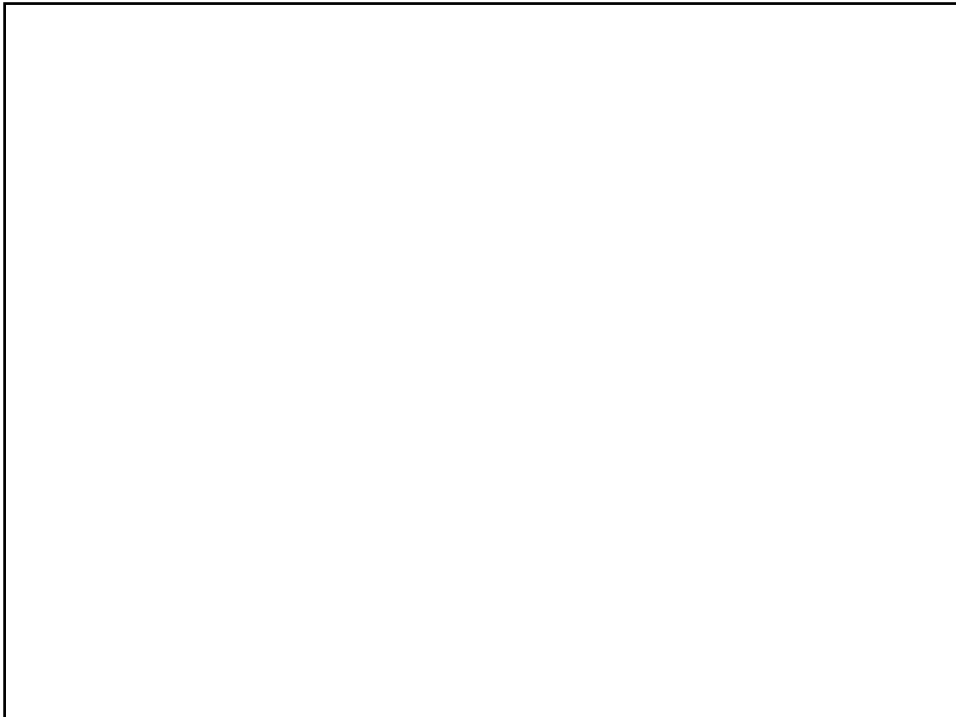


1st Half FY2005
Information Meeting

October 26, 2005
ADVANTEST®



Section 1

Financial Results for 1H/FY2005

Director, Managing Executive Officer
Hitoshi Owada

Section 2

The Present Business Situation and
Future Strategies

Representative Board Director,
President (CEO)
Toshio Maruyama

Section 1

Financial Results for 1H/FY2005

Achievements and Forecast

(In Billions of Yen)

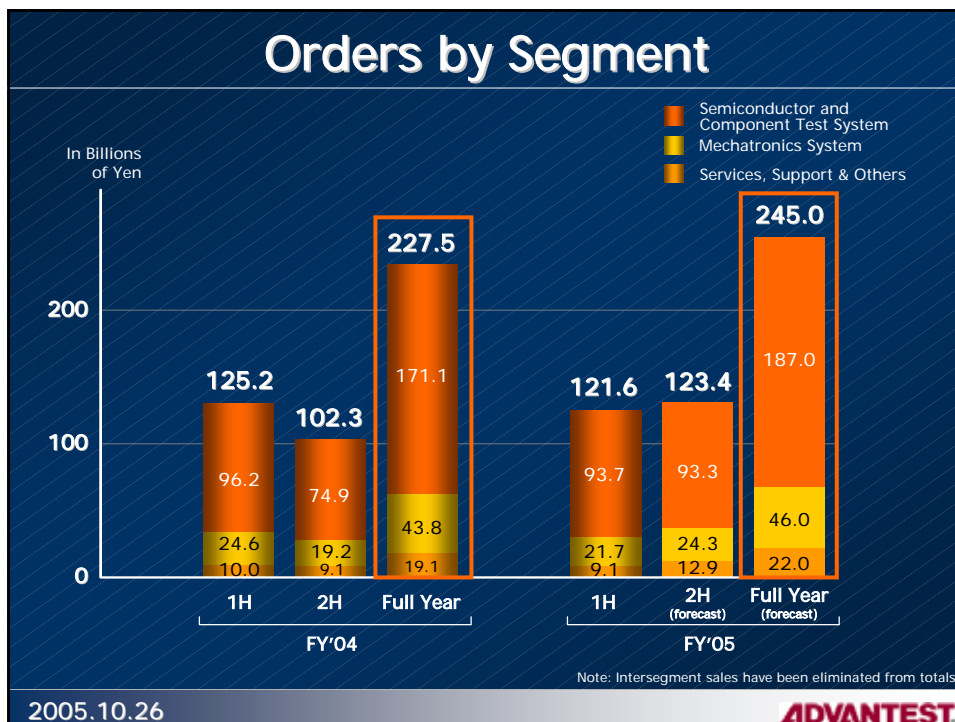
	FY2004		FY2005			
	1H	Full Year	1H	Y on Y	Full Year (Forecast)	Y on Y
Orders	125.2	227.5	121.6	-2.9%	245.0	+7.7%
Sales	146.6	239.4	107.1	-26.9%	240.0	+0.2%
Operating Income	44.7	60.7	22.7	-49.3%	60.0	-1.2%
Income Before Tax	46.1	61.8	24.5	-46.8%	61.0	-1.3%
Net Income	27.8	38.1	14.6	-47.5%	37.0	-2.8%
Backlog	30.2	39.5	54.0		44.5	

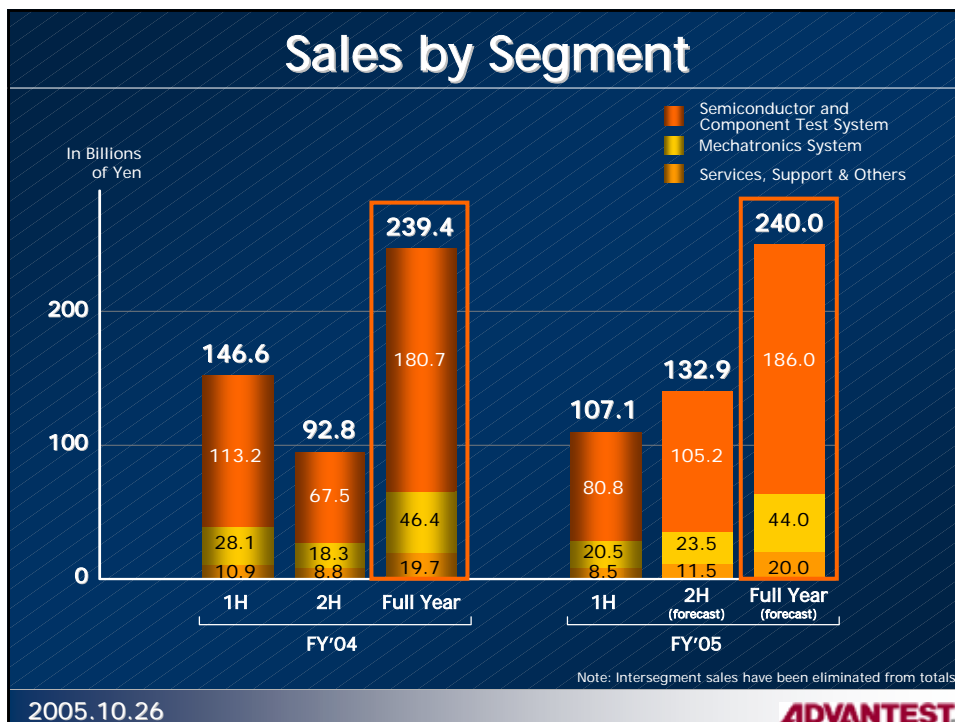
2005.10.26 **ADVANTEST**

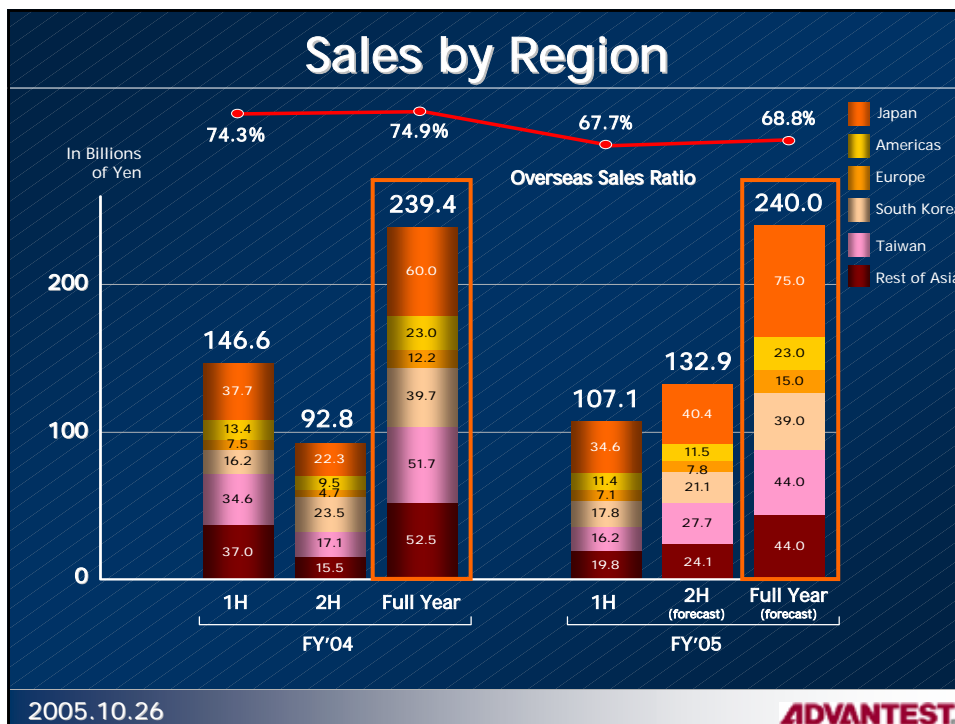
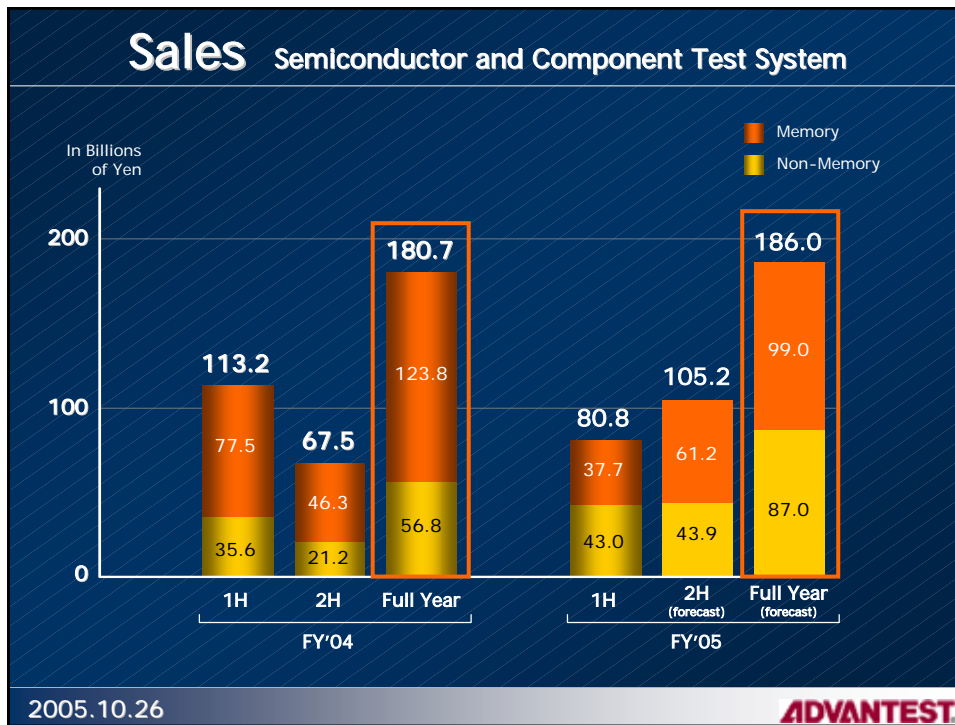
1H/FY2005 Summary

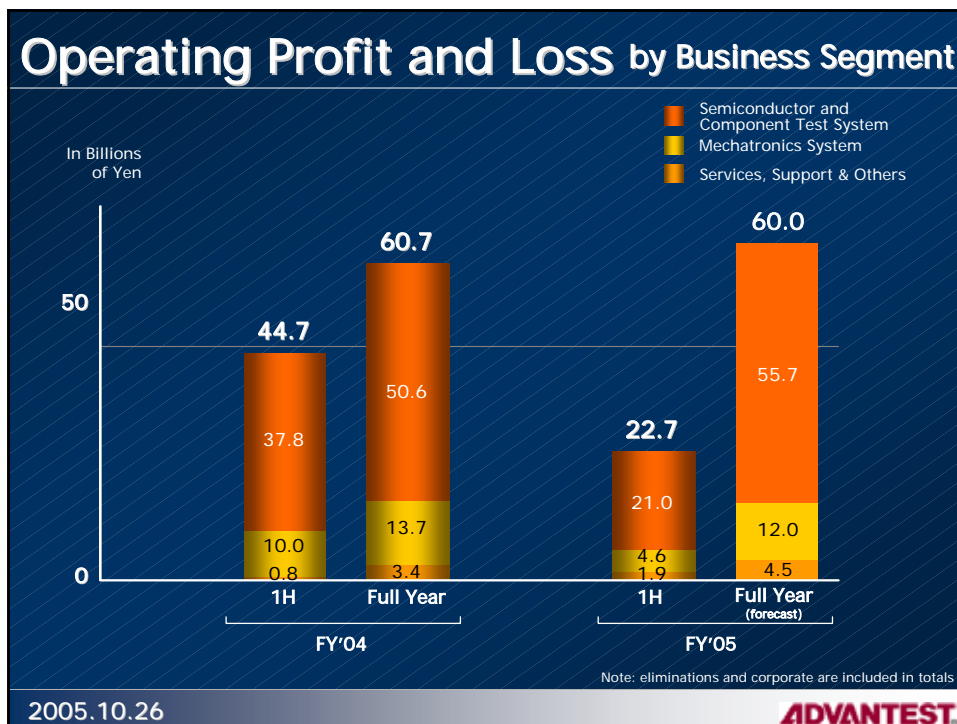
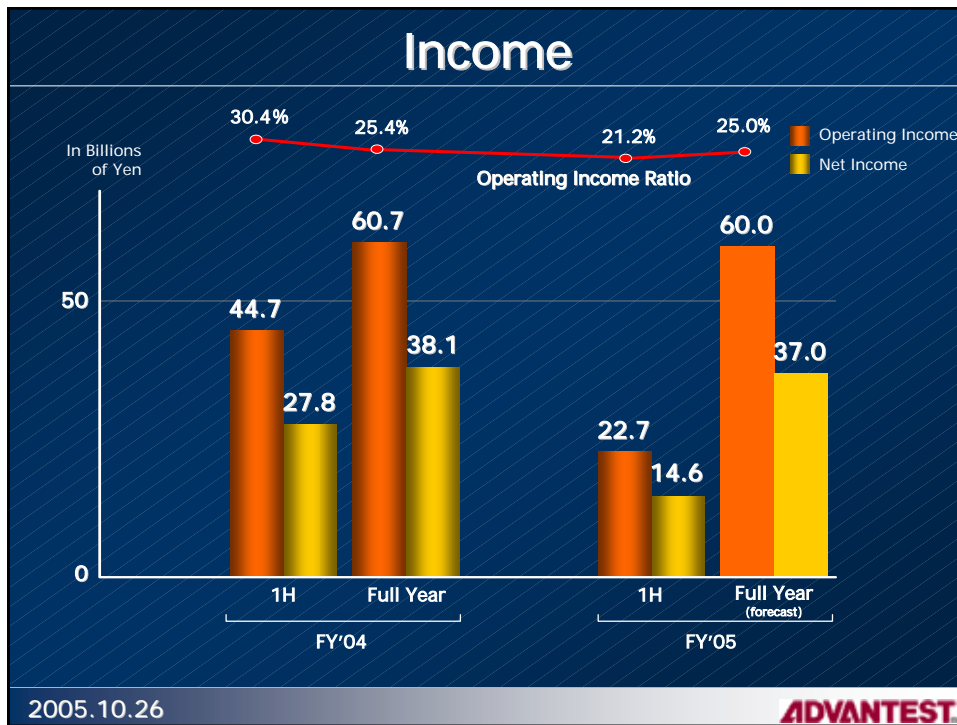
	Open Architecture T2000	Americas	Rest of Asia
Non-Memory	LCD Driver IC T6300 Series	Japan	Taiwan South Korea
	Digital Consumer Electronics T6500 Series	Japan	Taiwan
Memory	NAND Flash Memory	South Korea	Japan

2005.10.26 **ADVANTEST**







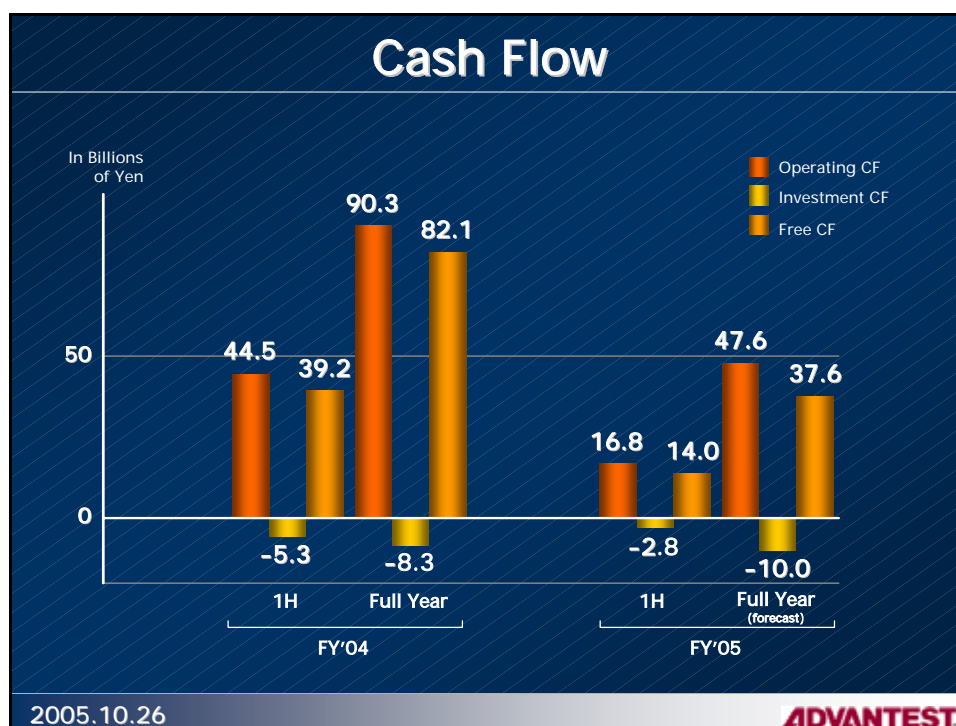


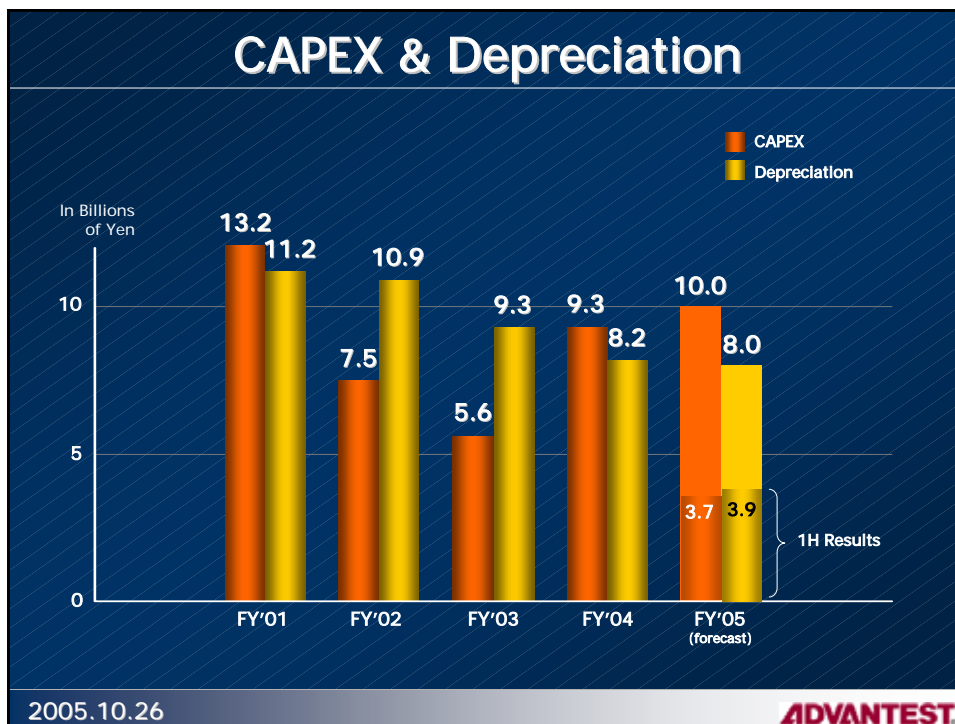
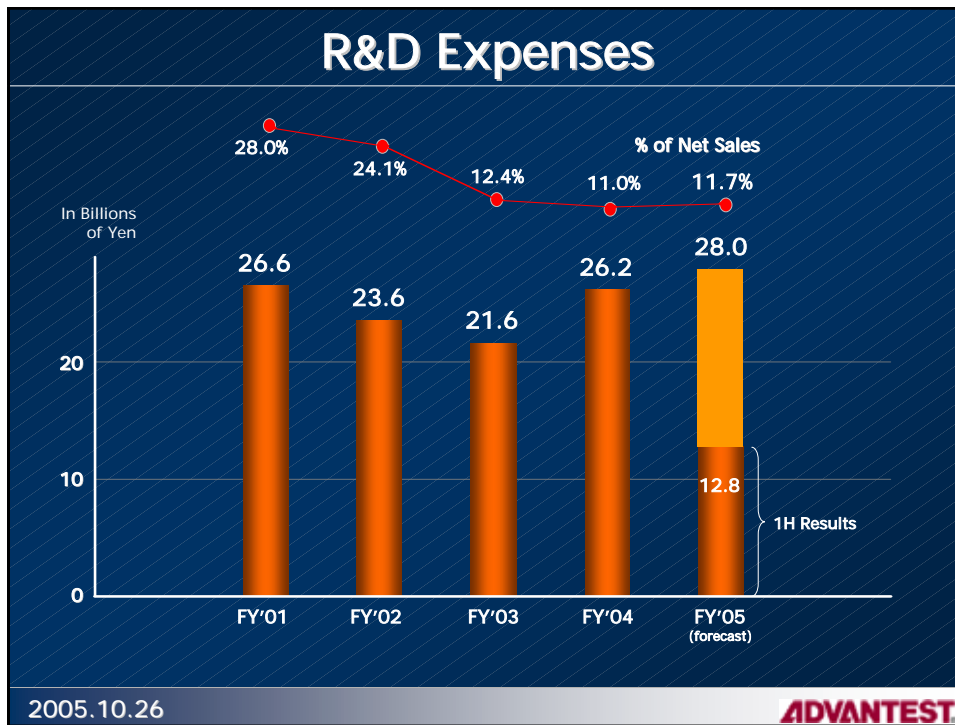
Balance Sheet

(In Billions of Yen)

	Mar. 31, '04	Mar. 31, '05	Sep. 30, '05	Variance
Current Assets	255.7	223.9	248.2	24.2
(Cash & Cash Equivalent)	(101.1)	(120.9)	(135.2)	14.2
(Accounts Receivable)	(76.1)	(56.7)	(59.0)	2.3
(Inventories)	(49.4)	(29.5)	(34.4)	4.8
Fixed Assets	75.0	72.8	71.8	-0.9
Total Assets	330.8	296.7	320.0	23.3
Current Liabilities	66.6	73.9	81.5	7.5
Fixed & Other Liabilities	42.4	16.0	15.9	-0.1
Shareholder's Equity	221.7	206.7	222.6	15.8
(% of total assets)	(67.0%)	(69.7%)	(69.5%)	
Liabilities & Equity	330.8	296.7	320.0	23.3

2005.10.26 **ADVANTEST**

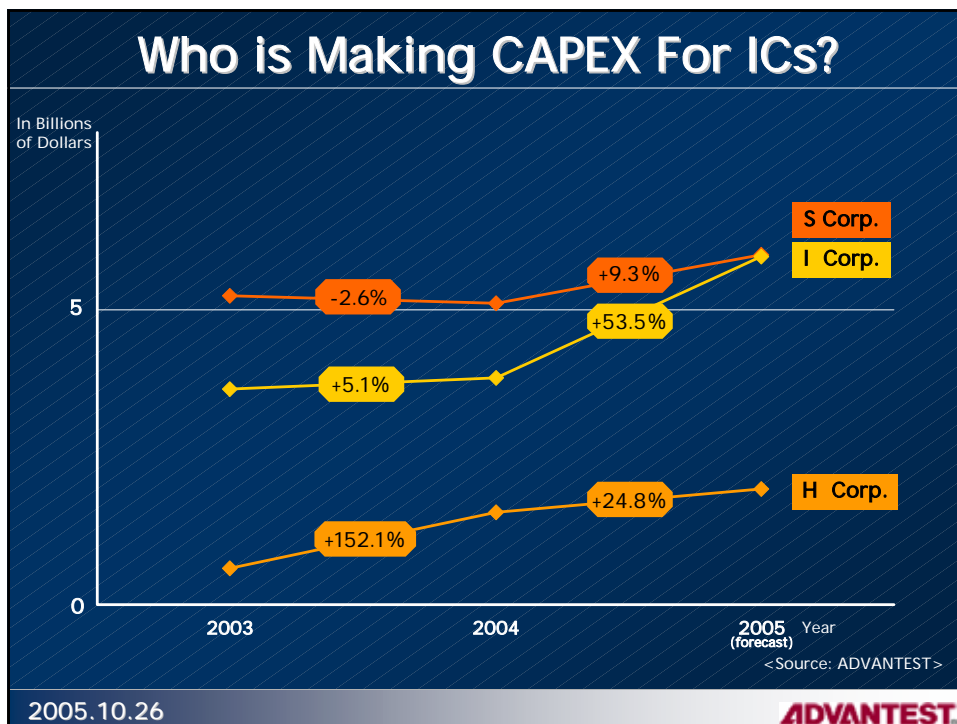


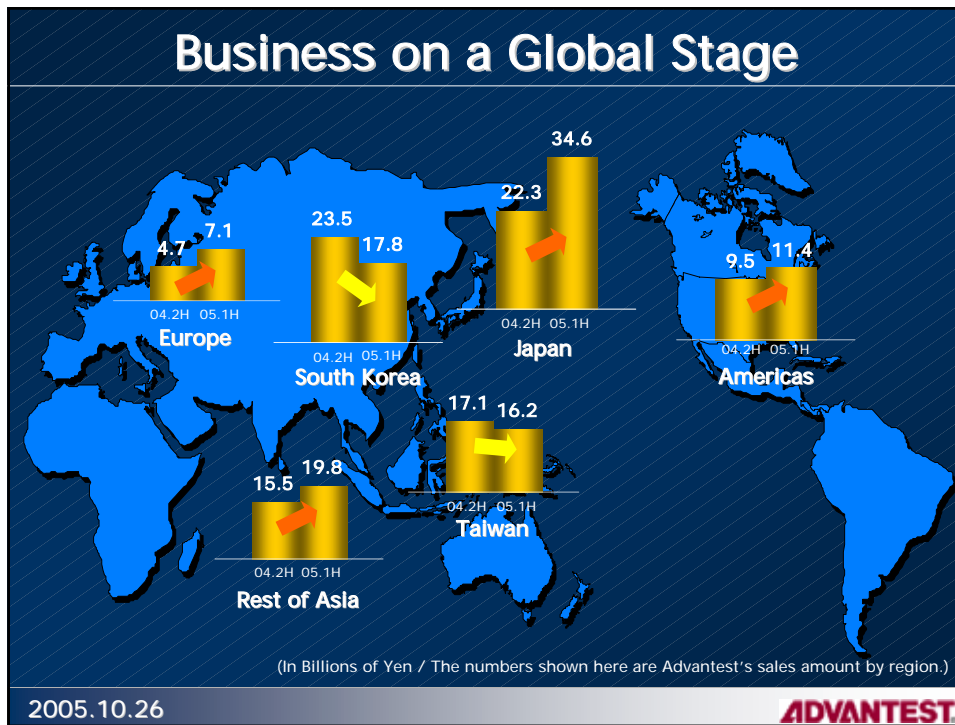


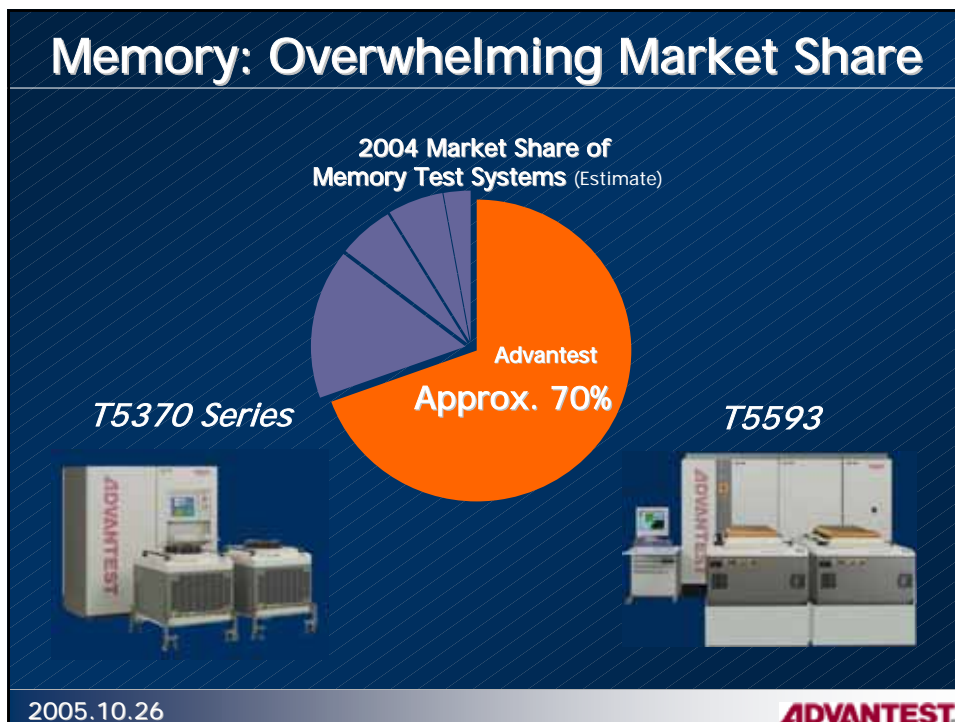
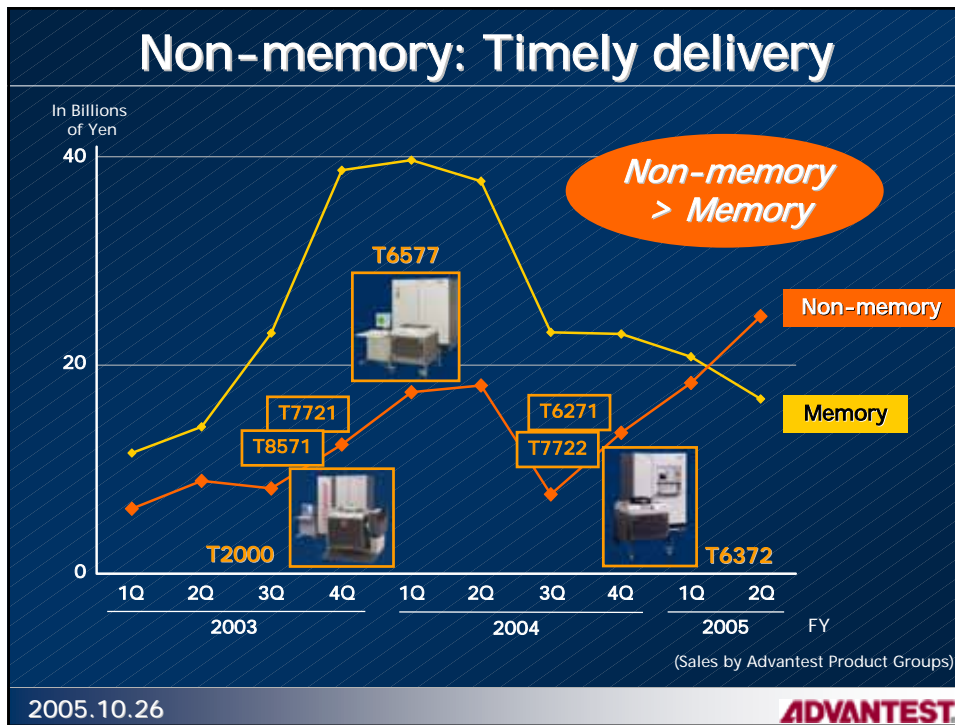
Section 2

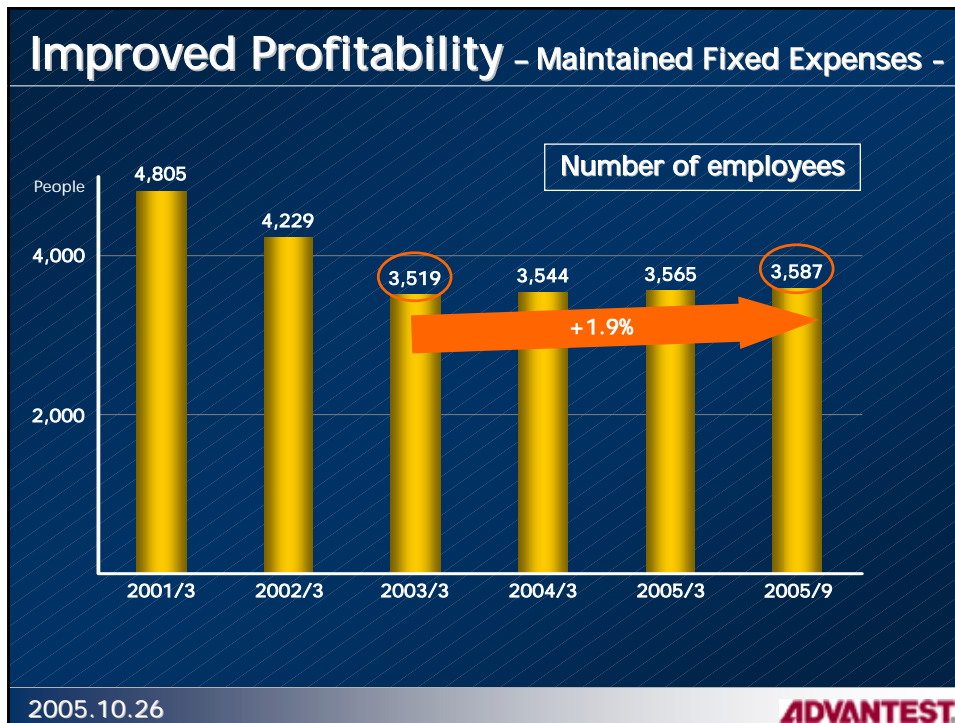
The Present Business Situation and Future Strategies











Improved Profitability – Cost Cutting –

Adoption of the Just-In-Time production system

- Shorten lead time, reduced inventory

Percentage of major products adopting the Just-In-Time production system

Approx. 70%

Complete cost controls using ABCM

- Worldwide implementation
- Multifaceted analysis and control of costs

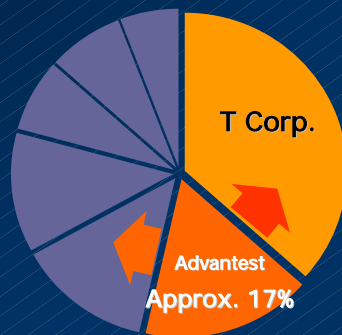
·ABCM: Activity Based Costing and Management

2005.10.26 **ADVANTEST**

ADVANTEST will...

Non-memory Test Systems: Expanding Share

2004 Market Share of
Non-memory Test Systems
(Estimate)



The market is 1.5 times the size
of the memory test system market.

T2000 Module Expansion

For
communication system devices
and RFIC



*Enlarge
Customers*

2005.10.26

ADVANTEST

Memory Test Systems: Improved R&D

More individual requests

More engineers

2005.10.26 **ADVANTEST**

Further Cost Reductions

Improving productivity

- Complete management of lead time and inventory by the Just-In-Time production system

Major products adopting the Just-In-Time production system

Approx. 70%▶ 100%

Introduction of new cost planning method

- Synergistic effect with ABCM

2005.10.26 **ADVANTEST**

New, Company-wide Campaign

Activate21


Campaign theme: ***Boost Cost Competitiveness***

Campaign period: **October 1, 2005 to March 31, 2009**

2005.10.26 **ADVANTEST**


MARKET will...

Increasing Number of Memory Devices




PC


DDR2



New!
T5588




Portable music player



SD
512MB
Memory card

*NAND
Flash*


T5370 Series




2005.10.26

ADVANTEST.

Widening Range of SoC Devices




PC




Games

*MPU
RFIC*




T2000




LCD TV

LCD Driver IC




T6300 Series



Mobile phone

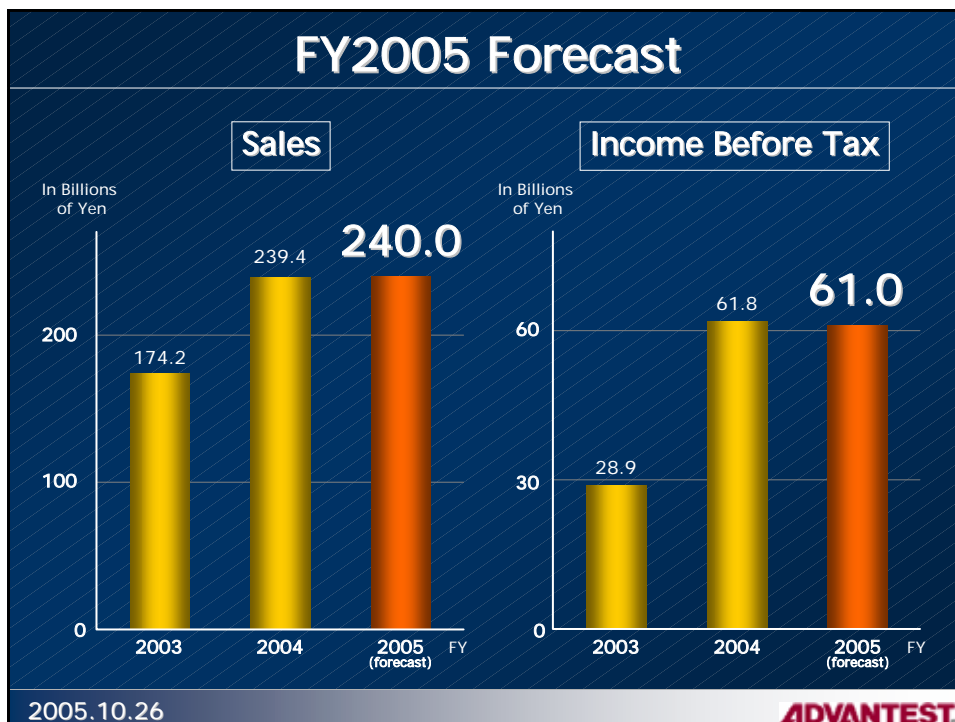
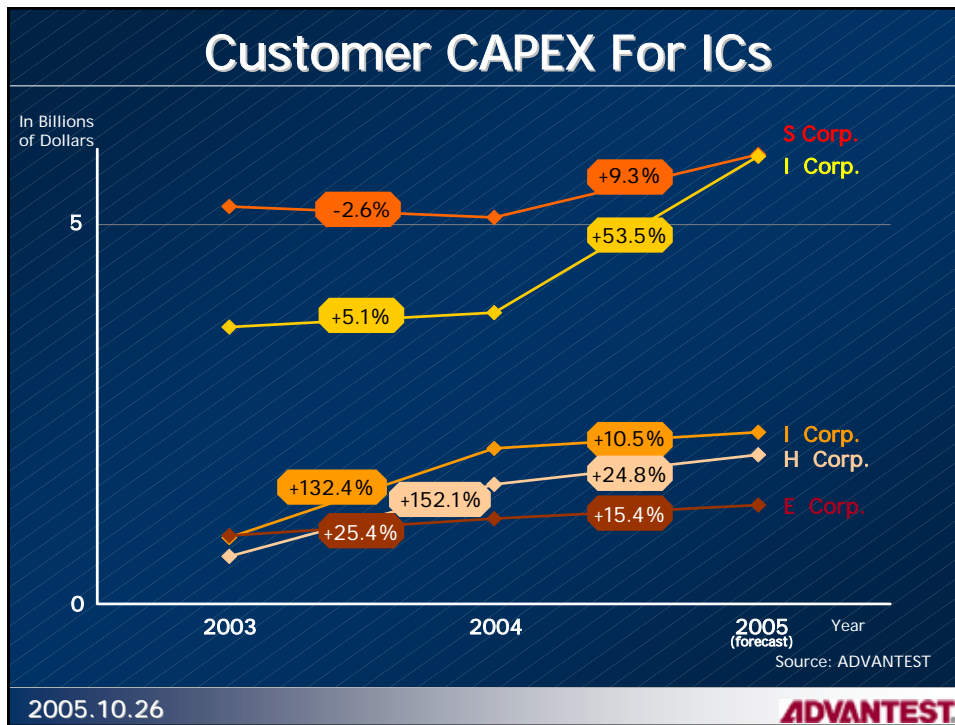
ASIC



T6500 Series

2005.10.26

ADVANTEST.



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.

ADVANTEST®