

Financial Results for the Fiscal Year ended March 31, 2018

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April 27th, 2018



MEMBERSHIP

TSE code : 6754

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Cautionary Statement

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

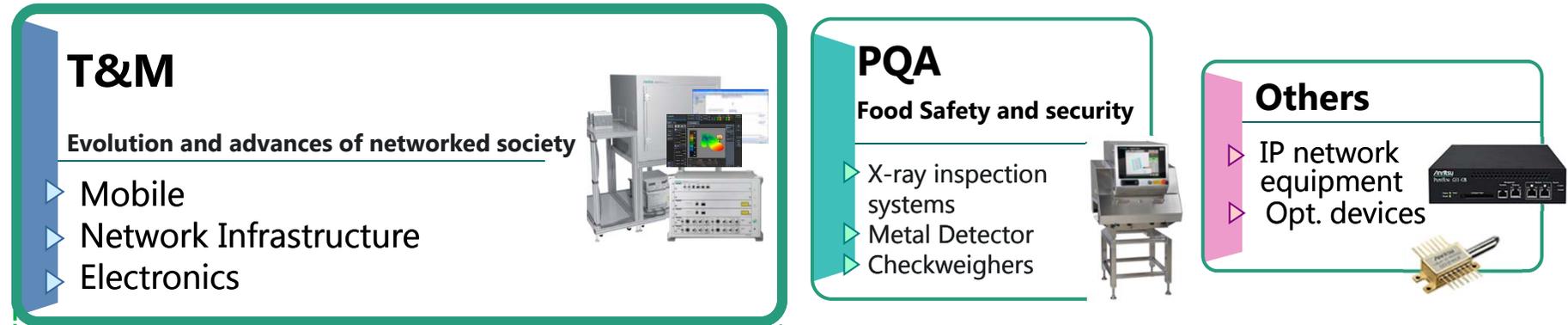
Actual business results are the outcome of a number of unknown variables and may substantially differ from the figures projected herein. Factors which may affect the actual business results include but are not limited to the economic situation in the geographic areas in which Anritsu conducts business,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

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

Agenda

- I. Outline of our business segments
- II. Consolidated performance review of the fiscal year ended March 31, 2018
- III. Outlook for full year of the fiscal year ending March 31, 2019

I . Outline of our business segments



(Revenue by business segment)
86.0 Billion Yen consolidated revenue in FY2017

T&M 63%			PQA 26%	Others 11%
Mobile 45%	Network Infrastructure 32%	Electronics 23%		

(Sales of T&M business by region in FY2017)

Japan 20%	Asia & Pacific 38%	Americas 23%	EMEA 19%
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T&M: Test & Measurement PQA : Products Quality Assurance

II -1. Consolidated performance - Financial results -

 Although revenue decreased, the Group secured an increase in profit through PQA business growth

Unit : Billion Yen

International Financial Reporting Standards (IFRS)	FY2016	FY2017	YoY	YoY (%)	(For reference) FY2017 Forecast announced on Apr. 2017
Order Intake	88.9	88.5	(0.4)	-0%	91.0
Revenue	87.6	86.0	(1.6)	-2%	91.0
Operating profit (loss)	4.2	4.9	0.7	16%	4.4
Profit (loss) before tax	3.6	4.6	1.0	27%	4.2
Profit (loss)	2.7	2.9	0.2	6%	3.0
Comprehensive income	3.3	3.9	0.6	18%	-

Note : Numbers are rounded off to the first decimal place in each column.

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

Unit: Billion Yen

International Financial Reporting Standards (IFRS)		FY2016	FY2017	YoY	YoY (%)	(For reference) FY2017 Forecast announced on Apr. 2017
T&M	Revenue	59.3	54.4	(4.9)	-8%	61.0
	Op. profit (loss)	2.1	1.8	(0.3)	-14%	2.2
	<i>Adjusted operating profit (loss)</i>	2.5	2.2 *	(0.3)	-12%	-
PQA	Revenue	19.6	22.5	2.9	15%	21.5
	Op. profit (loss)	1.3	2.0	0.7	51%	1.5
Others	Revenue	8.7	9.0	0.3	3%	8.5
	Op. profit (loss)	0.8	1.1	0.3	39%	0.7
Total	Revenue	87.6	86.0	(1.6)	-2%	91.0
	Op. profit (loss)	4.2	4.9	0.7	16%	4.4
	<i>Adjusted operating profit (loss)</i>	4.6	5.3	0.7	15%	-

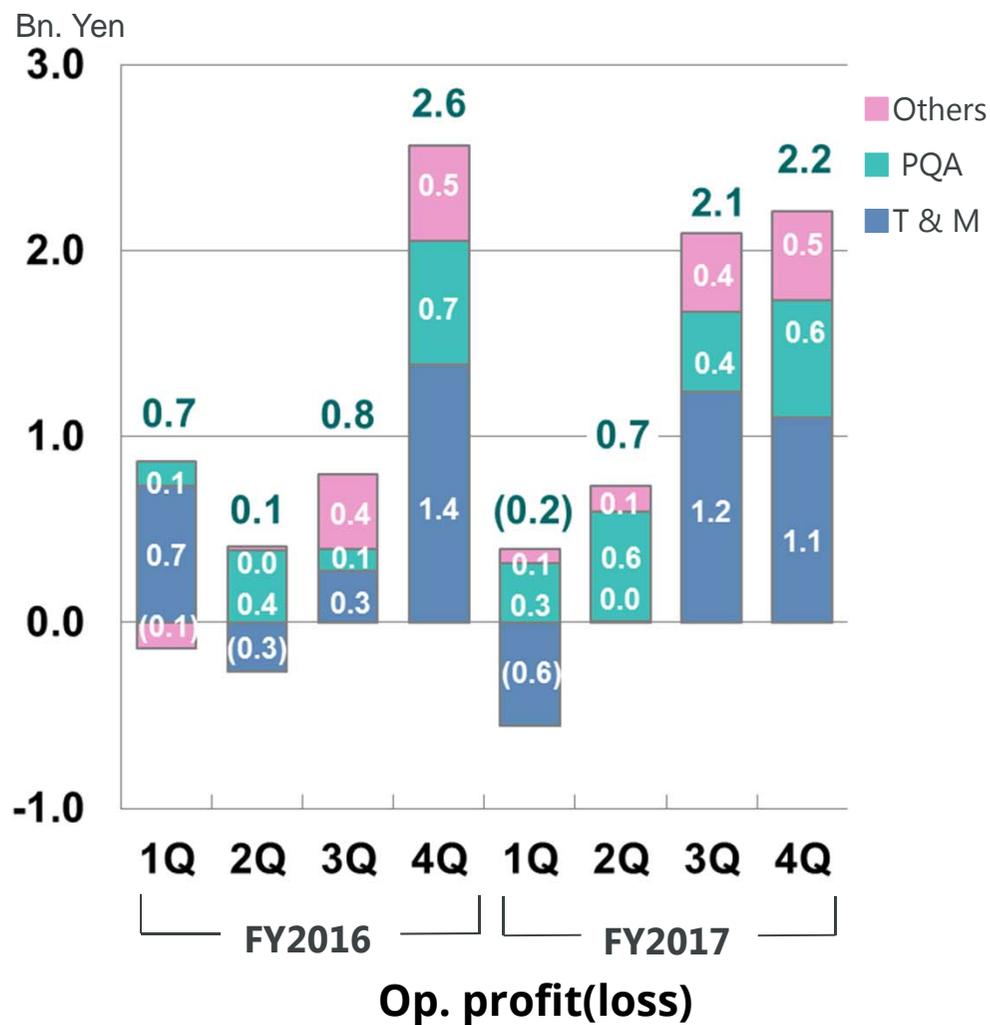
Note : Numbers are rounded off to the first decimal place in each column.

*Adjusted operating profit for T&M is the amount after deducting 0.4 billion yen in restructuring expenses in the U.S. ,etc..

T&M: Test & Measurement PQA : Products Quality Assurance

II -3. Consolidated performance - Revenue and Op. profit by quarters -

➡ 4Q(Jan.-Mar.) Operating margin : Consolidated 9%, T&M 8%, PQA 10%



Note : Numbers are rounded off to the first decimal place in each column.

II -4. Overview of operations by business segment

Segment	FY2017 (April 2017 to March 2018)	
 T&M : 5G business started despite a stagnant mobile market		
Mobile	LTE-Advanced	Investment shifted to LTE-Advanced Pro.
	5G, IoT, Connectivity	Market launch of new 5G products
NW	Capital investment in optical digital related business was strong	
Asia	Restrained investment continued due to slower growth in the smartphone manufacturing market overall.	
Americas	Base station-related investment by North American operators shrank	
 PQA : Motivation for investment by food manufacturers remained strong both in Japan and overseas		

T&M: Test & Measurement

NW: Network Infrastructure

PQA : Products Quality Assurance

II -5. Transition of Orders

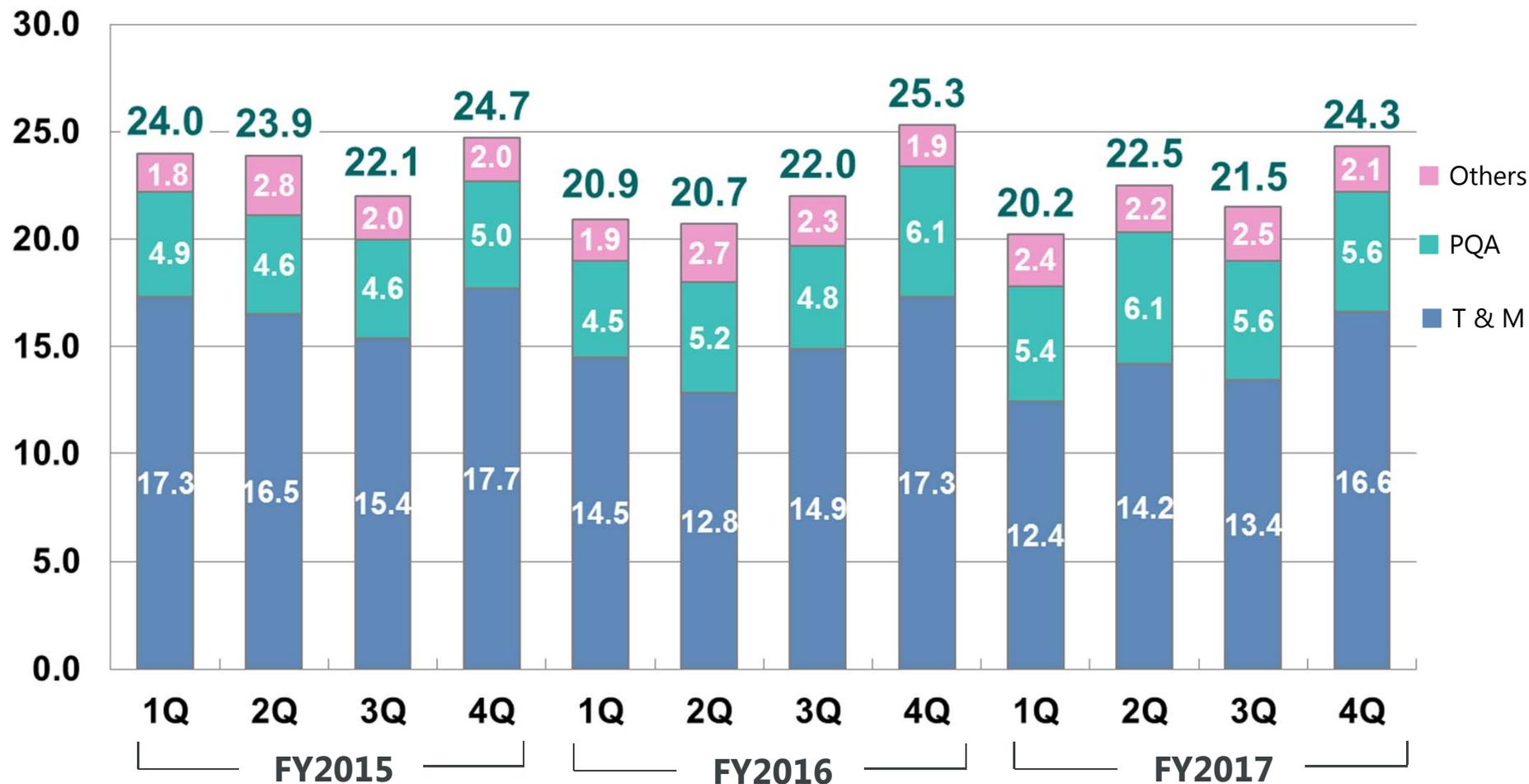


T&M : New 5G products contributed to 4Q order intake



PQA : Record high for annual orders, both in Japan and overseas

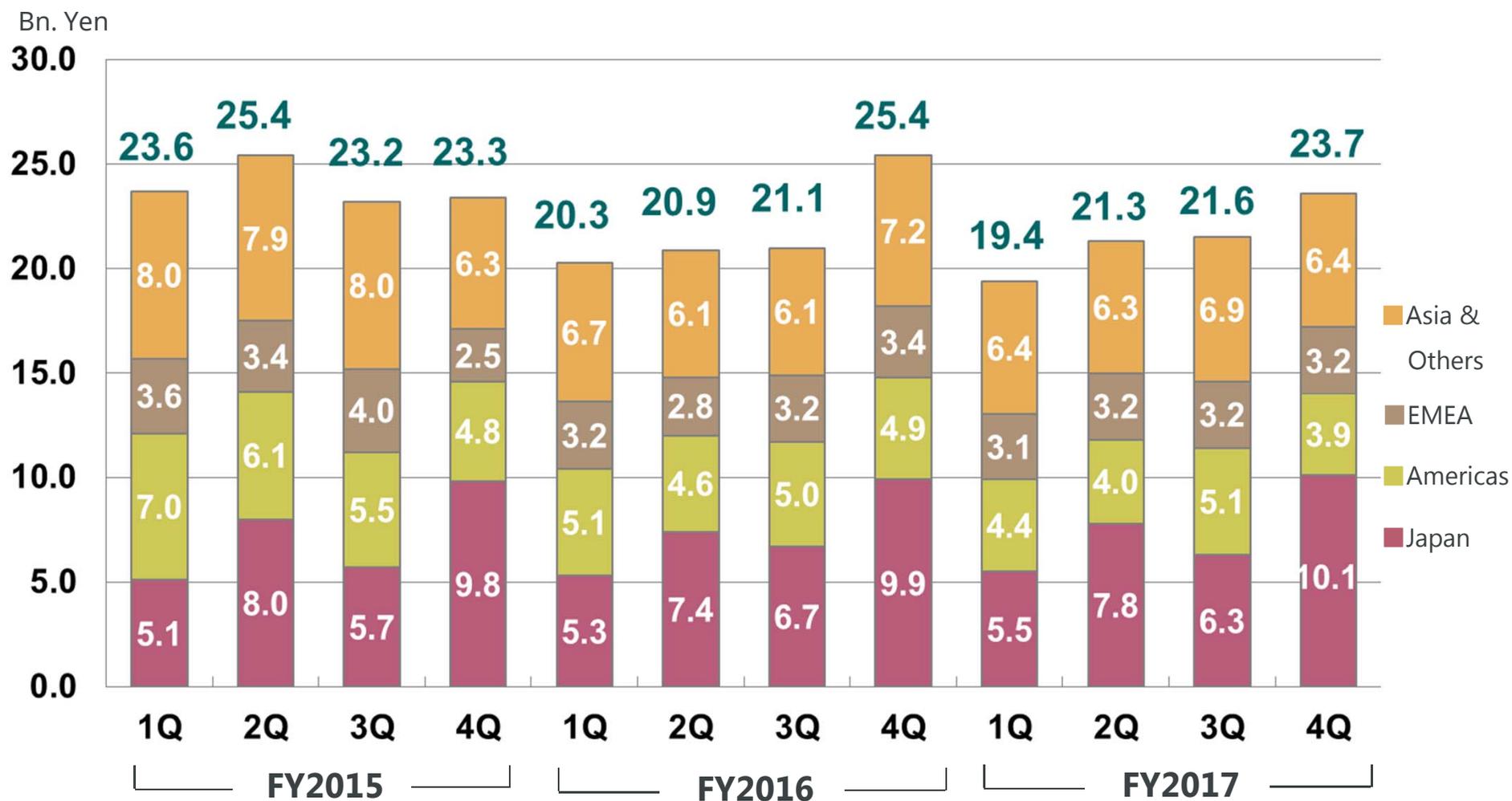
Bn. Yen



Note : Numbers are rounded off to the first decimal place in each column.

II -6. Transition of Revenue by region

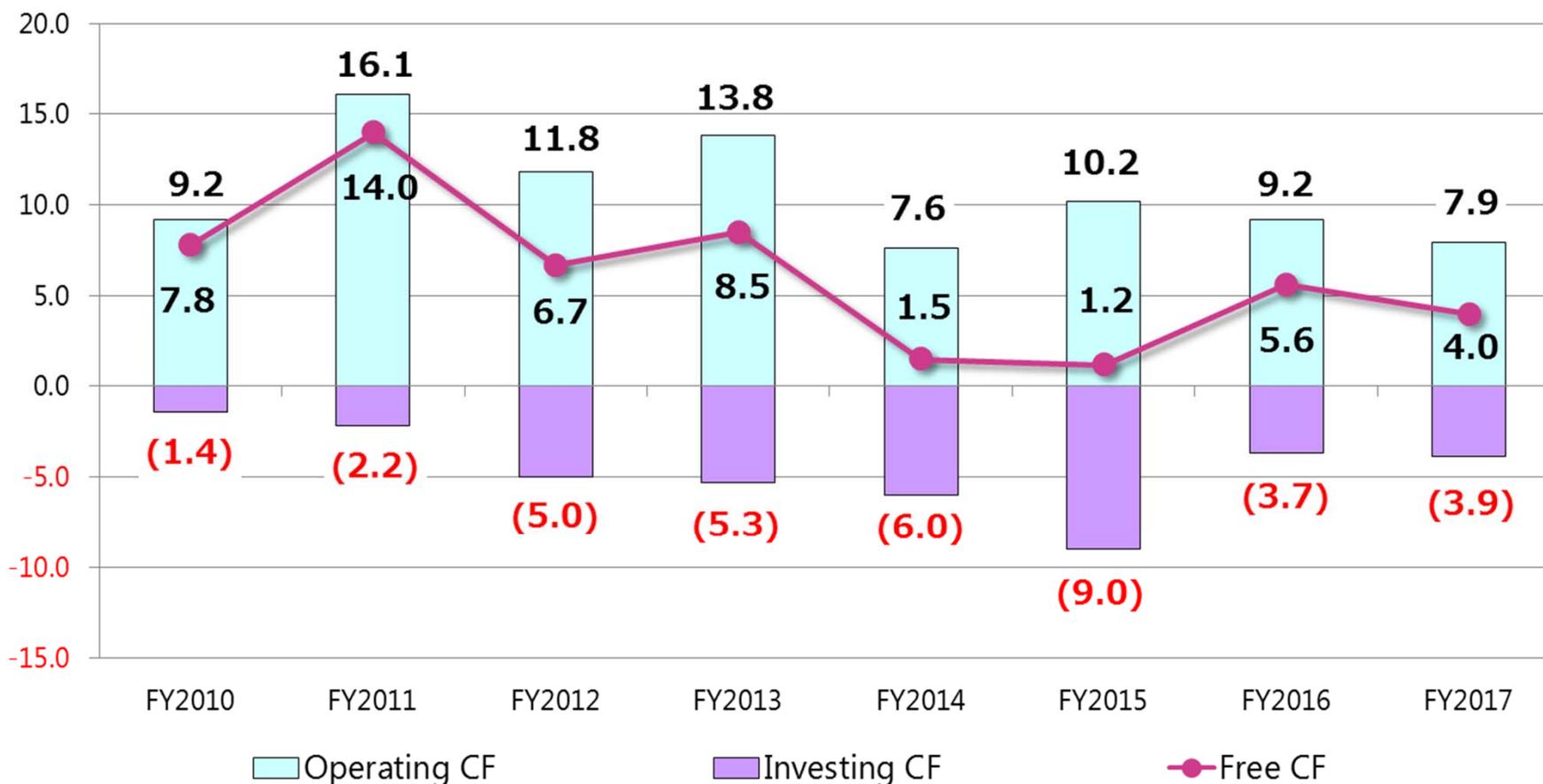
 4Q : Revenue decreased year on year in all overseas regions



Note : Numbers are rounded off to the first decimal place in each column.

II -7. Cash Flow (1/2)

Unit : Billion Yen



Note1 : Numbers are rounded off to the first decimal place in each column.

Note2 : FY2010 : Japanese Generally Accepted Principles (J-GAAP)

FY2011~FY2016 :International Financial Reporting Standards (IFRS)

II -7. Cash Flow (2/2)

 **Operating cash flow margin ratio was 9.2%**

Cash Flow (FY2017)

Operating CF : 7.9 Bn. Yen
 Investing CF : (3.9) Bn. Yen
 Financial CF : (8.2) Bn. Yen

Free Cash Flow

Op. CF + Inv. CF : 4.0 Bn. Yen

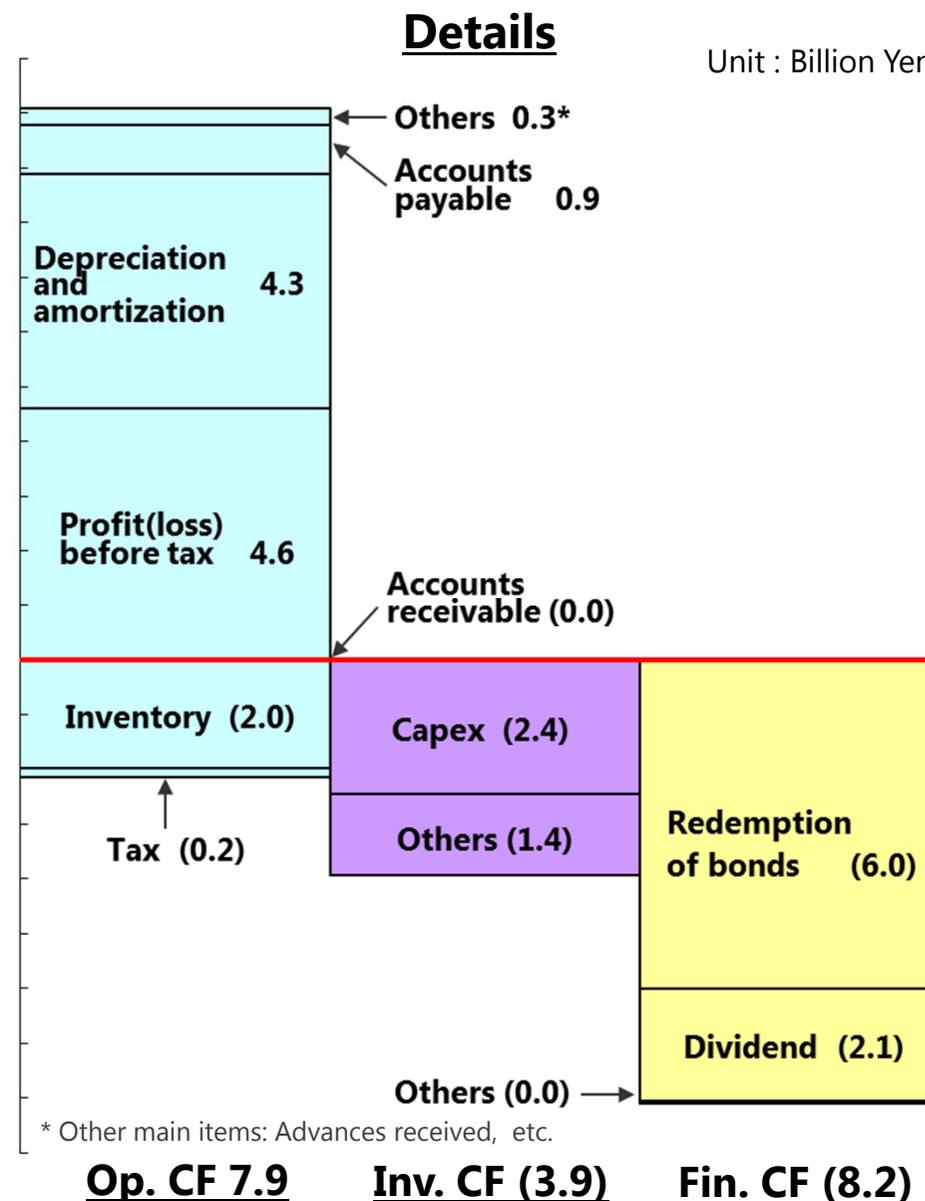
Cash at the end of period

35.5 Bn. Yen

Interest-bearing debt.

15.9 Bn. Yen

Note : Numbers are rounded off to the first decimal place in each column.



III -1. Forecast for full year of FY2018

 Establishing a platform for growth in the first year of GLP2020

Unit: Billion Yen

International Financial Reporting Standards (IFRS)		FY2017	FY2018		
		Actual	Forecast	YoY	YoY(%)
Revenue		86.0	92.0	6.0	7%
Operating profit (loss)		4.9	6.6	1.7	34%
Profit (loss) before tax		4.6	6.6	2.0	43%
Profit (loss)		2.9	5.0	2.1	72%
T&M	Revenue	54.4	60.0	5.6	10%
	Op. profit (loss)	1.8	3.5	1.7	92%
PQA	Revenue	22.5	23.5	1.0	4%
	Op. profit (loss)	2.0	2.0	0.0	2%
Others	Revenue	9.0	8.5	(0.5)	-5%
	Op. profit (loss)	1.1	1.1	0.0	-1%

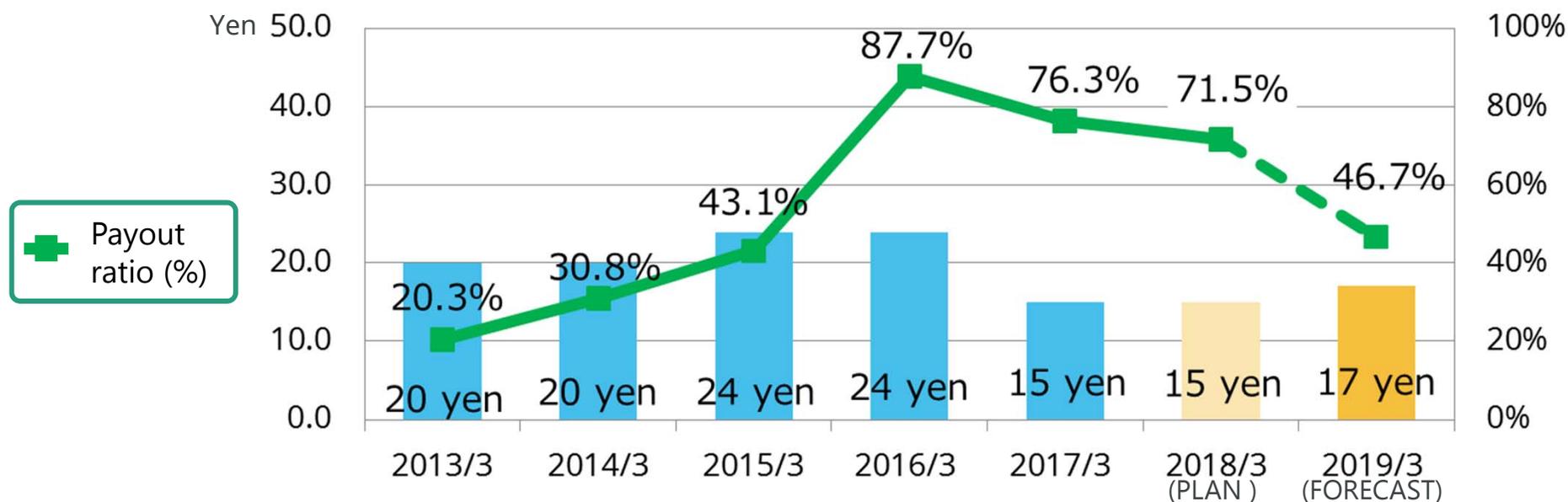
Reference : Exchange rate : FY2017 (Actual) 1USD=111 yen, 1EURO=130 yen
 FY2018 (Forecast) 1USD=105 yen, 1EURO=125 yen

Note : Numbers are rounded off to the first decimal place in each column.

Ⅲ-2. Dividend forecast

Annual dividend

	Dividend per share	Profit	Payout ratio	DOE
FY2018 (Forecast)	17 yen	5.0 B yen	46.7%	3.0%
FY2017 (Plan)	15 yen	2.9 B yen	71.5%	2.7%



Total return ratio of 3 years	GLP2014 (FY2012~FY2014)	GLP2017 (FY2015~FY2017)
	45.4% (including 5.0 billion yen of purchase of treasury stock)	79.4%



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