

# Financial Results for the 3rd quarter of the Fiscal Year ending March 31, 2015

Hirokazu Hashimoto  
President and Group CEO  
Anritsu Corporation

January 30, 2015



<http://www.anritsu.com>



# Cautionary Statement

---

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

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

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

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

---

# Agenda

---

## **I . Consolidated performance review of 3Q ended December 31, 2014**

**I -1. Outline of our business segments**

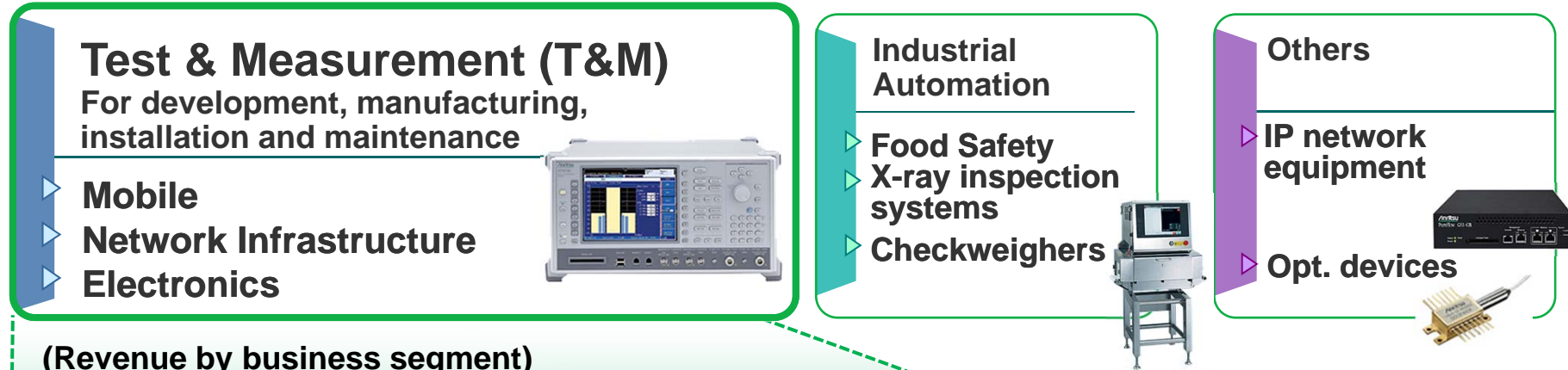
**I -2. Consolidated performance**

**I -3. Outlook for full year of the fiscal year ending March, 2015**

## **II . Others**

---

# I -1. Outline of our business segments



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

<b>T&amp;M 75%</b>			<b>Industrial Automation</b> 16%	<b>Others</b> 9%
Mobile 50%	Network Infrastructure 30%	Electronics 20%		

(Sales of T&M business by region in FY2013)

<b>Japan</b> 17%	<b>Asia &amp; Pacific</b> 30%	<b>Americas</b> 35%	<b>EMEA</b> 18%
---------------------	----------------------------------	------------------------	--------------------

## I -2. Consolidated performance -Business Segments-



**T&M: Asian markets showed solid performances**

**Industrial Automation: progress in line with results forecast**

Segment	FY2014 3Q (April to to December, 2014)
<b>Test &amp; Measurement (T&amp;M)</b>	<ul style="list-style-type: none"> <li>▪ Mobile: Business reorganization and changes in market structure advanced</li> <li>▪ Network infrastructure: Weak investment by communications operators</li> <li>▪ Electronics: Continue to reduce capital investment by customers</li> </ul> <hr/> <ul style="list-style-type: none"> <li>▪ Japan: Overall capital investment down</li> <li>▪ Asia: Captured strong demand for measurement especially in the mobile market</li> <li>▪ Americas: Increased distribution of investments in development bases worldwide for mobile</li> </ul>
<b>Industrial Automation</b>	Strong performance overseas, Japan in line with forecast

## I -2. Consolidated performance -Financial results-

Unit: Billion Yen

International Financial Reporting Standards (IFRS)	3Q FY2013 (Apr. to Dec.)	3Q FY2014 (Apr. to Dec.)	YoY	YoY (%)
Order Intake	77.0	73.8	(3.2)	-4%
Revenue	71.1	71.8	0.7	1%
Operating profit (loss)	8.9	7.3	(1.6)	-18%
Profit (loss) before tax	9.3	8.0	(1.3)	-14%
Profit (loss)	6.1	5.6	(0.5)	-8%
Comperhensive Income	9.6	9.4	(0.2)	-2%
Free Cash Flow	5.8	0.9	(4.9)	-85%

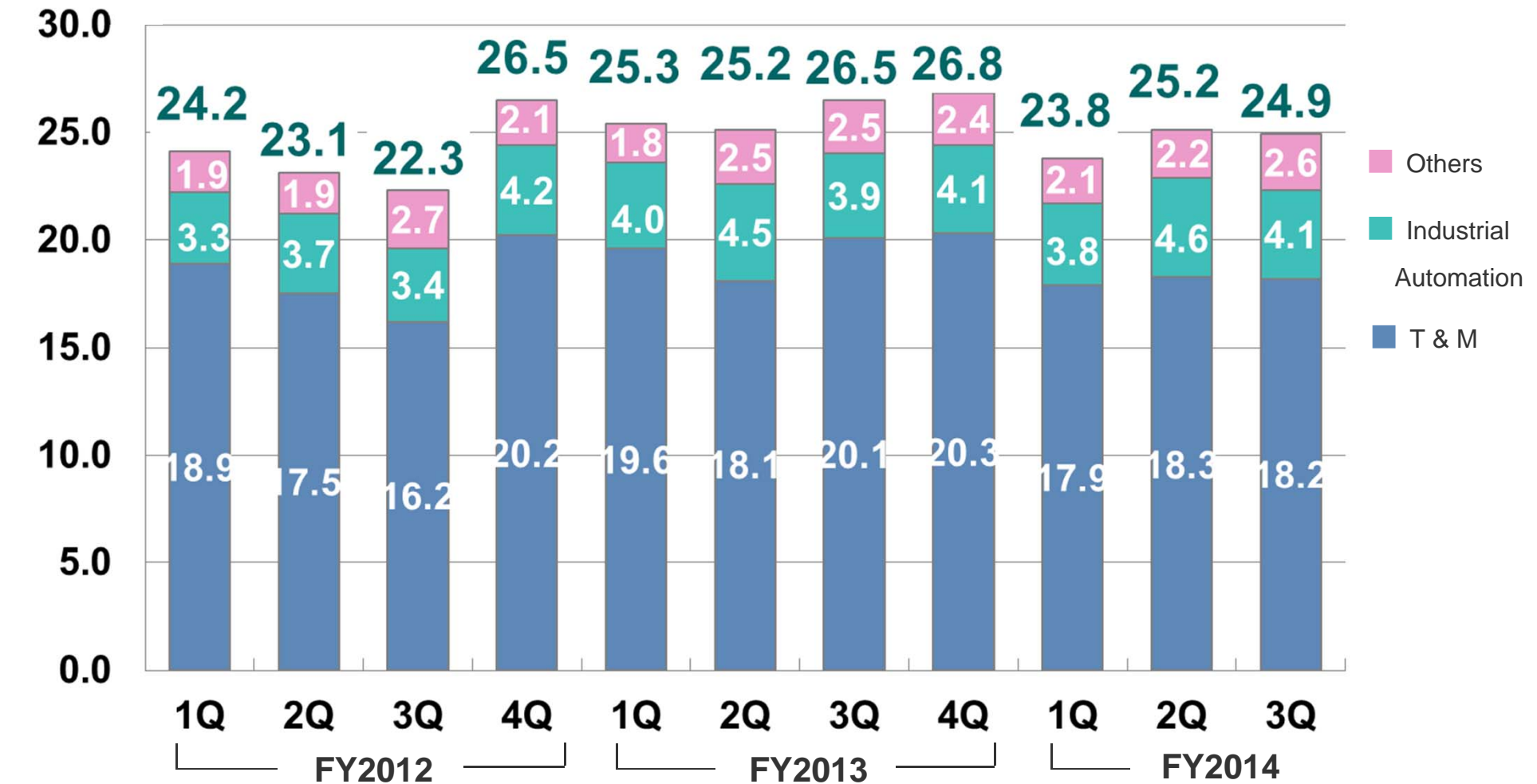
Note : Numbers are rounded off in each column

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



**T&M : At same level for three consecutive quarters**

Bn. Yen



Note : Numbers are rounded off in each column

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

Unit: Billion Yen

International Financial Reporting Standards (IFRS)		3Q FY2013 (Apr. to Dec.)	3Q FY2014 (Apr. to Dec.)	YoY	YoY (%)
Test & Measurement	Revenue	54.0	54.7	0.7	1%
	Op. profit (loss)	8.5	6.5	(2.0)	-24%
Industrial Automation	Revenue	11.9	11.2	(0.7)	-6%
	Op. profit (loss)	0.8	0.2	(0.6)	-81%
Others	Revenue	5.2	6.0	0.8	14%
	Op. profit (loss)	(0.4)	0.6	1.0	-
Total	Revenue	71.1	71.8	0.7	1%
	Op. profit (loss)	8.9	7.3	(1.6)	-18%

Note : Numbers are rounded off in each column

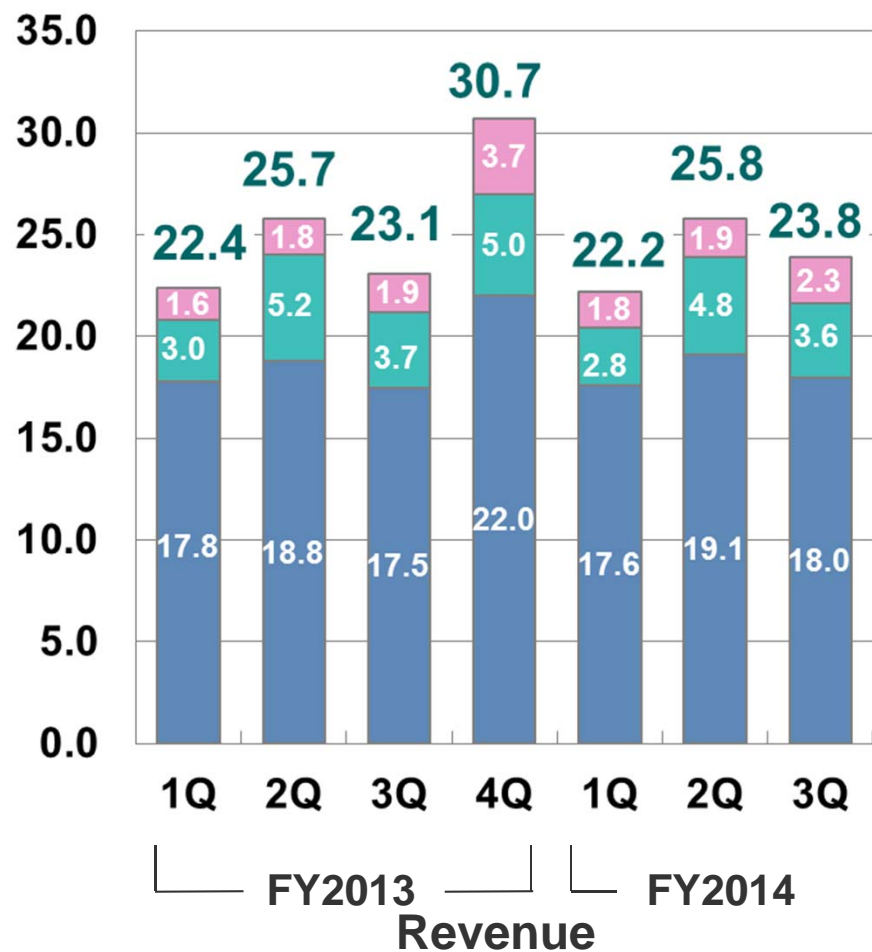


## I -2. Consolidated performance -Revenue and Op. profit by quarters-

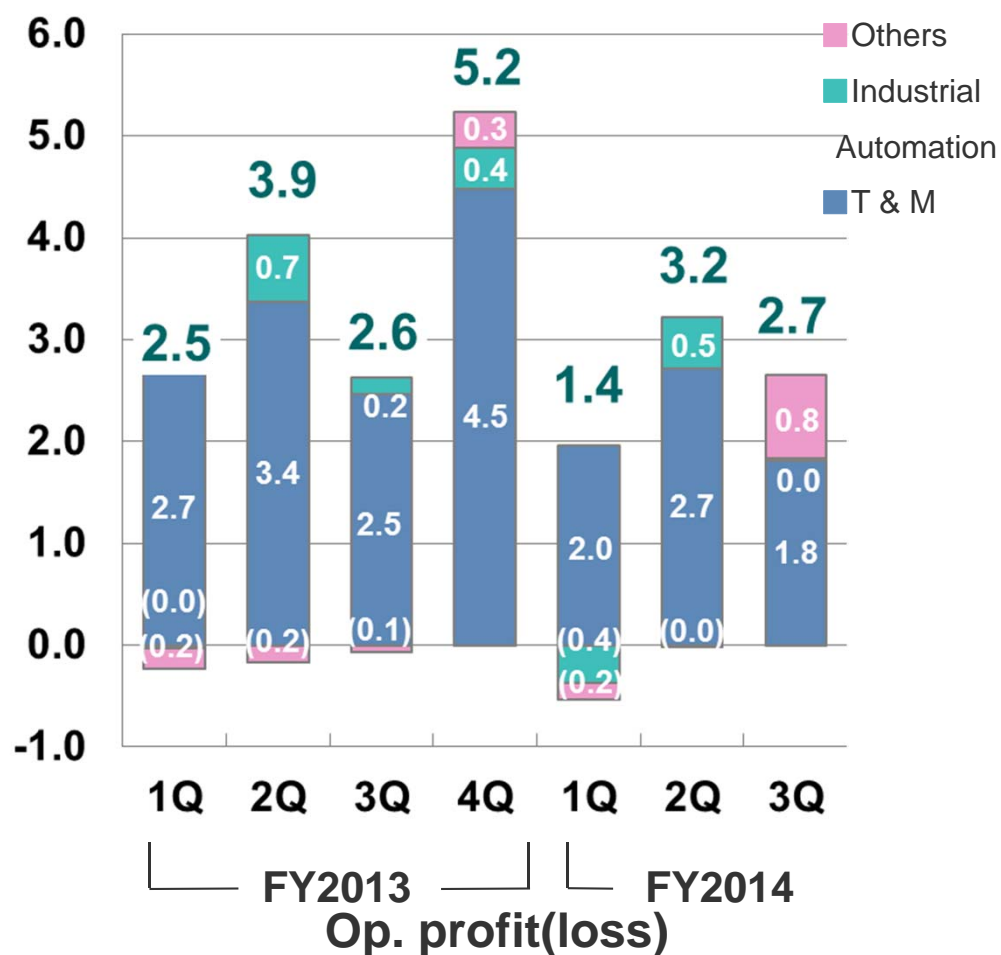


Company posted 11.1% operating margin for 3Q (T&M: 10.1%)

Bn. Yen



Bn. Yen



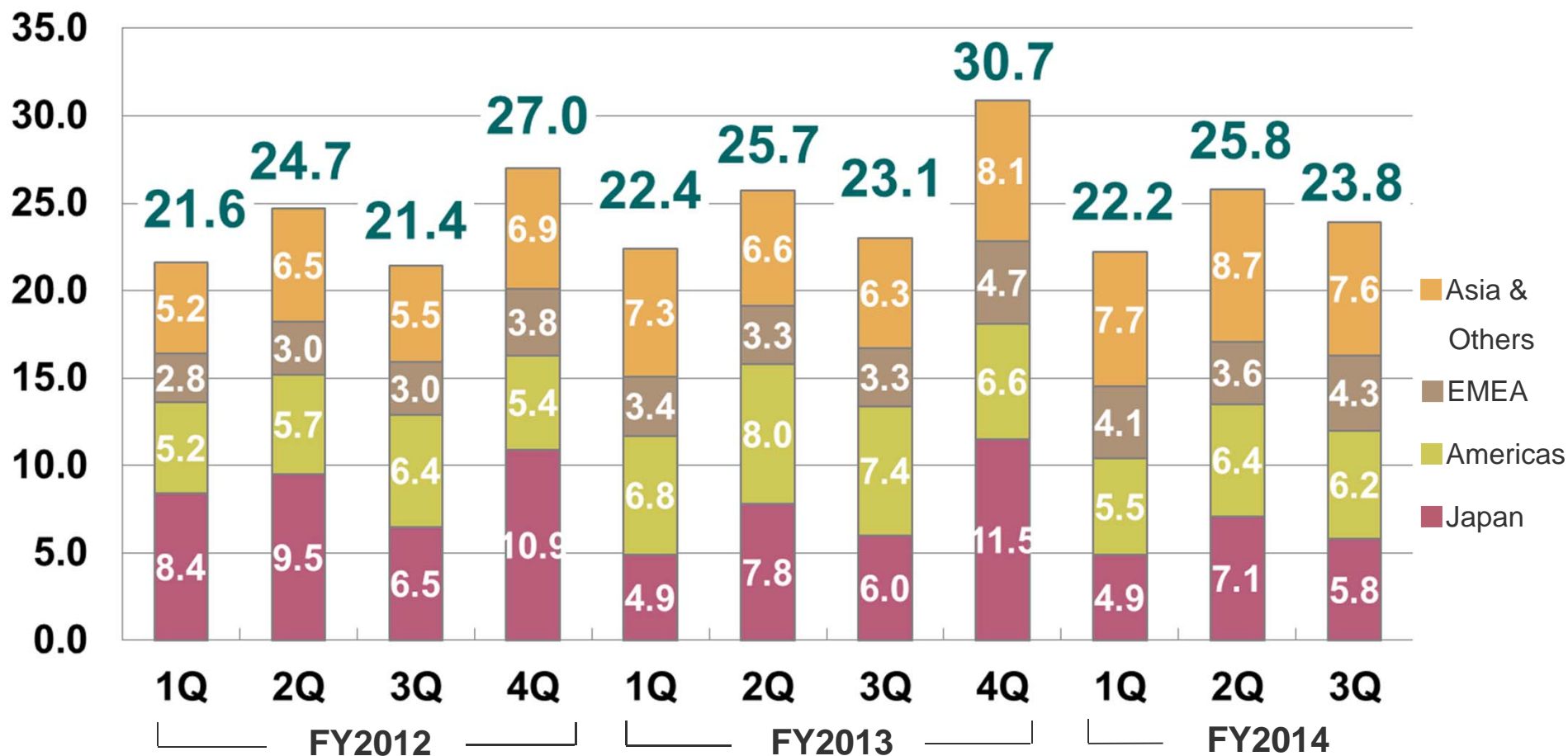
Note : Numbers are rounded off in each column

## I -2. Consolidated performance -Revenue by region-



3Q revenue increased year on year in Asia and EMEA, while it decreased in Japan and the Americas

Bn. Yen



Note : Numbers are rounded off in each column

## I -2. Consolidated performance -Cash Flow-



Made BCP-related payments

### Cash Flow (FY2014 3Q)

Operating CF : 5.6 Bn. Yen  
 Investing CF : (4.7) Bn. Yen  
 Financial CF : (11.2) Bn. Yen

### Free Cash Flow

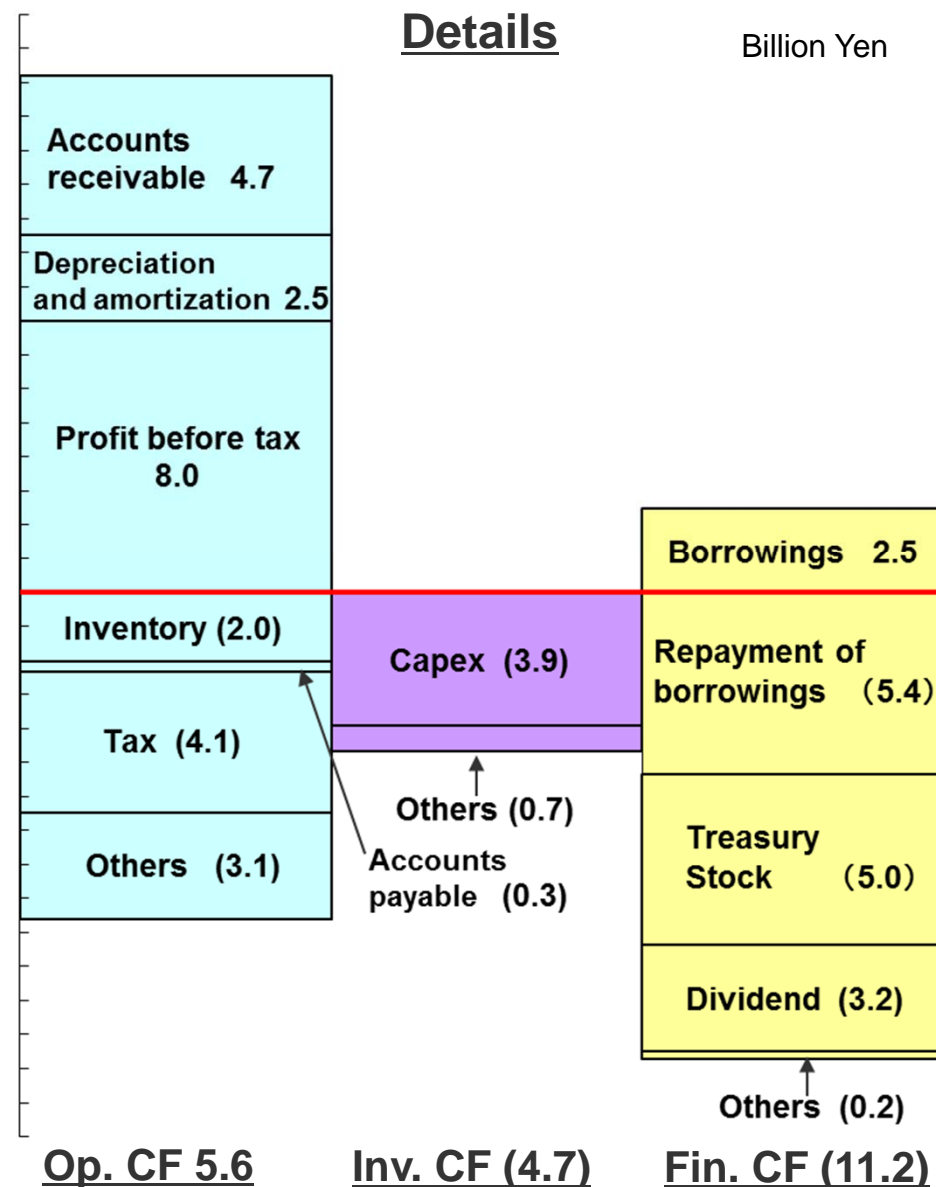
Op. CF + Inv. CF : 0.9 Bn. Yen

### Cash at the end of period

34.8 Bn. Yen

### Interest-bearing dept.

16.1 Bn. Yen



Note : Numbers are rounded off in each column

## I -3. Forecast for full year of FY2014



Downward revision of consolidated profits forecast  
 No change for annual dividend of 24.00 yen per share  
 (including interim dividend of 12.00 yen)

Unit: Billion Yen

International Financial Reporting Standards (IFRS)		FY2013	FY2014			
		Actual	Full Year		Change (B-A)	Change (%)
			Previous Forecast (A)	Revised Forecast (B)		
Revenue		101.9	104.5	100.5	(4.0)	-1%
Operating profit (loss)		14.1	14.1	11.1	(3.0)	-21%
Profit (loss) before tax		14.2	14.2	11.6	(2.6)	-19%
Profit (loss)		9.3	9.5	7.5	(2.0)	-19%
Test & Measurement	Revenue	76.0	78.5	74.5	(4.0)	-2%
	Op. profit (loss)	13.0	13.0	9.5	(3.5)	-27%
Industrial Automation	Revenue	16.9	16.5	16.5	0.0	-3%
	Op. profit (loss)	1.2	0.9	0.9	0.0	-34%
Others	Revenue	9.0	9.5	9.5	0.0	6%
	Op. profit (loss)	(0.1)	0.2	0.7	0.5	398%

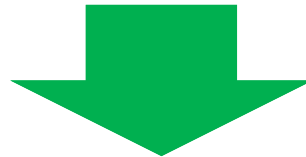
Note 1 : Exchange rate for FY2014 4Q (forecast) 1USD = 115 yen, 1EURO=135yen

Note 2 : Numbers are rounded off in each column

## II . Retirement of Treasury Stock

### <Result of Purchase of Treasury Stock>

1. Purchase period : From October 31, 2014 to November 7
2. Number of shares purchased : 5,840,900 shares  
(Ratio to the number of issued and outstanding shares  
(excluding treasury stock): 4.08%)
3. Total amount of purchase in yen : 4,999,944,900 yen



Decision by the Board of Directors to retire all purchased shares as of February 16, 2015

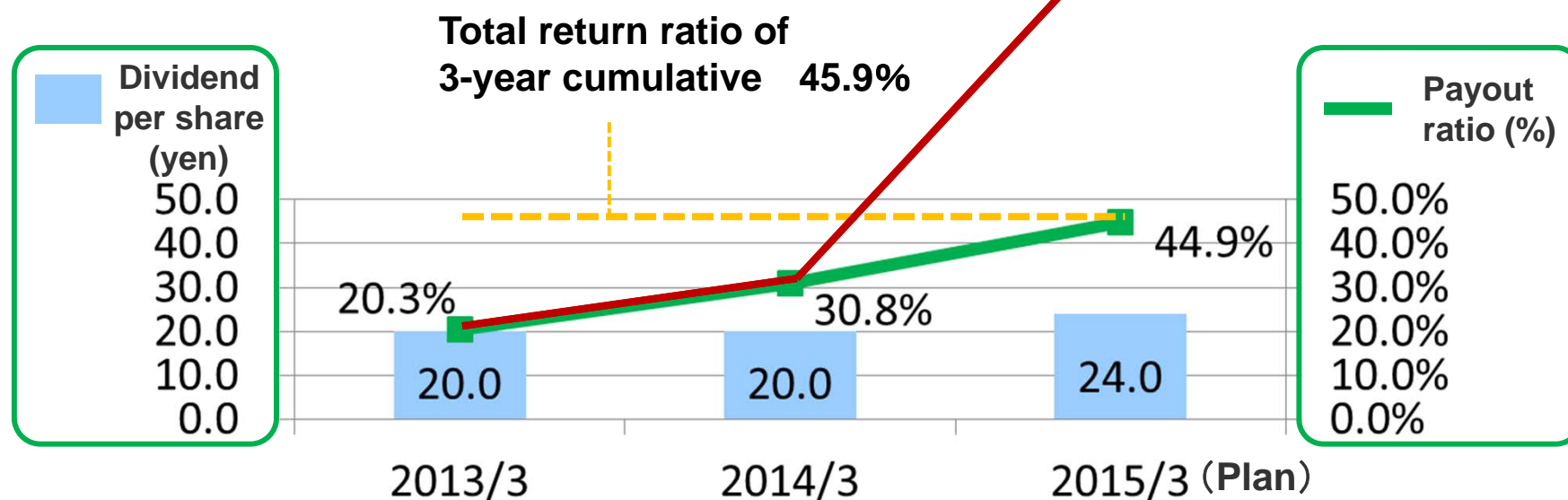
**Expected EPS:54.5 yen**

## II . Status of return to shareholders

Purchase and retirement of treasury stock : Approximately 5.0 billion yen  
(5,840,900 shares)

Planned dividend: Annual dividend of 24 yen for FY2014

**FY2014 Total return ratio  
112% (Plan)**



## II . Transition to a Company with an Audit Committee

Under the condition that transition is approved by the 89th Annual General Meeting of Shareholders to be held on June 25, 2015, Anritsu will transfer from a “Company with Board of Company Auditors” to a “Company with an Audit Committee” for the purpose of improving corporate value by further reinforcing corporate governance.

