

June 1, 2001

To our shareholders

Advantest Corporation

Hiroshi Oura

Representative Director and President

Notice of the 59th Ordinary General Meeting of Shareholders

This is to inform you that the Company's 59th Ordinary General Meeting of Shareholders will be held as described below.

1. Date: Thursday, June 28, 2001, at 10:00am
2. Place: Nerima Office, Large Conference Room
32-1, Asahicho 1-chome
Nerima-ku, Tokyo
3. Purpose of Meeting:

Matters to be reported:

The Business Report, the Balance Sheet, and the Statement of Income for the 59th fiscal year from April 1, 2000 through March 31, 2001

Matters to be resolved:

- Item 1 Approval of the proposed appropriation of retained earnings for the 59th fiscal year
- Item 2 Amendment of part of the articles of incorporation
The particulars of the proposition are as set forth on page 3 and 4.
- Item 3 Election of twenty directors
- Item 4 Election of two corporate auditors
- Item 5 Payment of retirement bonuses to directors and corporate auditors who are to retire

Please note this translation from the Japanese-language Notice of the 59th Ordinary General Meeting of Shareholders is provided for information purposes only and does not represent valid proxy. You will be receiving a valid proxy voting instruction from your custodian in the near future.

Reference Material Concerning the Exercise of Voting Rights

1. The number of shares owned by shareholders who have the right to vote: 99,223,600 shares

2. Proposition and Reference Material

Item 1 Approval of the proposed appropriation of retained earnings for the 59th fiscal year

We propose to appropriate retained earnings of the 59th fiscal year as follows.

The company has worked to strengthen corporate structure and made efforts to strengthen business base and improve performances. It is the company's basic policy to maintain the constant payment of dividends to our shareholders in an amount that reflects company performance.

As for the cash dividends, responding to our shareholders' support, we propose to pay 25 yen per share. (Since we have already declared and paid an interim dividend of 25 yen per share, the amount of dividend per year shall be 50 yen per share, an increase of 13 yen from the previous fiscal year.)

(in Yen)

Unappropriated retained earnings	36,389,426,456
We propose to appropriate the foregoing as follows:	
Profit reserve	280,000,000
Cash dividends (¥25 per share)	2,485,286,850
Directors' bonuses	270,000,000
Corporate auditors' bonuses	15,000,000
Allowance for losses from overseas investment	5,000,000,000
General reserve	20,000,000,000
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	28,050,286,850
Unappropriated retained earnings carried forward	8,339,139,606

Note: The Company paid an interim cash dividend of ¥2,485,117,900 (¥25 per share) on December 8, 2000, to shareholders on the share register as of September 30, 2000.

Item 2 Amendment of part of the articles of Incorporation

1. Reasons for amendment

(i) The company intends to add provision in relation to the location of general meetings of shareholders in present Article 13 of the articles of incorporation in order to be able to convene general meetings of shareholders at its headquarters or the adjacent area or in Tokyo which are more accessible by transportation.

(ii) To further expand our business operations, we intend to amend the provision of present Article 21 and add provision to establish the position of vice-chairmen as directors with management positions.

(iii) Pursuant to the provision of Article 259 of the Commercial Code of Japan, in order to be able to determine at the board of directors the person who convene the board of directors and to manage the board of directors with greater mobility, we intend to delete present Article 22 which defined the person who convenes the board of directors and its chairman. Articles below 23 shall be renumbered accordingly.

2. Contents of the amendment

Contents of the amendment are as follows: (The proposed amendment is indicated by underlines.)

Present articles of incorporation	Draft for amendment
<p>(Convocation) Article 13 The ordinary general meeting of shareholders shall be convened within three months after April 1 of each year, and an extraordinary general meeting of shareholders may be convened whenever necessary.</p> <p style="text-align: center;">(new item)</p>	<p>(Convocation) Article 13 The ordinary general meeting of shareholders shall be convened within three months after April 1 of each year, and an extraordinary general meeting of shareholders may be convened whenever necessary.</p> <p style="text-align: center;"><u>The general meeting of shareholders shall be convened at the headquarters or its adjacent area or in Tokyo.</u></p>
<p><Abridged></p>	
<p>(Representative directors and directors with management positions) Article 21 One or more directors who shall represent the corporation shall be appointed by a resolution of the Board of Directors and one of the directors shall be appointed as representative director and president.</p> <p>The Board of Directors is able to appoint one chairman as well as one or more vice president,</p>	<p>(Representative directors and directors with management positions) Article 21 One or more directors who shall represent the corporation shall be appointed by a resolution of the Board of Directors and one of the directors shall be appointed as representative director and president.</p> <p>The Board of Directors is able to appoint one chairman as well as one or more <u>vice chairman</u>,</p>

<p>senior managing director, managing director by a resolution.</p> <p>(The person who convenes and chair the board of directors) Article 22 The Board of Directors shall be convened by director and president. When such a director and president is unable to act, another director, who shall be decided in accordance with an order of priority previously determined by a resolution of the Board of Directors, shall convene the Board of Directors.</p> <p>Director and president shall act as the chairman of the Board of Directors. When such a director and president is unable to act, another director, who shall be decided in accordance with an order of priority previously determined by a resolution of the Board of Directors, shall act as the chairman.</p> <p>(Notice of the Board of Directors and resolution) Article <u>23</u> ~ (abridged)</p> <p>(Expiration period of dividends) Article <u>40</u></p>	<p>vice president, senior managing director, managing director by a resolution.</p> <p>(deleted)</p> <p>(deleted)</p> <p>(Notice of the Board of Directors and resolution) Article <u>22</u> ~ (not amended)</p> <p>(Expiration period of dividends) Article <u>39</u></p>
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Item 3 Election of twenty directors

Upon closing of this Ordinary General Meeting of Shareholders, all twenty directors will finish their terms as directors. Therefore, we would like to elect twenty directors.

The candidates are as follows:

	Name (Date of Birth)	Brief Personal History (Appointment to other companies, if any)	Number of the Company's shares owned
1	Hiroshi Oura (February 14, 1934)	<u>April 1956</u> Joined Fuji Communication Apparatus Mfg. Co., Ltd. (Fujitsu Limited.) <u>June 1985</u> Board Director <u>June 1988</u> Managing Director <u>June 1989</u> Representative Director and President, Advantest Corporation (present position)	7,100
2	Shinpei Takeshita (July 14, 1940)	<u>March 1964</u> Joined Advantest Corporation <u>June 1985</u> Board Director <u>December 1990</u> Managing Director <u>June 1995</u> Senior Managing Director <u>April 1997</u> General Manager, Electron Beam Lithography Division (present position) <u>June 1997</u> Representative Director and Executive Vice President (present position) <u>June 1997</u> In Charge of Business Division (present position) <u>June 1999</u> Senior Vice President, Business Support Group (present position) [Appointment to other companies] Representative Director and President, Advantest Technologies Co., Ltd.	23,150
3	Toshio Maruyama (April 17, 1948)	<u>April 1973</u> Joined Advantest Corporation <u>June 1989</u> Board Director <u>June 1995</u> Managing Director <u>June 1999</u> Senior Managing Director (present position) <u>June 1999</u> Senior Vice President, ATE Sales Division (present position)	2,369

	Name (Date of Birth)	Brief Personal History (Appointment to other companies, if any)	Number of the Company's shares owned
4	Kiyoshi Miyasaka (January 18, 1945)	<u>April 1967</u> Joined Fuji Communication Apparatus Mfg. Co., Ltd. (Fujitsu Limited.) <u>June 1997</u> Managing Director, Advantest Corporation <u>June 1999</u> Senior Managing Director (present position) <u>June 1999</u> General Manager, Strategic Business Initiatives (present position) <u>June 2000</u> In Charge of ATE Business Group and HI Business Group and General Manager of NBU Development Division (present position) [Appointment to other companies] Representative Director and President, Advantest Business Corporation	1,400
5	Shigeru Sugamori (March 17, 1948)	<u>April 1970</u> Joined Advantest Corporation <u>June 1990</u> Board Director <u>June 1996</u> Managing Director (present position) <u>July 1997</u> Chairman of the Board, President and Chief Executive Officer, Advantest America R&D Center, Inc. (present position)	2,269
6	Junji Nishiura (November 5, 1945)	<u>July 1970</u> Joined Advantest Corporation <u>June 1993</u> Board Director <u>June 1997</u> Managing Director (present position) <u>June 1997</u> General Manager, ATE Business Division (present position) <u>June 2000</u> Senior Vice President, ATE Business Group (present position)	3,668
7	Isao Kitaoka (April 7, 1945)	<u>April 1966</u> Joined Advantest Corporation <u>June 1993</u> Board Director <u>June 1999</u> Managing Director (present position) <u>June 1999</u> Senior Vice President, Instrument Sales Division (present position)	1,894
8	Hiroji Agata (December 2, 1946)	<u>September 1972</u> Joined Advantest Corporation <u>June 1993</u> Board Director <u>June 1999</u> Managing Director (present position) <u>June 1999</u> Vice President, ATE Sales Division (In Charge of overseas) (present position)	1,773
9	Kenichi Mitsuoka (February 18, 1946)	<u>July 1973</u> Joined Advantest Corporation <u>June 1995</u> Board Director <u>June 1997</u> General Manager, DI Business Division (present position) <u>June 2000</u> Managing Director (present position) <u>June 2000</u> Senior Vice President, HI Business Group, General Manager, Handler Division	1,431

	Name (Date of Birth)	Brief Personal History (Appointment to other companies, if any)	Number of the Company's shares owned
10	Takashi Tokuno (October 9, 1948)	<u>April 1971</u> Joined Advantest Corporation <u>April 1992</u> General Manager, ATE Software Division of ATE Business Group (present position) <u>June 1996</u> Board Director <u>June 2000</u> Managing Director (present position) <u>June 2000</u> Vice President, ATE Business Group (present position) [Appointment to other companies] Representative Director and President, Advansoft Development Corporation	2,336
11	Hitoshi Owada (March 26, 1946)	<u>February 1970</u> Joined Advantest Corporation <u>June 1991</u> Manager, Finance and Accounting Department (present position) <u>June 1997</u> Board Director <u>June 2000</u> Managing Director (present position) <u>June 2000</u> Vice President, Administration and Finance Division (In Charge of Finance and Accounting Department and Information Technology Department) (present position)	1,343
12	Masakazu Ando (December 2, 1949)	<u>April 1974</u> Joined Advantest Corporation <u>June 1997</u> Board Director <u>April 2000</u> In Charge of Product Development Division of Instrument Business Group (present position) <u>June 2000</u> Managing Director (present position) <u>June 2000</u> Senior Vice President, Instrument Business Group (present position)	840
13	Jiro Kato (January 19, 1947)	<u>April 1970</u> Joined Advantest Corporation <u>June 1997</u> Board Director (present position) <u>April 2000</u> In Charge of Application System Division of Instrument Business Group <u>June 2000</u> Vice President, Instrument Business Group (present position) <u>April 2001</u> General Manager, SE Division of Instrument Business Group (present position)	10,700
14	Tetsuo Aoki (September 20, 1947)	<u>April 1970</u> Joined Advantest Corporation <u>June 1997</u> Board Director (present position) <u>April 2000</u> Vice President, America Measuring Instruments Support Center of Advantest America, Inc. (present position)	3,442

	Name (Date of Birth)	Brief Personal History (Appointment to other companies, if any)	Number of the Company's shares owned
15	Norihito Kotani (March 24, 1948)	<u>April 1970</u> <u>June 1999</u> <u>April 2000</u> Joined Advantest Corporation Board Director (present position) General Manager, SoC Tester Technology Division of ATE Business Group (present position)	3,032
16	Takao Tadokoro (May 29, 1949)	<u>April 1974</u> <u>June 1997</u> <u>June 1999</u> Joined Advantest Corporation General Manager, ATE System Engineering Division of ATE Business Group (present Position) Board Director (present position)	1,800
17	Hiroyasu Sawai (May 23, 1950)	<u>April 1974</u> <u>June 1999</u> <u>October 2000</u> Joined Advantest Corporation Board Director (present position) Manager, ATE International Account Sales Department of ATE Sales Division (present position)	2,300
18	Yuri Morita (July 15, 1947)	<u>April 1972</u> <u>September 1995</u> <u>April 1996</u> <u>June 2000</u> <u>June 2000</u> Joined Fujitsu Limited Joined Advantest Corporation Manager, Legal Department (present position) Board Director (present position) Senior Vice President, Export Control Division (present position)	875
19	Hiroshi Tsukahara (August 26, 1950)	<u>April 1974</u> <u>June 1998</u> Joined Advantest Corporation General Manager, ATE 1st Technology Division of ATE Business Group (present position)	0
20	Masao Shimizu (February 24, 1953)	<u>April 1973</u> <u>April 2000</u> Joined Advantest Corporation General Manager, SoC Tester Business Division of ATE Business Group (present position)	0

Item 4 Election of two corporate auditors

Upon closing of this Ordinary General Meeting of Shareholders, Mr. Masahiro Suwa and Mr. Hideo Watanabe will finish their terms as corporate auditors. Therefore, we would like to elect two corporate auditors.

The candidates are as follows:

	Name (Date of Birth)	Brief Personal History (Appointment to other companies, if any)	Number of the Company's shares owned
1	Noboru Yamaguchi (November 12, 1941)	<u>April 1965</u> Joined Fuji Communication Apparatus Mfg. Co., Ltd. (Fujitsu Limited) <u>June 1995</u> Managing Director, Advantest Corporation <u>June 1995</u> Senior Vice President, Administration and Finance Division (present position) <u>June 1997</u> Senior Managing Director (present position) <u>June 1997</u> General Manager, Auditing Group (present position)	2,173
2	Keizo Fukagawa (June 28, 1936)	<u>April 1960</u> Joined Fuji Communication Apparatus Mfg. Co., Ltd. (Fujitsu Limited) <u>June 1989</u> Board Director, Fujitsu Limited <u>June 1992</u> Managing Director <u>June 1996</u> Senior Managing Director <u>June 1998</u> Representative Director and Executive Vice President <u>April 2001</u> Board Director (present position)	0

Note: Mr. Keizo Fukagawa is candidate for outside auditor under Article 18, Section 1 of the Law Concerning Special Exceptions to the Commercial Code Relating to Audit of Stock Corporation of Japan.

Item 5 Payment of retirement bonuses to directors and corporate auditors who are to retire

We would like to pay retirement bonuses to Mr. Noboru Yamaguchi and Mr. Shoji Niki, directors, and to Mr. Masahiro Suwa and Mr. Hideo Watanabe, corporate auditors, who will finish their terms and retire upon the closing of this Ordinary General Meeting of Shareholders, to reward their contribution to the Company during their office based on a certain standard by the Company in an amount deemed reasonable. We would like to propose that the details of such retirement bonuses, including the amount, time and method of payment, be discussed and determined by the Board of Directors for the case of retiring directors, and by Corporate Auditors for the case of retiring corporate auditors.

A brief personal history of each retiring person is as follows:

Name	Brief Personal History
Noboru Yamaguchi	<u>June 1995</u> Managing Director <u>June 1997</u> Senior Managing Director (present position)
Shoji Niki	<u>June 1997</u> Board Director (present position)
Masahiro Suwa	<u>June 1993</u> Corporate Standing Auditor (present position)
Hideo Watanabe	<u>June 1998</u> Corporate Auditor (present position)

Reference Data**BALANCE SHEET**
(As of March 31, 2001)**Assets**

(in million Yen)

Current assets:	274,563
Cash and cash equivalents	96,274
Notes receivable	8,673
Accounts receivable	80,009
Finished products	8,843
Raw materials	13,009
Work in process	28,670
Supplies	364
Treasury stock	1
Deferred income tax	9,756
Other current assets	29,396
Less: Allowance for doubtful accounts	(436)
Non current assets:	79,793
Tangible fixed assets:	46,594
Buildings	16,133
Structures	1,055
Machinery and equipment	4,501
Vehicles and transportation equipment	0
Tools, furniture and fixtures	3,697
Land	17,423
Construction in progress	3,783
Intangible assets:	5,811
Computer software and other	5,811
Investments:	27,387
Investment in securities	5,029
Stock of subsidiaries	14,296
Treasury stock	2,420
Long-term loans receivable	131
Deferred income tax	3,392
Other investments	2,117
Total assets	354,357

Liabilities

(in million Yen)

Current liabilities:	87,586
Accounts payable	43,358
Corporate bonds due within one year	4,300
Accrued accounts	3,854
Corporate income tax payable	21,595
Accrued expenses	9,576
Allowance for product warranty	3,658
Other current liabilities	1,244
Long-term liabilities:	35,781
Corporate bonds	26,700
Long-term debts	211
Accrued pension and severance costs	6,982
Accrued pension and severance costs for directors	951
Other long-term liabilities	936

Total liabilities	123,368
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Shareholders' equity:	
Common stock	32,206
Legal reserve:	35,604
Capital surplus	32,801
Profit reserve	2,803
Retained earnings:	162,831
Allowance for loss on overseas investment	22,062
General reserve	104,380
Unappropriated retained earnings	36,389
(Net income for the term included in unappropriated retained earnings)	(31,820)
Net unrealized gains of other securities	346

Total shareholders' equity	230,988
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Total liabilities and shareholders' equity	354,357
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Note: All figures are rounded down to the nearest million.

STATEMENT OF INCOME

(From April 1, 2000 to March 31, 2001)

(in million Yen)

Operating revenue	
Net sales	225,309
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Operating expenses	
Cost of sales	125,265
Selling, general and administrative expenses	52,241
Total operating expenses	177,506
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Operating income	47,802
Non-operating income	
Interest and dividend income	2,442
Other non-operating income	4,292
Total non-operating income	6,734
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Non-operating expenses	
Interest expenses	608
Bond issuance costs	27
Other non-operating expenses	2,724
Total non-operating expenses	3,359
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Ordinary income	51,177
Extraordinary income	
Difference due to change in accounting standard for pension and severance costs	1,283
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Income before income taxes	52,460
Corporate income tax, resident income taxes and enterprise tax	26,185
Deferred tax expense	(5,544)
Net income	31,820
Balance brought forward from the previous term	7,302
Interim cash dividend	2,485
Transfers to profit reserve	248
Unappropriated retained earnings at the end of term	36,389
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Note: All figures are rounded down to the nearest million.