

ADVANTEST

Financial Results for 1st Quarter Fiscal 2006

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Summary of Achievements

(In Billions of Yen)

	FY2005					FY2006	
	1Q	2Q	3Q	4Q	Full Year	1Q	Y on Y-%
Orders	60.8	60.8	75.7	62.1	259.4	64.9	+6.7
Sales	52.0	55.1	67.8	79.0	253.9	59.9	+15.1
Operating Income	11.8	10.9	17.8	24.0	64.5	16.3	+38.8
Income Before Tax	12.1	12.4	18.6	24.4	67.5	17.2	+42.0
Net Income	7.8	6.8	11.3	15.5	41.4	11.5	+46.8
Backlog	48.4	54.0	61.9	45.1	—	50.1	—

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1Q/FY2006 Summary ADVANTEST®

GOOD
DRAM / Flash Memory


Japan Taiwan South Korea

GOOD
LCD Driver IC


Taiwan Japan

GOOD
ICs for Digital Consumer Products, Automotives


Japan




T5370 Series



T6300 Series



T6500 Series



T7700 Series

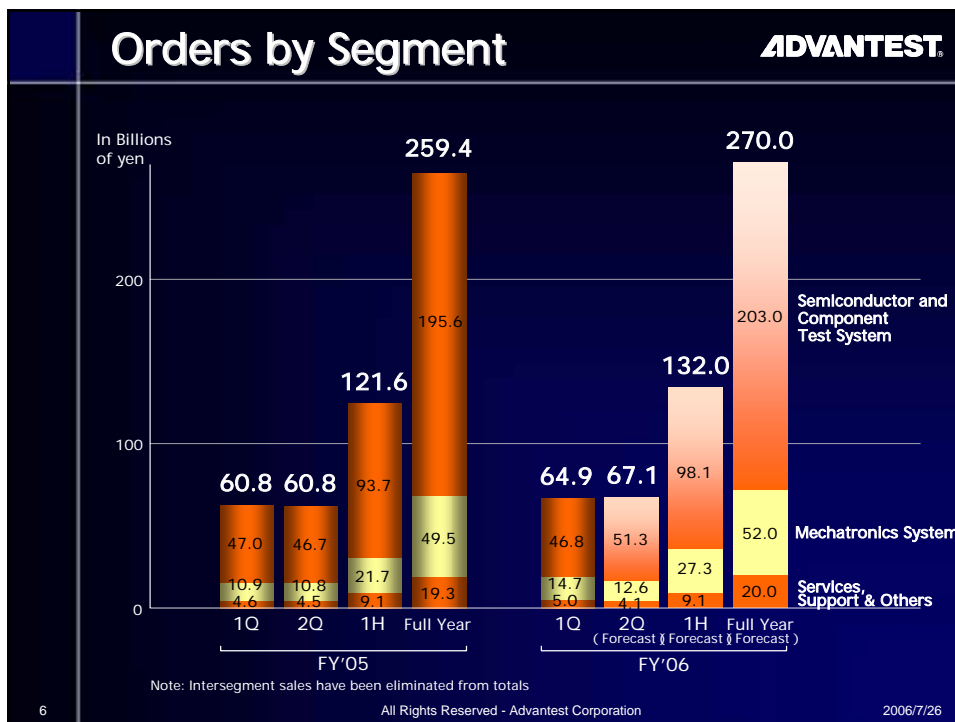
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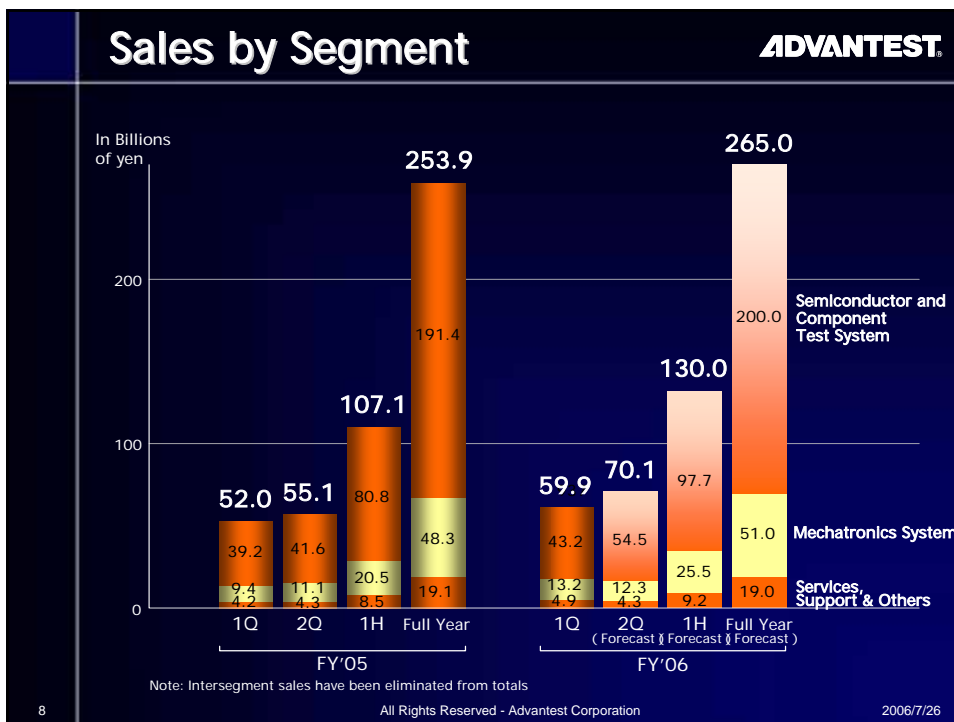
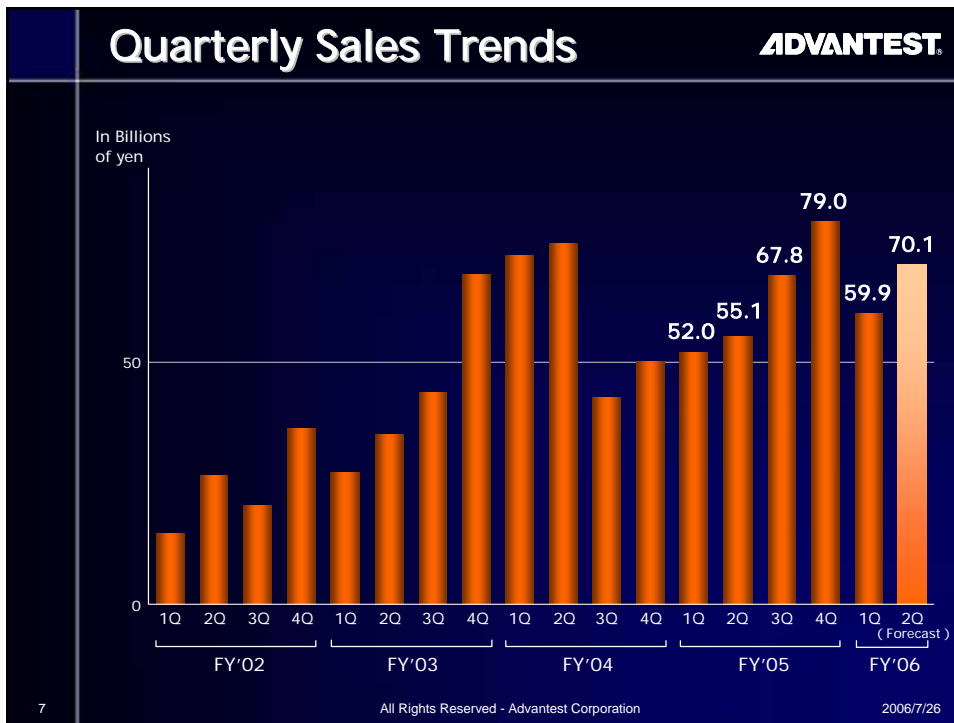
Financial Forecast ADVANTEST®

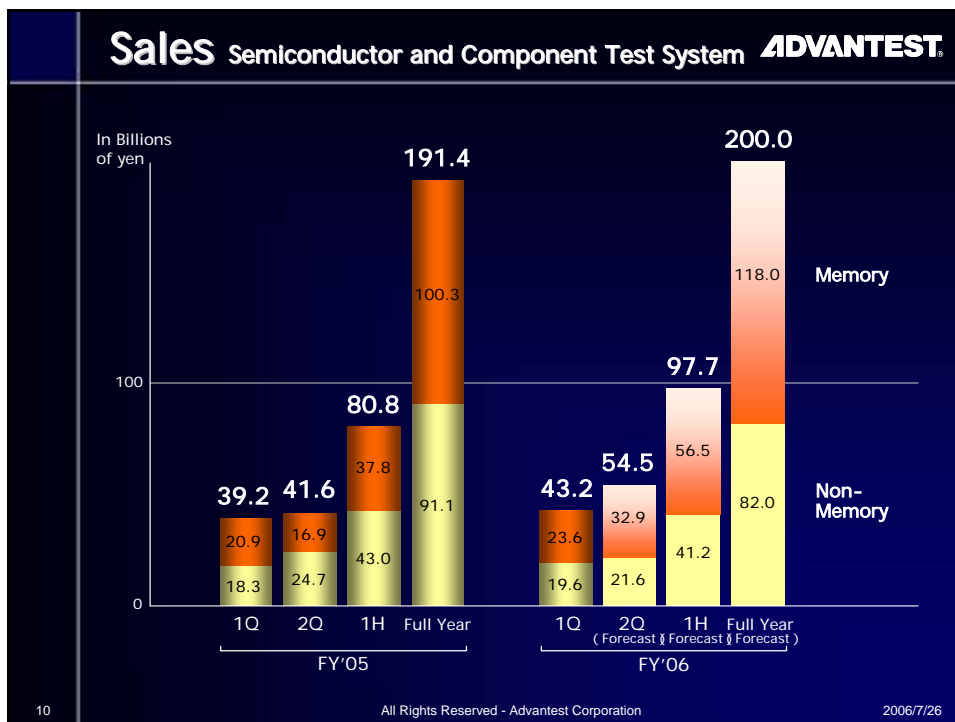
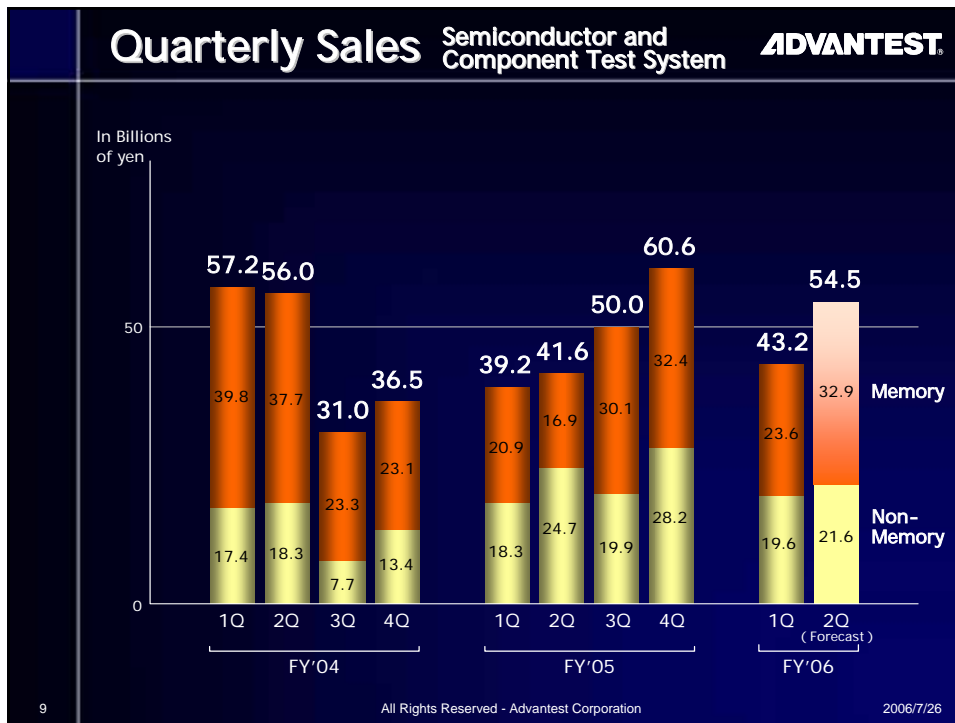
(In Billions of Yen)

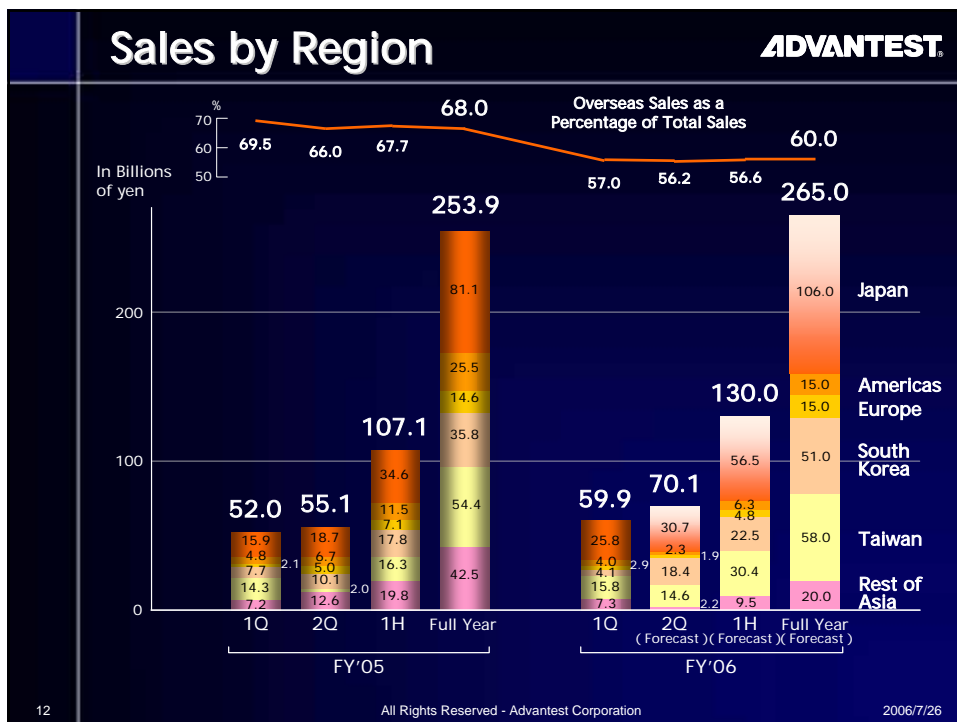
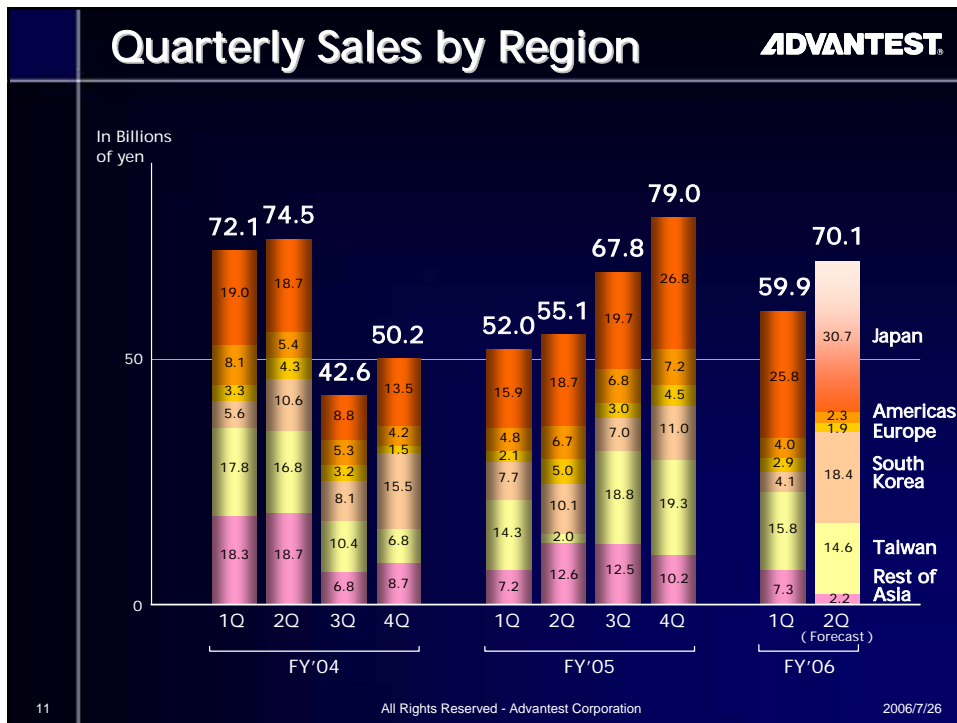
	FY2005		FY2006 (Forecast)		
	Interim	Full Year	Interim	Full Year	Y on Y- %
Orders	121.6	259.4	132.0	270.0	+ 4.1
Sales	107.1	253.9	130.0	265.0	+ 4.4
Operating Income	22.7	64.5	34.0	70.0	+ 8.6
Income Before Tax	24.5	67.5	35.0	72.0	+ 6.7
Net Income	14.6	41.4	21.0	44.0	+ 6.3
Backlog	54.0	45.1	47.1	50.1	—

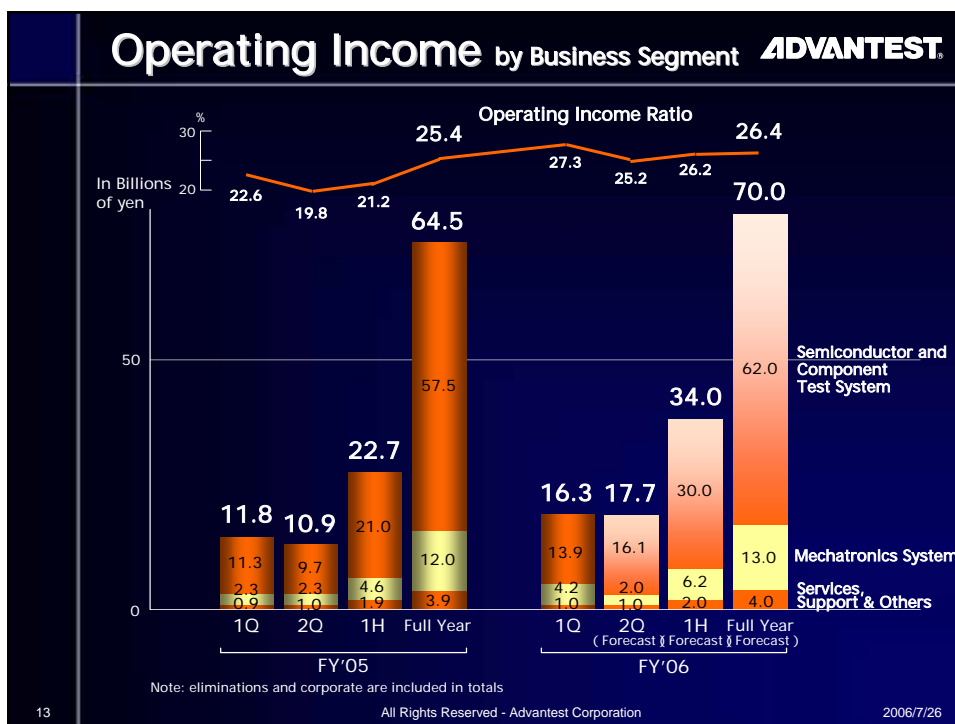
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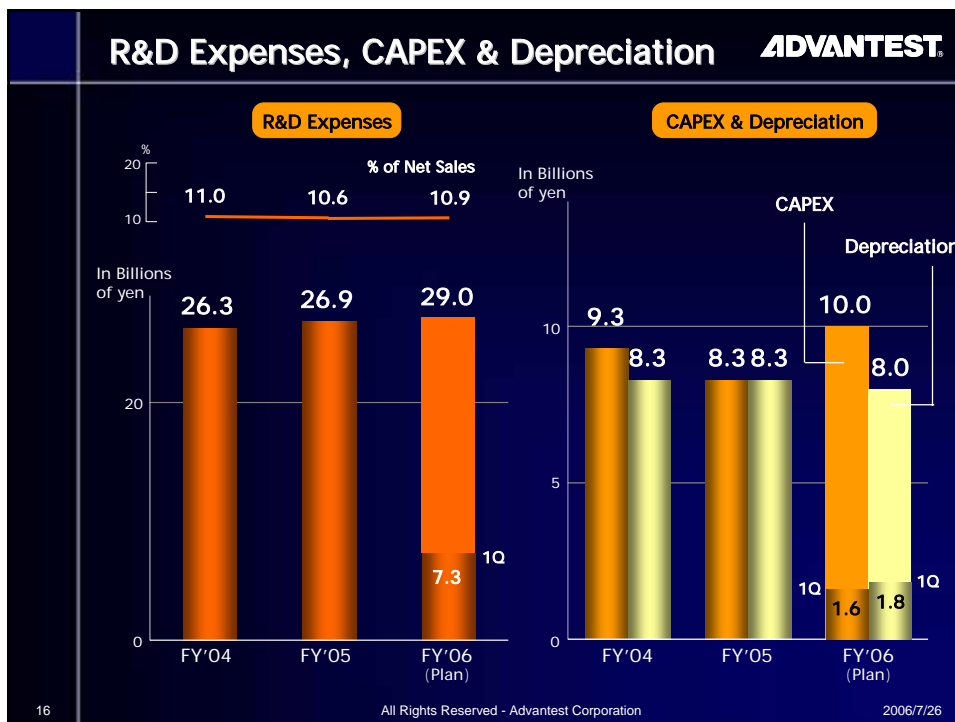
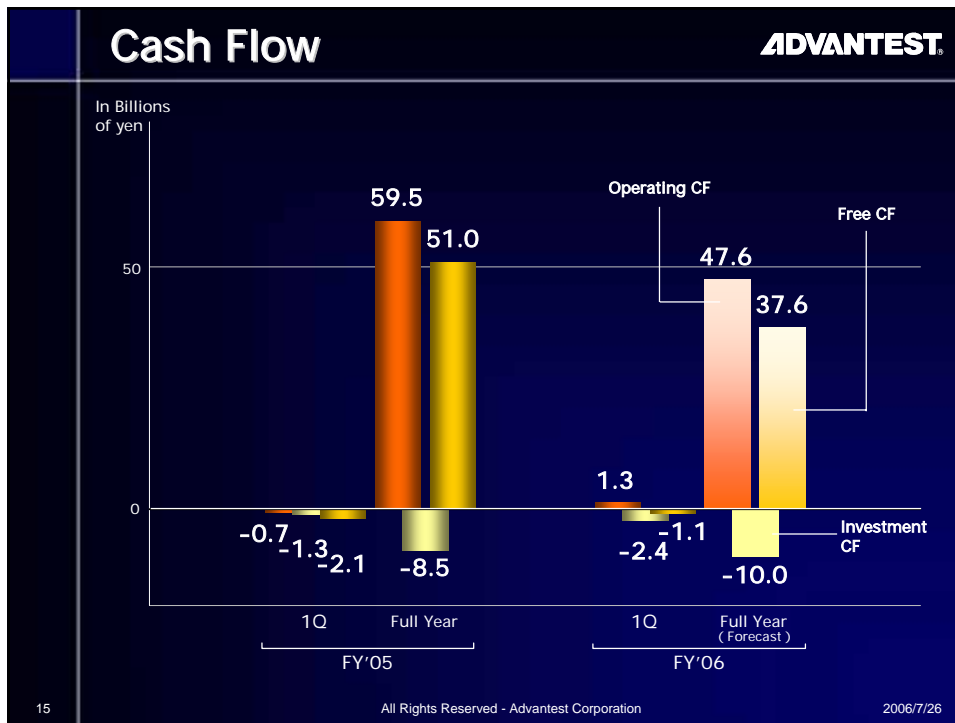


Balance Sheet **ADVANTEST**

(In Billions of Yen)

	Mar. 31, '05	Mar. 31, '06	Jun. 30, '06	Variance
Current Assets	224.0	275.7	269.8	-5.9
<i>Cash & Cash Equivalent</i>	121.0	157.9	153.0	-4.9
<i>Accounts Receivable</i>	56.7	69.6	63.9	-5.7
<i>Inventories</i>	29.6	29.9	34.9	+5.0
<i>Fixed & Other Assets</i>	72.8	75.1	73.9	-1.2
Total Assets	296.8	350.8	343.7	-7.1
Current Liabilities	74.1	76.7	62.8	-13.9
<i>Fixed & Other Liabilities</i>	16.0	16.1	15.9	-0.2
Shareholder's Equity	206.7	257.9	265.0	+7.1
<i>% of total assets</i>	69.7%	73.5%	77.1%	
Liabilities & Equity	296.8	350.8	343.7	-7.1

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Forecast for Future Growth

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Forecast by Product Type

		FY'06	
		1 st Half	2 nd Half
Memory	DRAM <i>T5370 Series/T5500 Series</i> 		
	Flash Memory <i>T5370 Series</i> 		
Non-Memory	Data Processing <i>T2000</i> 		
	LCD Driver IC <i>T6300 Series</i> 		
	ICs for Digital Consumer Products, Automotives <i>T6500 Series/T7720 Series</i> 		

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DRAM **ADVANTEST**

Growing Market
Investment into DRAM front-end processes

Aggressive investment in 300mm wafer assembly lines by Taiwanese DRAM companies
Launch of new OS will boost DDR2 demand

Higher demand for DRAM back-end test systems




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Flash Memory **ADVANTEST**

Usage in more diverse applications

Entry of new IC makers

Strong demand for test systems



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Open Architecture

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The diagram features a central image of Advantest test equipment. Three arrows point from this equipment to three distinct consumer device categories, each enclosed in an orange rounded rectangle:

- Wireless LAN Digital Consumer Devices**: Includes a monitor icon. Below the box is the text *Introduction of New Modules*.
- Next Generation Game Console**: Includes a game console icon. Below the box is the text *Gaining of New Customers*.
- Personal Computers**: Includes a laptop icon. Below the box is the text *Launching of New MPUs*.

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LCD Driver IC

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The diagram features a central image of Advantest test equipment. To its right is a flat-panel television. Below the TV is the text *Higher definition flat-panel televisions*. Two boxes are positioned below the TV:

- LCD driver ICs with more functions**
- Higher demand for flat-panel televisions**

Two orange arrows point from these boxes towards the text **New demand for test systems** at the bottom of the slide.

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ADVANTEST**NOTE****• Prepared In accordance with US GAAP****• Cautionary Statement with Respect to Forward-Looking Statements**

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23

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