

**Financial Results for  
1st Quarter Fiscal 2004**

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July 28, 2004

**ADVANTEST<sup>®</sup>**

## 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, the discussion of Advantest's business strategy, outlook and expectations as to market and business developments, production and capacity plans. 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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**Note :**

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

## Summary of Profit and Loss

(In Billions of Yen)

	FY '03			FY '04			
	1Q	1H	FY	1Q	Year on Year ("X" = Times)	1H (Forecast)	FY (Forecast)
<b>Net Sales</b>	27.1	62.2	174.2	<b>72.0</b>	2.7 X	140.0	250.0
<b>Gross Profit</b>	12.3	30.4	88.7	<b>38.0</b>	3.1 X	73.0	130.0
<b>Operating Income</b>	0.2	4.4	30.9	<b>22.4</b>	92.5 X	42.0	70.0
<b>Income Before Tax</b>	0.2	3.7	28.8	<b>22.6</b>	94.1 X	42.0	70.0
<b>Net Income</b>	0.1	2.4	17.3	<b>13.9</b>	97.7 X	26.0	43.0

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## Orders, Sales and Backlog

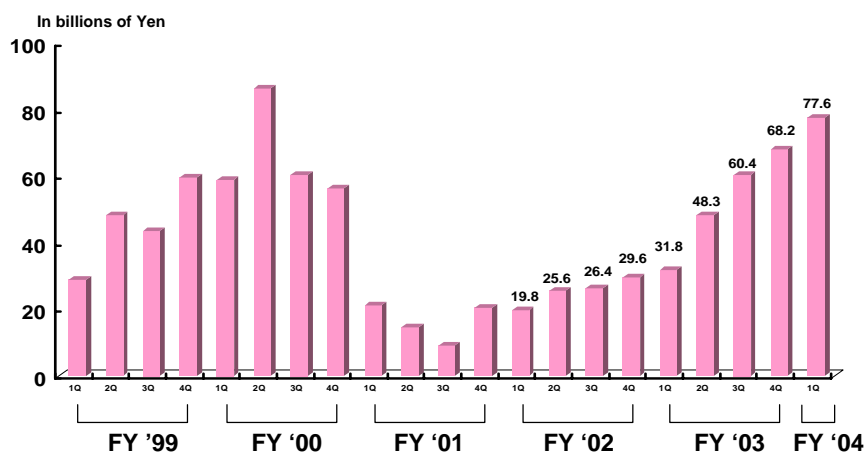
(In Billions of Yen)

	FY '03			FY '04			
	1Q	1H	FY	1Q	Year on Year ("X" = Times)	1H (Forecast)	FY (Forecast)
<b>Orders</b>	31.8	80.2	208.9	<b>77.6</b>	2.4 X	140.0	255.0
Semiconductor and Component Test System	20.7	54.5	149.5	<b>58.8</b>	2.8 X	99.0	180.0
Mechatronics System	6.5	16.0	39.2	<b>13.4</b>	2.0 X	30.4	55.0
Services, Support and Others	4.5	9.6	20.1	<b>5.3</b>	1.2 X	10.5	20.0
<b>Sales</b>	27.1	62.2	174.2	<b>72.0</b>	2.7 X	140.0	250.0
Semiconductor and Component Test System	17.4	39.2	119.7	<b>54.0</b>	3.1 X	104.7	182.0
Mechatronics System	5.1	13.0	33.9	<b>12.4</b>	2.4 X	25.0	49.0
Services, Support and Others	4.5	9.9	20.4	<b>5.5</b>	1.2 X	10.1	19.0
<b>Backlog</b>	21.4	34.7	51.4	<b>57.0</b>	2.7 X	51.4	56.4

Note: FY '03 numbers are provided for reference purposes only.

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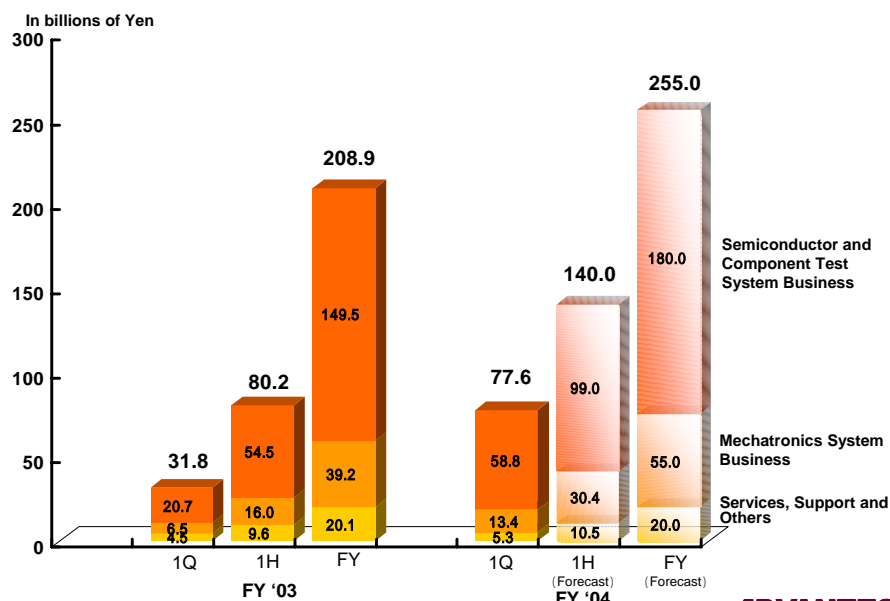
## Quarterly Order Trends



Note: FY '02 quarterly numbers are provided for reference purposes only.

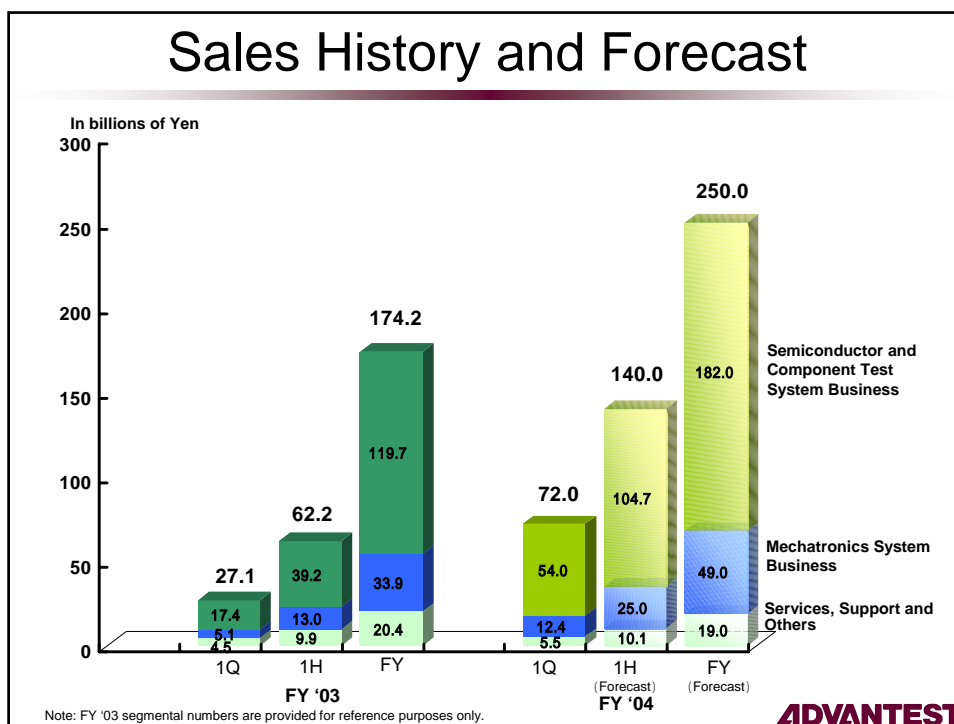
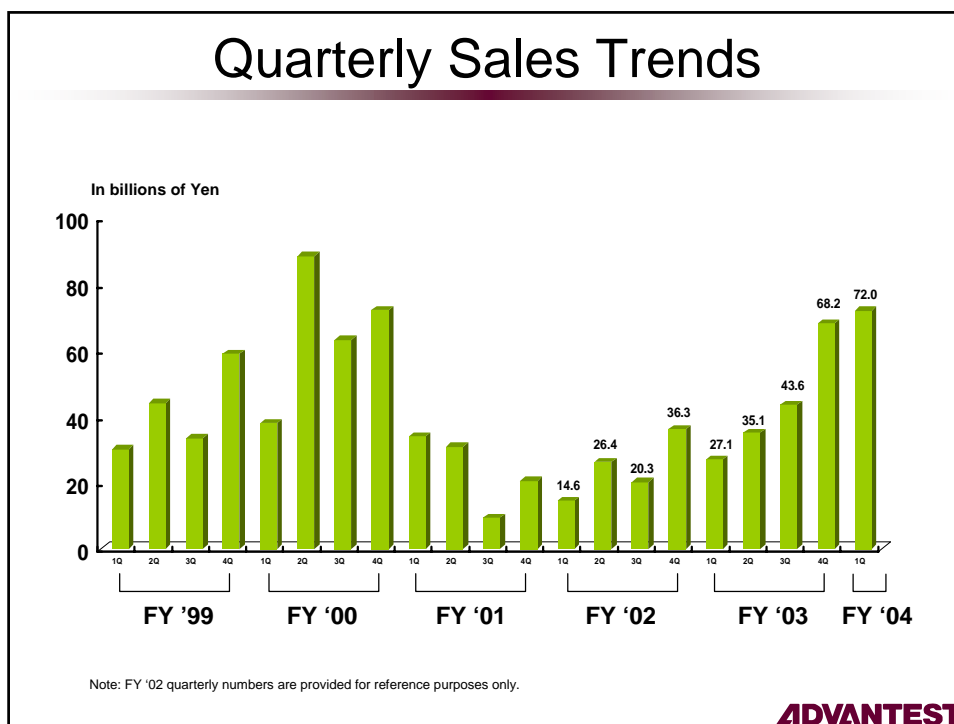
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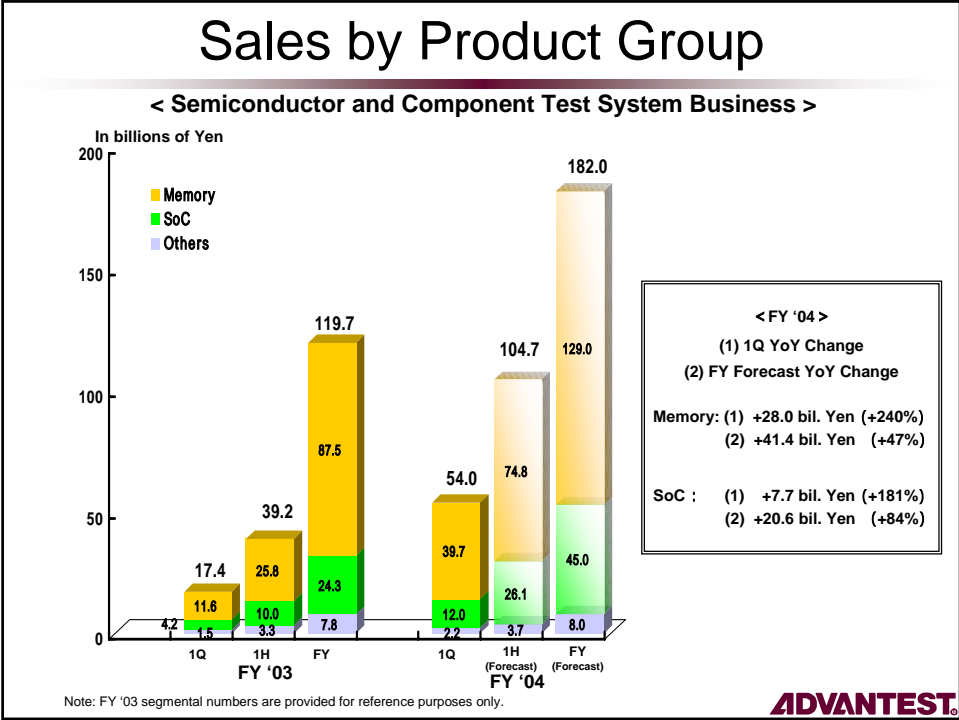
## Order History and Forecast



Note: FY '03 segmental numbers are provided for reference purposes only.

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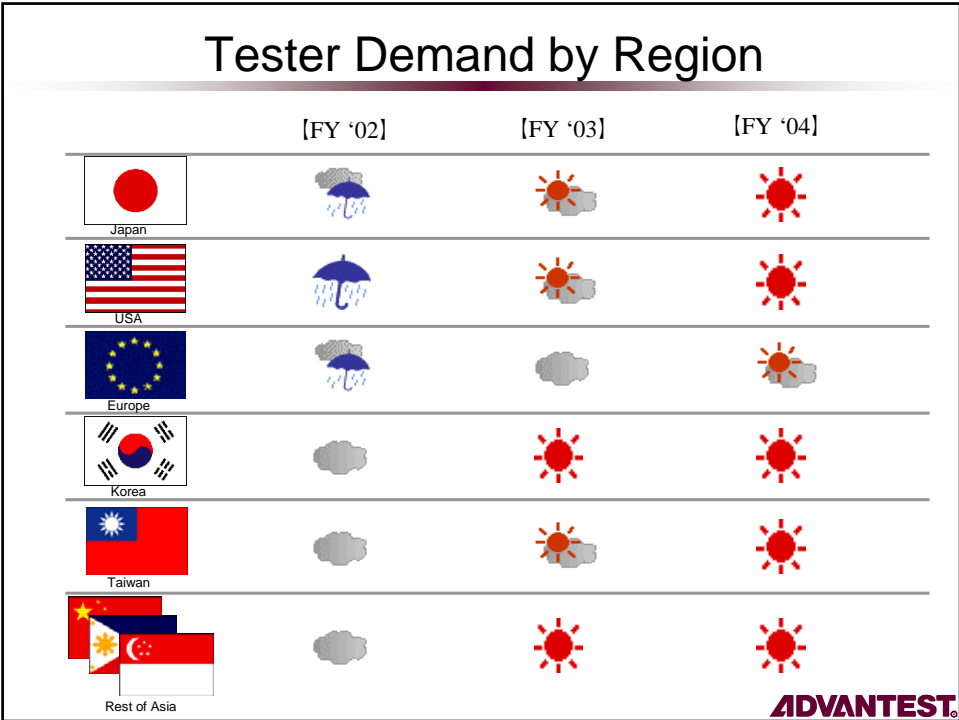
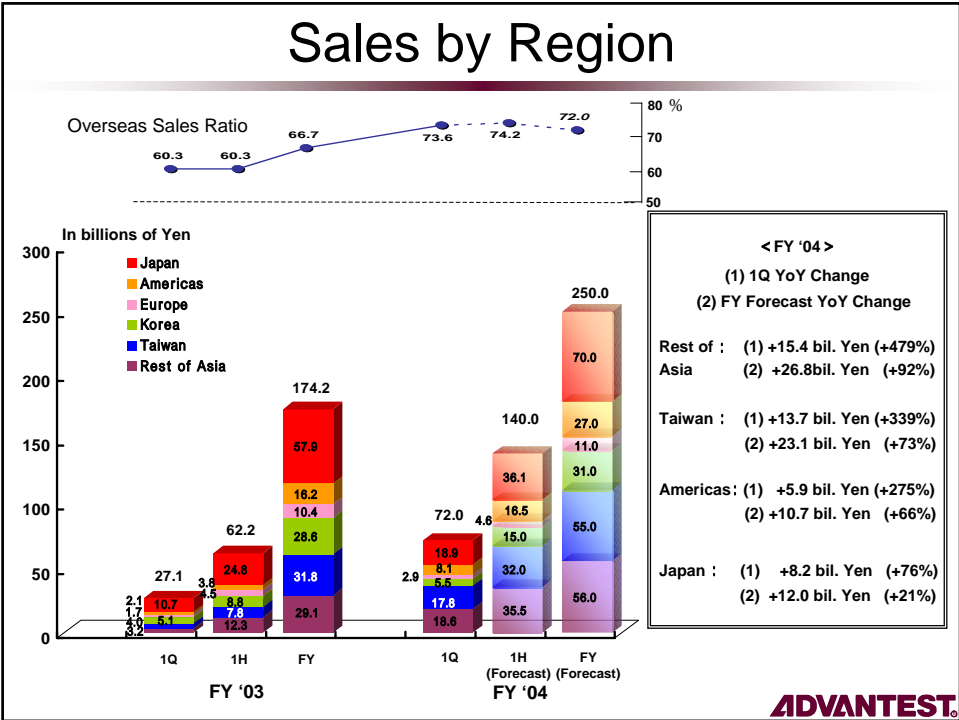


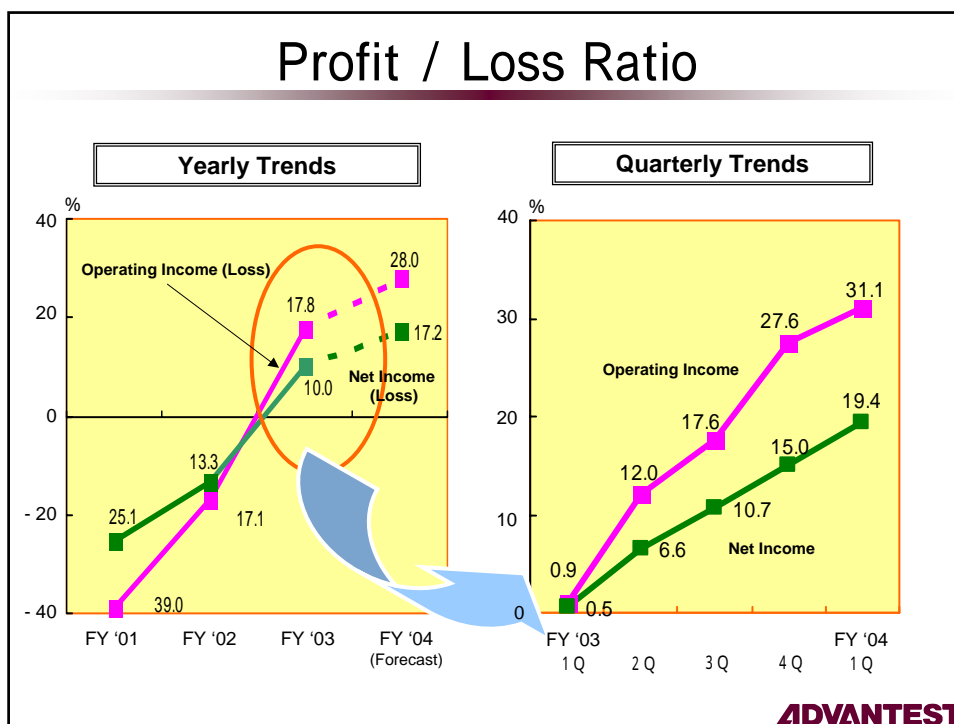
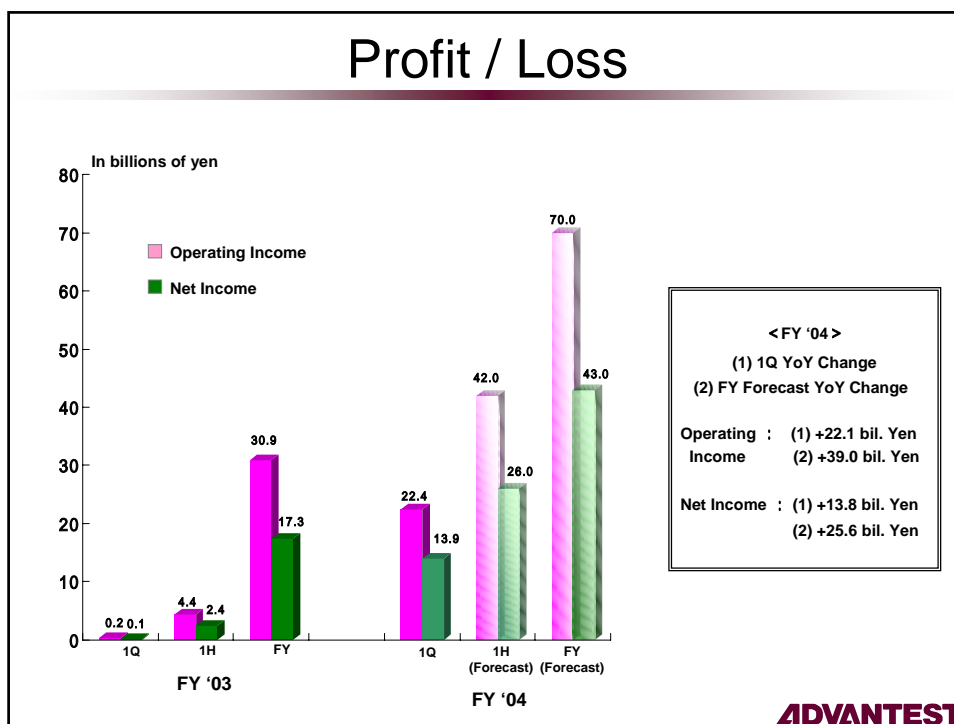


### Growth Drivers for 1Q/FY '04

<div style="background-color: #8B4513; color: white; padding: 5px; display: inline-block;">Memory Tester</div>	<ul style="list-style-type: none"> <li>· DRAM Front-End T5377</li> <li>· Flash Back-End T5375/T5377</li> <li>· DRAM Back-End T5593</li> </ul>
<div style="background-color: #4682B4; color: white; padding: 5px; display: inline-block;">SoC/AS Tester</div>	<ul style="list-style-type: none"> <li>· Digital Consumer T6500 Series</li> <li>· OPENSTAR T2000</li> <li>· Application Specific Tester (Automotive device, Image Sensor )</li> </ul>
<div style="background-color: #90EE90; color: white; padding: 5px; display: inline-block;">Handler</div>	<ul style="list-style-type: none"> <li>· Memory Handler M6542</li> <li>· SoC Handler M4541/M4542</li> </ul>

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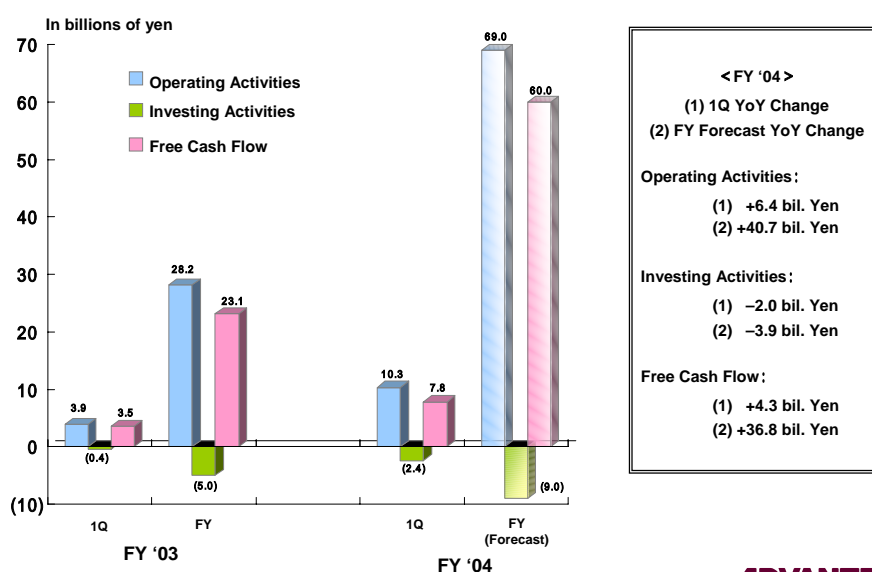
## Balance Sheet

(In Billions of Yen)

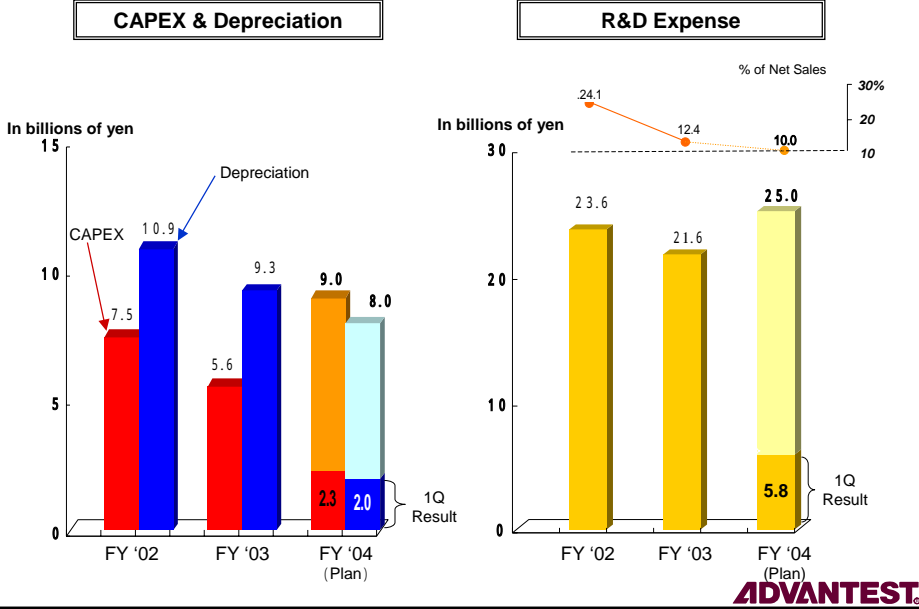
	Mar. '03	Mar. '04	Jun. '04
<b>Current Assets</b>	<b>182.0</b>	<b>255.7</b>	<b>265.9</b>
Cash & Cash Equivalent	87.3	101.1	107.5
Accounts Receivable	42.9	76.1	88.8
Inventories	34.9	49.4	46.4
<b>Fixed &amp; Other Assets</b>	<b>99.2</b>	<b>75.0</b>	<b>75.5</b>
<b>Total Assets</b>	<b>281.2</b>	<b>330.8</b>	<b>341.4</b>
<b>Current Liabilities</b>	<b>28.3</b>	<b>66.6</b>	<b>64.0</b>
<b>Fixed &amp; Other Liabilities</b>	<b>42.1</b>	<b>42.4</b>	<b>42.8</b>
<b>Shareholders' Equity</b>	<b>210.6</b>	<b>221.7</b>	<b>234.5</b>
% of total assets	74.9%	67.0%	68.7%
<b>Liabilities &amp; Equity</b>	<b>281.2</b>	<b>330.8</b>	<b>341.4</b>

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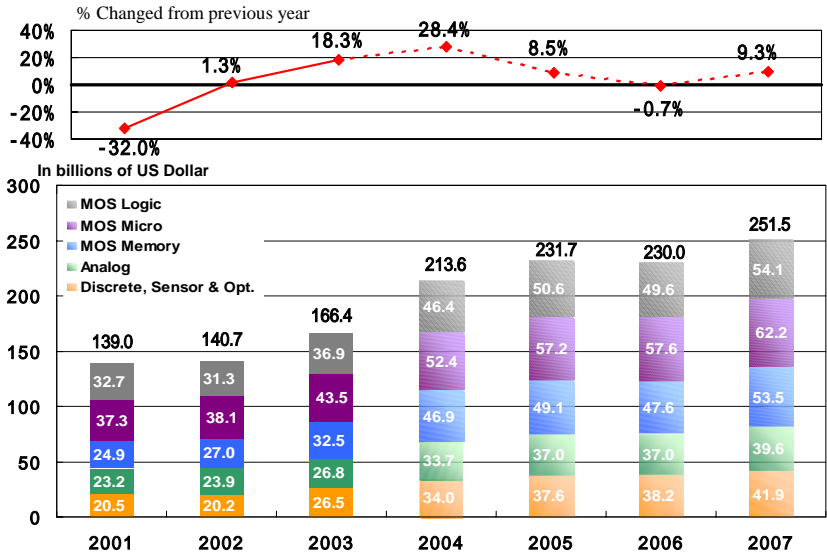
## Cash Flow

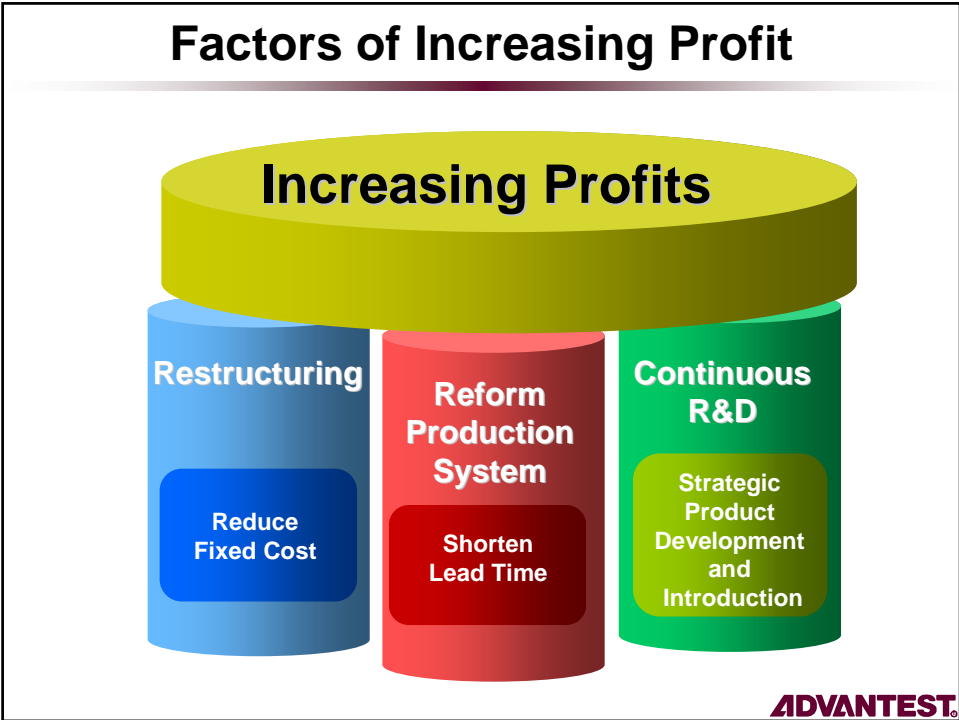
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## CAPEX, Depreciation and R&D Expense



## Worldwide Semiconductor Forecast





### Products Slated for Release in FY'04

Product Category	Application	Released Products
Memory Tester	DRAM Front-End	T5377S
	DRAM Back-End	(AZUSA)
	Digital Consumer Products	T6577
SoC/AS Tester	LCD Driver IC	
	T2000 Series	T2000MS
	Advanced Mixed Signal	
	Image Sensor	
	RF Test System	R3671
Handler	Optical Test System	
	SoC Handler	M4551A
Nano-Technology	E-Beam Lithography	

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