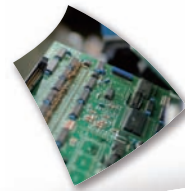


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Anritsu

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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.”

Explanation of icons

 Customers	 Local Communities
 Shareholders and Investors	 Suppliers and Partners
 Employees	 NGOs and NPOs
 The Global Environment and Nature Conservation	 National and local Governments

Editorial Policy

Again this year, we report detailed information on the CSR activities of Anritsu on the corporate website while delivering a digest version in PDF. This PDF version provides easy-to-understand explanations of specific activities, particularly for each of Anritsu’s CSR Goals. For the website version, our aim is to reach more stakeholders by organizing information under 12 material issues identified through materiality assessment and then describe concrete activities for each of them.

For more information on Anritsu’s CSR activities, please visit our website at

<http://www.anritsu.com/en-US/About-Anritsu/CSR/CSR2010/index.asp>

*This CSR report mainly focuses on Anritsu’s social and environmental performance. For detail on financial performance, please refer to our annual report or website at

<http://www.anritsu.com/en-US/About-Anritsu/Investor-Relations/index.aspx>

Guidelines used as reference

GRI Sustainability Reporting Guidelines 2006

■ Reporting Period

This report covers the period from April 1, 2009 to March 31, 2010, and 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.

Date of issue: August 31, 2010

Further inquiries: CSR Promotion Team,
Corporate Communication Department, Anritsu Corporation

Tel: +81-46-296-6514

Fax: +81-46-225-8358

URL: <http://www.anritsu.com/>

(Next CSR report is scheduled for release in July 2011)

Company Philosophy, Vision and Policy

Anritsu is promoting CSR activities by implementing the basic principles of its company philosophy, vision and policy 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.

◆ Company Philosophy

Contribute to the development of a safe, secure, and prosperous global society by offering Original & High Level products and services with sincerity, harmony, and enthusiasm

◆ Company Vision

Achieve Continuous Growth with Profit through the innovation of all employees

Be a global market leader through innovation with a market-driven and customer-centric focus.

◆ Company Policy

1. Make an energetic organization through the knowledge and ideas of all employees
2. Capture growth drivers through innovation
3. Be a leader in the global market
4. Contribute to the creation of a society that is friendly to people and the Earth as a good corporate citizen



United Nations Global Compact
Principles of conduct as a global enterprise

The Anritsu Group Charter of Corporate Behavior
Common values and perspectives that unify Anritsu's worldwide operations

Goal 1

Contributing to Build a Safe, Secure, and Comfortable Society

Service to customers

Building a corporate brand
Vigorous response to social issues

Goal 2

Maintaining Harmony with the Global Socio-Economy

Supply chain management

Respect for human rights and promotion of diversity

Human resource development

Establishment of compliance
Promotion of risk management
Labor safety and health
Promotion of social contribution activities

Goal 3

Promoting Global Environmental Protection

Promotion of environmental management

Goal 4

Promoting Communications

Communication with stakeholders

Assessing materiality from stakeholders' standpoint

Referring to various guidelines and stakeholder questionnaires

Assessing materiality from Anritsu's standpoint

Briefing with our CSR promotion members (30 people)

Selecting **142** issues

Received from stakeholders

Material issues selected in fiscal 2009

Creating New Value with Sincerity, Harmony and Enthusiasm

Sincerity, Harmony and Enthusiasm Represent the Core of CSR at Anritsu

Anritsu launched full-fledged CSR management in 2004. At that time, I was introducing and promoting CSR management as the director in charge. I explained the meaning of CSR as a win-win-win business principle, in which the seller wins, the buyer wins, and society as a whole wins, as advocated by Omi merchants, who flourished for centuries. Considering recent social conditions, however, wins of the employee and the environment need to be added alongside those of the seller, buyer and society in order to be recognized as a comprehensive CSR company. This is how I view the current status of CSR.

Underlying these principles is our company philosophy, handed down throughout the 115-year history of Anritsu, in which sincerity, harmony and enthusiasm stand for genuine, wholehearted efforts in everything we do while at the same time valuing harmony. This is the fundamental stance of Anritsu CSR.

Contributing to the Safety and Security of Society through Innovation Based on Collective Wisdom

How can Anritsu contribute to society under this company philosophy? The keyword is “innovation,” which is advocated in our company vision. Although innovation is usually understood in terms of technical innovation, I interpret it to mean “destruction and creation.” The Anritsu Group is conducting business across wide-ranging fields, including information communication, food and pharmaceuticals, and precision equipment, all of which have an impact on the safety and security of society. We can contribute to society through these businesses only insofar as we can ensure the company’s sustainability, that is, “continuous growth with profit”. However, it is not easy to survive against the competition in a global economic society. One must step outside the box and reexamine existing know-how and technology from a new point of view. New value must be created by integrating the knowledge of customers and business partners in addition to that already present within the organization. It is important to create innovative products and business models through these activities.

For example, an information communication network can be a driver for changing society by resolving social disparities and barriers. Of the 6.9 billion people now living on Earth, only 1.8 billion or so are benefitting from information society. We at Anritsu believe that not only can we bridge the digital divide, we can also contribute to further evolving the information society into a society based on respect for humanity. We will ensure the safety and security of society through company-wide innovation, eventually leading to continuous growth with profit.

Business Deployment under Global Action Guidelines

We must not forget the importance of fair and impartial business activities in our business management, based on the compliance awareness of every employee. The company established the Anritsu Group Charter of Corporate Behavior as an action guideline for employees. It provides standards of conduct that clearly lay out a specific direction for our activities. The Anritsu Group maintains global operations in almost all of its businesses, including measurement, industrial automation, precision measurement and optical devices. Currently 40% of employees are working outside of Japan and approximately 70% of the sales of the measurement group come from customers outside of Japan. With our customers and business partners spreading across the world, we needed action guidelines common to all employees. Against this background, it was natural for the company to join the Global Compact.

We will encourage every employee of the Anritsu Group to develop a willingness to examine his or her thinking and behavior against the Charter of Corporate Behavior and the Global Compact.

Becoming a Company that is Always Appreciated and Supported by Many Stakeholders

Both creating innovation and instilling compliance depend upon the motivation and awareness of individual employees. The company was however forced to implement difficult measures including a workforce adjustment last year to remain viable. Now, having



overcome a severe economic environment, it is important for the company to encourage employees to strengthen their pride and enthusiasm for their work. We should take a first step toward becoming a company in which every employee can work vigorously, shine and realize their own growth. The company will mark its 120th anniversary in 2015. Its tradition and history are the result of the appreciation and support of many stakeholders throughout these long years. In order to transmit the DNA of Anritsu into the future, we will establish a communications climate that defies the boundaries

between management and employees, between departments or workplaces, and which will form the foundations of a management in which all individuals in the company can participate. We look forward to your continued support for and cooperation in the business activities of the Anritsu Group.

July, 2010

Hirokazu Hashimoto
Representative Director,
President

United Nations Global Compact

Approving of the activities of the United Nations Global Compact, Anritsu announced its participation in the compact in March 2006.

This is our Communication on Progress in implementing the principles of the United Nations Global Compact. We welcome feedback on its contents.

* The United Nations Global Compact is an assembly of bodies that support ten principles in the areas of human rights, labor, the environment and anti-corruption. Proposed by then U.N. General Secretary Kofi A. Annan at the World Economic Forum held in January 1999, the compact was officially launched at U.N. Headquarters in New York in July 2000.

A message from our president Hirokazu Hashimoto appeared in the **United Nations Global Compact-Accenture CEO Study 2010**, a research report released during the United Nations Global Compact Leaders Summit held in New York on June 24 and 25, 2010

The Anritsu Group is working for everyday life

Measuring, monitoring and supporting.

Anritsu supports daily life and business in diverse settings, including information communication, image monitoring and food processing for a safer, more secure and comfortable society.

Measuring business

1 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.

3 Measuring terrestrial digital broadcasting



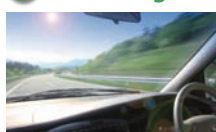
Measuring terrestrial digital broadcast radio waves to ensure normal reception.

2 Measuring optical light



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

4 Measuring automobiles



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



Information communication business

5 Supporting networks



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

6 Monitoring transportation and rivers



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

Industrial automation business

7 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.).

Device and precision measurement businesses

8 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.)

9 Creating optical light



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

10 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.)



Goal 1

Contributing to Build a Safe, Secure, and Comfortable Society

Anritsu safeguards your safety and security through Original & High Level products and services while vigorously responding to social issues through its business operations.

Highlight 1

Handheld measuring instruments help bridge the digital divide

"For more information, go to our website" is a familiar expression in TV commercials, in newspaper and magazine ads and public relations material. Yet what if you do not have access to the Internet? In fact, the ITU (International Telecommunication Union) estimates the average Internet diffusion rate across the world to be as low as 23% as of 2008, based on the diffusion rates of individual countries (ITU survey). With the increasing convenience of information communication networks, the digital divide^{*1} is becoming an increasingly serious social obstacle.

Against this background, the construction of radio communication networks is being actively pursued across the globe, and Anritsu's handheld measuring instruments are essential components for these activities. These instruments can be handily carried in mountainous areas, inside buildings or in underground malls while offering functions and performance that are in no way inferior to larger-scale measuring instruments. The development of these handheld instruments for wireless base stations was triggered by a photograph of a maintenance worker heading for a base station on a mountain peak, carrying a cooking-range-sized measuring instrument on his back. Seeing the photo, one engineer began considering how helpful a smaller instrument would be and he jotted down a circuit diagram that came to mind on a table napkin during lunch. This was the start of the history of handheld measuring instruments. After several years of development, the world's first handheld measuring instruments for wireless base stations were born in 1995. Since then, the applications of Anritsu's handheld measuring instruments have expanded with the evolution of communication technologies, including the construction and maintenance of wireless base stations encompassing an impressive spectrum of specific uses, from disturbance inspections of base station antennas and cables

for wireless communication systems, such as mobile phone and WiMAX^{*2} network, to the quality measurement of radio wave traffic through the air.

^{*1} Digital divide refers to the gap between those who benefit from information communication technologies (particularly the Internet) and those who do not.

^{*2} WiMAX (Worldwide Interoperability for Microwave Access) is a high-speed wireless communication system



Handheld measuring instruments in use for maintaining wireless base stations

Highlight 2

The one and only measuring instruments in the world that supports broadband communication across the seas

For many generations, submarine cables have been used for international communication. With the rapid spread of the Internet and the corresponding shift to broadband, optical fiber is now used for over 90% of international communication networks. Today, however, with the rapid spread of so-called rich content, including images, videos, music and games, the volume of information transmitted through the Internet is continuing to increase. Annual volume is estimated to reach 667 exabytes (one exabyte corresponds to all the printed information available worldwide) or five times greater than today by 2013. Therefore, telecom-related companies across the world are in the midst of laying new optical submarine cables and enhancing existing ones.

Optical submarine cables, some of which are over 10 thousand kilometers long, are sometimes damaged as a result of various factors, such as seabed earthquakes, rough terrain and fishing gear, requiring rapid response. And for the very beginning of this response—locating points of disruption—Anritsu is the only company in the world that provides measuring instruments that make this possible. Our measuring instruments can detect points of disruption in a 12-thousand-kilometer-long optical submarine cable at 10-m accuracy. These instruments are used in a variety of situations, such as searching for land-based points of disruption and confirming quality after repair to support the network of information paths on the ocean floor.

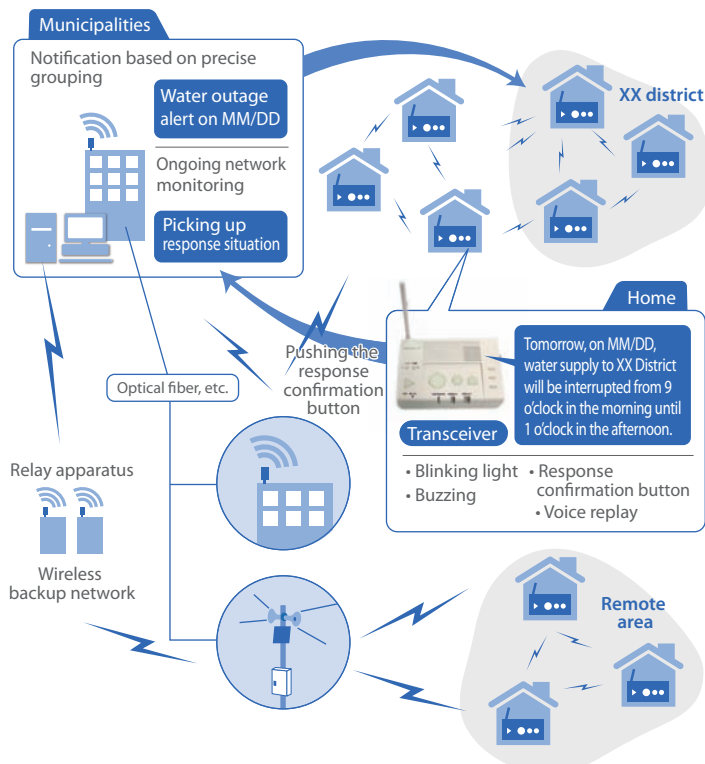


Highlight 3

Advancing the Sophisticated Use of the Disaster Prevention/Mitigation and Crime-prevention Network

The melodies of akatonbo (red dragonfly) and yuyake koyake (sunset glow) can be heard toward evening in many places in Japan. These are played to confirm that the disaster prevention radio network for municipalities is working properly. The network broadcasts evacuation advisories and instructions as well as requests for cooperation in searching for missing persons in the event of large-scale disasters such as earthquakes and typhoons. The system, however, does have problems, such as its largely one-way flow of information and poor reception in some regions.

To address these concerns, Anritsu Networks Co., Ltd. is developing a communication system for disaster mitigation in collaboration with NTT Data Corporation. The most outstanding feature of this system is its two-way communication capabilities, which aid in confirming the safety of victims in addition to transmitting emergency announcements to community residents in times of disaster. During normal times, the system may be used, for example, to announce which doctors are on duty during holidays or water outages, thereby improving administrative services for the benefit of community residents.



Highlight 4

Contributing to the Safety of Foods and Pharmaceutical products and Reducing Disposal Loss

There can be no defects in foods or pharmaceutical products; the public expects that any product to enter the body will be safe and secure. Anritsu Industrial Solutions Co., Ltd. provides the required testing equipment for manufacturing lines, from processing to packaging and final inspection. Our equipment for accurately measuring raw material and content as well as units for detecting foreign substances during processing, packaging and shipment inspection are incorporated into the automation lines of food manufacturers in and outside of Japan.

We are also pursuing efforts to eliminate waste materials toward realizing a sustainable society. Take, for example, our X-ray inspection systems. These are mainly used in the final inspection stage because of their ability to detect foreign substances such as bone, stones and plastics in addition to metal particles as small as 0.2 mm in diameter. The discovery of foreign substances at this stage, however, means the product, which has already been processed or packaged, must be discarded, leading to the loss of food or packaging materials. To address this issue, Anritsu Industrial Solutions Co., Ltd. has expanded its lineup of X-ray inspection systems to include large models that can detect foreign matter in raw material while it is in a large bag. The new model makes quality checking possible before processing, thereby reducing the volume of discarded materials.



Maintaining Harmony with the Global Socio-Economy

Anritsu will strengthen its foundations as a caring corporation by creating comfortable work environments in which human rights are respected and employee diversity is valued while building trusting relationships with the supply chain, the community and society at large.

Highlight 1 Supply chain management

We meet the expectations and needs of society throughout the supply chain.

The Anritsu Group believes that robust relationships of trust with suppliers and partners are vital for mutual growth. We therefore place high priority on strengthening partnerships and meeting the expectations and needs of society throughout the supply chain. In addition to our rules and requests for suppliers and partners, we incorporated environmental considerations into our Basic Rules of Procurement in fiscal 2009 and began conducting suppliers and partners quality and environmental audits that also include CSR-related items. Looking ahead, we will continue to enhance the overall environment and systems for developing our CSR. And we will further bolster risk management by preparing a BCP (Business Continuity Plan) focused on the supply chain with the collaboration of the Anritsu Head Office and Tohoku Anritsu.

As a partner in contributing to society through proposals

Shigetada Sasaki

Marubun Corporation
Team1 Sales Dept.2 Sales Operation Div.2



Our company has enjoyed a long-standing business relationship with Anritsu through the delivery of electronic components. By regularly exchanging and sharing information, I feel we are operating as genuine partners, not just supplier and customer. I am deeply interested in the Partner QU program through which we can offer proposals as feedback from suppliers for strengthening relationships and improving business. I believe this is a rare opportunity for suggesting ideas that could lead to mutual growth, and I would like to encourage broader participation.

We intend to reinforce our CSR activities to help Anritsu earn customer appreciation and support for its products.

Highlight 2 Respect for human rights and promotion of diversity

We are committed to the development of institutions and workplace environments that welcome diverse human resources.

In response to the ongoing evolution of global business and the diversifying ways in which people work, we are creating comfortable work environments that respect human rights and diversity. To further supplement our human right education activities, including training by organizational level, as well as Corporate Ethics Month and Compliance Reinforcement Week, we are creating jobs and comfortable working conditions for people with disabilities. We also conduct recruitment across a range of nationalities by participating in recruiting fairs at overseas universities and employing international students in Japan. To better grasp employee perceptions of our management, local institutions, workplace communication, job satisfaction and other issues, we conducted an employee satisfaction survey in the Americas, Europe, Asia-Pacific and Japan in fiscal 2009. Follow-through efforts for identifying specific problems and developing and implementing improvement plans are now underway in each region.

Studying every day to raise myself to the next level

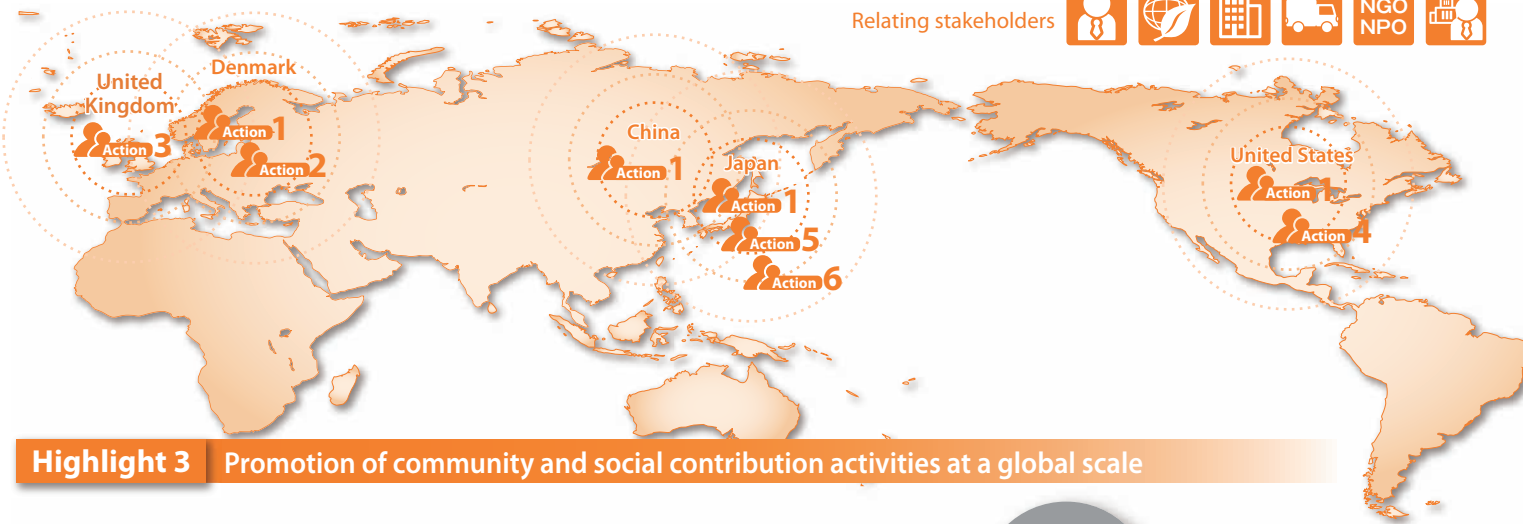
Lim Weiyong

2nd Product Development Department,
R&D Division, Anritsu Corporation



I came to Japan eight years ago to learn about Japanese language and technology, and this is my second year in the company. Although I have no problem conversing in Japanese with friends, many technical words I encounter at work are difficult for me. I am grateful for the methodical instruction I receive from senior members. Learning does not end with school; we need to continue learning after joining a company in order to grow. I believe I should now take my responsibilities to heart and study every day so that I don't get in the way of others. I will continue to improve my knowledge and expertise to raise myself to the next level, both as a worker and as a member of society.

*Recruiting fairs provide a platform for information exchange and mutual understanding for job seekers and recruiting companies.



Highlight 3 Promotion of community and social contribution activities at a global scale

We will continue to serve as a sound corporate citizen and member of society

Good relationships with local communities are essential for our business operations. The Anritsu Group's community-based social contribution programs have been developed under the three pillars of partnerships for educating youth, contributing to local communities and protecting the environment and are designed so that employees can participate at their own initiative on an ongoing basis.



Action 1 Denmark, United States, China and Japan

► Fundraising to provide aid to areas impacted by earthquakes

To raise funds from employees toward supporting victims of the earthquakes that hit the Republic of Haiti and Chile in January and February 2010, respectively, Anritsu Company (USA) and Anritsu A/S (Denmark) made a call for donations from employees. Anritsu Company Ltd. (China) donated to the victims of the Chinghai earthquake in China.

Action 2 Denmark

► Cooperating with animal welfare activities in Bosnia

A Bosnian employee of Anritsu AB (Denmark) is supporting the protection of animals in Bosnia. She is involved in charity drives, flea markets, calendar sales and other activities in cooperation with an organization that protects animals that have suffered neglect due to conflict in the 1990s. Employees in the Denmark and Sweden offices also participate by making purchases at these events.



Action 3 United Kingdom

► Participating in Macmillan Coffee Morning

Employees of Anritsu EMEA Limited (UK) participated in Macmillan Coffee Morning, a fundraising event organized by Macmillan Cancer Support, established in the United Kingdom in 1911. Money raised was donated to this organization for cancer treatment.

Action 4 United States

► Participating in programs to support disadvantaged children and families

Employees of Anritsu Company (USA) participate in Make-A-Wish, a foundation that has annually given toys to disadvantaged children during the Christmas season, and Adopt-A-Family, a program that gives Christmas presents and food to disadvantaged families in the community.



Action 5 Japan

► Fun Science Laboratory sponsored by Atsugi Board of Education

At the request of Atsugi City, Anritsu conducted a Fun Science Laboratory at two local elementary schools. The laboratory was designed to stimulate children's interest in science and technology through a thought-provoking experiential format.



Action 6 Japan

► Environmental activities (biodiversity conservation)

Our employees take the initiative in volunteer activities for preserving biodiversity, such as a green campaign that donates a portion of sales proceeds from soft drink vending machines. Employees from Anritsu Group companies in Japan also participate in the Mt. Fuji Green Fund Forest, which supports afforestation programs.

Promoting Global Environmental Protection

Anritsu is actively involved in protecting the global environment by developing and producing environmentally conscious products and implementing global environmental management.

Message:

We will implement environmental management to contribute to the sustainable future of the planet.



The Anritsu Group added a new statement to its company policy under the management framework that went into effect April 2010: "Contribute to the creation of a society that is friendly to people and the Earth as a good corporate citizen." Recognizing that protecting the global environment is now more important than ever before, we will implement environmental management to contribute to the sustainable future of the planet.

The prevention of global warming is a priority issue, and we are addressing it through our business operations and our products. In our business operations, we will increase energy efficiency through facility improvements, while strengthening energy-saving measures in our factories and offices. In our products, we are working to reduce greenhouse gas emissions through the extensive application of designs that save energy and resources.

At the same time, to deal with another critical issue, the preservation of biodiversity, the company is taking action to reduce environmental impact and conserve natural settings.

We are now embarking into an era in which we are expected to deliver breakthroughs based on our own vision of an ideal society with a clear focus on the environment. In Anritsu's vision of the future, every employee maintains a high eco-awareness and generates

innovative solutions based on the principle of protecting the global environment.

Anritsu will steadfastly commit itself to a trustworthy level of environmental management while promoting communication with stakeholders.

Yasuyuki Oguma

Vice President and Director
Anritsu Corporation

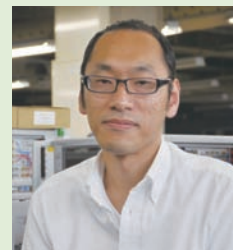
At the stages of product design and customer use: Eco Product development

The Anritsu Group conducts high-quality product assessment from the early design stage of every product's development. It also vigorously develops environmentally conscious products that are free of hazardous substances and save energy and resources while complying with environmental regulations around the world. The Anritsu Group designates environmentally conscious products as Excellent Eco Products and Eco Products based on the results of its own global product assessment. In terms of Excellent Eco Products, product environmental information is described with the mark in our product catalog.

Downsizing while incorporating multiple functions

Tadanori Nishikobara

Assistant Manager, Planning Team 2,
Product Planning Center,
Marketing Division, Anritsu Corporation

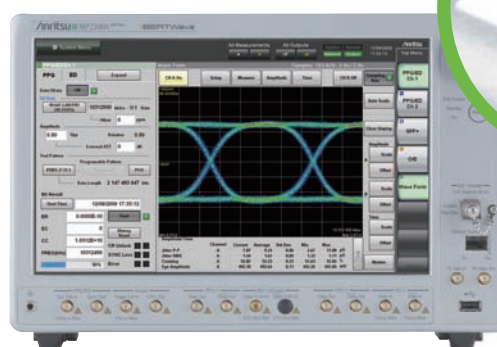


Product name: MP2100A BERTWave series

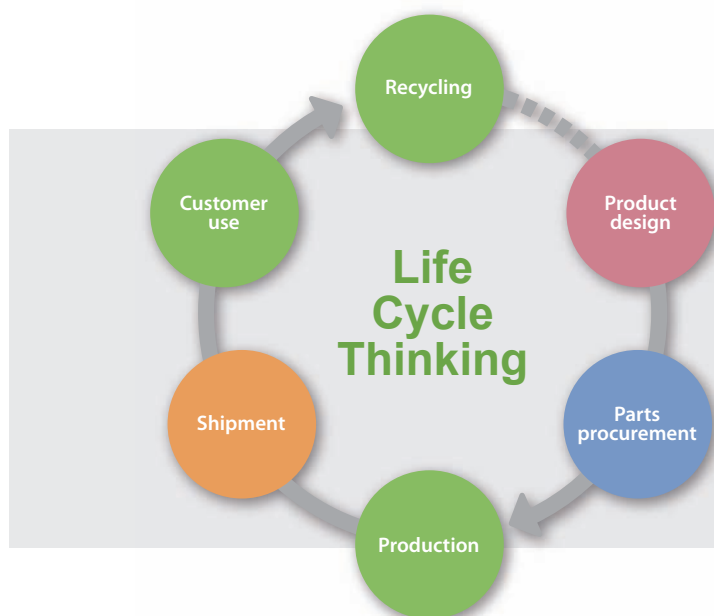
Optical communication systems, which are recently spreading from corporate settings into household uses, incorporate optical transceiver modules and various electrical devices for transmission. The MP2100A BERTWave series is used as measuring equipment to evaluate the signal quality of these modules and devices. We reexamined all circuits and components, including the power source and CPU (central processing unit) to make the equipment smaller, lighter and more power efficient while packing multiple functions into a single instrument. As a result, we reduced the volume by 47%, mass by 72% and power consumption by 72% compared to the previous model.



Excellent Eco Product mark



MP2100A BERTWave series

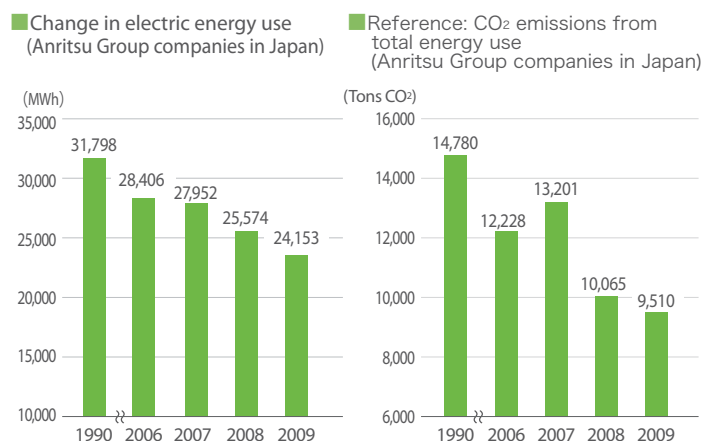


Life Cycle Thinking

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 conscious 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.

Production: Energy-saving activities at factories and offices

Anritsu is pursuing ongoing efforts to save electric power, which accounts for about 96% of its energy consumption (in CO₂ equivalent). We have been conserving energy by introducing and upgrading energy-saving equipment and turning off lights during lunch breaks. Since 2005, we have been involved in Cool Biz and Warm Biz as a member of Team Minus 6%. In fiscal 2009 we reduced electric energy consumption by 5.6% compared to fiscal 2008. Major contributing factors include the replacement of old air-conditioners with energy-saving models and reducing hours of operation.



* Emission of CO₂ is calculated based on the conversion factor under the Law Concerning the Promotion of the Measures to Cope with Global Warming while calculation of CO₂ emissions from electric energy use is based on the conversion factor (tons/MWh) announced by The Federation of Electric Power Companies of Japan every year. In some years, electric energy use was down but CO₂ emissions were up due to higher CO₂ conversion factors.

Recycling: recycling used products

A recycling center set up at Anritsu Kousan Co., Ltd. in 2000 encourages reuse of used products while recycling all waste after complete separation. The center also selects the best instruments among those used for demonstration and other purposes, and after repair and calibration at Anritsu, sells them as highly reliable refurbished instruments to universities and other educational institutions in Japan, thus prolonging product life.

Our expectations as a partner of universities and other educational institutions

Tatsutoshi Shioda
Associate Professor,
Department of Electrical Engineering,
Nagaoka University of Technology



Refurbished measuring instruments were really helpful for me when I needed a large number of them to open an advanced optical measurement system laboratory. They are offered at low prices with reliable functions and performance and are also friendly to the environment, supporting the realization of a recycling-intensive society. Optical technology is expected to be applied in various fields, including medical care and location and range information systems as well as information communication; however, our tight budget does not allow us to do this. I hope the company will continue this service as a good partner of universities and other educational institutions that are struggling to maintain or expand their equipment.

TOPIC

Participating in the Green Business Program of Santa Clara County, the location of its head office, Anritsu Company (USA) was the first company to be certified for placing high priority on the environment in its business operations in this southern county of the San Francisco Bay Area. The Green Business Program focuses on compliance with environmental laws, saving energy, water and resources, and preventing pollution and waste in business activities.



We protect the Earth for current and future generations.

Fully recognizing the importance of environmental improvement activities through observation of the Green Business Program and ISO14001, we employees are working to protect the environment from the company and from our homes. We will continue to actively participate in protecting our Earth for current and future generations.

Anritsu Company QA/Audit Systems Manager **Cynthia Mann**

Goal 4

Promoting Communications

Anritsu ensures proactive information disclosure and dialogue throughout its business activities and furthermore builds a good partnership with stakeholders.



Building effective global websites

In fiscal 2009, we updated our websites for Japanese, Korean and Taiwanese customers in advance of other sites. In response to customer feedback, we pursued a design approach that makes it easy to search for products, support and service information. We also incorporated enhanced functions, such as requests for online quotations, in addition to downloadable software and files so that customers could obtain the information they need when they need it. In fiscal 2010, we plan to update the websites for the European, North American and Chinese markets. We will provide information, services and support tailored to individual countries while ensuring that a common set of data is available across the world to meet the needs of our customers globally.



Anritsu global website

Communication with customers

We are conducting the following communication activities to become an enterprise deeply trusted by customers through efforts for more quickly delivering information and better services in order to guarantee customer satisfaction.

- CSR reports
- CSR questionnaires
- Various exhibitions
- Corporate advertisements
- Product advertisements
- Product catalogs
- E-mail newsletters
- Company prospectus

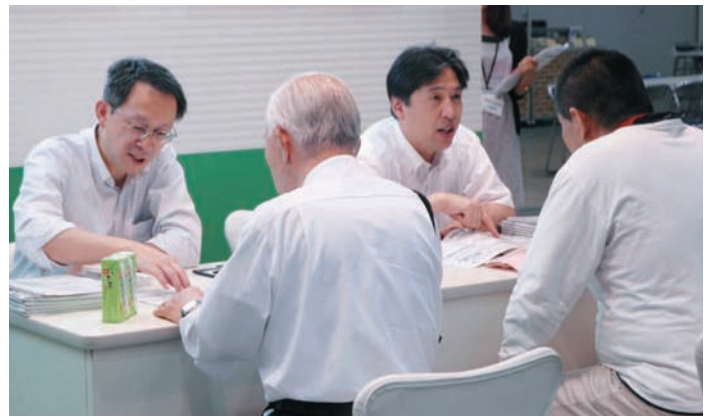


exhibitions

Communication with shareholders and investors

We are proactively disclosing information and encouraging interactive communication to more effectively meet the needs of shareholders and investors and applying their feedback to improve our business and IR activities.

- Briefings for international institutional investors
- Annual reports, business reports
- Exhibitions for individual investors
- IR page of the Anritsu website
- Stakeholder roundtable conferences and questionnaire surveys



Exhibitions for individual investors

Communication with suppliers and partners

We are implementing the following activities to develop stronger partnerships with our suppliers and to respond to the expectations and demands of society across the entire supply chain.

- Communications association
- Technical seminars by supplier/partner
- Partner QU system
- Basic rules of procurement; requests for our business partners



Communications association

Communication with employees

We are involved in the following information sharing and dialogue activities to create a dynamic organizational climate that encourages all employees to think and act on their own as professionals.

- Off-site meetings with the president
- Employee satisfaction surveys
- President's Office on the Web
- Anritsu corporate magazine on the Web
- Quarterly corporate magazine
- CSR reports



Quarterly corporate magazine

CSR reports

Goals and results of 2009 and goals for 2010

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

CSR Goal	Key Issues	Objectives for Fiscal 2009
Goal 1 Contributing to Build a Safe, Secure, and Comfortable Society	Service to customers	1. Rebuild a global CS promotion system. 2. Review the global CS questionnaire survey. 3. Consider and implement CS training and a CS incentive scheme for each region.
	Building of a corporate brand	Consider concrete programs within fiscal 2009.
	Vigorous response to social issues	Consider concrete programs within fiscal 2009.
Goal 2 Maintaining Harmony with the Global Socio-Economy	Establishment of compliance	1. Implement and review the compliance promotion plan at individual departments. 2. Develop and distribute an English version of the Anritsu Group Code of Conduct. 3. Clarify the position and operation of the Helpline of the Group companies in Japan.
	Promotion of risk management (Information security)	1. Introduced a management system, evaluated management, and implemented process design for the purpose of executing the 40 important management measures. 2. Promote security training for business partners and employees. 3. Enhance earthquake resistance of servers indispensable for business continuity. 4. Commence operations of systems based on a global Web security policy; fully implement them and investigate their shortcomings. 5. Carry out green IT by integrating servers.
	Promotion of risk management (Internal control)	Establish internal control for financial reporting in major divisions of the Anritsu Group and build a backbone for a global risk management structure. - Disseminate information on major financial reporting risks and compliance risks throughout the Company and through the effective monitoring of internal control; set up an effective control mechanism. - Reduce costs for operation of internal control for financial reporting by efficiently monitoring the maintenance and operation of this system.
	Supply chain management	1. Construct a framework for reviewing the procurement policy at the global level. 2. When registering a new business partner, confirm their agreement with Anritsu's basic procurement policy. 3. Construct a framework by which CSR audits are carried out at the same time as quality audits. 4. Review the three processes (production, purchasing and information management) important for business continuity and conduct training in these areas.
	Respect for human rights and promotion of diversity Human resource development	1. Construct a mechanism or institution to enhance communication between management and employees across divisions and in each workplace. 2. Review the personnel evaluation system and cycle. 3. Consider a training program using in-house human resources. 4. Continue dialogue with employees and plan and implement career support measures (USA, UK, China).
	Labor safety and health	1. Improve the work environment with the aim of a better work-life balance through measures to adjust work hours. 2. Maintain and improve safety and health by enhancing measures to safeguard mental health. 3. Continue dialogue with employees and plan and implement environmental improvement measures for occupational health and safety (USA, UK, China).
	Promotion of social contribution activities	1. Continue community contribution activities in the Headquarters Atsugi site. Communicate with neighboring community associations. 2. Formulate policies, determine upcoming major social contribution activities, and develop such activities on a global scale. 3. Report on social contribution activities for external audiences every half year. 4. Carry out community contribution/employee volunteer activities on a global scale. 5. Continue carrying out and supporting community contribution/employee volunteer activities (USA, UK); participate in community contribution activities (China).
	Promotion of environmental management	1. Waste reduction and recycling - Reduce waste (municipal waste + industrial waste) emissions by 2% from the fiscal 2008 level (Anritsu Group companies in Japan). - Reduce volume of landfill waste by 10% compared with the first quarter of fiscal 2009 by the fourth quarter of fiscal 2009 (USA). 2. Resource and energy conservation - Reduce electric energy consumption (crude oil equivalent) by 4.5% compared with fiscal 2006 (Anritsu Group companies in Japan). - Reduce energy consumption by 2% compared with fiscal 2008 (USA). - Reduce paper consumption by 10% compared with fiscal 2008 and keep water consumption below the fiscal 2008 level (USA). 3. Eco Products - Ratio of environmentally conscious products among all products developed: 80% or more (Anritsu Group companies in Japan) - 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) (Anritsu Group companies in Japan) - Ratio of products that are 30% or more power efficient compared with existing products among all products developed: 20% or more (Anritsu Group companies in Japan) - Review the target indicators for CO ₂ emission conscious products as well as other products (Anritsu Group companies in Japan). 4. Target figures to be monitored - Maintain zero emissions: less than 0.5% of landfill (Anritsu Group companies in Japan). - Maintain zero excess of inorganic wastewater (i.e., not exceeding the limit we set) (Atsugi site). Note: Supplementary explanation of environmental targets Because figures per real sales unit tend to fluctuate depending on business results, we changed the target unit to more appropriately reflect our waste emissions (in total volume) and reduction of energy consumption (in crude oil equivalent) in the area of resource and energy conservation.
Goal 4 Promoting Communications	Communication with stakeholders	Consider concrete programs within fiscal 2009.

USA is represented by Anritsu Company (USA), UK is represented by Anritsu EMEA Limited (UK), and China is represented by Anritsu Company Limited (Hong Kong).

Material issues selected in fiscal 2009

Performance evaluation: ○ = fully attained; △ = attained 50% or more; x = Not attained

Results for Fiscal 2009	Evaluation	Objectives for Fiscal 2010
1. Rebuilt our global CS promotion system with a focus on Anritsu Group companies in Japan. 2. Improved our survey methodology in Japan; similar work on global surveys remains to be done. 3. Implemented CS education and a CS incentive scheme in the United States and Japan; implementation in other business units remains an issue for the future.	○ △ △	1. Improve the customer service windows of the Anritsu Group companies in Japan and the quality of their responses. 2. Carry out a CS survey tailored to each business of the Anritsu Group companies in Japan. 3. Disseminate the CS policy to business groups and provide CS education.
Conveyed the goal of contributing to creating a safe, secure and comfortable society through our core business by various communication activities.	○	Promote timely communication activities using the Web.
Shared with the CSR Promotion Committee members the material CSR issues that were selected based on social expectations and their relative importance to the company.	○	Promote selection of material issues and communication with stakeholders.
1. Implemented and reviewed the compliance promotion plan at individual departments, including Anritsu Group companies in Japan. 2. Developed an English version of the Anritsu Group Code of Conduct. Distribution and publication are planned for next year. 3. Held an information exchange meeting with the Helpline staff of Anritsu Group companies in Japan.	○ △ ○	1. Develop and implement a global compliance promotion plan. 2. Raise awareness of compliance by publishing the revised Anritsu Group Code of Conduct and posting it on the Web. 3. Construct a liaison system with the Helpline staff of the Anritsu Group companies in Japan.
1. Introduced a server management system and started reviewing our server monitoring process. 2. Continued the implementation of security-related educational activities within the framework of new recruit training and during Corporate Ethics Month. 3. Completed shift to earthquake-resistant server racks. 4. Global Web project is still in process. 5. Number of servers was reduced from 154 to 91 through virtualization.	○ ○ ○ x ○	1. Establish global IT controls. 2. Promote security education and awareness for employees and partner companies. 3. Improve system monitoring operations. 4. Improve operations through a global Web security policy. 5. Realize green IT through server integration. 6. Strengthen antivirus measures for equipment used for promotion, etc.
Completed the development of an internal control assessment system concerning global financial reporting (Japan, USA, Europe and Asia). - Shared best practices in the group and disseminated effective controls. - Implemented elimination and consolidation of internal control assessment items and consolidation of audit.	○	1. Strengthen risk management through effective and reasonable monitoring of internal controls. 2. Strengthen the global risk management structure by upgrading and expanding the internal control assessment system in Europe.
1. Developed a plan to construct a framework for reviewing the procurement policy at a global level. 2. Confirmed the agreement with Anritsu's basic procurement policy when registering new business partners. 3. Constructed a framework by which CSR audits are carried out at the same time as quality audits. 4. Reviewed the BCP and considered a training plan.	△ ○ ○ △	SCM (Supply Chain Management) 1. Construct a framework for reviewing procurement policy at the global level. 2. Construct a framework for regular monitoring of suppliers. 3. Start CSR procurement. BCP (Business Continuity Plan) 1. Develop and implement BCP at the global level. 2. Construct a framework for reviewing BCP in relations to market conditions.
1. Held monthly off-site meeting of the top management and employees; promoted communication across divisions and within each worksite through business improvement activities by workplace groups. 2. Grasped employee perception of the current situation through an employee satisfaction survey; started preparation for future reviews. 3. Used in-house lecturers, including those from group companies, for technical education and business etiquette training for new recruits. 4. Conducted employment based on the Affirmative Action Plan (USA). Continued employee education and training (UK). Conducted employee attitude survey in the United States, Europe and Asia-Pacific regions.	△ △ ○ ○	1. Reconstruct education and training programs and diversify career paths. 2. Promote employment of people with disabilities. 3. Construct a framework for long-term development of human resources who can work internationally. 4. Continue dialogue with employees and develop and implement career support plans (USA, UK and China).
1. Continued adjustment of working hours; reduced overtime working hours; improved the rate of leaving the office on time. 2. Provided stratified mental health education focusing on the use of external industrial counselors; expanded counseling opportunities. 3. Implemented employee safety and health education (USA). Continued subsidy for employee welfare programs (UK).	○ ○ ○	1. Spread adjustment of work hours (continue). 2. Maintain zero accidents involving lost work time at the Anritsu Corporation head office. 3. Enhance mental health measures (continue). 4. Promote ongoing dialogue with employees; develop and implement general improvement plans (USA, UK and China).
1. Continued community contribution activities for youth education at the Atsugi headquarters; held exchange sessions with neighboring community associations. 2. Disclosed the policy and priority issues of our community contribution activities in our CSR Report 2009 on the Web; reported on our activities. 3. Semi-annual reports on social contribution activities for external audiences were not accomplished. 4.5. Continued supporting community contribution activities, making donations and providing assistance to disaster-affected areas (USA, UK, and China).	○ ○ x ○	Promote the following worldwide: 1. Disseminate the policy for contributing to local communities and advance activities in each region. 2. Report social contribution activities for external audiences on a timely basis. 3. Establish volunteer activities among employees and report on their actions.
1. Waste reduction and recycling - Reduced waste emissions by 17%. - Volume of landfill waste increased by 0.8% (USA). 2. Resource and energy conservation - Reduced electric energy consumption (crude oil equivalent) by 14.9%. - Reduced energy consumption by 2.3% (USA). - Reduced paper consumption and water consumption by 21% and 11.5%, respectively (USA). 3. Eco Products - Ratio of environmentally conscious products: 72% - Ratio of models that can save resources by 10% or more: 67% - Ratio of models that are 30% or more power efficient: 56% - Introduced an evaluation criterion that considers functions and performance. 4. Target figures to be monitored - Ratio of industrial and general waste taken to landfills: 0% - Cases of exceeding set limits: 0	○ x ○ ○ ○ △ ○ ○ ○ ○ ○ ○	1. Waste reduction and recycling - Maintain waste emission under 160.4 tons (Anritsu Group companies in Japan). - Reduce volume of landfill waste by 10% compared to fiscal 2009 (USA). 2. Resource and energy conservation - Reduce energy consumption by 6% compared to fiscal 2006 (Anritsu Group companies in Japan). - Reduce energy consumption by 1% compared to fiscal 2009 (USA). - Reduce paper consumption by 10% compared to fiscal 2009. - Reduce water consumption by 2% compared to fiscal 2009 (USA). 3. Eco Products (Anritsu Group companies in Japan) - Ratio of environmentally conscious products of all products developed: at least 80% - Ratio of models that can save resources by 10% or more compared with existing models of all products developed: at least 30% (in terms of volume, mass, disassembly time and power consumption) - Ratio of models that are 30% or more power efficient compared with existing models of all products developed: at least 20% 4. Target figures to be monitored - Maintain zero emissions: less than 0.5% of landfill (Anritsu Group companies in Japan). - Maintain zero excess inorganic wastewater (i.e., not exceeding set limits) (Atsugi site).
Improved publishing of our CSR report as a communication tool for stakeholders by reporting details on our website and providing a printed digest version.	○	Advance CSR reporting by increasing the frequency of publication.

Independent review

Independent Review

I believe we can assess the appeal of a company by the degree to which it presents a clear and convincing explanation of its motivation and goals as well as its current status of progress and ability to ultimately accomplish these goals.

Therefore, my first question is: Do we sense an unambiguous conviction in the president's message? The message, as I perceive it, was that innovation, in the sense of destruction and creation, is an essential factor for the continuous growth and profit of Anritsu, an enterprise that is engaged in the information communication industry during a period of extremely rapid technological progress. Shortly after his appointment, the new President Hashimoto updated the company philosophy, vision and policy to stress the underlying role of innovation.

As for the company goals, your aspirations were clear to me by virtue of the organization of report content around these goals. This year you also shared performance data in a digest format while also making the report content more concrete than last year. If innovation is the key factor for accomplishing the goals, however, what are corresponding key performance indicators for determining the level of achievement?

Next, how would you talk about the current status of progress and your ability to achieve your goals. I found that the

descriptions of the actual efforts grouped by goal delivered outstanding content that conveyed your enthusiasm and demonstrated Anritsu's high level of activity. Especially for Goal 1 in relation to the key factor, I can see how you are advancing the general good by leveraging your sophisticated technical capabilities to support the various settings of the information society. Yet it is still not clear enough for me how close you are to achieving your goals and whether you are adequately capable of doing so.

I would be able to better understand the appeal of Anritsu if you would present key-factor-related performance indicators that lead to a major reform of the whole and describe how all of your employees are working in concert to achieve these goals and how capable the company is in executing them, rather than only restating the many targets and performance factors for each goal.



Takashi Fukushima

President, Sustainability Accounting Co., Ltd.



Response to Independent Review

As regards the further narrowing down of the 12 material issues pointed out last year, we reduced them to 5 in fiscal 2009. In fiscal 2010, we formulated a CSR strategy in our mid-term business plan (GLP2012), incorporating the revised company philosophy, vision and policy in our CSR activities, and began to implement our strategy.

This year, the importance of setting key performance indicators related to the key factor of innovation and reporting the level of achievement has been given to us as a task from a new perspective. It will certainly be incorporated into our CSR activities this year.

Anritsu will continue to sincerely respond to the guidance of Mr. Fukushima and stakeholder feedback to contribute to a sustainable

society as a company that has earned public trust and meets social expectations. We are deeply grateful for your continuing support and encouragement.

Shigehisa Yamaguchi

Senior Vice President and Director
Anritsu Corporation



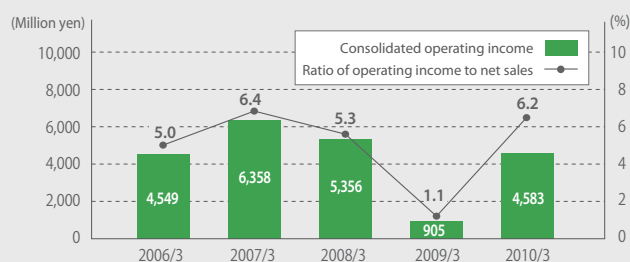
Company Profile



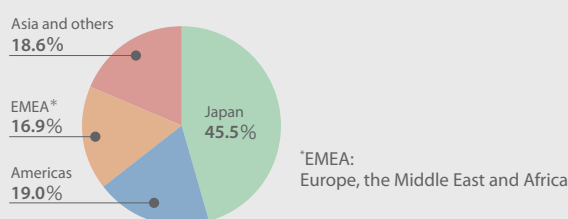
Headquarters address:
5-1-1 Onna, Atsugi-shi, Kanagawa, Japan
Company founded: 1895
Capital: 14,049 million yen*¹
Net sales: 73,548 million yen*²
No. of shareholders: 16,304*¹
No. of employees: 3,589(consolidated)*¹
831(non-consolidated)*¹
No. of suppliers and partners: 830*³

*1: As of March 31, 2010 *2: Consolidated, year ended March 2010 *3: As of June 25, 2010

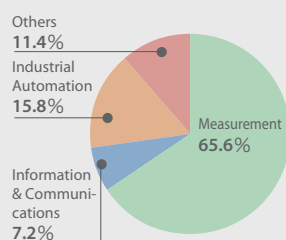
Consolidated operating income/ Ratio of operating income to net sales



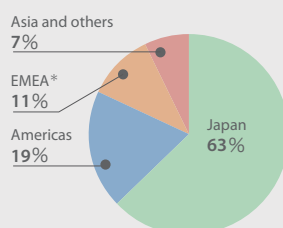
Consolidated net sales by region (Year ended March 2010)



Consolidated net sales by business segment (Year ended March 2010)



Employee composition by region (Year ended March 2010)



Anritsu Corporation employee data

No. of employees: Figures in parentheses refer to number of managers included in total count		FY 2007	FY 2008	FY 2009
	Male	938 (224)	745 (167)	719 (171)
	Female	136 (4)	128 (5)	112 (5)
	Total	1,074 (228)	873 (172)	831 (176)

Percentage of female employees worldwide(As of the end of January, 2010)

	Japan	The Americas	EMEA*	Asia and others	Total
Percentage of female employees	13%	31%	22%	31%	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 %.	19%	64%	74%	33%	50%

Ratio of Employees with disabilities

	2007 / 12	2008 / 12	2009 / 12
Planned ratio (non-consolidated)	1.80%	1.80%	1.80%
Actual ratio (non-consolidated)	1.84%	1.59%	1.76%
Ref: Actual ratio (in Japan, consolidated)	1.57%	1.44%	1.37%

Anritsu Group companies in Japan

- **Anritsu Industrial Solutions Co., Ltd.**
Development, manufacture, sales, repair and maintenance of industrial automation
- **Tohoku Anritsu Co., Ltd.**
Manufacture of information communication equipment and measuring instruments
- **Anritsu Customer Services Co., Ltd.**
Calibration, repair, maintenance and EMC testing of measuring instruments
- **Anritsu Devices Co., Ltd.**
Development, manufacture and sales of optical devices
- **Anritsu Networks Co., Ltd.**
Development, sales, system design, maintenance and servicing of information communication equipment
- **Anritsu Precision Co., Ltd.**
Development, manufacture and maintenance of precision measuring instruments
- **Anritsu Engineering Co., Ltd.**
Development of software and hardware
- **Anritsu Kousan Co., Ltd.**
Resale and recycling of measuring instruments, design and production of documents, business cards and other materials
- **Anritsu Real Estate Co., Ltd.**
Real estate leasing
- **Anritsu Techmac Co., Ltd.**
Manufacture and sales of cutting and sheet metal parts and unit assembly articles
- **Anritsu Pro Associe Co., Ltd.**
Operation of shared service center for accounting, financial affairs, payroll calculation and benefits

Anritsu Group companies overseas

- Anritsu U.S. Holding, Inc.(U.S.A.)
- Anritsu Company(U.S.A.)
- Anritsu Instruments Company(U.S.A.)
- Anritsu Industrial Solutions U.S.A. Inc.(U.S.A.)
- Anritsu Electronics Ltd. (Canada)
- Anritsu Eletronica Ltda. (Brazil)
- Anritsu Company, S.A. de C.V. (Mexico)
- Anritsu Ltd. (U.K.)
- Anritsu EMEA Ltd. (U.K.)
- Anritsu Industrial Solutions Europe Ltd.(U.K.)
- Anritsu S.A. (France)
- Anritsu GmbH (Germany)
- Anritsu S.p.A. (Italy)
- Anritsu Solutions S.p.A. (Italy)
- Anritsu AB (Sweden)
- Anritsu AB (Finland)
- Anritsu AB (Denmark)
- Anritsu A/S (Denmark)
- Anritsu EMEA Ltd. - Dubai Liaison Office (U.A.E.)
- Anritsu EMEA Ltd. - Representation Office (Russia)
- Anritsu Company Ltd. (China)
- Anritsu Electronics (Shanghai) Co., Ltd. (China)
- Anritsu Industrial Solutions (Shanghai) Co., Ltd.(China)
- Anritsu Company, Inc. (Taiwan)
- Anritsu Corporation, Ltd. (Korea)
- Anritsu Pte. Ltd. (Singapore)
- Anritsu Industrial Solutions (Thailand) Co., Ltd.(Thailand)
- Anritsu Pte. Ltd. India Branch Office (India)
- Anritsu Pty. Ltd. (Australia)



Discover What's Possible™

ANRITSU CORPORATION

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

Tel: +81-46-223-1111

<http://www.anritsu.com>