

Advantest Corporation Information Meeting

Financial Results for 1st Quarter of FY2010

July 28, 2010

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Managing Executive Officer

Financial Results for 1st Quarter of FY2010

Summary of Results

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	FY2009	FY2010		
	4Q	1Q	Q on Q (%)	Y on Y (%)
Orders	23.0	30.8	33.6	164.9
Sales	21.5	23.5	9.1	209.2
Cost of Sales	10.0	11.9	19.3	255.3
Gross Profit	11.5	11.6	0.3	172.7
Operating Income	1.4	1.8	36.5	-
Non-operating Income	0.1	-0.2	-	-
Income before Tax	1.5	1.6	11.9	-
Net Income	1.3	0.8	-39.5	-
Backlog	20.3	27.6	35.9	181.1

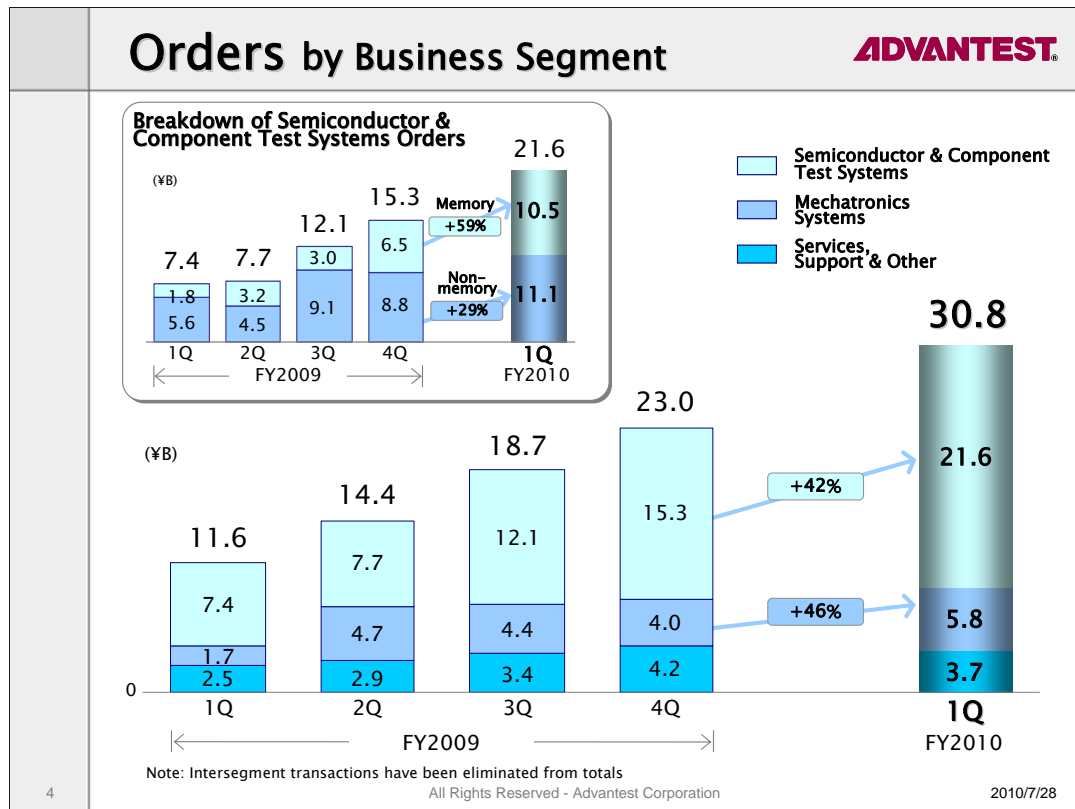
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2010/7/28

○ Results for 1Q FY2010:

- Orders 30.8 billion yen,
up 33.6% from the previous quarter
- Sales 23.5 billion yen,
up 9.1% from the previous quarter
- Backlog 27.6 billion yen,
- Operating income 1.8 billion yen,
up 36.5% from the previous quarter



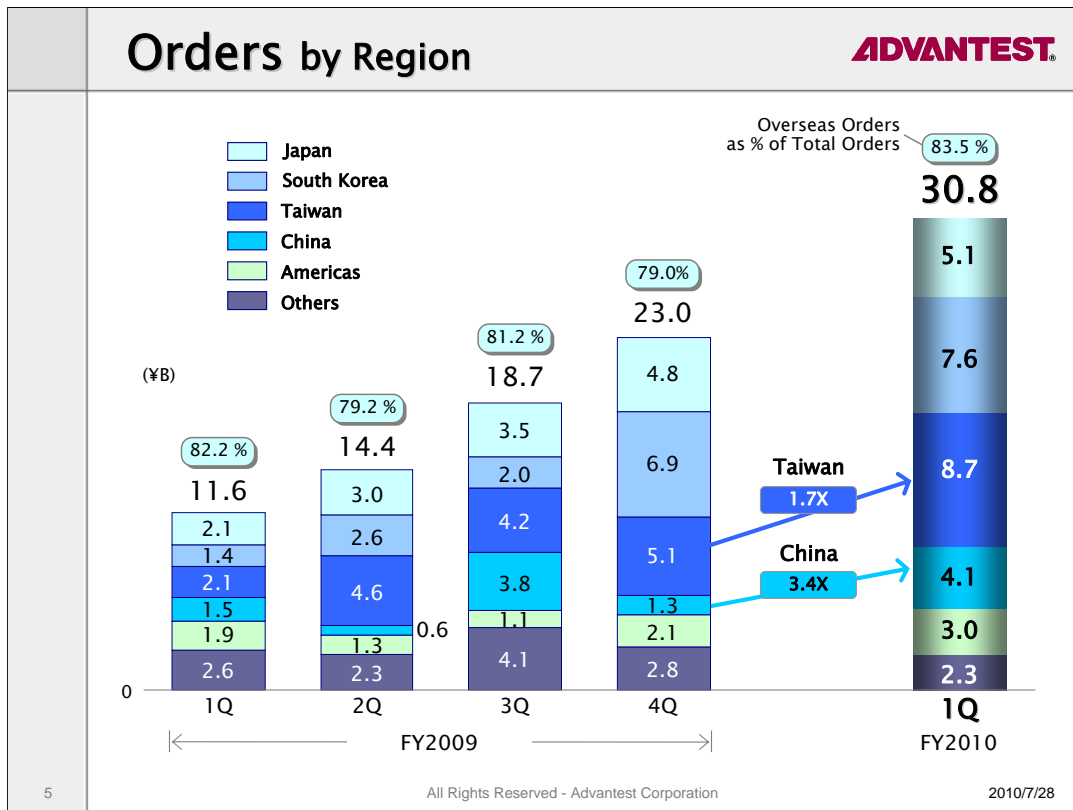
○ 1Q FY2010 Orders by Segment:

○ Semiconductor and Component Test Systems:

- 21.6 billion yen, up 42% from the previous quarter
- In memory testers, orders showed a dramatic 59% increase on stronger demand for the T55XX series for DDR3 back-end test and the T53XX series for front-end test.
- In non-memory testers, orders increased 29%, led by T2000 demand from MPU, MCU, and FPGA manufacturers.

○ Mechatronics Systems:

- 5.8 billion yen, up 46% from the previous quarter
- Stronger demand for testers drove growth in orders for test handlers and device interface products.



○ 1Q FY2010 Orders by Region:

- Orders from Taiwan and China increased

○ Taiwan:

- 8.7 billion yen, a 1.7X increase over the previous quarter
- Demand was led by the T55XX series for DDR3 back-end test.

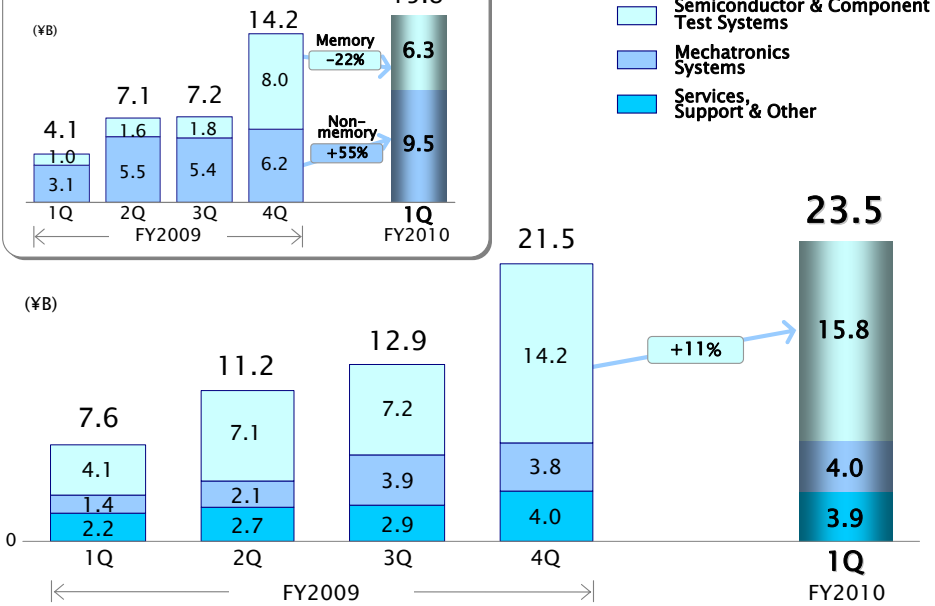
○ China:

- 4.1 billion yen, a 3.4X increase over the previous quarter
- Demand was led by:
 - the T2000 for MPU and MCU test
 - the T53XX series for DDR3 front-end test
 - the T55XX series for DDR3 back-end test

Sales by Business Segment

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Breakdown of Semiconductor & Component Test Systems Sales



○ 1Q FY2010 Sales by Segment:

○ Semiconductor and Component Test Systems:

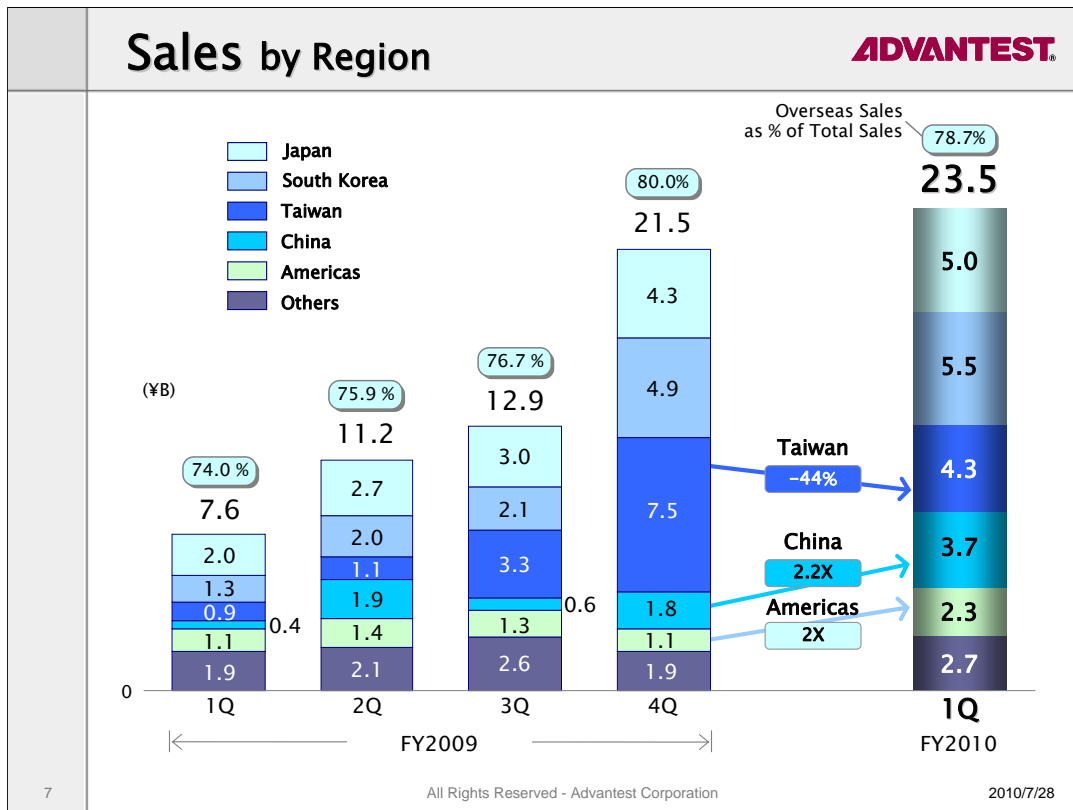
- 15.8 billion yen, up 11% from the previous quarter
- In non-memory testers, sales increased 55% to 9.5 billion yen.

Sales were chiefly driven by:

- the T2000 for MPU, MCU, and FPGA test.
- the T6373 for LCD driver IC test.

○ Memory tester sales decreased 22% sequentially to 6.3 billion yen.

- Demand from Taiwanese and other customers for DDR3 testers was concentrated in the latter half of the period and is not reflected in 1Q sales figures. Sales are expected to increase from 2Q FY2010.



○ 1Q FY2010 Sales by Region:

- Sales to China and the Americas increased, while sales to Taiwan decreased

○ China:

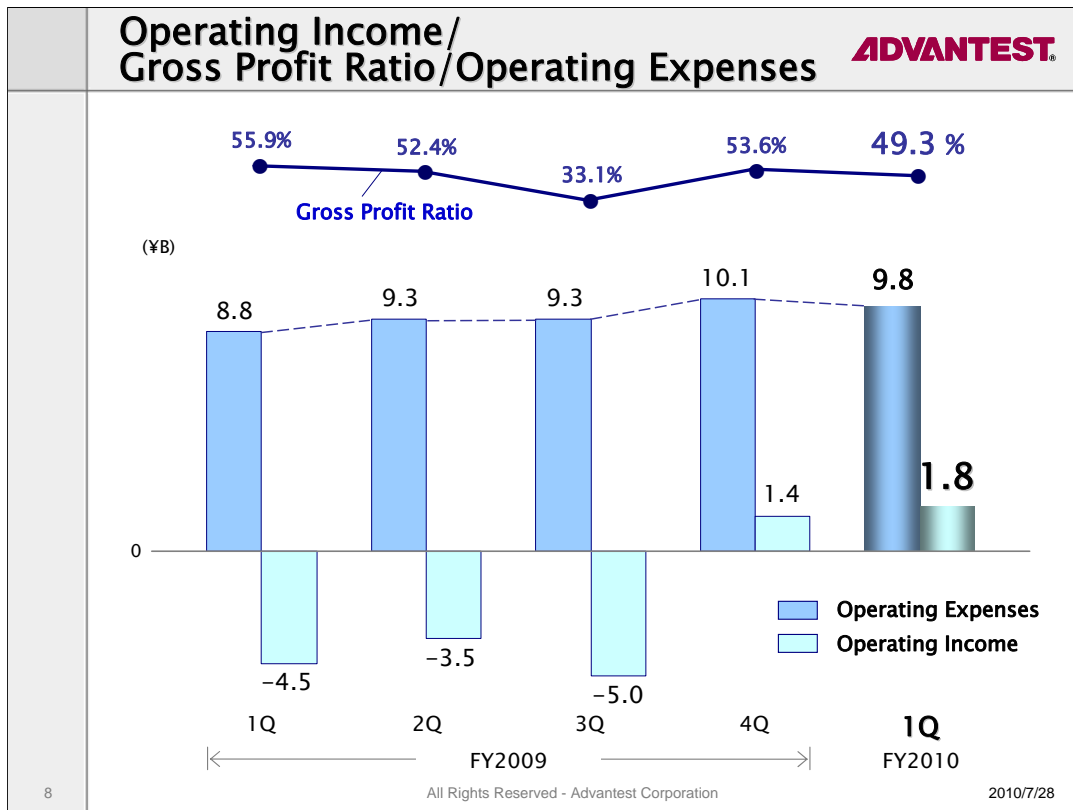
- 3.7 billion yen, a 2.2X increase over the previous quarter.
- Sales were driven by:
 - the T53XX series for DDR3 front-end test
 - the T55XX series for DDR3 back-end test
 - the T2000 for MPU and MCU test

○ The Americas:

- 2.3 billion yen, a 2X increase over the previous quarter
- Demand was led by the T2000 for MPU and FPGA test

○ Taiwan:

- 4.3 billion yen, down 44% from the previous quarter
- The drop in sales was chiefly an artifact of the timing of DDR3 tester demand

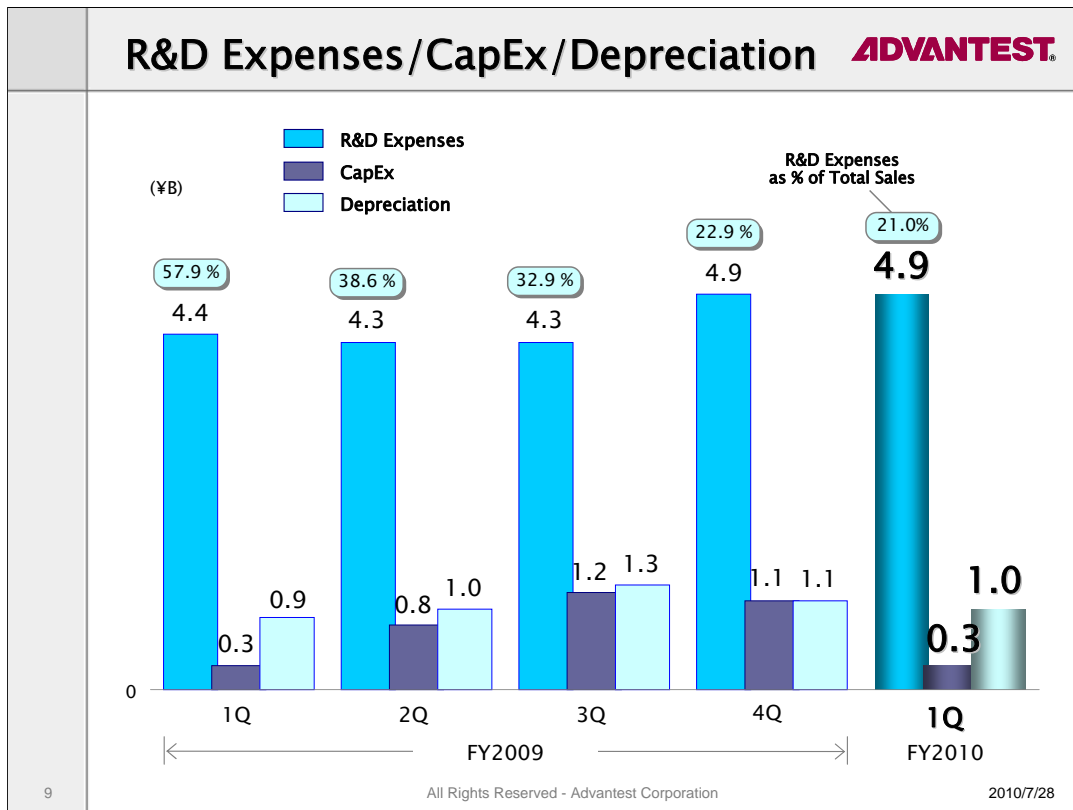


○ 1Q FY2010 Operating Income /
Gross Profit Ratio/ Operating Expenses

- Gross Profit Ratio:
 - down 4.3 points sequentially to 49.3%,
due to a less favorable product mix

- Operating Expenses:
 - 9.8 billion yen, a decrease of 0.3 billion yen
from the previous quarter

- Operating Income:
 - 1.8 billion yen, an increase of 0.4 billion yen
from the previous quarter

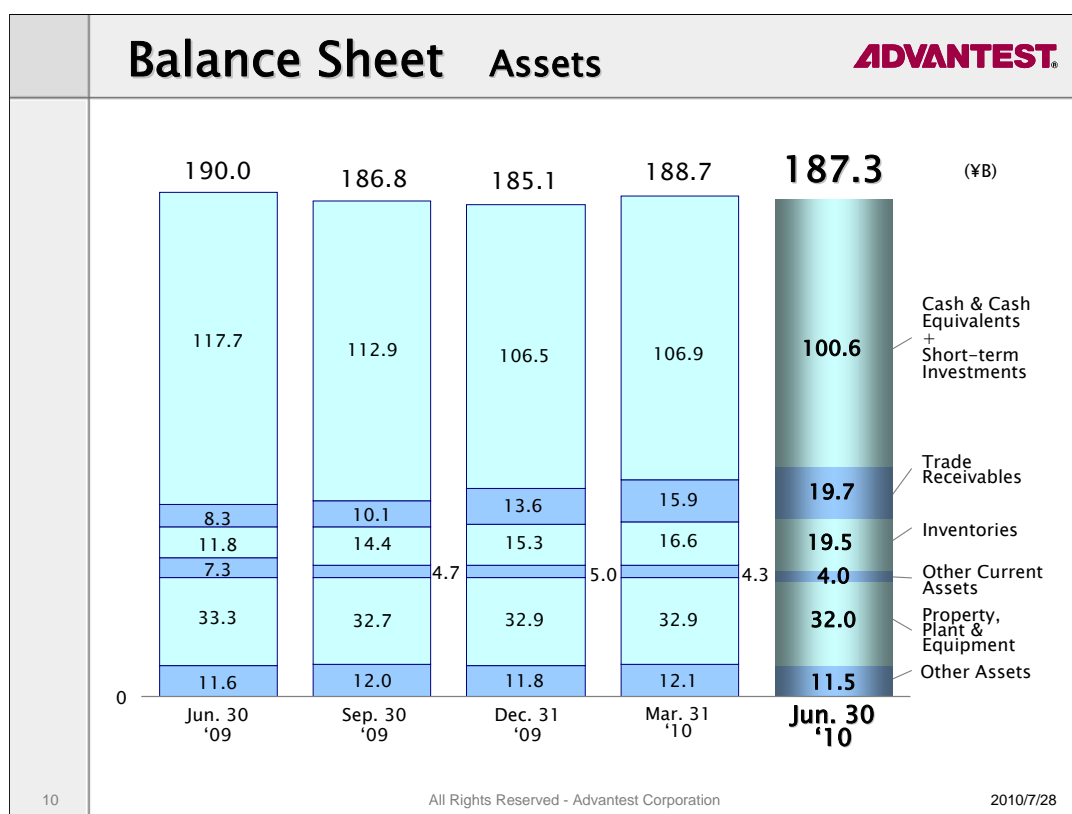


○ R&D Expenses:

- 4.9 billion yen, same level as the previous quarter

○ CapEx:

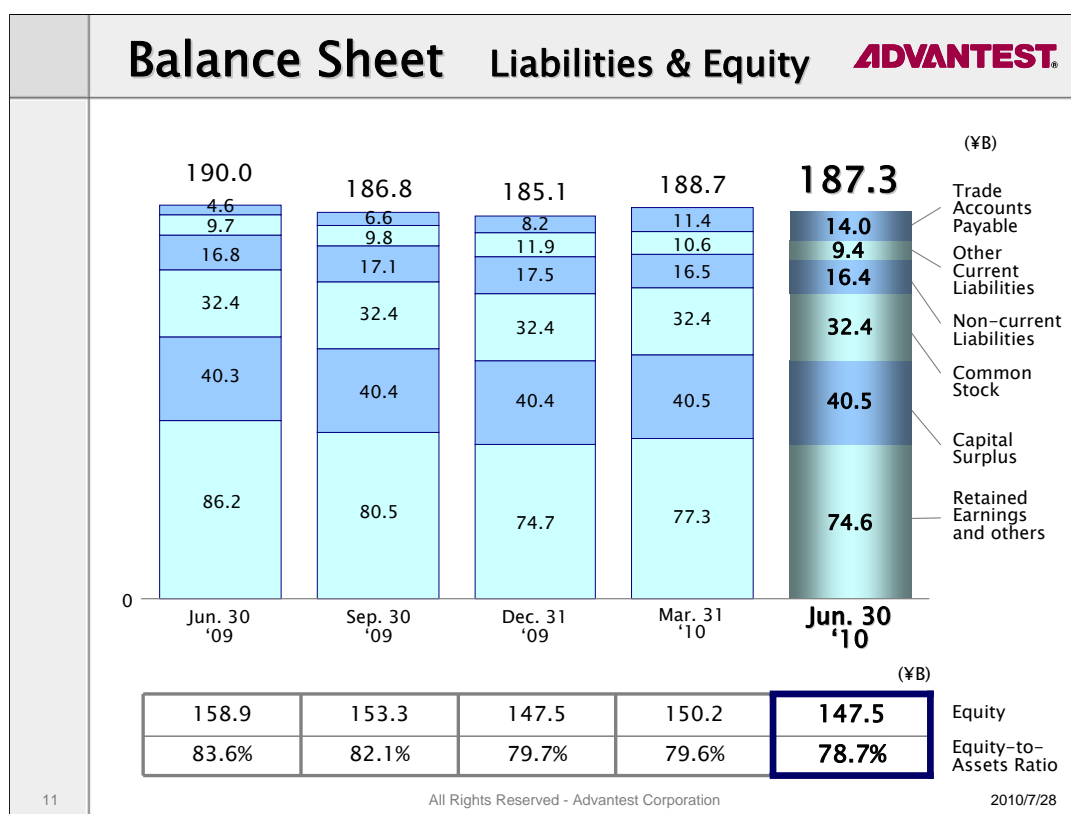
- 0.3 billion yen



○ Balance Sheet for 1Q FY2010

○ Assets:

- Cash & cash equivalents and short-term investments:
 - 100.6 billion yen, a decrease of 6.3 billion yen from the previous quarter
 - Decrease was chiefly due to an increase in accounts receivable and inventories.



○ Balance Sheet for 1Q FY2010

○ Liabilities & Equity:

• Equity:

- 147.5 billion yen, a decrease of 2.7 billion yen from the previous quarter
- Decrease was chiefly due to foreign currency translation adjustments

• Equity-to-assets ratio:

- 78.7%

1st Half of FY2010 Financial Outlook

1H of FY2010 Financial Outlook **ADVANTEST.**

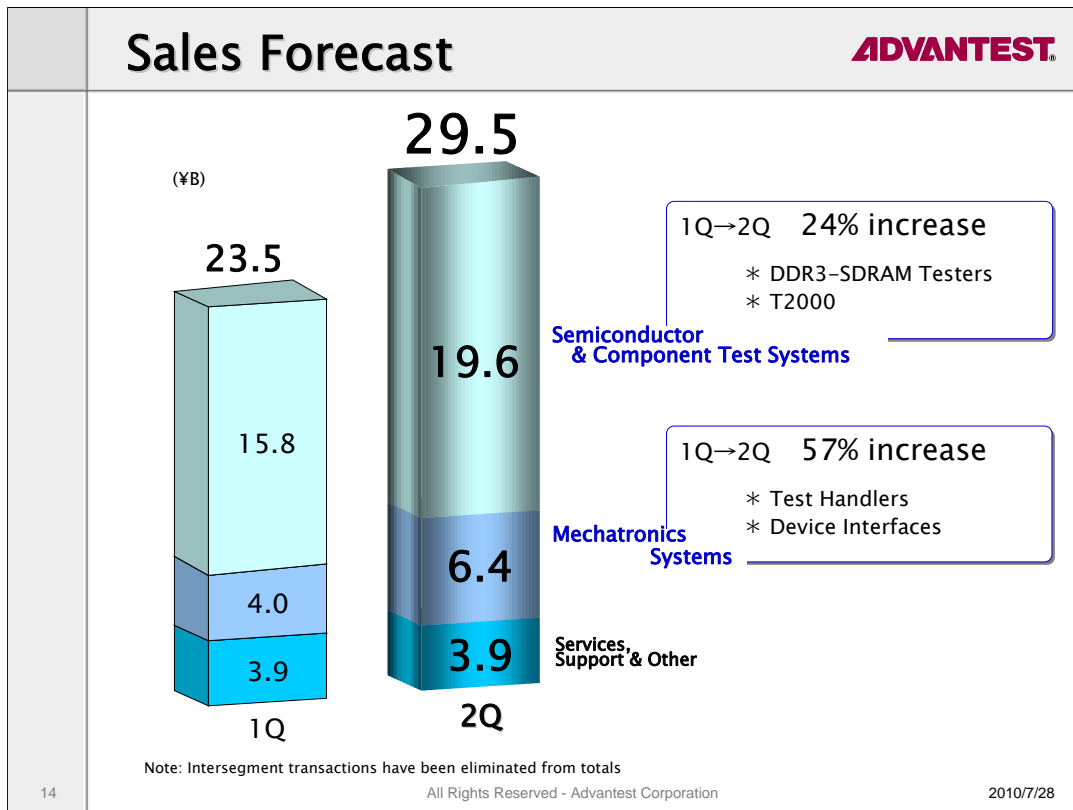
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	FY2010			Six months Ending Sep. 30, 2010 (Forecast)
	1Q	2Q (Forecast)	Q on Q (%)	
Orders	30.8	31.2	1.1	62.0
Sales	23.5	29.5	25.2	53.0
Operating Income	1.8	3.2	75.8	5.0
Income before Tax	1.6	3.3	100.8	4.9
Net Income	0.8	2.3	193.4	3.1
Backlog	27.6	29.3	6.2	29.3

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○ 1H FY2010 Forecast:

- Orders 62.0 billion yen
2Q: 31.2 billion yen, up 1.1% sequentially
- Sales 53.0 billion yen
2Q: 29.5 billion yen, up 25.2% sequentially
- Operating income 5 billion yen



○ 1H FY2010 Sales Growth Forecast:

- Semiconductor and Component Test Systems
 - In memory testers, demand from Taiwan and Japan is expected to grow in line with increasing DDR3 production volumes
 - In non-memory testers, sales of the T2000 for MPU, MCU, and FPGA test are expected to increase
- Mechatronics Systems
 - Stronger demand for testers is expected to drive increased sales of test handlers and device interface products

- Due to a lack of visibility into tester investment for 3Q and beyond, Advantest is unable to publish any forecast of our full-year FY2010 financial results at this time.
Forecasts will be disclosed when available.

NOTE

•Prepared in accordance with US GAAP

•Cautionary Statement with Respect to Forward-Looking Statements

This presentation contains "forward-looking statements" that are based on Advantest's current expectations, estimates and projections. These statements include, among other things, a discussion of Advantest's business strategy, outlook and expectations as to market and business developments, production and capacity plans. These forward-looking statements can be identified by use of forward-looking terminology are subject to known and unknown risks, uncertainties and other factors that may cause Advantest's actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. These factors include: (i) changes in demand for the products and services produced and offered by Advantest's customers, including semiconductors, communications services and electronic goods; (ii) circumstances relating to Advantest's investment in technology, including its ability to develop in a timely fashion products that meet the changing needs of semiconductor manufacturers and communications network equipment and component makers and service providers; (iii) significant changes in the competitive environment in the major markets where Advantest purchases materials, components and supplies for the production of its products or where its products are produced, distributed or sold; and (iv) changes in economic conditions, currency exchange rates or political stability in the major markets where Advantest procures materials, components and supplies for the production of its principal products or where its products are produced, distributed or sold. A discussion of these and other factors which may affect Advantest's actual results, levels of activity, performance or achievements is contained in the "Operating and Financial Review and Prospects", "Key Information - Risk Factors" and "Information on the Company" sections and elsewhere in Advantest's annual report on Form 20-F, which is on file with the United States Securities and Exchange Commission.