FASF MEMBERSHIP

CONSOLIDATED FINANCIAL SUMMARY FOR THE YEAR ENDED MARCH 31, 2015 (IFRS)

April 27, 2015

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 25, 2015
Dividend payable date (as planned): June 26, 2015
Annual securities report filing date (as planned): June 25, 2015
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, 2015

(From April 1, 2014 to March 31, 2015)

(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, 2015	98,839	-3.0	10,882	-22.9	11,591	-18.6	7,874	-15.5	7,857	-15.6	11,898	-11.9
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

	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, 2015	55.72	55.72	10.2	9.1	11.0
March, 2014	64.93	64.89	13.3	11.8	13.9

(Reference) Investments accounted for using equity method
FY2014 (March 31, 2015) : 83 million yen FY2013 (March 31, 2014) : 10 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, 2015	126,893	78,665	78,639	62.0	572.04
March, 2014	127,149	74,896	74,886	58.9	522.54

(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, 2015	7,582	(6,049)	(11,234)	34,916
March, 2014	13,792	(5,312)	(4,359)	43,215

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, 2014	-	10.00	-	10.00	20.00	2,866	30.8	4.1
March, 2015	-	12.00	-	12.00	24.00	3,369	43.1	4.4
For the year ending	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
March, 2016 (Forecast)	-	12.00	-	12.00	24.00		41.2	

3. Consolidated forecast for the year ending March 31, 2016 (From April 1, 2015 to March 31, 2016)

(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	103,000	4.2	11,000	1.1	10,900	-6.0	8,000	1.6	8,000	1.8	58.19

※ 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 : Yes

(3) The number of shares issued and outstanding
1. Number of issued and outstanding shares at the period end（including treasury stock）
FY2014 (March 31, 2015) : 138,115,294 shares FY2013 (March 31, 2014) : 143,956,194 shares
2. Total number of treasury stock at the period end
FY2014 (March 31, 2015) : 643,983 shares FY2013 (March 31, 2014) : 643,246 shares
3. Average number of issued and outstanding shares during the period
FY2014 (March 31, 2015) : 141,017,097 shares FY2013 (March 31, 2014) : 143,313,484 shares

(Reference) Non-consolidated financial results

1. Financial results of the year ended March 31, 2015 (From April 1, 2014 to March 31, 2015)

(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, 2015	49,876	-7.8	4,479	-38.6	5,946	-25.4	4,333	-19.8
March, 2014	54,091	3.2	7,294	-17.6	7,969	-18.1	5,400	-33.1

	Basic net income (loss) per share	Diluted net income (loss) per share
For the year ended	Yen	Yen
March, 2015	30.73	30.73
March, 2014	37.68	37.66

(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, 2015	120,350	77,673	64.4	563.46
March, 2014	125,836	81,538	64.6	567.63

(Reference) Equity capital FY2014 (March 31, 2015) : 77,459 million yen FY2013 (March 31, 2014) : 81,348 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, 2016 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 28, 2015.

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1. Analysis of Results of Operations and Financial Position

(1) Analysis of Operating Results

1) General Overview

	Fiscal Year		(Millions of yen)	
	2013	2014	Change	
Orders	103,864	101,084	-2,779	-2.7%
Backlog of orders	17,439	19,684	+2,245	+12.9%
Revenue	101,853	98,839	-3,013	-3.0%
Operating profit (loss)	14,123	10,882	-3,240	-22.9%
Profit before tax (loss)	14,239	11,591	-2,648	-18.6%
Profit (loss)	9,318	7,874	-1,444	-15.5%
Profit (loss) attributable to owners of parent	9,305	7,857	-1,447	-15.6%

During the fiscal year ended March 31, 2015, the U.S. economy continued its recovery trend, although the outlook for the global economy remained uncertain due to growing geopolitical risk in the Middle East and Eastern Europe and a slowdown of growth in China. The Japanese economy showed upward momentum from the expectation of improved personal consumption through monetary/fiscal policies and wage hikes.

In the field of communication networks, 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, LTE (Long-Term Evolution) and LTE-Advanced, a further expanded LTE, have become widely used, and demand for development of protocol conformance testing and operator acceptance testing has increased. In particular, during the fiscal year ended March 31, 2015, there were growing needs for the development of such LTE-Advanced component technologies as MIMO (Multiple-Input and Multiple-Output: technology to achieve high speed and greater capacity of wireless data communication using a number of transmitting and receiving antennas) and CA (Carrier Aggregation: technology to achieve greater bandwidth by bundling multiple carriers). In the manufacturing field, emerging device vendors in China and India that use reference designs offered by chipset vendors are growing rapidly. In addition, integration between cellular and non-cellular such as Wi-Fi is developing.

In the mobile-related market, moves aimed at corporate acquisitions, reorganizations or mergers are gaining momentum mainly in Europe and the U.S., and the trend of customer investment seems fluctuated. In the smartphone manufacturing market, while the popularity of high-function, high-priced devices has run its course in the industrialized nations, low-priced device vendors have made giant strides in conjunction with the expansion of the emerging markets, and low-priced mobile service operators (MVNO, Mobile Virtual Network Operator) are also gaining prominence in the domestic market. These trends indicate diverse changes in the market environment.

Amid such business environment, the Anritsu Group carried out strategic investment mainly around development and customer support, worked to improve competitiveness in the offering of solutions by responding to international standards in the process of being updated, verifying interoperability of different communications standards, improving productivity of devices and chipsets, and enhancing efficiency of improving wireless infrastructure.

During the fiscal year ended March 31, 2015, the Test and Measurement business saw steady demand for measuring instruments for the mobile market mainly in Asia. However, the business was influenced by industrial reorganization as well as customers’ restraints on investment in the Japanese, U.S. and European markets. Demand for measuring instruments in the network infrastructure and electronics markets was also sluggish overall. As a result, orders decreased 2.7 percent compared with the previous fiscal year to 101,084 million yen, and revenue decreased 3.0 percent to 98,839 million yen. Operating profit decreased 22.9 percent compared with the previous fiscal year to 10,882 million yen, profit before tax decreased 18.6 percent compared with the previous fiscal year to 11,591 million yen. Profit decreased 15.5 percent compared with the previous fiscal year to 7,874 million yen, profit attributable to owners of parent decreased 15.6 percent compared with the previous fiscal year to 7,857 million yen.

2) Overview by Segment

1. Test and Measurement

	Fiscal Year		(Millions of yen)	
	2013	2014	Change	
Revenue	75,962	73,443	-2,519	-3.3%
Operating profit (loss)	13,011	8,943	-4,067	-31.3%

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, 2015, although performance was steady on the whole in Asia, overall revenue still fell from the same period of the previous year, affected by customers' withdrawal from business and restraint on capital expenditures in other regions. Additionally, investment in research and development exceeded the level of the previous year due primarily to increased development projects and expenses for enhancing customer support capabilities overseas also remained at a high level.

Consequently, segment revenue decreased 3.3 percent compared with the previous fiscal year to 73,443 million yen and operating profit decreased 31.3 percent to 8,943 million yen.

2. Industrial Automation

	Fiscal Year		(Millions of yen)	
	2013	2014	Change	
Revenue	16,919	16,198	-721	-4.3%
Operating profit (loss)	1,208	824	-384	-31.8%

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.

During the fiscal year ended March 31, 2015, business remained solid in overseas markets especially in North America. On the other hand, customers in the Japanese market maintained a cautious stance towards capital expenditures in the first half of the fiscal year. But this returned to a favorable investment situation in the second half of the fiscal year. In addition, Anritsu proactively invested in research and development and sales promotion for capturing demand for renewing facilities in Japan and expanding sales in the overseas market.

As a result, segment revenue decreased 4.3 percent compared with the previous fiscal year to 16,198 million yen and operating profit decreased 31.8 percent to 824 million yen.

3. Others

	Fiscal Year		(Millions of yen)	
	2013	2014	Change	
Revenue	8,970	9,198	+227	+2.5%
Operating profit (loss)	941	1,963	+1,021	+108.5%

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

During the fiscal year ended March 31, 2015, revenue and profit increased from the previous fiscal year, partly due to the results of business restructuring carried out in the previous fiscal year in the devices business. Additionally, impairment losses on buildings and structures, which had been initially decided to be closed, were reversed as a result of a decision for the continued use of them in the head office site due to the partial re-examination of the plan for utilizing them. As a result, segment revenue increased 2.5 percent compared with the previous fiscal year to 9,198 million yen, and operating profit increased 108.5 percent to 1,963 million yen.

3) Analysis of Operating Results

1. Test and Measurement

The Test and Measurement business, which accounts for approximately 74 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 the technological innovations in mobile phone services, market penetration, number of new subscribers as well as new entries in and withdrawals from the market by mobile phone and chipset manufacturers, and the number of models and shipments of mobile phones and chipsets.

Currently a variety of mobile broadband services offered through mobile phones that support LTE are available mainly in developed countries. Leading telecom operators, and mobile phones and chipset manufacturers are pursuing research and development of LTE-Advanced, the most advanced communications system, with the aim of providing more sophisticated and high-quality services. Moreover, mobile communications technology is also used for in-vehicle telecom handsets, and research and development for new services is progressing. Driven by these efforts, there is ongoing demand for leading-edge measuring solutions related to measuring systems that perform conformance testing and interoperability testing.

On the other hand, in the emerging countries, including China and India, smartphones using the third-generation (3G) mobile system in affordable price ranges have become widespread at an explosive pace due to improved living standards created from economic growth. Especially in China, many new mobile phone manufacturers have emerged on the back of broad use of TD-LTE and expansion of related markets. Demand is also growing for measuring solutions for the efficient manufacturing of mobile phones.

Anritsu is continuing to develop and launch competitive solutions to meet the demand for the leading-edge measuring solutions and measuring equipment for mobile phone manufacturing. As for the measuring solutions, the Company is working to further expand business in the mobile market by promptly offering functional updates in line with the evolution of communications standards.

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.

With the increasing popularity of mobile broadband networks, the use of cloud computing services is increasing, not only for personal application such as music and video distribution, but also for business. Accompanying this growth, data traffic continues to expand rapidly, and advanced telecom operators and equipment manufacturers pursuing broadband network are commercializing 100Gbps services and concentrating on research and development of 400Gbps network equipment. Moreover, efficiently dense base station networks are being promoted by integrating and using wireline and wireless network technology in order to improve connectivity from mobile phones. Along with this, demand is growing for measuring solutions that optimize wireline and wireless technology depending on the intended use. Demand for high-speed data communication equipment is also expanding due to an increase in construction of data centers to support cloud computing services. Accompanying with this, research and development and manufacturing market of high-speed optical communications modules are active, creating additional demand for related measuring solutions.

Anritsu 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.

Expansion of mobile broadband services and the use of the IoT (Internet of Things), such as smart meters, are driving growth in demand for measuring solutions for development and manufacturing of wireless modules for a broad array of applications. Furthermore, various wireless systems have been digitalized for effective use of frequency resources. Demand for measuring solutions for manufacturing and maintenance of new systems is also steadily growing. Anritsu will work to further expand the business in this sub-segment by offering a wider range of solutions 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 40 percent.

Demand for quality control inspection solutions is expected to remain firm in every region of the world, as interest among food manufacturers remains high. To meet this demand, Anritsu will develop and deliver new products and 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, 2016

During the fiscal year ending March 31, 2016, the global economy is expected to recover in the Americas. However, lingering uncertainties over trends in the European and Chinese economies and rising geopolitical risks in the Eastern Europe and the Middle East have made the future unpredictable. In addition, there is a need for constant and appropriate responses to technological innovations, changes in the market environment and competitive relationships, and trends in the financial situation.

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 of base station networks and increased density by small cells (complementary base station with low-power covering a narrow range), 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, the Anritsu Group seeks to optimize the supply chain under the strategy of local production for local consumption and strengthens product competitiveness, cost competitiveness, and local engineering capability in the growing overseas market, while it develops the market with a strategy of higher added value and differentiation. The Group is also deepening ties with major global food manufacturers, and is working on ways of seeking out new customers.

The performance forecast for the year ending March 31, 2016 is shown as below.

The Anritsu Group is planning on growth in revenue. In the Test and Measurement business, revenue mainly derived from the mobile and network infrastructure markets are expected to remain the same level with the fiscal year ended March 31, 2015. In the Industrial Automation business, sales are expected to increase in both domestic and overseas markets. The outlook for operating profit and profit shows increases from the fiscal year ended March 31, 2015.

BUSINESS FORECAST FOR THE FISCAL YEAR ENDING MARCH 31, 2016 (IFRS)

(Millions of yen)

	FY2015
Revenue	103,000
Operating profit	11,000
Profit before tax	10,900
Profit	8,000
Profit attributable to owners of parent	8,000

Assumed annual exchange rate; 1US$=115Yen

(For Reference)

REVENUE BY SEGMENT

(Millions of yen)

	FY2013	FY2014		FY2015 (Forecast)	
	From Apr.1, 2013 To Mar.31, 2014	From Apr.1, 2014 To Mar.31, 2015	%Change	From Apr.1, 2015 To Mar.31, 2016	%Change
Revenue	101,853	98,839	-3.0	103,000	+4.2
By Segment					
Test and Measurement	75,962	73,443	-3.3	75,000	+2.1
Industrial Automation	16,919	16,198	-4.3	18,000	+11.1
Others	8,970	9,198	+2.5	10,000	+8.7
By Market					
Japan	30,133	27,116	-10.0	28,000	+3.3
Overseas	71,720	71,723	+0.0	75,000	+4.6
Americas	28,858	24,367	-15.6	26,000	+6.7
EMEA	14,601	15,885	+8.8	15,000	-5.6
Asia and Others	28,260	31,470	+11.4	34,000	+8.0

(Notes) EMEA: Europe, Middle East and Africa

(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)
	2014	2015	Change
Total assets	127,149	126,893	-256
Liabilities	52,253	48,227	-4,025
Equity	74,896	78,665	+3,769
Interest-bearing debt (Excluding lease payable)	18,858	16,065	-2,793

Assets, liabilities and equity as of March 31, 2015 were as follows.

1. Assets

Total assets decreased 256 million yen compared with the end of the previous fiscal year to 126,893 million yen. While cash and cash equivalents decreased, property, plant and equipment and inventories increased.

2. Liabilities

Total liabilities decreased 4,025 million yen compared with the end of the previous fiscal year to 48,227 million yen. This was primarily due to decrease of bonds and borrowings and employee benefits in non-current liabilities, and income tax payables in current liabilities, on the other hand, trade and other payables in current liabilities increased.

3. Equity

Equity increased 3,769 million yen compared with the end of the previous fiscal year to 78,665 million yen. This was mainly due to increase of other component of equity and retained earnings while decrease due to purchase and retirement of treasury stock of 5,000 million yen.

As a result, the equity attributable to owners of parent to total assets ratio was 62.0 percent, compared with 58.9 percent at the end of the previous fiscal year.

2) Summarized Cash Flows

	Fiscal Year		(Millions of yen)
	2013	**2014**	Change
Cash flows from operating activities	13,792	7,582	-6,209
Cash flows from investing activities	(5,312)	(6,049)	-737
Cash flows from financing activities	(4,359)	(11,234)	-6,874
Cash and cash equivalents at end of period	43,215	34,916	-8,299
(Reference) Free cash flow	8,480	1,533	-6,947

In the fiscal year ended March 31, 2015, cash and cash equivalents (hereafter, “net cash”) decreased 8,299 million yen from the end of the previous fiscal year to 34,916 million yen.

Free cash flow, the sum of cash flows from operating activities and cash flows from investing activities, was positive 1,533 million yen (compared with positive 8,480 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 7,582 million yen (in the previous fiscal year, operating activities provided net cash of 13,792 million yen). The main factor was increase in recording profit before tax while decrease in payment of income taxes.

Depreciation and amortization was 3,371 million yen, an increase of 319 million yen compared with the previous fiscal year.

2. Cash Flows from Investing Activities

Net cash used in investing activities was 6,049 million yen (in the previous fiscal year, investing activities used net cash of 5,312 million yen).

This was primarily due to the acquisition of property, plant and equipment including the Global Headquarters Building.

3. Cash Flows from Financing Activities

Net cash used by financing activities was 11,234 million yen (in the previous fiscal year, financing activities used net cash of 4,359 million yen). The cash decrease was mainly due to repayment of long-term borrowings of 5,000 million yen, purchase of treasury stock of 5,000 million yen and payment of cash dividends totaling 3,152 million yen (in same period of the previous fiscal year, cash dividends was 3,224 million yen). On the other hand, the cash increase was mainly due to proceeds from long-term borrowings of 2,500 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. In addition, during the fiscal year ended March 31, 2015, funds were required for the construction of the Global Headquarters Building and the purchase and retirement of treasury stock. 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, the 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, 2015, as a result of bank loan repayment, as of March 31, 2015, the balance of interest-bearing debt (excluding lease payable) was 16.0 billion yen (compared with 18.8 billion yen at the end of the previous fiscal year) and the debt-to-equity ratio was 0.20 (compared with 0.25 at the end of the previous fiscal year), both were substantial improvements. And the net debt-to-equity ratio was negative 0.24 (compared with negative 0.33 at the end of the previous fiscal year). In addition, the average turnover ratio on the end-of-period balance of inventories to revenue was 5.5 times.

The Company will utilize increased cash flow generated by improvements in ACE (achievement of 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.

During the fiscal year ended March 31, 2015, Rating and Investment Information, Inc. (R&I) upgraded Anritsu's short-term debt and long-term debt from the previous fiscal year to a-1 and to A-, respectively. 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 attributable to owners of parent

Net debt-to-equity ratio: (Interest-bearing debt- Cash and cash equivalent) / Equity attributable to owners of parent

4) Cash Flow Outlook for the Year Ending March 31, 2016

1. Cash Flows from Operating Activities

The Anritsu Group expects cash flows from operating activities to be positive, mainly due to reporting of profit before tax. The Anritsu Group will aim to improve its cash conversion cycle to make more effective use of operating assets such as trade receivables and inventories.

2. Cash Flows from Investing Activities

The Anritsu Group expects cash flows from investing activities to be negative due to capital expenditure.

Capital expenditures will include regular investments to strengthen the foundation of its product development environment, as well as strategic investments including the construction of the Global Headquarters Building as part of the BCP (Business Continuity Planning) at the head office site.

3. Cash Flows from Financing Activities

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

5) Indicator Trend of Consolidated Cash Flows

	Year Ended March 31, 2013	Year Ended March 31, 2014	Year Ended March 31, 2015
Equity attributable to owners of parent / Total assets (%)	56.1	58.9	62.0
Market capitalization / Total assets (%)	180.9	133.6	90.9
Interest bearing debt / Operating cash flows (years)	1.6	1.4	2.1
Operating cash flows / Interest expense (times)	24.9	54.2	41.7

(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, 2015 and March 31, 2016

The Company’s basic policy for returning profits to its shareholders is to distribute profits in accordance with its consolidated performance and by taking into account the total return ratio.

With regard to dividends, 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 percent or more. The Company’s basic policy is to make distributions of dividends, twice a year, consisting of a fiscal year-end dividend and an interim dividend by resolution of the General Meeting of Shareholders and by approval of the Board of Directors.

The Company intends to carry out the purchase of treasury stock appropriately as necessary, by taking into account its financial situation, the trends in stock prices and other factors, in an effort to execute capital policies that respond flexibly to changes in the corporate environment. In the fiscal year ended March 31, 2015, the Company purchased and retired 5,000 million yen in treasury stock.

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.

Anritsu plans to pay a year-end dividend of 12.0 yen per share, and total dividends for the fiscal year will be 24.0 yen per share for the fiscal year ended March 31, 2015.

For the fiscal year ending March 31, 2016, 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 and long standing support for Anritsu's going business for 120 years, assuming achievement of the business forecast on page 6.

(4) Risk Information

1) Inherent Risks in the Anritsu Group's Technology and Marketing Strategies

The 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 the Anritsu Group’s core information and communication markets and the 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 the 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 including both the Test and Measurement business and the Industrial Automation business is about 73 percent, and many customers likewise operate on a global scale. As a result, economic trends in countries worldwide, changes in international conditions, compliance with required laws and regulations and progress in the Anritsu Group’s global strategy have a potential to exert a material impact on the Group’s financial position and results of operations. 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

The Anritsu Group’s sales outside Japan account for approximately 73 percent of consolidated revenue. The 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 the Anritsu Group’s financial condition and operating results.

5) Long-term Inventory Obsolescence Risk

The 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 the 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 Company 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 the Company Vision “Achieve continuous growth with sustainable superior profits through innovation using all knowledge of all parties”, the Anritsu’s Company Policy is 1) to make energetic organization synthesizing the knowledge of all employees, 2) to capture growth drivers through innovation, 3) to be a leader in the global market and 4) to contribute to the creation of a society that is friendly to people and the 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 for 120 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.

The Anritsu Group conveys its brand statement, “envision: ensure,” for an “advanced and trustworthy corporate brand,” which can be said to be testimony of the company’s 120 years, as we work on a strategy to make our brand more global. Embedded in the statement “envision:ensure.” 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 has prepared a medium-term milestone plan entitled Mid-term Business Plan GLP2017. The principal management targets under this plan are shown in the following table.

	Year Ended March 31, 2014 (Actual)	Year Ended March 31, 2015 (Actual)	Year Ending March 31, 2016 (Forecast)	Year Ending March 31, 2018 (Target)
Revenue (Billions of yen)	101.8	98.8	103.0	120.0
Operating Profit (Billions of yen)	14.1	10.8	11.0	17.0
Profit (Billions of yen)	9.3	7.8	8.0	13.0
ACE (Billions of yen)	4.7	2.4	3.0	8.0
ROE	13%	10%	10%	14%

ACE : Net operating profit after tax – Cost of capital

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

The core Test and Measurement business of the Anritsu Group's businesses involve information and communication technology (ICT) services. In the ICT field, global mobile broadband services and the spread of IoT (Internet of Things), the system of connecting things to the Internet to create new value, are driving growth. This trend is supported by telecommunication innovation which aims to enhance user experience in the medium- to long-term. In order to enable this innovation, continuous development of mobile telecommunication technology from LTE and LTE-Advanced which support broadband, and beyond to 5G will be promoted, as well as the reinforcement of the telecommunication network structure through measures, as represented by increased density of the base station network, which is indispensable for enhancing connectivity. From basic social infrastructure to the creation of new value through IoT, safe and secure networks that are easy to connect to anytime and anywhere are vital to a sustainable society. As an advanced measurement company covering both wireline and wireless telecommunication areas, 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 the Group companies in Japan and overseas via upgrades to the internal control system. In addition, by transitioning to a "Company with an Audit Committee," Anritsu will further reinforce the audit and supervisory functions of the Board of Directors and enhance the corporate governance framework, in an effort to conduct business management with greater transparency.

The Anritsu Group believes that contribution to solving social issues through honest business practices enhance corporate value, and will continue to actively conduct corporate social responsibility (CSR) activities. Anritsu considers contributing to the realization of a safe, secure, and comfortable society through its products and services to be its primary CSR activity, and will fulfill its role required as an entity in all areas including compliance, customer satisfaction, supply chain management, environmental protection, respect of diversity (great success of female and foreign-registered employees), human rights and occupational health and safety.

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. Basic Policy regarding Adoption of Accounting Standards

The Anritsu Group has voluntarily applied the International Financial Reporting Standards (IFRS) from the fiscal year ended March 31, 2013.

The Anritsu Group is involved in global business development, as approximately 70 percent of its consolidated revenues are generated outside of Japan and it has research and development bases in Japan, the U.S. and Europe. In light of these circumstances, the Anritsu Group has voluntarily applied the IFRS in an effort to reinforce its management base through improvement of its internal decision-making process, while at the same time diversifying its means of financing by enhancing the comparability of its financial information on a global basis.

4. Consolidated Financial Statements

(1) Consolidated Statement of Financial Position

(Unit: Millions of yen; round down)

Assets	End of FY2013 as of 3.31.14 (A)	End of FY2014 as of 3.31.15 (B)	(B) - (A)	Liabilities and Equity	End of FY2013 as of 3.31.14 (A)	End of FY2014 as of 3.31.15 (B)	(B) - (A)
Assets	**127,149**	**126,893**	**(256)**	**Liabilities**	**52,253**	**48,227**	**(4,025)**
Current assets	90,010	84,126	(5,883)	Current liabilities	33,796	34,516	720
Cash and cash equivalents	43,215	34,916	(8,299)	Trade and other payables	8,451	11,536	3,085
Trade and other receivables	25,687	24,811	(875)	Bonds and borrowings	6,898	6,585	(312)
Other financial assets	1,098	1,276	177	Other financial liabilities	248	82	(166)
Inventories	17,053	19,191	2,137	Income tax payables	3,835	1,785	(2,050)
Income tax receivables	183	205	22	Employee benefits	7,112	6,458	(654)
Other assets	2,772	3,725	953	Provisions	291	320	28
				Other liabilities	6,958	7,749	790
Non-current assets	37,139	42,766	5,627				
Property, plant and equipment	19,747	26,877	7,129	Non-current liabilities	18,456	13,710	(4,746)
Goodwill and intangible assets	2,023	2,558	535	Trade and other payables	392	378	(14)
Investment property	2,164	1,997	(166)	Bonds and borrowings	11,960	9,479	(2,480)
Trade and other receivables	306	393	87	Other financial liabilities	104	107	3
Other financial assets	2,209	2,183	(25)	Employee benefits	3,322	1,416	(1,906)
Investments accounted for using equity method	249	87	(162)	Provisions	131	127	(3)
Deferred tax assets	10,264	8,651	(1,613)	Deferred tax liabilities	323	362	38
Other assets	173	17	(156)	Other liabilities	2,222	1,839	(383)
				Equity	**74,896**	**78,665**	**3,769**
				Total equity attributable to owners of parent	74,886	78,639	3,753
				Common stock	19,052	19,052	-
				Additional paid-in capital	28,191	28,217	25
				Retained earnings	23,521	24,565	1,043
				Treasury stock	(868)	(869)	(0)
				Other components of equity	4,988	7,673	2,684
				Non-controlling interests	10	26	16
TOTAL	127,149	126,893	(256)	TOTAL	127,149	126,893	(256)

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

(Unit: Millions of yen; round down)

	FY2013 From April 1, 2013 to March 31, 2014 (A)		FY2014 From April 1, 2014 to March 31, 2015 (B)		Change	
	Amount	%	Amount	%	(B) - (A)	%
Revenue	101,853	100.0	98,839	100.0	(3,013)	-3.0
Cost of sales	46,897	46.0	46,147	46.7	(750)	-1.6
Gross profit	54,955	54.0	52,692	53.3	(2,263)	-4.1
Other revenue and expenses						
Selling, general and administrative expenses	28,621	28.1	29,605	30.0	984	3.4
Research and development expense	12,227	12.0	12,940	13.1	712	5.8
Other income	521	0.5	1,016	1.0	494	94.9
Other expenses	505	0.5	279	0.3	(225)	-44.7
Operating profit (loss)	14,123	13.9	10,882	11.0	(3,240)	-22.9
Finance income	686	0.7	1,260	1.3	573	83.6
Finance expenses	579	0.6	634	0.6	54	9.4
Share of profit (loss) of associates and joint ventures accounted for using equity method	10	0.0	83	0.1	72	695.2
Profit (loss) before tax	14,239	14.0	11,591	11.7	(2,648)	-18.6
Income tax expense	4,921	4.8	3,716	3.8	(1,204)	-24.5
Profit (loss)	9,318	9.1	7,874	8.0	(1,444)	-15.5
Items that will not be reclassified to profit or loss						
Change of financial assets measured at fair value	272		(7)		(280)	
Remeasurements of defined benefit plans	1,488		1,338		(149)	
Total	1,761		1,330		(430)	
Items that may be reclassified subsequently to profit or loss						
Exchange differences on translation	2,421		2,692		270	
Total	2,421		2,692		270	
Total of other comprehensive income	4,182	4.1	4,023	4.1	(159)	-3.8
Comprehensive income	13,501	13.3	11,898	12.0	(1,603)	-11.9

Profit (loss), attributable to :						
Owners of parent	9,305		7,857		(1,447)	
Non-controlling interests	13		16		3	
Comprehensive income attributable to :						
Owners of parent	13,488		11,881		(1,606)	
Non-controlling interests	13		16		3	
Earnings per share						
Basic earnings per share (Yen)	64.93		55.72		(9.21)	
Diluted earnings per share (Yen)	64.89		55.72		(9.17)	

(3) Consolidated Statements of Changes in Equity

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 of 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

FY2014 (From April 1, 2014 to March 31, 2015)

(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 of parent	Non-controlling interests	Total equity
Balance at April 1, 2014	19,052	28,191	23,521	(868)	4,988	74,886	10	74,896
Profit (loss)	-	-	7,857	-	-	7,857	16	7,874
Other comprehensive income	-	-	1,338	-	2,684	4,023	-	4,023
Total comprehensive income	-	-	9,196	-	2,684	11,881	16	11,898
Stock options granted	-	25	-	-	-	25	-	25
Dividends paid	-	-	(3,152)	-	-	(3,152)	-	(3,152)
Purchase of treasury stock	-	-	-	(5,000)	-	(5,000)	-	(5,000)
Retirement of treasury stock	-	-	(4,999)	4,999	-	-	-	-
Dividends to non-controlling interests	-	-	-	-	-	-	(0)	(0)
Total transactions with owners and other transactions	-	25	(8,152)	(0)	-	(8,128)	(0)	(8,128)
Balance at March 31, 2015	19,052	28,217	24,565	(869)	7,673	78,639	26	78,665

(4) Consolidated Statement of Cash Flows

(Unit: Millions of yen; round down)

	FY 2013 (12 months) From April 1, 2013 to March 31, 2014 (A)	FY 2014 (12 months) From April 1, 2014 to March 31, 2015 (B)	Change (B) - (A)
Cash flows from (used in) operating activities			
Profit (Loss) before tax	14,239	11,591	(2,648)
Depreciation and amortization expense	3,052	3,371	319
Impairment loss	86	86	(0)
Reversal of impairment loss	—	(573)	(573)
Interest and dividends income	(158)	(206)	(48)
Interest expenses	271	194	(77)
Loss (Gain) on disposal of property, plant and equipment	9	78	68
Decrease (Increase) in trade and other receivables	(736)	1,453	2,190
Decrease (Increase) in inventories	(196)	(868)	(671)
Increase (Decrease) in trade and other payables	(348)	(1,117)	(769)
Increase (Decrease) in employee benefits	853	(283)	(1,137)
Other, net	(791)	(1,875)	(1,083)
Sub Total	16,281	11,849	(4,431)
Interest received	126	130	3
Dividends received	49	83	33
Interest paid	(254)	(181)	72
Income taxes paid	(2,941)	(4,460)	(1,518)
Income taxes refund	531	161	(370)
Net cash flows from (used in) operating activities	13,792	7,582	(6,209)
Cash flows from (used in) investing activities			
Payments into time deposits	(1,181)	(1,278)	(96)
Proceeds from withdrawal of time deposits	125	1,312	1,187
Purchase of property, plant and equipment	(4,770)	(5,012)	(242)
Proceeds from sale of property, plant and equipment	10	23	13
Purchase of other financial assets	(5)	(5)	0
Proceeds from sale of other financial assets	5	—	(5)
Proceeds from sale of investments accounted for using equity method	—	221	221
Proceeds from government grants	1,434	116	(1,317)
Other, net	(928)	(1,427)	(498)
Net cash flows from (used in) investing activities	(5,312)	(6,049)	(737)
Cash flows from (used in) financing activities			
Net increase (decrease) in short-term borrowings	—	(354)	(354)
Proceeds from long-term borrowings	—	2,500	2,500
Repayments of long-term borrowings	(600)	(5,000)	(4,400)
Purchase of treasury stock	(1)	(5,000)	(4,999)
Dividends paid	(3,224)	(3,152)	71
Other, net	(533)	(226)	307
Net cash flows from (used in) financing activities	(4,359)	(11,234)	(6,874)
Effect of exchange rate change on cash and cash equivalents	1,404	1,402	(2)
Net increase (decrease) in cash and cash equivalents	5,525	(8,299)	(13,824)
Cash and cash equivalents at beginning of period	37,690	43,215	5,525
Cash and cash equivalents at end of period	43,215	34,916	(8,299)

(5) Notes regarding Going Concern

None

(6) Changes in Accounting Policies

The Anritsu Group adopted the following IFRSs from the year ended March 31, 2015.

IFRSs	Title	Summaries of new IFRSs / amendments
IFRS 2	Share-based Payment	Clarification of the definitions concerning the vesting conditions
IFRS 3	Business Combinations	Clarification of accounting for contingent consideration in a business combination
IFRS 10	Consolidated Financial Statements	Clarification of requirements for and characteristics of, investment entities, and measurement method for investments in investees
IFRS 12	Disclosure of Interests in Other Entities	Disclosure requirements regarding investment entities
IAS 32	Financial Instruments : Presentation	Presentation of offsetting financial assets and financial liabilities
IAS 36	Impairments of Assets	Removal of disclosure on recoverable amount for cash-generating unit including significant goodwill or intangible asset with an indefinite useful life, and addition of disclosure requirement on recoverable value and basic information of its calculation for an individual asset or cash-generating unit which have recognized impairment loss or its reversal
IAS 39	Financial Instruments : Recognition and Measurement	Addition of new provision to enable continuance of existing hedging relationship without expiration or termination of hedging, in the event of a change in the hedging relationship as well as changes in terms and conditions necessitated thereby, insofar as the change refers to change of the counterparty over to a central counterparty in compliance with the requirement by laws and regulations, and that both parties involved in such derivative transaction have agreed to such change
IFRIC 21	Levies	Clarification of timing of recognition of levies imposed by a government

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, 2015.

With the adoption of these IFRSs, there is no material impact to the consolidated financial statements.

(7) Changes in Accounting Estimates

During the fiscal year ended March 31, 2015, impairment losses on buildings and structures, which had been initially decided to be closed, were reversed as a result of a decision for the continued use of them in the head office site due to the partial re-examination of the plan for utilizing them. Consequently, a reversal of the impairment loss of 573 million yen has been recognized.

(8) 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, 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

(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.

Year ended March 31, 2015 (From April 1, 2014 to March 31, 2015)

(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	73,443	16,198	89,641	9,198	98,839	-	98,839
Inter - segment (Notes 2)	147	5	152	4,168	4,321	(4,321)	-
Total	73,590	16,203	89,794	13,367	103,161	(4,321)	98,839
Cost of sales, Other revenue and expenses	(64,647)	(15,379)	(80,026)	(11,403)	(91,430)	3,473	(87,956)
Operating profit (loss)	8,943	824	9,767	1,963	11,731	(848)	10,882
Finance income	-	-	-	-	-	-	1,260
Finance costs	-	-	-	-	-	-	634
Share of profit (loss) of associates and joint ventures accounted for using equity method	-	-	-	-	-	-	83
Profit (loss) before tax	-	-	-	-	-	-	11,591
Income tax expense	-	-	-	-	-	-	3,716
Profit (loss)	-	-	-	-	-	-	7,874
Assets	88,050	15,018	103,069	13,004	116,073	10,819	126,893
Capital expenditures	9,468	295	9,764	281	10,046	(6)	10,039
Depreciation and amortization	2,734	192	2,927	452	3,380	(8)	3,371
Impairment loss	17	-	17	68	86	-	86
Reversal of impairment loss	-	-	-	573	573	-	573

(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 (-848 million yen) includes elimination of inter-segment transactions (9 million yen) and company-wide expenses not allocated to business segments (-857 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 (10,819 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.

(Reversal of Impairment Losses)

(1) Assets recognized reversal of impairment losses

The detailed information on reversal of impairment losses recognized is as below.
Reversal of impairment losses has been included in "Other income".

(Unit : Millions of yen)

	FY2013 From April 1, 2013 to March 31, 2014	FY2014 From April 1, 2014 to March 31, 2015
Buildings and structures	-	573
Property, plant and equipment	-	573
Total of reversal of impairment losses	-	573

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

(2) Main item of reversal of impairment losses

During the fiscal year ended March 31, 2015, impairment losses on buildings and structures, which had been initially decided to be closed, were reversed as a result of a decision for the continued use of them in the head office site due to the partial re-examination of the plan for utilizing them. Consequently, a reversal of the impairment loss of 573 million yen has been recognized.

Note that the recoverable amount is measured based on value in use, and the value in use is estimated using the discount rate 12.9% which is based on weighted average cost of capital of other companies within the same industry.

(Related Consolidated Statements of Changes in Equity)

(1) Number of issued shares and treasury stock

	Balance at March 31, 2014	Balance at March 31, 2015
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	143,956,194	143,956,194
Decrease in retirement of treasury stock	-	(5,840,900)
Balance at end of fiscal year	143,956,194	138,115,294
Treasury stock		
Balance at beginning of fiscal year	642,176	643,246
Increase in purchase of treasury stock	1,070	5,841,637
Decrease in retirement of treasury stock	-	(5,840,900)
Balance at end of fiscal year	643,246	643,983

(2) Dividends

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)	Dividend resource	Dividends per share (Yen)	Record date	Effective date
June 26, 2014 Ordinary general meeting of shareholders	Ordinary shares	1,433	Retained Earnings	10.00	March 31, 2014	June 27, 2014

Year ended March 31, 2015

	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
October 30, 2014 Board of directors meeting	Ordinary shares	1,719	12.00	September 30, 2014	December 3, 2014

Record date of dividend belongs to the year ended March 31, 2015 but its effective date is next fiscal year

	The classes of shares	Total dividends (Millions of Yen)	Dividend resource	Dividends per share (Yen)	Record date	Effective date
June 25, 2015 Ordinary general meeting of shareholders	Ordinary shares	1,649	Retained Earnings	12.00	March 31, 2015	June 26, 2015

(Finance Income and Costs)

Details of finance income are as below.

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)

	FY2013 From April 1, 2013 to March 31, 2014	FY2014 From April 1, 2014 to March 31, 2015
Interest income		
Financial assets measured at amortized cost	109	123
Dividends income		
Financial assets at FVTOCI	49	83
Foreign exchange gains	519	1,002
Other	7	50
Total	686	1,260

Details of finance costs are as follows:

(Unit : Millions of yen)

	FY2013 From April 1, 2013 to March 31, 2014	FY2014 From April 1, 2014 to March 31, 2015
Interest expenses		
Financial liabilities measured at amortized cost	271	194
Other	308	440
Total	579	634

(Earnings Per Share)

Earnings per share（attributable to owners of parent）

	FY2013 From April 1, 2013 to March 31, 2014	FY2014 From April 1, 2014 to March 31, 2015
Profit attributable to owners of parent	9,305 Million yen	7,857 Million yen
Adjusted profit used for diluted earnings per share	- Million yen	- Million yen
Profit used in calculation of diluted earnings per share	9,305 Million yen	7,857 Million yen
Weighted average number of issued and outstanding shares	143,313,484 shares	141,017,097 shares
Increased number of shares used in the calculation of diluted earnings per share		
Increase by stock options	83,128 shares	6,344 shares
Weighted average number of issued and outstanding shares used in the calculation of diluted earnings per share	143,396,612 shares	141,023,441 shares
Basic earnings per share	64.93 yen	55.72 yen
Diluted earnings per share	64.89 yen	55.72 yen

(Significant Subsequent Events)

None

5. Non - Consolidated Financial Statements

(1) Non - Consolidated Balance Sheets

(Unit: Millions of yen; round down)

Assets	FY2013 as of 3.31.14 (A)	FY2014 as of 3.31.15 (B)	(B) - (A)
Assets	125,836	120,350	(5,486)
Current assets	53,051	41,789	(11,261)
Cash and deposits	25,391	15,095	(10,296)
Notes receivable-trade	396	486	90
Accounts receivable - trade	15,609	13,971	(1,638)
Finished goods	2,760	2,789	28
Work in process	2,729	2,332	(396)
Raw materials	2,608	2,876	268
Prepaid expenses	82	119	37
Deferred tax assets	1,525	1,152	(372)
Other	2,019	3,077	1,057
Allowance for doubtful accounts	(70)	(111)	(40)
Noncurrent assets	72,785	78,560	5,775
Property, plant and equipment	10,905	17,604	6,699
Buildings	5,811	13,331	7,520
Structures	177	269	91
Machinery and equipment	175	169	(6)
Vehicles	0	0	(0)
Tools, furniture and fixtures	1,256	1,741	485
Land	2,010	2,010	-
Construction in progress	1,474	81	(1,392)
Intangible assets	906	1,274	368
Software	827	1,222	394
Other	78	52	(25)
Investments and other assets	60,973	59,680	(1,292)
Investment securities	1,001	859	(142)
Stocks of subsidiaries and affiliates	46,258	46,258	-
Long - term loans receivable	5,504	5,501	(3)
Prepaid pension cost	5,450	4,075	(1,374)
Deferred tax assets	2,639	2,869	229
Other	119	117	(1)
Allowance for doubtful accounts	(0)	(0)	-
TOTAL	125,836	120,350	(5,486)

Liabilities and Net assets	FY2013 as of 3.31.14 (A)	FY2014 as of 3.31.15 (B)	(B) - (A)
Liabilities	44,298	42,676	(1,622)
Current liabilities	31,870	32,888	1,018
Notes and accounts payable - trade	5,493	4,135	(1,357)
Short-term loans payable	1,498	1,190	(308)
Current portion of long-term loans payable	5,000	5,000	-
Lease obligations	170	15	(155)
Accounts payable - other	3,111	6,856	3,745
Accrued expenses	1,878	1,388	(489)
Income taxes payable	2,178	409	(1,769)
Advances received	1,422	1,643	221
Deposits received	11,002	12,155	1,152
Provision for product warranties	49	40	(9)
Provision for directors' bonuses	55	48	(6)
Other	10	5	(4)
Noncurrent liabilities	12,428	9,787	(2,640)
Bonds payable	6,000	6,000	-
Long-term loans payable	6,000	3,500	(2,500)
Lease obligations	15	12	(3)
Provision for directors' retirement benefits	5	5	-
Other	406	269	(136)
Net assets	81,538	77,673	(3,864)
Shareholders' equity	80,883	77,063	(3,820)
Capital stock	19,052	19,052	-
Capital surplus	28,002	28,002	-
Legal capital surplus	28,002	28,002	-
Retained earnings	34,697	30,878	(3,819)
Legal retained earnings	2,468	2,468	-
Other retained earnings	32,229	28,410	(3,819)
General reserve	21,719	21,719	-
Retained earnings brought forward	10,510	6,691	(3,819)
Treasury stock	(868)	(869)	(0)
Valuation and translation adjustments	465	395	(69)
Valuation difference on available-for-sale securities	465	395	(69)
Subscription rights to shares	189	214	25
TOTAL	125,836	120,350	(5,486)

(2) Non-Consolidated Statements of Income

(Unit: Millions of yen; round down)

	FY2013 From April 1, 2013 to March 31, 2014(A)		FY2014 From April 1, 2014 to March 31, 2015(B)		Change	
	Amount	%	Amount	%	(B) - (A)	%
Net sales	54,091	100.0	49,876	100.0	(4,214)	-7.8
Cost of sales	29,278	54.1	28,125	56.4	(1,153)	-3.9
Gross profit	24,812	45.9	21,751	43.6	(3,061)	-12.3
Selling, general and administrative expenses	17,517	32.4	17,271	34.6	(245)	-1.4
Operating income (loss)	7,294	13.5	4,479	9.0	(2,815)	-38.6
Interest and dividend income	510		1,045		534	
Other	647		788		141	
Non-operating income	1,157	2.1	1,834	3.7	676	58.4
Interest expenses	231		167		(64)	
Other	251		200		(51)	
Non-operating expenses	483	0.9	367	0.7	(116)	-24.0
Ordinary income (loss)	7,969	14.7	5,946	11.9	(2,022)	-25.4
Impairment loss	-		67		67	
Extraordinary loss	-	-	67	0.1	67	-
Income (Loss) before income taxes	7,969	14.7	5,879	11.8	(2,090)	-26.2
Income taxes-current	2,682	5.0	1,329	2.7	(1,353)	-50.5
Income taxes-deferred	(113)	-0.2	216	0.4	330	-
Net income (loss)	5,400	10.0	4,333	8.7	(1,066)	-19.8

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

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	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

FY2014 (From April 1, 2014 to March 31, 2015)

(Unit: Millions of yen; round down)

	Shareholders' equity								
	Capital stock	Capital surplus		Retained earnings				Treasury stock	Total shareholders' equity
		Legal capital surplus	Total Capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings		
					General reserve	Retained earnings brought forward			
Balance at the beginning of current period	19,052	28,002	28,002	2,468	21,719	10,510	34,697	(868)	80,883
Changes of items during the period									
Dividends from surplus	-	-	-	-	-	(3,152)	(3,152)	-	(3,152)
Net income (loss)	-	-	-	-	-	4,333	4,333	-	4,333
Purchase of treasury stock	-	-	-	-	-	-	-	(5,000)	(5,000)
Retirement of treasury stock	-	-	-	-	-	(4,999)	(4,999)	4,999	-
Net changes of items other than shareholders' equity	-	-	-	-	-	-	-	-	-
Total changes of items during the period	-	-	-	-	-	(3,819)	(3,819)	(0)	(3,820)
Balance at the end of current period	19,052	28,002	28,002	2,468	21,719	6,691	30,878	(869)	77,063

	Valuation and translation adjustments		Subscription rights to shares	Net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at the beginning of current period	465	465	189	81,538
Changes of items during the period				
Dividends from surplus	-	-	-	(3,152)
Net income (loss)	-	-	-	4,333
Purchase of treasury stock	-	-	-	(5,000)
Retirement of treasury stock	-	-	-	-
Net changes of items other than shareholders' equity	(69)	(69)	25	(44)
Total changes of items during the period	(69)	(69)	25	(3,864)
Balance at the end of current period	395	395	214	77,673

(4) Changes in Material Accounting Policies

(Changes in depreciation method)

The Company has previously employed the declining balance method to depreciate its property, plant and equipment (except for buildings excluding fixtures acquired on or after April 1, 1998, which have been depreciated by the straight-line method). From the fiscal year ended March 31, 2015, the Company changed the depreciation method to the straight-line method.

The Company conducted a review of its depreciation method according to use of property, plant and equipment, as it expected its Koriyama 2nd Business Office, which was built in the previous fiscal year to reinforce production capacity, to operate steadily going forward, and as full-scale investments were underway in accordance with BCP (Business Continuity Planning) at the head office site. As a result, the Company determined that, based on the current status that economic benefits from capital expenditures were being realized at a constant rate, changing the depreciation method to the straight-line method would be more appropriate.

As a result of this change, for the fiscal year ended March 31, 2015, gross profit was 275 million yen higher, and operating income, ordinary income and income before income taxes were 339 million yen higher than the Company has employed the previous depreciation method, respectively.

6. Reference Information

Consolidated Quarterly Financial Highlights

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

Year ended March 31, 2015: IFRS

	1st Quarter	2nd Quarter	3rd Quarter	**4th Quarter**
				(Millions of yen)
Revenue	22,172	25,833	23,839	26,995
Gross profit	11,836	13,405	12,722	14,728
Operating profit (loss)	1,422	3,203	2,655	3,602
Quarterly profit (Loss) before tax	1,350	3,661	2,992	3,587
Quarterly profit (Loss)	815	2,675	2,075	2,307
Quarterly profit attributable to owners of parent	808	2,670	2,074	2,304
Quarterly comprehensive income	703	4,367	4,318	2,508
				(Yen)
Quarterly earnings per share : Basic	5.64	18.63	14.79	16.76
: Diluted	5.64	18.63	14.79	16.76
				(Millions of yen)
Total assets	123,293	126,771	123,256	126,893
Total equity	74,166	78,558	76,157	78,665
				(Yen)
Equity attributable to owners of parent per share	517.40	548.01	553.82	572.04
				(Millions of yen)
Cash flows from operating activities	3,416	3,271	(1,118)	2,013
Cash flows from investing activities	(801)	(776)	(3,098)	(1,372)
Cash flows from financing activities	(1,660)	(2,357)	(7,197)	(18)
Net increase (decrease) in cash and cash equivalents	897	983	(10,300)	120
Cash and cash equivalents at end of period	44,112	45,096	34,795	34,916

Consolidated Quarterly Financial Position

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**

Year ended March 31, 2015: IFRS

(Millions of yen, round down)

	1st Quarter	2nd Quarter	3rd Quarter	**4th Quarter**
Assets	**123,293**	**126,771**	**123,256**	**126,893**
Current assets	86,367	89,447	82,317	84,126
Non-current assets	36,925	37,323	40,939	42,766
Property, plant and equipment	19,500	19,707	23,015	26,877
Goodwill and intangible assets	2,188	2,341	2,508	2,558
Investment property	2,123	2,082	2,039	1,997
Other non-current assets	13,113	13,193	13,375	11,333
Liabilities	**49,126**	**48,212**	**47,099**	**48,227**
Current liabilities	31,064	32,863	31,596	34,516
Non-current liabilities	18,062	15,349	15,502	13,710
Equity	**74,166**	**78,558**	**76,157**	**78,665**
Common stock	19,052	19,052	19,052	19,052
Additional paid-in capital	28,191	28,217	28,217	28,217
Retained earnings	22,897	25,567	25,922	24,565
Treasury stock	(868)	(869)	(5,869)	(869)
Other component of equity	4,876	6,568	8,810	7,673
Non-controlling interests	16	22	23	26
Supplemental information: Interest-bearing debt	**18,758**	**16,486**	**16,061**	**16,065**

Consolidated Quarterly Segment Information

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

Year ended March 31, 2015: IFRS

(Millions of yen, round down)

	1st Quarter	2nd Quarter	3rd Quarter	**4th Quarter**
Revenue by segment	**22,172**	**25,833**	**23,839**	**26,995**
Test and Measurement	17,557	19,102	17,994	18,788
Industrial Automation	2,839	4,819	3,551	4,987
Others	1,775	1,911	2,292	3,219
Operating profit (loss) by segment	**1,422**	**3,203**	**2,655**	**3,602**
Test and Measurement	1,955	2,717	1,811	2,459
Industrial Automation	(365)	497	22	669
Others	25	190	1,014	732
Adjustment	(193)	(201)	(194)	(259)
Revenue by market	**22,172**	**25,833**	**23,839**	**26,995**
Japan	4,859	7,138	5,760	9,357
Americas	5,453	6,374	6,222	6,317
EMEA	4,149	3,600	4,250	3,885
Asia and Others	7,710	8,719	7,605	7,434

Consolidated Quarterly Segment Information

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

Year ended March 31, 2015: IFRS

(Millions of yen, round down)

	1st Quarter	2nd Quarter	3rd Quarter	**4th Quarter**
Orders received by segment	**23,790**	**25,158**	**24,884**	**27,251**
Test and Measurement	17,898	18,344	18,220	20,054
Industrial Automation	3,800	4,565	4,081	4,638
Others	2,091	2,247	2,583	2,558
Orders outstanding by segment	**19,057**	**18,382**	**19,428**	**19,684**
Test and Measurement	14,773	14,015	14,240	15,506
Industrial Automation	3,054	2,801	3,331	2,982
Others	1,229	1,565	1,856	1,195

Anritsu Corporation Supplement of FY2014

1. Supplement of Trend of Results

(Millions of yen, round down)

- Consolidated -	Actual							Estimate
	J-GAAP			IFRS				IFRS
	2010/3	2011/3	2012/3	2012/3	2013/3	2014/3	2015/3	2016/3
Revenue	**73,548**	**77,853**	**93,586**	**93,622**	**94,685**	**101,853**	**98,839**	**103,000**
Change %	-12.4%	5.9%	20.2%	-	1.1%	7.6%	-3.0%	4.2%
Operating Profit	**4,583**	**6,994**	**14,414**	**14,000**	**15,714**	**14,123**	**10,882**	**11,000**
Change %	406.3%	52.6%	106.1%	-	12.2%	-10.1%	-22.9%	1.1%
as % of Revenue	6.2%	9.0%	15.4%	15.0%	16.6%	13.9%	11.0%	10.7%
Ordinary Income	**3,578**	**5,362**	**13,593**	-	-	-	-	-
Change %	1997.9%	49.8%	153.5%	-	-	-	-	-
as % of Revenue	4.9%	6.9%	14.5%	-	-	-	-	-
Profit before Taxes	**3,912**	**4,237**	**11,351**	**13,094**	**16,139**	**14,239**	**11,591**	**10,900**
Change %	-	8.3%	167.9%	-	23.3%	-11.8%	-18.6%	-6.0%
as % of Revenue	5.3%	5.4%	12.1%	14.0%	17.0%	14.0%	11.7%	10.6%
Profit	**385**	**3,069**	**10,180**	**7,972**	**13,888**	**9,318**	**7,874**	**8,000**
Change %	-	697.0%	231.7%	-	74.2%	-32.9%	-15.5%	1.6%
as % of Revenue	0.5%	3.9%	10.9%	8.5%	14.7%	9.1%	8.0%	7.8%
EPS	**¥3.02**	**¥24.09**	**¥79.39**	**¥62.17**	**¥98.41**	**¥64.93**	**¥55.72**	**¥58.19**
Orders	**76,116**	**80,282**	**90,358**	**90,358**	**96,037**	**103,864**	**101,084**	**103,000**
Change %	-6.6%	5.5%	12.6%	-	6.3%	8.2%	-2.7%	1.9%
Cash Flow from Operating Activities	**7,970**	**9,229**	**15,871**	**16,143**	**11,771**	**13,792**	**7,582**	**9,000**
Change %	15.2%	15.8%	72.0%	-	-27.1%	17.2%	-45.0%	18.7%
Free Cash Flow	**7,471**	**7,797**	**13,907**	**13,968**	**6,740**	**8,480**	**1,533**	**0**
Change %	33.7%	4.4%	78.4%	0.4%	-51.7%	25.8%	-81.9%	-100.0%
Capital Expenditures	**1,134**	**1,549**	**3,165**	(*1) **3,200**	(*1) **4,562**	(*1) **5,355**	(*1) **9,612**	(*1) **5,000**
Change %	-49.2%	36.6%	104.2%	-	42.5%	17.4%	79.5%	-48.0%
Depreciation	**2,979**	**2,589**	**2,555**	(*2) **2,469**	(*2) **2,562**	(*2) **2,863**	(*2) **3,186**	(*2) **4,000**
Change %	-3.9%	-13.1%	-1.3%	-	3.8%	11.8%	11.3%	25.5%
R&D Expenses	**9,387**	**9,380**	**10,012**	(*3) **9,842**	(*3) **10,323**	(*3) **12,488**	(*3) **13,366**	(*3) **14,000**
Change %	-19.8%	-0.1%	6.7%	-	4.9%	21.0%	7.0%	4.7%
as % of Revenue	12.8%	12.0%	10.7%	10.5%	10.9%	12.3%	13.5%	13.6%
Number of Employees	**3,589**	**3,614**	**3,681**	**3,681**	**3,771**	**3,880**	**3,926**	**-**

Assumed annual exchange rate : 1US$=115 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 FY2011(IFRS), 2012, 2013, 2014 and 2015(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, FY2012 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	2013/Q1	2013/Q2	2013/Q3	2013/Q4	2014/Q1	2014/Q2	2014/Q3	2014/Q4
Revenue	**22,365**	**25,687**	**23,055**	**30,745**	**22,172**	**25,833**	**23,839**	**26,995**
Y o Y	3.5%	4.2%	7.8%	13.7%	-0.9%	0.6%	3.4%	-12.2%
Operating Profit	**2,466**	**3,859**	**2,562**	**5,234**	**1,422**	**3,203**	**2,655**	**3,602**
Y o Y	-37.8%	-18.6%	-9.2%	25.1%	-42.3%	-17.0%	3.6%	-31.2%
as % of Revenue	11.0%	15.0%	11.1%	17.0%	6.4%	12.4%	11.1%	13.3%
Profit before Tax	**2,681**	**3,884**	**2,725**	**4,947**	**1,350**	**3,661**	**2,992**	**3,587**
Y o Y	-24.3%	-14.0%	-20.4%	6.3%	-49.7%	-5.7%	9.8%	-27.5%
as % of Revenue	12.0%	15.1%	11.8%	16.1%	6.1%	14.2%	12.6%	13.3%
Profit	**1,621**	**2,674**	**1,770**	**3,252**	**815**	**2,675**	**2,075**	**2,307**
Y o Y	-35.9%	-38.3%	-28.6%	-28.4%	-49.7%	0.0%	17.2%	-29.1%
as % of Revenue	7.2%	10.4%	7.7%	10.6%	3.7%	10.4%	8.7%	8.5%

(Millions of yen, round down)

Upper : Revenue Lower : Operating Profit	Actual							
	IFRS							
	2013/Q1	2013/Q2	2013/Q3	2013/Q4	2014/Q1	2014/Q2	2014/Q3	2014/Q4
Test and measurement	**17,755**	**18,755**	**17,480**	**21,971**	**17,557**	**19,102**	**17,994**	**18,788**
	2,698	**3,370**	**2,458**	**4,482**	**1,955**	**2,717**	**1,811**	**2,459**
Industrial Automation	**2,992**	**5,174**	**3,718**	**5,034**	**2,839**	**4,819**	**3,551**	**4,987**
	(27)	**658**	**172**	**405**	**(365)**	**497**	**22**	**669**
Others	**1,617**	**1,756**	**1,857**	**3,739**	**1,775**	**1,911**	**2,292**	**3,219**
	(205)	**(169)**	**(68)**	**346**	**(167)**	**(11)**	**820**	**473**
Total Revenue	**22,365**	**25,687**	**23,055**	**30,745**	**22,172**	**25,833**	**23,839**	**26,995**
Total Operating Profit	**2,466**	**3,859**	**2,562**	**5,234**	**1,422**	**3,203**	**2,655**	**3,602**

(* 1) "Others" contains "Others" and "Adjustment" of segment information.

Anritsu Corporation Supplement of FY2014

3. Supplement of Segment Information

1) Revenue by Segment

(Millions of yen, round down)

	Full Year						Estimate
	J-GAAP		IFRS				IFRS
	2011/3	2012/3	2012/3	2013/3	2014/3	2015/3	2016/3
Test and measurement	**53,462**	**70,531**	**70,556**	**71,232**	**75,962**	**73,443**	**75,000**
Y o Y	10.8%	31.9%	-	1.0%	6.6%	-3.3%	2.1%
Industrial Automation	**12,325**	**14,221**	**14,200**	**14,439**	**16,919**	**16,198**	**18,000**
Y o Y	5.9%	15.4%	-	1.7%	17.2%	-4.3%	11.1%
Others	**12,064**	**8,833**	**8,866**	**9,014**	**8,970**	**9,198**	**10,000**
Y o Y	-11.5%	-26.8%	-	1.7%	-0.5%	2.5%	8.7%
Total	**77,853**	**93,586**	**93,622**	**94,685**	**101,853**	**98,839**	**103,000**
Y o Y	5.9%	20.2%	-	1.1%	7.6%	-3.0%	4.2%

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 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
	2011/3	2012/3	2012/3	2013/3	2014/3	2015/3	2016/3
Test and measurement	**5,050**	**13,735**	**13,841**	**14,985**	**13,011**	**8,943**	**9,000**
Y o Y	124.3%	172.0%	-	8.3%	-13.2%	-31.3%	0.6%
Industrial Automation	**659**	**528**	**570**	**814**	**1,208**	**824**	**1,100**
Y o Y	8.0%	-19.8%	-	42.9%	48.3%	-31.8%	33.5%
Others	**1,284**	**150**	**(411)**	**(86)**	**(96)**	**1,115**	**900**
Y o Y	-25.4%	-88.3%	-	-	-	-	-19.3%
Total	**6,994**	**14,414**	**14,000**	**15,714**	**14,123**	**10,882**	**11,000**
Y o Y	52.6%	106.1%	-	12.2%	-10.1%	-22.9%	1.1%

(* 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 FY2010 and FY2011 are also retrospectively presented in Others.

(* 2) With an amendment of IAS19, FY2012 actual has been restated based on the revised accounting policies retrospectively.

3) Revenue by Markets

Assumed annual exchange rate : 1US$=115 Yen
(Millions of yen, round down)

	Full Year						Estimate
	J-GAAP		IFRS				IFRS
	2011/3	2012/3	2012/3	2013/3	2014/3	2015/3	2016/3
Japan	**32,952**	**36,898**	**36,933**	**35,293**	**30,133**	**27,116**	**28,000**
Y o Y	-1.6%	12.0%	-	-4.4%	-14.6%	-10.0%	3.3%
Overseas	**44,900**	**56,687**	**56,689**	**59,391**	**71,720**	**71,723**	**75,000**
Y o Y	12.1%	26.3%	-	4.8%	20.8%	0.0%	4.6%
Americas	**18,946**	**19,884**	**19,885**	**22,667**	**28,858**	**24,367**	**26,000**
Y o Y	35.7%	4.9%	-	14.0%	27.3%	-15.6%	6.7%
EMEA	**10,629**	**12,549**	**12,549**	**12,615**	**14,601**	**15,885**	**15,000**
Y o Y	-14.7%	18.1%	-	0.5%	15.7%	8.8%	-5.6%
Asia and others	**15,324**	**24,253**	**24,253**	**24,107**	**28,260**	**31,470**	**34,000**
Y o Y	12.4%	58.3%	-	-0.6%	17.2%	11.4%	8.0%
Total	**77,853**	**93,586**	**93,622**	**94,685**	**101,853**	**98,839**	**103,000**
Y o Y	5.9%	20.2%	-	1.1%	7.6%	-3.0%	4.2%

EMEA : Europe, Middle East and Africa