

January 30, 2020

Company Name: ANRITSU CORPORATION
Representative: Hirokazu Hamada ;
President and Director
(Listed at Tokyo Stock exchange, 6754)
Contact Person: Akifumi Kubota ;
Director, Executive Vice President, CFO
(Phone: +81 46 296 6507)

Notice of Merger (Simplified Merger and Short-Form Merger) of Consolidated Subsidiaries

At the meeting of the Board of Directors of ANRITSU CORPORATION (“the Company”) held today, it was decided to merge ANRITSU NETWORKS CO., LTD. , ANRITSU ENGINEERING CO., LTD. and ANRITSU PRO ASSOCIE CO., LTD., all of which are wholly-owned consolidated subsidiaries, into the Company effective April 1, 2020 (“this Merger”). Since this Merger is a simplified merger and short-form merger of wholly-owned consolidated subsidiaries, certain disclosure items and details have been omitted.

1. Purpose of merger

The Company has launched a new initiative, “Beyond 2020” for profitable and sustainable growth, and the Company is promoting transformation to a company that strives to realize company philosophy and company vision as a group. Under these circumstances, the Company has decided to absorb ANRITSU NETWORKS CO., LTD. , ANRITSU ENGINEERING CO., LTD. and ANRITSU PRO ASSOCIE CO., LTD., all of which are wholly-owned consolidated subsidiaries in order to revitalize Anritsu Group, strengthen human resources, and to build a new management system that can respond to the complex and changing market environment and strive to create new businesses.

2. Summary of merger

(1) Merger schedule

Approving merger agreement by resolution of the Board of Directors	January 30, 2020
Signing merger agreement	January 30, 2020
Expected merger date (effective date)	April 1, 2020 (planned)

* This Merger falls under the category of a simplified merger under Article 796, Paragraph 2 of the Companies Act, and a short-form merger under Article 784, Paragraph 1 of the Companies Act. Accordingly, this Merger is carried out without obtaining approval of merger agreement at the general shareholders’ meeting of the surviving company(ANRITSU CORPORATION) and the dissolving companies(ANRITSU NETWORKS CO., LTD. , ANRITSU ENGINEERING CO., LTD. and ANRITSU PRO ASSOCIE CO., LTD.).

(2) Merger method

This Merger is an absorption-type merger whereby the Company becomes the surviving company while ANRITSU NETWORKS CO., LTD. , ANRITSU ENGINEERING CO., LTD. and ANRITSU PRO ASSOCIE CO., LTD. are dissolved.

(3) Allotment related to merger

Since this Merger will be a merger of wholly-owned subsidiaries, there will be no issuance of shares or any payment of consideration.

(4) Treatment of share subscription rights or bonds with share subscription rights of the dissolving companies

Dissolving companies have not issued any share subscription rights or bonds with share subscription rights

3. Overview of companies involved in merger (As of September 30, 2019)

(1) Surviving company involved in absorption-type merger

(1)Name	ANRITSU CORPORATION
(2)Head office	5-1-1 Onna, Atsugi-shi, Kanagawa
(3)Representative	Hirokazu Hamada
(4)Main business	Development, manufacture and sale of measuring instruments, information and communication equipment, devices and industrial machines, etc.
(5)Capital stock	JPY 19,133 million
(6)Establishment	October 6, 1950
(7)Issued shares	138,234,294 shares
(8)Fiscal year end	March 31
(9)Major shareholders and shareholding ratio (excluding treasury stock)	Japan Trustee Services Bank, Ltd.(trust account) (16.11%) The Master Trust Bank of Japan, Ltd.(trust account) (9.30%) BBH FOR MATTHEWS ASIA DIVIDEND FUND (6.35%) MSIP CLIENT SECURITIES (2.39%) Trust & Custody Services Bank, Ltd.(securities investment trust account) (1.95%)
(10)Financial position and business results in preceding fiscal year	
Fiscal year	Year ended March 31, 2019 (Consolidated) (IFRS)
Equity attributable to owners of parent	JPY 85,560 million
Total assets	JPY 130,467 million
Equity attributable to owners of parent per share	JPY 622.87
Revenue	JPY 99,659 million
Operating profit	JPY 11,246 million
Profit before tax	JPY 11,362 million
Profit attributable to owners of parent	JPY 8,956 million
Basic profit per share	JPY 65.20

(2) Dissolving companies involved in absorption-type merger

(1)Name	ANRITSU NETWORKS CO., LTD.	ANRITSU ENGINEERING CO., LTD.	ANRITSU PRO ASSOCIE CO., LTD.
(2)Head office	5-1-1 Onna, Atsugi-shi, Kanagawa	5-1-1 Onna, Atsugi-shi, Kanagawa	5-1-1 Onna, Atsugi-shi, Kanagawa
(3)Representative	Masaki Katahira	Shunichi Sugita	Yutaka Saito
(4)Main business	Development, manufacture and sale of information and communication equipment	Development of software	Shared service center business
(5)Capital stock	JPY 355 million	JPY 40 million	JPY 10 million
(6)Establishment	April 2, 1969	September 1, 1981	July 1, 2003
(7)Issued shares	710,000 Shares	80,000 Shares	200 Shares
(8)Fiscal year end	March 31	March 31	March 31
(9)Major shareholders and shareholding ratio (excluding treasury stock)	ANRITSU CORPORATION (100%)	ANRITSU CORPORATION (100%)	ANRITSU CORPORATION (100%)
(10)Financial position and business results in preceding fiscal year			
Fiscal year	Year ended March 31, 2019 (Non-Consolidated) (J-GAAP)	Year ended March 31, 2019 (Non-Consolidated) (J-GAAP)	Year ended March 31, 2019 (Non-Consolidated) (J-GAAP)
Net assets	JPY 3,976 million	JPY 1,221 million	JPY 196 million
Total assets	JPY 4,730 million	JPY 1,892 million	JPY 331 million
Net assets per share	JPY 5,600.10	JPY 15,269.28	JPY 982,595.59
Sales	JPY 1,946 million	JPY 3,573 million	JPY 881 million
Operating income	JPY 109 million	JPY 25 million	JPY 26 million
Ordinary income	JPY 112 million	JPY 27 million	JPY 26 million
Net income	JPY 132 million	JPY △17 million	JPY 17 million
Net income per share	JPY 186.22	JPY △215.66	JPY 85,377.89

4. Post-merger status

Following this Merger, there are no changes to the business name, head office, title and name of representative, main business, capital stock, or fiscal year end of the Company.

5. Impact on business results

Since this Merger will be a merger of wholly-owned consolidated subsidiaries, the impact on consolidated financial performance of the Company is limited.