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Anritsu defines CSR (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 (including shareholders, employees, customers, suppliers and partners, the environment, and the community), thereby improving the company’s economic, social and environmental performance.”

## Editorial Policy

Starting with this issue (the 2009 report), detailed information on the CSR activities of Anritsu are reported on the corporate website. This printed version is basically a summary that narrows down material issues for society, stakeholders and Anritsu into four key initiatives (see page 4) and reports on major related efforts through easy-to-understand Special Features.

**For additional details on Anritsu CSR activities, please visit our website at**  
<http://www.anritsu.com/AboutAnritsu/csr/>

This CSR report mainly focuses on Anritsu’s social and environmental performance. For details on financial performance, please refer to our annual report or website at <http://www.anritsu.com/IR/>

For details on environmental information, please see “Promoting Global Environmental Protection” on our website. <http://www.anritsu.com/AboutAnritsu/csr/>

## Guidelines used as reference

GRI Sustainability Reporting Guidelines 2006

## Reporting Period

While this report primarily covers the period from April 1, 2008 to March 31, 2009, some activities before and after that period are included.

## Boundary Definitions

This report covers Anritsu Corporation only or the Anritsu Group Companies, according to specific 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.

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(Next CSR report is scheduled for release in July 2010)

## Message from the President

# Sincerity, Harmony and Enthusiasm

Rising above the times as  
an integral member of society

誠と和と意欲



## Advancing our Original, Superior Technical Capabilities with Sincerity, Harmony and Enthusiasm

Now, in the vise grip of the most severe economic crisis for a century, Anritsu faces its gravest challenge. I believe this is the very moment for Anritsu to prove its real value.

Throughout its involvement in the information and communications business, Anritsu has overcome many difficulties and constantly evolved with the changes of the times. In recent years, we have staked our claim in the field of communications-related measuring instruments and cultivated a number of business ventures, including optical/IP communications systems, optical precision measurement instruments and industrial machinery. Measurement is at the heart of all these areas.

Anritsu’s highest social calling is to contribute to building a safe, secure and comfortable society by providing Original & High Level products and services. The core technologies that make this possible

have been accumulated over years and are now deeply rooted throughout the company. I believe these technical capabilities constitute a firm foundation for earning the respect of society and make our continued existence a necessity.

And so the words “sincerity, harmony and enthusiasm” express our resolve and have been built into the DNA of Anritsu over the course of its 114-year history.

It is only natural for Anritsu to maintain high technological aspirations. At the same time, we treasure our tradition of conducting every aspect of operations with the deepest sincerity and respect for harmony.

Our Company Philosophy and Charter of Corporate Behavior explicitly stipulate these two sets of terms, “Original & High Level” and “sincerity, harmony and enthusiasm,” as the guiding authority for employee behavior.

## Message from the President

### Ensuring Harmony while Recognizing Diversity on the Global Stage

More than half of the sales of the entire Anritsu Group and about 70% of core measuring instrument sales are made overseas. Harmony with the global socio-economy is therefore essential for Anritsu's worldwide operations.

Gaining recognition in individual countries naturally requires us to maintain harmony with the global environment. At the same time, compliance must be the base for everything we do. Every year, we maintain a high awareness of compliance through employee training. With this foundation, we intend to serve as a community-based enterprise that earns profits through our responsible business activities, ensures the long-term employment of our workforce, and returns economic benefits to the community.

In our global business development, I place tremendous value on harmony, as described above. The Japanese in general are not strong in adversarial situations and tend to try settling matters amicably. Harmony, however, does not simply mean getting along with others. While the goal is to engage in discussions based on universally shared principles and values, we must eventually seek harmony by recognizing differences between countries and regions.

The same reasoning applies to job security as a basic social expectation. For example, under the impact of the global recession that followed the economic crisis, we were forced to implement tough measures in various locations, including workforce adjustments, for the continued existence of the company. In the process, we struggled to limit these measures to the absolute minimum as long as they allowed the company to survive in the given situations facing specific countries or regions.

Japanese enterprises that operate across the world sometimes encounter conflict associated with differences. I believe we should accept and learn much from these differences. Japanese employees, in particular, are often hardworking men and women who virtually define the term "sincerity," but are not as good at thinking out of the box. I would like Japanese employees to learn about unconventional thinking styles from overseas workers to more effectively combine these distinctive strengths.

And although, as a company with roots in Japan, we would like to

maintain the positive aspects of traditional Japanese corporate culture, we must avoid forcing Japanese ways on others. The relative size of our business in Asia will surely increase as a result of our future business deployments. While we hope to establish solid partnerships with others who live in Asia and share relatively similar values, we must carefully avoid assuming that we all hold exactly the same values.

To this end, Anritsu emphasizes its Global Compact perspective, which earned recognition in 2007 as Notable COP (Communications on Progress).

### Revising the CSR Goal by Discerning Material Issues

Anritsu established its medium- and long-term goals in fiscal year 2006 to more clearly articulate the concrete direction of CSR as presented in the Company Philosophy and Charter of Corporate Behavior.

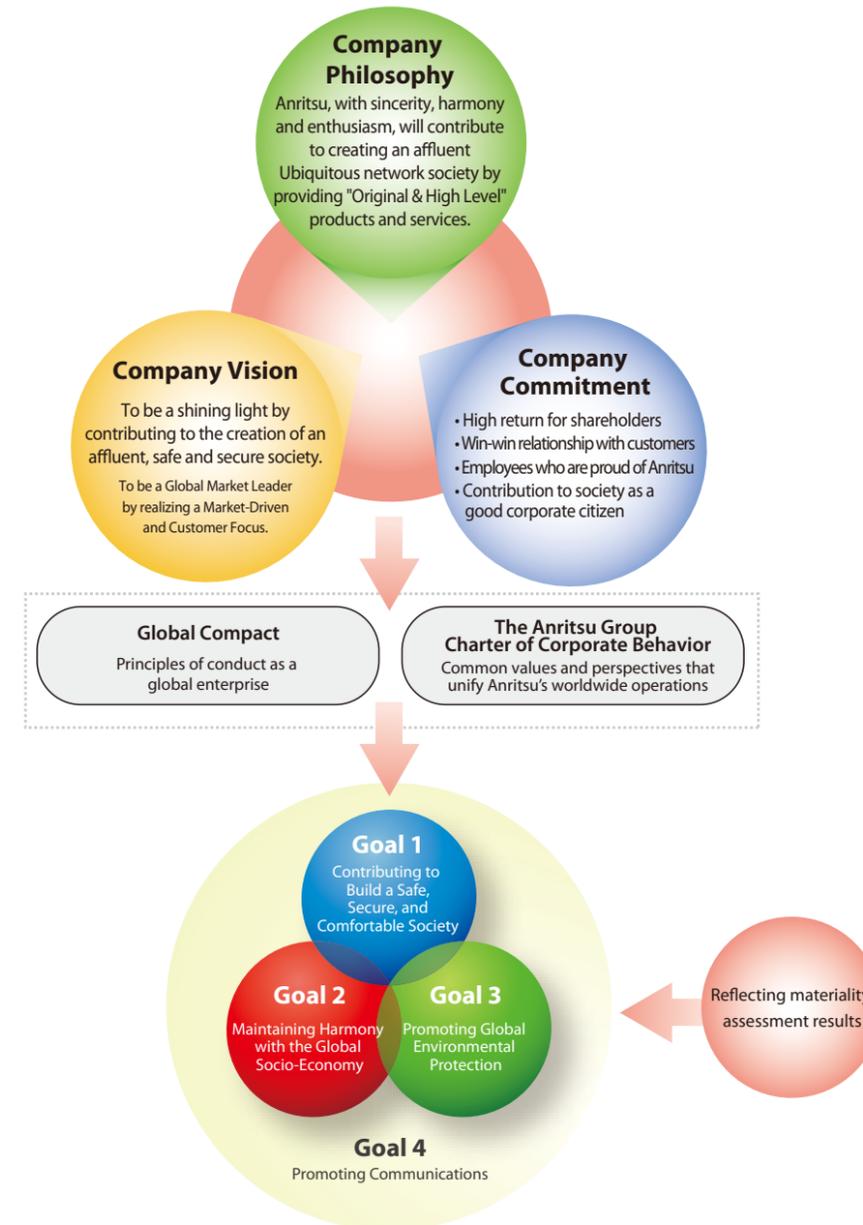
In fiscal year 2008 we measured the materiality of all our CSR efforts to clarify the future direction of CSR. We sought to take into account stakeholders' concerns, such as those regarding local community characteristics and the changing times, in addition to the company's own standpoint. This led to identifying material issues for achieving our CSR objectives and establishing new goals based on this review.

This materiality assessment represented the first step toward realizing our CSR goals. My impression is that the result places stronger emphasis on a more general, external point of view. We will, therefore, continue pursuing the material issues we identify through ongoing discussions in the course of future CSR activities.

Things will not simply return to normal at the end of this current economic crisis; we will see a significantly new world. I have been explaining to our employees that Anritsu cannot stay the same forever. We must carefully consider what we will do in this new world, recognize and take advantage of the changes across it, and establish our unique position. We encourage every employee to envision their own goals and develop their own scenarios of hope. And by integrating them, I believe we can develop a common goal that advances the originality of Anritsu.

### Company Philosophy, Vision and Commitment

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 that sets out concrete values and behavioral guidelines.



**Hiromichi Toda**  
President  
Anritsu Corporation

*Hiromichi Toda*



### The United Nations Global Compact

Anritsu announced its support for and joined the United Nations Global Compact in March 2006.

\*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.

# Materiality assessment of CSR issues and our goals

## Toward realizing our goals 12 material issues and 4 key initiatives

Anritsu works within the framework of its CSR Goals, as a medium- to long-term plan that makes the direction of its CSR activities clearer and more concrete. We recently assessed the relative materiality of individual CSR concerns to more tightly integrate our CSR activities and business operations toward achieving these goals and increasing medium- to long-term corporate value. Following the process outlined below, we identified twelve material issues, and through a series of discussions we discerned four key initiatives central to achieving our goals. The Special Features section of this report will organize the presentation of Anritsu's CSR efforts around these four key initiatives.



### Anritsu CSR Goals

Goal 1: Contributing to Build a Safe, Secure, and Comfortable Society	
<b>The goal for Anritsu</b>	Anritsu contributes through Original & High Level technologies to improve customers' safety and security.
<b>The goal for employees</b>	Every employee listens to the voice of customers and provides products and rapid support services with a quality that surpasses market expectations.
<b>Appreciation by society</b>	Anritsu gains a solid reputation for its technologies and earns trust in its brand.

Goal 2: Maintaining Harmony with the Global Socio-Economy	
<b>The goal for Anritsu</b>	Anritsu conducts business in harmony with the culture and characteristics of individual communities in its global deployment and fulfills its social responsibility throughout the supply chain.
<b>The goal for employees</b>	Every employee is fully aware of compliance, respects human rights, and vigorously does their work and achieves growth within the framework of a diversity of attributes, culture and values.
<b>Appreciation by society</b>	Anritsu builds up relationships of trust with local communities and society through community-based social action programs.

Goal 3: Promoting Global Environmental Protection	
<b>The goal for Anritsu</b>	Based on its environmental principles, Anritsu establishes an environmental management system to prevent global warming and to create a recycling-oriented society and to reduce toxic substances throughout the lifecycles of its products.
<b>The goal for employees</b>	Every employee enhances their environmental awareness and independently engages in environmental activities that are closely related to their own jobs.
<b>Appreciation by society</b>	Anritsu earns public recognition as an enterprise that actively contributes to global environmental protection by pursuing global environmental management.

Goal 4: Promoting Communications	
<b>The goal for Anritsu</b>	Anritsu establishes partnerships by pro-actively disclosing information and dialoguing with stakeholders throughout its business activities.
<b>The goal for employees</b>	Every employee develops a sense of mutual understanding with stakeholders by listening to their expectations and actively communicating with them.
<b>Appreciation by society</b>	Anritsu gains a solid reputation and trust by communicating a true image of itself to stakeholders.

## CSR Goals of Anritsu

Anritsu has reviewed the goals it set in 2006 with a keen eye on the future. Going forward, we will continue to work toward achieving these goals by addressing material concerns through corporate management and stakeholder communication.

# Measuring or monitoring, Anritsu is virtually everywhere.

From mobile phones, the Internet and digital broadcasting to roads, rivers, foods and medical products.  
Anritsu supports daily life and business in diverse settings for a safer, more secure and comfortable society.

## Measuring with optical light

Anritsu optical devices are used for OCT (Optical Coherence Tomography) as optical light sources to diagnose glaucoma, for example. (Anritsu Devices Co., Ltd.)



## Measuring terrestrial digital broadcasting

Measuring terrestrial digital broadcast radio waves to ensure normal reception.



## Measuring Automotives

Anritsu measuring instruments are used in wireless application testing, for communication-capable car navigation systems, ETC, tire-pressure monitoring systems, etc.



## Measuring mobile phones

Measuring radio waves and signals during development and production of mobile phones and in construction and maintenance of mobile phone networks to ensure normal communication.



## Monitoring transportation and rivers

Image distribution systems for real-time monitoring of road or river conditions. (Anritsu Networks Co., Ltd.)



## Measuring food content

Ensuring food safety by measuring foods on retort pouch food manufacturing lines, for example, to prevent contamination by foreign substances. (Anritsu Industrial Solutions Co., Ltd.)



## Creating optical light

Anritsu optical communication devices are built into amplifiers to enhance optical signal strength in optical fiber cables. (Anritsu Devices Co., Ltd.)



## Measuring optical light

Measuring instruments that analyze breakage or damage points to optical fiber cables with outstanding accuracy.



## Supporting networks

Improving communication quality by controlling the flow of data traffic in communication networks. (Anritsu Networks Co., Ltd.)



## Measuring digital cameras

Inspecting solder paste on printed circuit boards on manufacturing lines for precision equipment, such as digital cameras, to ensure accurate printing. (Anritsu Precision Co., Ltd.)





**Key Initiative 1**

# Contributing to society through measuring technologies

**Building a safe, secure and comfortable society begins with measuring what you cannot see.**

From mobile phones to ultra-high-speed optical communication and digital broadcasting—telecommunications networks are deeply integrated into daily life as a part of the social infrastructure that supports a safe, secure and comfortable society. Anritsu's measuring technology serves as mother technologies. Having developed a wide range of communication measuring instruments to test radio waves and signals flowing through networks, Anritsu facilitates the construction of telecommunication networks that open new avenues for communication.

## Sure connection and sure transmission—measuring technologies that support mobile communication

Since their appearance in the 1980s, mobile phones have benefited from rapid technological innovation. Today's models, however compact, are replete with convenient functions such as Web browsers, music and video download capabilities, and even pay-by-phone services. With seemingly unlimited potential, these devices will soon enjoy the commercial availability of Long Term Evolution (LTE), a next-generation mobile-phone communication system that allows high-speed, large-capacity communication at the level of optical fiber, slated for as early as 2010.

Before new mobile phone models are released into the market, various stages must be completed, from prototype development and mass production to network construction and maintenance. Testing is conducted at every stage to confirm reliable communication performance, and Anritsu's measuring technology has a key role in this since mobile phone transmission waves are invisible.

Anritsu provides measuring equipments that display radio waves, not visible to the human eye, in graphs and waveforms for analysis. The company's wealth of solutions—from the generation of test signals during the prototyping to the construction of simulated networks, the inspection of manufacturing sites during mass production, and the quality assessment of waves transmitted around us—supports the evolution of mobile phones in various settings, thereby contributing to the realization of convenient mobile communication.

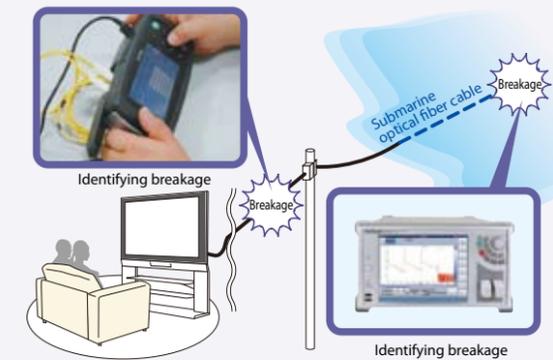


## Measuring technology supports information pathways via submarine cable to the home

Popular Internet content is now shifting toward video, and services that offer TV programs via the Internet are already available. These high-speed and large-capacity communication services are made possible by optical fibers running from the submarine to the home.

Bending or breakage, however, can cause the signal quality of optical fiber to deteriorate. Disconnections can even occur from cicadas laying their eggs into the fibers, and identifying impaired areas of sheathed optical fiber is impossible with the human eye.

To address the problem, Anritsu developed a variety of measuring instruments that, with simple operation, are capable of locating breakages in optical fiber within a ten-meter stretch of the thousands of kilometers of cable that connect, even via submarine cable, individual homes.



### Anritsu's ever-expanding measuring technology

#### Foreign substance detection technology for securing the safety of food

The food we eat every day should always be safe from contamination by foreign substances. But how can these minute substances be detected at highly automated production sites through which hundreds of food items flow by the minute? The type of monitoring needed, which has a direct impact on food safety, requires an extraordinary level of reliability that simply cannot be achieved by the human eye. Anritsu Industrial Solutions Co., Ltd. provides X-ray inspection equipment and metal detectors that can find particles of metal, bone and other material that are smaller than a millimeter to ensure complete food safety.



#### Image delivery technology protects people from natural disasters.

The Iwate-Miyagi Inland Earthquake in Japan that occurred in June 2008 wreaked havoc on a wide population. A major concern during the earthquake was the washout of natural levees by mudslides. Restricted access to these sites, however, made it difficult to ascertain the actual situation. To address this challenge, Anritsu Networks Co., Ltd., with its outstanding image delivery technologies, installed a remote monitoring system at the disaster response office to continually monitor the status of the levees.





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- 1 Commemorative photograph after the award ceremony of the first CS Award of the Year (Tohoku Anritsu)
- 2 Representative of Tohoku Anritsu receiving testimonial from Vice President Yasuyuki Oguma

**Key Initiative 2**

# Employee realization of personal growth

**One year after introducing the CS Award system to the domestic part of the Group**

Anritsu is working to create a workplace in which employees can experience growth through their work. As a part of this effort, we established several honors for recognition, including the President Award, the Sales Award, the Excellent Performance Award and the Patent Award. We also introduced the CS Award in 2008 as part of a new incentive system for encouraging employees to enhance customer satisfaction (CS) in their own respective positions. We believe this can lead to improved CS while building and maintaining relationships that simultaneously satisfy customers, employees and the company.

## Turning CS enhancement activities into actual growth

Anritsu strives to improve CS under the action guideline: "We will become a CS enterprise deeply trusted by customers." To this end, we introduced the CS Award system in January 2008 as a proposal at a Japan CS Committee. While the primary intent of the system is to further strengthen our CS promotion activities, we also see major significance in furthering employee growth through recognition. There are three paths to recognition: customer feedback (CS questionnaire), peer endorsement (special dropboxes are set up in the company), and departmental recommendation by a supervisor or co-worker (workplace endorsement). Each case is evaluated and decided upon by the Japan CS Committee on a monthly basis. CS Awards include the CS Award and the CS Contribution Award. The CS Award is presented to recognize a notable effort by an employee for a customer that enhances CS, or a key improvement or development and proposal carried out proactively in response to a customer request. The CS Contribution Award is awarded to persons who have been singled out for praise because of their response to customers or as a result of comments included in a CS questionnaire.

## Grand Prize recognizes an exemplary practice for boosting corporate value

In the first year of the system (January 2008 to March 2009), recognition was given to 20 winners (winner groups) in total, 7 of whom won the CS Award and 13 the CS Contribution Award. The historic inaugural CS Award of the Year was presented to all Tohoku Anritsu employees who had received a CS Award in April 2008. This recognition was based on the comments of a customer who had audited Tohoku Anritsu, saying: "Tohoku Anritsu employees always extend pleasant greetings, without fail." This practice is highly valued because it reinforces the sense of sincerity called for by the Company Philosophy while also helping to

increase Anritsu's corporate value.

About 100 employees attended the award ceremony, held in Tohoku Anritsu in May 2009. Yasuyuki Oguma, Vice President in Charge of CSR of Anritsu Corporation, presented a testimonial and a plaque to a representative of the employees with the words, "I hope that continuing this practice will instill a sense of sincerity from Tohoku Anritsu throughout the entire Anritsu Group, to all our customers and across the world as part of our contribution to society."

## CS recognition in the United States

CS recognition is not limited to Japan. Anritsu Company in the United States introduced its own Customer Awareness Program (CAP) in 2007, ahead of its Japanese counterpart, to honor employees who have helped to improve customer satisfaction. The award winner literally receives a cap as an extra prize symbolizing the program. Since the inauguration of this award, 32 employees worldwide have received it, helping to promote personal growth while encouraging CS improvements.



Presenting caps as extra prizes to winners



Prize cap

Anritsu will continue to support all its employees by motivating them toward realizing their personal growth through highlighting less visible activities and actively demonstrating genuine respect.

**Topics**



### President Award presented to a recipient of the Medal with Yellow Ribbon

Anritsu awards the President Award to Group employees worldwide. This is Anritsu's highest prize and is only presented when the president has identified a particularly significant contribution to the company's business. Because of its extremely demanding criteria, no one had received the President Award since Stephan J. Vonderach of Anritsu Company in 2006. This year Tomie Kurihara of Anritsu Techmac Co., Ltd. won the award, the sole winner in three years. In recognition of three years of outstanding effort. In 2005, he received a prize from the Ministry of Health, Labour and Welfare as an outstanding technician who has demonstrated years of excellent skills and achievements in the field of sheet metal processing, and in April 2009 he received the national Medal with Yellow Ribbon from the Japanese government. These achievements were the basis for presenting him with the President Award.



1 東北アンリツ通函

2 東北アンリツ通函

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- 1 We work to reduce environmental impact from the product planning stage.
- 2 We ask suppliers to use returnable cases.
- 3 We control power consumption for product testing using hand-made heaters (Tohoku Anritsu).
- 4 We have established our own, outstanding eco-product system to promote development of products having less environmental impact.
- 5 We control the use of buffer material by adopting film cushioning.
- 6 We help reduce environmental impact throughout the lifecycle of products by recommending power-saving products to customers.
- 7 We separate plastics into many separate color groups.

### Key Initiative 3

# Life Cycle Thinking

Conserving electricity and resources in an information-communication society

Anritsu encourages environment friendly efforts throughout the product lifecycle, from product design, parts procurement, production, and shipment to customer use and recycling. In addition to accelerating the provision of environmentally sound products—a pillar of our environmental management system—we are taking full advantage of our own technologies to address the rising electric power consumption of IT equipment, a public concern that has recently emerged.

## Electric consumption of IT equipment in an era of exploding information

With the dissemination of high-speed, large-capacity communication services, a dramatically larger volume of data, including audio and video files, is being broadly exchanged in addition to text. According to an estimate by the Ministry of Economy, Trade and Industry, the volume of information distributed over the Internet in 2025 will be 190 times higher than in 2006, and electricity used by IT equipment such as servers, storage devices and PCs will rise to 240 billion kWh, over 20% the total production of electricity in Japan. Worldwide electric consumption will also skyrocket with the development of communication infrastructure in countries such as China and India. (See below figures from ministry's website.)

## Photonic network—the answer for saving electricity

A major factor in the increased consumption of electricity by IT equipment is directing data to the correct destination (routing). In an optical transmission system, optical signals are converted into electric signals and reconverted to optical signals before transmission. This consumes electricity. To address this, attention is being focused on all-photonic networks in which routing is performed without converting optical signals into electric ones. Once this becomes practicable, it is expected to reduce power consumption from one-half to one-tenth of the conventional method. Research and development into such networks requires optical sampling technology to extract and evaluate the quality of transmitted optical signals. Anritsu has led the way in establishing optical sampling technology ahead of other measuring instrument manufacturers in the world. The company is quickly forging progress in the practical use of these instruments based on an optical sampling technology for all-photonic networks planned for major networks around 2015.

## High-speed measurement, integrated single unit, and downsized instruments

Anritsu develops products that save energy, save resources and reduce toxic substances. High-speed measurement, integration of multiple functions into a single unit, and downsized measurement instruments are essential in this development. Products that represent high-speed measurement are the MS269xA Signal Analyzers, for mobile phone performance evaluation. The analyzers can perform a series of measurements within a minute, compared to the 30 minutes that conventional units take, and at 1/50 the power consumption during development and production. MP1800A Signal Quality Analyzers reduce volume, mass and power consumption respectively to 70.0, 66.7 and 70.8%, compared with conventional units, by integrating into one unit the functions of sending and receiving, previously done by two measuring devices. In terms of downsized instruments, R&D departments in the U.S. and Japan have collaboratively developed handheld measuring instruments. Today, many such environmentally sound instruments are battery-powered and can be easily carried anywhere, and are used for the construction and maintenance of wireline and wireless communication networks, outdoors and indoors.

## Plastics separated into 96 groups

In addition to recycling and selling used measuring instruments, Anritsu Kousan Co., Ltd. also recycles discarded products. Generally, plastics are divided into 36 to 40 groups; Anritsu Kousan Co., Ltd., however, separates plastics by hand into 96 groups based on type and color to reuse them wherever possible as material instead of fuel. Through these thorough recycling efforts, the company helps reduce the overall environmental impact.

In 2008, dubbed the first year of Green IT, the IT industry achieved progress toward energy-saving IT equipment and creating an energy-saving society that takes advantage of IT. Anritsu will also continue to focus on reducing environmental impact throughout the product lifecycle, from raw materials to recycling and disposal, as the responsibility of an upstanding enterprise in the century of the environment.

Projected IT-related power consumption

Power consumption (100 million kWh)

Japan



Power consumption (100 million kWh)

Worldwide





**Key Initiative 4**

# Close connection with local communities

**Promoting community-based social contribution activities across the globe**

Anritsu engages in social contribution activities through dialogue and partnerships with stakeholders. In the area of youth education support, a priority in our social contribution activities, we hold the Fun Science Laboratory at elementary and junior high schools with Anritsu Group employees as teachers, where our head office is located. Anritsu Group companies around the world likewise pursue efforts focused on sustainability to fulfill their responsibility as members of the global society.

## Participation in the Fun Science Laboratory

To counter the trend of growing disinterest in science and technology among children, Atsugi City, Kanagawa Prefecture, where Anritsu maintains its head office, holds the Fun Science Laboratory in the cooperation with local enterprises and universities. Anritsu participates in this activity and has been holding it since 2007 with its employees serving as teachers.

The Fun Science Laboratory at Atsugi Municipal Iiyama Elementary School in March 2009 featured the topic, "The Mechanism of a Battery." To attract the interest of students, we selected a "human battery" experiment as the centerpiece of the event with the cooperation of Sanyo Electric Co., Ltd.

A battery can be made with two kinds of metal and an electricity-conducting liquid (electrolyte). The experiment aimed at powering an electronic music box using tinfoil, a spoon and salt water, with students serving as a part of the battery.

Norio Aizawa of Anritsu Networks Co., Ltd. was present on the platform of Iiyama Elementary School to lead the experiment. After explaining the mechanism of a battery, he moved on to the experiment. Students sat divided into groups around desks, placing their left hands, moistened with salt water, on tinfoil and holding spoons in their right hands. The preparations were completed with a student connecting a spoon to the positive pole of the lead of the music box and touching the negative pole with the tinfoil. On a signal, everyone used their spoons to touch the tinfoil at their right. The tune from the music box confirmed the experiment's success.

Once experiencing this initial sense of achievement, students who had found the experiment puzzling continued experimenting with a variety of ideas and modifications. They were so excited that they wanted more time to test their ideas.

Students subsequently sent letters describing how interesting the experiment had been and their excitement when the music box began to play, showing that a battery's mechanism could be learned about in an enjoyable way.



**Lecturer for Fun Science Laboratory**

**Norio Aizawa**  
Senior Manager, Administration Department, Anritsu Networks Co., Ltd.

**Social contribution activities**

## Anritsu Company wins Sustainable Quality Awards

The local chamber of commerce in Morgan Hill, where Anritsu Company (USA) maintains its development and manufacturing base, gives Sustainable Quality Awards in recognition of enterprises and organizations that take responsibility for the environment and the sustainability of local communities. After a meticulous examination of awards application forms detailing business activities, Anritsu was recognized as a future-thinking business that conducts a broad range of businesses in the field of wireline/wireless communication under a clear sustainability policy, contributing to the maintenance of high-quality life in the Morgan Hill region, and received the Sustainable Quality Award for Excellence.



Left  
**Cynthia Mann**  
Audit Systems Manager, Anritsu Company

Center  
**Frank Tiernan**  
Vice President of Anritsu Corporation,  
President of Anritsu Company

Right  
**Eric Mclean**  
Corporate Quality Director, Anritsu Company

**Social contribution activities**

## Fundraising and Reconstruction for Communication Infrastructure after the Great Sichuan Earthquake

In May 2008, an earthquake of magnitude 8 hit Sichuan Province, China, inflicting severe damage across an extensive region.

Anritsu has been assisting in the development of China's communication infrastructure since the 1960s. With the Beijing Office marking its 20th anniversary in 2007, the company is deepening its relationships with China to an unprecedented degree. Since the company maintains business operations in Chengdu, Sichuan Province, the entire Anritsu Group, including Chinese affiliates and its own employees, donated money collected from employees through the Red Cross as a means of expressing hope for a rapid recovery.

The company also loaned measuring instruments on an emergency basis and repaired and calibrated products owned by customers at no cost in order to accelerate reconstruction of the severely damaged communication infrastructure.



Website at the time introducing Anritsu's efforts in reconstruction activities

Message from Vice President Oguma

Responding to social change by fostering company growth through management and communication

The Anritsu CSR Report marks its fifth anniversary this year. Over this period, social conditions have evolved at a bewildering pace, and we have observed dramatic change in what shareholders consider important, particularly in valuation standards and criteria. I believe it is important for the sake of identifying the next criteria that we further strengthen communication and share information with all stakeholders, including customers, shareholders, investors, business partners and local communities.

We believe our mission is to continue contributing to the building of a safe, secure and comfortable society through our core business; and therefore our business activities in themselves constitute CSR. By clearly defining a unified business strategy that runs throughout the entire organization, we can align our internal management and activities to meet stakeholder expectations.

In our environmental efforts, for example, the major strategy for our operations should be guided by Life Cycle Thinking, that is,

preventing global warming and other impacts throughout the product lifecycle rather than resting on the achievement of separate targets.

Since the solution business constitutes the core of our enterprise, stakeholders who are generally unfamiliar with our business may have difficulty understanding how this specific type of business can contribute to society. We will therefore report on our CSR activities clearly and concisely while more actively communicating with stakeholders to further enhance the overall quality of our management and more firmly establish the Anritsu brand.

We look forward to and deeply appreciate your continued support.

**Yasuyuki Oguma**  
Vice President and Director  
Anritsu Corporation



Independent Review

Having the opportunity to exchange opinions with Vice President Yasuyuki Oguma and to sit in on a CSR Promotion Meeting, a CSR Promotion members' meeting, and so forth, I could catch a glimpse of the organization's CSR activities. I was able to observe your scrupulous approach to managing your CSR system and how it was promoted through the concerted efforts of the entire Group.

You analyzed material issues this fiscal year on the basis of this system. While CSR tends to follow a try-to-please-all policy, it actually requires the development of strategies that are closely tied to business operations. I respect the direction you have taken in developing actions focused on material issues. Based on your analysis, you selected 12 material issues and 4 key initiatives; I wonder, however, if it would have been better to further narrow the target and state something like, "What is really important in our CSR activities is this and that."

Looking ahead, I would expect analysis of material issues to trigger discussions at the CSR-related meetings among the entities mentioned at the beginning of the report, and for outcomes of these discussions to take concrete form in the CSR activities of individual departments with clearly identified priorities.

sections. I believe that introducing your enthusiasm for CSR through representative stories will more effectively convey a strong, concrete message to readers.

Once you have communicated your enthusiasm, the next task is to share information on the results of activities, including performance data. At this stage, I wish you had not depended so completely on the website as a reference point; the CSR report digest should include a sufficient description of indicators to permit evaluation of the activities selected through the materiality analysis mentioned above.

In your "Announcement on the results of early retirement solicitation" on April 27, 2009, you publicly declared tough and urgent management measures, including a workforce reduction of about 250, about 6% of all employees across the entire Group, as of the end of March 2009. Although President Hiromichi Toda mentioned this in the top message of the CSR report digest, it would have been better to summarize these urgent management measures in the body of the report.

In terms of reporting, you started out by distinguishing the function of the booklet as a digest of the detailed information provided on the website. The digest version is especially impressive in that it does not merely draw out excerpts from the website but liberally incorporates narrative presentations into special feature



**Takashi Fukushima**  
President, Sustainability  
Accounting Co., Ltd.



Notes from the Editor

Starting with this issue (the 2009 edition), we will provide detailed information about our CSR activities on our website to overcome the limitations of disclosing information in a printed publication, as noted in last year's independent review. The editorial focus of this printed report is to better communicate our CSR efforts through the spotlighting of four key initiatives to engage reader interest.

For this issue, President Takashi Fukushima of Sustainability Accounting Co., Ltd. provided an independent review indicating three areas for improvement. First, he pointed out the need to concentrate more on priority issues. In response, we will delve more deeply into the issues revealed by the materiality assessment and direct the results into concrete business activities. His second point was that we should also explicitly provide performance data in the digest version. We will

consider how to best address this issue next year using feedback from stakeholders on this year's report. His third point was that we need to mention our employment adjustment actions in the body of the printed report. We disclosed the related information on a timely basis in the "Announcement of the establishment and implementation of urgent management actions" on January 28, 2009 and the "Announcement of the result of voluntary retirement solicitation" on April 27, 2009.

Going forward, we will continue to improve and enhance these efforts as we strive to sincerely respond to and incorporate Mr. Fukushima's comments and stakeholder feedback into our activities. We deeply appreciate your understanding and support.

Company Profile



**Headquarters address:**  
5-1-1 Onna, Atsugi-shi, Kanagawa, Japan  
**Company founded:** 1895  
**Capital:** 14,049 million yen \*1  
**Net sales:** 83,940 million yen \*2  
**No. of shareholders:** 16,601 \*1  
**No. of employees:** 3,697 \*3  
**No. of suppliers and partners:** 977 \*4

\*1 As of March 31, 2009 \*2 Consolidated, year ended March 2009  
\*3 Consolidated, as of March 31, 2009 \*4 As of June 12, 2009

Anritsu Corporation employee data

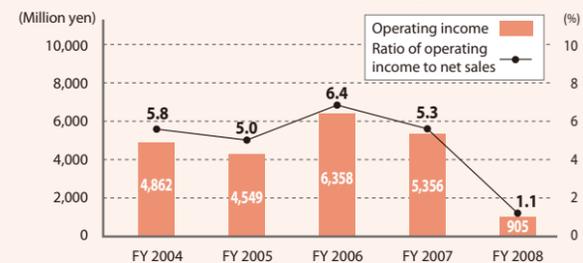
No. of employees: Figures in parentheses refer to number of managers included in total count	FY 2006		FY 2007		FY 2008		
	Male	980 (232)	938 (224)	745 (167)	Female	134 (4)	136 (4)
Total	1,114 (236)	1,074 (228)	873 (172)				

Percentage of female employees worldwide

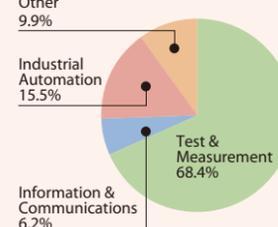
	Japan	The Americas	EMEA*	Asia and others	Total
Percentage of female employees to total	13%	31%	22%	32%	23%
Percentage of female managers to male managers (No. of female managers ÷ No. of female employees) ÷ (No. of male managers ÷ No. of male employees) expressed as %	9%	68%	97%	37%	52%

\* EMEA: Europe, the Middle East and Africa

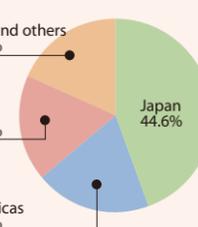
Consolidated operating income; Ratio of operating income to net sales



Consolidated net sales by business segment (Year ended March 2009)



Consolidated net sales by region (Year ended March 2009)



# Anritsu

Discover What's Possible™

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