

Anritsu CSR Report 2008



**Toward Achieving
CSR Goals**

Anritsu

CSR (Corporate Social Responsibility)

Anritsu defines corporate social responsibility as the integration of social justice and environmental considerations into corporate operational processes and activities in order to fulfill the company's accountability to its stakeholders (such as shareholders, employees, customers, suppliers and partners, environment and community), thereby improving the company's economic, social and environmental performance.

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Editorial Policy

The Anritsu CSR Report 2008 is edited according to the following policy based on the requests of our stakeholders.

1. Re-design the report based on a framework of Anritsu's CSR Goals 2008 that Anritsu Group has been trying to achieve since fiscal year 2006. Each activity is repositioned according to this framework.
2. Indicate the background/reasons, actions, results and plans related to each activity and report according to a Plan-Do-Check-Action management cycle formula.
3. Cover our activities on a global scale as much as possible (as we did for the previous report).
4. Prioritize the report content by applying the principle of materiality prescribed in the G3 Guidelines of GRI (Global Reporting Initiative).
5. Make a report that is easy to read and gives an overall understanding of Anritsu Group operations.

- This CSR report mainly focuses on Anritsu's social and environmental performance. (As to details on financial performance, please refer to our Annual Report or website: <http://www.anritsu.com/IR/>)
- Detailed information on Anritsu's activities to preserve the global environment is available at the website: <http://www.anritsu.com/AboutAnritsu/csr/Environment/>

Reporting Period

This report covers the period from April 1, 2007 to March 31, 2008, but also includes some activities before and after that period.

Boundary Definitions

This report covers Anritsu Corporation only or the Anritsu Group Companies, according to subject and definitions as follows:

- "Anritsu" or "Anritsu Group" refers to both Anritsu Corporation and the entire Anritsu Group.
- "Anritsu Corporation" refers to Anritsu Corporation in Japan only.
- "Group Company (or Companies)" refers to a group company (or companies) or all group companies, excluding Anritsu Corporation in either case.
- These definitions do not apply to the column articles.

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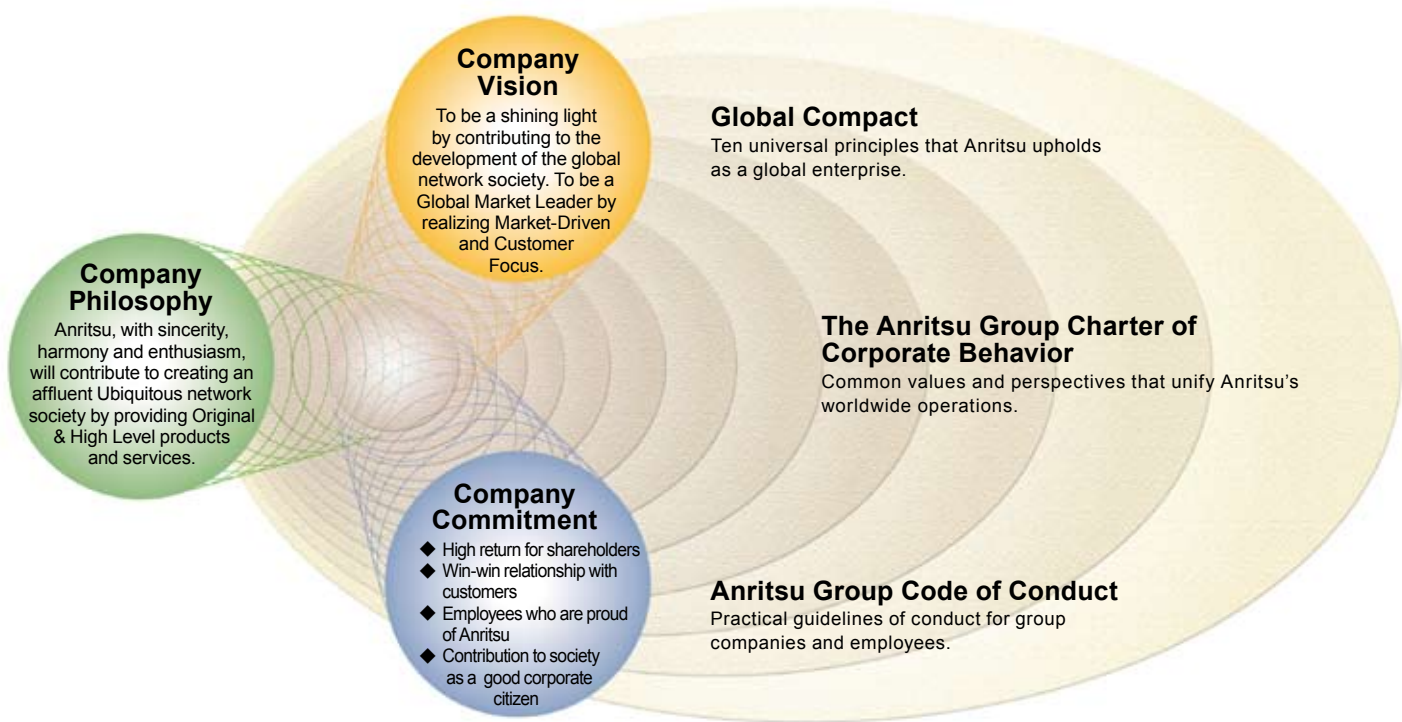
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(Next CSR report is scheduled for July 2009 release)

Anritsu's Philosophy, Vision, Commitment and Values

Anritsu is promoting CSR activities by putting the basic principles of its company philosophy, vision and commitment into practice; by respecting the Global Compact that Anritsu upholds as a global enterprise; and by adhering to the Anritsu Group Charter of Corporate Behavior and the Anritsu Group Code of Conduct that set out more concrete values and behavioral guidelines.



The Anritsu Group Charter of Corporate Behavior

Establishment: April 1, 2005

The Anritsu Group's philosophy is to create corporate value with sincerity, harmony, and enthusiasm. We will provide solutions utilizing our Intelligent Solution Creator model with the core being our 'original & high level' technology. At the same time we will conduct our business with high ethics and the goal of contributing to the advancement of society. The Anritsu Group will act enthusiastically to carry out its corporate social responsibility with sincerity, and with respect for the individual, while at the same time working to assure that we address the interests of all our stakeholders: shareholders, customers, suppliers, employees, and local and global societies.

Attaining Customer Satisfaction:	The Anritsu Group will develop and provide socially useful products and services, giving full consideration to quality, safety and the environment. This combination of receiving value and receiving it from a socially responsible company will result in high customer satisfaction.
Conducting Ethical Company Activities:	The Anritsu Group will engage in fair, transparent, and free competition, and will maintain healthy and normal relationships with political institutions, governmental administration as well as citizens and other organizations.
Disclosing Corporate Information:	The Anritsu Group will disclose its corporate information in a timely, clear, and appropriate manner in order to improve the transparency of its corporate activities.
Managing Information Property:	The Anritsu Group will execute proper management of information property it obtains including observing privacy policies concerning individual information and customer information.
Protecting Human Rights:	The Anritsu Group will respect the human rights of all those who are connected with it, and will not permit any discriminatory practice related to race, gender and so forth or infringement of individual dignity, and will never accept child labor or forced labor.
Valuing Employees:	The Anritsu Group will respect each employee's individuality and will create work environments where all of its employees can fully demonstrate their abilities and carry out their jobs with enthusiasm.
Harmony with Society:	The Anritsu Group will respect the customs and cultures of the international society and the local society, and will manage its activities in a way that contributes to the development of all societies that it interacts with.
Preserving the Global Environment:	The Anritsu Group will reduce the impact of its operations on the global environment and will contribute to build a sustainable society.
Conducting Social Contribution Activity:	The Anritsu Group will, as a good corporate citizen, actively engage in activities that contribute to the betterment of society in addition to its normal business operations.

The Anritsu Managers will take the responsibility for implementing this charter and for taking all necessary action in order to raise awareness in their corporation. They will also take initiative and set an example, so that every employee in the Anritsu Group becomes fully aware of the philosophy in this Charter. This includes creating corporate in-house systems to fulfill the intent of the Charter and endeavoring to maintain high corporate ethics.

When a law or a rule is violated, the Manager must take action to notify senior management and then work together to resolve the problem, endeavoring to clarify its causes and prevent its recurrence. And the Manager will promptly and adequately disclose all relevant information to the public when deemed appropriate, and will institute disciplinary action upon identifying who authorized and was responsible for such acts. No responsible employee or officer is to be shielded from these disciplinary actions.

Global Compact

(See page 32)

Anritsu has supported the Compact since March 2006.

Stepping Up CSR Activities to Improve Management Quality

Last year, we reported to you our Corporate Social Responsibility (CSR) Goals to clarify the direction set in the Anritsu Group Charter of Corporate Behavior and to set our medium-term targets. These goals call for us to contribute to building a safe, secure, comfortable society as a core objective while maintaining harmony with the global socio-economy and promoting global environmental protection in our business activities. We also reconfirmed that communications with our stakeholders are indispensable for achieving those goals.

This year's CSR Report describes Anritsu's progress toward achieving the CSR Goals. While our efforts have been steadily producing positive results, we recognize that many issues still remain to be solved. We hope to promote our activities with you, by frankly reporting what we have accomplished and what we have yet to accomplish.

To attain the goals we have set for ourselves, it is important that we build social and environmental considerations into business processes in more natural ways. This, in other words, is a process of enhancing management quality through organizational learning. We will further step up CSR activities to improve management quality and tackle new challenges to help build a sustainable society.

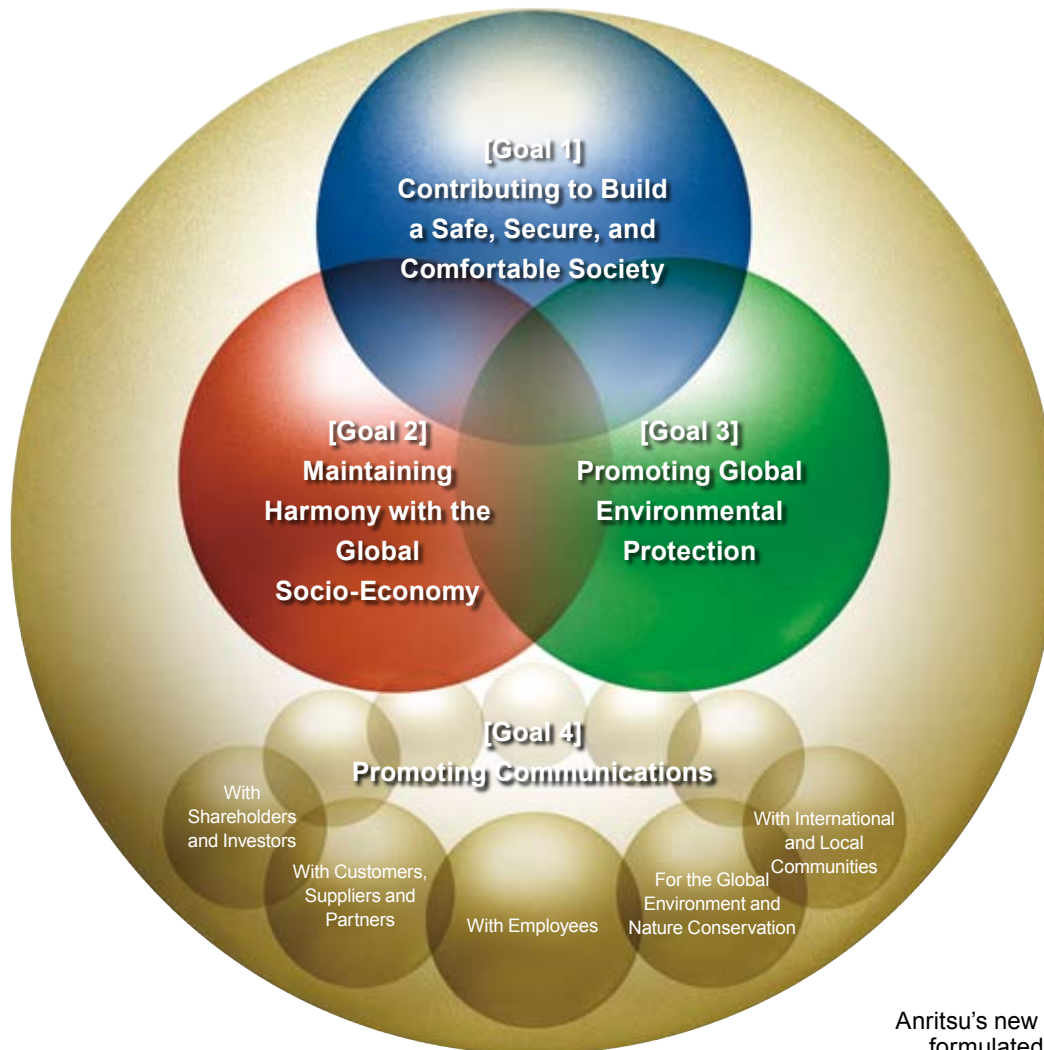


Hiromichi Toda
President

Hiromichi Toda

CSR Activities for Enhancing Management Quality

Incorporating social and environmental considerations into business processes



Anritsu's new CSR Goals will be formulated in the near future.

Anritsu's CSR Goals 2008

[Goal 1] Contributing to Build a Safe, Secure, and Comfortable Society

At Anritsu, every employee understands that we are working to improve the safety and security for all of society, fully utilizing Anritsu's Original & High Level technologies. By listening to the voices of customers, Anritsu is providing products and rapid support services globally, with quality that surpasses their expectations. With its 'measuring' technologies, Anritsu is contributing to the creation of a society built on Next-Generation Networks, particularly through providing communication support during emergencies and preventing communication problems.

[Goal 2] Maintaining Harmony with the Global Socio-Economy

Anritsu is practicing effective legal compliance and risk management in its global operations, reinforcing its foundations as a sincere company. With respect for human rights as the guiding principle, Anritsu has provided working conditions that are accessible for employees of different gender, nationalities and cultural backgrounds, while developing human resources in a manner that enables people to take advantage of their characters and capabilities. Also, Anritsu is fulfilling its social responsibility for its supply chain system in close collaboration with suppliers and partners. Furthermore, as a corporate citizen Anritsu is planning and organizing social activities which utilize Anritsu's strengths to develop trust in local communities.

[Goal 3] Promoting Global Environmental Protection

According to its Environmental Principle, Anritsu has expanded an environmental management system (EMS) to major sales centers in addition to production sites in Japan, while outside Japan it has established the EMS at major production sites. Furthermore, on the basis of Anritsu's globally consistent product assessment standards, the majority of Anritsu's products manufactured in Japan are classifiable as environmentally conscious, while production of environmentally conscious products has started at major development sites outside Japan.

[Goal 4] Promoting Communications

Throughout its operations, Anritsu is building trust with its stakeholders by disclosing information and organizing dialogue and partnership in proactive and unique ways, the results of which are effectively fed back to goal management processes in CSR activities.

Progress Toward Anritsu's CSR Goals 2008

In further seeking CSR activities that are suitable for Anritsu, and clarifying the direction set in the Anritsu Group Charter of Corporate Behavior, Anritsu established Anritsu's CSR Goals for the medium-term in fiscal year 2006.

Anritsu's CSR Goals



About Goal 1

- Starting in fiscal 2008, Anritsu Group in Japan will put in place a customer satisfaction (CS) award system that is based on the CS Prize of Anritsu Company (USA) for employees who strive to achieve customer satisfaction.
- We will build a global website, a task identified by our CS survey (scheduled to launch in fiscal 2008).→ P. 10
- We introduced an Internet center in Asia to reply to inquiries within 24 hours and improved service efficiency to shorten delivery time for repaired or calibrated goods. We are planning to shorten the average period needed for repairs or calibration to five days.

About Goal 2

- We will set up an internal control system at each of our locations throughout the world and implement evaluation and auditing starting fiscal 2008.→ P. 12
- We presented Anritsu's Basic Rules of Procurement and Requests to our major suppliers and partners, and shared them with Anritsu Group companies inside and outside Japan. In fiscal 2008, we will communicate these rules more widely to others.→ Pp. 15 and 16
- We are using our Global Employee Training Program to encourage employees of different nationalities and cultures to take full advantage of their skills and abilities. We are also improving workplace conditions in various countries.→ P. 17
- We set important social contribution goals in Japan (related to youth education, local community and environmental conservation activities). In fiscal 2008, we will share these goals with Anritsu Group companies outside of Japan. → Pp. 18, 19, and 20

About Goal 3

- Anritsu Group had introduced the EMS (Environmental Management System) at major manufacturing sites in Japan, the U.S.A. and the U.K. by fiscal year 2006. In fiscal 2008, our sales centers in Japan are working to implement the EMS and obtain ISO certificates. Anritsu A/S (Denmark) is also at work preparing to implement the EMS.→P. 23
- Of the new products developed in Japan in fiscal 2007, 74% were environmentally conscious products. We also established our global product assessment standards. In fiscal 2008, we plan to develop environmentally conscious products at our site outside Japan.→Pp. 26 and 27



About Goal 4

- Customers: We made improvements in response to customers' assessments in our global CS survey.→P. 10
- Employees: We conducted surveys in Japan regarding compliance, information management and environment issues, as well as dialogues with employees in various areas.→P. 13
- Shareholders and investors: We promoted disclosure on the basis of a questionnaire survey covering Japanese individual investors.→P. 15
- Local community: We carried out various activities in response to requests from local communities, including the city where Anritsu Corporation is headquartered.→Pp. 18, 19, and 20
- In fiscal 2008, we will reflect the results of communications with our stakeholders more effectively into our business operations.→Pp. 31 and 32

Fundamental Technology Supporting Uninterrupted Communication

Mobile phones and the Internet are now key parts of our lives. Telemedicine, online banking, IP television and other services are gaining attention at the forefront of information communications that improve people's everyday lives and work. At the core of these next-generation services are Anritsu measuring technologies, which are used to evaluate the operation of mobile phones and other transmission equipment, the performance of networks, and the quality of telecommunication services. These technologies ensure reliable connection and transmission, enabling people around the world to enjoy the convenience of secure, dependable communications.

Telecommunications, infrastructure, food and medicine. For these fields that are closely related to everyday life, Anritsu offers a diverse range of products and services in an environmentally conscious way, helping to build a safe, secure and comfortable society.



Anritsu's Technology Supports Everyday Life
**Contributing to Build a Safe, Secure
and Comfortable Society**

**Highlights
(Goal 1)**

System Technology for Safe, Secure Living

Every year, severe natural disasters such as earthquakes and floods strike the Japanese archipelago, making prevention and mitigation of damage an 'around-the-clock' national challenge. Anritsu Networks Co., Ltd., an Anritsu Group company, provides a broad spectrum of remote monitoring systems for roads, rivers and water and sewage systems. The company's switches and routers were also used for telecommunication systems of the G8 Hokkaido Toyako Summit in July 2008. Anritsu Networks and NTT Data Corporation co-developed a damage mitigation system that enables two-way communication between local governments and residents for evacuation instructions and safety confirmation in the event of disaster. Anritsu Group contributes to day-to-day safety and security in many fields of society.





■ Handheld Measuring Instrument Supports NFL Games

In football stadiums, where big bodies clash playing America's national sport, wireless communication between managers and players as well as for medical, security, TV and radio broadcast personnel results in crisscrossing of over 400 radio wave channels. How can smooth, efficient management of frequencies be achieved under such conditions? The National Football League (NFL) adopted Anritsu's MS2721B compact spectrum analyzer as a solution. The NFL has deployed MS2721B units for checks and analysis of radio interference in 32 stadiums.



■ Anritsu Marks 30th Anniversary in Brazil and 20th Anniversary in China

Anritsu Corp. has long been conducting its measuring instrument business in developing countries, as well as in Europe and the United States. In 2007, Anritsu Eletrônica Ltda. of Brazil marked its 30th anniversary and Anritsu Company Ltd. of China marked its 20th anniversary. We have also established sites in India, Mexico and the United Arab Emirates (UAE), serving the development of telecommunications infrastructure in these countries. The fundamental aim of Anritsu's global business is to help create a convenient telecommunications environment in more countries, thereby eliminating disparities among those countries.



Inspection Technology for Food Safety

What if the food that you or your family eats contains dangerous foreign matter? For food products, strict quality control is crucial. Anritsu Industrial Solutions Co., Ltd., which is in charge of Anritsu Group's industrial machinery business, offers checking equipment for detecting foreign matter and measuring mass on food production lines. Its X-ray inspection equipment, for example, can detect relatively soft matter, bone and plastic, as well as such linear objects as fine wire, making it a popular choice for food manufacturers worldwide. Anritsu also carries out operations beyond product development, promoting food safety and security by organizing free food sample testing and hosting seminars on detection technology.



Anritsu's Technology Supports Everyday Life

Contributing to Build a Safe, Secure and Comfortable Society

Highlights
(Goal 1)

Anritsu Group companies have incorporated a philosophy of 'small, light and low-impact' into their business concept, in order to counter global warming and to build a safe, secure and comfortable society.

■ Global Development of Environmentally Conscious Products

Anritsu sees developing environmentally conscious products as a vital part of its social responsibility and seeks to further reduce the size of measuring instruments and to integrate the functions of multiple models into a single unit. A successful example of this commitment is our Network Master Series for optical fiber maintenance. We have redesigned the previous model of handheld measuring instruments for this application field, the Access Master Series, into an even smaller and lighter form, cutting the CO₂ emission during operation by about 35%.



■ Cutting the Power Consumption of Telecommunication Networks

Today, diverse types of information including voice, video, TV and radio are formatted as digital data. This data is transmitted and received regardless of distance and time by means of IP technology, leading to a constant increase of power consumption by IT equipment. Accordingly, Anritsu Networks Co., Ltd. offers bandwidth controllers that can efficiently allocate necessary bandwidths to various data in communication networks in which voice, data and video coexist. These controllers can limit the required system expansion by more effectively using a network, thereby helping to reduce power consumption.



■ Saving Energy in Electronic Parts Manufacturing

Mobile phones and digital cameras are becoming more compact year by year, and increasing functionality. These digital products' printed circuit boards require microscopic installation technology, and a drop in yield directly leads to a waste of energy. Anritsu Precision Co., Ltd., established in April 2008, offers solder printing inspection equipment that can carry out three-dimensional measurement for determining the condition of cream solder to be printed on a printed circuit board for electronic parts installation. This helps reduce energy consumption in electronic parts production by reducing waste and minimizing faulty products on production lines.





In order to respond fully and sincerely to the requests we receive from our customers, Anritsu is making efforts to improve web communications and promote interactive communication efforts.

We promoted CSR activities for fiscal year 2007, as for the previous year, on the basis of the global customer satisfaction (CS) survey. While CS index values — customer satisfaction expressed numerically — had improved, we still found ourselves needing to 'strengthen our website' and 'promote interactive communications with our customers', which we have focused our efforts upon.

Improving Our Global Website

We have been improving our global website, but have not yet caught up with market expectations. In order to make a breakthrough, we invited a global web director (see column article) from outside the Anritsu Group who became the core of a new cross-sectional task force, promoting web improvements to satisfy our customers' demands for global unification of our web design and operations.

We have analyzed market needs, and the current status of our website, with a view to launching a site with new architecture in the latter half of fiscal 2008.

At Anritsu Company in the United States, we have dedicated staff currently tackling multiple projects to improve web communications from the customer satisfaction perspective. We plan to incorporate a wide range of functions for better customer communication within the new design architecture.

Interactive Communications with Customers

Anritsu's staff is also active in enhancing interactive communications with customers, particularly in the EMEA (Europe, the Middle East and Africa) regions. In these regions, face-to-face discussions with our customers about their expectations of Anritsu (see column on page 11), as well as sales force training using our CSR report, have become part of our standard operations.

In addition, auditors of our major customers have conveyed to us their high expectations, particularly for ways in which we globally promote our plans to improve quality, reduce delivery time, etc. and upgrade our website.

Through our CS newsletters we will disclose details about these measures and the improvement plan, as we continue to maintain high transparency and build upon the progress in our CS activities.



Toward a Global Website Providing Customer Value

Tomoko Nishimura
Global Web Director,
Anritsu Company

It is my mission to represent our customers' perspective, and build a global website that provides true customer value. Accordingly, we conducted a global CS questionnaire survey and interviews at Anritsu sites around the world. Based on the findings, we have been building a new global website. We aim to create a globally consistent Anritsu web presence by ensuring a unified 'look and feel' in the design and operability, as well as providing the same content for pages viewed globally and unifying downloadable versions of software, thereby making the website internationally seamless. We will create a workflow to quickly upload web content required by local markets in local languages to satisfy local demands. Also, we plan to build a user-friendly system capable of displaying a total Anritsu solution across business departments with a single keyword search, speedily and smoothly delivering the information that our customers need. We intend to launch the new website design in the fourth quarter of fiscal 2008.

Building seamless websites, including designs and operability optimized for each nation.





CS Operations at EMEA — REFRESH Sales Training

Anritsu conducts a wide range of training programs for salespersons worldwide. The REFRESH sales training program, for example, was held for Anritsu's EMEA sales teams at Estepona, Spain in October 2007.

The program featured over 170 attendees; plenary sessions, training modules and speeches delivered across 75 time slots organized in 5 streams according to area of interest; 140 demo sessions delivered with 25 prepared demonstrations; and 3 demonstration 'expo' sessions.

Increasingly important subjects, such as CSR initiatives, environment, quality, technical support and export control, were discussed in plenary sessions.

We invited two guest speakers from among our customers (telecommunication operator and wireless infrastructure manufacturer) and exchanged views on ways to enhance customers' satisfaction as we move into the future.



REFRESH sales training: Registration desk (top) and plenary session (below)



Customer Satisfaction Education and Basic Course for Young Sales Personnel in Japan

Anritsu Corp. invited Mr. Masamitsu Hayashida, former sales manager of The Ritz-Carlton Hotel, Osaka, to lecture about how 'Moving, Not Simply Satisfying, Service Creates Loyal Customers.' This lecture was intended to raise awareness of Customer Satisfaction among the many employees in attendance from Anritsu Group companies in Japan.

Anritsu Corp.'s sales and marketing divisions cooperated on a basic CS course for young sales representatives starting fiscal year 2007. In May, we conducted 'Basic Training on Radio Measurement' designed for sales representatives with two to three years of experience at the Company. We also carried out training on catalog reading in June and on the basics of optical communications in July. We will continue holding similar courses as needed to develop awareness and abilities of young sales representatives.



Communicating a More Comprehensive View of Anritsu

Jonathan Borrill
Director of Marketing,
Anritsu EMEA Limited

In order for our customers to accept us as a partner and allow us to serve them in the long term, it is important for our sales forces to fully grasp Anritsu's entire vision. Above all, CSR concerns among customers are on the rise in every country.

We distributed our CSR Reports to all attendees at the REFRESH sales training event in order to share the same information. We also created opportunities for attendees to communicate with Anritsu President Hiromichi Toda and business group directors, which helped integrate understanding of Anritsu's visions and policies. The event succeeded greatly in the sense that the Anritsu Group as a whole came into direct contact with customers.

In order to hear customers' input directly, we invited two guest speakers. They talked about telecommunications industry trends and their expectations of Anritsu. What we perceived from these speeches is that our customers want not only information about products and technology, but also information about our environmental activities and service quality improvements.

It is important to create opportunities for us to demonstrate Anritsu's total vision. At our future training events, we expect to give many Anritsu employees opportunities to exchange opinions with customers. In everyday business activities, our sales forces will continue to project Anritsu's message, dedication and vision.



Basic Course for Young Sales Personnel



Anritsu considers that building an effective internal control system is vital for its global business development, and promotes this initiative groupwide. In the initial phase, to last until March 2009, Anritsu has been preparing a system to assure the reliability of financial reporting. By focusing on raising awareness and nurturing a new culture throughout the organization, Anritsu ensures that internal control takes root, stimulating management innovation and enhancing corporate value.



Management Innovation via Internal Control Maintaining Harmony with the Global Socio-Economy

**Highlights
(Goal 2)**

Achievements of Fiscal Year 2007

Anritsu Corporation has educated employees of every rank about the importance of internal control. Managers, whose behavior will be a key to the success of internal control, were surveyed, assigned tasks, and requested to take part in face-to-face discussions.

Meanwhile, the internal control system has been further consolidated by documentation of each operational process, as well as IT control status confirmation via checklists.

Anritsu Corporation also promoted the establishment of an internal control team at each group company. In November 2007, we held a conference for the internal control promoters from all Anritsu Group Companies, to share ideas and utilize an evaluation kit to chart progress. As a result, we have a growing number of well-informed key people in charge of internal control at our sites worldwide.

Plans for the Future

In fiscal 2008, the first year of our internal control system's operation, Anritsu Corporation's internal auditing section will conduct assessment and auditing in cooperation with external auditors. The collaborative efforts with Group Companies will be strengthened, and global coordination and education will be provided mainly through meetings with key people.

To promote management innovation via internal control, we need to further nurture a corporate culture of self-discipline. We will continue to communicate this goal across the entire Anritsu Group, raising awareness at all levels.

Expanding Our Role in Internal Control

I understand that the accounting settlement and financial reporting of Anritsu Company in the U.S.A. constitutes a large proportion of Anritsu Group's consolidated statement. It is important that we assure accuracy in our reporting. In response to J-SOX legislation, we have been documenting operation processes and assessing potential risks in financial reporting. In the future, we intend to expand our roles to realize an internal control system that accounts for business risks.



As a J-SOX project member, our company in the U.S.A. has interviewed staff in charge of various sections about many internal operation processes, and documented operation processes and risk assessment. By firm use of these results to deter fraudulent activity within the organization, reduce human error and improve overall operations, I believe we can make financial reporting more accurate and reinforce our internal control system overall.

Brian Kobata
Internal Auditor,
Anritsu Company



Steve Vonderach
Secretary and General Counsel,
Anritsu Company



By promoting sound corporate behavior, which adheres to ethical and legal standards, Anritsu continues to apply several key measures to strengthen its Ethics/Compliance Promotion system and to enhance ethical awareness among employees.

Compliance Promotion Measures

(1) Issuance of Anritsu Group Code of Conduct and Case Study Sheets

• Anritsu Group Code of Conduct

Anritsu Corporation distributes the Code of Conduct, the guidance document for its ethical business practices, in printed form among its Japanese Group Companies. The Company also helps group companies to localize the Code in other nations, enhancing its groupwide compliance activities.



Code of Conduct booklet in Chinese

• Case Study Sheets

This collection of actual cases with brief explanations and advice is published every month as an article on Anritsu Group's Intranet in Japan, as well as a wallboard poster. These are being used as educational tools for Anritsu Group in Japan.



(2) Education and Training

Anritsu Group in Japan runs a variety of educational activities aimed at enhancing employees' ethical awareness.

- Training designed for different organizational levels (for new recruits, newly assigned managers, and so forth)
- Field-specific and specialist training by committees and departments
- Web-based training
- Compliance promotion events — company-wide events with various training programs (lectures, educational video seminars, etc.), held twice a year



Compliance Reinforcement Week Campaign (April 2007)

Anritsu Corp. invited Ms. Kyoko Fujiwara of the Japan Institute of Workers' Evolution to give a lecture on sexual harassment.



Corporate Ethics Month Campaign (October 2007)

As part of our campaign coinciding with the compliance activities of Nippon Keidanren (Japan Business Federation), Anritsu Corp. organized a lecture by Professor Katsuya Uchida of the Institute of Information Security on information security management.



CSR Education and Training in China

In March 2008, Anritsu Company Limited held training seminars regarding compliance and other subjects for all our managers in Beijing, Shanghai and Hong Kong.

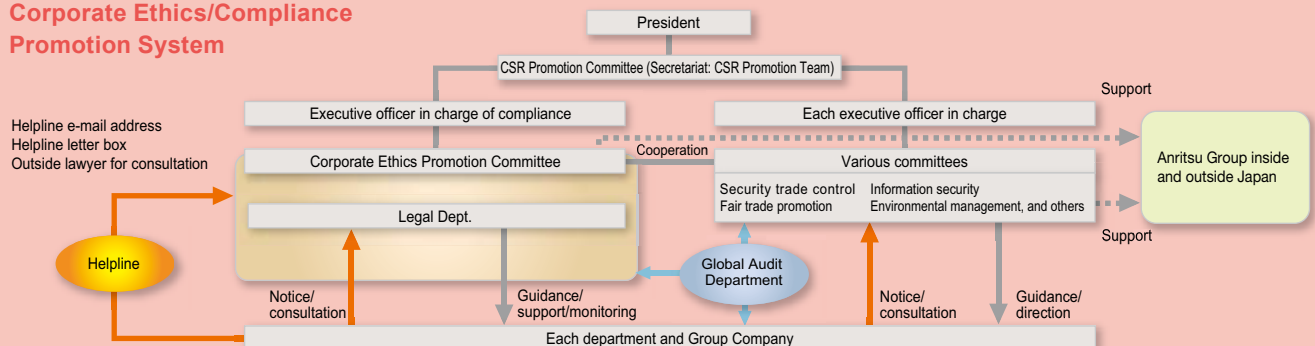
(3) Monitoring

Anritsu Corp. conducts a periodic questionnaire survey, via the Web and other means, to gauge the effectiveness of our compliance system among Anritsu Group employees (including temporary employees) in Japan and suppliers/partners employees. In order to identify problems more specifically, from fiscal year 2007 onwards we revised the questions and analyzed collected data carefully for future improvements. We also regard this survey as complementary to our Helpline; when an urgent problem is found from survey results, Anritsu Corp.'s Legal Department acts quickly in cooperation with the relevant departments.

(4) Helpline

In order to help prevent violations of ethics and laws and maintain pleasant workplace conditions, Anritsu Group Companies in Japan run a Helpline that accepts internal report requests for consultation. We have lawyers available from outside of the company whom employees can consult for legal advice.

Corporate Ethics/Compliance Promotion System

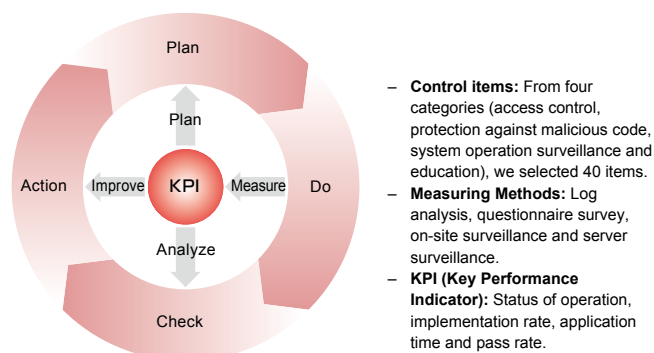




With a new framework for information security management that started in fiscal year 2007, Anritsu has been intensively tackling major tasks. At the same time, Anritsu has been managing risks more comprehensively to secure business continuity.

Enhancing Information Security with KPI

Anritsu Group in Japan has been improving security levels according to the Key Performance Indicator (KPI) formulated in fiscal 2006. Out of a wide range of control items, those of particular importance were identified by quantitative analysis and dealt with intensively.



In fiscal 2007, we focused on reinforcing control of servers and business secrets. Accordingly, we implemented server operation surveillance standards to remove inconsistency in operations and stabilize surveillance quality, as well as advanced the integration of user accounts (improved password management). For the control of business secrets, we reconfirmed that removable media (USB memory) are to be controlled properly and surveyed our suppliers and partners regarding their security status. We also carried out specialized training of system administrators and internal auditors, as well as general training of employees according to different organizational levels.

In addition, we completed the process underway since fiscal 2006 of building IT infrastructure in the Asia region, substantially reducing risks of computer virus infection and network problems.

Addressing Business Continuity Plans

Business continuity plans (BCP) are attracting attention worldwide as risks of business shutdowns in contingencies grow rapidly.

In order to maintain and/or quickly recover core businesses in the case of a crisis such as a natural disaster or an accident, Anritsu Corp. and Group Companies in Japan started discussing a BCP basic policy. In our BCP operations organization, headed by Anritsu Corp.'s President, we are identifying important operations and assessing possible risks and damages.

We are planning to review the basic policy in fiscal 2008, on the basis of the company's management innovation.

BCP Operations Regarding Information Systems

Anritsu Group in Japan has already been advancing BCP operations in information systems.

- (1) Reviewing BCP precedent: We mainly reviewed priorities and the propriety of recovery time for our business continuity plans formulated two years ago.
- (2) Making recovery manuals for individual information systems: We have finished making recovery manuals for all the key systems, and are now at work on those for other servers.
- (3) Conducting on-site training and tests: We evaluated the recovery time and recovery procedures. (We carried out recovery plan training and recovery tests of each system.)
- (4) Improving operational procedures: We reviewed the system recovery manual, and verified the recovery time.



Accounting for Human Weakness to Keep Business Secrets Secure

Katsuya Uchida
Doctor of Engineering,
Professor, Institute of Information Security,
Chief Information Officer of the City
of Yokohama

Information security activities at Anritsu are moving forward, and should now advance to the next step including further control over business secrets. I believe security should be designed based on the proposition that we all are naturally vulnerable to temptation. For example, if a person finds a USB memory left behind by someone else, it may be difficult for him or her to resist the urge to look at what it contains. In order to deal with such temptation, a system that protects users without it being obvious would be useful, while it is also necessary to recognize what kinds of business secrets are in your hands. I strongly suggest that Anritsu raise awareness about such confidential information as part of everyday operations. In addition, promoting institutional integration with other management systems, such as the environmental management system, would be desirable to effectively tackle information security as a cross-departmental management strategy.

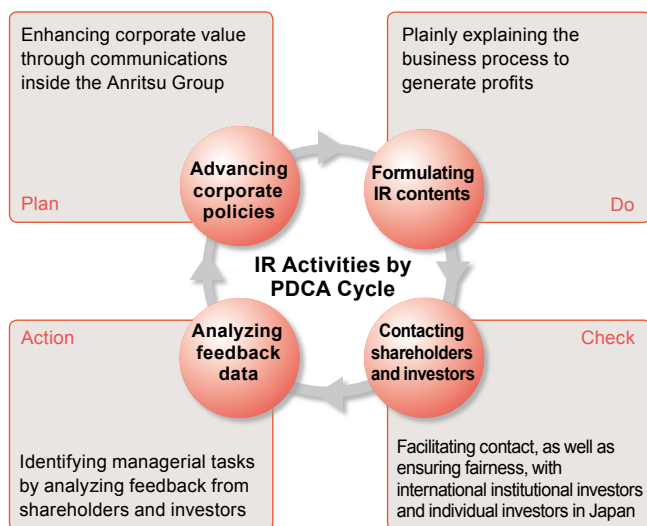


Anritsu is striving not only to disclose information that precisely responds to the needs of shareholders and investors, but also to improve IR activities by learning from shareholders' and investors' opinions. In its relations with suppliers and partners, Anritsu promotes responsible sourcing on the basis of cooperative efforts.

Communications with Shareholders and Investors

Investor Relations (IR) Activities at Anritsu Corporation

Through communications with shareholders and investors, Anritsu Corporation is conducting various IR activities, aimed at achieving high shareholder satisfaction by reflecting its corporate value in the stock price. Our IR and other related departments carry out various engagements including explanation activities for international institutional investors; participating in exhibitions for individual investors; publishing annual and business reports and other publications; and disclosing timely information on the web.



Reinforcing IR Activities for Individual Investors

Since Anritsu Corporation conducts business worldwide that general consumers may be unaware of, we think it is very important to inform our shareholders as faithfully as possible of our business structure, framework for generating profits and other factors that affect our business results.

In fiscal year 2007, the Company continued to disclose as much information as possible to institutional investors internationally, and to individual investors in Japan who own more than 40% of the total shares of the Company's stock available in the market.

We analyzed individual investors' requests submitted in questionnaires (see illustrations, in right-hand column) and disclosed more about our sales operations and other information, in order to satisfy a demand for information that is as strong as that for our technologies.

Reinforcing Information Disclosure for Individual Investors

June Business Report: Survey via Questionnaires

- What impressions do you have?
- What else do you want to know?



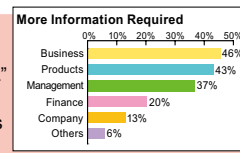
August Nikkei IR Fair: Direct Communications with Individual Investors

- Top management meeting with individual investors
- Face-to-face communications at exhibition booths



September Questionnaires and IR Fair: Feedback and Analysis

- "I want more information about your business."
- "I know that Anritsu has high technology, and there is room for improving disclosure of sales activity information."



December Semi-annual Business Report: Information Disclosure Improved

- We presented a detailed report on business operations in China



Honors from External Organizations

Anritsu Corporation was granted a Disclosure Award by the Tokyo Stock Exchange for being a forerunner in disclosure of quarterly business information, and for providing more explanatory information on earnings and segments.

In addition, our annual report 2007 was granted an 'Annual Report Award 2007' honorable mention by Nikkei Inc. for clearly explaining the global development of the company's cutting-edge telecommunications and measurement business, as well as market conditions.

In receiving these awards, we reconfirmed our responsibility with regard to information disclosure. We aim at responding to the need for information among all investors inside and outside Japan, plainly explaining businesses that they rarely come in contact with in their everyday lives. These include manufacturing measuring instruments for mobile phones and Next-Generation Networks (NGN), and industrial machines that underpin food safety.

Communications with Suppliers and Partners

Today's business enterprises are required to promote such activities as compliance, environmental conservation and respect for human rights, not only internally but also in their supply chains. Through conferences in which budget plans are explained to suppliers and partners, and request letters signed by executive officers, Anritsu Corporation is not only explaining the purposes and contents of its Basic Rules of Procurement and Requests based on a CSR perspective — it is also making efforts to encourage its primary suppliers and partners to convey those rules to secondary suppliers and partners. We are asking our suppliers and partners to fully understand our policies and intentions, so that we can promote responsible sourcing in cooperative ways.

**[Basic Rules of Procurement]****1. Selection of suppliers and partners**

Anritsu always keeps the door open to new potential suppliers and partners inside and outside Japan, in a spirit of fairness and harmony. Anritsu objectively selects suppliers and partners based on proper standards — focusing on quality, price, delivery schedules and environmental measures.

2. Partnership

Anritsu builds mutually beneficial relationships with all suppliers and partners through sound business practices.

3. Compliance and secrecy protection

Anritsu conducts business in full compliance with relevant laws, and does not disclose information acquired through business with suppliers and partners to any third party without these suppliers' and partners' prior consent.

4. Activity based on ethical concepts

Personnel involved in procurement keep in mind at all times the importance of performing assignments fairly, free of personal interests with suppliers and partners, while maintaining sound relationships with these parties.

5. Considerations of human rights and labor

Anritsu respects human rights and promotes industrial hygiene, safety and security, and requests that suppliers and partners agree to this policy and promote these activities as part of their supply chain operations. Anritsu may reconsider relationships with suppliers and partners if their business operations are linked with human rights violations, such as the use of child labor, racial and sexual discrimination, etc.

[Requests]**1. Observance of laws and social norms**

Observance of relevant laws, prohibition of child labor, forced labor and cheap labor; and prohibition of discrimination.

2. Environmental considerations

Realization of environmental measures in line with Anritsu's Green Procurement Guidelines, environmental requirements, etc.

3. Ensuring good quality, supply at fair prices and maintenance of delivery schedules**4. Preventing leakage of secret information and respect for intellectual property rights****5. Prompt response to contingencies and timely, appropriate information disclosure**

Partnering to Promote CSR

Yoshitomi Takeyama
Assistant Manager,
1st Electronic Device Sales Division,
Satori Electric Co., Ltd.

It has been more than 30 years since our company started its electronic components dealings with Anritsu. I have been in charge of these dealings with Anritsu for about 10 years. Anritsu Corporation introduced its 'Basic Rules of Procurement' and 'Requests' at the Fujimi Meeting (an association of suppliers and partners in Japan). We accept them as being natural guidelines required for the times and society in which we operate. Since we adopted them, we have had the chance to make discoveries that started our own environmental activities. We have, for example, proposed reducing packaging materials for products that we deliver to the Company, in the spirit of co-promoting CSR activities that are taking root at our company. We have acknowledged Anritsu's determination to promote win-win partnerships with suppliers. Satori Electric is committed to supporting the CSR initiatives of Anritsu Corporation.

To respect the human rights of all, Anritsu has been increasing efforts to create workplaces where diverse people can work in comfort.

Creating Work for People with Handicaps

Step by step, Anritsu Corporation has achieved its three-year plan target to satisfy the legal requirement that 1.8% of its workforce is comprised of employees with handicaps, through support from the Association of Employment Development and related departments.

In fiscal year 2008 we will continue broadening our activities, increasing our barrier-free facilities for example.

Progress of the three-year plan	2004/12	2005/12	2006/12	2007/12
Planned ratio (non-consolidated)	—	1.23%	1.43%	1.80%
Actual ratio (non-consolidated)	1.17%	1.31%	1.48%	1.84%
Ref: Actual ratio (in Japan, consolidated)	1.20%	1.27%	1.33%	1.57%

Human Rights Education

For human rights education activities, Anritsu is focusing on subjects that require constant attention, such as discrimination against minority groups, sexual harassment and abuse of power in the workplace. We provide information on poverty and other problems in many parts of the world by showing films and exhibitions of NPO activities to employees, to further raise their awareness of such problems as members of a global enterprise. In fiscal 2008, we continue activities from two perspectives — our immediate surroundings and the world at large.

Balancing Work and Family

In fiscal 2007, Anritsu Corp. finished implementing an ability development support program, an assistance system to support temporary child-raising and a short working hour system for employees who have children attending lower grades in primary school.

From fiscal 2008 onward we will formulate the next three-year plan and make it easier for male employees to participate in child-raising, by consolidating and promoting the system of taking leave while creating an atmosphere such that anyone can freely apply. We will promote this initiative as we stimulate understanding and a sense of cooperation in the workplace.

Anritsu Corporation's Action Plan to Support Child Welfare — 2nd Stage (April 1, 2008 to March 31, 2011)

Objectives	Measures
Allow men and women employees to take leave for child-raising with greater peace of mind.	Make a child-raising leave system and other benefits available.
Reinforce system to help parent employees with temporary child-raising service charges.	Subsidize child-raising service charges at a family support center run by a local government.
Enhance understanding among employees that we support greater work-family balance in child-raising.	Produce and distribute our guidebook pertaining to our child-raising and related systems, etc.



To build win-win relationships of mutual growth for the company and employees, Anritsu respects each employee's individuality and continuously promotes his or her personal development.

Recruiting across Countries

Anritsu Corp. and Group Companies in Japan promote recruitment regardless of nationality by such means as participating in recruiting fairs held by universities overseas and employing international students in Japan. As of December 2007, 25 Anritsu Group employees working at our facilities in Japan are from abroad.

They may face extra challenges from day to day, with many information circulars and notices written in Japanese only. Still, our recent efforts include compiling an employees' guidebook for daily life, and overall conditions for our international staff have been improving.

Global Employee Training Program

Anritsu Group offers various educational training and self-development programs so that each member of staff can effectively communicate with customers from around the globe. The Global Employee Training Program stands out for its uniqueness among these. We outline below the program and its participants in fiscal year 2007.

Global Employee Training Program

Program name	General description	Period	FY 2007 participants			
			Japan	Americas	EMEA	Asia and Others
Global Leader Development Training	Developing strategic planning and management skills of employees on track for future global management roles. All training is conducted in English.	One year	4	2	4	2
Global Employee Exchange Program	Human resources exchange among staff in Japan, the Americas, EMEA and Asia. Trainees broaden their vision by learning about languages, cultures and values.	One to twelve months	6	4	0	0



I'll Remain as a Specialist at Anritsu

Michal Pawlowski
Doctor of Engineering,
Development Department,
Anritsu Precision Co., Ltd.

I graduated from a doctorate program in Poland, my home country, and then came to the University of Electro-Communications in Tokyo, where I continued studying form measurement. I first had a chance to learn about Anritsu in the course of collaborative development of interferometers using a white light source for precision measurement. This



Cross-Cultural Communication with Sincerity

Eri Minato
Human Resource Management Team,
Human Resource and
Administration Department,
Anritsu Corporation

I am in charge of supporting Anritsu employees from abroad who visit Japan with the Global Employee Exchange Program on a short-stay basis, and in particular for their lives away from work. This is not solely a business experience, but is also designed to naturally promote cultural exchange while participants work and live in the host country. This program has been very rewarding both for the participants and those who hosted them.

Most of the participants that come to Japan don't speak Japanese. We provide them with lodging arrangements and information on such diverse matters as garbage collection and bank locations. We sometimes even accompany them to pharmacists and hospitals, if needed. While we expect the departments that host the visitors to support them as required, we serve as their "help desk." In cross-cultural communication, I believe, it is important to take time to understand each other patiently and gradually, without haste. I know how important it is not to pretend to understand if I don't yet understand, as well as allowing as much time as needed to grasp exactly what my clients want to say and to do my best to be totally sincere in my attitude toward them.

encouraged me to join Anritsu, where my immediate task is to develop measurement algorithms for a measuring device that measures the ultra-small height of a nanometer scale and is used in manufacturing processes and quality control of liquid display panels. At Anritsu, I was surprised to find that each engineer enjoys a wider range of responsibilities than in Europe. This greater responsibility is more demanding, yet more encouraging, and suits my nature better. At Anritsu, myself and other colleagues from overseas enjoy full support both at work and in our daily lives, even though we are not locals. Employees at Anritsu are friendly, and working conditions are excellent. Cultures are different, but I enjoy this difference. I like every process of my development work and every day is refreshing. I believe that my position at this high-tech global company is my ideal vocation, and as a specialist, I want to continue working at Anritsu for as long as possible.

Based on its policy of valuing employees, Anritsu Group has adopted 'safety first' and 'health maintenance and enhancement' as basic concepts to ensure a secure, hygienic and comfortable working environment.

Current Activities

The production line management and staff departments at Anritsu Corporation have established a safety and health management system that complies with the Occupational Safety and Health Act in Japan. Combining production with safety and health activities, we are executing the following measures:

- Checking the status of activities and formulating plans to prevent employee accidents at the Safety and Health Committee's monthly meetings.
- Reducing risks by conducting inspections before introducing, relocating or changing equipment, or when purchasing chemical substances.
- Enhancing awareness of safety and health through training for different organizational levels, and seminars by invited speakers.
- Providing safe, secure and comfortable workplaces by assessing working environments and conducting periodic inspections.
- Exchanging information on safety and health with relevant business/public service organizations.



Traffic risk prediction seminars



Life-saving workshops

Labor Accidents

Although one minor injury occurred at our Atsugi site, no accidents leading to absence from work were reported during fiscal year 2007, as in the previous fiscal year. In May 2007 we reached a record of 7 million labor-hours without any accidents occurring. We are currently continuing to extend this record.

Health Management

Our industrial health staff, supported by industrial health specialists, is promoting the following major activities as part of Anritsu employees' healthcare:

- Implementing health checkups — initial, periodical, special and for expatriates; and encouraging employees to make appointments for secondary checkups if advised.
- Screening those who work extended hours by questionnaire and offering advice and instruction through industrial specialists' interviews, in order to prevent damage to health.
- Providing mental health counseling.
- Raising health awareness by providing appropriate training, timely consultation and other health programs (THP walking).



Lifestyle disease prevention seminars



THP seminars



As a good corporate citizen, the Anritsu Group engages in various social contribution activities in order to develop relations with local societies.

Supporting Youth Education

● Company Tour and Vocational Experience for Elementary School Pupils

About 170 third graders from a neighboring elementary school and their parents visited the Atsugi headquarters of Anritsu Corporation in November 2007, as part of the school's social studies class in order to (1) understand and familiarize themselves with local businesses and (2) learn how products are manufactured by watching work processes. They showed great interest in the workplace, and products that they usually have few chances to see. At the end of the tour we presented them with special class name plates manufactured with a laser device at our Group Company Anritsu Techmac Co., Ltd.



● Fun Science Laboratory Sponsored by Atsugi Board of Education

To counter the trend of growing disinterest in science and technology among young people, Anritsu Corporation conducts activities in response to requests from Atsugi City. We held Fun Science Laboratory at elementary and junior high schools within the city in order to stimulate interest in science among children through thought-provoking experiences. We explained the characteristics of laser beams in plain terms and performed experiments and games using laser light.





Supporting Youth Sports

● Supporting Atsugi City Boys' Soccer Competition

Anritsu Corporation has been supporting the annual Atsugi City Boys' Soccer Competition held in February since 1995, which was Anritsu's centennial year.

This time, 32 teams, including that of an elementary school in Gunpo City (Atsugi's sister city in South Korea) participated, playing games in a setting of international exchange.



● Supporting the Hoshino Dreams Project to Realize the Dreams of Young People

Senichi Hoshino, manager of the Japan National Baseball Team, set up the Hoshino Dreams Project in October 2007 to help realize the dreams of young people. The project is designed to nurture talent in sports business management and operations, and channel these talents for the good of society. Anritsu Corporation supports the Hoshino Dreams Project, sympathizing with Hoshino's desire to 'give the stage and opportunity to ambitious youths.' As a company that has always pursued technologies that are ahead of their time since its foundation in 1895, Anritsu supports youths who strive to make their dreams come true.



OFFICIAL SPONSOR

Local Community Activities

● Certification as Atsugi First Aid Facilities

Atsugi City is building up an environment in which first aid is readily available in order to make it a town where people can live with peace of mind. Accordingly, the Atsugi First Aid Mark is issued by Atsugi City to facilities recognized as having employees who can deliver adequate first aid to injured and sick people. Anritsu Corporation was certified for the mark, which was issued in November 2007.



● Participation in Atsugi Techno Festa 2007

Anritsu Corporation and Group Companies in Japan participated in the Atsugi Techno Festa 2007 sponsored by Atsugi City and the Atsugi Chamber of Commerce to help vitalize local industry. The event was aimed at expanding business opportunities, while encouraging industry-academia and industry-industry interaction, by exhibiting and introducing state-of-the-art technologies and excellent products of businesses and universities both in Atsugi City and elsewhere. It was held at the Atsugi Chamber of Commerce for three days from October 26 to 28 and was covered by a local cable TV station.

Anritsu's exhibition included the latest mobile terminal solution system and a methane gas detector using a laser beam, and gave local residents opportunities to use Anritsu products.



Festa coverage by cable TV



Children examining measuring instruments for mobile phones



Environmental Conservation Activities

● Green Fund Activities

Anritsu Corporation headquarters in Atsugi donates part of sales proceeds from vending machines to the Green Fund in Japan. We added another machine in October and raised funds equivalent to 93 Japanese spindle and 55 Yoshino cherry trees in fiscal year 2007. This translates to 1,210 square meters of afforestation and 408 kilograms of carbon dioxide absorbed.

● Participation in Mt. Fuji Green Fund Afforestation Activity

Amid great social concern about global warming, employees of Anritsu Group in Japan took part in an environmental action called Mt. Fuji Green Fund Forest which consists of afforestation activities, in response to a call by Ricoh Leasing Co., Ltd. The Mt. Fuji Green Fund Forest is a project to regenerate over the course of 80 years forests at the foot of Mt. Fuji that had been destroyed by a typhoon. In June and September 2007, a total of 60 employees participated in this volunteer activity to help rehabilitate the environment.



● Green Day Event

Anritsu Company (USA) held a Green Day event in July 2007 with Corporate Express, Myers Motors and other environmentally conscious partners where various green activities of these companies were exhibited. Anritsu Company called on its employees to undertake green activities at home as well.

In April 2008, the event was held for the second time. Anritsu Company will continue promoting environmental conservation using educational events that are interactive and enjoyable.



Electric cars manufactured by Myers Motors



Forks made from potatoes, distributed at lunchtime

Charitable Activities

● Participation in Operation Christmas Child

Anritsu EMEA Ltd. (UK) employees gave Christmas gifts to underprivileged children through Operation Christmas Child conducted by Samaritan's Purse, a religious organization.



Operation Christmas Child is an annual event involving various businesses and organizations to give shoeboxes filled with toys and school supplies to children throughout the world, regardless of nationality, political background and religion.

● Supporting NPO Activities

In the year 2006, employees of Anritsu Group Companies in Japan took the initiative to start collection of used postage stamps and prepaid cards as a voluntary activity. This activity has taken root and results have improved from fiscal 2006. We also held a volunteer bazaar jointly with Japan International Volunteer Center, a nonprofit organization (NPO), to contribute to the center's overseas support activities.

The employees also collected foreign coins brought back from trips abroad and donated them to the Japan Committee for UNICEF (the United Nations Children's Fund) to contribute to children's medical treatment and education in developing countries.



Volunteer bazaar



Collection of used postage stamps and prepaid cards



Sorting foreign coins

Winning the Kanagawa Global Environment Award 2007

In December 2007, Anritsu Corporation won the Kanagawa Global Environment Award 2007 for its continuous environmental conservation activities. This was the 15th such annual award given by Kanagawa Prefecture and the Kanagawa Conference for the Promotion of Global Environmental Preservation.

The award organizers greatly appreciated that Anritsu has promoted pragmatic environmental activities by defining accurate identification, evaluation and minimization of its environmental impact as high priorities for operational management, with significant results; and that the Company has long served as a board member of the Kanagawa Environmental Conservation Association and engaged in the association's committee activities.

At the 'Meeting for the Prevention of Global Warming' held after the award ceremony, Anritsu reported on its initiatives at the energy subcommittee and exchanged views with participants, particularly award recipients from industry, government, academia and NPOs on energy-saving activities from various perspectives.



Award ceremony

Though promoting green activities as a corporation is crucial, Anritsu believes that raising environmental awareness of individual employees is just as important, having directed its efforts to nurture employees' 'Eco-Mind.' The award given to Anritsu Corporation for its consistent environmental activities and employee volunteer activity overseas was a highlight of fiscal year 2007.



'Meeting for the Prevention of Global Warming'



Corporate and Individual Green Activities/ Reduction of Carbon Footprints Promoting Global Environmental Protection

Highlights (Goal 3)

Joining an Eco Tour to Save Three Years' CO₂ Emissions

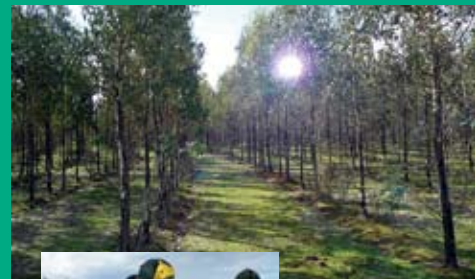


Noboru Tanaka
Environmental Promotion Center,
Anritsu Corporation

In August 2007, I participated in an eco tour of Kangaroo Island, Australia with my wife and son, using the volunteer activity leave system.

This tour, organized since the year 2002 by NEC Corporation as part of its measures to counter global warming, is aimed at planting 3.3 million eucalyptus and other trees on 3,000 hectares of land, which is equivalent to about one-third the area of Atsugi, the city in which Anritsu Corporation headquarters are located. Eucalyptus grows to a height of about 20 meters to become harvestable in about 10 years. One tree yields an average of 15,000 sheets of A4 copy paper.

During the tour, the three of us planted a total of 41 trees that would absorb about 16 tons of carbon dioxide (CO₂) in 20 years. As we caused CO₂ emissions of about 6 tons by traveling, mainly from our flight, the net CO₂ emission reduction would amount to approximately 10 tons. As an average person emits 0.36 ton of CO₂ a year, the three of us would achieve a cut of about three years' CO₂ emission as a family. We enjoyed making a small contribution to countering global warming by joining this afforestation tour.



Eucalyptus four years
after planting



Digging holes for
young trees



Planting certificates

Anritsu's Activities to Help Preserve the Global Environment

<http://www.anritsu.com/AboutAnritsu/csr/Environment/>

For detailed environmental data of each major site,
please refer to our website.

Developing corporate environmental management groupwide, Anritsu further advances its activities towards the creation of Eco-Offices, Eco-Factories and Eco-Products with Eco-Minded Employees. This report covers our main activities during fiscal year 2007 related to these topics.

By promoting adoption of the Environmental Management System (ISO 14001), we are making efforts to improve environmental auditing and enhance performance. In this way, we are publicizing our management attitudes toward the environment and providing information to stakeholders such as local residents, shareholders and customers.

Eco-Management

By fully recognizing his or her own role, each employee works to promote environmental improvement and a sustainable society.

Eco-Minded Employees

We supply leading products that are environmentally friendly throughout their lifecycles and that satisfy customers' needs based on performance, quality and price.

Eco-Products

Eco-Office

Through environmental improvement efforts such as energy conservation in offices, waste management and resource conservation, we support the manufacturing of ecological products and expansion of ecological factories.

Eco-Factory

We make efforts to improve the global environment through energy reduction and conservation, waste management and other means, in each factory process. We do this while working within legal regulations and reducing environmental risks.

The articles in "Preserving the Global Environment" cover Anritsu Corp. and the following Group Companies:

Group Companies in Japan: Anritsu Industrial Solutions Co., Ltd., Tohoku Anritsu Co., Ltd., Anritsu Customer Services Co., Ltd., Anritsu Devices Co., Ltd., Anritsu Networks Co., Ltd., Anritsu Precision Co., Ltd., Anritsu Engineering Co., Ltd., Anritsu Kousan Co., Ltd., Anritsu Techmac Co., Ltd. and Anritsu Pro Associe Co., Ltd.; and **Group Companies outside Japan:** Anritsu Company (USA), Anritsu Ltd. (UK) and Anritsu A/S (Denmark)

Advancing Toward a Lower-Carbon Economy

Koichiro Takahashi
Vice President, Senior Manager,
Environmental Promotion Center,
Anritsu Corporation



2008 is the first year of the initial commitment period of the Kyoto Protocol, and we now see numerous TV programs and newspaper articles warning about the advance of global warming. The Anritsu Group regards efforts to counter global warming as among the most important environmental activities, and has been saving energy at factories and offices and making products more energy efficient. In terms of CO₂ emissions, the Anritsu Group companies in Japan use 19% less energy than

in fiscal 1990. Also, we have been working to develop products that consume at least 30% less energy than their respective benchmarks, and we achieved this target in 53% of our products developed in fiscal 2007. Outside Japan, Anritsu Company (USA) and Anritsu Ltd. (UK) set energy-saving targets and the former has made the remarkable achievement of reducing its electricity consumption by 9% since fiscal 2006.

Anritsu has become an active member of the Green IT Promotion Council which was established by a partnership of industry, government and academic groups in February 2008. The Council aims to discuss concrete solutions to make IT machines more energy efficient and use IT and electronics technology to reduce carbon footprints of our socio-economic activities. Anritsu will continue to improve the energy efficiency of its entire business activities and contribute to building a lower-carbon economy through its solutions.



Contributing to Build a Safe, Secure and
Comfortable Society

Maintaining Harmony with the Global
Socio-Economy

Promoting Global Environmental Protection

Promoting Communications



Anritsu has been making groupwide efforts to build and operate environmental management systems, promoting global corporate environmental management. We also work to enhance employees' Eco-Mind so that all members of Anritsu will be able to help improve the environment in their daily operations.

Environmental Management System

We have built environmental management systems and obtained the ISO14001 certificate at Anritsu Group's main production sites in Japan, the United States (Anritsu Company) and the United Kingdom (Anritsu Ltd.). We will introduce environmental management systems at all sales sites of Anritsu Corporation in fiscal year 2008.

Acquisition of ISO14001 Certificate

Certified companies	Certificates registered in	Certifying organizations
<ul style="list-style-type: none"> Anritsu Corporation with its Group companies: Anritsu Industrial Solutions Co., Ltd. Anritsu Customer Services Co., Ltd. Anritsu Networks Co., Ltd. Anritsu Precision Co., Ltd.*1 Anritsu Engineering Co., Ltd. Anritsu Kousan Co., Ltd. Anritsu Techmac Co., Ltd. Anritsu Pro Associe Co., Ltd. Anritsu Devices Co., Ltd. Tohoku Anritsu Co., Ltd.*2 	August 1998	JQA
Anritsu Company (USA)	March 2007	NQA
Anritsu Limited (UK)	March 2000	BSI

*1 After its separation from Anritsu Corporation, Anritsu Precision Co., Ltd. expects to be certified following expanded examination in August 2008.

*2 Tohoku Anritsu Co., Ltd. obtained the certificate on its own in October 1999, which was integrated into the Group certificate in fiscal 2003.

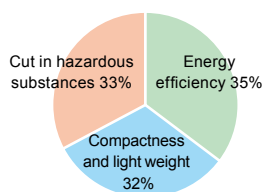
Compliance

The Anritsu Group companies in Japan have their own environmental control standards that are more stringent than required by laws and regulations. In fiscal 2007, water quality, air quality and noise were kept within allowable limits at the Atsugi, Tanasawa and Tohoku sites. (For site-specific standards and results, please refer to <http://www.anritsu.com/AboutAnritsu/csr/Environment/data.asp>) No legal action was brought against us and we received no complaint from the neighborhoods in the vicinity of our sites.

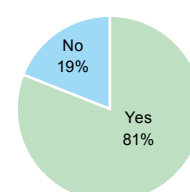
CS Survey with an Environmental Perspective

In order to supply environmentally conscious products that meet customers' needs, we added related items to the CS survey (Japan) from fiscal 2007. The result showed that more than 80% of our customers seek environmentally conscious products. Their preferences are almost equally balanced among different priorities: 35% for energy efficiency, 33% for reduction of hazardous substances, and 32% for compactness and light weight. 60% of the respondents expressed satisfaction with Anritsu's environmentally conscious products. We will continue to develop products with environmental performances that satisfy our customers.

What do you emphasize most in environmental consciousness?



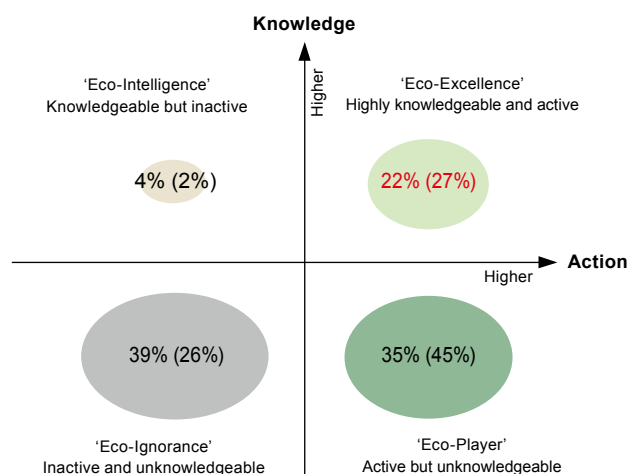
Do you actively buy environmentally friendly products?



Survey on Environmental Consciousness of Employees

To measure the degree to which we share Eco-Mind awareness, we conducted the second environmental awareness survey covering all employees of Anritsu Group companies in Japan. We designed the questionnaire to check respondents' understanding of environmental terminology and actions related to environmental issues. Using these results, we analyzed how the respondents' degree of environmental awareness correlates to their relevant actions and compares with the previous results.

Respondents sharply increased from 42% in fiscal 2006 to 57%, suggesting a higher level of environmental awareness. However, the proportion of the Eco-Excellence group characterized by advanced environmental knowledge and environmentally friendly behavior declined from 27% to 22%. On the basis of the analysis, we will implement training to raise the response rate for the next survey and the number of Eco-Excellence employees.



Figures in parentheses are fiscal 2006 survey results.



Anritsu is reducing its environmental load in a comprehensive way by strengthening management of and further reducing emissions of CO₂, waste and hazardous substances from offices and factories.

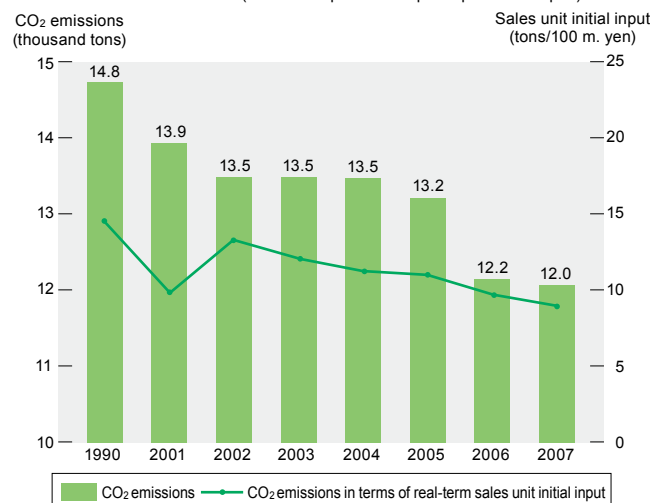
Activities to Counter Global Warming

Greenhouse gas emissions from Anritsu Corp. and Group companies in Japan (at Atsugi, Tanasawa and Tohoku sites) are mostly CO₂ emissions that result from energy use. Therefore, we are effectively reducing these emissions by continuously targeting cuts in our energy consumption.

In fiscal year 2007, we expanded the use of inverters for lighting at the Atsugi site and implemented measures for energy-efficient operation of various equipment for clean rooms at the Tanasawa site. At the Tohoku site, we made equipment more efficient, introducing inverters for lighting and installing lighting equipment with sensors that detect a human presence. For the Cool Biz and Warm Biz activities conducted every year since the Anritsu Group companies in Japan joined the government-promoted Team Minus 6% effort against global warming in the year 2005, we enforced preset air conditioner temperatures of 28°C for summer and 20°C for winter. We are utilizing various methods, such as increasing indoor air flow during summer and ensuring higher humidity levels during winter.

As a result, the Anritsu Corp. and Group companies in Japan reduced their electricity consumption below that of fiscal 2006, to the lowest level since the establishment of the Tanasawa site in fiscal 2001. Electricity usage (absolute value) dropped 2% from fiscal 2006 to 27,952MWh, while CO₂ emissions from the use of energy (absolute value) also fell 2% to 12,003 tons. Consequently, in terms of real-term sales unit initial input, electricity consumption amounted to 19.4MWh per 100 million yen and CO₂ emissions amounted to 8.3 tons per 100 million yen. Both of these amounts marked 4% declines from corresponding levels of fiscal 2006, surpassing targets for a 1% cut in each case.

Transition of CO₂ emissions* (Anritsu Corp. and Group companies in Japan)

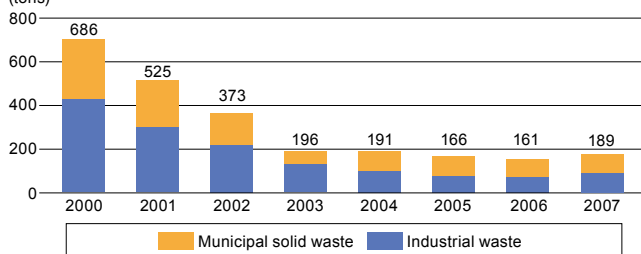


* CO₂ emission conversion coefficient for electricity usage was calculated by using the value published by the Federation of Electric Power Companies of Japan. Emissions for fiscal 2007 are calculated based on the results for fiscal 2006.

Waste Reduction

Until fiscal 2006, we had reduced industrial waste by setting targets relative to our fiscal 2000 industrial waste levels. After achieving our initial goals, we expanded the scope of waste reduction by grouping industrial waste together with municipal solid waste in fiscal 2007 and set a target to cut total waste by 2% from fiscal 2006 in terms of real-term sales unit initial input. However, the Atsugi site's wastewater processing facilities discharged 30 tons of sludge beyond our initial estimation, and total waste emissions for fiscal 2007 increased 14% in terms of real-term sales unit initial input, as waste volume increased by 28 tons. We will eliminate the cause of such excess waste in fiscal 2008 and start our efforts again to reach our target of a 2% cut compared to fiscal 2006.

Transition of waste emissions (Anritsu Corp. and Group companies in Japan)
(tons)



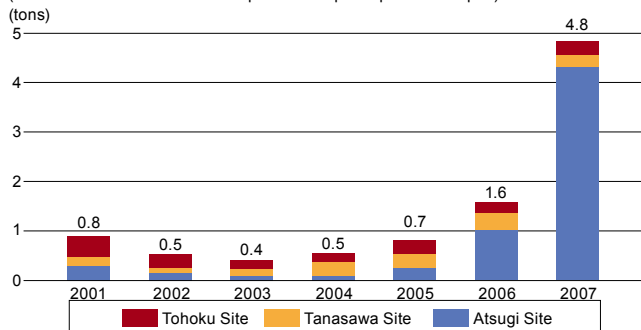
Chemical Substances Management under PRTR Law

The amount of liquid bisphenol A epoxy resin handled at the Atsugi site exceeded one ton in fiscal 2007 and we made a report on this under the Japanese PRTR system**. The amount of this liquid substance, a component of epoxy resin, handled at the site rose sharply from 192kg in fiscal 2005, to 942kg in fiscal 2006, and 4,284kg in fiscal 2007 as use of epoxy resin for production of metal detectors was shifted in 2006 to Anritsu Industrial Solutions Co., Ltd. from an external supplier. Anritsu Industrial Solutions Co., Ltd. will formulate a plan to minimize such use of epoxy resin and intends to implement it from fiscal 2008 onward.

At the Tanasawa site, ethylene glycol mono-ethyl ether was the substance used in the largest quantity (200kg). At the Tohoku site, lead and lead compounds were the substances most used (205kg).

** The PRTR 'Pollutant Release and Transfer Register' system is intended to regulate business operators, provide better information about the amounts of specific chemical substances that they handle and promote better management of chemical substances.

Amount of Substances Covered by the PRTR System
(Amounts handled at Anritsu Corp. and Group companies in Japan)
(tons)



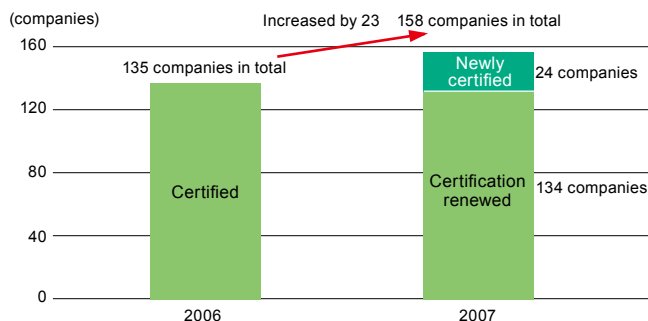


Promoting Supply Chain Management

● EMS Support (Environmental Partner Company Certification System)

Environmental management of suppliers is a key factor for practicing green procurement. Anritsu Corporation's environmental partner company certification system evaluates the status of Anritsu suppliers' environmental management systems (EMS) and product assessment procedures, in order to procure environmentally conscious products from greener suppliers and to encourage environmental activities in our supply chain. Anritsu Corporation ranks its suppliers into three categories, and certifies "A" ranked suppliers that aggressively promote environmental activities as environmental partner companies. We have also been continuously cooperating with suppliers ranked as B or C to help them enhance their environmental efforts.

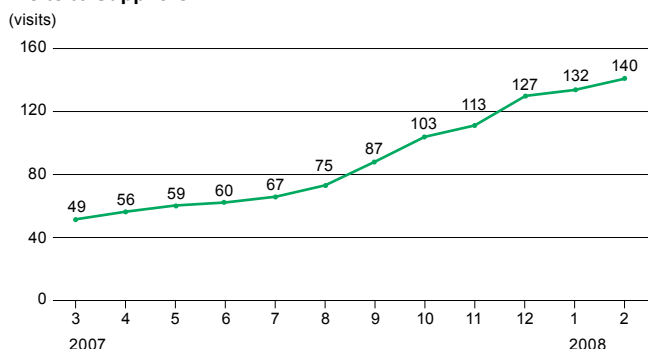
Suppliers Newly Certified as Environment Partners/Renewal of Certification



● Control of Hazardous Substances

In order to eliminate hazardous substances from our products, it is necessary that our suppliers and those companies further upstream continuously control chemical substances in products appropriately. Anritsu Corp. and Group companies in Japan have visited suppliers since fiscal year 2006 to check the status of their control of chemical substances contained in their products. In addition, we conducted on-site checks and provided guidance and support for about 100 manufacturers of mechanical parts and materials in fiscal 2007, strengthening the control of chemical substances contained in products throughout the entire supply chain.

Visits to Suppliers



Sharing Ideas That Enrich Lives

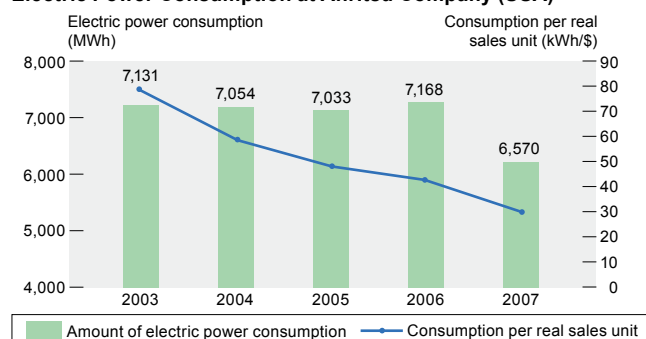
Eric McLean
Director of Quality,
Anritsu Company

At Anritsu Company in the U.S.A., I am a manager of calibration, metrology, documentation, new product testing, auditing and other work. In addition, I'm in charge of a project to realize targets to consume 2% less electricity, despite our projected growth in revenue, and 10% less water. At Anritsu Company in Morgan Hill, we are internally promoting a web-based ISO14001 and other environmental training programs. These efforts have helped promote environmental concerns and awareness. Our staff is now receptive to more ambitious application of solar power, recycling and conservation.

These are exciting times. By using less energy to make products, even as our revenues grow, we prove that our thriving business is compatible with our declining environmental impact. It is a great advantage for us that Anritsu Corporation has the foresight and generosity to help us navigate CSR and environmental issues at a time when many companies in the U.S.A. are being encouraged by employees and shareholders to reduce their carbon footprints.

Our ultimate measure of progress is how well we share ideas that enrich peoples' lives in the long run. In collaboration with other Anritsu Group companies and our stakeholders at local and other communities, Anritsu Company in Morgan Hill will continue efforts to contribute to sustainable development of society.

Electric Power Consumption at Anritsu Company (USA)



Anritsu Company (USA) successfully reduced energy consumption by enhancing environmental awareness among employees, and encouraging them to switch off PCs and other electrical devices when not in use.

Eco-Products: Development of Environmentally Conscious Products



Anritsu complies with environmental regulations around the world and conducts high-quality product assessment from the early design stage of every product's development. We also develop environmentally conscious products that are free of hazardous substances and save energy and resources.

Complying with Globally Expanding Environmental Regulations

In the EU, the WEEE Directive, RoHS Directive, and REACH regulations presenting new rules for controlling chemical substances came into effect in fiscal years 2005, 2006, and 2007, respectively. In China and the United States, similar regulations have been legislated. To deal with rapidly expanding environmental regulations worldwide, Anritsu organized the Global Environment Management Meeting with Anritsu Group companies in the United States, Denmark and elsewhere, in order to share information and standardize our approaches to these regulations.

As the supply chain is important for swift compliance with environmental regulations, we are working with suppliers toward achieving better mutual understanding and cooperation.

Environmental Considerations from Design and Development Stage

In fiscal 2007, environmentally conscious products accounted for 74% of all products developed, achieving our target of 70% or higher. We established global product assessment standards to prepare for implementing product assessment at our development sites outside Japan.

● Making Clean Products

The Anritsu Group has been reducing hazardous substances contained in its products. In the wake of the EU's enforcement of the RoHS Directive, we have been emphasizing hazardous substance-free design.

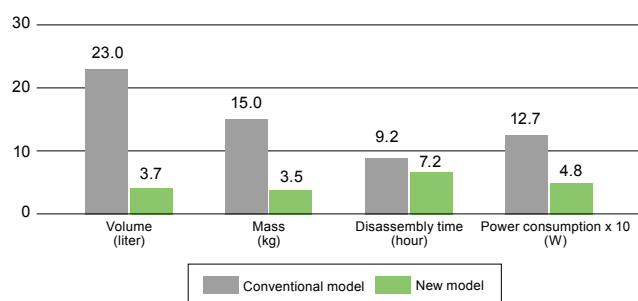
In fiscal 2007, we made the MK5302A4 Chip Inspector RoHS-compliant, improving the quality of installed substrates by checking the shape of terminals of installed electronic parts at high speed and high precision, without any contact. In order to cut hazardous substances from the design stage, we researched the content of lead in electrical parts and chromium hexavalent in plating and painting, and replaced unsuitable parts with clean alternatives. We also analyzed procured parts and materials with the fluorescent X-ray analyzer introduced in fiscal 2006.



MK5302A4 Chip Inspector

● Product Assessment Example

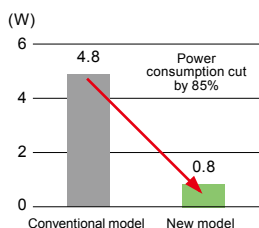
79% (exceeding our target of more than 30%) of all Anritsu products developed in fiscal 2007 use at least 10% less resources. The KL1330A/KL2330A displacementmeters use a new power-efficient microcomputer and highly integrated signal processing circuit. The use of an aluminum case and downsized optical system made it possible to cut sensor size and weight. As one control unit now can control up to 10 sensor heads, the models consume less power when multiple heads are in use. As a result, we achieved average improvement of 61% in volume, mass, disassembly time and power consumption compared with a conventional model.



KL1330A/KL2330A Displacementmeters

● Example of Energy Efficient Design

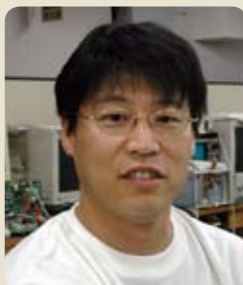
In fiscal 2007, 53% (exceeding our target of over 20%) of all products developed by Anritsu Group Companies in Japan gained at least 30% greater power efficiency. The AF4Y108GA85J, a light source for optical communications, had its conventional butterfly-type module replaced by a less costly 1.48μm cylindrical module. The use of a semiconductor device structure that yields high optical output power even at high temperature and heat radiation-efficient module materials eliminated the need for a thermoelectric cooler, resulting in 85% reduction in power consumption compared to a conventional model.



AF4Y108GA85J 1.48μm Cylindrical Module



Anritsu assesses its products according to an original procedure and defines those, which satisfy a set of environmental standards, such as possession of industry-leading environmentally conscious characteristics, as 'Excellent Eco Products'.



Tatsuyuki Maki
Assistant Manager,
Planning Team 3,
Product Planning Center,
Marketing Headquarters,
Anritsu Corporation

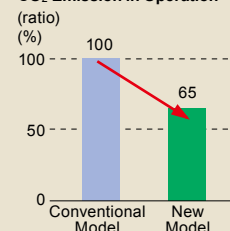
Combining High Measuring Capability and Compactness

The Fiber To The Home (FTTH) service, provided by the laying of fiber optic cable to homes, has been spreading widely across the world. The MT9090A Network Master Series is a measuring instrument for detecting the location of a break point in optical fiber between the optical splitter and the home. We adopted new parts in order to make the instrument compact and light enough for any worker to carry. In particular, we succeeded in making the optical module, the key to effective operation, a one-piece unit without sacrificing performance and it is the first of its kind in the industry. We thus combined high measuring accuracy, such as short dead zone performance (short length of the unmeasurable 'blind zone' area), with compactness. With these innovations, we have reduced CO₂ emissions during the instrument's operation by 35% compared with a conventional model.



MT9090A
Network Master Series

CO₂ Emission in Operation



Takehiko Sato
Development Project Team,
Engineering Department,
Tohoku Anritsu Co., Ltd.

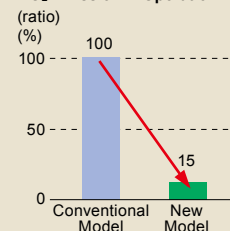
New Concept for a Handy Measuring Instrument

The ML8760A Handy Area Tester is an instrument for measuring radio wave strength of a mobile phone base station. Demand has been rising for a light, compact, battery-operated model that can be easily carried and used in a confined space that is inaccessible to vehicles, or in an underground mall. As it features the same display and module housing as the MT9090A (see the column above), the space available for the measuring circuit was limited. Given this constraint, we selected parts and devised a method to install them onto printed circuit boards through trial and error, realizing a measuring instrument that is unprecedented in its application field in terms of small size. It also cuts CO₂ emissions during operation by as much as 85% compared with a conventional model.



ML8760A
Handy Area Testers

CO₂ Emission in Operation



Yasunori Yamada
Assistant Manager,
First Development Department,
R&D Management Headquarters,
Anritsu Corporation

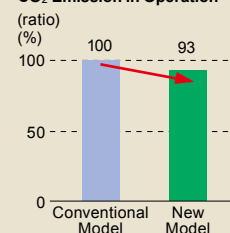
Efficient Use of Space, Down to the Millimeter

The MS2690A/91A/92A Signal Analyzers are signal-measuring instruments utilized for such applications as transmission tests during development of next-generation mobile phone terminals. We digitized the circuit into a single LSI (large-scale integrated circuit), which previously required one complete board, and achieved efficient use of space down to the millimeter mainly by employing state-of-the-art memory technologies. As a result, these analyzers have three slots for expanding future functions, and an additional signal generator enables both transmission and reception tests with a single unit. With these improvements, we not only achieved higher frequencies and wider bandwidths, but also reduced CO₂ emissions by 7% compared with a conventional model.



MS2690A/91A/92A
Signal Analyzers

CO₂ Emission in Operation



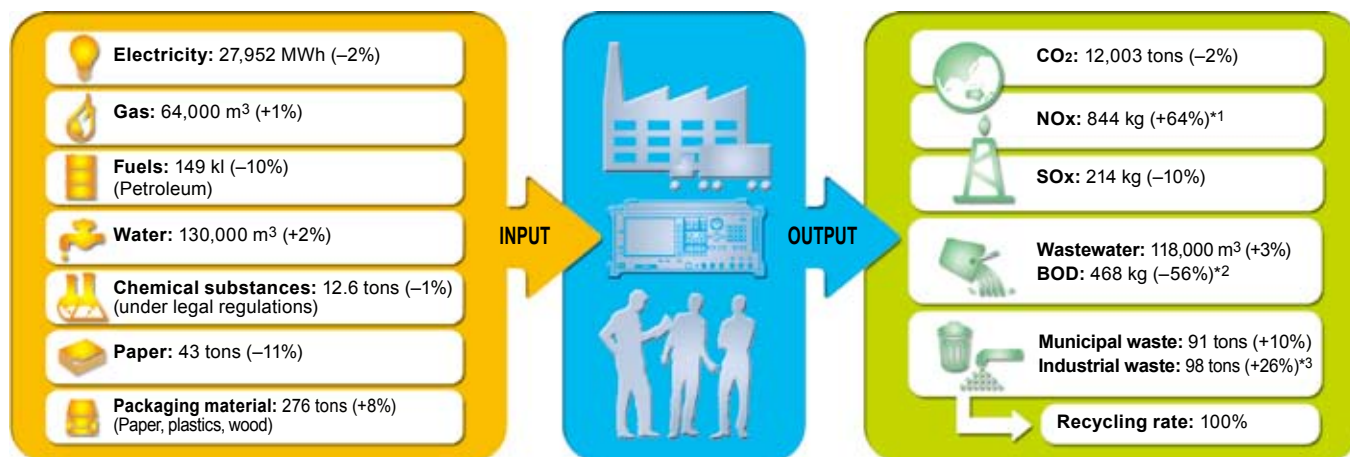


Anritsu quantifies its environmental impact and environmental protection activities in monetary and physical units in order to assess and upgrade the efficiency of these activities. We disclose the results to enable our stakeholders to gain a deeper understanding of our environmental actions.

Environmental Impact Data

The environmental impact data* of business activities at Anritsu Corp. and Group manufacturing sites in Japan (Atsugi, Tanasawa and Tohoku) is shown in figures below. Percentage changes from fiscal year 2006 are in parentheses. For information on the environmental impact which also covers that outside of Japan, please refer to www.anritsu.com/AboutAnritsu/csr/Environment/mass_balance.asp

*In order to more clearly present the relationship between business activities and environmental impact, substances brought into a company from outside are checked and described by name and volume. The substances are shown in a comparative table that also shows the names and volumes of substances emitted from or disposed of by the company, representing their environmental impact.



INPUT **Electricity:** Electric power purchased from power companies for use at manufacturing sites and offices **Gas:** City gas used as energy **Fuels:** Heavy oil and light oil used as energy **Water:** Tap water and ground water (excluding recycled water) **Chemical substances:** Chemical substances that are regulated by laws in Japan **Paper:** Copy paper and EDP paper used at factories and offices **Packaging material:** Wrapping, packing and packaging material for products and packaging material for transportation

OUTPUT **CO₂:** Carbon dioxide generated as a result of using electricity, gas and fuels (CO₂ emission volume was calculated using the conversion factor defined in fiscal 2006 by the Federation of Electric Power Companies of Japan) **NO_x:** Nitrogen oxides generated as a result of using gas and fuels **SO_x:** Sulfuric oxides generated as a result of using gas and fuels **Wastewater:** Wastewater discharged from manufacturing sites and offices **BOD:** Biochemical oxygen demand **Municipal waste:** Waste other than industrial waste that is generated as a result of business activities (such as kitchen waste, waste paper and waste wood) **Industrial waste:** Waste generated as a result of business activities, that is regulated by the 'Waste Disposal and Public Cleaning Law' such as sludge, waste plastics, waste acid and waste alkali **Recycling:** Thermal recycling and material recycling of waste for uses such as parts, raw material or resources

*1: The figure shown is greater than the actual amount because we were unable to obtain one of the values required to accurately compute the NO_x emission at Tohoku site (i.e., the operation rate of the boiler during analysis of emitted gas) so used a normal operation rate for the computation instead. However, the NO_x concentration was still kept well below the legal limit.

*2: Our kitchen effluent treatment facilities at Atsugi site were refurbished and water quality was greatly improved, greatly reducing BOD. *3: Refer to page 24.

Environmental Accounting: Results of Fiscal 2007

Environmental conservation costs in fiscal 2007 were 6% lower than those in fiscal 2006. The sum of costs related to green purchasing/procurement, eliminating use of hazardous substances and development of environmentally conscious products decreased by several percent from fiscal 2006. In fiscal 2007, with investments to counter global warming 19% greater than in the previous year coupled with our overall energy-saving efforts, we reduced CO₂ emission by 13% more or 1,184 tons, despite climatic conditions both in summer and winter that were more severe than in the previous year.

Aggregate scope: Anritsu Corp. and Group Companies in Japan **Period:** April 1, 2007 to March 31, 2008 (Figures in [brackets] are the results from FY 2006)

Environmental conservation cost				Benefits* ¹	
Category	Breakdown	Investment (in million yen)	Cost (in million yen)	Economic benefits (in million yen)	Environmental impact reduction benefits
Business area cost	Pollution prevention cost	0.0 [0.0]	15.9 [30.7]	0.0 [0.0]	
	Global environmental conservation cost	4.2 [3.6]	18.4 [16.1]	43.4 [39.0]	1,184 (t-CO ₂) [1,084 (t-CO ₂)]
	Resource circulation cost		75.7 [63.5]	3.6 [8.3]	86.1 (t) [78.4 (t)] (Reduction of waste by incineration and landfill)* ²
	Waste disposal cost		35.5 [35.8]	18.1 [11.1]	
Upstream/downstream cost	Green purchasing/procurement cost		41.5 [36.2]	(25.7* ¹ [54.1])	702 (t-CO ₂)* ¹
	Design of environmentally conscious products		58.4 [66.9]		[1,477 (t-CO ₂)]
	Recycling and treatment of products, containers and packaging		2.1 [7.3]		
	Environmental education/training		21.4 [25.2]		
Administration cost	Operation and maintenance of EMS and internal audit		72.5 [86.8]		
	Environmental load monitoring and measurement cost		24.2 [24.0]		
	Personnel expenses for environmental management		24.0 [32.7]		
	Greening and upkeep of greenery		10.6 [10.9]		
Social activity cost	Support and financial contribution to community groups, environmental conservation bodies, etc.		1.2 [0.9]		
	Disclosure of information		7.0 [8.8]		
R&D cost	Research and development to reduce environmental loads		17.7 [5.9]		
Environmental remediation cost	Cost incurred for recovery from environmental degradation		0.0 [0.0]		
	Total	4.2 [3.6]	426.1 [451.7]	65.1 [58.4] (25.7 [54.1])	
	Percentage change from FY2006 to FY 2007	+11.1%	−5.6%	+11.5%	

*1: Estimated benefits have been excluded since fiscal 2003. Estimated environmental impact reduction benefits when products are in use, disclosed since fiscal 2005, are in parentheses. Reduction of electric power: 1,711 MWh [3,603 MWh]

*2: Reduction of incinerated or landfill waste: Recycled volume calculated by subtracting incinerated waste or waste buried from the total volume of industrial waste generated.



CSR Results for Fiscal 2007; CSR Objectives for Fiscal 2008

Unless otherwise specified, the contents of objectives in this table cover operations of Anritsu Corporation and its Group Companies in Japan.

CSR Issues	Objectives for Fiscal Year (FY) 2007	Results for Fiscal Year (FY) 2007
CS activities, quality improvement (P10—11)	Anritsu Company (USA) and Anritsu Corporation to plan global CS activities and promote CS activities based on core activities	Anritsu Corp. and Group Companies: <ul style="list-style-type: none"> Started project to introduce a global architecture for the website Studied CS award system for Japan on the basis of CS Prize system of U.S.A. Introduced "talk to Anritsu" Web center of U.S.A., which answers inquiries within 24 hours, in the Asia region, too Globally standardized model number ledger of shipment history to cut delivery time of repaired or calibrated products by one day on average Conducted global CS questionnaire survey and carried out activities in each country for product, quality and service improvement, which were reported to customers by CS News Conducted original CS survey focusing on services on a global scale and carried out improvement activities. Survey results improved 1.8 points from fiscal 2006
Compliance (P13)	<ol style="list-style-type: none"> Develop PDCA cycle for compliance promotion Implement and improve questionnaires on ethical matters Develop CSR activities in conjunction with the core of Corporate Ethics Month and Compliance Reinforcement Week Circulate series of case study sheets Adopt and adjust the Anritsu Group Code of Conduct to comply with local laws. Disseminate the Code of Conduct and make people familiar with it (regions outside Japan) 	<ol style="list-style-type: none"> Identified problems by analyzing the results of questionnaire survey on ethics and fed them back into following compliance promotion activities Improved questions for better identifying problems and conducted survey in October-November Continued to hold Compliance Reinforcement Week (April) and Corporate Ethics Month (October) activities Put up posters of the case study sheets issued twice a month Anritsu Corporation provided guidance to each locally incorporated company for preparation of Code of Conduct; actions are under way
Information security (P14)	<ol style="list-style-type: none"> Analyze and evaluate results of important management measures Promote employee education and training Promote Business Continuity Promotion activities Promote activities for compliance with Anritsu global security policy (regions outside Japan) 	<ol style="list-style-type: none"> Measured and evaluated progress of 40 important management measures and carried out improvement activities Conducted training and education by organizational levels (freshmen and engineers) and held lectures on security for managers and general employees Implementation of PDCA (Plan, Do, Check, Action) in information system Completed improvement of IT infrastructure that conforms to Anritsu's global security policy in the Asia region
Supply chain (P15—16)	<ol style="list-style-type: none"> Let suppliers and their sub-contractors know and understand Anritsu's procurement policies and requests, and develop collaborative environments for promoting CSR activities in supply chains overall Reinforce collaboration with sub-contractors in order to reinforce supply chain (U.S.A., U.K.) 	<ol style="list-style-type: none"> Informed suppliers of and requested compliance with Anritsu's basic procurement policy and requests at budget briefing meetings and by notices from our executive officer in charge of material procurement department Shared Anritsu's basic procurement policy and requests throughout entire Anritsu Group
Protecting human rights/Valuing employees (Career support) (P16—17)	<ol style="list-style-type: none"> Carry out 3-year program to employ handicapped people (goal is 1.80% of all employees by December 2007) (Anritsu Corp.) Carry out activities based on a program to support youth development (Anritsu Corp.) Complete its annual Affirmative Action Plan (AAP) and take specific recruitment actions to address underrepresentation of minorities in the plan (U.S.A.) 	<ol style="list-style-type: none"> Achieved target of 3-year program to employ people with handicaps: as of December 2007, the ratio reached 1.84% (Anritsu Corp.) Carried out activities based on a program to support youth development (Anritsu Corp.) Employed based on the Affirmative Action Plan (AAP) (U.S.A.)
Valuing employees (Labor safety and health) (P18)	<ol style="list-style-type: none"> Advance regulations for procedures to improve risk management stipulated by the Occupational Health and Safety Law, in order to secure employees' safety and health (Anritsu Corp.) Carry out its annual activity program, adding high-priority measures to prevent endangerment to health by overwork (Anritsu Corp.) Make an action plan by September and carry out activities according to the plan (U.S.A., U.K., China) 	<ol style="list-style-type: none"> Established Atsugi site risk assessment regulations under approval of Safety and Health Committee to improve safety and health management activities (Anritsu Corp.) Held interviews of employees at risk by company doctors every month to prevent health problems due to overwork; carried out THP (Total Health Promotion) walking for health management (Anritsu Corp.) Conducted dialogue with employees in November 2007 and fed back results to managers (U.S.A.). Held dialogue every quarter (U.K.). Improved coverage of health insurance contracts (China)
Conducting social contribution activities (P18—20)	<ol style="list-style-type: none"> Plan and carry out community contribution activities in its local Atsugi community based on its annual program (Anritsu Corp.) Devise annual programs of contributions to local communities (at manufacturing sites in Japan, except for Anritsu Corp. headquarters) Devise policies for social contribution activities as well as mid-term activity plans (U.S.A., U.K.) Continue corporate sponsorships and employee council activities (U.S.A., U.K.). Plan contribution activities for local community and promote the activities according to the plan (China). 	<ol style="list-style-type: none"> Carried out more community contribution activities than planned due to increased requests from Atsugi City and visitors (Anritsu Corp.) Planned and carried out original annual programs (Tohoku Anritsu Co., Anritsu Devices Co.). Conducted activities in cooperation with Anritsu Corp. (Anritsu Industrial Solutions Co., Anritsu Networks Co.). Formulated goals for mid-term plans in our community contribution activities. Set focus on: (a) collaborations in youth education, (b) contributions to local community and (c) environmental promotion activities. Continued activities to support community contribution events, donations and scholarships and sponsored Green Day event (U.S.A.). Participated in Christmas Child Gift event (U.K.).
Promotion of environmental management (P21—28)	<ol style="list-style-type: none"> Waste reduction and recycling <ul style="list-style-type: none"> Reduce emission of municipal and industrial wastes by 2% per real sales unit compared to FY 2006 (6% reduction targeted by FY 2009) Recycle 133,400 lbs. or more of paper in FY 2007 (U.S.A.) Resource and energy conservation <ul style="list-style-type: none"> Reduce electricity consumption by 1% per real sales unit compared to FY 2006 (3% reduction targeted by FY 2009) Reduce CO₂ emission from energy consumption by 1% per real sales unit compared to FY 2006 (3% reduction targeted by FY 2009) Reduce energy use by 10% per sales unit as an average ratio between FY 2003 and 2006 (U.S.A.) Reduce paper purchases and use by 10% compared with FY 2005 (U.S.A.) Eco Products <ul style="list-style-type: none"> 70% or more of our products should become environmentally conscious during FY 2007 (80% or more by FY 2008) 30% of our products under development should save resources by 10% or more (in terms of volume, mass, disassembly time and power consumption), compared to existing models 20% or more of products which we develop each year should reduce power consumption by 30% or more, compared to existing models Target figures to be monitored <ul style="list-style-type: none"> Maintain zero emission: 1% or less for landfill Maintenance of zero excess of inorganic wastewater (i.e. not exceeding the limit we set) 	<ol style="list-style-type: none"> Waste reduction and recycling <ul style="list-style-type: none"> Waste emissions increased 14% per real sales unit Note: Failed to achieve target because emissions of sludge, industrial waste, rose sharply due to trouble with processing machinery. After repairing the machinery during the fiscal year, reviewed the target figure and attained the revised goal (limiting waste emissions by up to +16%). Paper recycling fell short of the target at 131,849 lbs. (U.S.A.) Resources and energy conservation <ul style="list-style-type: none"> Electricity consumption was cut by 4% per real sales unit Reduced CO₂ emissions 5% per real sales unit Note: Achieved electricity consumption cut and CO₂ emission reduction targets by promoting activities to counter global warming, including introduction of energy saving facilities and carrying out Cool Biz and Warm Biz activities Slashed energy consumption by 46% per real sales unit as an average ratio between FY 2003 and 2006 (U.S.A.) Reduce paper purchases and use by 20% compared with FY 2006 (U.S.A.) Eco Products <ul style="list-style-type: none"> Ratio of environmentally conscious products: 74% Ratio of products that can save resources by 10% or more: 79% Ratio of products that are 30% or more energy efficient: 53% Note: Sharply exceeded targets for the year, particularly in development of products that can save resources by 10% or more Target figures to be monitored <ul style="list-style-type: none"> Industrial and municipal wastes for landfill: 0% No. of cases in which self-management standards were exceeded: 0 Note: Each target figure was achieved

U.S.A. represents Anritsu Company (U.S.A.), U.K. represents Anritsu EMEA Limited (U.K.), and China represents Anritsu Company Limited (Hong Kong).
Page numbers in parentheses in the left column of the table above indicate page(s) on which we described the relevant articles.



Performance evaluation: ● = More than 100% attained ○ = Fully attained △ = Attained 80% or more × = Not attained

Evaluation	CSR Issues	Objectives for Fiscal Year (FY) 2008
○	CS activities, quality improvement (P10—11)	Anritsu Corp. and Group Companies: 1. Build a global website • Build a globally unified website for operation from around March 2009 2. Continue CS improvement based on global CS questionnaire survey • Aim to attain 75 points in customer satisfaction index (CSI) mainly through improvement of CS manual, environmentally conscious packaging and reduced delivery time (Japan) • Conduct CS survey and analysis in order to plan and execute more effective and efficient sales promotion measures (U.S.A.) 3. Conduct activities to improve global services based on CS survey • Aim for an average repair/calibration time of 5 days
○ ○ ○ ○ △	Compliance (P13)	1. Continue to strengthen target management for promoting compliance 2. Discuss a revision of Anritsu Group Code of Conduct 3. Review and improve Helpline 4. Continue to draft Code of Conduct that complies with local laws (Group Companies outside Japan)
○ ○ ○ ○	Information security (P14)	1. Continue to evaluate progress of 40 important management measures and carry out improvement activities 2. Promote security governance in the value chain 3. Promote employee education activities 4. Continue promotion of Business Continuity activities 5. Formulate and enforce global Web security policy
○ ○	Supply chain (P15—16)	Expand the range of suppliers informed about Anritsu's basic procurement policy and requests Plan and develop a means of communication for that purpose
○ ○ ○	Protecting human rights/Valuing employees/Career support (P16—17)	1. Employ people with handicaps: Maintain and improve ratio of employment of, improve facilities for and promote employment of people who have handicaps (Anritsu Corp.) 2. Value employees: Realize family-friendly work environment (Anritsu Corp.) • Reduce overtime work; improve working systems including paid child-raising leave that can be used by male employees; and create a supportive atmosphere in the workplace 3. Promote awareness of and share information about above objectives 1 and 2 and other related measures among Anritsu Group companies in Japan 4. Continue dialogue with employees, devising and implementing measures to support career development (U.S.A., U.K., China)
○ ○ ○	Valuing employees/Labor safety and health (P18)	1. Implement without fail 12 important items noted in annual activity plan (Anritsu Corp.) 2. Prevent employees from becoming mentally ill, based on guidelines for promotion of mental health of workers (Anritsu Corp.) 3. Help establish activities according to mid-term community contribution programs: (a) Collaborations in youth education, (b) Contributions to local community, (c) Promotion of environment protection activities 4. Continually promote dialogue with employees and plan and carry out measures to improve environment for labor safety and health (U.S.A., U.K., China)
○ ○ ○ △	Conducting social contribution activities (P18—20)	1. Carry out local community contribution activities at Anritsu Corp. headquarters at Atsugi site based on annual program. Exchanges with neighboring community associations to be newly planned (Anritsu Corp.) 2. Plan annual program of community contribution activities for Anritsu Corp. and Group Companies in Japan 3. Help establish activities according to mid-term community contribution programs: (a) Collaborations in youth education, (b) Contributions to local community, (c) Promotion of environment protection activities 4. Continue carrying out and supporting local community contribution activities and employees' volunteer activities (U.S.A., U.K.). Plan and carry out local community contribution activities (China)
× △ ● ● ● ○ ○ ○ ○ ○ ○ ○	Promotion of environmental management (P21—28)	1. Waste reduction and recycling • Reduce waste (municipal wastes + industrial wastes) emissions by 2% per real sales unit with fiscal 2006 [6% cut targeted by fiscal 2010] • Increase volume of paper recycled by 10% compared with fiscal 2007 (U.S.A.) 2. Resource and energy conservation • Reduce electric energy consumption by 2% compared with fiscal 2006 per real sales unit [4% cut targeted by fiscal 2010] • Reduce CO ₂ emissions from energy consumption by 2% compared with fiscal 2006 per real sales unit [4% cut targeted by fiscal 2010] • Reduce energy consumption by 2% per real sales unit, compared with fiscal 2007 (U.S.A.) • Reduce paper purchase and consumption by 10% and water consumption by 10% compared with fiscal 2007 (U.S.A.) 3. Eco Products • Ratio of environmentally conscious products among all products developed: 80% or more • Ratio of products that can save resources by 10% or more compared with existing products among all products developed: 30% or more (in terms of volume, mass, disassembly time and power consumption) • Ratio of products that are 30% or more power efficient compared with existing products among all products developed: 20% or more 4. Target figures to be monitored • Maintain zero emission: 1% or less of landfill • Maintain zero excess of inorganic wastewater (i.e. not exceeding the limit we set) Note: Supplementary explanation of environmental targets Review of target figures: We failed to achieve the initial waste reduction targets in fiscal 2007, but will still work to cut wastes by the initial target figure of 2% (6% by fiscal 2010) one year behind schedule. As for reductions of CO ₂ emissions and electricity consumption, we attained the targets for fiscal 2009 by fiscal 2007. However, as reduction per sales unit tends to fluctuate depending on business results, we will maintain our initial target (the reduction target to be raised by 1% annually).

Contributing to Build a Safe, Secure and Comfortable Society

Maintaining Harmony with the Global Socio-Economy

Promoting Global Environmental Protection

Promoting Communications



Opinions and Comments from Stakeholders

Anritsu pursues more strategic CSR operations by prioritizing issues that both greatly concern its stakeholders and impact Anritsu's corporate value.

Prioritizing CSR Issues

We have prioritized CSR issues according to the following procedure. First, in addition to those mentioned in our CSR Report 2007, we identified new issues according to stakeholders' opinions, then plotted a chart with 'stakeholders' expectations and concerns' on a vertical axis and 'influence on corporate value' on a horizontal axis, to clarify which issues we should particularly focus our efforts on.

Then, the CSR Promotion Committee members discussed the details and approved selected issues to act upon, put them into action, and are reporting their status in this Report.

Increasing Communication Opportunities to Obtain Information on Stakeholders' Expectations or Concerns

- Daily IR activities, visits to clients, employee training sessions, community gatherings, etc.
- Global customer satisfaction (CS) survey (p.10), Internal control survey (p.12), Ethics questionnaire survey (p.13), IR questionnaire survey (p.15), Environmental awareness survey (p.23), Presentations to organizations of CSR experts, Responses to questionnaires in CSR reports
- Various questionnaires from external organizations, News by broadcast media, etc.

CSR Priority Issues and Tasks by Stakeholders

Stakeholders	Issues and Tasks	Relevant Pages
Overall	Continuation of ethics and compliance activities Promotion of education on information security management; global IT security; and BCP	13 14
Customers	Management of social safety and security; product services Building a global website	7, 8 10
Shareholders and investors	Enhancing shareholders' values	15
Suppliers and partners	Preparing conditions to promote CSR procurement Increase in number of products regulated for green procurement inspection	15, 16, 25 25
Employees	Sharing Anritsu Global Code of Conduct Employing handicapped people Support for balancing work and family life, child welfare Planning for valuing employees outside Japan Support for labor safety and health Reduction and control for overload of work	13 16 16 17 18 18
Local communities	Planning and execution of social contribution activities at sites other than Anritsu Atsugi Headquarters in Japan and at other sites outside of Japan; and support for arts, sports, education, etc.	18, 19, 20
International society	Dialogue with nonprofit organizations	20
Global environment	Development of Eco-Products Measures to counter global warming; reduce and recycle waste; and manage and reduce hazardous substances	9, 26, 27 24



Discovering CSR as a Result of Day-to-Day Efforts

Takumi Komatsu
March 2008 Graduate,
Division of Social Science,
College of Liberal Arts,
International Christian University

I was given an opportunity to interview at Anritsu for my undergraduate thesis, entitled 'CSR Management.' To my mind, the company's willingness to speak with an undergraduate student shows that Anritsu values communication with stakeholders as a matter of policy. The interview helped me understand that CSR is not merely an academic theory, it is a cumulative process of day-to-day efforts. I talked with several Anritsu people and received the impression that they share an understanding about what needs to be done. To become a better company, it is important for every employee to move in the same direction. I hope Anritsu will successfully pursue CSR in its own way.



Viewing the Company from a Social Viewpoint

Hiroshi Ishida
Executive Director,
Caux Round Table-Japan,
Associate Professor,
Institute of Business,
Kwansei Gakuin University

I find that Anritsu has made progress in its CSR activities, but so far this has been limited to inside organizational or departmental circles. Now, I believe, is the time for Anritsu to develop more strategic plans. I expect employees at Anritsu to avoid confining their vision to within the company only, and to also consider their company from a social or external perspective. Taking opportunities to explain Anritsu to various external stakeholders would be effective for these purposes. It would also help employees view their company objectively, understand what society demands of the company, and eventually lead employees to determine what actions they can take. I believe that by conducting communication, and by the management's attention to the company's strengths and challenges as well as society's needs, Anritsu will gain new perspectives that lead to even greater success.



Global Compact (GC) and Related Activities

Anritsu's CSR activities during fiscal year 2007 relate to the ten principles of the Global Compact*. The United Nation's Global Compact Office has selected Anritsu CSR Report 2007 as one that matches their Notable COP (Communications on Progress) policies.



*The Global Compact (GC): A voluntary international corporate citizenship network that supports ten principles in the areas of human rights, labor, the environment and anti-corruption, the GC was initially proposed by then-UN Secretary-General Kofi A. Annan at the World Economic Forum in January 1999 and started its operations at UN headquarters, New York in July 2000.

The Ten Global Compact Principles			Anritsu's Major Actions in Fiscal Year 2007	Related Pages
Overall	—	Applying the ten GC principles	<ul style="list-style-type: none"> Anritsu is putting its internal control system in place. Promoting compliance, Anritsu Corp. and the Group companies made efforts to prevent violations and to establish more pleasant workplaces by (1) familiarizing people with Anritsu Code of Conduct; (2) promoting groupwide education, including training by organizational levels; (3) avoiding risks on ethical matters via questionnaire survey; and (4) preventing violation of ethics rules via help-lines inside and outside the company. 	12 13
Human Rights	Principle 1	Business should support and respect the protection of internationally recognized human rights; and	<ul style="list-style-type: none"> Anritsu Corp. requested that suppliers and partners should comply with laws and regulations protecting human rights. Anritsu Corp. and the Group Companies trained employees on human rights issues. Anritsu Corp. and the Group Companies promoted activities to secure workplace safety and health. 	16 16 18
	Principle 2	Make sure that such business is not complicit in human rights abuses.	<ul style="list-style-type: none"> Anritsu Corp. requested that its suppliers and partners not be complicit in human rights abuses. 	16
Labor	Principle 3	Businesses should uphold freedom of association and recognize the right to collective bargaining;	<ul style="list-style-type: none"> Based on employees' requests, and in order to improve work-life balance, Anritsu Corp. and the Group Companies continued to improve labor conditions. 	16
	Principle 4	Eliminate all forms of forced and compulsory labor;	<ul style="list-style-type: none"> Anritsu Corp. requested that its suppliers and partners not be complicit in forced and compulsory labor. 	16
	Principle 5	Effectively abolish child labor; and	<ul style="list-style-type: none"> Anritsu Corp. requested that its suppliers and partners not be complicit in child labor. 	16
	Principle 6	Eliminate discrimination regarding employment and occupation.	<ul style="list-style-type: none"> Advancing both internal and external collaboration, Anritsu Corp. achieved a legal target for employing handicapped workers as originally planned. Anritsu Corp. and the Group Companies promoted employment across borders and global employee training of diverse staff. 	16 17
Environment	Principle 7	Businesses should support a precautionary approach to environmental challenges;	<ul style="list-style-type: none"> Anritsu Corp. and the Group Companies promoted Eco-Factory and Eco-Office activities. Anritsu Corp. and the Group Companies in Japan continued environmental accounting. 	24, 25 28
	Principle 8	Undertake initiatives to promote greater environmental responsibility; and	<ul style="list-style-type: none"> Anritsu remains committed to the Anritsu Group's Environmental Principle. Anritsu promoted activities of Eco-Minded Employees. Anritsu continued its efforts to reduce carbon footprints. 	22 23 24
	Principle 9	Encourage the development and spread of environmentally friendly technologies.	<ul style="list-style-type: none"> Anritsu Group in Japan promoted development of environmentally conscious products. 	9,26,27
Anti-Corruption	Principle 10	Business should work against all forms of corruption, including extortion and bribery.	<ul style="list-style-type: none"> Anritsu Corp. and the Group Companies in Japan circulated case study sheets on anti-corruption measures to educate employees. 	13
			<ul style="list-style-type: none"> Anritsu Corp. called for ethical behavior in the Basic Rules for Procurement. 	16

Stepping onto a New Stage in CSR Activities

Hirokazu Hashimoto
Executive Deputy President,
Representative Director,
Anritsu Corporation



In April 2008, Anritsu Corporation reorganized the CSR Promotion Center into the Corporate Communication (CC) Department's CSR Promotion Team. Anritsu takes steps to contribute to sustainable development based on a core of sincere business practices, and evaluates its progress not only through self-review, but also by fulfilling its accountability to all its stakeholders and calling for external assessments. For these purposes, our CSR

section has become a member of the CC Department, which is responsible for Anritsu's public relations and conducts communication in consistent, fair and transparent ways.

Globalizing CSR activities continues to be a major challenge for us. For this report we reviewed our activities again in light of the Global Compact principles. Also, in order to abide by international accounting practices, we check and reinforce the internal control frameworks of our Group Companies. These approaches help us to improve our risk management continuously and develop our CSR activities overall.

Anritsu Group is committed to improving its global corporate management further via 'Management Innovation 2008' currently underway, so that Anritsu's brand will gain greater support from our stakeholders. We ask sincerely for your cooperation.



Independent Review

Before writing this review, I had a meeting with Anritsu Corp.'s executive deputy president Hirokazu Hashimoto and the core members producing this report. I later received a collection of responses from Anritsu Corp. detailing which of my suggestions would be reflected in this and the next reports, and which would require further deliberation. Such sincere responses to stakeholders' voices, including my opinion, lead to meaningful reporting and effective CSR activities.

A major feature of this report is that its editor worked faithfully according to an editorial policy that had been fully discussed in advance. Though the report is just 34 pages long, it should greatly appeal to readers. Reporting on the process of 'Prioritizing important CSR issues' is a very progressive, favorable development. The editor charted two criteria for this purpose in the report, and in the future should go further to include views about how social issues relate to Anritsu's business activities.

In March 2006, Anritsu Corp. joined the Global Compact (GC). The GC calls on businesses to change their operations so that the Compact's principles are reflected in corporate strategy, culture and daily activities, and to communicate its progress. Though it is rare to find an account of such progress in CSR reports issued by Japan-based companies that are GC participants, this report presents the principles and Anritsu's activities in an organized way, allowing readers to understand how the principles encourage changes in corporate behavior.

This is a high-quality report, but I would like to make three suggestions for further improvement.

First, the boundaries of the report should be expanded,

as I noted last year. I believe this is imperative particularly because Anritsu Corp. has been promoting global CSR. There may be numerous obstacles, I imagine, in gathering environmental data on a global scale, but approaches should be standardized swiftly, now that the Global Environment Management Meeting is in operation.

Second, indicators of progress toward Anritsu's CSR goals should be set. Several companies have created such indicators. However inadequate they may be at this point, quantitative indicators are easier to understand and give a clearer measure of progress than qualitative descriptions. It may not be easy but I hope Anritsu Corp. will make a worthwhile effort. Such indicators would definitely help employees to fully understand Anritsu CSR and promote CSR activities.

Third, greater use of the website should be sought. This report does appeal to readers, but given the small number of pages, its limits are undeniable. I hope Anritsu Corp. will provide detailed information regarding its activities on behalf of society on its website as it does for its environmental activities.



Tamio Yamaguchi
President,
Workers Club for Eco-harmonic
Renewable Society*

*This citizens' group aims to study, from a global perspective, ways to create a more sustainable society in harmony with natural ecosystems for future generations to inherit. It also promotes study, support and action among local citizens, companies and governments to realize a sustainable society.
URL: <http://www.nord-ise.com/junkan/>

Notes from the Editor

In editing this report, we employed the following guidelines in addition to our editorial policy explained on page 1: (1) to narrow down the content, (2) to reduce the use of technical terms and (3) to include various peoples' viewpoints as columns. We would greatly appreciate it if you could give us your feedback regarding this report via the questionnaire attached to this report.

Our editorial staff had a chance to talk with Mr. Tamio Yamaguchi, president of the Workers Club for Eco-harmonic Renewable Society, just before he wrote the Independent Review above. Mr. Yamaguchi advised Anritsu Corp.: (1) to specify details of processes that advance important CSR issues, (2) to reinforce reporting on social aspects and describe our measures to address important social issues and (3) to set key performance indicators for evaluating our

CSR activities. This report does not respond fully to Mr. Yamaguchi's comments, but we will consider his valuable suggestions as much as possible, and strengthen solutions to advance Anritsu's CSR activities.

Regarding the Progress Toward Anritsu's CSR Goals 2008 (pp. 5 and 6), some items are not covered in this report, since not all of our existing targets (pp. 29 and 30) were fully translated into CSR Goals. Toward the next fiscal year, we will improve coordination so that the report provides a more complete account of our endeavors to achieve our CSR Goals. We will make this happen in close cooperation with the departments responsible for each CSR field and those in charge of CSR at Anritsu Group companies worldwide. We ask sincerely for your understanding and support.

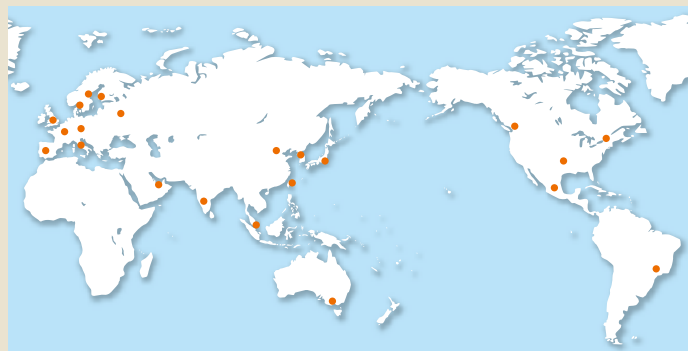
Outline of Reporting Organization

On the basis of its Original & High Level technologies accumulated over its history of more than 110 years, Anritsu Group operates in such business areas as measuring instruments, information and industrial automation.

Outline of Business

Our main test and measurement business has development, manufacturing and sales facilities in many parts of the world for supplying optical, digital, IP and wireless measuring technologies as well as quality assurance solutions for network services. We thus contribute to building the next-generation network (NGN) that integrates networks of fixed phone, data communication and mobile phone with IP technology.

Anritsu also provides road and river monitoring systems, video distribution systems, and quality assurance solutions for food, medicine, and printed circuit boards for digital products. We are operating a wide range of businesses to help make society safer, more secure and more comfortable. (Please refer to Highlights on pages 7-9 of this report.)



Group Companies in Japan

Anritsu Industrial Solutions Co., Ltd.; Tohoku Anritsu Co., Ltd.; Anritsu Customer Services Co., Ltd.; Anritsu Devices Co., Ltd.; Anritsu Networks Co., Ltd.; Anritsu Precision Co., Ltd.; Anritsu Engineering Co., Ltd.; Anritsu Kousan Co., Ltd.; Anritsu Techmac Co., Ltd.; Anritsu Pro Associe Co., Ltd.; and Anritsu Real Estate Co., Ltd.

Group Companies outside Japan

Anritsu Company (USA); Anritsu Instruments Company (USA); Anritsu Electronics Ltd. (Canada); Anritsu Eletrônica Ltda. (Brazil); Anritsu Company S.A. de C.V. (Mexico); Anritsu Ltd. (UK); Anritsu EMEA Ltd. (UK); Anritsu S.A. (France); Anritsu Instruments S.A.S. (France); Anritsu GmbH (Germany); Anritsu S.p.A. (Italy); Anritsu Solutions S.p.A. (Italy); Anritsu AB (Sweden); Anritsu AB (Finland); Anritsu A/S (Denmark); Anritsu EMEA Ltd. - Oficina de Representación en España (Spain); Anritsu EMEA Ltd. - Representative Office (Russia); Anritsu EMEA Ltd. - Dubai Liaison Office (U.A.E.); Anritsu Company Ltd. (China); Anritsu Company, Inc. (Taiwan); Anritsu Corporation, Ltd. (Korea); Anritsu Pte. Ltd. (Singapore); Anritsu Pte. Ltd. India Branch Office (India); and Anritsu Pty. Ltd. (Australia)



Headquarters address: 5-1-1 Onna, Atsugi-shi, Kanagawa, Japan
Company founded: 1895
Capital: 14,049 million yen *1
Sales: 100,485 million yen *2
No. of shareholders: 17,262 *1
No. of employees: 3,963 *3
No. of suppliers and partners: 1,079 *4

*1. As of March 31, 2008 *2. Consolidated, year ended in March 2008 *3. Consolidated, as of March 31, 2008
 *4. Non-consolidated, as of March 31, 2008

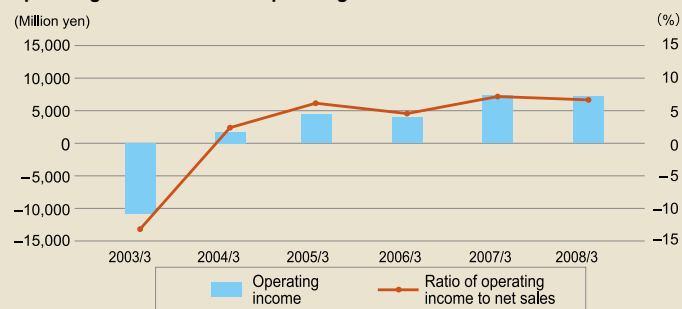
Basic Anritsu Corporation Employee Data		FY2005	FY2006	FY2007
Nos. of employees: Figures in parentheses show number of managers included in the total number	Male	1,063 (251)	980 (232)	938 (224)
	Female	134 (4)	134 (4)	136 (4)
	Total	1,197 (255)	1,114 (236)	1,074 (228)
Average age	Male	41.7	41.8	41.7
	Female	33.7	34.6	34.9
	Total	40.8	41.0	40.8
Average working years	Male	18.4	18.3	18.1
	Female	11.9	12.2	12.1
	Total	17.7	17.6	17.3
Annual rated working hours		1,875.50	1,860.00	1,867.75
Average days of paid holidays used per year		14.6	14.3	14.9
Nos. of employees who took paid childcare leave		7	10	8
Nos. of employees whose employment has been extended beyond normal retirement age (for hiring employees over retirement age)	Nos. of eligible employees	13	23	32
	Nos. of employees over retirement age hired	10	17	27

Worldwide Percentages of Female Employees

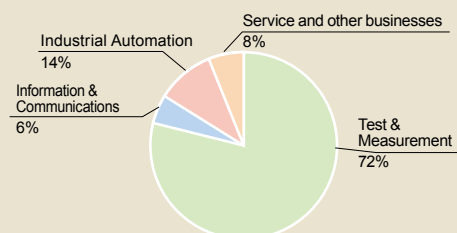
	Japan	Americas	EMEA	Asia and Others	Total
Percentages of female employees to total employees	12%	31%	24%	31%	18%
Percentages of female managers to male managers*	8%	48%	76%	53%	44%

* (Nos. of female managers + Nos. of female employees) ÷ (Nos. of male managers + Nos. of male employees) expressed as %.

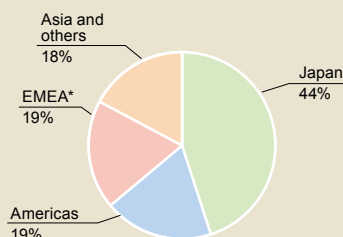
Operating Income/Ratio of Operating Income to Net Sales



Net Sales by Business Segment (Year ended in March 2008)

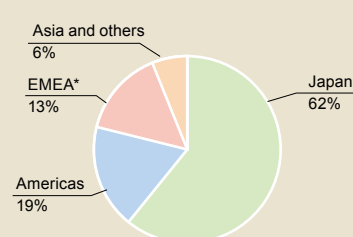


Net Sales by Region (Year ended in March 2008)



*EMEA: Europe, the Middle East and Africa

Employees by Region (Year ended in March 2008)





ANRITSU CORPORATION

5-1-1 Onna, Atsugi-shi, Kanagawa, 243-8555 Japan
Tel: +81-46-223-1111

<http://www.anritsu.com>



Printed in Japan using soy ink.

Recycled paper pulp is used.

We Welcome Your Comments.

Thank you for taking time to read the “Anritsu CSR Report 2008.” We are sincerely grateful for any opinions or comments you can offer us.

In this report, we have tried to explain the Anritsu Group’s CSR activities as specifically and as simply as possible. However, there may still be room for further improvement. We would like to reflect your opinions in our approaches to CSR, and in preparing future reports.

We hope you will spare a few minutes to fill in your frank opinions or comments on the reverse side and fax the page to the CSR Promotion Team. Your opinions and ideas might be used in our future CSR reports under the policy specified at the bottom of this page.

Special remark: We will not disclose your personal information to others.

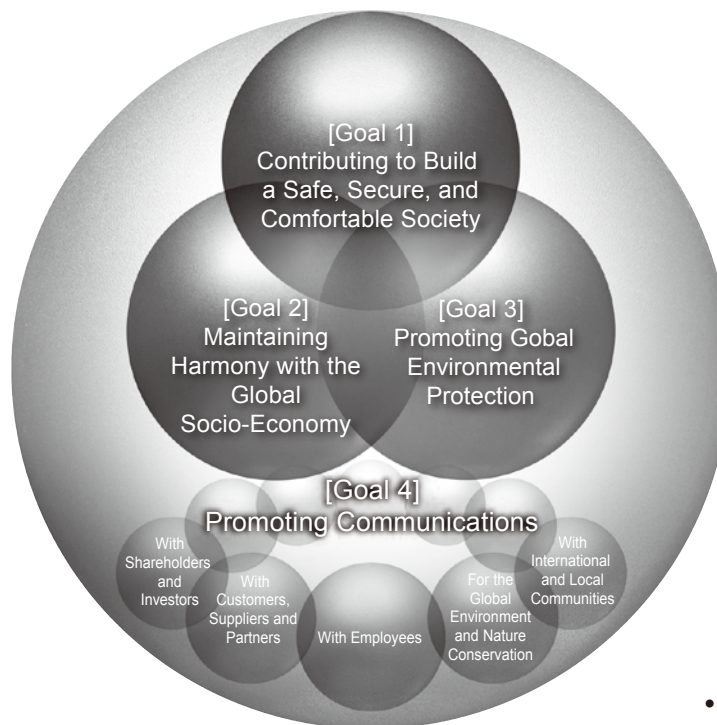
For inquiries, please contact:

CSR Promotion Team, Corporate Communication Department, Anritsu Corporation

5-1-1 Atsugi, Kanagawa 243-8555, Japan

Tel: +81-46-296-6514 Fax: +81-46-225-8384 URL: <http://www.anritsu.com/Contact/>

CSR Activities for Enhancing Management Quality



• Please see page 4 of CSR report for details.

Concerning Personal Information

- We will not use respondents’ names, addresses or other personal information for any purpose other than the delivery of Anritsu’s future CSR Reports, and will not disclose this information to any third party without respondents’ consent.
- Respondents’ answers to our questionnaire may be summarized and disclosed to a third party in the form of condensed, analyzed data, but we will not disclose data that could identify the respondents.
- We will strictly and reasonably secure the data provided in the answers to our questionnaire.
- If we request information processing or delivery services from a firm outside the Company, we apply considerable security control measures, such as contracting personal information protection.

“Anritsu CSR Report 2008” Questionnaire

Please return or fax this completed questionnaire to CSR Promotion Team, Anritsu Corporation. Fax: +81-46-225-8384

Q1: What is your overall impression of the “Anritsu CSR Report 2008”? Please explain your choice.

☐ Very easy to understand ☐ Easy to understand ☐ Satisfactory ☐ Slightly hard to understand ☐ Hard to understand

Reason:

Q2: Which content did you find interesting? You may check more than one. Please write your reasons.

☐ Contents and Editorial Policy ☐ Anritsu's Philosophy, Vision, Commitment and Values ☐ Message from the President ☐ Anritsu's CSR Goals 2008 ☐ Progress Toward Anritsu's CSR Goals 2008 ☐ Highlights (Goal 1): Contributing to Build a Safe, Secure and Comfortable Society ☐ Communications with Customers: Building a Global Web ☐ Communications with Customers: Reinforcing Sales Training ☐ Highlights (Goal 2): Maintaining Harmony with the Global Socio-Economy ☐ Corporate Ethics and Compliance ☐ Information Security Management and BCP ☐ Communications with Shareholders, Investors, Suppliers and Partners ☐ Ensuring Human Rights Work in the Workplace ☐ Developing Human Resources and Career Support ☐ Labor Safety and Health ☐ Corporate Citizenship Activities ☐ Highlights (Goal 3): Promoting Global Environmental Protection ☐ Anritsu's Activities to Help Preserve the Global Environment ☐ Eco-Management and Eco-Minded Employees ☐ Eco-Office and Eco-Factory ☐ Eco-Products: Development of Environmentally Conscious Products ☐ Excellent Eco Products ☐ Environmental Impact Data and Environmental Accounting ☐ CSR Results for Fiscal 2007; CSR Objectives for Fiscal 2008 ☐ Opinions and Comments from Stakeholders ☐ Anritsu's Major Activities from the Global Compact Perspective ☐ Independent Review and Notes from the Editor ☐ Outline of Reporting Organization

Reason:

Q3: What are the report's good points? What improvements do you suggest?

Good point(s)
Please explain:

Suggested improvement(s)
Please explain:

Q4: What do you think about Anritsu's CSR activities? Please write your reasons.

☐ Excellent ☐ Good ☐ Average ☐ Slightly insufficient ☐ Insufficient

Reason:

Q5: How did you receive this report?

☐ Sent from Anritsu ☐ Newspaper or magazine ☐ Exhibition or seminar ☐ Anritsu website ☐ Anritsu employee
☐ Other (Please specify) []

Q6: From which standpoint did you read this report?

☐ Shareholder/investor ☐ Financial organ ☐ Product user ☐ Supplier/partner ☐ Resident living near Anritsu facility ☐ Government/administration clerk
☐ NPO/NGO ☐ Research/education ☐ Journalist ☐ Environment/CSR specialist ☐ Personnel in charge of CSR for a company ☐ Student ☐ General Consumer ☐ Employee or family member of employee of Anritsu Corporation and group companies ☐ Other (Please specify) []

Q7: What do you think of the design, layout and overall presentation? Why?

Information volume
☐ Inadequate ☐ Needs a little more ☐ Sufficient ☐ Slightly more than needed ☐ Too much

Reason:

Design and layout
☐ Very Good ☐ Good ☐ Average ☐ Below average ☐ Poor

Reason:

Q8: Please write any other opinions or requests that you have regarding Anritsu:

• Thank you for your cooperation. Would you like to receive our next report?

☐ Yes ☐ No

If yes, please fill in the following

Name: Occupation: Male • Female Age:

Address:

Contact Information Tel: Fax: E-mail:

Company • Department • Title/ School • Major • Year Graduated: