

1st Half FY2003 Information Meeting

October 28, 2003

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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 forward-looking statements 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 timely develop 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.

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1. Financial Results for 1H/FY'03 and Forecast for FY'03

Note :

- Prepared in accordance with US GAAP
- Values in charts are rounded down and may not equal totals.

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Summary of Profit and Loss

(In Billions of Yen)

	FY'02		FY'03		
	1st Half		1st Half	YoY Change	(Forecast)
Net Sales	41.1	97.7	62.2	51.5%	145.0
Gross Profit	18.1	41.1	30.4	67.9%	69.6
Operating Income	(6.9)	(16.7)	4.4	-	15.5
Income Before Tax	(6.6)	(18.6)	3.7	-	14.5
Net Income	(3.7)	(12.9)	2.4	-	9.0

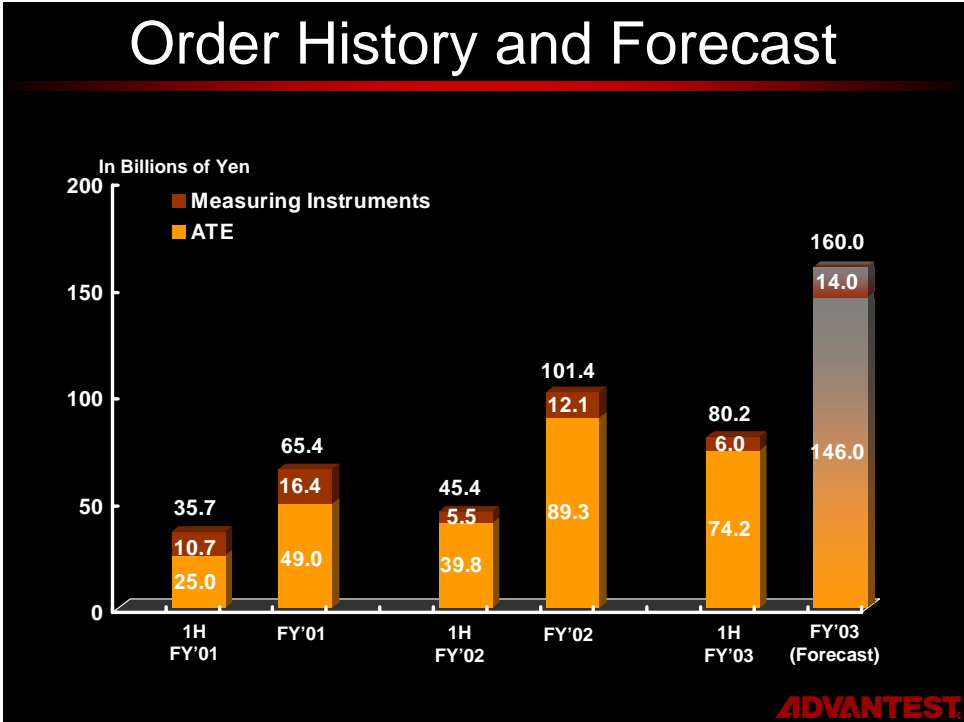
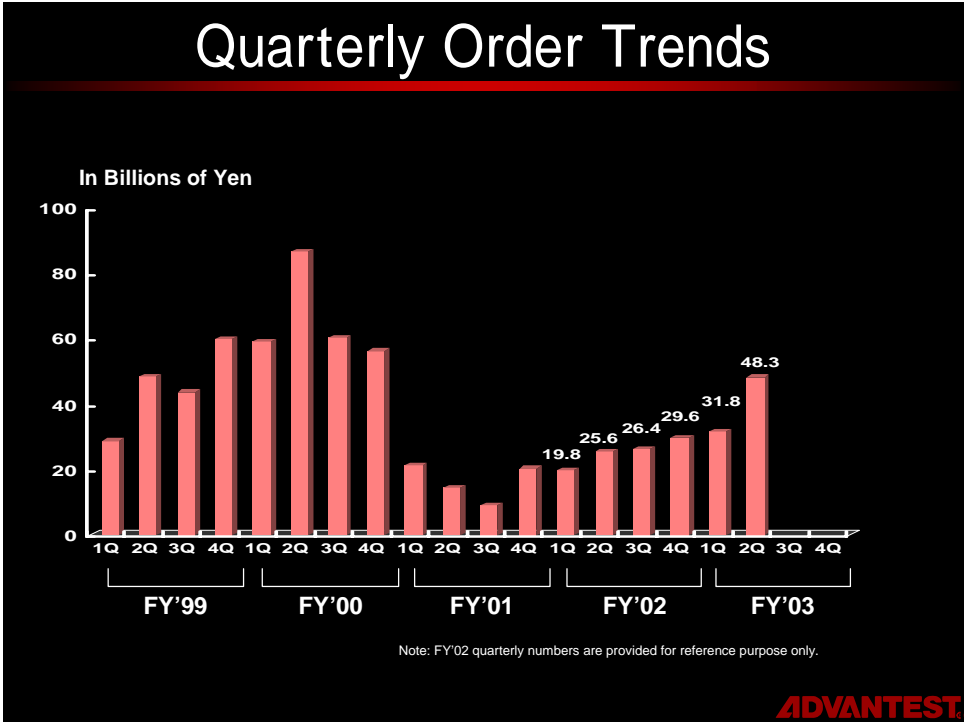
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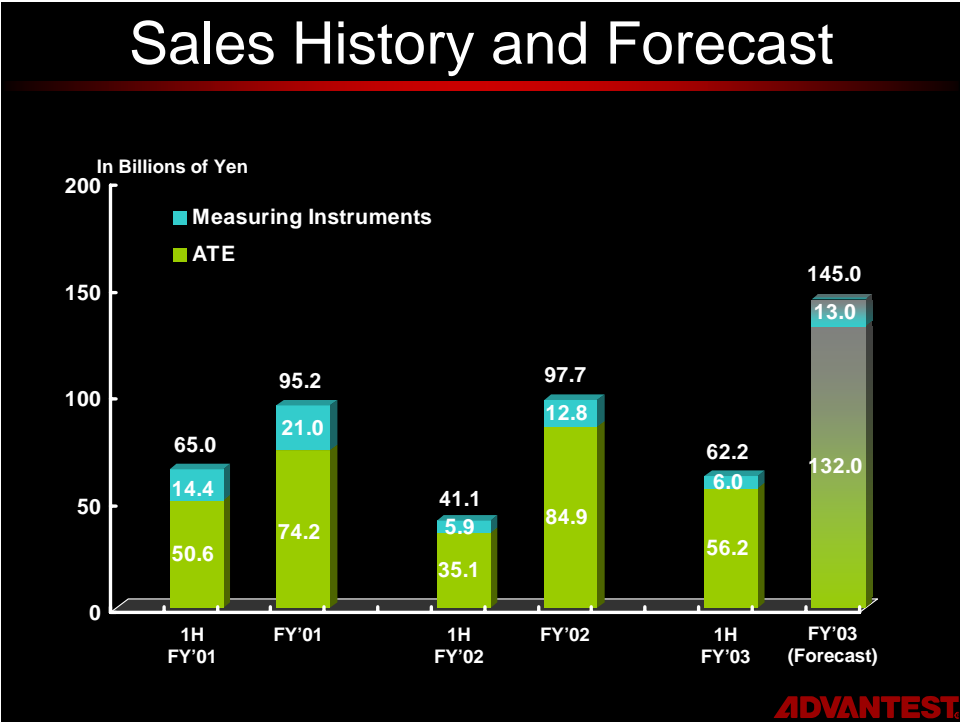
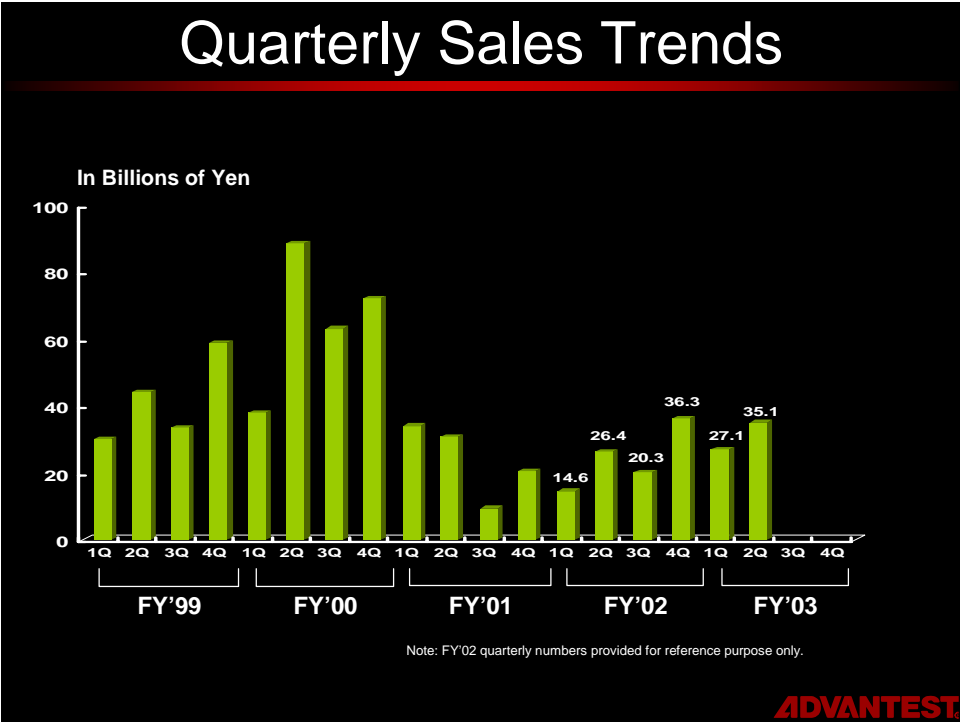
Orders, Sales and Backlog

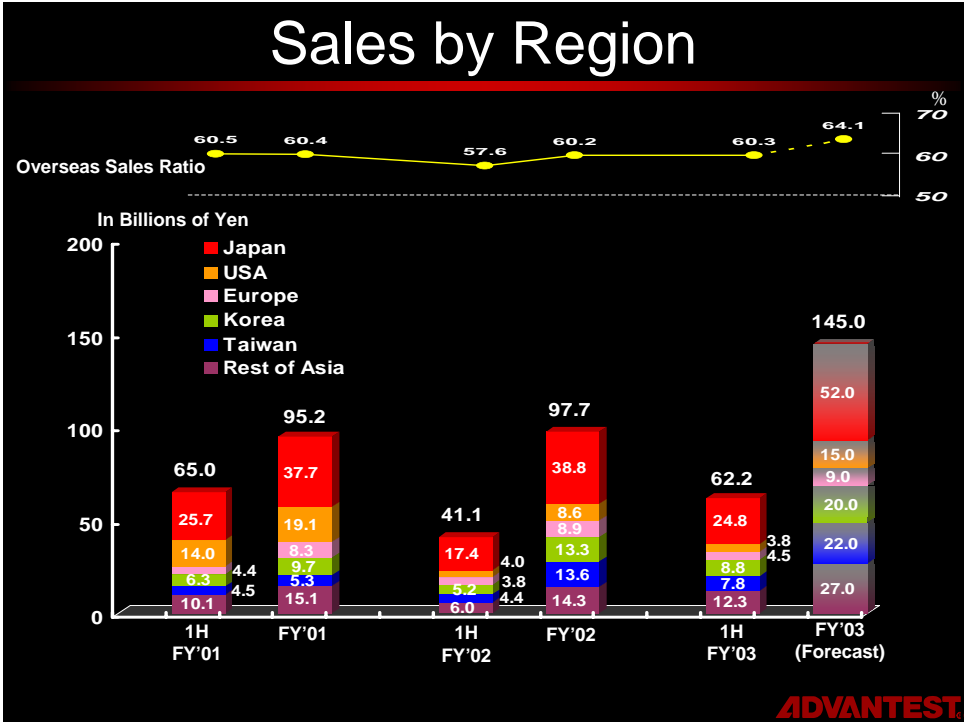
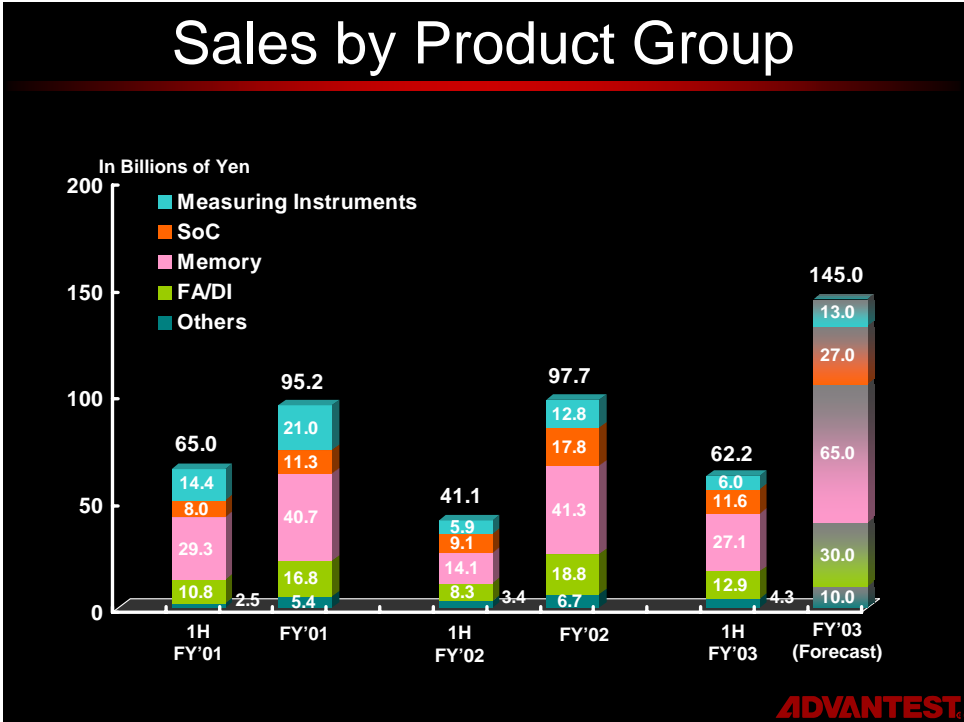
(In Billions of Yen)

	FY'02		FY'03		
	1st Half		1st Half	YoY Change	(Forecast)
Orders	45.4	101.4	80.2	76.6%	160.0
ATE	39.8	89.3	74.2	86.0%	146.0
Measuring Instruments	5.5	12.1	6.0	8.7%	14.0
Sales	41.1	97.7	62.2	51.5%	145.0
ATE	35.1	84.9	56.2	60.0%	132.0
Measuring Instruments	5.9	12.8	6.0	1.6%	13.0
Backlog	17.3	16.7	34.7	100.1%	31.7

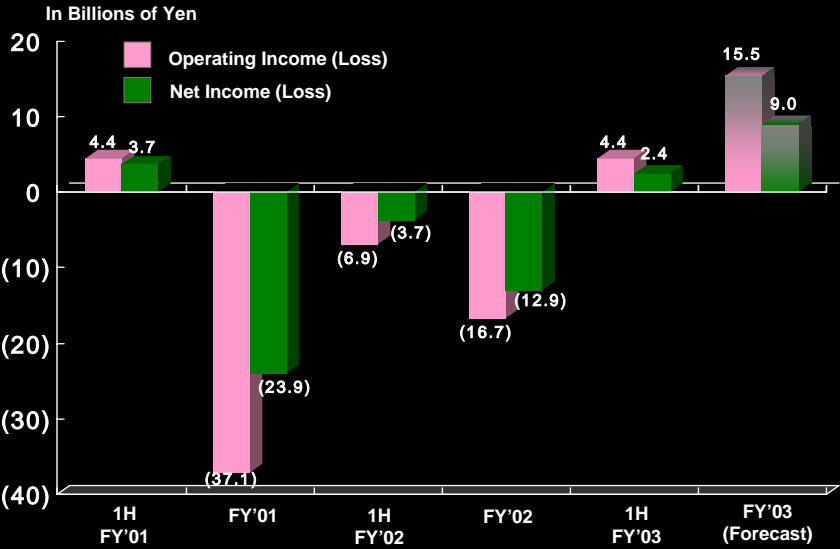
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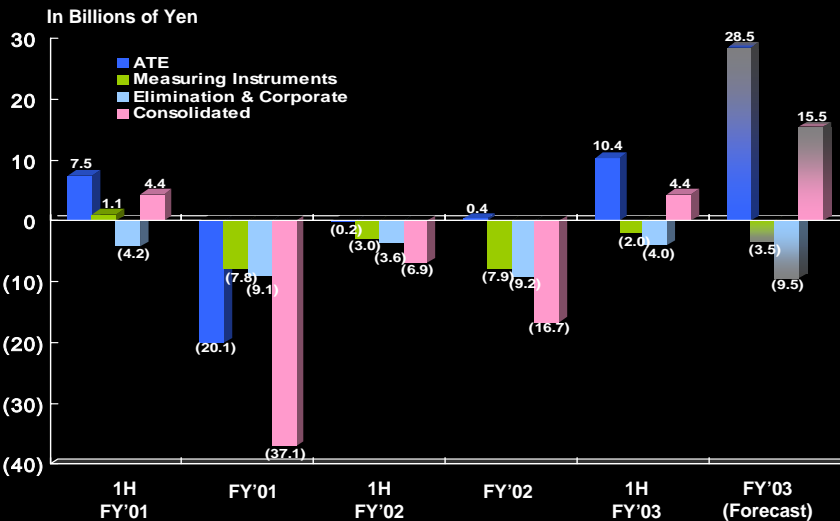


Profit/Loss History and Forecast



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Operating Income by Business Segment



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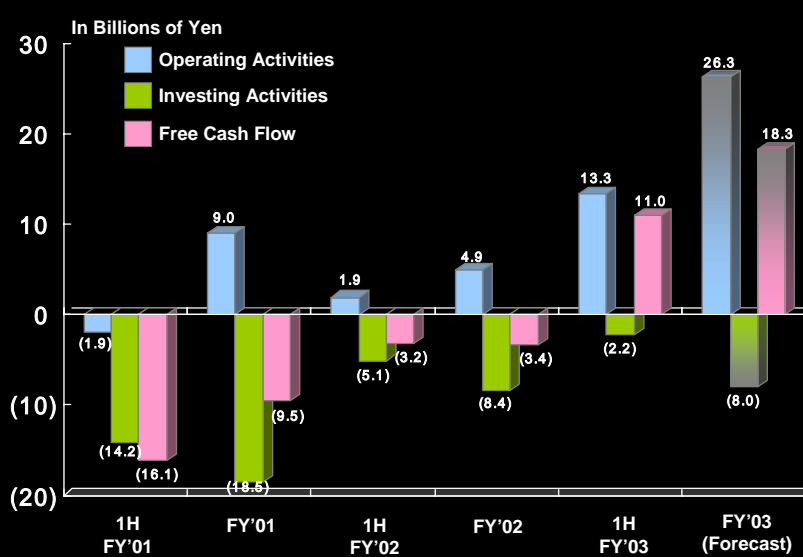
Balance Sheet

(In billions of yen)

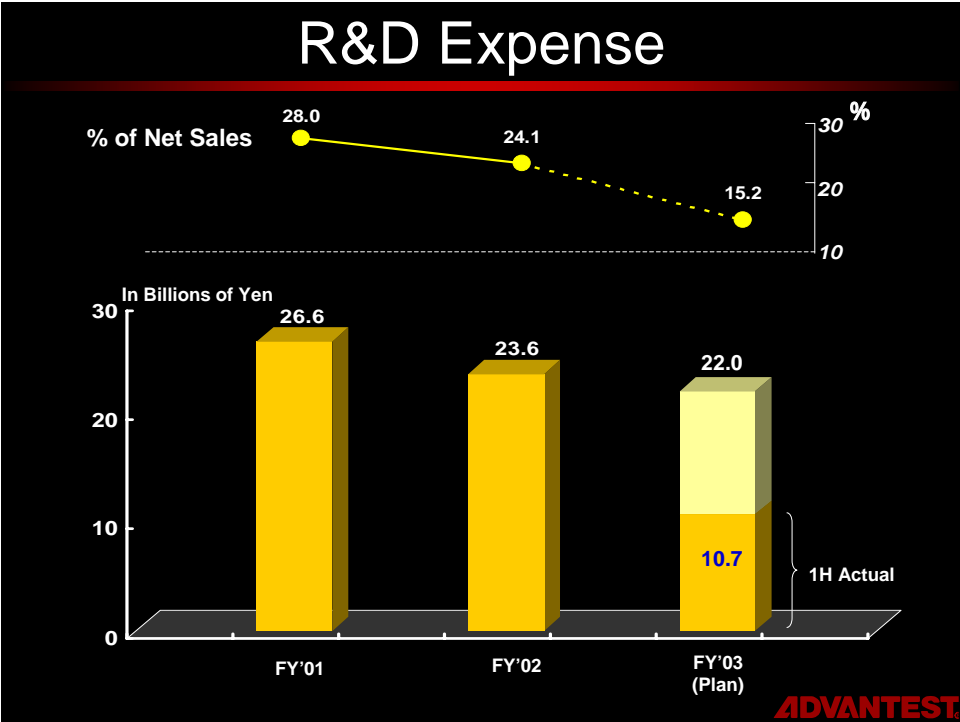
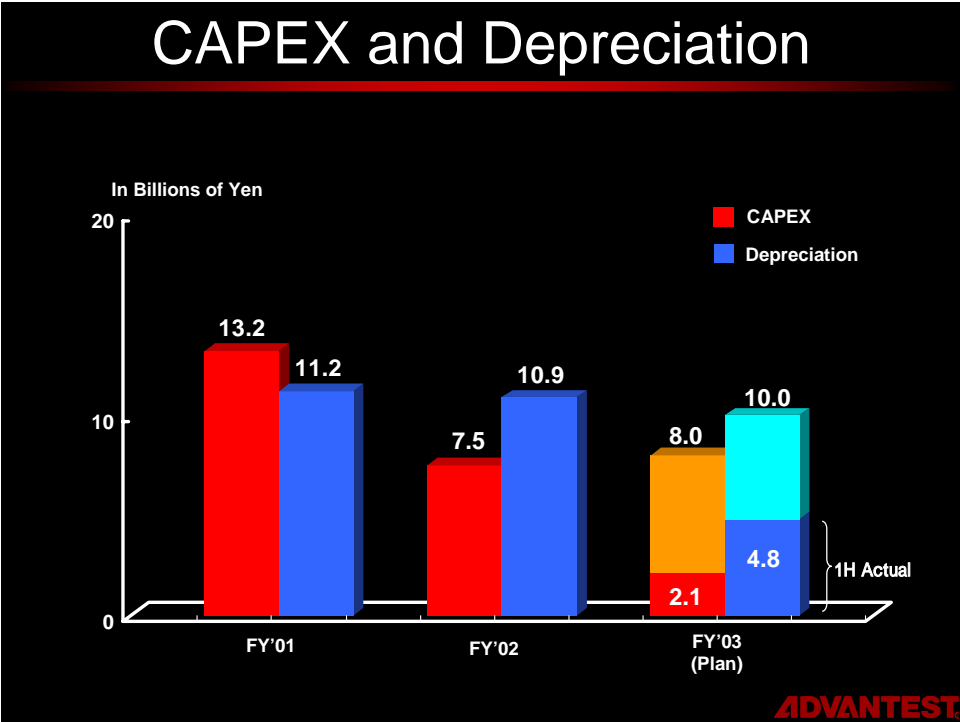
	Mar. '02	Mar. '03	Sep. '03
Current Assets	211.6	182.0	188.8
Cash & Cash Equivalent	105.9	87.3	94.6
Accounts Receivable	33.1	42.9	44.0
Inventories	52.8	34.9	34.3
Fixed & Other Assets	95.9	99.2	98.2
Total Assets	307.5	281.2	287.0
Current Liabilities	23.2	28.3	33.1
Fixed & Other Liabilities	43.6	42.1	43.6
Shareholders' Equity	240.7	210.6	210.3
% of total assets	78.3%	74.9%	73.2%
Liabilities & Equity	307.5	281.2	287.0

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Cash Flow



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2. Business Overview and Outlook

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Renewal to Growth

< 1H FY'03 >

Renewal

- Effect of past Restructuring
- Increasing Orders and Sales
- Resume Profitability

Orders : 80.2 Billion Yen (YoY +77%)
Sales : 62.2 Billion Yen (YoY +52%)
Operating Income : 4.4 Billion Yen
Percent of Sales : 7.1%

< Current >

Renewal to Growth

- Introduction of New Products
- Demand Improvement
- Continuous Increase of Orders

< 2H FY'03 >

Growth

- Completion of New Product Introductions
- New Business Model
- Increase of Sales and Profit

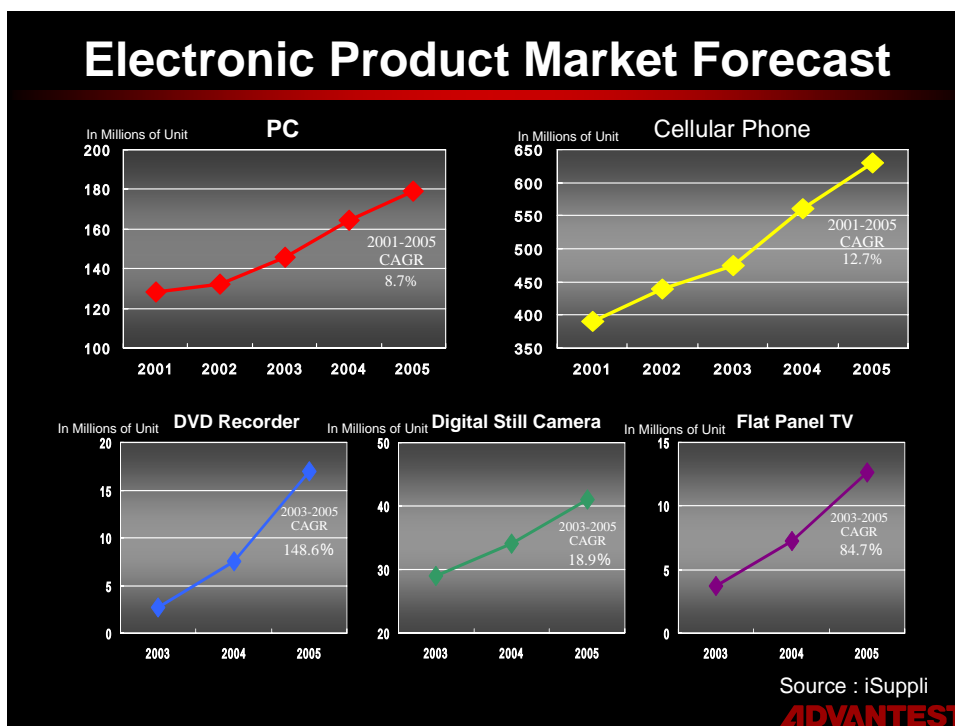
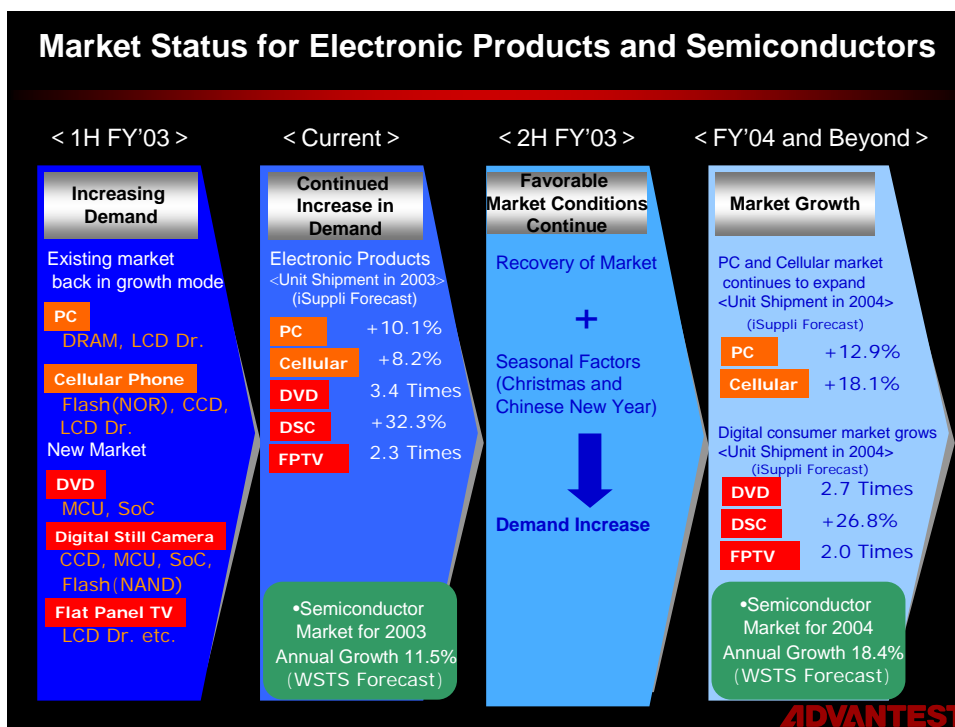
Orders : 79.7 Billion Yen (YoY +42%)
Sales : 82.7 Billion Yen (YoY +46%)
Operating Income : 11.0 Billion Yen
Percent of Sales : 13.4%

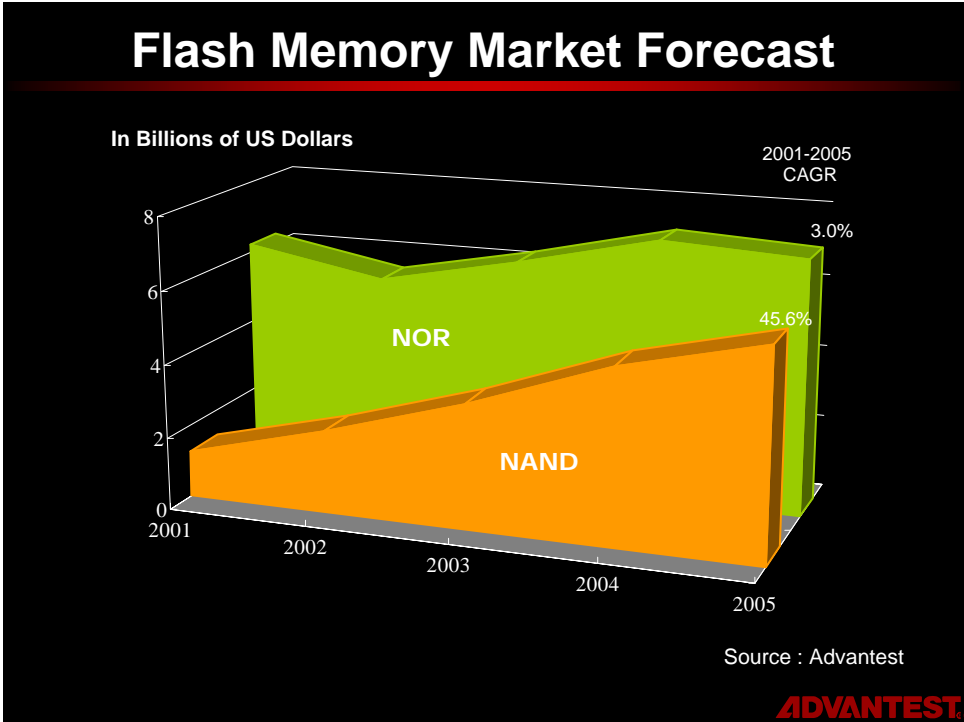
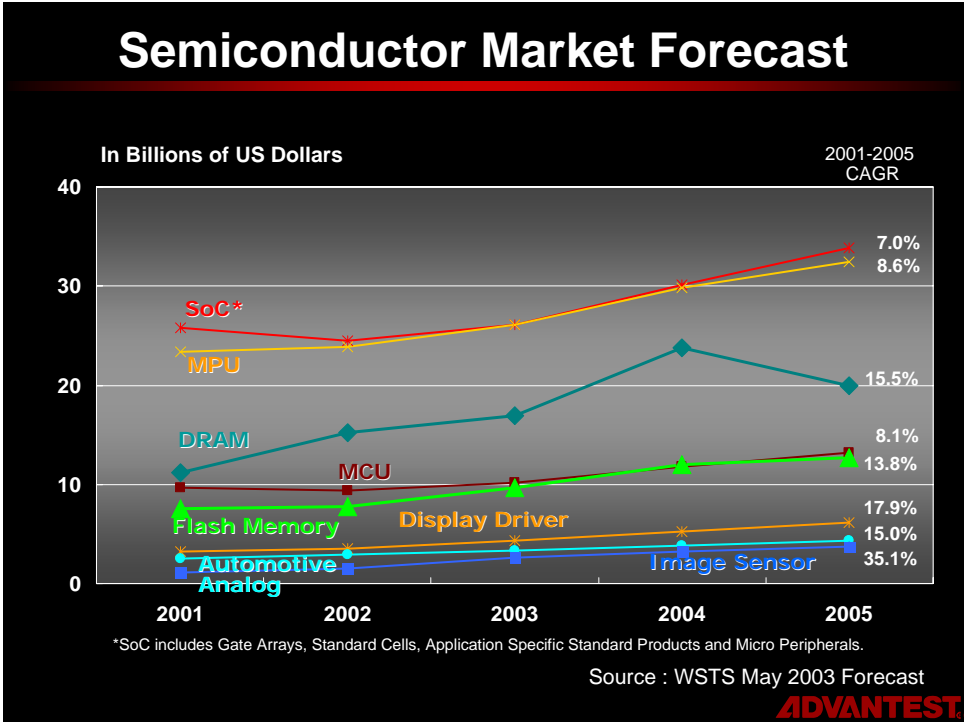
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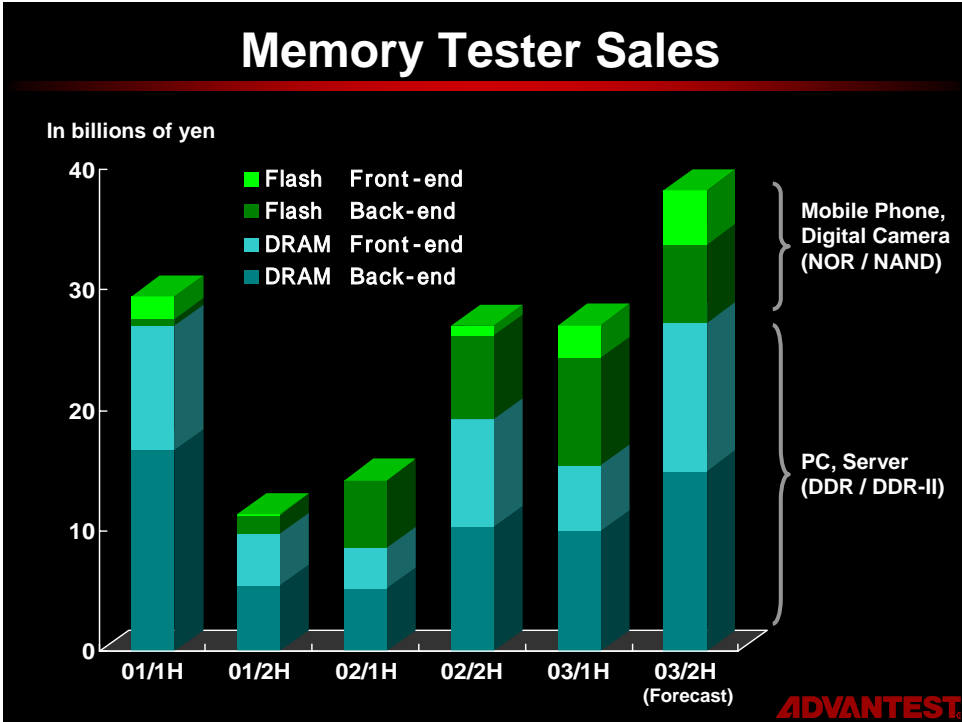
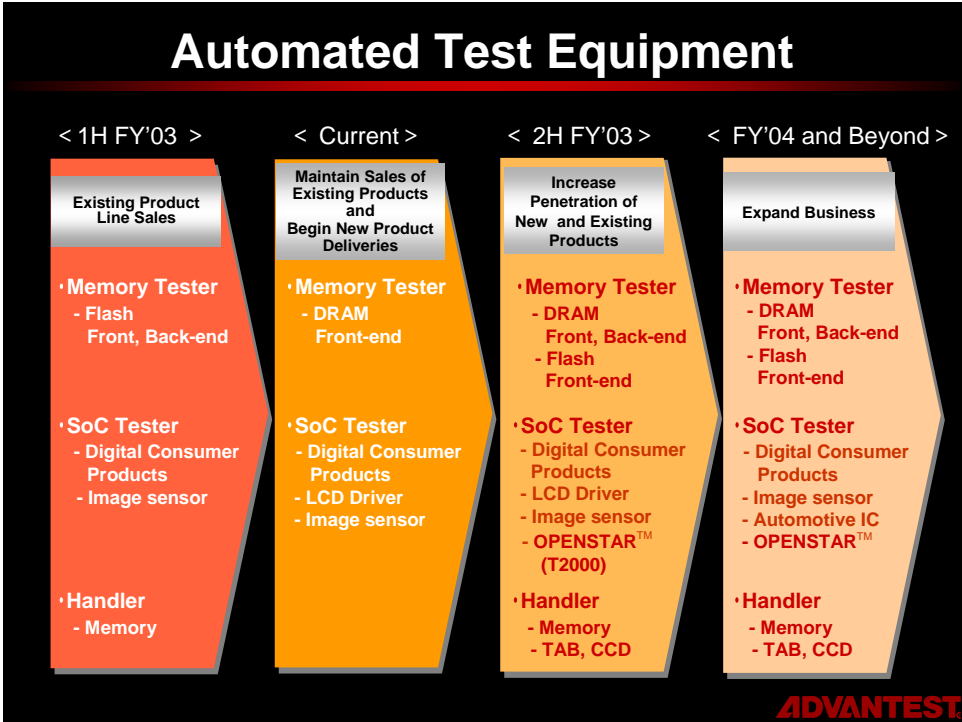
Further Growth

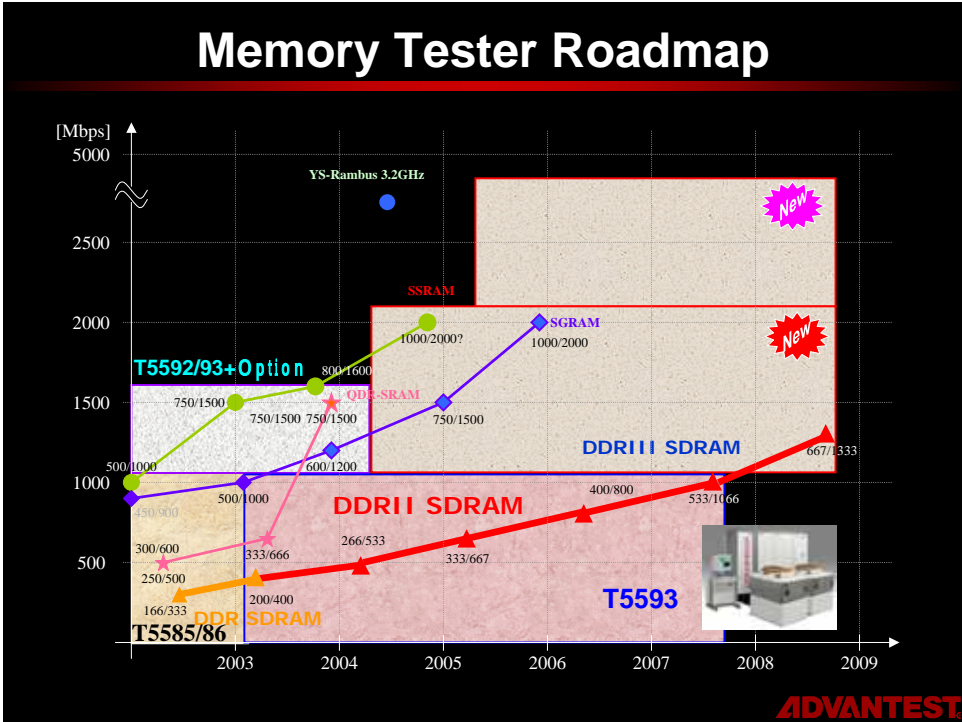
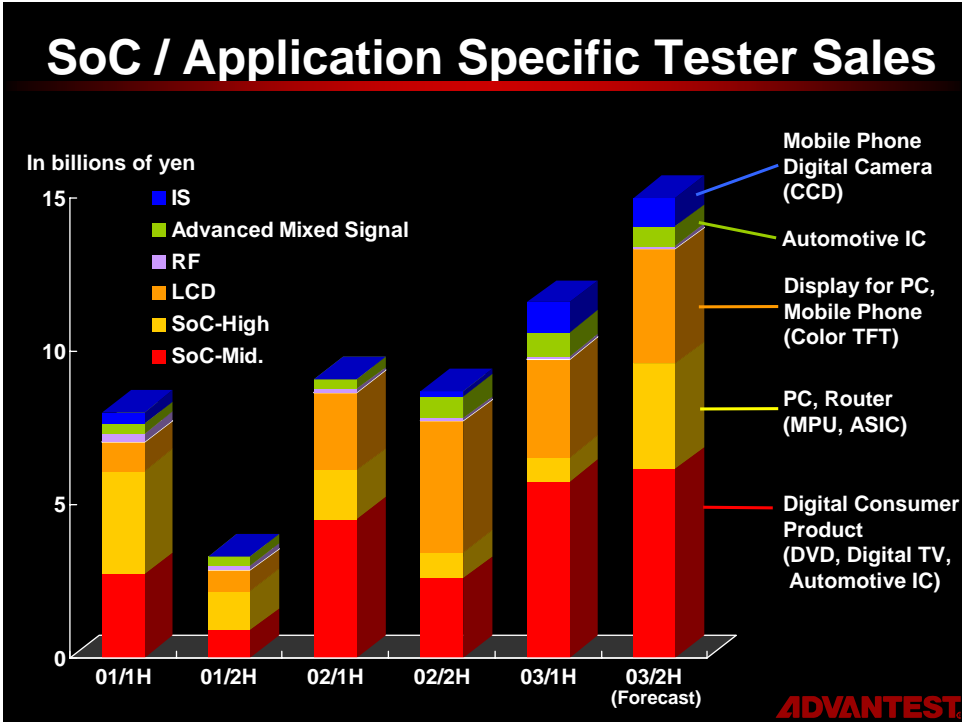
- New Products in Mass Production
- Continuous Increase in Sales and Profits
- Achieve 20% Market Share for SoC

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New Products in FY2003

Memory Tester	1st Half	<ul style="list-style-type: none"> · T5593 · DRAM Front End (1 model) · Flash Front End (1 model)
	2nd Half	<ul style="list-style-type: none"> · Flash Front End (1 model)
SoC Tester	1st Half	<ul style="list-style-type: none"> · Image Sensor Tester (1 model)
	2nd Half	<ul style="list-style-type: none"> · OPENSTAR™ (1 model) · Advanced Mixed Signal Tester (1 model) · Image Sensor Tester (1 model)
Measuring Instruments	1st Half	<ul style="list-style-type: none"> · WMT (6 models)
	2nd Half	<ul style="list-style-type: none"> · WMT (1 model)

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Tester Demand by Region

	<1H FY'03>	<Current>	<2H FY'03>	<1H FY'04>
Japan	Flash SoC	Flash SoC	DRAM Flash	
USA	Flash	Flash SoC	DRAM Flash SoC	
Europe				
Korea			DRAM Flash	
Taiwan		DRAM	DRAM	
Rest of Asia	Flash	DRAM Flash	DRAM Flash	

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