-17.6	7,969	-18.1	5,400	-33.1
March, 2013	52,397	-0.3	8,853	-4.8	9,731	5.6	8,066	297.8

	Basic net income (loss) per share	Diluted net income (loss) per share
For the year ended	Yen	Yen
March, 2014	37.68	37.66
March, 2013	57.12	56.25

(2) Financial positions

	Total assets	Net assets	Ratio of equity capital	Net assets per share
For the year ended	Millions of yen	Millions of yen	%	Yen
March, 2014	125,836	81,538	64.6	567.63
March, 2013	122,749	79,167	64.4	551.65

(Reference) Equity capital FY2013 (March 31, 2014) : 81,348 million yen　FY2012 (March 31, 2013) : 79,059 million yen

Expression of implementation status of audit procedures

・This financial summary is out of scope of audit procedures based on Financial Instruments and Exchange Act.
・As of disclosure of this financial summary, the review procedure based on Financial Instruments and Exchange Act has not been completed.

Notes for using forecasted information and others

・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. The reader should be aware that actual results may be materially different from any future results expressed herein due to various factors.
・With regard to notes for utilizing preconditions of outlook and business forecast, please refer to 4) Outlook for the Fiscal Year Ending March 31, 2015 at page 5 and 6.
・Additional explanatory material related to the financial statements will be available at Anritsu's web site since the results briefing session to be held on April 25, 2014.

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1. Analysis of Results of Operations and Financial Position
(1) Analysis of Operating Results
1) General Overview

(Millions of yen)

	Fiscal Year 2012	Fiscal Year 2013	Change	
Orders	96,037	103,864	+7,827	+8.2%
Backlog of orders	15,427	17,439	+2,011	+13.0%
Revenue	94,685	101,853	+7,168	+7.6%
Operating profit (loss)	15,714	14,123	-1,590	-10.1%
Profit before tax (loss)	16,139	14,239	-1,899	-11.8%
Profit (loss)	13,888	9,318	-4,569	-32.9%
Profit (loss) attributable to owners of parent	13,896	9,305	-4,590	-33.0%

During the fiscal year under review, the outlook for the global economy was recovering in the U.S. while Europe and Asia remained uncertain. The Japanese economy is expected to recover with the monetary-fiscal policy aiming escape from a deflation and financial growth, and a correction of the strong yen.

In the field of communication networks, the shift to broadband is giving rise to diverse services, including video transmission services and cloud computing. As part of that trend, mobile broadband services for smartphones, tablets, and other mobile devices are expanding rapidly, and as a result, data traffic over networks is increasing at a steep rate. In response, the world's major telecom operators and telecom handset and equipment vendors maintained a certain level of development investment with the acceleration of the rollout of commercial services based on LTE (Long-Term Evolution), a communications standard enabling dramatically increased transmission speed, and advances in off-loading using public wireless LAN or other methods.

In addition, in the emerging countries, including China and India, the usage of third-generation (3G) commercial services is expanding, and TD-LTE commercial services are being introduced. The communications infrastructure, including base stations, is being upgraded aggressively, and at the same time, the markets are developing as mobile device manufacturing centers. Research and development demand for high-speed, high-capacity communications continues to grow, and investment related to LTE-Advanced, a next-generation communications standard, is also expanding. On the other hand there were big changes of market structure such as the withdrawals of Japanese smartphone venders from its businesses and re-organization of telecom operators and telecom handset and equipment vendors mainly in the U.S. and Europe.

Amid such business environment, the Anritsu Group carried out initiatives such as strengthening its solution, enhancing its product lineup, and improving its customer support capabilities.

During the fiscal year ended March 31, 2014, the demands for mobile communication market and network infrastructure market in North America. are strong. On the other hand demand for measuring instruments for the mobile communication market in Japan was weak. As a result, orders increased 8.2 percent compared with the previous fiscal year to 103,864 million yen, and revenue increased 7.6 percent to 101,853 million yen. Operating profit decreased 10.1 percent compared with the previous fiscal year to 14,123 million yen, profit before tax decreased 11.8 percent compared with the previous fiscal year to 14,239 million yen. Profit decreased 32.9 percent compared with the previous fiscal year to 9,318 million yen, profit attributable to owners of parent decreased 33.0 percent compared with the previous fiscal year to 9,305 million yen.

Note that due to an amendment of IAS 19, figures for the previous fiscal year have been restated based on the revised accounting policy retrospectively from this fiscal year.

2) Overview by Segment

1. Test and Measurement

	Fiscal Year 2012	Fiscal Year 2013	Change (Millions of yen)	
Revenue	71,232	75,962	+4,730	+6.6%
Operating profit (loss)	14,985	13,011	-1,973	-13.2%

This segment develops, manufactures and sells measuring instruments and systems for a variety of communications applications, 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, 2014, demand of measuring instruments for mobile R&D and network infrastructure was strong in North America. Demand of measuring instruments for manufacturing smartphone was firm mainly in Asia. On the other hand, demand of measuring instruments for mobile R&D and mobile production was stagnant in Japan. Consequently, segment revenue increased 6.6 percent compared with the previous fiscal year to 75,962 million yen and operating profit decreased 13.2 percent to 13,011 million yen.

2. Industrial Automation

	Fiscal Year 2012	Fiscal Year 2013	Change (Millions of yen)	
Revenue	14,439	16,919	+2,480	+17.2%
Operating profit (loss)	814	1,208	+393	+48.3%

This segment develops, manufactures and sells production management and quality management systems, including precision, high-speed auto checkweighers, automatic combination weighers and metal detectors, for the food, pharmaceutical and cosmetics industries, and precision measuring instruments for quality inspection in high-density mounting of electronic components for the electronics industry.

During the fiscal year ended March 31, 2014, in business for the food industry, demand for food inspection systems was firm as a result of initiatives, such as capturing renewed demand in Japan and acquiring new customers in the North American market.

As a result, segment revenue increased 17.2 percent compared with the previous fiscal year to 16,919 million yen and operating profit increased 48.3 percent to 1,208 million yen.

3. Others

	Fiscal Year 2012	Fiscal Year 2013	Change (Millions of yen)	
Revenue	9,014	8,970	-43	-0.5%
Operating profit (loss)	641	941	+299	+46.7%

This segment comprises information and communications, devices, logistics, welfare services, real estate leasing and other businesses.

Profit in this segment grew during the fiscal year ended March 31, 2014 compared with the previous fiscal year due to the absence of impairment losses for buildings, which were included in the previous fiscal year, despite business restructuring expenses in the devices business were recorded. As a result, segment revenue decreased 0.5 percent compared with the previous fiscal year to 8,970 million yen, and operating profit increased 46.7 percent to 941 million yen.

3) Analysis of Operating Results

1. Test and Measurement

The Test and Measurement business, which accounts for approximately 75 percent of the Anritsu Group's revenue, is divided into the following 3 sub-segments.

1) Mobile

The Mobile 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, market penetration, number of new subscribers, and new mobile phone models and mobile phones shipped.

Along with the dramatic expansion in mobile broadband services for smartphones, tablets, and other devices, services based on LTE, the high-speed communications standard, are being rolled out globally on a full scale. As a result, development of IC chipsets and mobile handsets supporting LTE is being actively undertaken, and demand for related measuring equipment is expanding. To meet demand for test and measurement systems that perform protocol conformance testing and interoperability testing as well as for measuring instruments for manufacturing mobile devices, the Company is continuing to work to develop and launch competitive products. To maintain and expand its market position, the Company is also endeavoring to expanding its portfolio of solutions for the LTE and the further-evolved LTE-Advanced handset market. In addition, in the emerging countries, including China and India, the usage of third-generation (3G) commercial services is expanding, and LTE commercial services are being introduced. In tandem with these trends, these countries are also expected to be promising markets as they develop into production centers, supplying mobile terminals to the world market.

Anritsu will work to further expand business by providing competitive products such as measuring equipment for manufacturing.

2) Network Infrastructure

The Network 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 in areas including design, production and testing.

In this sub-segment, with the increasing popularity of broadband networks, service offerings are developing to include not only music and video distribution but also cloud computing services. Along with this, access to the Internet through mobile terminals is rising rapidly, and, as a result, data traffic is increasing, thus bringing stronger demand for higher-speed networks.

In the field of network infrastructure, full-scale construction of 100Gbps networks that can handle the rapid increase in high-speed traffic, as well as full-fledged research and development for 400Gbps network equipment, are under way. Additionally, demand for installation of base stations and mobile backhaul equipment is increasing to meet surging demand for data communications driven by the popularization of devices such as smartphones and tablets. As a result, demand for related measuring equipment is also increasing.

In service assurance, increased demand is anticipated for solutions that ensure service quality due to the development of new services using networks as platforms.

The Network Infrastructure sub-segment is working to expand 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.

3) Electronics

The Electronics 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 tends to be impacted by the scale of production of electronic components and products used in telecommunications equipment, intelligent home appliances and automobiles.

The expansion of mobile broadband services is driving growth in demand for development and manufacturing of wireless modules for a broad array of applications. Anritsu will work to further expand the business in this sub-segment by offering a wider range of applications for the electronics market and enhancing its lineup of general-purpose measuring equipment.

2. Industrial Automation

The Industrial Automation business accounts for about 16 percent of Anritsu Group's revenue. Since approximately 80 percent of segment revenue is made of food manufacturers, this segment is substantially influenced by the impact of economic growth rate and changes in consumer spending which would affect results on food manufacturers' business.

Core products include highly precise checkweighers for high-speed food processing lines, as well as X-ray and other inspection systems that detect and remove metal fragments, stones and other alien materials in the food processing process with high precision. Anritsu's products have been grown mainly in the Japanese market. In addition, continuous investment aimed at expanding market share in Asia, the United States and Europe resulted in an overseas revenue ratio of approximately 35 percent.

Demand for quality control inspection solutions is expected to remain firm overall, particularly in emerging countries, as interest among food manufacturers remains high. To meet this demand, Anritsu will develop and deliver quality assurance solutions, and will optimize its supply chain including overseas production in order to expand the business and increase profitability.

4) Outlook for the Fiscal Year Ending March 31, 2015

During the fiscal year ending March 31, 2015, the global economy is expected to recover mainly in the Americas. However, uncertainties remain about trends in the European and Chinese economies and rising geopolitical risks. also, it will continue to be necessary to continually pay close attention to increasingly intense price competition and trends in foreign exchange rates.

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

In the core Test and Measurement segment, the Anritsu Group will work more closely with customers by sharing development road maps with them and strengthen technical support to establish a competitive position in the mobile market, where demand is projected to continue expanding worldwide. In the network infrastructure market, with the expansion and increased density of the base station network and the shift to broadband of network equipment, the Anritsu Group will globally provide products that respond to reinforcement of such network infrastructure. In the electronics market, various wireless technologies are applied to transportation devices, home appliances and social infrastructure as well, and the Anritsu Group will aim to expand business by providing test and measurement solutions that have enhanced user convenience in growth fields. The Anritsu Group will also work aggressively to structure a global procurement system and strengthen its research and development and customer support services with the objectives of aggressively expanding its business activities and achieving further improvements in profitability.

In the Industrial Automation segment, while developing the market with a strategy of higher added value and differentiation, Anritsu aims to expand business in the growing overseas markets by further strengthening the business base and expanding global procurement and overseas production to introduce products that are highly cost-competitive.

The performance forecast for the year ending March 31, 2015 is shown on page 6.

The Anritsu Group is planning on further growth in revenue in its test and measurement business, driven by expansion in the mobile device field. In the industrial automation business, growth in demand is expected in both domestic and overseas markets. The outlook for operating profit and profit increase from the previous fiscal year ended March 31, 2014.

BUSINESS FORECAST FOR THE FISCAL YEAR ENDING MARCH 31, 2015 (IFRS)

(Millions of yen)

	FY2014
Revenue	109,000
Operating profit	16,000
Profit before tax	16,000
Profit	11,000
Profit attributable to owners of parent	11,000

Assumed exchange rate; 1US$=100Yen

(For Reference)

SEGMENT INFORMATION

(Millions of yen)

	FY2012	FY2013		FY2014 (Forecast)	
	From Apr.1, 2012 To Mar.31, 2013	From Apr.1, 2013 To Mar.31, 2014	%Change	From Apr.1, 2014 To Mar.31, 2015	%Change
Revenue	94,685	101,853	+7.6	109,000	+7.0
Segment					
Test and Measurement	71,232	75,962	+6.6	81,500	+7.3
Industrial Automation	14,439	16,919	+17.2	18,000	+6.4
Others	9,014	8,970	-0.5	9,500	+5.9
Market					
Japan	35,293	30,133	-14.6	31,000	+2.9
Overseas	59,391	71,720	+20.8	78,000	+8.8
Americas	22,667	28,858	+27.3	31,000	+7.4
EMEA	12,615	14,601	+15.7	16,000	+9.6
Asia and Others	24,107	28,260	+17.2	31,000	+9.7

(Notes) EMEA**:** Europe, Middle East and Africa
The information and communications business which was previously a reported segment has been included in the Others segment from the fiscal year ended March 31, 2013.

(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 Equity

	Ended March 31,		(Millions of yen)
	2013	2014	Change
Total assets	115,095	127,149	+12,054
Liabilities	50,555	52,253	+1,697
Equity	64,539	74,896	+10,356
Interest-bearing debt (Excluding lease payable)	19,417	18,858	-558

Assets, liabilities and equity as of March 31, 2014 were as follows.

1. Assets

Total assets increased 12,054 million yen compared with the end of the previous fiscal year to 127,149 million yen. Primarily cash and cash equivalents and property, plant and equipment increased.

2. Liabilities

Total liabilities increased 1,697 million yen compared with the end of the previous fiscal year to 52,253 million yen. This was primarily due to increase in income tax payable.

3. Equity

Equity increased 10,356 million yen compared with the end of the previous fiscal year to 74,896 million yen. This was mainly due to increase in retained earnings.

As a result, the equity attributable to owners of parent to total assets ratio was 58.9 percent, compared with 56.1 percent at the end of the previous fiscal year.

2) Summarized Cash Flows

	Fiscal Year		(Millions of yen)
	2012	**2013**	Change
Cash flows from operating activities	11,771	13,792	+2,021
Cash flows from investing activities	(5,030)	(5,312)	-281
Cash flows from financing activities	(10,035)	(4,359)	+5,676
Cash and cash equivalents at end of period	37,690	43,215	+5,525
(Reference) Free cash flow	6,740	8,480	+1,740

In the fiscal year ended March 31, 2014, cash and cash equivalents (hereafter, “net cash”) increased 5,525 million yen from the end of the previous fiscal year to 43,215 million yen.

Free cash flow, the sum of cash flows from operating activities and cash flows from investing activities, was positive 8,480 million yen (compared with positive 6,740 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 13,792 million yen (in the previous fiscal year, operating activities provided net cash of 11,771 million yen). The main factor was recording profit before tax.

Depreciation and amortization was 3,052 million yen, an increase of 216 million yen compared with the previous fiscal year.

2. Cash Flows from Investing Activities

Net cash used in investing activities was 5,312 million yen (in the previous fiscal year, investing activities used net cash of 5,030 million yen).

This was primarily due to the acquisition of property, plant and equipment as a result of the construction of a new factory to strengthen the manufacturing capability and promotion of the scrap and build plan in accordance with BCP (Business Continuity Planning) at the head office site, which used cash totaling 4,770 million yen.

3. Cash Flows from Financing Activities

Net cash used by financing activities was 4,359 million yen (in the previous fiscal year, financing activities used net cash of 10,035 million yen).

The primary factor was due to payment of cash dividends totaling 3,224 million yen.

3) Analysis of Financial Position

The Anritsu Group's funding requirements are mainly for working capital to purchase materials and cover expenses incurred in the manufacturing, sales, and marketing of products; for capital investments; and for research and development expenses. The Group secures sufficient funding to cover these requirements from retained earnings, bank borrowings, and capital market funding. To ensure stability in funding, the Anritsu Group arranged for a commitment line of 10 billion yen in March 2014, which is effective through March 2017. 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.

During the fiscal year ended March 31, 2014, as a result of bank loan repayment, as of March 31, 2014, the balance of interest-bearing debt (excluding lease payable) was 18.8 billion yen (compared with 19.4 billion yen at the end of the previous fiscal year) and the debt-to-equity ratio was 0.25 (compared with 0.30 at the end of the previous fiscal year), both substantial improvements. In addition, the turnover ratio on the end-of-period balance of inventories to revenue was 6.1 times.

The Company will utilize increased cash flow generated by improvements in ACE (net operating profit 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 debt-to-equity ratio, enhancing shareholders' equity and fortify its financial structure.

At the end of March 2014, Rating and Investment Information, Inc. (R&I) has 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.

(Note)

ACE (Anritsu Capital-cost Evaluation): Net operating profit after tax – Cost of capital

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

4) Cash Flow Outlook for the Year Ending March 31, 2015

1. Cash Flows from Operating Activities

In addition to increasing profit before tax, the Anritsu Group plans to maximize cash provided by operating activities by making more effective use of operating assets such as trade receivables and inventories. In particular, Anritsu Group aims to reduce inventories by conducting thorough supply chain management, including production innovation, and making more efficient use of demo products for sales promotions.

2. Cash Flows from Investing Activities

Anritsu expects investing activities to use net cash in the fiscal year ending March 31, 2015.

Capital expenditure will include expenditures to strengthen the foundation of its product development environment, promote the scrap and build plan in accordance with BCP (Business Continuity Planning) at the head office site, and investment in IT systems. The scale of these investments will be higher than the level of the year under review.

3. Cash Flows from Financing Activities

The Anritsu Group expects cash flows from financing activities to be negative, mainly due to payment of cash dividends.

5) Indicator Trend of Consolidated Cash Flows

	Year Ended March 31, 2012	Year Ended March 31, 2013	Year Ended March 31, 2014
Shareholders' equity / Total assets (%)	42.1	56.1	58.9
Market capitalization / Total assets (%)	133.6	180.9	133.6
Interest bearing debt / Operating cash flows (years)	1.9	1.6	1.4
Operating cash flows / Interest expense (times)	32.3	24.9	54.2

(Notes)

1. All indicators are calculated on a consolidated basis under IFRS.

*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 debt** are borrowings 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.*

(3) Profit Distribution Policy and Dividends for the Years Ended/Ending March 31, 2014 and March 31, 2015

The Company’s core policy for returning profits to its shareholders is to distribute profits in accordance with its consolidated performance. With regard to dividend, while taking the basic approach of raising dividends on equity (DOE) in accordance with the increase in consolidated profits for the fiscal year, the Company aims at a consolidated dividend payout ratio of 25% or more. Furthermore, the Company will incorporate total return ratio as its policy for returning profits and consider purchasing treasury stock in an effort to return profits to its shareholders.

The Company’s basic 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 distributions of dividends twice a year, 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. The Company’s Articles of Incorporation stipulate that the Company may pay an interim dividend with the record date of September 30 each year by a resolution of the Board of Directors.

Anritsu plans to pay a year-end dividend of 10.0 yen per share, and total dividends for the fiscal year will be 20.0 yen per share for the fiscal year ended March 31, 2014.

For the fiscal year ending March 31, 2015, Anritsu plans to pay cash dividends of 24.0 yen per share (including an interim dividend of 12.0 yen per share), in acknowledgment of its shareholders’ ongoing support, assuming achievement of the business forecast on page 6.

(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 financial condition and operating results.

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 financial condition and operating results.

Because a high percentage of Test and Measurement segment revenue is 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 even as they curtail capital investment. However, they are also increasingly adopting shared open network use in order to 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 such as 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.

In the Industrial Automation business, sales to food manufacturers constitute approximately 80 percent of revenue. 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 Risk

The 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 83 percent, and many customers likewise operate on a global scale. As a result, economic trends in countries worldwide, international conditions and progress in the Anritsu Group’s global strategy have the potential to exert a material impact on earnings. In addition, global-scale mergers, acquisitions and realignment in the telecommunications industry are changing the competitive landscape. Significant changes in capital investment trends that result have the potential to exert a material impact on the Anritsu Group’s financial condition and operating results.

4) Foreign Exchange Risk

Anritsu Group’s sales outside Japan account for approximately 70 percent of consolidated revenue. 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 financial condition and operating results.

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 obsolescence 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 and operating results.

6) Risk Related to Deferred Tax Assets

The Anritsu Group applies deferred tax accounting and recognizes deferred tax assets. Calculation of deferred tax assets is based on projections that include estimates of future taxable profit, and the actual benefit may differ from the projection. If the tax benefits based on the estimate of future taxable profit are judged to be unavailable, these deferred tax assets are written down, which has the potential to exert a material impact on the Anritsu Group’s financial condition and operating results.

7) Risk related to Defined-Benefit Pension Plan

The amounts of retirement benefit payments and obligations incurred in connection with employee defined-benefit pension plans of the parent company and certain of its subsidiaries are calculated based on assumptions, including discount rates, made for actuarial calculations and the expected return on such pension plan assets. If the discount rates and other assumptions, which were made for the actuarial calculations of the expected amount of obligations under these defined-benefit pension plans undergo change, this has the potential to exert a material impact on the Anritsu Group’s financial condition and operating results.

8) Impact of Revisions, Etc., in Accounting Standards

The Anritsu Group voluntarily adopted its financial statements in conformity with IFRS. However, if, in the future, new accounting principles, tax laws, etc., are applied and/or changes are made in such regulations, this has the potential to exert a material impact on the Anritsu Group’s financial condition and operating results.

9) Risk of Natural Disasters and Other Unexpected Events

The Anritsu Group operates production and sales activities globally. Consequently, the occurrence of major earthquakes or other natural disaster, fire, war, acts of terrorism or violence could exert a material impact on the Anritsu group’s financial condition and operating results by disrupting the business activities of the Anritsu Group or its suppliers and customers due to damage to key facilities, or by causing political or economic instability.

2. Management Policies
(1) Basic Policy

The management philosophy of Anritsu Corporation is to contribute to creating an affluent safe and secure global society by providing “Original & High-level” products and services with sincerity, harmony and enthusiasm. Based on this, Anritsu’s Company Policy is 1) to make Energetic organization by all employees with knowledge, 2) to obtain the growth driver by innovation, 3) to be a market leader in the global market and 4) to contribute for creating the society which is kind to human and earth as a good corporate 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, Industrial Automation, and other businesses, and are a source of its corporate value. Strong relationships with suppliers and good labor-management relationships based on trust are also key management resources and further sources of corporate value.

As part of the project for rebuilding its brand, the Anritsu Group announced a new brand statement “envision:ensure.” Embedded in this statement is the intention, “We will share dreams with customers, create a vision together, and develop this vision into tangible solutions that exceed our customers’ expectations through innovation.” The Anritsu Group will continue working to raise corporate value by making the most of these management resources while contributing to the realization of an affluent, safe and secure global society.

(2) Management Targets

Anritsu aims to maximize corporate value by managing its operations with a focus on 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. A target for ROE is also set as an indicator of the efficiency of capital invested.

To attain its management vision of “continuous growth with sustainable superior profits,” the Anritsu Group prepared its ANRITSU 2020 VISION, which has a time horizon of 10 years (that began in 2010), and is implementing a medium-term milestone plan entitled Mid-term Business Plan GLP2014 (GLP2014). The principal management targets under this plan and progress today are shown in the following table.

	GLP2014 First Year	GLP2014 Interim Year	GLP2014 Last Year	(Reference)
	Year Ended March 31, 2013 (Actual)	Year Ended March 31, 2014 (Actual)	Year Ending March 31, 2015 (Targets)	Year Ending March 31, 2015 (Forecast)
Revenue (Billions of yen)	94.6	101.8	110.0	109.0
Operating Profit (Billions of yen)	15.7	14.2	19.0	16.0
Profit (Billions of yen)	13.8	9.3	13.0	11.0
ACE (Billions of yen)	9.4	4.7	9.0	-
ROE	25%	13%	17%	-

ACE: Net operating profit after tax – Cost of capital

With an amendment of IAS19, results for the fiscal year ended March 31, 2013 have been restated based on the revised accounting policies retrospectively.

In response to dramatic changes in the market environment and situation of competition from the fiscal year ended March 31, 2013 in which GLP2014 was formulated up to the present, the Company has been taking appropriate actions, such as working more closely with customers by strengthening the overseas support system with a view to expanding sales in overseas markets. In addition, the Company is coping with further increase of profitability through more efficient production, promotion of cost reduction, and improvement of operational processes.

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

The Anritsu Group’s businesses, from the core Test and Measurement business to the Information and Communications and device businesses, involve information and communication technology (ICT) services. In the ICT field, the global expansion of mobile broadband services is driving growth. This trend is clearly apparent in the medium-to-long-term increase in popularity of 3G and LTE, and the explosive growth of mobile data traffic. From basic social infrastructure to entertainment applications, safe, secure networks that are easy to connect to anytime and anywhere are vital to a sustainable society. As an advanced measurement company, Anritsu provides network solutions for its customers and for society.

In the Industrial Automation business, as a long-term goal, the Anritsu group will aim to expand its business by raising the overseas revenue ratio to 50 percent. The Anritsu group will work to enhance overseas resources to accelerate business development mainly in North American and Asian markets.

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 improve the risk management system through further strengthening of established ties among Group companies in Japan and overseas via upgrades to the internal control system. Furthermore, Anritsu will place high management priority on enhancing corporate governance, and will take necessary measures to increase management transparency, reinforce check-and-balance functions, and strengthen oversight of management.

Moreover, Anritsu places high management priority on enhancing corporate governance, and will take the necessary measures to increase management transparency, reinforce check-and-balance functions and strengthen oversight of management.

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, customer satisfaction, supply chain management, environmental protection, respect of diversity (utilizing female and foreign-registered employees) , human rights, and occupational health and safety. By doing so, the Anritsu Group will further strengthen its operating infrastructure globally and achieve continuous profitable growth.

Through the activities mentioned above, Anritsu will seek to achieve the goals “to be a global market leader” and “to create new businesses by emerging business” set out in “2020 VISION,” which expresses what Anritsu hopes to achieve by 2020, as well as continue to enhance corporate value.

3. Consolidated Financial Statements

(1) Consolidated Statement of Financial Position

(Unit: Millions of yen; round down)

Assets	End of FY2012 as of 3.31.13 (A)	End of FY2013 as of 3.31.14 (B)	(B) - (A)	Liabilities and Equity	End of FY2012 as of 3.31.13 (A)	End of FY2013 as of 3.31.14 (B)	(B) - (A)
Assets	**115,095**	**127,149**	**12,054**	**Liabilities**	**50,555**	**52,253**	**1,697**
Current assets	79,951	90,010	10,058	Current liabilities	25,960	33,796	7,835
Cash and cash equivalents	37,690	43,215	5,525	Trade and other payables	8,189	8,451	261
Trade and other receivables	23,883	25,687	1,803	Bonds and borrowings	2,472	6,898	4,426
Other financial assets	22	1,098	1,075	Other financial liabilities	551	248	(303)
Inventories	16,164	17,053	888	Income tax payables	1,997	3,835	1,838
Income tax receivables	491	183	(308)	Employee benefits	6,735	7,112	377
Other assets	1,698	2,772	1,073	Provisions	326	291	(34)
				Other liabilities	5,689	6,958	1,269
Non-current assets	35,143	37,139	1,996				
Property, plant and equipment	17,274	19,747	2,473	Non-current liabilities	24,594	18,456	(6,137)
Goodwill and intangible assets	1,340	2,023	682	Trade and other payables	380	392	12
Investment property	2,329	2,164	(165)	Bonds and borrowings	16,945	11,960	(4,985)
Trade and other receivables	279	306	27	Other financial liabilities	313	104	(209)
Other financial assets	1,785	2,209	423	Employee benefits	5,586	3,322	(2,263)
Investments accounted for using equity method	238	249	11	Provisions	122	131	8
Deferred tax assets	11,754	10,264	(1,489)	Deferred tax liabilities	686	323	(363)
Other assets	140	173	32	Other liabilities	559	2,222	1,662
				Equity	**64,539**	**74,896**	**10,356**
				Total equity attributable to owners of parent	64,542	74,886	10,343
				Common stock	19,052	19,052	-
				Additional paid-in capital	28,110	28,191	81
				Retained earnings	23,160	30,729	7,569
				Retained earnings (Cumulative translation differences at the date of transition to IFRS)	(7,207)	(7,207)	-
				Total retained earnings	15,952	23,521	7,569
				Treasury stock	(867)	(868)	(1)
				Other components of equity	2,294	4,988	2,694
				Non-controlling interests	(2)	10	13
TOTAL	115,095	127,149	12,054	TOTAL	115,095	127,149	12,054

(2) Consolidated Statement of Profit or Loss and Other Comprehensive Income

(Unit: Millions of yen; round down)

	FY2012 From April 1, 2012 to March 31, 2013 (A)		FY2013 From April 1, 2013 to March 31, 2014 (B)		Change	
	Amount	%	Amount	%	(B) - (A)	%
Revenue	94,685	100.0	101,853	100.0	7,168	7.6
Cost of sales	43,715	46.2	46,897	46.0	3,181	7.3
Gross profit	50,969	53.8	54,955	54.0	3,986	7.8
Other revenue and expenses						
Selling, general and administrative expenses	24,346	25.7	28,621	28.1	4,274	17.6
Research and development expense	10,156	10.7	12,227	12.0	2,071	20.4
Other income	311	0.3	521	0.5	210	67.5
Other expenses	1,064	1.1	505	0.5	(558)	-52.5
Operating profit (loss)	15,714	16.6	14,123	13.9	(1,590)	-10.1
Finance income	1,268	1.3	686	0.7	(582)	-45.9
Finance costs	875	0.9	579	0.6	(295)	-33.8
Share of profit (loss) of associates and joint ventures accounted for using equity method	31	0.0	10	0.0	(21)	-67.3
Profit (loss) before tax	16,139	17.0	14,239	14.0	(1,899)	-11.8
Income tax expense	2,251	2.4	4,921	4.8	2,669	118.6
Profit (loss)	13,888	14.7	9,318	9.1	(4,569)	-32.9
Items that will not be reclassified to profit or loss						
Change of financial assets measured at fair value	410		272		(137)	
Remeasurements of defined benefit plans	(469)		1,488		1,958	
Total	(59)		1,761		1,820	
Items that may be reclassified subsequently to profit or loss						
Exchange differences on translation	2,535		2,421		(113)	
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(1)		-		1	
Total	2,533		2,421		(111)	
Total of other comprehensive income	2,474	2.6	4,182	4.1	1,708	69.0
Comprehensive income	16,362	17.3	13,501	13.3	(2,860)	-17.5

Profit (loss), attributable to :						
Owners of parent	13,896		9,305		(4,590)	
Non-controlling interests	(7)		13		21	
Comprehensive income attributable to :						
Owners of parent	16,370		13,488		(2,882)	
Non-controlling interests	(7)		13		21	
Earnings per share						
Basic earnings per share (Yen)	98.41		64.93		(33.48)	
Diluted earnings per share (Yen)	97.03		64.89		(32.14)	

(3) Consolidated Statements of Changes in Equity

FY2012 (From April 1, 2012 to March 31, 2013)

(Unit: Millions of yen; round down)

	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Other components of equity	Total equity attributable to owners parent	Non-controlling interests	Total equity
Balance at April 1, 2012	17,105	26,332	4,881	(852)	(648)	46,818	-	46,818
Profit (loss)	-	-	13,896	-	-	13,896	(7)	13,888
Other comprehensive income	-	-	(469)	-	2,943	2,474	-	2,474
Total comprehensive income	-	-	13,426	-	2,943	16,370	(7)	16,362
Stock options exercised	21	15	-	-	-	37	-	37
Conversion of debt to equity	1,925	1,807	-	-	-	3,732	-	3,732
Stock options granted	-	44	-	-	-	44	-	44
Stock option expired	-	(3)	3	-	-	-	-	-
Redemption of bonds with subscription rights to shares	-	(85)	85	-	-	-	-	-
Dividends paid	-	-	(2,446)	-	-	(2,446)	-	(2,446)
Purchase of treasury stock	-	-	-	(14)	-	(14)	-	(14)
Acquisition of subsidiary with non-controlling interests	-	-	-	-	-	-	5	5
Transfer from other components of equity to retained earnings	-	-	0	-	(0)	-	-	-
Total transactions with owners and other transactions	1,946	1,777	(2,355)	(14)	(0)	1,353	5	1,358
Balance at March 31, 2013	19,052	28,110	15,952	(867)	2,294	64,542	(2)	64,539

FY2013 (From April 1, 2013 to March 31, 2014)

(Unit: Millions of yen; round down)

	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Other components of equity	Total equity attributable to owners parent	Non-controlling interests	Total equity
Balance at April 1, 2013	19,052	28,110	15,952	(867)	2,294	64,542	(2)	64,539
Profit (loss)	-	-	9,305	-	-	9,305	13	9,318
Other comprehensive income	-	-	1,488	-	2,694	4,182	-	4,182
Total comprehensive income	-	-	10,793	-	2,694	13,488	13	13,501
Stock options granted	-	81	-	-	-	81	-	81
Dividends paid	-	-	(3,224)	-	-	(3,224)	-	(3,224)
Purchase of treasury stock	-	-	-	(1)	-	(1)	-	(1)
Dividends to non-controlling interests	-	-	-	-	-	-	(0)	(0)
Total transactions with owners and other transactions	-	81	(3,224)	(1)	-	(3,144)	(0)	(3,144)
Balance at March 31, 2014	19,052	28,191	23,521	(868)	4,988	74,886	10	74,896

(4) Consolidated Statement of Cash Flows

(Unit: Millions of yen; round down)

	FY 2012 (12 months)	FY 2013 (12 months)	Change
	From April 1, 2012 to March 31, 2013 (A)	From April 1, 2013 to March 31, 2014 (B)	(B) - (A)
Cash flows from (used in) operating activities			
Profit (Loss) before tax	16,139	14,239	(1,899)
Depreciation and amortization expense	2,835	3,052	216
Impairment loss	767	86	(680)
Interest and dividends income	(126)	(158)	(32)
Interest expenses	462	271	(190)
Loss (Gain) on disposal of property, plant and equipment	254	9	(244)
Decrease (Increase) in trade and other receivables	604	(736)	(1,340)
Decrease (Increase) in inventories	(594)	(196)	397
Increase (Decrease) in trade and other payables	(1,356)	(348)	1,007
Increase (Decrease) in employee benefits	(3,561)	853	4,415
Other, net	(1,262)	(791)	470
Sub Total	14,162	16,281	2,118
Interest received	93	126	32
Dividends received	33	49	16
Interest paid	(472)	(254)	218
Income taxes paid	(2,171)	(2,941)	(770)
Income taxes refund	126	531	405
Net cash flows from (used in) operating activities	11,771	13,792	2,021
Cash flows from (used in) investing activities			
Payments into time deposits	—	(1,181)	(1,181)
Proceeds from withdrawal of time deposits	—	125	125
Purchase of property, plant and equipment	(4,478)	(4,770)	(291)
Proceeds from sale of property, plant and equipment	4	10	5
Purchase of other financial assets	(5)	(5)	(0)
Proceeds from sale of other financial assets	1	5	3
Proceeds from government grants	—	1,434	1,434
Other, net	(552)	(928)	(376)
Net cash flows from (used in) investing activities	(5,030)	(5,312)	(281)
Cash flows from (used in) financing activities			
Proceeds from long-term borrowings	6,000	—	(6,000)
Repayments of long-term borrowings	(9,100)	(600)	8,500
Proceeds from issuing bonds	6,000	—	(6,000)
Redemption of bonds	(9,950)	—	9,950
Proceeds from issuing shares	37	—	(37)
Dividends paid	(2,446)	(3,224)	(778)
Other, net	(577)	(535)	42
Net cash flows from (used in) financing activities	(10,035)	(4,359)	5,676
Effect of exchange rate change on cash and cash equivalents	1,389	1,404	15
Net increase (decrease) in cash and cash equivalents	(1,906)	5,525	7,431
Cash and cash equivalents at beginning of period	39,596	37,690	(1,906)
Cash and cash equivalents at end of period	37,690	43,215	5,525

(5) Notes regarding Going Concern

None

(6) Changes in Accounting Policies

The Anritsu Group adopted the following IFRSs from the year ended 31 March, 2014.

IFRSs	Title	Summaries of new IFRSs / amendments and transitional provisions
IFRS 7	Financial Instruments: Disclosures	Disclosures requirement for quantitative information about offsetting financial assets and financial liabilities
IFRS 10	Consolidated Financial Statements	Identification of the concept of control and use of control as the single basis for consolidation, irrespective of the nature of the investee (Replacement for IAS 27 and SIC 12*)
		Simplified transition measures and additional exception on cancellation for retroactive application at initial period
IFRS 11	Joint Arrangements	Establishment of accounting for joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (Replacement of IAS 31* and SIC 13*)
		Simplified transition measures and additional exception on cancellation for retroactive application at initial period
IFRS 12	Disclosure of Interests in Other Entities	Disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities (Replacement of appropriate parts of IAS 27 and IAS 28*)
		Additional exception on disclosure at initial period
IFRS 13	Fair Value Measurement	Establishment of a single framework when other IFRSs requires the measurement of fair values and exemptions from comparative information at initial application
IAS 1	Presentation of Financial Statements	Grouping of items of other comprehensive income
		Clarification of the requirements for comparative information
IAS 16	Property, Plant and Equipment	Clarification of classification of servicing equipment
IAS 19	Employee Benefits	Recognition of actuarial gains and losses and past service cost, and presentation and disclosure of post-employment benefits
IAS 28	Investments in Associated and Joint Ventures	Amendments by application of IFRS 10, IFRS 11 and IFRS 12
IAS 32	Financial Instruments: Presentation	Accounting for income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction and connection to IAS 12

* When IFRS 10, IFRS 11 and IFRS 12 are applied, IAS 31, SIC 12 and SIC 13 are superseded, while amended and retitled IAS 27 “Separate Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” are effective.

These standards have been applied in accordance with respective transitional provisions. There are no standards that are early adopted by the Group for the fiscal year ended March 31, 2014.

With an adoption of amendment of IAS 19 “Employee Benefits”, the Group has applied revised accounting policies retrospectively and has restated the consolidated financial statements for the previous fiscal year ended March 31, 2013.

Consequently, “Cost of sales”, “Selling, general and administrative expenses” and “Research and development expense” have increased by 27 million yen, 51 million yen and 8 million yen, respectively and “Income tax expense” has decreased by 32 million yen and “Remeasurements of defined benefit plans” in other comprehensive income has increased by 59 million yen of the consolidated statement of profit or loss and other comprehensive income for the previous fiscal year ended March 31, 2013.

"Inventories" and "Retained earnings" has increased by 5 million yen and 5 million yen, respectively in consolidated statement of financial position for the previous fiscal year ended March 31, 2013.

"Profit (loss)" of "Retained earnings" has decreased by 54 million yen in consolidated statements of changes in equity for the previous fiscal year ended March 31, 2013.

"Profit (loss) before tax" and "Decrease (Increase) in inventories" in cash flows from (used in) operating activities have decreased by 86 million yen and 5 million yen, respectively and "Increase (Decrease) in employee benefits" in cash flows from (used in) operating activities has increased by 92 million yen in consolidated statements of cash flows for the previous fiscal year ended March 31, 2013.

In addition, there is no impact from the application of revised accounting policies at the beginning of the previous fiscal year.

With the adoption of other IFRSs except IAS19 "Employee Benefits", there is no impact to the consolidated financial statements.

(7) Notes to the Consolidated Financial Statements

(Segment Information)

1. Outline of reportable segment

The reportable segments of the Anritsu group are business segments which are classified based on products and services.
Each business segment operates its business activities with created comprehensive strategic business plans for domestic and overseas.
The board of directors meeting periodically make decision of allocation of operating resources and evaluate business performance based on segment financial information.
The Anritsu group's reportable segments are composed of "Test and Measurement" and "Industrial Automation".

Main Products and services by segments are as follows:

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. Industrial Automation …… Checkweighers, Automatic combination weighers, Inspection equipment, Precision measuring instruments

2. Information regarding revenue, profit/loss, assets and others by reportable segment

Reportable segment information of the Anritsu group is included below.
Accounting policies of reportable segment are same as the accounting policies for the Anritsu group.

Year ended March 31, 2013 (From April 1, 2012 to March 31, 2013)

(Unit : Millions of Yen ; round down)

	Reportable segment			Others (Notes 1)	Total	Adjustment (Notes 3,4)	Consolidated
	Test and Measurement	Industrial Automation	Subtotal				
Revenue :							
Outside customers	71,232	14,439	85,671	9,014	94,685	-	94,685
Inter - segment (Notes 2)	116	3	120	3,896	4,016	(4,016)	-
Total	71,348	14,442	85,791	12,910	98,702	(4,016)	94,685
Cost of sales, Other revenue and expenses	(56,363)	(13,627)	(69,991)	(12,269)	(82,260)	3,288	(78,971)
Operating profit (loss)	14,985	814	15,800	641	16,441	(727)	15,714
Finance income	-	-	-	-	-	-	1,268
Finance costs	-	-	-	-	-	-	875
Share of profit (loss) of associates and joint ventures accounted for using equity method	-	-	-	-	-	-	31
Profit (loss) before tax	-	-	-	-	-	-	16,139
Income tax expense	-	-	-	-	-	-	2,251
Profit (loss)	-	-	-	-	-	-	13,888
Assets	69,740	12,694	82,434	14,815	97,249	17,845	115,095
Capital expenditures	4,148	214	4,363	380	4,744	(14)	4,729
Depreciation and amortization	2,289	162	2,451	440	2,892	(57)	2,835
Impairment loss	179	0	179	588	767	-	767

(Notes 1) : Others ……Information and Communications, Devices, Logistics, Welfare related service, Lease on real estate, Corporate administration, Parts manufacturing and others

(Notes 2) : Inter-segment revenue is measured based on market price.

(Notes 3) : Adjustment of operating profit (-727 million yen) includes elimination of inter-segment transactions (-10 million yen) and company-wide expenses not allocated to business segments (-717 million yen). Company-wide expenses are mainly composed of basic research expense as well as selling, general and administrative expenses not attributable to business segments.

(Notes 4) : Adjustment of segment assets (17,845 million yen) includes excess investment capital not attributable to business segments (cash and cash equivalents), long-term investment capital (other financial assets (non-current assets)), and assets related to basic research.

(Notes 5) : As described at Changes in Accounting Policies, with an amendment of IAS19 “Employee Benefits”, the consolidated financial statements have been restated based on the revised accounting policies retrospectively.
Consequently, Cost of sales, Other revenue and expenses and Selling, general and administrative expenses have decreased by 63 million yen in Test and Measurement, 14 million yen in Industrial Automation, 8 million yen in Others, and 0 million yen in Adjustment, respectively.
And Operating profit (loss) have decreased by the same amount in each segment, respectively.
And also Assets have increased by 4 million yen in Test and Measurement, 0 million yen in Industrial Automation, and 0 million yen in Others, respectively.

Year ended March 31, 2014 (From April 1, 2013 to March 31, 2014)

(Unit : Millions of Yen ; round down)

	Reportable segment			Others (Notes 1)	Total	Adjustment (Notes 3,4)	Consolidated
	Test and Measurement	Industrial Automation	Subtotal				
Revenue :							
Outside customers	75,962	16,919	92,882	8,970	101,853	-	101,853
Inter - segment (Notes 2)	91	42	133	3,848	3,982	(3,982)	-
Total	76,053	16,962	93,016	12,819	105,835	(3,982)	101,853
Cost of sales, Other revenue and expenses	(63,042)	(15,754)	(78,796)	(11,877)	(90,674)	2,943	(87,730)
Operating profit (loss)	13,011	1,208	14,219	941	15,161	(1,038)	14,123
Finance income	-	-	-	-	-	-	686
Finance costs	-	-	-	-	-	-	579
Share of profit (loss) of associates and joint ventures accounted for using equity method	-	-	-	-	-	-	10
Profit (loss) before tax	-	-	-	-	-	-	14,239
Income tax expense	-	-	-	-	-	-	4,921
Profit (loss)	-	-	-	-	-	-	9,318
Assets	78,782	14,535	93,317	12,736	106,054	21,095	127,149
Capital expenditures	5,243	193	5,436	203	5,640	(23)	5,616
Depreciation and amortization	2,455	163	2,619	440	3,059	(6)	3,052
Impairment loss	4	-	4	82	86	-	86

*Corporate and elimination of intersegment transactions

(Notes 1) : Others ……Information and Communications, Devices, Logistics, Welfare related service, Lease on real estate, Corporate administration, Parts manufacturing and others

(Notes 2) : Inter-segment revenue is measured based on market price.

(Notes 3) : Adjustment of operating profit (-1,038 million yen) includes elimination of inter-segment transactions (-11 million yen) and company-wide expenses not allocated to business segments (-1,026 million yen). Company-wide expenses are mainly composed of basic research expense as well as selling, general and administrative expenses not attributable to business segments.

(Notes 4) : Adjustment of segment assets (21,095 million yen) includes excess investment capital not attributable to business segments (cash and cash equivalents), long-term investment capital (other financial assets (non-current assets)), and assets related to basic research.

(Impairment Losses)

(1) Assets recognized impairment losses

The detailed information on impairment losses recognized is as follows.

Impairment losses have been included in “Other expenses” in the consolidated statement of profit or loss and other comprehensive income.

(Unit : Millions of yen)

	FY2012 From April 1, 2012 to March 31, 2013	FY2013 From April 1, 2013 to March 31, 2014
Buildings and structures	588	-
Machinery and equipment	-	64
Tools, furniture and fixtures	-	17
Property, plant and equipment	588	82
Development assets	179	-
Other intangible assets	0	4
Goodwill and intangible assets	179	4
Total of impairment losses	767	86

(Note) For impairment losses by segment, please refer to (Segment information).

(2) Main item of impairment losses

FY2012 (From April 1, 2012 to March 31, 2013)

Certain of the business locations recognized in the Others segment are scheduled to be unutilized. For those buildings and structures that are not expected to be used in the future, the carrying amount will be reduced to the recoverable value, and an impairment loss of ¥588 million has been recognized.

Note that the recoverable value was measured based on value in use.

FY2013 (From April 1, 2013 to March 31, 2014)

The description is not disclosed as there are no significant items.

(Related Consolidated Statements of Changes in Equity)

(1) Number of issued shares and treasury stock

	Balance at March 31, 2013	Balance at March 31, 2014
The classification of shares	Ordinary shares with no par-value	Ordinary shares with no par-value
Number of authorized shares	400,000,000	400,000,000
Number of issued shares		
Balance at beginning of fiscal year	137,753,771	143,956,194
Increase in transfer of convertible bonds	6,136,423	-
Increase in exercise of stock option	66,000	-
Balance at end of fiscal year	143,956,194	143,956,194
Treasury stock	642,176	643,246

(2) Dividends

Year ended March 31, 2013

	The classes of shares	Total dividends (Millions of Yen)	Dividends per share (Yen)	Record date	Effective date
June 27, 2012 Ordinary general meeting of shareholders	Ordinary shares	1,371	10.00	March 31, 2012	June 28, 2012
October 31, 2012 Board of directors meeting	Ordinary shares	1,074	7.50	September 30, 2012	December 4, 2012

Record date of dividend belongs to the year ended March 31, 2013 but its effective date is next fiscal year

	The classes of shares	Total dividends (Millions of Yen)	Dividends per share (Yen)	Record date	Effective date
June 26, 2013 Ordinary general meeting of shareholders	Ordinary shares	1,791	12.50	March 31, 2013	June 27, 2013

Year ended March 31, 2014

	The classes of shares	Total dividends (Millions of Yen)	Dividends per share (Yen)	Record date	Effective date
June 26, 2013 Ordinary general meeting of shareholders	Ordinary shares	1,791	12.50	March 31, 2013	June 27, 2013
October 30, 2013 Board of directors meeting	Ordinary shares	1,433	10.00	September 30, 2013	December 3, 2013

Record date of dividend belongs to the year ended March 31, 2014 but its effective date is next fiscal year

	The classes of shares	Total dividends (Millions of Yen)	Dividends per share (Yen)	Record date	Effective date
June 26, 2014 Ordinary general meeting of shareholders	Ordinary shares	1,433	10.00	March 31, 2014	June 27, 2014

(Finance Income and Costs)

Details of finance income are as follows.

In this section, financial assets measured at fair value through other comprehensive income are referred to as "Financial Assets Measured at FVTOCI."

(Unit : Millions of yen)

	FY2012 From April 1, 2012 to March 31, 2013	FY2013 From April 1, 2013 to March 31, 2014
Interest income		
Financial assets measured at amortized cost	92	109
Dividends income		
Financial assets at FVTOCI	33	49
Foreign exchange gains	1,113	519
Other	29	7
Total	1,268	686

Details of finance costs are as follows:

(Unit : Millions of yen)

	FY2012 From April 1, 2012 to March 31, 2013	FY2013 From April 1, 2013 to March 31, 2014
Interest expenses		
Financial liabilities measured at amortized cost	462	271
Other	413	308
Total	875	579

(Earnings Per Share)

Earnings per share（attributable to owners of parent）

	FY2012 From April 1, 2012 to March 31, 2013	FY2013 From April 1, 2013 to March 31, 2014
Profit attributable to owners of parent	13,896 Million yen	9,305 Million yen
Adjusted profit used for diluted earnings per share		
Interest expenses（After net of tax）	19 Million yen	- Million yen
Profit used in calculation of diluted earnings per share	13,915 Million yen	9,305 Million yen
Weighted average number of issued and outstanding shares	141,211,779 shares	143,313,484 shares
Increased number of shares used in the calculation of diluted earnings per share		
Increase by bonds with stock subscription rights to shares	2,132,779 shares	- shares
Increase by stock options	63,480 shares	83,128 shares
Weighted average number of issued and outstanding shares used in the calculation of diluted earnings per share	143,408,038 shares	143,396,612 shares
Basic earnings per share	98.41 yen	64.93 yen
Diluted earnings per share	97.03 yen	64.89 yen

(Significant Subsequent Events)

None

4. Non - Consolidated Financial Statements

(1) Non - Consolidated Balance Sheets

(Unit: Millions of yen; round down)

Assets	FY2012 as of 3.31.13 (A)	FY2013 as of 3.31.14 (B)	(B) - (A)
Assets	122,749	125,836	3,087
Current assets	48,475	53,051	4,576
Cash and deposits	21,442	25,391	3,948
Notes receivable-trade	361	396	34
Accounts receivable - trade	13,846	15,609	1,763
Finished goods	3,238	2,760	(477)
Work in process	2,673	2,729	55
Raw materials	2,483	2,608	124
Prepaid expenses	49	82	33
Deferred tax assets	2,118	1,525	(593)
Other	2,371	2,019	(351)
Allowance for doubtful accounts	(109)	(70)	38
Noncurrent assets	74,274	72,785	(1,488)
Property, plant and equipment	9,960	10,905	944
Buildings	5,543	5,811	268
Structures	105	177	72
Machinery and equipment	85	175	90
Vehicles	0	0	(0)
Tools, furniture and fixtures	1,199	1,256	56
Land	2,236	2,010	(225)
Construction in progress	792	1,474	682
Intangible assets	567	906	339
Software	462	827	364
Other	104	78	(25)
Investments and other assets	63,745	60,973	(2,772)
Investment securities	641	1,001	359
Stocks of subsidiaries and affiliates	45,502	46,258	756
Long - term loans receivable	7,916	5,504	(2,412)
Deferred tax assets	1,954	2,639	684
Other	7,730	5,569	(2,161)
Allowance for doubtful accounts	(0)	(0)	0
TOTAL	122,749	125,836	3,087

Liabilities and Net assets	FY2012 as of 3.31.13 (A)	FY2013 as of 3.31.14 (B)	(B) - (A)
Liabilities	43,581	44,298	716
Current liabilities	25,838	31,870	6,031
Notes and accounts payable - trade	4,635	5,493	857
Short-term loans payable	1,472	1,498	26
Current portion of long-term loans payable	600	5,000	4,400
Lease obligations	444	170	(273)
Accounts payable - other	3,312	3,111	(200)
Accrued expenses	1,842	1,878	36
Income taxes payable	1,039	2,178	1,139
Advances received	1,356	1,422	65
Deposits received	10,955	11,002	46
Provision for product warranties	91	49	(41)
Provision for directors' bonuses	76	55	(21)
Other	12	10	(2)
Noncurrent liabilities	17,742	12,428	(5,314)
Bonds payable	6,000	6,000	-
Long-term loans payable	11,000	6,000	(5,000)
Lease obligations	186	15	(170)
Provision for directors' retirement benefits	5	5	-
Other	550	406	(144)
Net assets	79,167	81,538	2,370
Shareholders' equity	78,854	80,883	2,029
Capital stock	19,052	19,052	-
Capital surplus	28,002	28,002	-
Legal capital surplus	28,002	28,002	-
Retained earnings	32,667	34,697	2,030
Legal retained earnings	2,468	2,468	-
Other retained earnings	30,199	32,229	2,030
General reserve	21,719	21,719	-
Retained earnings brought forward	8,480	10,510	2,030
Treasury stock	(867)	(868)	(1)
Valuation and translation adjustments	204	465	260
Valuation difference on available-for-sale securities	204	465	260
Subscription rights to shares	107	189	81
TOTAL	122,749	125,836	3,087

(2) Non-Consolidated Statements of Income

(Unit: Millions of yen; round down)

	FY2012 From April 1, 2012 to March 31, 2013(A)		FY2013 From April 1, 2013 to March 31, 2014(B)		Change	
	Amount	%	Amount	%	(B) - (A)	%
Net sales	52,397	100.0	54,091	100.0	1,693	3.2
Cost of sales	28,779	54.9	29,278	54.1	499	1.7
Gross profit	23,618	45.1	24,812	45.9	1,193	5.1
Selling, general and administrative expenses	14,765	28.2	17,517	32.4	2,752	18.6
Operating income (loss)	8,853	16.9	7,294	13.5	(1,558)	-17.6
Interest and dividend income	720		510		(210)	
Other	799		647		(151)	
Non-operating income	1,519	2.9	1,157	2.1	(362)	-23.8
Interest expenses	394		231		(163)	
Other	246		251		5	
Non-operating expenses	641	1.2	483	0.9	(157)	-24.6
Ordinary income (loss)	9,731	18.6	7,969	14.7	(1,762)	-18.1
Gain on reversal of subscription rights to shares	3		-		(3)	
Other	0		-		(0)	
Extraordinary income	4	0.0	-	-	(4)	-
Impairment loss	805		-		(805)	
Other	0		-		(0)	
Extraordinary loss	805	1.5	-	-	(805)	-
Income (Loss) before income taxes	8,930	17.0	7,969	14.7	(961)	-10.8
Income taxes-current	610	1.2	2,682	5.0	2,072	339.5
Income taxes-deferred	253	0.5	(113)	-0.3	(367)	-
Net income (loss)	8,066	15.4	5,400	10.0	(2,666)	-33.1

(3) Non-Consolidated Statements of Changes in Net Assets

FY2012 (From April 1, 2012 to March 31, 2013)

(Unit: Millions of yen; round down)

	Shareholders' equity								
		Capital surplus		Retained earnings					
					Other retained earnings				
	Capital stock	Legal capital surplus	Total Capital surplus	Legal retained earnings	General reserve	Retained earnings brought forward	Total retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	17,105	26,055	26,055	2,468	21,719	2,860	27,047	(852)	69,356
Restated balance	17,105	26,055	26,055	2,468	21,719	2,860	27,047	(852)	69,356
Changes of items during the period									
Issuance of new shares	1,946	1,946	1,946	-	-	-	-	-	3,893
Dividends from surplus	-	-	-	-	-	(2,446)	(2,446)	-	(2,446)
Net income (loss)	-	-	-	-	-	8,066	8,066	-	8,066
Purchase of treasury stock	-	-	-	-	-	-	-	(14)	(14)
Net changes of items other than shareholders' equity	-	-	-	-	-	-	-	-	-
Total changes of items during the period	1,946	1,946	1,946	-	-	5,619	5,619	(14)	9,498
Balance at the end of current period	19,052	28,002	28,002	2,468	21,719	8,480	32,667	(867)	78,854

	Valuation and translation adjustments				
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	Subscription rights to shares	Net assets
Balance at the beginning of current period	123	(13)	109	73	69,539
Restated balance	123	(13)	109	73	69,539
Changes of items during the period					
Issuance of new shares	-	-	-	-	3,893
Dividends from surplus	-	-	-	-	(2,446)
Net income (loss)	-	-	-	-	8,066
Purchase of treasury stock	-	-	-	-	(14)
Net changes of items other than shareholders' equity	81	13	95	34	129
Total changes of items during the period	81	13	95	34	9,628
Balance at the end of current period	204	-	204	107	79,167

FY2013 (From April 1, 2013 to March 31, 2014)

(Unit: Millions of yen; round down)

	Shareholders' equity								
		Capital surplus		Retained earnings					
					Other retained earnings				
	Capital stock	Legal capital surplus	Total Capital surplus	Legal retained earnings	General reserve	Retained earnings brought forward	Total retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	19,052	28,002	28,002	2,468	21,719	8,480	32,667	(867)	78,854
Cumulative effects of changes in accounting policies	-	-	-	-	-	(145)	(145)	-	(145)
Restated balance	19,052	28,002	28,002	2,468	21,719	8,334	32,522	(867)	78,709
Changes of items during the period									
Dividends from surplus	-	-	-	-	-	(3,224)	(3,224)	-	(3,224)
Net income (loss)	-	-	-	-	-	5,400	5,400	-	5,400
Purchase of treasury stock	-	-	-	-	-	-	-	(1)	(1)
Net changes of items other than shareholders' equity	-	-	-	-	-	-	-	-	-
Total changes of items during the period	-	-	-	-	-	2,175	2,175	(1)	2,174
Balance at the end of current period	19,052	28,002	28,002	2,468	21,719	10,510	34,697	(868)	80,883

	Valuation and translation adjustments				
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	Subscription rights to shares	Net assets
Balance at the beginning of current period	204	-	204	107	79,167
Cumulative effects of changes in accounting policies	-	-	-	-	(145)
Restated balance	204	-	204	107	79,022
Changes of items during the period					
Dividends from surplus	-	-	-	-	(3,224)
Net income (loss)	-	-	-	-	5,400
Purchase of treasury stock	-	-	-	-	(1)
Net changes of items other than shareholders' equity	260	-	260	81	341
Total changes of items during the period	260	-	260	81	2,516
Balance at the end of current period	465	-	465	189	81,538

(4) Changes in Accounting Policies

(Adoption of Accounting Standard for Retirement Benefits, etc.)

As “Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, May 17, 2012, hereinafter “Retirement Benefits Accounting Standard”)” and “Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012), became adoptable for the beginning of the fiscal years commencing on and after April 1, 2013, the Company has adopted these accounting standards, etc., from the fiscal year under review and accordingly reviewed the method for calculating retirement benefit obligations as well as service costs, and changed the method for attributing expected retirement benefits payments from straight-line basis to benefit formula basis.

In adopting the Retirement Benefits Accounting Standard etc., the amount of impact associated with the aforementioned change in the method for calculating retirement benefit obligations as well as service costs, has been added to, or deducted from retained earnings brought forward, at the beginning of the fiscal year under review, according to the transitional handling prescribed in Article 37 of the Retirement Benefits Accounting Standard.

Consequently, retained earnings brought forward at the beginning of the fiscal year under review have been reduced by 145 million yen. This, however, has negligible impact on profit or loss.

(5) Changes in Presentation

Balance sheet, statement of income and statement of changes in net asset have been prepared in accordance with the forms as prescribed in Article 127, Paragraph 1 of the Ordinance on Terminology, Forms, and Preparation Methods of Financial Statements.

In addition, notes to each item listed under Article 127, Paragraph 2 of the Ordinance on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements, have been changed to notes to the corresponding provisions under Ordinance for Enforcement of the Companies Act.

(Additional Information)

(Alteration to the amounts of deferred tax assets and deferred tax liabilities due to change in corporate tax rate, etc.)

Following the promulgation of Act on Partial Revision of the Income Tax Act and the Consumption Tax Act (Act No.10 of 2014) on March 31, 2014, Special Corporate Tax for Reconstruction became no longer applicable in the fiscal years commencing on and after April 1, 2014. As a result, normal effective statutory tax rate used for calculating deferred tax assets and deferred tax liabilities will be reduced from the conventional 38.0% to 35.6% in respect of the temporary difference expected to be reversed in the fiscal year commencing on April 1, 2014.

Due to this change in tax rate, the amount of deferred tax assets (amount after deduction of deferred tax liabilities) has decreased by 136 million yen, while income taxes-deferred has increased by the same amount.

5. Others

(1) Executive personnel changes expected on June 26, 2014

1. Change of Representative Director

None

2. Other Changes

〔**Director**〕

1) New Appointment

Name (Current Title)	New Title
Teruaki Aoki (Representative Director of Micron Japan Ltd., President of Sony University of Sony Corporation, Outside Director of Citizen Holdings Co., Ltd.)	Outside Director

2) Retiring Director

Name	Current Title
Yasushi Hosoda	Outside Director

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

1)Directors and Audit & Supervisory Board Members

Representative Director, President	Hirokazu Hashimoto
Representative Director	Kenji Tanaka
Director	Fumihiro Tsukasa
Director	Toshisumi Taniai
Director	Akifumi Kubota
Director (Outside Director)	Michikazu Aoi
Director (Outside Director)	Takaya Seki
Director (Outside Director)	Teruaki Aoki
Full-time Audit & Supervisory Board Member	Shigehisa Yamaguchi
Full-time Audit & Supervisory Board Member	Tomoyuki Kikugawa
Outside Audit & Supervisory Board Member	Nobuyoshi Tanaka
Outside Audit & Supervisory Board Member	Kunihiro Kamiya

2)Executive Officers

President	Hirokazu Hashimoto (*)	Group CEO
Senior Executive Vice President	Kenji Tanaka (*)	Measurement Business Group President, Global Operation Center
Senior Vice President	Fumihiro Tsukasa (*)	Industrial Solution Business Group President, Precision Measuring Equipment Sales Dept.
Senior Vice President	Junkichi Shirono	Chief Environmental and Quality Officer, Chief Technology Officer, General Manager of Technology Management Center, Environment and Quality Promotion Dept., Intellectual Property Dept.
Senior Vice President	Toshihiko Takahashi	Chief R&D Officer, General Manager of R&D Div.
Vice President	Toshisumi Taniai (*)	Chief Business Planning Officer, Chief Corporate Officer, Chief Compliance Officer, General Manager of Management Strategy Center, Legal Dept., Human Resource and Administration Dept.
Vice President	Nobuo Funahashi	Information & Communication Group President, Network Sales Div.
Vice President	Osamu Nagata	Chief Information Officer, Chief Risk Management Officer, Global Audit Dept., Corporate Communication Dept., Trade Control Dept., Management Information System Dept.
Vice President	Akifumi Kubota (*)	Chief Financial Officer, Senior Manager of Accounting and Control Dept., Real Estate Administration Dept.
Vice President	Gerald Ostheimer	Chief EMEA Business Officer, Chief Service Assurance Business Officer, General Manager of Service Assurance Div., Managing Director of Anritsu EMEA Ltd.(U.K.), CEO & President of Anritsu A/S (Denmark)
Vice President	Yasunobu Hashimoto	Chief Japan Sales Officer, General Manager of Measurement Solution Sales Div.
Vice President	Tsukasa Hattori	Chief SCM Officer, General Manager of Koriyama Business Office, General Manager of SCM Center
Vice President	Takashi Seike	Chief Marketing Officer, General Manager of Marketing Div.
Vice President	Wade Hulon	Chief Americas Business Officer, President of Anritsu Company (U.S.A.)
Vice President	Toru Wakinaga	Chief APAC Sales Officer, General Manager of APAC Sales Center

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

(2) Reference Information

Consolidated Quarterly Financial Highlights

Year ended March 31, 2013 : IFRS

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	Millions of yen			
Revenue	21,602	24,659	21,393	27,029
Gross profit	11,809	13,462	11,164	14,532
Operating profit (loss)	3,966	4,740	2,823	4,183
Quarterly profit (Loss) before tax	3,543	4,517	3,423	4,655
Quarterly profit (Loss)	2,528	4,337	2,479	4,543
Quarterly profit attributable to owners of parent	2,528	4,334	2,487	4,546
Quarterly comprehensive income	1,696	4,393	4,613	5,660
	Yen			
Quarterly earnings per share : Basic	18.32	30.83	17.35	31.72
: Diluted	17.69	30.29	17.35	31.71
	Millions of yen			
Total assets	110,935	110,809	114,167	115,095
Total equity	47,881	55,348	58,883	64,539
	Yen			
Equity attributable to owners of parent per share	346.08	386.13	410.86	450.36
	Millions of yen			
Cash flows from operating activities	4,987	2,261	2,543	1,979
Cash flows from investing activities	(902)	(1,623)	(663)	(1,842)
Cash flows from financing activities	(1,495)	(4,273)	(1,220)	(3,047)
Net increase (decrease) in cash and cash equivalents	1,989	(3,688)	1,903	(2,111)
Cash and cash equivalents at end of period	41,586	37,897	39,801	37,690

(*) With an amendment of IAS19, fiscal year 2012 actual has been restated based on the revised accounting policies retrospectively.

Year ended March 31, 2014: IFRS

	1st Quarter	2nd Quarter	3rd Quarter	**4th Quarter**
	Millions of yen			
Revenue	22,365	25,687	23,055	30,745
Gross profit	11,857	14,208	12,588	16,300
Operating profit (loss)	2,466	3,859	2,562	5,234
Quarterly profit (Loss) before tax	2,681	3,884	2,725	4,947
Quarterly profit (Loss)	1,621	2,674	1,770	3,252
Quarterly profit attributable to owners of parent	1,614	2,668	1,778	3,244
Quarterly comprehensive income	2,739	2,825	4,001	3,935
	Yen			
Quarterly earnings per share : Basic	11.26	18.62	12.41	22.64
: Diluted	11.26	18.61	12.40	22.63
	Millions of yen			
Total assets	117,222	118,160	122,245	127,149
Total equity	65,486	68,393	70,960	74,896
	Yen			
Equity attributable to owners of parent per share	456.92	477.15	495.13	522.54
	Millions of yen			
Cash flows from operating activities	4,364	3,432	2,411	3,583
Cash flows from investing activities	(1,436)	(1,861)	(1,078)	(934)
Cash flows from financing activities	(2,035)	(338)	(1,659)	(326)
Net increase (decrease) in cash and cash equivalents	1,454	1,327	936	1,806
Cash and cash equivalents at end of period	39,144	40,471	41,408	43,215

Consolidated Quarterly Financial Position

Year ended March 31, 2013 : IFRS

Millions of yen ; round down

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Assets	**110,935**	**110,809**	**114,167**	**115,095**
Current assets	79,003	77,617	80,696	79,951
Non-current assets	31,932	33,192	33,471	35,143
Property, plant and equipment	15,313	16,468	16,654	17,274
Goodwill and intangible assets	1,362	1,348	1,525	1,340
Investment property	2,455	2,413	2,371	2,329
Other non-current assets	12,800	12,961	12,918	14,198
Liabilities	**63,054**	**55,461**	**55,283**	**50,555**
Current liabilities	44,031	28,426	28,537	25,960
Non-current liabilities	19,023	27,034	26,746	24,594
Equity	**47,881**	**55,348**	**58,883**	**64,539**
Common stock	17,488	19,052	19,052	19,052
Additional paid-in capital	26,686	28,110	28,110	28,110
Retained earnings	6,039	10,463	11,875	15,952
Treasury stock	(856)	(859)	(862)	(867)
Other component of equity	(1,481)	(1,426)	708	2,294
Non-controlling interests	5	8	0	(2)
Supplemental information: Interest-bearing debt	**29,423**	**22,258**	**22,290**	**19,417**

(*) With an amendment of IAS19, fiscal year 2012 actual has been restated based on the revised accounting policies retrospectively.

Year ended March 31, 2014: IFRS

Millions of yen ; round down

	1st Quarter	2nd Quarter	3rd Quarter	**4th Quarter**
Assets	**117,222**	**118,160**	**122,245**	**127,149**
Current assets	80,982	81,616	85,083	90,010
Non-current assets	36,239	36,543	37,162	37,139
Property, plant and equipment	18,158	18,394	18,612	19,747
Goodwill and intangible assets	1,432	1,588	1,760	2,023
Investment property	2,287	2,246	2,205	2,164
Other non-current assets	14,359	14,314	14,583	13,204
Liabilities	**51,735**	**49,767**	**51,285**	**52,253**
Current liabilities	27,220	30,411	31,754	33,796
Non-current liabilities	24,514	19,356	19,530	18,456
Equity	**65,486**	**68,393**	**70,960**	**74,896**
Common stock	19,052	19,052	19,052	19,052
Additional paid-in capital	28,110	28,191	28,191	28,191
Retained earnings	15,775	18,443	18,788	23,521
Treasury stock	(867)	(868)	(868)	(868)
Other component of equity	3,412	3,562	5,793	4,988
Non-controlling interests	3	10	2	10
Supplemental information: Interest-bearing debt	**19,335**	**19,136**	**19,062**	**18,858**

Consolidated Quarterly Segment Information

Year ended March 31, 2013 : IFRS

Millions of yen ; round down

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Revenue by segment	**21,602**	**24,659**	**21,393**	**27,029**
Test and Measurement	16,950	18,408	16,342	19,530
Industrial Automation	2,857	4,361	2,881	4,338
Others	1,794	1,890	2,168	3,160
Operating profit (loss) by segment	**3,966**	**4,740**	**2,823**	**4,183**
Test and Measurement	3,990	4,491	2,825	3,677
Industrial Automation	(18)	491	(201)	543
Others	115	(60)	383	203
Adjustment	(121)	(181)	(183)	(241)
Revenue by market	**21,602**	**24,659**	**21,393**	**27,029**
Japan	8,352	9,543	6,496	10,901
Americas	5,182	5,702	6,399	5,383
EMEA	2,844	2,952	2,974	3,844
Asia and Others	5,222	6,461	5,523	6,900

(*) With an amendment of IAS19, fiscal year 2012 actual has been restated based on the revised accounting policies retrospectively.

Year ended March 31, 2014: IFRS

Millions of yen ; round down

	1st Quarter	2nd Quarter	3rd Quarter	**4th Quarter**
Revenue by segment	**22,365**	**25,687**	**23,055**	**30,745**
Test and Measurement	17,755	18,755	17,480	21,971
Industrial Automation	2,992	5,174	3,718	5,034
Others	1,617	1,756	1,857	3,739
Operating profit (loss) by segment	**2,466**	**3,859**	**2,562**	**5,234**
Test and Measurement	2,698	3,370	2,458	4,482
Industrial Automation	(27)	658	172	405
Others	(55)	79	233	684
Adjustment	(149)	(248)	(301)	(337)
Revenue by market	**22,365**	**25,687**	**23,055**	**30,745**
Japan	4,920	7,778	5,968	11,465
Americas	6,842	8,014	7,449	6,551
EMEA	3,352	3,287	3,303	4,657
Asia and Others	7,250	6,605	6,333	8,070

Consolidated Quarterly Segment Information

Year ended March 31, 2013 : IFRS

Millions of yen ; round down

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Orders received by segment	**24,172**	**23,136**	**22,268**	**26,460**
Test and Measurement	18,905	17,509	16,177	20,157
Industrial Automation	3,322	3,693	3,432	4,168
Others	1,944	1,933	2,658	2,134
Orders outstanding by segment	**16,638**	**15,122**	**15,997**	**15,427**
Test and Measurement	12,662	11,771	11,605	12,232
Industrial Automation	2,829	2,161	2,711	2,542
Others	1,146	1,189	1,679	653

Year ended March 31, 2014: IFRS

Millions of yen ; round down

	1st Quarter	2nd Quarter	3rd Quarter	**4th Quarter**
Orders received by segment	**25,349**	**25,203**	**26,496**	**26,815**
Test and Measurement	19,558	18,149	20,123	20,330
Industrial Automation	3,969	4,545	3,892	4,064
Others	1,821	2,508	2,481	2,419
Orders outstanding by segment	**18,411**	**17,927**	**21,369**	**17,439**
Test and Measurement	14,035	13,429	16,072	14,432
Industrial Automation	3,518	2,889	3,063	2,093
Others	857	1,609	2,233	913

Anritsu Corporation Supplement of FY2013

1. Supplement of Trend of Results

(millions of yen, round down)

- Consolidated -	Actual							Estimate
	J-GAAP				IFRS	IFRS	IFRS	IFRS
	2009/3	2010/3	2011/3	2012/3	2012/3	2013/3	2014/3	2015/3
Revenue	83,940	73,548	77,853	93,586	93,622	94,685	101,853	109,000
Change %	-16.5%	-12.4%	5.9%	20.2%	-	1.1%	7.6%	7.0%
Operating Profit	905	4,583	6,994	14,414	14,000	15,714	14,123	16,000
Change %	-83.1%	406.3%	52.6%	106.1%	-	12.2%	-10.1%	13.3%
as % of Revenue	1.1%	6.2%	9.0%	15.4%	15.0%	16.6%	13.9%	14.7%
Ordinary Income	170	3,578	5,362	13,593	-	-	-	-
Change %	-	1997.9%	49.8%	153.5%	-	-	-	-
as % of Revenue	0.2%	4.9%	6.9%	14.5%	-	-	-	-
Profit before Taxes	(2,236)	3,912	4,237	11,351	13,094	16,139	14,239	16,000
Change %	-	-	8.3%	167.9%	-	23.3%	-11.8%	12.4%
as % of Revenue	-2.7%	5.3%	5.4%	12.1%	14.0%	17.0%	14.0%	14.7%
Profit	(3,540)	385	3,069	10,180	7,972	13,888	9,318	11,000
Change %	-	-	697.0%	231.7%	-	74.2%	-32.9%	18.0%
as % of Revenue	-4.2%	0.5%	3.9%	10.9%	8.5%	14.7%	9.1%	10.1%
EPS	(¥27.78)	¥3.02	¥24.09	¥79.39	¥62.17	¥98.41	¥64.93	¥76.75
Orders	81,470	76,116	80,282	90,358	90,358	96,037	103,864	109,000
Change %	-19.7%	-6.6%	5.5%	12.6%	-	6.3%	8.2%	4.9%
Cash Flow from Operating Activities	6,916	7,970	9,229	15,871	16,143	11,771	13,792	11,000
Change %	10.6%	15.2%	15.8%	72.0%	-	-27.1%	17.2%	-20.2%
Free Cash Flow	5,589	7,471	7,797	13,907	13,968	6,740	8,480	4,000
Change %	44.2%	33.7%	4.4%	78.4%	0.4%	-51.7%	25.8%	-52.8%
Capital Expenditures	2,236	1,134	1,549	3,165	(* 1) 3,200	(* 1) 4,562	(* 1) 5,355	(* 1) 7,000
Change %	-19.9%	-49.2%	36.6%	104.2%	-	42.5%	17.4%	30.7%
Depreciation	3,099	2,979	2,589	2,555	(* 2) 2,469	(* 2) 2,562	(* 2) 2,863	(* 2) 3,000
Change %	-8.1%	-3.9%	-13.1%	-1.3%	-	3.8%	11.8%	4.8%
R&D Expenses	11,704	9,387	9,380	10,012	(* 3) 9,842	(* 3) 10,323	(* 3) 12,488	(* 3) 13,000
Change %	-17.1%	-19.8%	-0.1%	6.7%	-	4.9%	21.0%	4.1%
as % of Revenue	13.9%	12.8%	12.0%	10.7%	10.5%	10.9%	12.3%	11.9%
Number of Employees	3,697	3,589	3,614	3,681	3,681	3,771	3,880	-

Assumed annual exchange rate : 1US$=100 Yen

(* 1) Capitalized development cost booked as intangible asset for the fiscal year is not included.

(* 2) Amotization of capitalized development cost is not included.

(* 3) R&D expenses for the fiscal year 2011, 2012 2013 and 2014(estimate) are amounts of R&D investment including capitalized development cost.
Thus, these amounts do not agree the R&D expense booked on the consolidated statement of profit or loss and other comprehensive income.

(* 4) With an amendment of IAS19, fiscal year 2012 actual has been restated based on the revised accounting policies retrospectively.

2. Supplement of Quarterly Results

(millions of yen, round down)

- Consolidated -	Actual							
	IFRS							
Quarter Results	2012/Q1	2012/Q2	2012/Q3	2012/Q4	2013/Q1	2013/Q2	2013/Q3	2013/Q4
Revenue	21,602	24,659	21,393	27,029	22,365	25,687	23,055	30,745
YoY	10.1%	-1.6%	-0.6%	-1.4%	3.5%	4.2%	7.8%	13.7%
Operating Profit	3,966	4,740	2,823	4,183	2,466	3,859	2,562	5,234
YoY	41.8%	0.6%	-35.2%	95.9%	-37.8%	-18.6%	-9.2%	25.1%
as % of Revenue	18.4%	19.2%	13.2%	15.5%	11.0%	15.0%	11.1%	17.0%
Profit before Tax	3,543	4,517	3,423	4,655	2,681	3,884	2,725	4,947
YoY	43.2%	12.2%	-18.1%	92.8%	-24.3%	-14.0%	-20.4%	6.3%
as % of Revenue	16.4%	18.3%	16.0%	17.2%	12.0%	15.1%	11.8%	16.1%
Profit	2,528	4,337	2,479	4,543	1,621	2,674	1,770	3,252
YoY	46.2%	45.7%	-15.5%	1263.8%	-35.9%	-38.3%	-28.6%	-28.4%
as % of Revenue	11.7%	17.6%	11.6%	16.8%	7.2%	10.4%	7.7%	10.6%

(millions of yen, round down)

	Actual							
Upper : Revenue	IFRS							
Lower : Operating Profit	2012/Q1	2012/Q2	2012/Q3	2012/Q4	2013/Q1	2013/Q2	2013/Q3	2013/Q4
Test and measurement	16,950	18,408	16,342	19,530	17,755	18,755	17,480	21,971
	3,990	4,491	2,825	3,677	2,698	3,370	2,458	4,482
Industrial Automation	2,857	4,361	2,881	4,338	2,992	5,174	3,718	5,034
	(18)	491	(201)	543	(27)	658	172	405
Others	1,794	1,890	2,168	3,160	1,617	1,756	1,857	3,739
	(5)	(242)	199	(37)	(205)	(169)	(68)	346
Total Revenue	21,602	24,659	21,393	27,029	22,365	25,687	23,055	30,745
Total Operating Profit	3,966	4,740	2,823	4,183	2,466	3,859	2,562	5,234

(* 1) "Others" contains "Others" and "Adjustment" of segment information.
The Information and Communications segment has been included in Others since April 1, 2012.

(* 2) With an amendment of IAS19, fiscal year 2012 actual has been restated based on the revised accounting policies retrospectively.

Anritsu Corporation Supplement of FY2013

1. Supplement of Trend of Results

1) Revenue by Segment

(millions of yen, round down)

	Full Year						Estimate
	J-GAAP			IFRS	IFRS	IFRS	IFRS
	2010/3	2011/3	2012/3	2012/3	2013/3	2014/3	2015/3
Test and measurement	48,270	53,462	70,531	70,556	71,232	75,962	81,500
Y o Y	-16.0%	10.8%	31.9%	-	1.0%	6.6%	7.3%
Industrial Automation	11,641	12,325	14,221	14,200	14,439	16,919	18,000
Y o Y	-10.3%	5.9%	15.4%	-	1.7%	17.2%	6.4%
Others	13,636	12,064	8,833	8,866	9,014	8,970	9,500
Y o Y	64.1%	-11.5%	-26.8%	-	1.7%	-0.5%	5.9%
Total	73,548	77,853	93,586	93,622	94,685	101,853	109,000
Y o Y	-12.4%	5.9%	20.2%	-	1.1%	7.6%	7.0%

The classification of the precision measurement business has been changed from Others to Industrial Automation since April 1, 2011.
The Information and Communications segment has been included in Others since April 1, 2012.
Numbers for FY2009, FY2010 and FY2011 have also been retrospectively presented in Others.

2) Operating Profit by Segment

(millions of yen, round down)

	Full Year						Estimate
	J-GAAP			IFRS	IFRS	IFRS	IFRS
	2010/3	2011/3	2012/3	2012/3	2013/3	2014/3	2015/3
Test and measurement	2,251	5,050	13,735	13,841	14,985	13,011	14,500
Y o Y	-	124.3%	172.0%	-	8.3%	-13.2%	11.4%
Industrial Automation	610	659	528	570	814	1,208	1,300
Y o Y	2.3%	8.0%	-19.8%	-	42.9%	48.3%	7.6%
Others	1,720	1,284	150	(411)	(86)	(96)	200
Y o Y	67.2%	-25.4%	-88.3%	-	-	-	-
Total	4,583	6,994	14,414	14,000	15,714	14,123	16,000
Y o Y	406.3%	52.6%	106.1%	-	12.2%	-10.1%	13.3%

(* 1) "Others" contains "Others" and "Adjustment" of segment information.
The classification of the precision measurement business has been changed from Others to Industrial Automation since April 1, 2011.
The Information and Communications segment has been included in Others since April 1, 2012.
Numbers for FY2009, FY2010 and FY2011 are also retrospectively presented in Others.

(* 2) With an amendment of IAS19, fiscal year 2012 actual has been restated based on the revised accounting policies retrospectively.

3) Revenue by Markets

Assumed annual exchange rate : 1US$=100 Yen
(millions of yen, round down)

	Full Year						Estimate
	J-GAAP			IFRS	IFRS	IFRS	IFRS
	2010/3	2011/3	2012/3	2012/3	2013/3	2014/3	2015/3
Japan	33,490	32,952	36,898	36,933	35,293	30,133	31,000
Y o Y	-10.6%	-1.6%	12.0%	-	-4.4%	-14.6%	2.9%
Overseas	40,058	44,900	56,687	56,689	59,391	71,720	78,000
Y o Y	-13.8%	12.1%	26.3%	-	4.8%	20.8%	8.8%
Americas	13,967	18,946	19,884	19,885	22,667	28,858	31,000
Y o Y	-14.7%	35.7%	4.9%	-	14.0%	27.3%	7.4%
EMEA	12,462	10,629	12,549	12,549	12,615	14,601	16,000
Y o Y	-16.2%	-14.7%	18.1%	-	0.5%	15.7%	9.6%
Asia and others	13,628	15,324	24,253	24,253	24,107	28,260	31,000
Y o Y	-10.6%	12.4%	58.3%	-	-0.6%	17.2%	9.7%
Total	73,548	77,853	93,586	93,622	94,685	101,853	109,000
Y o Y	-12.4%	5.9%	20.2%	-	1.1%	7.6%	7.0%

EMEA: Europe, Middle East and Africa