



October 27, 2016

Company Name: **ANRITSU CORPORATION**
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 (Listed at Tokyo Stock exchange, **6754**)
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Notice of Revisions of Consolidated Forecast for the Fiscal Year Ending March 31, 2017

Based on recent results trends and other factors, the consolidated forecast of Anritsu Corporation for the fiscal year ending March 31, 2017 announced on April 27, 2016 was revised as described below at the October 27, 2016 board of directors meeting.

1. Revised consolidated forecast for the fiscal year ending March 31, 2017

(IFRS April 1, 2016 to March 31, 2017)

	(Millions of yen)					(Yen)
	Revenue	Operating profit	Profit before tax	Profit	Profit attributable to owners of parent	Basic earnings per share
Previously announced forecast (A) (announced on April 27, 2016)	97,000	7,200	7,100	5,300	5,300	38.61
Revised forecast (B)	87,500	2,200	1,400	1,000	1,000	7.28
Change (B - A)	-9,500	-5,000	-5,700	-4,300	-4,300	—
Change (%)	-9.8	-69.4	-80.3	-81.1	-81.1	—
(Reference) Results for the fiscal year ended March 31, 2016	95,532	5,897	5,434	3,767	3,760	27.38

2. Reason for revisions

In the Test and Measurement business, the Group's mainstay business, restrained investments by customers in the smartphone-related market are continuing overall. Owing to the impact of the slowdown in the growth rate of smartphone shipments, a cautionary mood toward capital investments prevailed in China's terminal manufacturing market and also the R&D market for chip set vendors and others. Although new investment for development has been made in IoT and Automotive-related fields, the postponement of the introduction of 3CA (3-band carrier aggregation) to 2018 onwards in China has led to a decrease in demand for development of LTE-Advanced. Demand for test and measurement related to 5G, a next-generation communications technology, is expected to contribute to Anritsu's earnings in FY2017 onwards. Stagnation of the smartphone-related test and measurement market is also expected to continue in the second half of FY2016 as a whole. As such, revenue and operating profit for the Test and Measurement business will be revised downward by 9,500 million yen and 5,000 million yen, respectively. There are no changes from the initial plan in the Products Quality Assurance and Others segments.

Profit before tax, profit and profit attributable to owners of the parent have all been revised reflecting factors including the revision of operating profit and recording finance expenses.

For the fiscal year ending March 31, 2017, Anritsu plans to pay dividends of 15.00 yen per share as initially scheduled.

(For reference)

Consolidated Revenue forecast by Business Segment for FY2016 ending March 31, 2017

(Millions of yen)

	Previous forecast (A) (as of Apr. 27, 2016)	Revised forecast (B)	Change (B-A)	Change (%)	FY2015 results
Revenue	97,000	87,500	-9,500	-9.8	95,532
Test and Measurement	68,000	58,500	-9,500	-14.0	67,729
Products Quality Assurance	20,000	20,000	-	-	18,891
Others	9,000	9,000	-	-	8,910

Assumed exchange rate for 3rd and 4th quarter : 1US\$=100Yen

Consolidated Operating Profit forecast by Business Segment for FY2016 ending March 31, 2017

(Millions of yen)

	Previous forecast (A) (as of Apr. 27, 2016)	Revised forecast (B)	Change (B-A)	Change (%)	FY2015 results
Operating Profit	7,200	2,200	-5,000	-69.4	5,897
Test and Measurement	5,500	500	-5,000	-90.9	4,706
Products Quality Assurance	1,400	1,400	-	-	1,194
Others	300	300	-	-	(3)

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

(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.