

WJ COMMUNICATIONS INC.

CODE OF BUSINESS CONDUCT AND ETHICS

Introduction.

WJ Communications Inc. is committed to maintaining the highest standards of honest and ethical behavior and business conduct, including ensuring full, fair, accurate, timely and understandable disclosures in our public documents and reports, compliance with applicable laws, prompt internal reporting of violations of these standards and accountability for adherence to these standards. This Code of Business Conduct and Ethics (the “Code”) reflects the business practices and principles of behavior that support this commitment. Every employee, officer and director is expected to read, understand and comply with the Code and its application to the performance of his or her business responsibilities. The NASDAQ corporate governance rules require that we adopt a written code of conduct applicable to all of the Company’s directors, officers and employees. The Code is intended to meet the definition of a “code of ethics” under Section 406 of the Sarbanes-Oxley Act of 2002 and comply with the NASDAQ corporate governance rules. The most current version of the Code will be posted and maintained on our website at www.wj.com. References in the Code to employees are intended to cover all of the Company’s officers, directors, managers and supervisors as well as employees.

Officers, managers and supervisors are expected to develop in employees a sense of commitment to the spirit, as well as the letter, of the Code. Supervisors are also expected to ensure that all agents and contractors conform to Code standards when working for or on behalf of WJ Communications Inc. Nothing in the Code alters the employment at-will policy of WJ Communications Inc.

Action by members of your immediate family, significant others or other persons who live in your household also may potentially result in ethical issues to the extent that they involve WJ Communications Inc. business. For example, acceptance of inappropriate gifts by a family member from one of our suppliers could create a conflict of interest and result in a Code violation attributable to you. Consequently, in complying with the Code, you should consider not only your own conduct, but also that of your immediate family members, significant others and other persons who live in your household.

The integrity and reputation of WJ Communications Inc. depends on the honesty, fairness and integrity brought to the job by each person associated with us. It is the responsibility of each employee to apply common sense, together with his or her own highest personal ethical standards, in making business decisions where there is no stated guideline in the Code. Unyielding personal integrity is the foundation of corporate integrity.

Employees should not hesitate to ask questions about whether any conduct may violate the Code, nor voice any concerns to clarify any areas of the Code. Employees should be alert to possible violation of the Code by others and report suspected violations, without fear of retaliation. While the Company will strive to utilize a fair process by which to determine violations of the Code, violations of the Code will not be tolerated. If it is determined that the

Code has been violated the Company will take such action as it believes is appropriate under the facts and circumstances. Any employee who violates the standards in the Code may be subject to disciplinary action, up to and including termination of employment and, in appropriate cases, civil legal action or referral for criminal prosecution.

As a part of the Code, the Company expects all employees and board members to exercise good judgment to ensure the safety and welfare of employees, agents and contractors and to maintain a cooperative, efficient, positive, harmonious and productive work environment and business organization. These standards apply while working on our premises, at offsite locations where our business is being conducted, at Company-sponsored business and social events, or at any other place where you are a representative of the Company.

We are committed to continuously reviewing and updating our policies and procedures and therefore, this Code of Business Conduct and Ethics is subject to modification. We also realize that this Code cannot possibly describe every practice or principle related to honest and ethical conduct, however, it does require ethical conduct that is particularly important to proper dealings with the people and entities with which we interact. This Code of Business Conduct and Ethics supersedes all other such codes, policies, procedures, instructions, practices, rules or written or verbal representations to the extent they are inconsistent, however, the spirit of the Code encompasses all of the Company's policies prohibiting workplace harassment, violence or similar misconduct and embodies each employee's personal responsibility to maintain and contribute to a safe work environment. The Board of Directors of the Company has the exclusive responsibility for the final interpretation of this Code of Business Conduct and Ethics.

1. Compliance with Laws, Rules and Regulations.

Obeying the letter and spirit of the law is the foundation of this Code. Our success depends upon each employee's operating within legal guidelines and cooperating with local, national and international authorities. It is therefore essential that you understand the legal and regulatory requirements applicable to your functional area of responsibility. You must comply with all applicable laws, rules and regulations in the course of performing your duties for the Company. We will send employees to periodic training sessions to ensure that all employees comply with the relevant laws, rules and regulations associated with their employment, including laws prohibiting insider trading (discussed in detail below). While we do not expect you to memorize every detail of these laws, rules and regulations, we want you to be able to determine when to seek advice from others. If you do have a question in the area of legal compliance or the legality of your actions under applicable laws, rules and regulations, it is important that you not hesitate to seek answers from your supervisor directly or from your functional Vice President.

Disregard of the law will not be tolerated. Violation of domestic or foreign laws, rules and regulations may subject an individual as well as WJ Communications Inc. to civil and/or criminal penalties. You should be aware that conduct and records, including emails, are subject to internal and external audits and to discovery by third parties in the event of a government investigation or civil litigation. It is in everyone's best interests to know and comply with our legal and ethical obligations. Employees are expected and trusted to use their best judgment as

to the use and retention of emails to support company transactions and documentation, as well as to the routine purging of non-critical emails.

2. Use of Company Assets

You may not, while acting on behalf of WJ Communications Inc. or while using the Company's computing or communications equipment or facilities, either:

- Access the internal computer system (also known as "hacking") or other resource of another entity without express written authorization from the entity responsible for operating that resource; or
- Commit any unlawful or illegal act, including harassment, libel, fraud, sending of unsolicited bulk email (also known as "spam") in violation of applicable law, trafficking in contraband of any kind, or espionage.

If you receive authorization to access another entity's internal computer system or other resource, you must make a permanent record of that authorization so that it may be retrieved for future reference and you may not exceed the scope of that authorization.

Law in a number of jurisdictions regulates unsolicited bulk email. If you intend to send unsolicited bulk email to persons outside of WJ Communications Inc, either while acting on our behalf or using our computing or communications equipment or facilities, you should contact the functional Vice President in your area for approval.

All data residing on or transmitted through our computing and communications facilities, including email and word processing documents, is the property of WJ Communications Inc. and subject to inspection, retention and review by WJ Communications Inc. in accordance with applicable law.

3. Environmental Compliance

Federal law imposes criminal liability on any person or company that contaminates the environment with any hazardous substance that could cause injury to the community or environment. Violation of environmental laws can be a criminal offense and can involve monetary fines and imprisonment. We expect employees to comply with all applicable environmental laws.

It is our policy to conduct our business in an environmentally responsible way that minimizes environmental impacts. We are committed to minimizing and, if possible, eliminating the use of any substance or material that may cause environmental damage, reducing waste generation and disposing of all waste through safe and responsible methods, minimizing environmental risks by employing safe technologies and operating procedures, and being prepared to respond appropriately to accidents and emergencies.

4. Insider Trading.

Employees who have access to confidential, material non-public information are not permitted to use or share that information for stock trading purposes or for any other purpose except to conduct our business. All non-public information about WJ Communications Inc. or about companies with which we do business is considered confidential information. To use material non-public information in connection with buying or selling securities, including tipping others who might make an investment decision on the basis of this information, is illegal. Employees must exercise the utmost care when handling material non-public information. The Company has adopted a separate Insider Trading Policy to which you are bound as a condition of your employment. You should consult the Insider Trading Policy for more specific information on the definition of “material inside information” and on buying and selling our securities or securities of companies with which we do business.

5. International Business Laws.

Our employees are expected to comply with the applicable laws in all countries to which they travel, in which they operate and where we otherwise do business, including laws prohibiting bribery, corruption or the conduct of business with specified individuals, companies or countries, including the provisions of the Foreign Corrupt Practices Act as below. The fact that in some countries certain laws are not enforced or that violation of those laws is not subject to public criticism will not be accepted as an excuse for noncompliance. In addition, we expect employees to comply with U.S. laws, rules and regulations governing the conduct of business by its citizens and corporations outside the U.S.

These U.S. laws, rules and regulations, which extend to all our activities outside the U.S., include:

- The Foreign Corrupt Practices Act, which prohibits directly or indirectly giving anything of value to a government official to obtain or retain business or favorable treatment, and requires the maintenance of accurate books of account, with all company transactions being properly recorded;
- U.S. Embargoes, which restrict or, in some cases, prohibit companies, their subsidiaries and their employees from doing business with certain other countries identified on a list of countries that changes periodically;
- Export Controls, which restrict travel to designated countries or prohibit or restrict the export of goods, services and technology to designated countries, denied persons or denied entities from the U.S., or the re-export of U.S. origin goods from the country of original destination to such designated countries, denied companies or denied entities; and
- Antiboycott Compliance, which prohibits U.S. companies from taking any action that has the effect of furthering or supporting a restrictive trade practice or boycott that is fostered or imposed by a foreign country against a country friendly to the U.S. or against any U.S. person.

If you have a question as to whether an activity is restricted or prohibited, including giving any verbal assurances that might be regulated by international laws, you are required to seek assistance and approval from your functional Vice President before taking any action,

6. Conflicts of Interest.

A “conflict of interest” occurs when an individual’s personal interest may interfere in any way with the performance of his or her duties or the best interests of WJ Communications Inc. A conflicting personal interest could result from an expectation of personal gain now or in the future or from a need to satisfy a prior or concurrent personal obligation. We expect our employees to be free from influences that conflict with the best interests of WJ Communications Inc. Even the appearance of a conflict of interest where none actually exists can be damaging and should be avoided. Whether or not a conflict of interest exists or will exist can be unclear. Conflicts of interest are prohibited unless specifically authorized as described below.

If you have any questions about a potential conflict or if you become aware of an actual or potential conflict, and you are not an officer or director of WJ Communications Inc., you should discuss the matter with your supervisor and your functional Vice President. Supervisors may not authorize any action or situation that is potentially a conflict of interest without first seeking the approval by both the Functional Vice President and Chief Financial Officer by written request with complete description of the potential conflict. If your supervisor is involved in the potential or actual conflict, you should discuss the matter directly with your functional Vice President. An item that is potentially a conflict of interest is to be reported to, reviewed by and approved by the Audit Committee before action can be taken. Factors that may be considered in evaluating a potential conflict of interest are, among others:

- Whether it may interfere with the employee’s job performance, responsibilities or morale;
- Whether the employee has access to confidential information;
- Whether it may interfere with the job performance, responsibilities or morale of others within the organization;
- Any potential adverse or beneficial impact on our business;
- Any potential adverse or beneficial impact on our relationships with our customers or suppliers or other service providers;
- Whether it would enhance or support a competitor’s position;
- The extent to which it would result in financial or other benefit (direct or indirect) to the employee;
- The extent to which it would result in financial or other benefit (direct or indirect) to one of our customers, suppliers or other service providers; and

- The extent to which it would appear improper to an outside observer.

The following are examples of situations that may potentially, depending on the facts and circumstances, involve conflicts of interests:

- Employment, including consulting to or service on the board of a competitor, customer or supplier or other service provider. Activity that enhances or supports the position of a competitor to the detriment of WJ Communications Inc. is prohibited, including employment by or service on the board of a competitor. Employment by or service on the board of a customer or supplier or other service provider is generally discouraged and you must seek authorization in advance if you plan to take such action.
- Owning, directly or indirectly, a significant financial interest, with significant specifically defined as 2% or more of the outstanding voting shares, in any entity that does business, seeks to do business or competes with us. In addition to the factors described above, persons evaluating ownership for conflicts of interest will consider the size and nature of the investment; the nature of the relationship between the other entity and WJ Communications Inc.; the employee's access to confidential information and the employee's ability to influence WJ Communications Inc. decisions. If you would like to acquire a financial interest of that kind, you must seek approval in advance.
- Soliciting or accepting gifts, favors, loans or preferential treatment from any person or entity that does business or seeks to do business with us.
- Soliciting contributions to any charity or for any political candidate from any person or entity that does business or seeks to do business with us.
- Taking personal advantage of opportunities for personal benefit.
- Moonlighting without permission.
- Conducting our business transactions with your family member, significant other or person who shares your household or a business in which you have a significant financial interest. Material related-party transactions must be reviewed by and approved by the Audit Committee. Related party transactions involving any executive officer or director will be publicly disclosed as required by applicable laws and regulations.
- Exercising supervisory or other authority on behalf of WJ Communications Inc. over a co-worker who is also a family member. The employee's supervisor must consult with the Human Resources department to assess the advisability of reassignment.

No personal loans will be made to, or arranged for, any director or officer of WJ Communications Inc., directly or indirectly, under any circumstances to the extent prohibited under the Sarbanes-Oxley Act of 2002. In addition, loans to, or guarantees of obligations to

employees that are not directors or officers could possibly constitute an improper personal benefit to the recipients of these loans or guarantees, depending on the facts and circumstances. As a result, the Audit Committee, other than for the advancement of expenses for Company travel must pre-approve any loans.

7. Opportunities for Personal Benefit.

Employees may not take personal advantage of opportunities that are presented to you or discovered by you as a result of your position with us or through your use of corporate property or information, unless authorized by both the functional Vice President for your area and the Audit Committee. Even opportunities that are acquired privately by you may be questionable if they are related to our existing or proposed lines of business. Participation in an investment or outside business opportunity that is related to our existing or proposed lines of business must also be pre-approved. You cannot use your position with us or corporate property or information for improper personal gain, nor can you compete with us in any way.

8. Books and Records.

The integrity of our books and records and public disclosure depends on the validity, accuracy and completeness of the information supporting the entries to our books of account. Therefore, our corporate and business records should be completed accurately and honestly. The making of false or misleading entries, whether they relate to financial results or test results, is strictly prohibited. Our records serve as a basis for managing our business and are important in meeting our obligations to customers, suppliers, creditors, employees and others with whom we do business. As a result, it is important that our books, records and accounts accurately and fairly reflect, in reasonable detail, our assets, liabilities, revenues, costs and expenses, as well as all transactions and changes in assets and liabilities. We require that:

- No entry be made in our books and records that intentionally hides or disguises the nature of any transaction or of any of our liabilities, or misclassifies any transactions as to accounts or accounting periods;
- Transactions be supported by appropriate documentation;
- The terms of sales and other commercial transactions be reflected accurately in the documentation for those transactions and all such documentation be reflected accurately in our books and records;
- Employees be familiar with and strictly comply with our system of internal controls; and
- No cash or other assets be maintained for any purpose in any unrecorded or “off-the-books” fund.

Our accounting records are also relied upon to produce reports for our management, stockholders and creditors, as well as for governmental agencies. In particular, we rely upon our accounting and other business and corporate records in preparing the periodic and current reports

that we file with the SEC. These reports must provide full, fair, accurate, timely and understandable disclosure and fairly present our financial condition and results of operations. Employees who collect, provide or analyze information for or otherwise contribute in any way in preparing or verifying these reports should strive to ensure that our financial disclosure is accurate and transparent and that our reports contain all of the information about WJ Communications Inc. that would be important to enable stockholders and potential investors to assess the soundness and risks of our business and finances and the quality and integrity of our accounting and disclosures. Employees are expected to be familiar with and strictly comply with our systems of disclosure controls and procedures. In addition:

- No employee may take or authorize any action that would cause our financial records or financial disclosure to fail to comply with generally accepted accounting principles, the rules and regulations of the SEC or other applicable laws, rules and regulations;
- All employees must cooperate fully with our Accounting, as well as our independent public accountants and counsel, respond to their questions with candor and provide them with complete and accurate information to help ensure that our books and records, as well as our reports filed with the SEC, are accurate and complete; and
- No employee should knowingly make, or cause or encourage any other person to make any false or misleading statement in any of our reports filed with the SEC or knowingly omit, or cause or encourage any other person to omit any information necessary to make the disclosure in any of our reports accurate in all material respects.

Any employee who becomes aware of any departure from these standards has a responsibility to report his or her knowledge promptly using the Company's Complaint Procedures for Accounting and Auditing Matters, a copy of which is posted and available on our website at www.wj.com or from Human Resources.

9. Fair Dealing.

It is the Company's policy to lawfully compete in the marketplace and we strive to outperform our competition fairly and honestly. This commitment to fairness includes respecting the rights of our competitors and abiding by all applicable laws in the course of competing. The purpose of this policy is to maintain the Company's reputation as a lawful competitor and to help ensure the integrity of the competitive marketplace. The Company expects its competitors to respect our rights to compete lawfully in the marketplace, and we must respect their rights equally. Advantages over our competitors are to be obtained through superior performance of our products and services, not through unethical or illegal business practices. Company employees, agents and contractors may not steal or unlawfully use the information, material, products, intellectual property, or proprietary or confidential information of anyone including suppliers, customers, business partners or competitors. Employees of the Company may not knowingly make false or misleading statements regarding its competitors or the products of its competitors, customers or suppliers. If information is obtained by mistake that may constitute a trade secret or other confidential information of another business, or if you have any questions about the

legality of proposed information gathering, you must consult your functional Vice President as soon as it is known.

You are expected to deal fairly with our customers, suppliers, employees and anyone else with whom you have contact in the course of performing your job. No employee may take unfair advantage of anyone through misuse of confidential information, misrepresentation of material facts or any other unfair dealing practice.

Employees involved in procurement have a special responsibility to adhere to principles of fair competition in the purchase of products and services by selecting suppliers based exclusively on normal commercial considerations, such as quality, cost, availability, service and reputation, and not on the receipt of special favors.

10. Gifts and Entertainment.

Business entertainment and gifts are meant to create goodwill and sound working relationships and not to gain improper advantage with customers or facilitate approvals from government officials. Unless express permission is received from the functional Vice President for your area, entertainment and gifts cannot be offered, provided or accepted by any employee unless consistent with customary business practices and not (a) excessive in value, (b) in cash, (c) susceptible of being construed as a bribe or kickback or (d) in violation of any laws. This principle applies to our transactions everywhere in the world, even where the practice is widely considered a way of doing business. Under some statutes, such as the U.S. Foreign Corrupt Practices Act, giving anything of value to a government official to obtain or retain business or favorable treatment is a criminal act subject to prosecution and conviction and is strictly prohibited. Any employee should discuss with his or her functional Vice President any proposed entertainment or gifts if you are uncertain about their appropriateness.

11. Protections and Proper Use of Company Assets.

All employees are expected to protect our assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on our profitability. Our property, such as fab and research and development equipment, office equipment, office supplies and computer equipment, are expected to be used only for legitimate business purposes, although incidental personal use may be permitted. Employees should be mindful of the fact that we retain the right to access, review, monitor and disclose any information transmitted, received or stored using our electronic equipment, with or without an employee's or third party's knowledge, consent or approval. Any misuse or suspected misuse of our assets must be immediately reported to your functional Vice President for immediate attention and resolution.

12. Confidentiality of Company Information.

One of the Company's most important assets is our confidential and proprietary information. Employees who have received or have access to confidential information should take every step to safeguard, restrict access and secure such information as strictly confidential. Confidential information may include budgets and business plans, non-public information, marketing and service plans, financial statement and accounting information, product architecture, source codes, engineering and manufacturing ideas, designs, databases, customer

lists, pricing strategies, personnel data, personally identifiable information pertaining to our employees, customers or other individuals including personal addresses and social security numbers, and similar types of information provided to us by our customers, suppliers and other trading partners. This information may or may not be protected by patent, trademark, copyright and trade secret laws.

Except when disclosure is authorized or legally mandated, you must not share our or our suppliers' or customers' confidential information with third parties or others within WJ Communications Inc. who has no legitimate business purpose for receiving that information.

Employees must also take care not to inadvertently disclose confidential information. Materials that contain confidential information, such as memos, notebooks, computer disks and laptop computers should be stored securely. Unauthorized posting or discussion of any information concerning our business, information or prospects on the Internet is prohibited. You may not discuss our business, information or prospects in any chat room, regardless of whether you use your own name or a pseudonym. Employees are required to be discreet when discussing sensitive information in public places like elevators, airports, restaurants and quasi-public areas within WJ Communications Inc., such as coffee and break rooms. All WJ Communications Inc. emails, voicemails and other communications are presumed confidential and should not be forwarded or otherwise disseminated outside of WJ Communications Inc., except where required for legitimate business purposes.

13. Communications with the Public and Media.

It is Company policy to disclose material information concerning WJ Communications Inc. to the public only through specific limited channels to avoid inappropriate publicity and to ensure that all those with an interest in the company will have equal access to information. All inquiries or calls from the press and financial analysts should be referred to either the Chief Executive Officer or the Chief Financial Officer as our CEO and CFO are designated as official spokespersons for financial and other matters. Unless the CEO has made a specific exception, President or CFO, these designees are the only people who may communicate with the press on behalf of WJ Communications Inc.

14. Waivers.

Any waiver of any provision of this Code for a member of the Company's Board of Directors or an executive officer must be approved in writing by the Company's Board of Directors and promptly disclosed to our stockholders, along with the reasons for the waiver, in accordance with all applicable laws, rules and regulations. Any waiver of any provision of this Code of Business Conduct and Ethics with respect any other employee must be approved in writing by the Company's Chief Executive Officer.

15. Compliance Standards and Procedures.

Part of every employee's position and ethical responsibility is to help enforce this Code of Business Conduct and Ethics. You should be alert to possible violations and report possible violations to either the Vice President of your functional area, the Chief Financial Officer or the Chief Executive Officer. If you desire to report violations on an anonymous basis, you may use the same procedures as described in Company's Complaint Procedures for Accounting and Auditing Matters.

Employees who have information about suspected improper accounting or auditing matters should also use the Company's Complaint Procedures for Accounting and Auditing Matters. The Company will treat the information in a confidential manner and will seek to ensure that no acts of retribution or retaliation will be taken against anyone for making a report.

You are expected to cooperate in any internal or external investigations of possible violations. Reprisal, threats, retribution or retaliation against any person who has in good faith reported a violation or a suspected violation of law, this Code of Business Conduct and Ethics or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation, are prohibited and persons who retaliate may be subject to civil, criminal and administrative penalties under applicable law. Violations of law, this Code of Business Conduct and Ethics or other Company policies or procedures by Company employees can lead to disciplinary action up to and including termination.

Your most immediate resource for any matter related to the Code is your supervisor and alternatively, your functional Vice President. He or she may have the information you need, or may be able to refer the question to another appropriate source. There may, however, be times when you prefer not to go to your supervisor. In these instances, you should address such issues directly with your functional Vice President.

16. General Guidance.

In the workplace there are countless examples of ethical and legal business issues with many alternative solutions. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or issue. Steps to keep in mind:

- Make sure you have all the facts. In order to reach the right solutions, be as fully informed as possible.
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? Use your judgment and common sense. If something seems unethical or improper it probably is.
- Discuss the problem with your supervisor or functional Vice President. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question. Remember that it is your supervisor's responsibility to help solve problems.

- Seek help from Company resources. If you feel uncomfortable approaching your supervisor, discuss the issue with your functional Vice President or Human Resources representative.
- Always ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.

Please indicate that you have received, read and will abide by this Code of Business Conduct and Ethics by signing your name and dating the attached acknowledgment and returning it promptly to the Human Resources Department.

ACKNOWLEDGEMENT

I certify that I have received and read and that I will abide by the WJ Communications, Inc. Code of Business Conduct and Ethics distributed to me on

Signature

Date

Print Name