

ADVANTEST.

FY2017 1Q Information Meeting

July 26th, 2017

Advantest Corporation

NOTE

◆ Accounting Standards

Our results and outlook, described in this presentation, have been prepared in accordance with IFRS.

◆ 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 "Risk Factors" section of Advantest's Annual Financial Report.

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Financial Results for 1st Quarter of FY2017 (Period ended June 30th, 2017)

Advantest Corporation
Atsushi Fujita
Managing Executive Officer

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FY2017 1Q Summary of Results

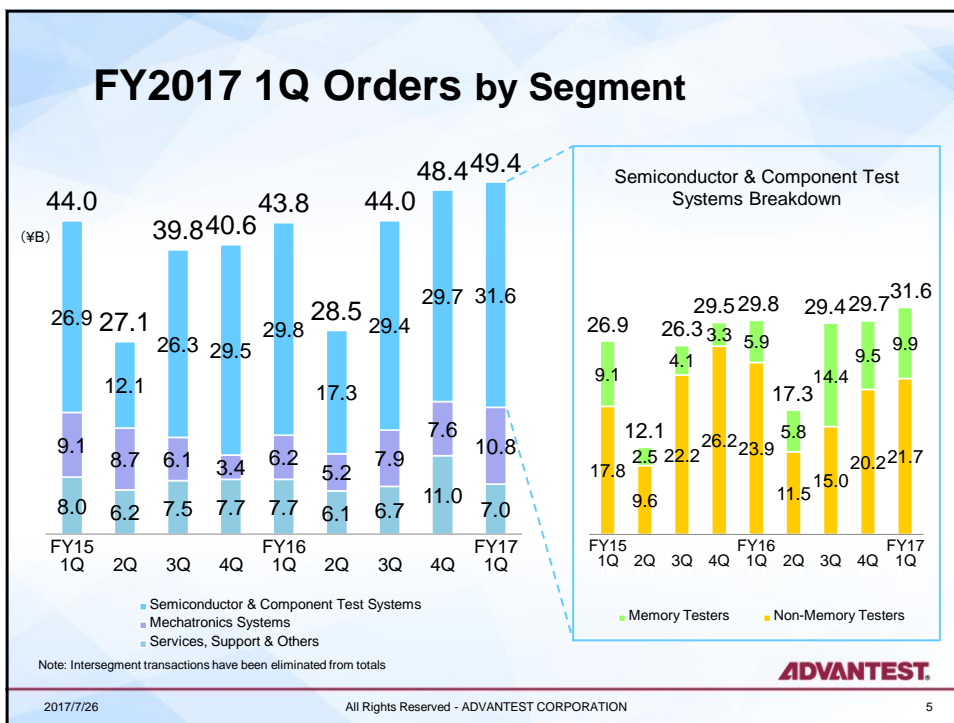
	FY2016 1Q	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q	QoQ(¥)	QoQ(%)	YoY(¥)	YoY(%)
	(¥B)								
Orders	43.8	28.5	44.0	48.4	49.4	+1.0	+2.0%	+5.6	+12.8%
Sales	40.7	35.5	31.4	48.3	40.7	-7.6	-15.8%	+0	+0.1%
Gross Profit	25.3	21.0	18.1	25.3	20.6	-4.8	-18.8%	-4.7	-18.6%
Gross Profit Margin	62.2%	59.3%	57.6%	52.4%	50.6%	-1.8pts		-11.6pts	
Operating Income	5.7	2.6	1.0	4.6	2.2	-2.4	-51.8%	-3.5	-61.2%
Operating Income Margin	14.1%	7.3%	3.1%	9.5%	5.5%	-4.0pts		-8.6pts	
Income Before Tax	6.2	2.9	0.6	5.3	1.6	-3.7	-70.3%	-4.6	-74.6%
Net Income	5.0	2.3	0.1	6.8	1.0	-5.8	-85.5%	-4.0	-80.1%
Net Income Margin	12.2%	6.4%	0.4%	14.1%	2.4%	-11.7pts		-9.8pts	
Backlog	36.5	29.5	42.2	42.2	50.9	+8.7	+20.6%	+14.3	+39.2%
Exchange Rate	1 US\$	¥111	¥104	¥105	¥115	¥112	¥3 Appreciation	¥1 Depreciation	
	1 Euro	¥124	¥116	¥115	¥122	¥121	¥1 Appreciation	¥3 Appreciation	

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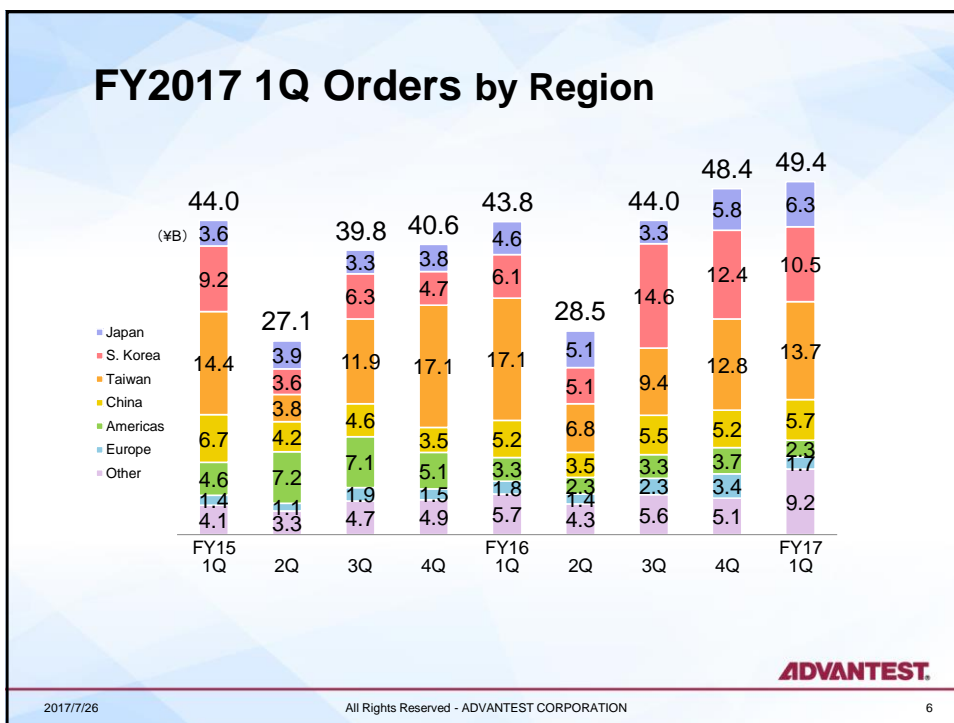
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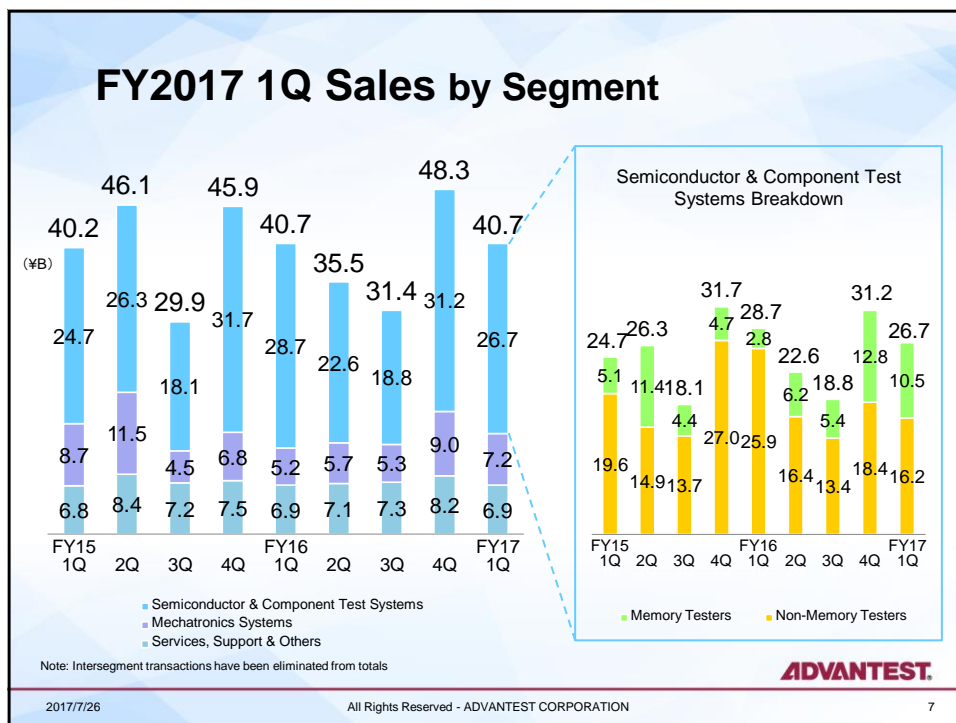
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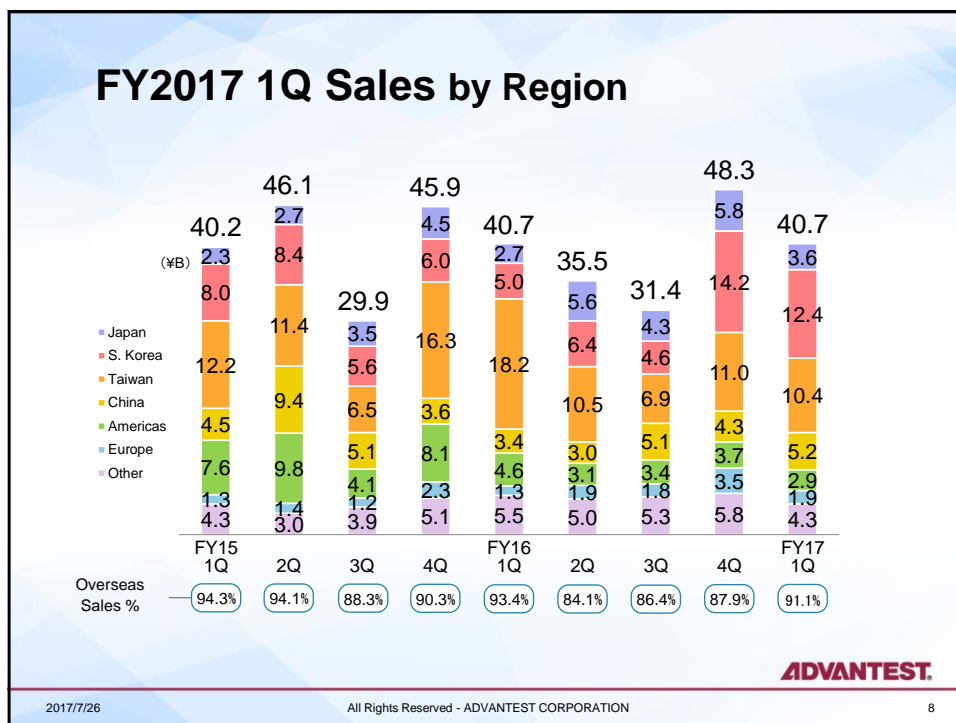
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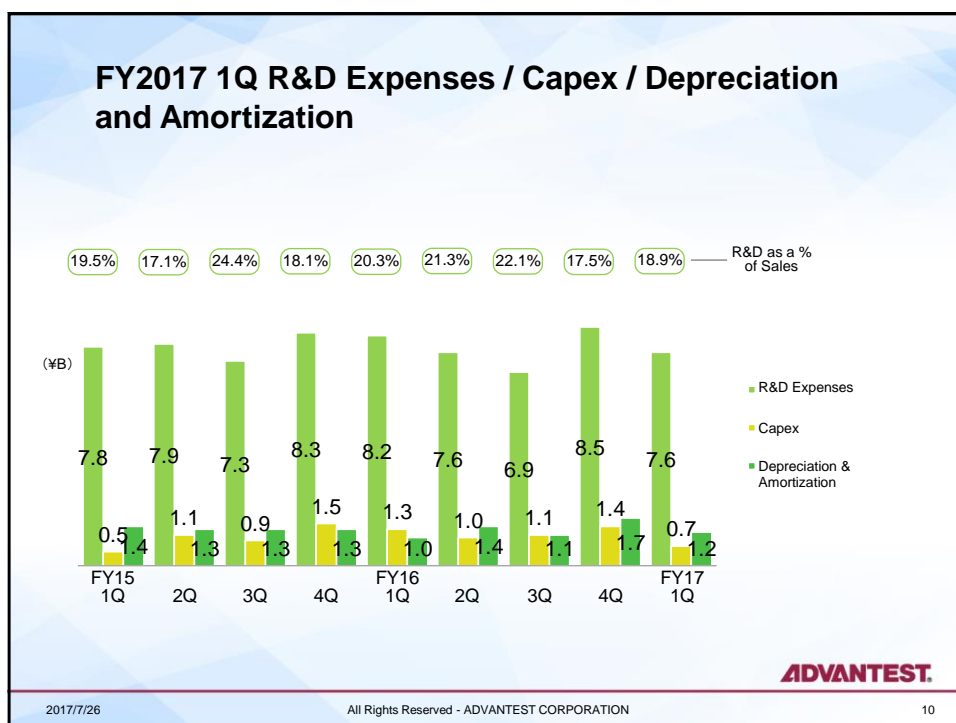
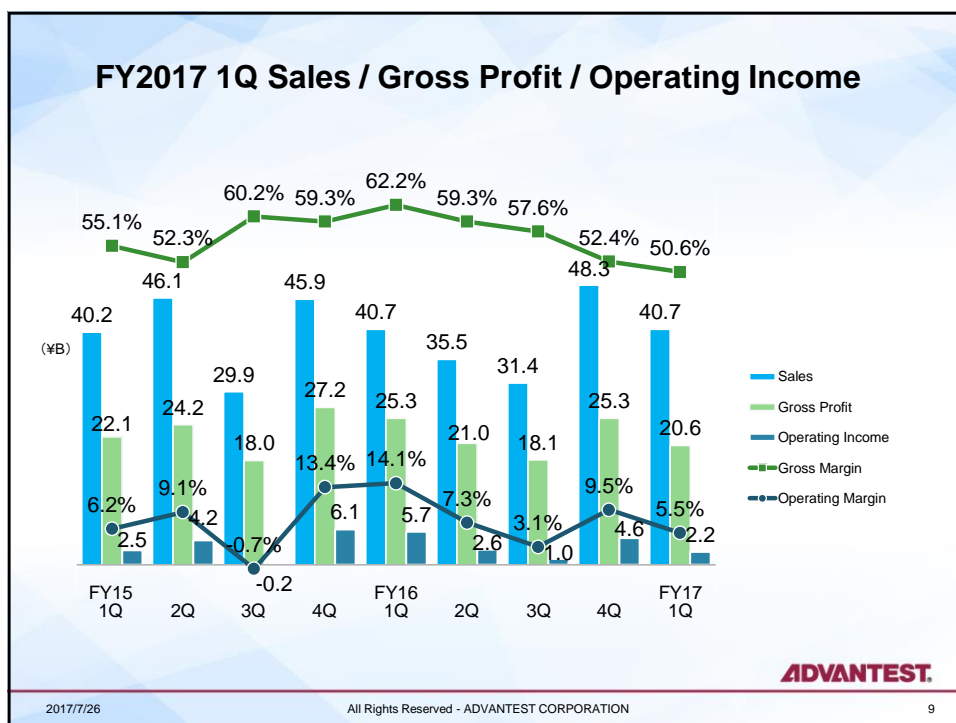
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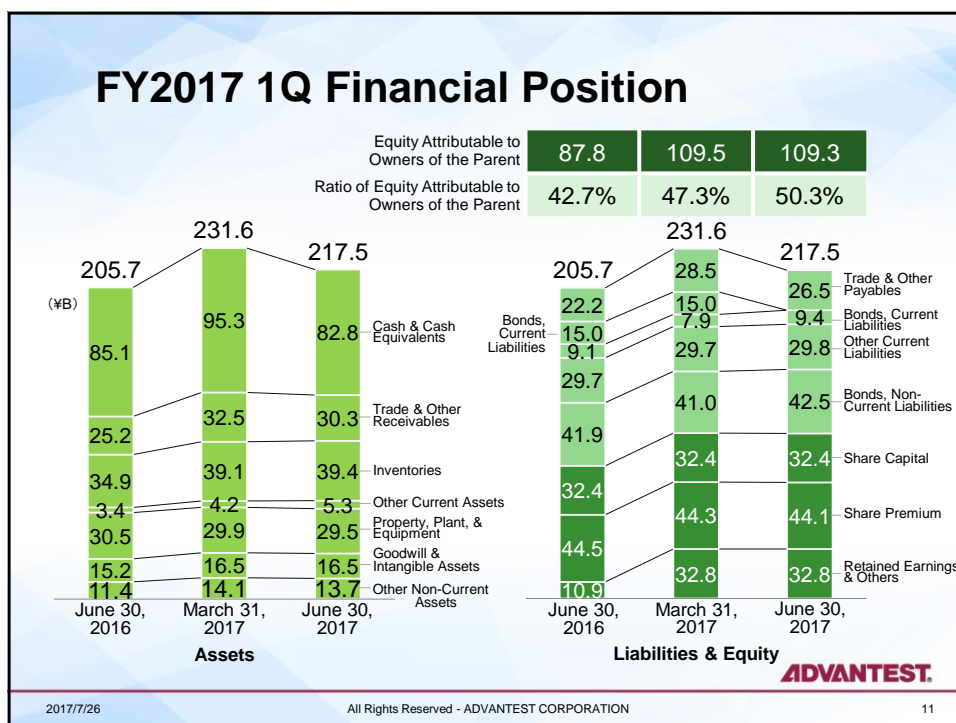


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FY2017 Business Outlook

Advantest Corporation
Yoshiaki Yoshida
Representative Director, President & CEO

FY2017 Financial Results Forecast

	(¥B)			
	FY2016	FY2017 Forecast	vs. FY2016 (¥)	vs. FY2016 (%)
Orders	164.7	175.0	+10.3	+6.3%
Backlog	42.2	45.2	+3.0	+7.1%
Sales	155.9	172.0	+16.1	+10.3%
Semiconductor & Component Test systems	101.3	114.0	+12.7	+12.6%
Mechatronics	25.2	27.0	+1.8	+7.2%
Services, Support & Others	29.5	31.0	+1.5	+5.1%
Operating Income	13.9	18.0	+4.1	+29.4%
Operating Income Margin	8.9%	10.5%	+1.6pts	
Income Before Tax	15.0	18.2	+3.2	+21.0%
Net Income	14.2	15.0	+0.8	+5.6%
Net Income Margin	9.1%	8.7%	-0.4pts	
Exchange Rate	1 US\$	¥108	¥110	¥2 Depreciation
	1 Euro	¥119	¥120	¥1 Depreciation

Note: Intersegment transactions have been eliminated from totals

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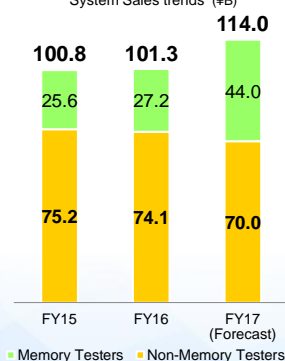
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Outlook by Segment

■ Semiconductor & Component Test Systems

Semiconductor & Component Test System Sales trends (¥B)



Non-Memory Testers

- ✓ Logic IC tester demand set to recover from the second half as smartphone inventory adjustments proceed
- ✓ Business for automotive, analog IC, MCU to grow steadily
- ✓ Demand for organic EL driver IC testers could exceed expectations
- ✓ From 2018, non-memory tester demand should be bolstered by technological innovation such as logic IC miniaturization.

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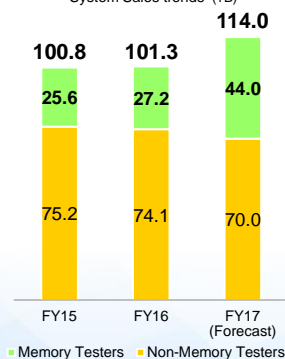
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Outlook by Segment

■ Semiconductor & Component Test Systems

Semiconductor & Component Test System Sales trends (¥B)



Memory Testers

- ✓ NAND tester demand rising from growing investment in higher 3D NAND capacity
- ✓ For DRAM applications, expecting steady back-end tester investment as devices pick up speed
- ✓ In addition, replacement demand for older DRAM testers emerging to improve production capacity

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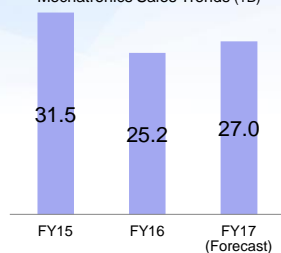
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Outlook by Segment

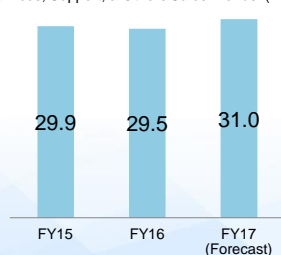
Mechatronics Sales Trends (¥B)



■ Mechatronics

- ✓ Handler and DI demand expected to increase in step with memory tester demand

Services, Support, & Others Sales Trends (¥B)



■ Services, Support, & Others

- ✓ Solid field service demand is foreseen amid semiconductor market growth
- ✓ Advantest is promoting high-growth strategies for SSD testers

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