

Established in 1954, Advantest Corporation is a leading manufacturer of automated test equipment for the semiconductor industry, as well as a manufacturer of measuring instruments used in the design, production, and maintenance of electronic systems. A solutions provider to many of the world's largest technology companies, Advantest commands over 60 percent of the global memory semiconductor test systems market and is an integral part of the most advanced semiconductor fabrication lines in the world.

Currently faced with tremendous upheaval in business and market environments, we are aggressively implementing structural reforms and assembling a business framework that will stand firm against future market challenges. Concurrently, through our mission to "support advanced technology at the cutting edge," we are working to maintain and strengthen our long-term customer relationships and enhance our corporate and shareholder value.



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## Financial Highlights

Years ended March 31

Advantest Corporation and Consolidated Subsidiaries	2001	2002	2002
	Yen (Millions)		U.S. Dollars (Thousands)
Net sales:	¥276,512	¥ 95,244	\$ 714,777
Automated test equipment	241,499	74,206	556,893
Measuring instruments	35,013	21,038	157,884
Net (loss) income	53,121	(23,906)	(179,407)
Per share:			
Net (loss) income (Yen and U.S. Dollars)	¥534.44	¥(240.38)	\$(1.80)
Cash dividends (Yen and U.S. Dollars)	50.00	40.00	0.30
As of March 31:			
Total assets	¥407,431	¥307,562	\$2,308,158
Total stockholders' equity	267,929	240,716	1,806,499

Notes 1: The above selected financial data were prepared under U.S. GAAP.

2: In this annual report, amounts reported in Japanese yen have been translated into U.S. dollars for the convenience of readers. The rate used for this translation was ¥133.25=\$1.00, the approximate exchange rate in Japan on March 31, 2002.

### Cautionary Statements with Respect to Forward-Looking Statements

This annual report contains "forward-looking statements" that are based on Advantest's current expectations, estimates, and projections. These forward-looking statements are subject to known and unknown risks, uncertainties, and other factors that may cause Advantest's actual results, levels of activities, 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 timely develop products that meet the changing needs of semiconductor manufacturers and communications network equipment and components 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 principal 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 registration statement on Form 20-F, which is on file with the United States Securities and Exchange Commission.