

June 23, 2021

ADVANTEST CORPORATION

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Disposal of Treasury Stock as Restricted Stock

Tokyo – June 23, 2021 – Advantest Corporation (the “Company”) hereby announce that the Company resolved at the Board of Directors’ meeting held today to dispose treasury stocks as restricted stock.

1. Outline of the Disposal

(1) Payment date	Directors of the Company (excluding outside directors and directors who are Audit and Supervisory Committee members) and executive officers who do not concurrently serve as directors: July 21, 2021 Employees of the Company and directors (excluding outside directors) and employees of our domestic subsidiaries: September 29, 2021
(2) Type and number of shares to be disposed	Common stock 39,877 shares
(3) Disposal amount	10,000 yen per share
(4) Total disposal amount	398,770,000 yen
(5) Disposal destination, number of persons, and number of shares to be disposed	4 directors of the Company (excluding outside directors and directors who are audit and supervisory committee members): 7,566 shares 10 executive officers who do not concurrently serve as a director of the Company: 10,386 shares 117 employees of the Company: 21,575 shares 1 director (excluding outside director) of domestic subsidiary: 200 shares 1 employee of domestic subsidiary: 150 shares
(6) Others	The disposal of treasury stock is subject to the entry into force of the Securities Registration Statement under the Financial Instruments and Exchange Act.

2. Purpose and reason for disposal

The Company resolved at the Board of Directors' meeting held on May 21, 2021 to introduce the Restricted Stock Compensation Plan (hereinafter referred to as "the System") for the purpose of providing incentives for

the Company's directors (excluding outside directors and directors who are Audit and Supervisory Committee members; hereinafter referred to as "eligible directors"), executive officers who do not concurrently serve as directors of the Company (hereinafter, together with the "eligible directors", collectively referred to as "eligible directors, etc."), employees of the Company and directors (excluding outside directors) and employees of domestic subsidiaries of the Company (hereinafter referred to as "eligible employees" and together with the "eligible directors, etc.", collectively referred to as "eligible persons") to continuously improve the corporate value of the Company and the Company group and promoting further value sharing with shareholders and eligible persons.

In addition, at the 79th Ordinary General Meeting of Shareholders held on June 23, 2021, based on the System, it has been approved that monetary claims up to 200 million yen per year will be paid to the eligible directors as a monetary compensation to make it an investment property for the acquisition of restricted shares and the common shares of the Company up to 50,000 shares per year will be issued or disposed and transfer restriction period of restricted shares will be from the date of the allotment of the Company's common shares under a restricted stock allotment agreement (the "Agreement") concluded between the Company and the eligible directors to the time immediately after he/she resigns from either position as a director or an executive officer of the Company.

The outline of the System is as follows.

<The outline of the System >

The eligible persons will pay all of the monetary claims provided by the System as in-kind contribution property and receive the issuance or disposal of the common shares of the Company. The amount to be paid per share of the Company's common shares to be issued or disposed will be decided to the extent that the amount is not particularly favorable to the Target Director who will underwrite the common shares, of which amount is based on the closing price of the Company's common shares at the Tokyo Stock Exchange as of the previous day of the resolution by the Board of Directors of the Company. However, if the Company's common shares does not trade at the Tokyo Stock Exchange on the day prior to the resolution of the Board of Directors of the Company, the closing price of the immediately preceding trading day will be used.

In addition, regarding the issuance or disposal of the Company's common shares, the Agreement including the following contents is subject to be concluded between the Company and the eligible persons.

- (1) The eligible persons are prohibited from transferring the Company's common stock allotted under the Agreement to a third party, setting a security interest, or any other disposition for a certain period of time.
- (2) In the event of a problem, the Company will naturally acquire the common shares free of charge, etc.

This time, after deliberation by the Nomination and Compensation Committee, in consideration of the purpose of the System, the business conditions of the Company, the scope of responsibilities of each eligible persons and various circumstances, for the purpose of further improving motivation of each eligible persons, the Company has decided to grant a total of 398,770,000 yen for monetary claims and 39,877 shares for common stock.

In the disposal of treasury stock, 133 people to be granted will pay all of the monetary claims provided by the Company or domestic subsidiary based on the System as in-kind contribution property and receive the issuance or disposal of the common shares of the Company (hereinafter referred to as "Allotted Shares") and the outline of the Agreement concluded between the Company and the eligible persons is as follows 3.

3. Outline of the Agreement

<For eligible directors, etc.>

(1) Transfer Restriction Period

From July 21, 2021 (payment date for eligible directors, etc.) to the time immediately after he/she resigns from either position as a director or an executive officer of the Company

(2) Release of Transfer Restrictions

The Company will lift the transfer restrictions of all Allotted Shares when the Transfer Restriction Period expires, provided that the eligible directors, etc. have been continuously in the position of either a director or an executive officer of the Company during the term of office of one year (hereinafter referred to as the "Service Provision Period").

(3) Handling when resigning for justifiable reasons during the Transfer Restriction Period

① Timing of release of the transfer restrictions

If the eligible directors, etc. resign from either the position of a director or an executive officer of the Company before the expiration of the Service Provision Period due to the expiration of the term of office, death or other justifiable reason, the transfer restrictions will be lifted at the time immediately after he/she resigns.

② Number of shares subject to transfer restrictions lifted

Number of shares obtained by multiplying "number of shares to be allotted held at the time of retirement as specified in ①" by "the number obtained as a result of dividing the number of months from the month including the start date of the Service Provision Period of the eligible directors, etc. to the month including the retirement date by the number of months (12) related to the Service Provision Period (if it exceeds 1, it shall be 1)". (if a fraction less than 1 share occurs, round it down)

(4) Free acquisition by the Company

The Company will naturally acquire, free of charge, the Allotted Shares for which the transfer restrictions have not been lifted at the time of lifting the transfer restrictions specified in (3) above.

(5) Stock management

The Allotted Shares will be managed in a dedicated account opened by the eligible directors, etc. at Nomura Securities Co., Ltd. during the Transfer Restriction Period so that they cannot be transferred, set collateral rights or otherwise disposed of during the Transfer Restriction Period. The Company has entered into a contract with Nomura Securities Co., Ltd. in connection with the management of the accounts of the Allotted Shares held by each eligible directors, etc. to ensure the effectiveness of transfer restrictions, etc. relating to the Allotted Shares. In addition, the eligible directors, etc. shall agree to the content of management of the account.

(6) Handling in reorganizations, etc.

During the Transfer Restriction Period, if merger agreements in which the Company will become an extinguished company, share exchange agreements in which the Company will become a wholly owned subsidiary, share transfer plans, share grant plan that may delist the Company, and other reorganizations are

approved at the general meeting of shareholders (however, if the reorganization, etc. does not require approval by the general meeting of shareholders of the Company, the Board of Directors of the Company), the transfer restrictions will be lifted, by a resolution of the Board of Directors of the Company, immediately before the business day before the effective date of the reorganization, etc., for the number of shares obtained by multiplying "number of shares to be allotted held at the time of reorganizations, etc." by "the number obtained as a result of dividing the number of months from the month including the start date of the Service Provision Period of the eligible directors, etc. to the month including the approval date by the number of months (12) related to the Service Provision Period (if it exceeds 1, it shall be 1.)". (if a fraction less than 1 share occurs, round it down).

In addition, the Company will naturally acquire, free of charge, the Allotted Shares for which the restrictions have not been lifted immediately after the Transfer Restrictions have been lifted in accordance with the above provisions.

<For eligible employees>

(1) Transfer Restriction Period

From September 29, 2021 (payment date for eligible employees) to September 28, 2026.

(2) Release of Transfer Restrictions

The Company will lift the transfer restrictions of all Allotted Shares when the Transfer Restriction Period expires, provided that the eligible employees have been continuously in any of the positions of directors, corporate auditors, executive officers, employees, advisors, contractors and other equivalents of the Company or its subsidiaries during the Transfer Restriction Period.

(3) Handling when resigning for justifiable reasons during the Transfer Restriction Period

① Timing of release of the transfer restrictions

If the eligible employees resign from any of the positions of directors, corporate auditors, executive officers, employees, contractors and other equivalents of the Company or its subsidiaries before the expiration of the Transfer Restriction Period due to the expiration of the term of office, death or other justifiable reason, the transfer restrictions will be lifted at the time immediately after he/she resigns.

② Number of shares subject to transfer restrictions lifted

Number of shares obtained by multiplying "number of shares to be allotted held at the time of retirement as specified in ①" by "the number obtained as a result of dividing the number of months from the month including the payment date of the eligible employees to the month including the retirement date by (60) (if it exceeds 1, it shall be 1.)". (if a fraction less than 1 share occurs, round it down)

(4) Free acquisition by the Company

The Company will naturally acquire, free of charge, the Allotted Shares for which the transfer restrictions have not been lifted at the time of lifting the transfer restrictions specified in (3) above.

(5) Stock management

The Allotted Shares will be managed in a dedicated account opened by the eligible employees at Nomura Securities Co., Ltd. during the Transfer Restriction Period so that they cannot be transferred, set collateral rights or otherwise disposed of during the Transfer Restriction Period. The Company has entered into a contract with Nomura Securities Co., Ltd. in connection with the management of the accounts of the Allotted Shares held by

each eligible employees to ensure the effectiveness of transfer restrictions, etc. relating to the Allotted Shares. In addition, the eligible employees shall agree to the content of management of the account.

(6) Handling in reorganizations, etc.

During the Transfer Restriction Period, if merger agreements in which the Company will become an extinguished company, share exchange agreements in which the Company will become a wholly owned subsidiary, share transfer plans, share grant plan that may delist the Company, and other reorganizations are approved at the general meeting of shareholders (however, if the reorganization, etc. does not require approval by the general meeting of shareholders of the Company, the Board of Directors of the Company), the transfer restrictions will be lifted, by a resolution of the Board of Directors of the Company, immediately before the business day before the effective date of the reorganization, etc., for the number of shares obtained by multiplying "number of shares to be allotted held at the time of reorganizations, etc." by "the number obtained as a result of dividing the number of months from the month including the payment date of the eligible employees to the month including the approval date by (60) (if it exceeds 1, it shall be 1.)". (if a fraction less than 1 share occurs, round it down).

In addition, the Company will naturally acquire, free of charge, the Allotted Shares for which the restrictions have not been lifted immediately after the Transfer Restrictions have been lifted in accordance with the above provisions.

4. Basis for calculation of payment amount and its specific contents

The disposal of treasury stock to the planned allottee will be carried out using monetary claims paid as transfer restricted share compensation for the 80th (2021) fiscal year (from the 80th (2021) fiscal year to 85th (2025) fiscal year for the eligible employees) of the Company based on the System as investment property. Payment amount is 10,000 yen, the closing price of the Company's common stock on the First Section of the Tokyo Stock Exchange on June 22, 2021 (the business day before the resolution of the Board of Directors) in order to eliminate arbitrariness. This is the market price immediately before the resolution of the Board of Directors, and we believe that it does not fall under a reasonable and particularly advantageous price.

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