

Financial Results for the Fiscal Year ended March 31, 2014

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<http://www.anritsu.com>



Agenda

I . Consolidated performance review of fiscal year ended March, 2014

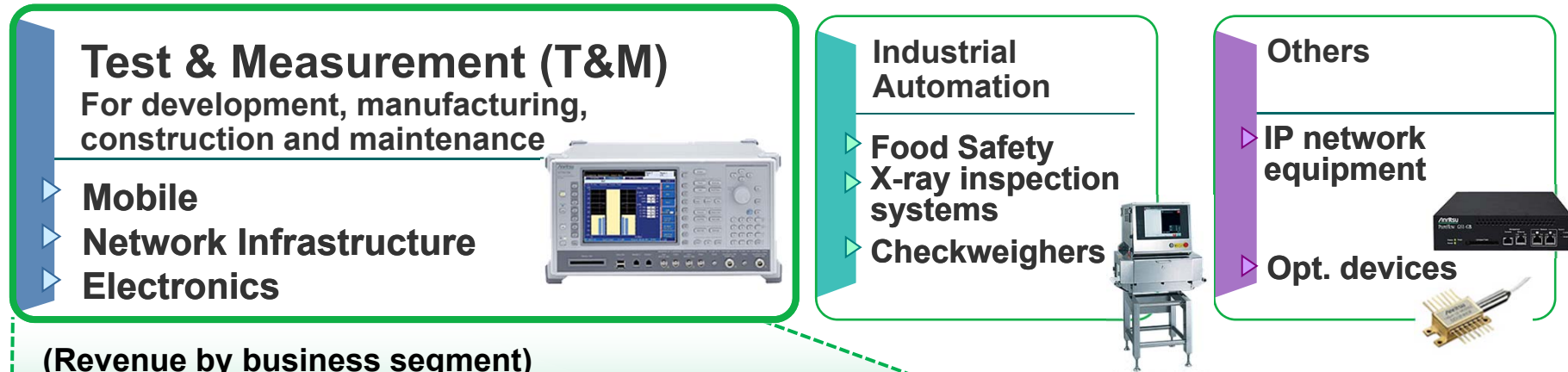
- I -1. Outline of our business segments
- I -2. Consolidated performance

II . Outlook for full year of the fiscal year ending March, 2015

- II -1. Outlook for full year of the fiscal year ending March, 2015
- II -2. Business environment and initiatives
- II -3. Dividend forecast

III . Others

I -1. Outline of our business segments



(Revenue by business segment)
101.9 Billion Yen consolidated revenue in FY2013

T&M 75%			Industrial Automation 16%	Others 9%
Mobile 50%	Network Infrastructure 30%	Electronics 20%		

(Sales of T&M business by region)

Japan 17%	Asia & Pacific 30%	Americas 35%	EMEA 18%
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I -2. Consolidated Performance –Business Segments-



**T&M: Overseas sales drive demand, led by the Americas and Asia;
investment declines in the Japanese market**

**Industrial Automation: Strong performance in the Japanese market and
business expansion in North America**

Segment	FY2013 (April to March, 2014)
Test & Measurement (T&M)	<ul style="list-style-type: none"> ▪ Mobile: Strong demands for LTE R&D purpose ▪ Network infrastructure: Continue to expand base station network ▪ Electronics: Continue to reduce capital investment by customers
	<ul style="list-style-type: none"> ▪ Japan: Mobile players reduce investments ▪ Asia: Mobile-related demand for R&D and manufacturing remained strong ▪ Americas: Driven by smartphone development and base station installation investment
Industrial Automation	Strong results both in Japan and overseas

I -2. Consolidated performance -Financial results-

Unit: Billion Yen

International Financial Reporting Standards (IFRS)	FY2012	FY2013	YoY	YoY (%)
Order Intake	96.0	103.9	7.9	8%
Revenue	94.7	101.9	7.2	8%
Operating profit (loss)	15.7 *	14.1	(1.6)	-10%
Profit (loss) before tax	16.1 *	14.2	(1.9)	-12%
Profit (loss)	13.9	9.3	(4.6)	-33%
Comperhensive Income	16.4	13.5	(2.9)	-17%
Free Cash Flow	6.7	8.5	1.8	26%

Note : Numbers are rounded off in each column

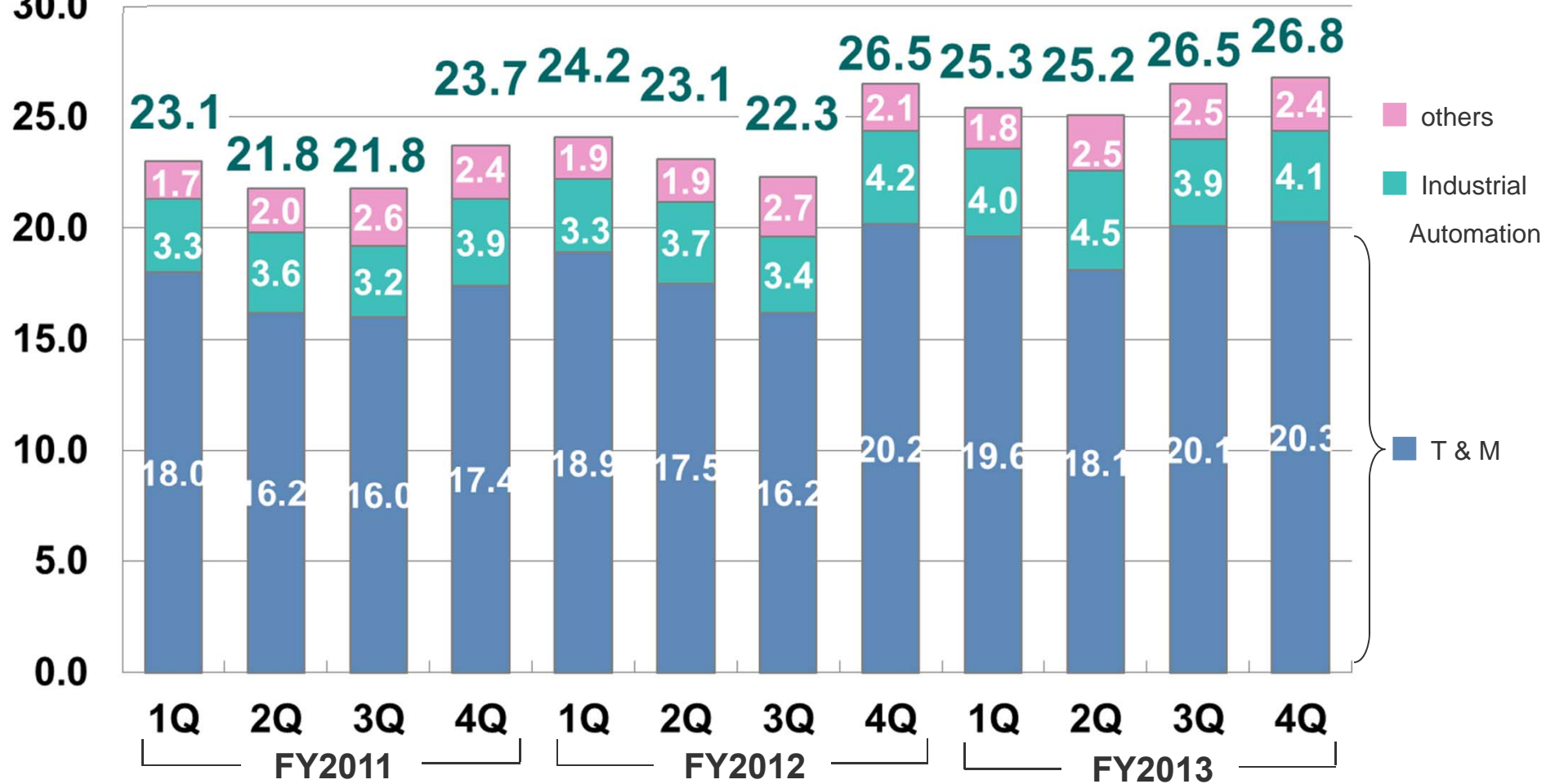
*With an amendment of IAS19, figures have been restated based on the revised accounting policies retrospectively.
(Old figures for Op. profit:15.8billion yen, Profit before tax16.2 billion yen)

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



Q4: Both T&M and Industrial Automation businesses maintain same levels as Q3.

Bn. Yen
30.0



Note : Numbers are rounded off in each column

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

Unit: Billion Yen

International Financial Reporting Standards (IFRS)		FY2012	FY2013	YoY	YoY (%)
Test & Measurement	Revenue	71.2	76.0	4.8	7%
	Op. profit (loss)	15.0	13.0	(2.0)	-13%
Industrial Automation	Revenue	14.4	16.9	2.5	17%
	Op. profit (loss)	0.8	1.2	0.4	48%
Others	Revenue	9.0	9.0	0.0	-0%
	Op. profit (loss)	*1 (0.1)	(0.1)	0.0	-
Total	Revenue	94.7	101.9	7.2	8%
	Op. profit (loss)	*2 15.7	14.1	(1.6)	-10%

Note : Numbers are rounded off in each column

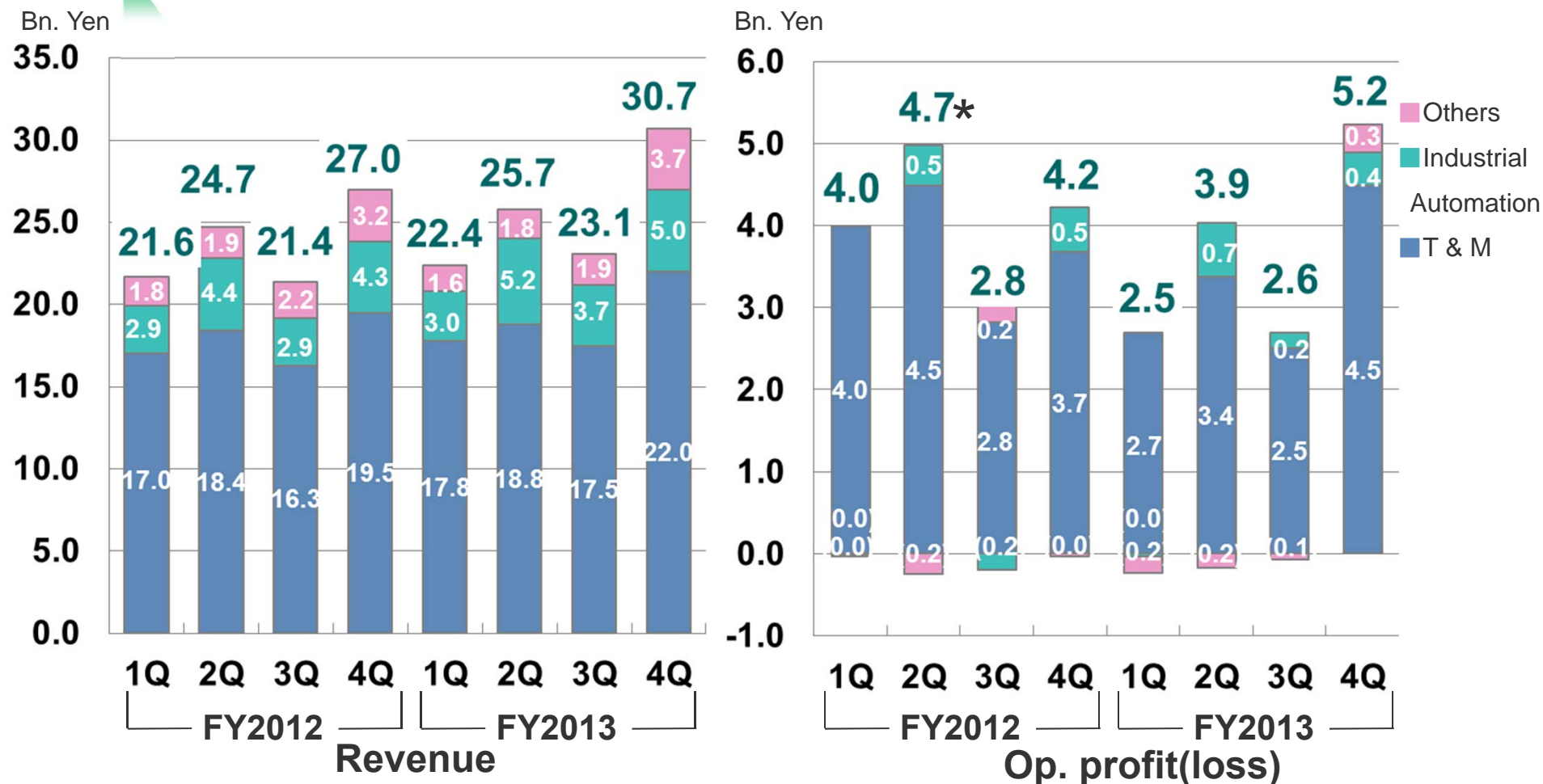
*1 The operating profit of the previous fiscal year in the Others segment includes an impairment loss of 588 million yen relating to unutilized a portion of the Company's facilities.

*2 With an amendment of IAS19, figures have been restated based on the revised accounting policies retrospectively.
(Old figures for Total Anritsu operating profit :15.8billion yen)

I -2. Consolidated performance –Revenue and Op. profit by quarters-



Company posted 17.0% operating margin for Q4 (T&M: 20.4%)



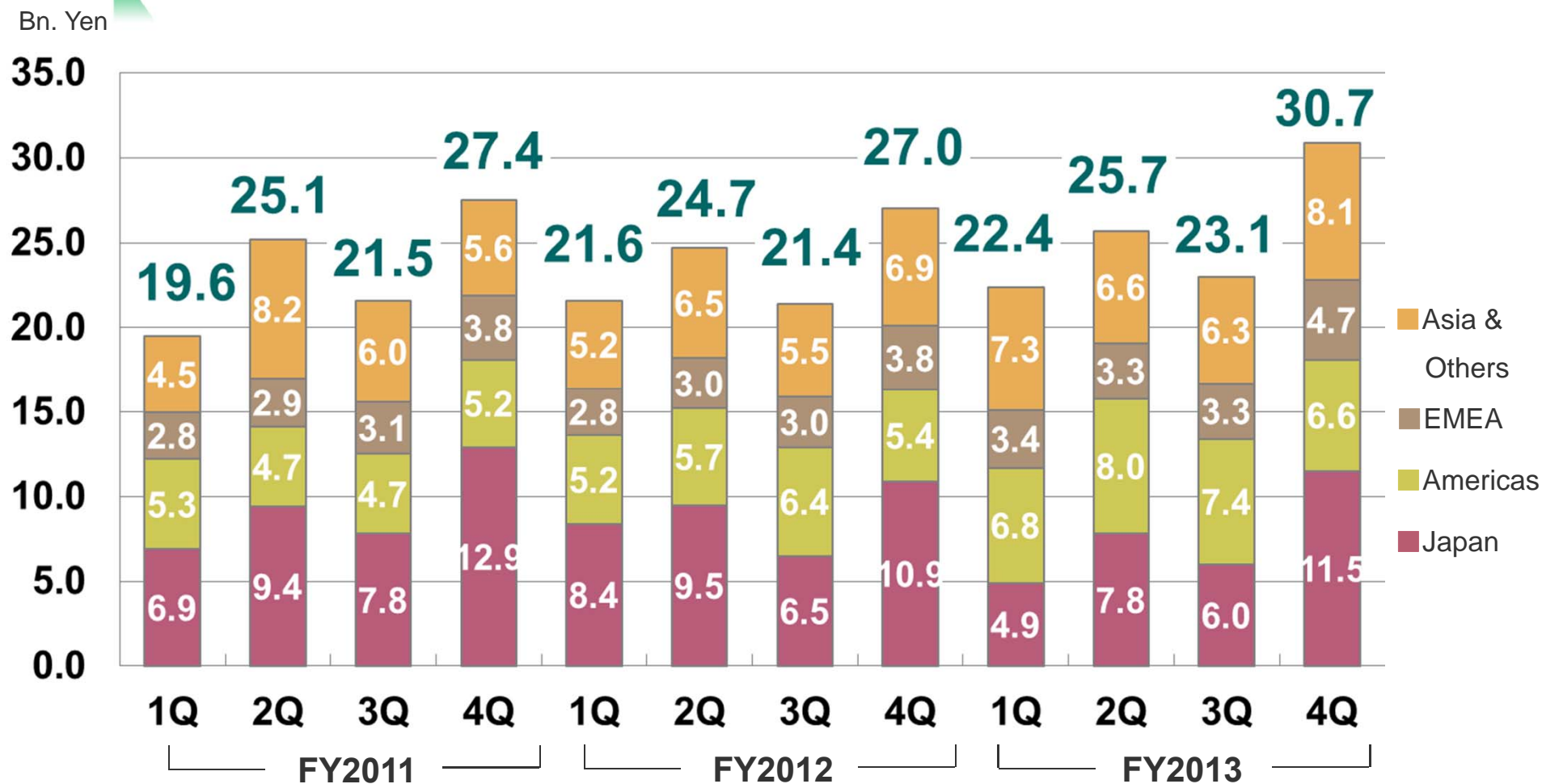
Note : Numbers are rounded off in each column

*With an amendment of IAS19, figures have been restated based on the revised accounting policies retrospectively.

(Old figure for 2Q Op. profit: 4.8 billion yen)

I -2. Consolidated performance -Revenue by region-

 Quarterly revenue increases year on year in all regions



Note : Numbers are rounded off in each column

I -2. Consolidated performance -Cash Flow-



Creating stable cash flow

Cash Flow (FY2013)

Operating CF : 13.8 Bn. Yen
 Investing CF : (5.3) Bn. Yen
 Financial CF : (4.4) Bn. Yen

Free Cash Flow

Op. CF + Inv. CF : 8.5Bn. Yen

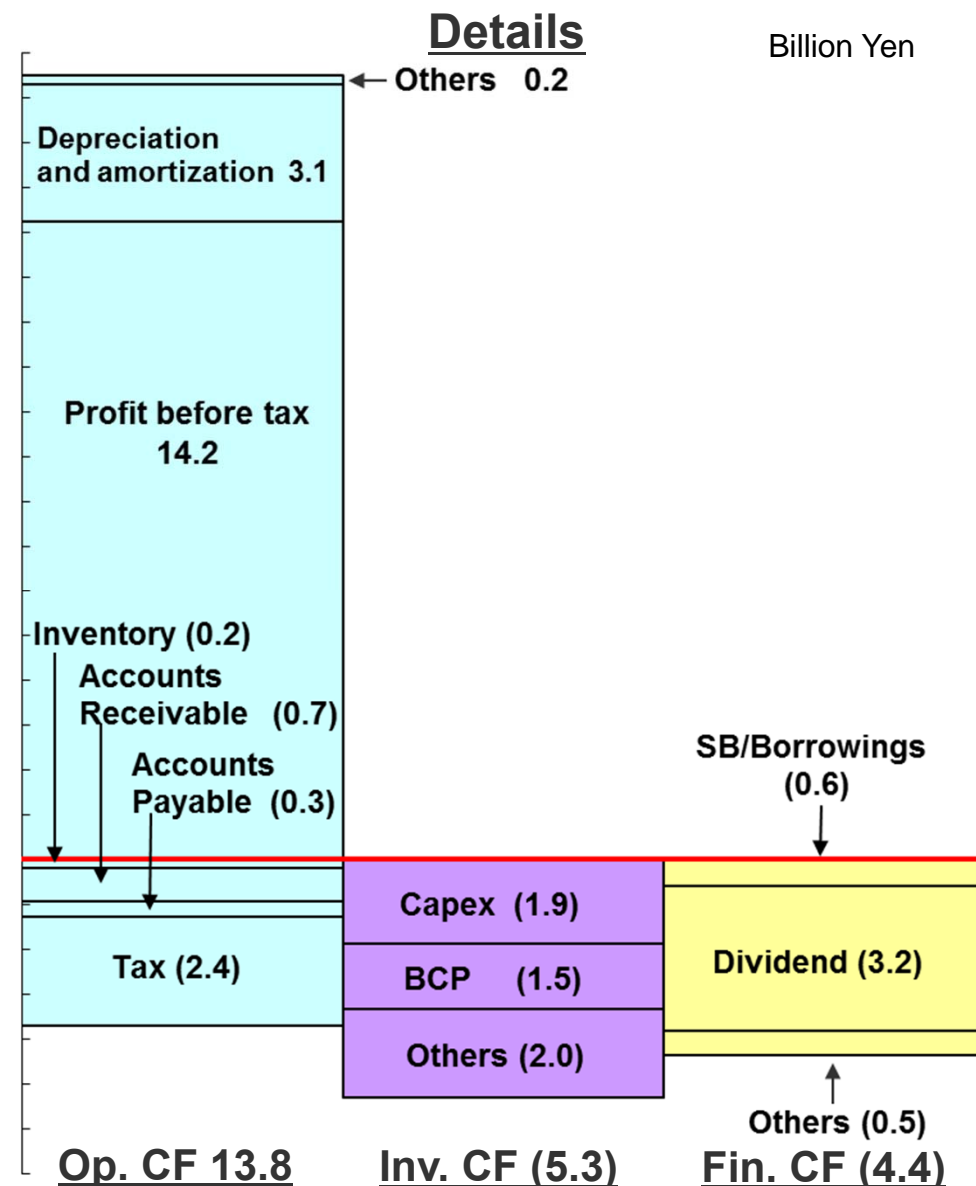
Cash at the end of period

43.2 Bn. Yen

Interest-bearing dept.

18.9 Bn. Yen

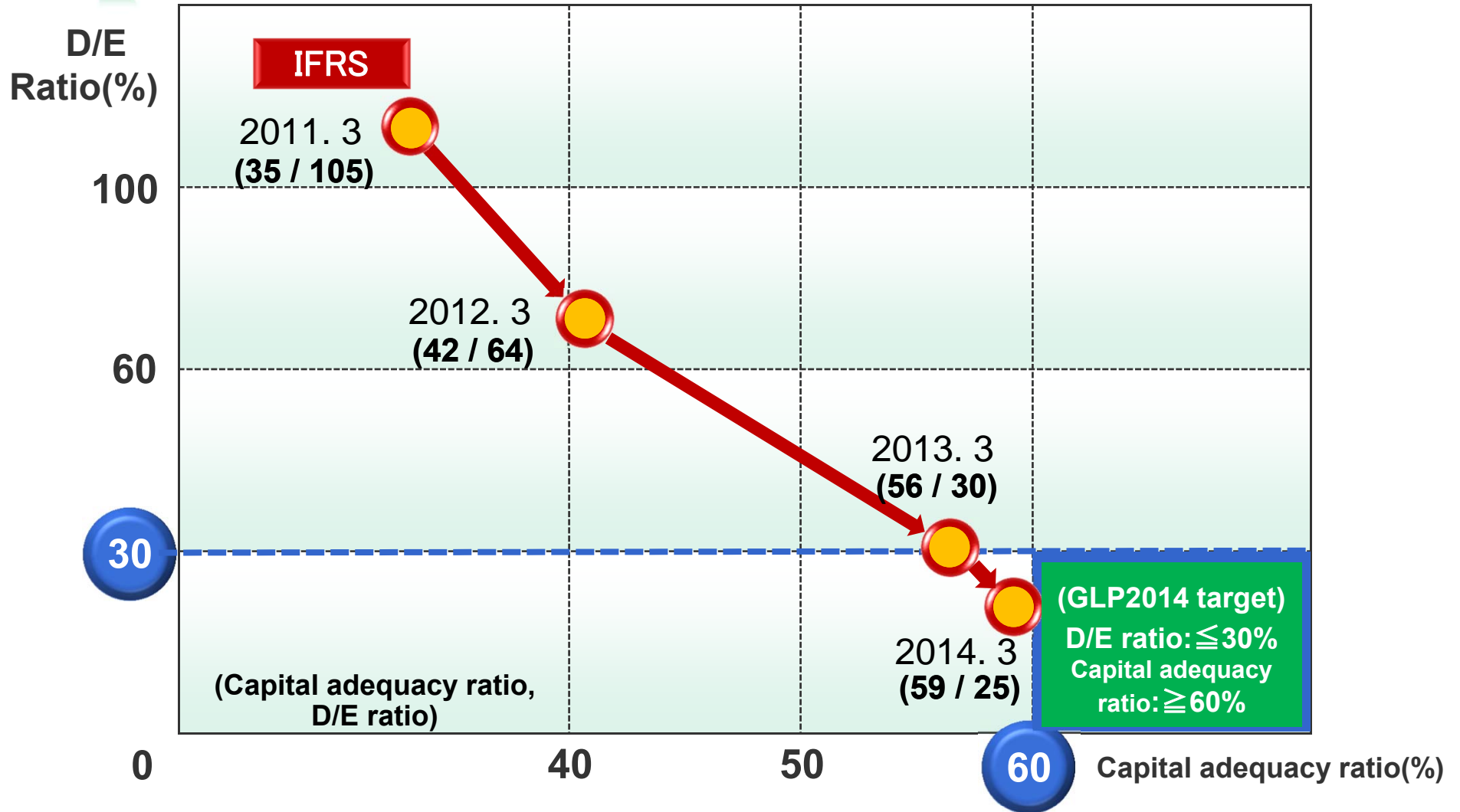
Note : Numbers are rounded off in each column



I -2. Consolidated performance -improving financial structure-



Steadily progress toward improving financial structure



II . Outlook for full year of the fiscal year ending March, 2015

II -1. Outlook for full year of FY2014

Unit: Billion Yen

International Financial Reporting Standards (IFRS)		FY2013	FY2014		
		Actual	Forecast	YoY	YoY(%)
Revenue		101.9	109.0	7.1	7%
Operating profit (loss)		14.1	16.0	1.9	13%
Profit (loss) before tax		14.2	16.0	1.8	12%
Profit (loss)		9.3	11.0	1.7	18%
Test & Measurement	Revenue	76.0	81.5	5.5	7%
	Op. profit (loss)	13.0	14.5	1.5	11%
Industrial Automation	Revenue	16.9	18.0	1.1	6%
	Op. profit (loss)	1.2	1.3	0.1	8%
Others	Revenue	9.0	9.5	0.5	6%
	Op. profit (loss)	(0.1)	0.2	0.3	-

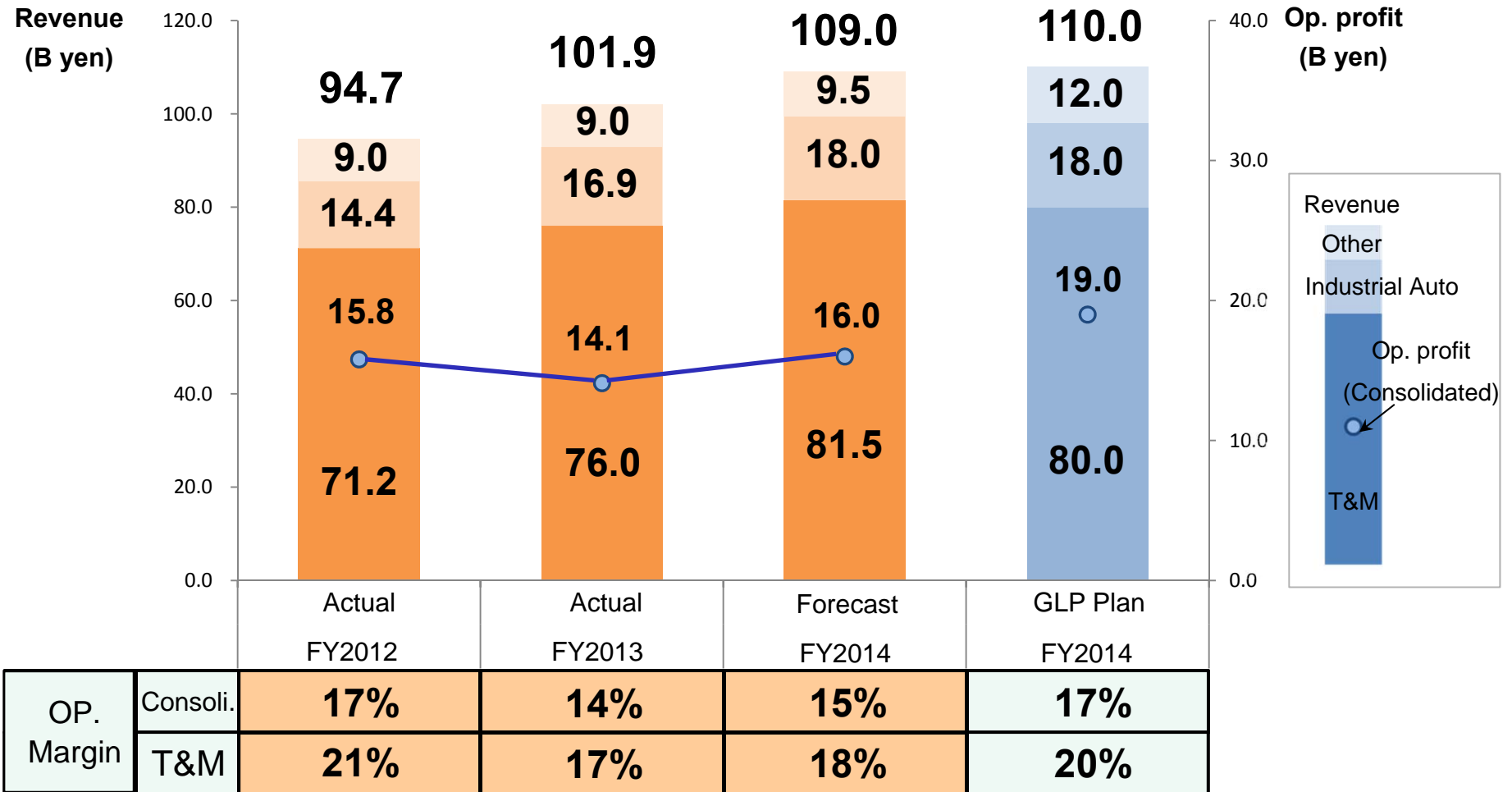
Note 1 : Exchange rate for FY2014 (forecast) 1USD = 100 yen, 1EURO=135yen

Note 2 : Numbers are rounded off in each column

II -1. Outlook for full year of FY2014 (Summary)

Comparison with GLP2014 3-year Plan

International Financial Reporting Standards (IFRS)



II -2. Business environment and initiatives (1)

T&M business

FY2013→FY2014

Revenue 7% increase

Op. profit 11% increase



Protocol Conformance test

Business environment

Further progress in LTE-Advanced development

Market expansion through growth of emerging terminal vendors

Growth of TD-LTE market

Focal points for FY2014

Increased orders for Conformance and Carrier Acceptance Testing through enhanced support readiness

Strengthening relationships with chipset vendors and enhancement of solution for terminal production

Responding to global demand for TD-LTE, centered on China

II -2. Business environment and initiatives (2)

Industrial Automation business

FY2013→FY2014

Revenue **6% increase**
Op. profit **8% increase**



X-ray Inspection System

Business environment

Strong replace demand in Japanese market

Increased demand for food inspection in overseas markets, especially North America

Focal points for FY2014

Capture replace demand by function enhancement for solutions (Japanese market)

Strengthen competitiveness of X-ray Inspection System and overseas sales network enhancement

Enhance relationships with major global food manufacturers, and develop new customers

II -3. Dividend forecast

Full year dividend per share (increase by 4 yen)

24 yen (interim dividend 12 yen)

	Dividend per share	Profit	Payout ratio
FY2014(Forecast)	24 yen	11.0 B yen	31%

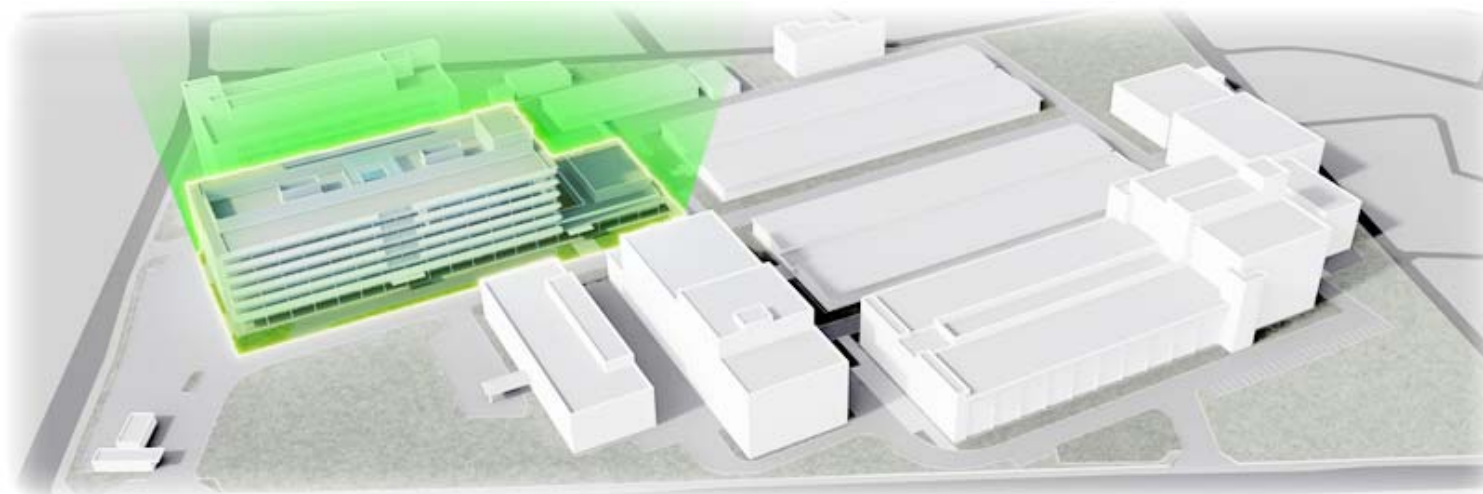
Profit Distribution Policy

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.

Ⅲ-1. Investment Plan to Promote Business Continuity Planning (BCP)

Construction of new Global Headquarters building with headquarters and R&D capabilities, as part of BCP construction at Atsugi site (total investment: approx. 10.0 B yen)

Purpose	<p>(1) Build BCP readiness for Anritsu Group as a whole</p> <p>(2) Expand and enhance functionality of R&D environment</p> <p>(3) Advance S&B* plan as 50 years passed from Atsugi site opening</p>
Construction plan	Planned to complete construction in April, 2015
CAPEX	<p>Total investment in BCP: Approx. 10.0 B yen (cost of Global Headquarters bldg.: approx. 8.0 B yen) FY2013: 1.5 B yen FY2015 and later: 5.5 B yen FY2014: 3.0 B yen</p>



Ⅲ-2. Simultaneously awarded two awards

▶ We will continue to strengthen our business, standing on the twin pillars of integrity and enhancing corporate value.



**Excellence Award of
Corporate Value Improvement Award**

Integrity Award for Excellence

Cautionary Statement

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

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

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

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

