

Advantest Corporation

Information Meeting

July 27, 2011

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Financial Results for 1st Quarter of FY2011

Summary of Results

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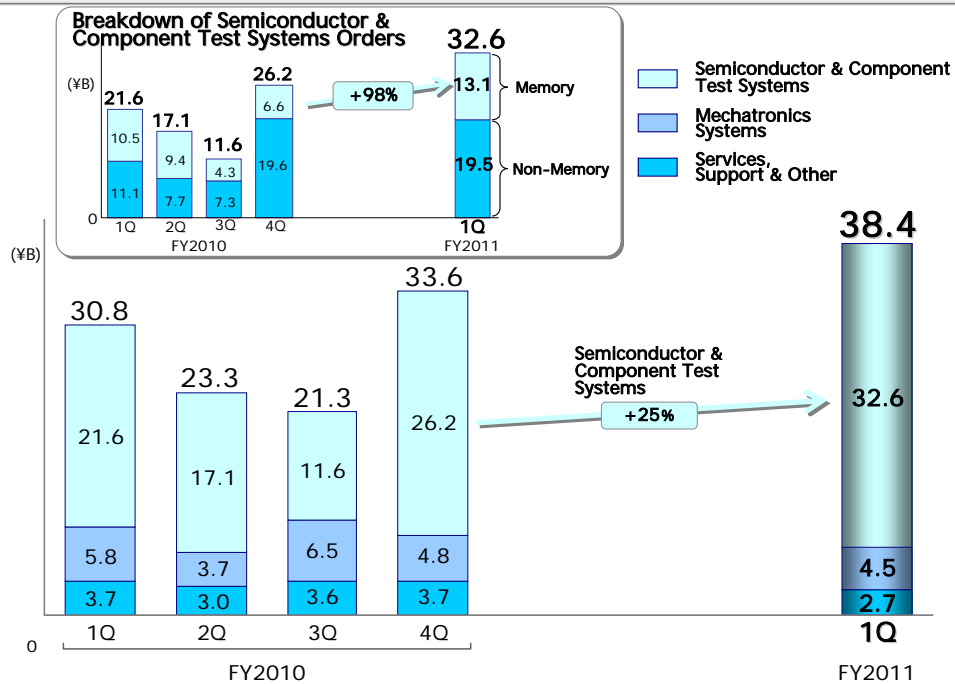
	FY2010				FY2011		
	1Q	2Q	3Q	4Q	1Q	Q on Q (%)	Y on Y (%)
Orders	30.8	23.3	21.3	33.6	38.4	14.4	24.7
Sales	23.5	28.6	25.4	22.1	26.8	21.5	14.1
Cost of Sales	11.9	14.9	13.5	10.8	13.7	27.3	15.3
Gross Profit	11.6	13.7	11.9	11.3	13.1	16.0	12.8
Operating Income	1.8	2.9	1.2	0.2	0.8	394.5	-56.7
Non-operating Income	-0.2	-0.4	-0.2	0.3	-0.4	-	-
Income before Tax	1.6	2.5	1.0	0.5	0.4	-9.0	-76.8
Net Income	0.8	1.8	0.7	-0.1	0.3	-	-56.1
Backlog	27.6	22.3	18.2	29.6	41.2	39.1	49.5

Results for 1Q FY2011:

- Orders 38.4 billion yen,
up 14.4% from the previous quarter
- Sales 26.8 billion yen,
up 21.5% from the previous quarter
- Operating income 0.8 billion yen
- Income before tax 0.4 billion yen
- Net income 0.3 billion yen
- Backlog 41.2 billion yen,
an increase over the previous quarter

Orders by Business Segment

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1Q FY2011 Orders by Segment:

Semiconductor and Component Test Systems:

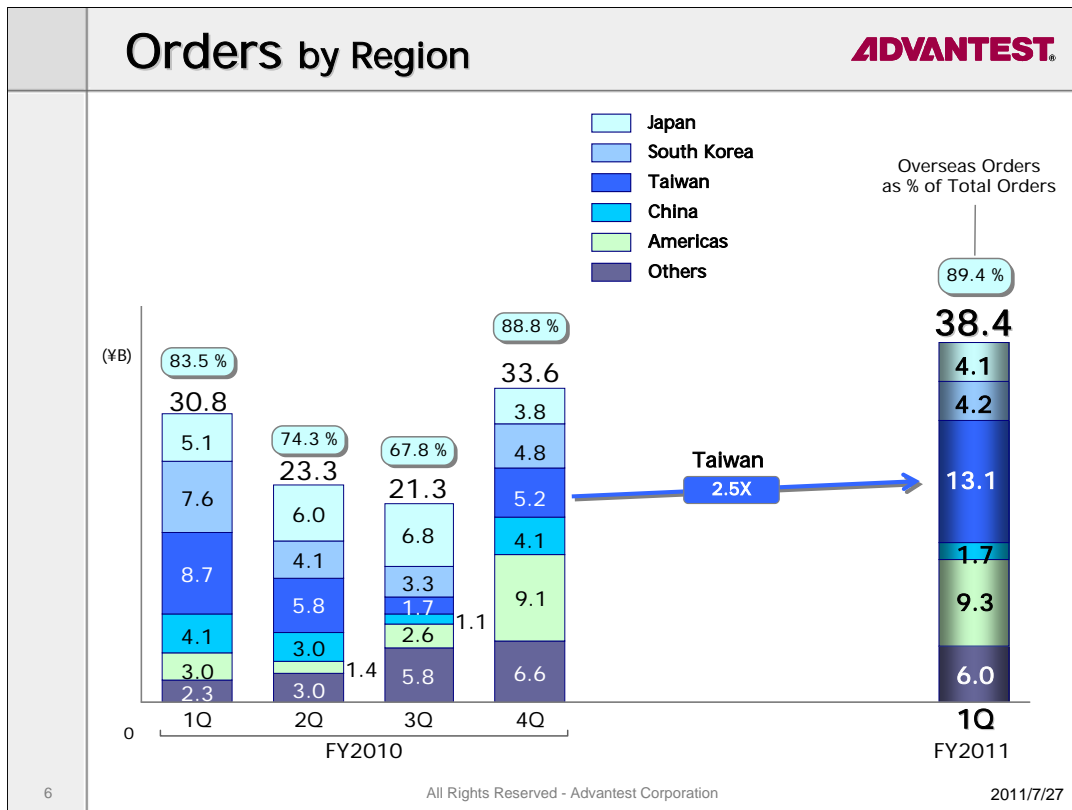
- 32.6 billion yen, up 25% from the previous quarter
- The increase in orders in this segment was driven by large orders for the T2000 non-memory tester for MPUs and strength in memory testers for DRAM used in PCs.

Mechatronics Systems:

- 4.5 billion yen, down 5% from the previous quarter
- Orders declined on weaker demand for analog IC test handlers.

Services, Support & Other:

- 2.7 billion yen, down 26% from the previous quarter
- Orders declined on a slowdown in Advantest's leasing and second-hand equipment sales business.



3Q FY2011 Orders by Region:

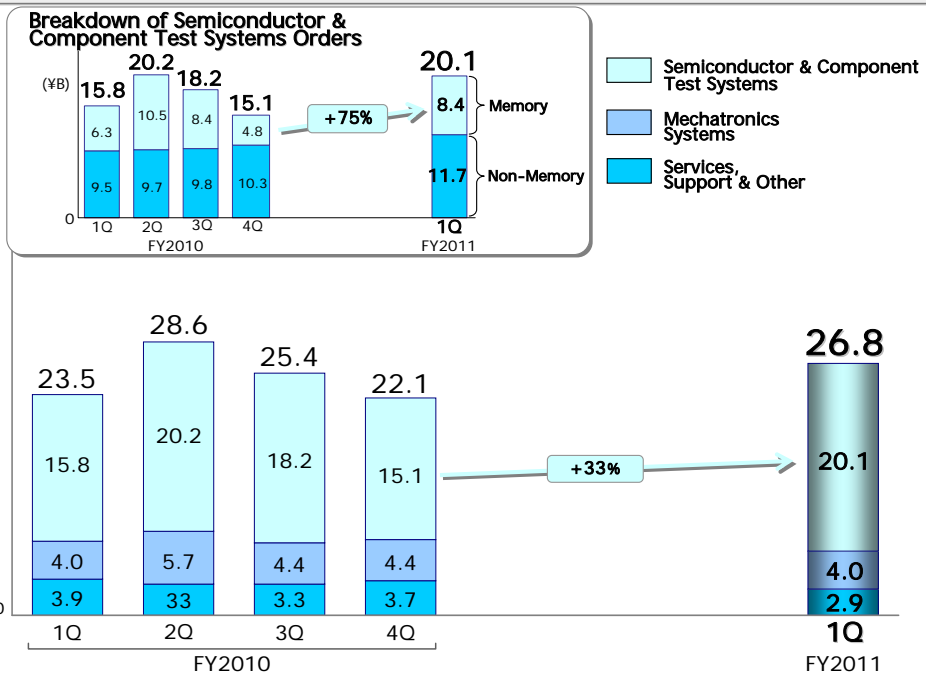
- Orders from Taiwan increased significantly.
- The positive trend in orders from the Americas seen in the previous quarter continued.

Taiwan:

- Orders were 13.1 billion yen, up 2.5X from the previous quarter on increased demand for memory testers for DRAM used in PCs.

Sales by Business Segment

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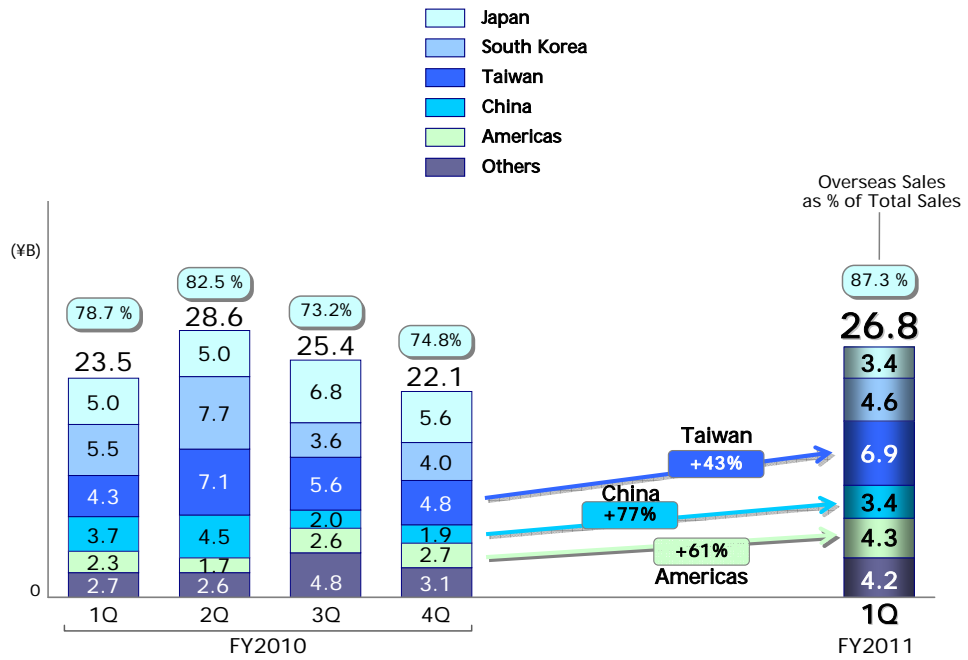
1Q FY2011 Sales by Segment:

Semiconductor and Component Test Systems:

- 20.1 billion yen, up 33% from the previous quarter
- Sales of non-memory testers for MPU test were robust.
- Sales of memory testers were driven by back-end demand from suppliers of DRAM for PCs.

Sales by Region

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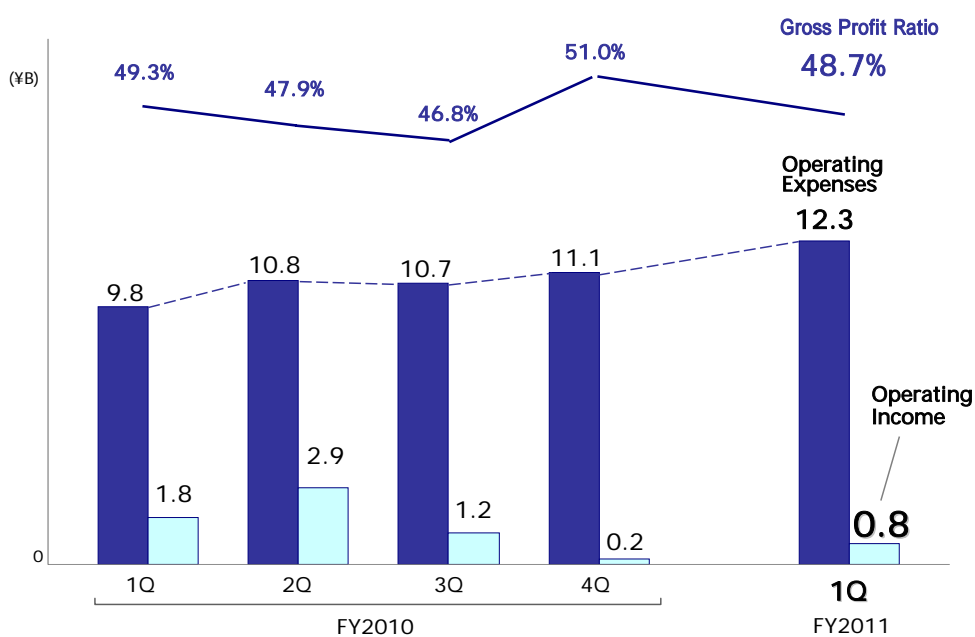


1Q FY2011 Sales by Region:

- Sales increased across all regions except Japan.
- Notably strong sales growth was seen in Taiwan where memory manufacturers are concentrated and strong non memory sales from China.

Operating Expenses and Income

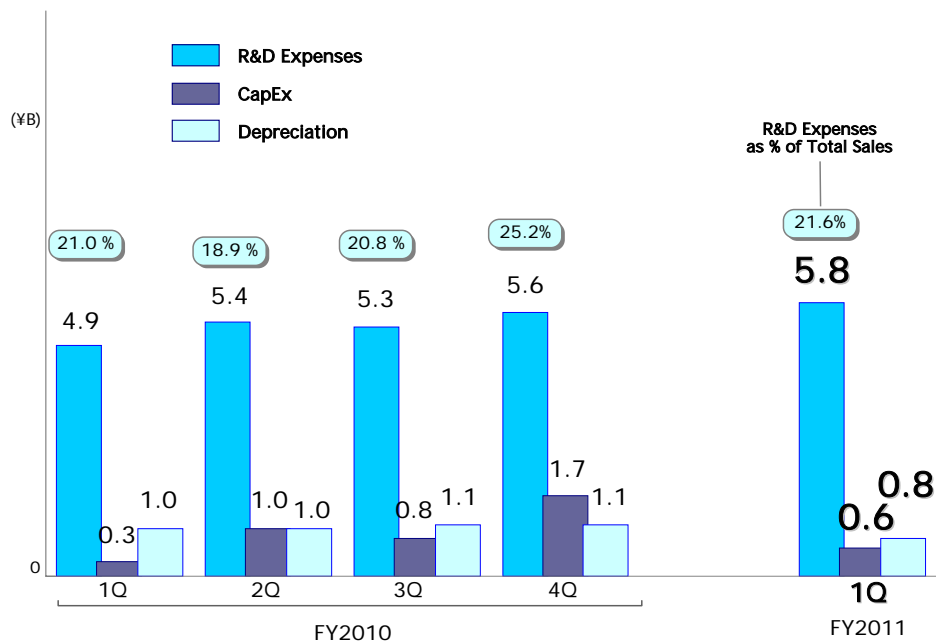
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1Q FY2011 Operating Income /
Gross Profit Ratio/ Operating Expenses

- Gross profit ratio: 48.7%
- Operating expenses:
12.3 billion yen, up 11% from the previous quarter,
including costs related to Advantest's acquisition of
Verigy Ltd.
- Operating income: 0.8 billion yen

R&D Expenses/CapEx/Depreciation **ADVANTEST.**



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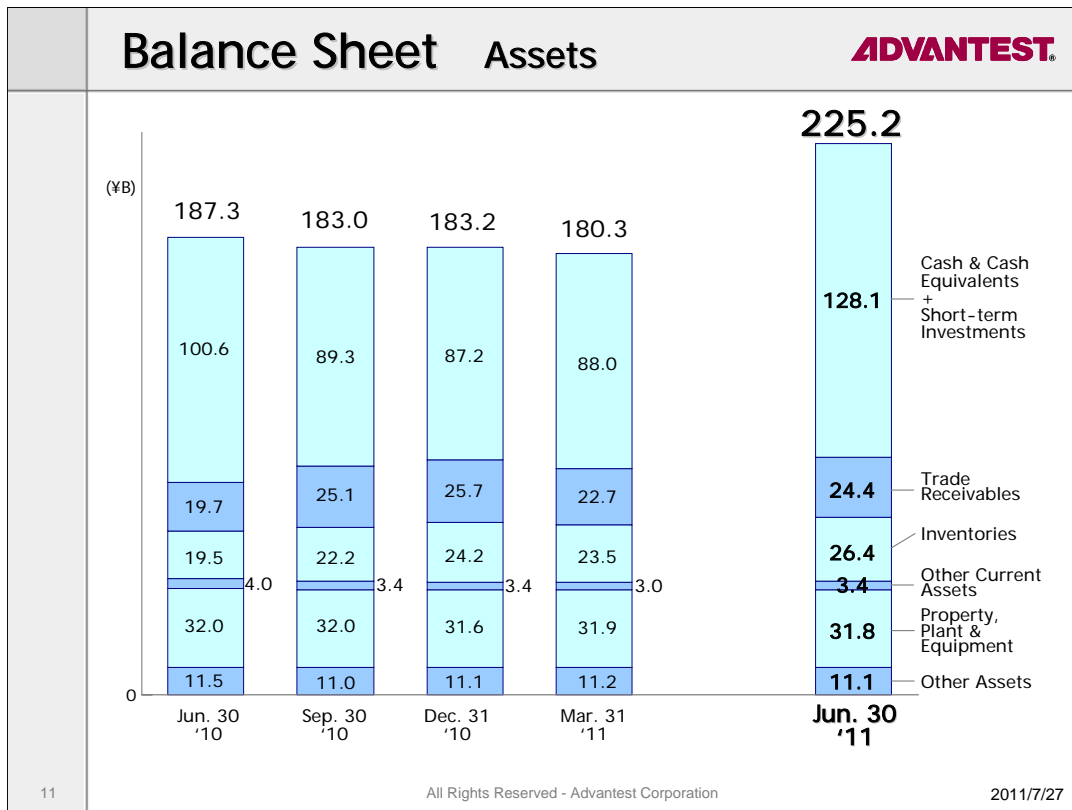
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R&D Expenses:

- 5.8 billion yen, up 4% from the previous quarter

CapEx:

- 0.6 billion yen

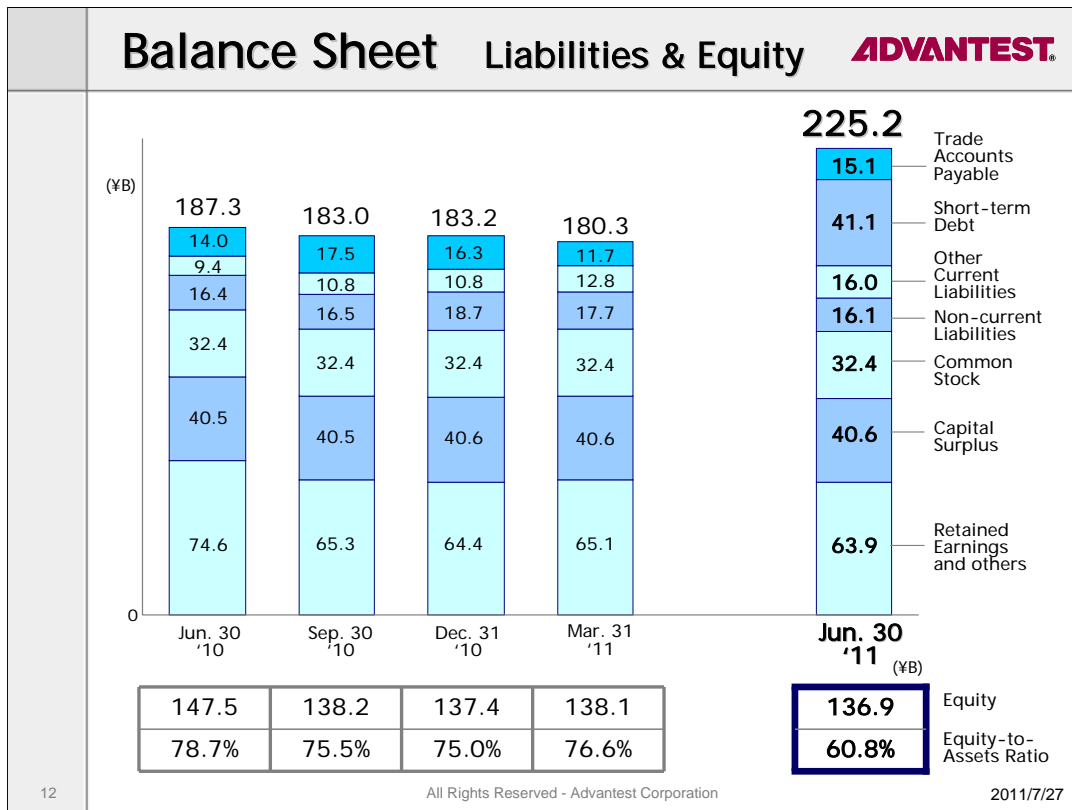


Balance Sheet for 1Q FY2011, ending June 30th 2011

Assets:

- Cash & cash equivalents and short-term investments:
Increased by 40.1 billion yen compared to the previous quarter. Short-term debt : 41.1 billion yen.
- Trade receivables:
24.4 billion yen, an increase of 1.7 billion yen over the previous quarter
- Inventories:
26.4 billion yen, an increase of 2.9 billion yen over the previous quarter

As a result of the above, total assets reached 225.2 billion yen, an increase of 44.9 billion yen over the previous quarter.



Balance Sheet for 1Q FY2011, ending June 30th 2011

Liabilities & Equity:

- Short-term debt: 41.1 billion yen
- Equity: 136.9 billion yen
- Equity-to-assets ratio: down 15.8 points to 60.8%

This concludes our overview of Advantest's financial results for the first quarter of FY2011.

FY2011 Business Update

The second half of this presentation provides an overview of Advantest's outlook for the rest of FY2011.

On 2Q FY2011

- Orders expected to decelerate temporarily on weaker end-user demand
- No significant decline in sales is expected

Non-Memory Tester Market

- Revenues will continue to be supported by MPU test business
- Softness expected in communications and consumer electronics device test segment

Memory Tester Market

- A temporary lull expected in demand for memory testers for PC DRAM

Advantest's business environment outlook is as follows:

- As described in the first part of this presentation, the company logged positive sales and orders growth in the first quarter of FY2011.
- However, semiconductor manufacturers are shifting to a wait-and-see stance on capital investment and utilization rates are falling, in step with deteriorating end-user demand for PCs, smartphones, and other products.
- Thus, Advantest expects to encounter some headwinds in second-quarter orders. Sales, on the other hand, are not expected to decline significantly based on the present order backlog.
- In non-memory testers, the company expects demand will remain high, led by the MPU test segment. However, softer demand is foreseen in the communications and consumer electronics device test segment.
- In memory testers, Advantest expects a lull in demand for PC DRAM testers, based on observed DRAM price declines.

On July 4th, Advantest completed its acquisition of all Verigy Ltd. s outstanding ordinary shares.

The acquisition expands the scale of the Advantest Group's operations.

Based on 2010 figures:

- Sales: \$1.7 billion
- Market share: over 40% (Advantest estimate)
- Employee headcount: 4,900
- Locations in 21 countries and regions

Advantest expects significant gains in the non-memory test segment, as well as enhanced global competitiveness based on a stronger foundation.

Advantest has completed its acquisition of Verigy Ltd.

- As previously announced, on July 4th, 2011, Advantest completed its acquisition of all outstanding Verigy ordinary shares. Verigy will henceforth be operated as a wholly-owned subsidiary of Advantest.
- The acquisition dramatically expands Advantest's revenues (based on 2010 figures), market share (based on simple addition), and employee headcount.
- Furthermore, it marks a decisive move to boost global competitiveness and achieve dramatic gains in the non-memory market, where Advantest previously faced challenges.
- Going forward, Advantest will strive to grow revenues even further and consolidate a dominant market share in the ATE industry.

Product portfolio and R&D efficiency optimization

- Newly launched Strategic Business Unit will maximize synergies
- Responsible for reinforcing marketing efforts and technology integration
- Focus on rapid development of attractive solutions and new customer capture

Effective deployment of expanded resources

- Flexible deployment of resources to transcend existing organizational framework
- Channel resources to high-growth segments and new business areas
- Overall efficiency improvements targeted



Advantest foresees diverse benefits resulting from the integration of Verigy into its operations.

- Every effort will be made to generate the expected synergies as rapidly as possible.
- To maximize these new synergies, Advantest has launched a new Strategic Business Unit (SBU) which will take responsibility for reinforcing marketing efforts and technology integration. The SBU will lead the drive for new customer capture through the provision of attractive solutions.
- The company will also apply its newly expanded resources in a flexible manner to transcend existing organizational boundaries. Overall efficiency gains are expected to result from the timely deployment of resources to high-growth market segments and new business areas.
- Finally, Advantest regrets to announce that no second-quarter forecast will be announced at this time, owing to the difficulty of predicting the impact of the Verigy acquisition on earnings. Subsequent forecasts will be published based on availability.

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.