

# Information

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# History

## Dawn of the Electronics Industry

- 1954 Takeda Riken Industries founded with four employees.
- 1957 TR-124B Electronic Counter for digitally measuring frequency became a hit product.
- 1963 Launched the Digital Multimeter, the first Japanese-made digital voltmeter.
- 1972 Launched the first Japanese-made semiconductor test systems, the T-320/20 and T-320/30.
- 1979 Launched the VLSI test system with a test frequency of 100MHz, boasting the highest performance in the world.

Net sales  
(billion of  
yen)  
400.0



Former head office in Nerima (1963)

## The Computer Era

- 1982 Established a local subsidiary in the United States. Facilities were later established elsewhere around the world.
- 1985 The company's name was changed to Advantest Corporation. Obtained the No. 1 share in the semiconductor test equipment market, according to VLSIresearch.
- 1993 Launched the T6691, a VLSI test system featuring an industry-best test speed of 500MHz/1GHz
- 1995 250MHz S-DRAM memory test system T5581 launched; become a best-selling product.



A tester demo in Silicon Valley (1981)

300.0

200.0

100.0

0

1954 1960 1970 1980

Sales of the Company

### 1954-1980

Amidst the rapid growth of the Japanese electronics industry, Advantest's founding entrepreneurs expanded our business with successive innovations in measurement technology. Confident that semiconductors were the future, we took on the challenge of developing test equipment with applied measurement technology. While overcoming business crises and other difficulties, we developed semiconductor test systems with industry-leading performance.

### 1981-2000

In this period, the semiconductor market expanded significantly due to the widespread adoption of personal computers and the invention of the internet. Advantest's semiconductor test systems, combining state-of-the-art measurement technology with support for volume production, helped to drive the evolution and development of semiconductors. In 1985, we achieved the top share in the global semiconductor test equipment market for the first time, confirming the status of our test system business as a major pillar of the company.

Advantest Grows with  
the Japanese Electronics Industry

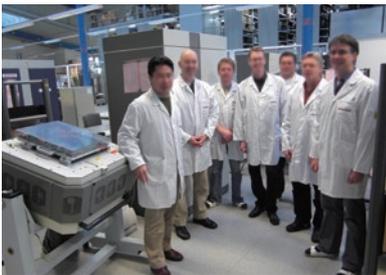
Advantest Grows with  
the Semiconductor Industry

## The Mobile Era

## The Data Era

- 2003 Acquired Japan Engineering Co., Ltd.
- 2008 Acquired Credence Systems GmbH.
- 2011 Acquired Verigy, a major semiconductor test equipment company

- 2018 Announced Grand Design and first mid-term management plan
- 2019 Acquired the system level test business of Astronics, Corp. (USA)
- 2020 Acquired Essai Inc. (USA)  
Business alliance with PDF Solutions, Inc. (USA)  
Launched V93000 EXA Scale™
- 2021 Formulation of ESG Action Plan
- 2021 Announced second Mid-Term Management Plan
- 2021 Acquired R&D Altanova, Inc. (USA)
- 2022 Acquired CREA (Italy)



Joint development team with the former Credence Systems



Our system level test system R&D and manufacturing base



Sales of the Company

### 2001-2016

While smartphones took over from personal computers as the key driver of semiconductor demand, the global division of labor in semiconductor design and manufacturing progressed. The market demanded greater test efficiency and cost reductions. Advantest flexibly responded to these changes by leveraging our industry-leading measurement technology and mass production technology, while at the same time establishing a more stable management foundation. We implemented a series of future-oriented measures such as M&A of non-Japanese companies.

### 2017-

AI, 5G, and other new technologies have driven explosive data growth, initiating a new era for the semiconductor market. Semiconductors have become indispensable to our data-centric modern societies, and have become more sophisticated, more complex, and larger in capacity, raising demands for reliability higher than ever before. As semiconductors push the digital transformation forward, and the semiconductor value chain evolves and expands further, Advantest is looking towards our centenary through the lens of new customer value creation in fields such as system level testing and data analytics.

Reinforcing Its Management Foundation Through M&A, Advantest Goes Global

Expansion of Advantest's Business Domains Through Measurement Technology & Sustainability Through ESG

# Our Business Segments & Flagship Products

Advantest has three business segments: Semiconductor and Component Test Systems, which accounts for about 70% of sales; Mechatronics Systems, which handles test system peripherals; and Services, Support and Other, which mainly provides customer support and system-level test products.

In combination, these products and solutions enable us to respond to a wide variety of semiconductor test needs and diverse customer requirements. Our broad portfolio is one of the keys to our competitiveness.

## Synergistic Solution Families Centered on Semiconductor Test Systems

Semiconductor and Component Test Systems	Mechatronics Systems	Services, Support and Others
<p><b>SoC Test System</b></p> <p><b>V93000</b> For SoC Test</p> <p><b>T6391</b> For Display Driver IC</p> <p><b>T2000</b> For SoC Test</p>  <p>Note: "SoC" stands for "System on Chip", but is here used to mean "non-memory."</p>	<p><b>Test Handler</b></p> <p><b>M4872</b> For SoC Test</p> <p><b>M6242</b> For Memory Test</p>  <p><b>Device Interface</b></p> <p>Change kit</p> <p>HIFIX</p>  <p><b>Nanotechnology</b></p> <p><b>E3650</b> CD-SEM For Photomask / EUV mask</p> 	<p><b>Support / Services</b></p>  <p>Advantest Cloud Solutions™</p> <p><b>System Level Test</b></p> <p><b>MPT3000HVM</b> SSD Test System</p> <p><b>ATS503x</b> System Level Test System</p>  <p><b>Thermal Control Unit</b></p> <p><b>High-end Test Socket</b></p> 
<p><b>Memory Test System</b></p> <p><b>T5833</b> For DRAM/NAND Test</p> <p><b>T5503HS2</b> For High-Speed DRAM Test</p> 		

### Semiconductor and Component Test Systems

Semiconductor test equipment is our main product line. Our test systems are roughly divided into testers for SoC semiconductors and testers for memory semiconductors.

Testers for SoC semiconductors can test almost all devices other than memory semiconductors, such as logic semiconductors, analog semiconductors, and RF devices. The SoC semiconductor tester market is two to three times larger than the memory semiconductor tester market, and users number in the hundreds, including fabless and OSAT companies. The SoC semiconductor tester market is characterized by this large number of customers and the wide range of device types needing to be tested. Our testers for SoC semiconductors feature excellent scalability in terms of test range and test capacity, and can test a wide range of devices, from low-cost IoT devices to high-end semiconductors.

Memory semiconductor testers are optimized for the mass production of memory semiconductors, such as DRAM and NAND flash. In the memory sector, device types are less diverse, and production volumes are huge, meaning that customers seek to adopt testers capable of testing hundreds of devices at once. Our memory testers dominate this sector, as they are capable of higher speeds than the fastest devices in production today, and boast industry-best parallel test capabilities.

## Our Business Segments &amp; Flagship Products

### Mechatronics Systems

Our mechatronics-related business consists of test peripherals such as device interfaces and test handlers, which are used in conjunction with test systems, and nanotechnology products used in front-end semiconductor manufacturing processes.

A device interface is a general term for devices that are electrically connected to a test system, making it possible to rapidly repurpose the test system to test diverse devices with various sizes and pin counts.

A test handler is a tool that performs the three roles of transporting semiconductor packages to the test system, applying temperature to them, and sorting semiconductors according to test results in back-end semiconductor manufacturing processes. Our handlers, test systems, and device interfaces comprise one-stop “test cells” that combine high test quality and production efficiency.

Our nanotechnology products are scanning electron microscopes that utilize our proprietary electron beam technology. They are used to measure the width and height of circuits drawn on photomasks and wafers in front-end semiconductor manufacturing processes, an area where demand is expected to increase with the spread of EUV lithography.

### Services, Support and Others

Our field services business and system level test business account for the majority of sales in this segment.

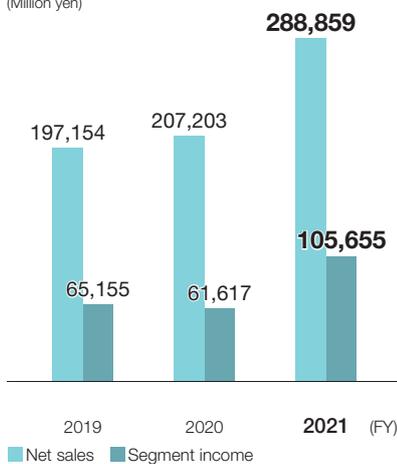
Field services are not limited to maintenance of our systems. We are also expanding into high value-added services such as system utilization rate improvement, mass production ramp consulting, and security-conscious online support.

System-level test systems test semiconductors in an environment similar to that of the final product where the semiconductors will be used. It screens out defects that cannot be checked by testing the device in a stand-alone environment. We built an early position of strength in this sector through acquisitions, and are now working to grow our system-level test business through synergies with our test systems.

In addition, this segment includes Advantest Cloud Solutions™ (ACS), which enables data utilization in the semiconductor manufacturing process; second-hand product sales; and products for non-semiconductor applications such as measurement solutions for the medical and pharmaceutical fields.

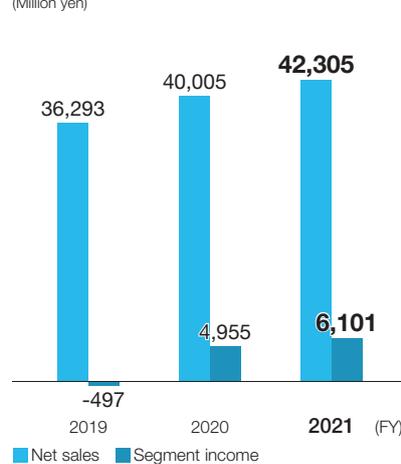
#### Semiconductor and Component Test Systems

(Million yen)



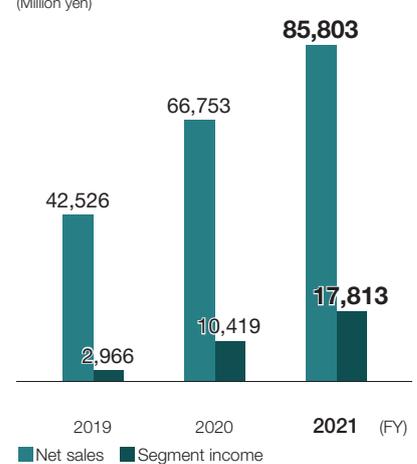
#### Mechatronics Systems

(Million yen)



#### Services, Support and Others

(Million yen)



# Explainer: Semiconductor Test Systems

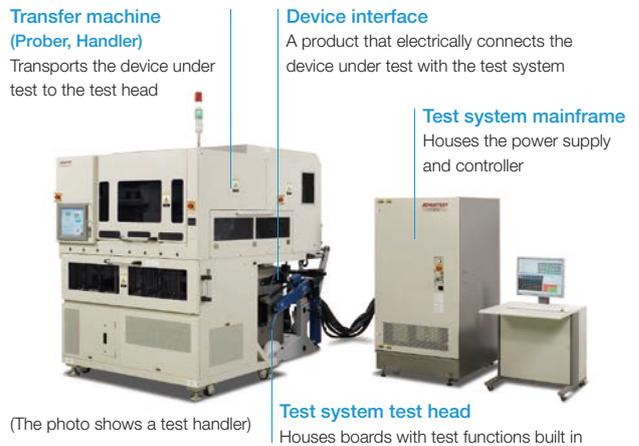
## The Value of Test Systems

Semiconductors are installed in various devices around the world, supporting our lifestyles behind the scenes. If these semiconductors did not work properly, society as we know it would collapse. Semiconductor devices are made up of nanometer-scale circuits and operate at high speeds, utilizing megahertz and gigahertz frequencies. As a result, even the slightest issue in the manufacturing process can cause problems such as disconnection or variations in operating voltage and timing. Even with modern technology, it is difficult to consistently produce good semiconductors. Manufacturing new products is especially difficult, as they are often made using state-of-the-art processes, and quality can vary widely until the manufacturing process matures.

In order to reduce defects in semiconductors, it is essential to conduct sufficient tests at the early stages of design and mass production, and to quickly improve quality. That is the role of test systems. High-performance, reliable test systems with excellent throughput can quickly identify the cause of defects, thus shortening the design period, quickly ramping up mass production, rapidly improving yields, contributing to the success of our customers' new businesses. When chip-makers use test systems from the design stage, the test programs and test data used for design evaluation can also be used in the mass production process, reducing overall time to market.

In addition, many test systems are modular in structure. By swapping out test boards, test programs, and device interfaces, it is possible to test multiple types of semiconductors with a single system. In the SoC business, where product types are highly diversified by application, the flexibility of test systems is a major factor in success.

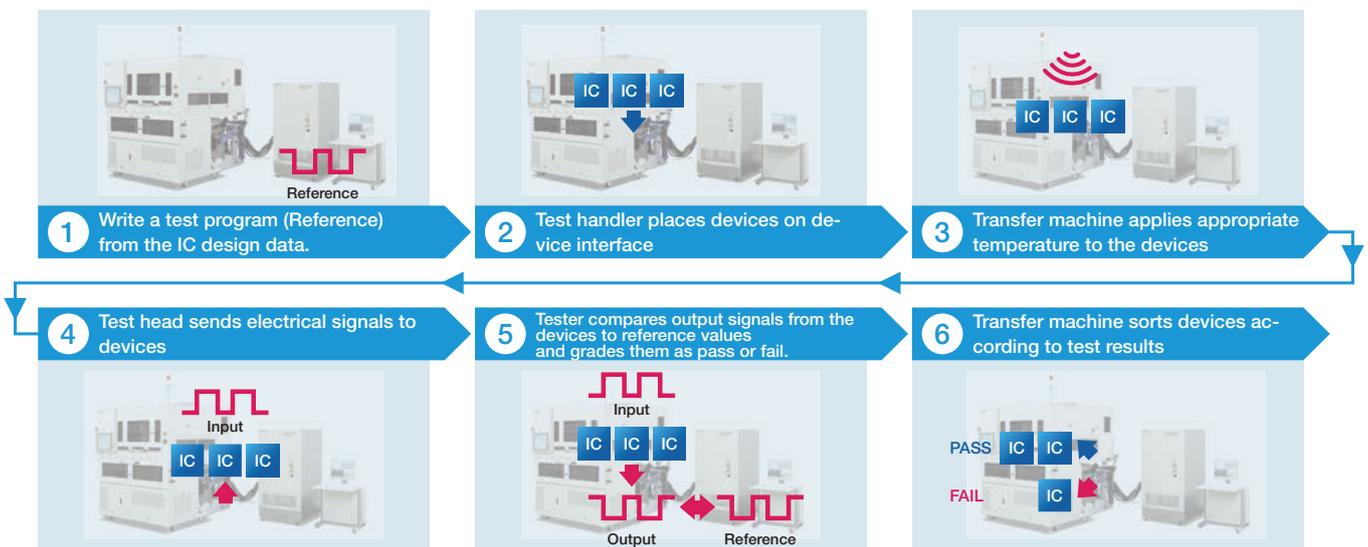
## Structure of Semiconductor Test Systems



## Semiconductor Test Flow

Semiconductor test consists of “parametric test,” which checks for disconnections and shorts, as well as testing electrical characteristics such as input and output voltages, current values, and timing, and “function test,” which checks whether the semiconductor functions as expected in the design. In both types of test, a test signal is input to the semiconductor, and the signal output from the semiconductor in return is compared with expected values. Devices are then classified according to the test results.

The illustration below shows the steps of semiconductor test. In parametric test, in addition to classifying devices into good and defective products, good products are graded according to their performance.



## How Semiconductor Test Systems are Differentiated

Many different things differentiate semiconductor test systems from one another, such as measurement quality, test speed, throughput (test time required per device), miniaturization, and control of heat generation. Most of these functions are provided by the semiconductors installed in test systems. Semiconductors for test systems are dedicated devices designed by test system manufacturers themselves. That design capability is the most important factor that determines the performance of a test system and differentiates it from competing products.

In addition to the semiconductors installed in the test system, there are many points of differentiation related to test capability and quality, such as the communication network, power supply, the mechanism that contact with the device under test, and the system software. Test system manufacturers are required to have the technical ability to cover a wide range of these requirements and integrate them into a single system. By collecting information through market research and building relationships with customers on a daily basis, and by steadily developing advanced fundamental technologies based on that information, Advantest has built up an overwhelming technological superiority that other companies cannot match.



A test processor designed for V93000 EXA Scale test system

## Advantest Test Systems that Defined Their Era

1979

T3380

By applying the high-speed pulse generation technology developed in our forerunner business, the measurement instruments business, we achieved a test speed of 100 MHz, the fastest in the world at the time. Together with the industry's first comprehensive timing accuracy guarantee, this helped our reputation spread outside Japan, and greatly contributed to the establishment of our technology brand and global business development.



1996

T5581

The T5581 was released just in time for the original boom in synchronous DRAM production. In addition to the high test speed, four times that of our previous models, the groundbreaking utilization of CMOS semiconductors and other factors enabled a compact form factor and low power consumption. The T5581 dominated the high-speed DRAM test market and solidified Advantest's dominance in the memory test market.



1999

V93000

V93000 was the first test system in the industry to adopt a modular architecture, which enabled testing of different types of semiconductors with a single system by replacing the boards mounted on the system. OSATs—companies specializing in outsourced testing—captured the trend towards a global division of labor in the semiconductor value chain, testing various semiconductors with the V93000. Since its release, this test system has since become one of Advantest's flagship products.



2020

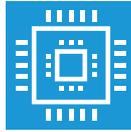
V93000 EXA Scale

The latest V93000 series test system features newly designed test processors and communication networks that greatly improve test data processing capability. It offers a new test method for the "exascale" era, which requires semiconductors to deliver ultra-high-speed processing of one quintillion calculations per second.



# The Devices We Test

Advantest's test systems are responsible for testing a wide variety of semiconductors produced by global customers. Our reliability guarantee supports the safety, security, and comfort of people's lifestyles worldwide.



## Memory Semiconductors

Semiconductors that store data include DRAM, which can read and write data at high speed, and NAND flash, which can hold data for a long time without a power supply. In recent years, demand from the smartphone and data center sectors has been increasing.



## Application processors

These devices symbolize the evolution of semiconductors and resulting smartphone performance gains. Application processor test is uniquely complicated due to the adoption of state-of-the-art semiconductor processes in their production, whilst manufacturers are also actively investing in test systems.



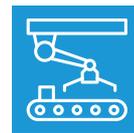
## HPC devices

This is a general term for semiconductors for high performance computing (HPC), which are designed to perform large-scale operations at high speed on data servers and AI servers. With the spread of AI, machine learning, and deep learning, the HPC device market continues to make yearly strides.



## Automotive Semiconductors

This is a general term for semiconductors installed in automobiles, such as controllers for engines and batteries, sensors for airbags and collision avoidance systems. High quality and reliability that meet the safety standards of automobiles are required, so it is necessary to carefully test these devices.



## Power devices

These semiconductors convert DC to and from AC and adjust voltage, among other functions. They have a wide range of applications in addition to consumer electronics, including automobiles and industrial equipment. The power device market is expected to grow in the future amidst increasing public demand for lower power consumption.



## RF devices

Radio Frequency ICs handle wireless communications. Their main applications are smartphones and base stations. With the expansion of 5G into the millimeter-wave band, expectations are rising for test solutions that address these technological trends.



## Display driver ICs

These ICs control the color and brightness of displays on products such as smartphones and televisions. In the display industry, technological evolution is driving rapid new developments such as the adoption of organic EL, larger screens, higher definition, narrower edges, and incorporation of touch sensors, so display driver IC test is becoming more complex.



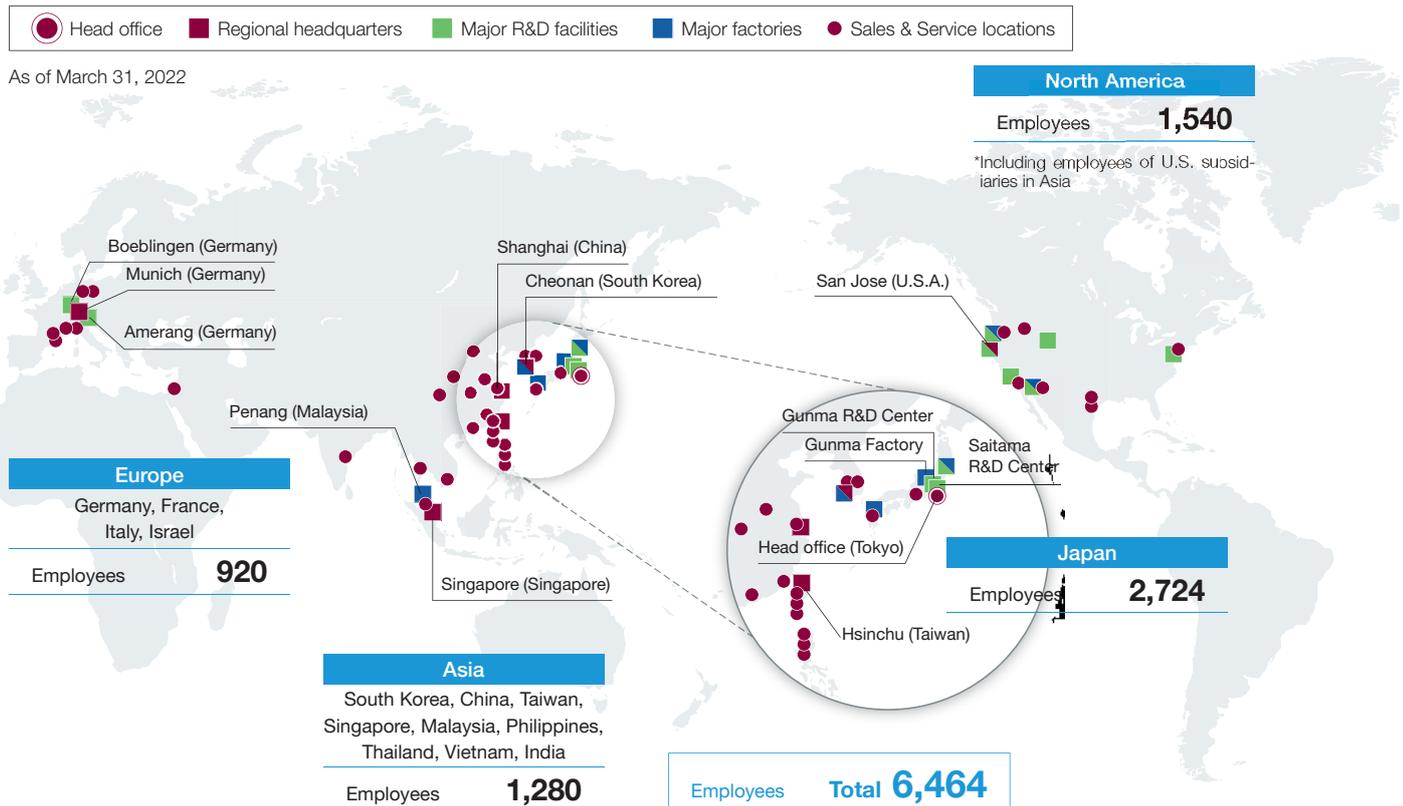
## CMOS image sensors

These semiconductors convert camera images into digital data. In addition to the trends toward higher image quality and multi-lens cameras in smartphones, rapid progress in response to highspeed image data processing amidst growing demand for video has created new needs higher test system performance.

# Our Global Network

Advantest has R&D facilities in Japan, Germany, and the United States. Most of our sales and service locations are in Asia, including locations in Taiwan, South Korea, and China.

In the semiconductor industry, the global division of labor means that the design, wafer, and packaging processes for a single semiconductor are often handled by separate companies in different locations worldwide. Our sales, R&D, and service departments around the world form cross-regional teams to provide global, one-stop support for customer value chains, from design to mass production.



## Major Subsidiaries

Region	Name	Location
North America	Advantest America, Inc.	California, U.S.A.
Europe	Advantest Europe GmbH	Munich, Germany
Southeast Asia	Advantest (Singapore) Pte. Ltd.	Singapore
South Korea	Advantest Korea Co., Ltd.	Cheonan, Korea
Taiwan	Advantest Taiwan Inc.	Hsinchu, Taiwan
China	Advantest (China) Co., Ltd.	Shanghai, China

## Other Subsidiaries\*

Region	Name	Location	Business
Japan	Advantest Kyushu Systems Co., Ltd.	Kitakyushu, Fukuoka	Development, sales and support of the Company's products
Japan	Advantest Laboratories Ltd.	Sendai, Miyagi	Research and development of measuring and testing technologies
Japan	Advantest Component, Inc.	Sendai, Miyagi	Development and manufacturing of parts for Advantest products
Japan	Advantest Green Corporation	Oura-gun, Gunma	Environmental management and greening services for Advantest's business locations (Advantest Green is a special subsidiary that promotes the employment of people with disabilities)
USA	Advantest Test Solutions, Inc.	California	Design and sales of system-level test products
USA	Essai, Inc.	California	Design, manufacturing, and sales of test sockets
USA	R&D Altanova, Inc.	New Jersey	Design, manufacturing, and sales of test interface boards
Europe	CREA - Collaudi Elettronici Automatizzati S.r.l.	Piedmont, Italy	Design, manufacturing, and sales of test equipment for power semiconductors
Southeast Asia	Advantest (M) Sdn. Bhd.	Penang, Malaysia	Manufacturing of Advantest products

\* Not a comprehensive list of Advantest's subsidiaries.

# 11 Year Financial Highlights

Advantest corporation and its consolidated subsidiaries  
Each fiscal year beginning on April 1

		US GAAP			IFRS	
		FY2011 (2012/3)	FY2012 (2013/3)	FY2013 (2014/3)	FY2014 (2015/3)	FY2015 (2016/3)
<b>Financial Results</b>						
<b>Fiscal year</b>	(Unit)					
Net sales	Million yen	141,048	132,903	111,878	163,803	162,111
Gross profit	Million yen	68,748	68,920	49,333	91,755	91,475
Selling, general and administrative expenses*1	Million yen	67,911	68,840	85,702	74,897	78,878
Operating income	Million yen	837	80	(36,369)	16,858	12,597
EBITDA*2	Million yen	7,675	8,143	(28,101)	21,588	17,562
Income (loss) before income taxes	Million yen	(3,442)	(1,293)	(35,501)	20,767	11,767
Net income (loss) attributable to owners of the parent	Million yen	(2,195)	(3,821)	(35,540)	16,753	6,694
Cash flows from operating activities	Million yen	12,302	(2,215)	(3,776)	24,481	7,728
Cash flows from investing activities	Million yen	(37,670)	(11,498)	(4,711)	(1,310)	(2,395)
Cash flows from financing activities	Million yen	9,887	(2,914)	27,202	(1,298)	(13,531)
Free cash flows*3	Million yen	(25,368)	(13,713)	(8,487)	23,171	5,333
Cash and cash equivalents at end of year	Million yen	58,218	45,668	68,997	97,574	85,430
<b>Fiscal year-end</b>						
Shareholders' equity	Million yen	131,552	141,241	116,252	101,810	93,619
Total assets	Million yen	219,226	225,515	229,856	233,237	210,451
<b>Information per share</b>						
Basic earnings (loss) per share	¥	(12.67)	(22.03)	(204.10)	96.15	38.35
Diluted earnings (loss) per share	¥	(12.67)	(22.03)	(204.10)	87.67	35.38
Shareholders' equity per share	¥	759.22	812.70	667.36	583.28	536.28
Dividend per Share	¥	15.0	20.0	15.0	15.0	20.0
Number of shares issued at year-end		199,566,770	199,566,770	199,566,770	199,566,770	199,566,770
<b>Management indicator</b>						
Overseas net sales as a % of total net sales	%	88.6	89.4	89.1	92.0	92.0
Net sales per employee	Million yen	31.6	29.0	24.2	35.9	36.1
Gross profit margin	%	48.7	51.9	44.1	56.0	56.4
Operating Income Margin	%	0.6	0.1	(32.5)	10.3	7.8
Net income ratio	%	(1.6)	(2.9)	(31.8)	10.2	4.1
SG&A ratio to sales	%	48.1	51.8	76.6	45.7	48.6
R&D Expenses	Million yen	30,303	33,062	32,670	29,507	31,298
R&D as a % of total net sales	%	21.5	24.9	29.2	18.0	19.3
Capital Expenditures	¥100 million	70	126	56	42	40
Depreciation and Amortization	¥100 million	68	81	83	47	50
EBITDA margin	%	5.4	6.1	(25.1)	13.2	10.8
Cash conversion cycle	Day	126	172	192	143	163
Shareholders' equity ratio	%	60.0	62.6	50.6	43.7	44.5
ROE	%	(1.6)	(2.8)	(27.6)	18.5	6.9
Dividend payout ratio	%	—	—	—	15.6	52.2
Yen exchange rate	US Dollar	79	83	100	108	121
	Euro	111	105	133	140	133

		CY2011	CY2012	CY2013	CY2014	CY2015
<b>Performance-related data</b>						
	(Unit)					
Global real GDP growth (Source: IMF)	%	4.3	3.5	3.4	3.5	3.4
Worldwide semiconductor sales (Source: WSTS)	Billion US dollar	300	292	306	336	335
SoC tester market size (Source: Advantest)	Million US dollar	2,000	2,050	1,450	1,950	1,650
Memory tester market size (Source: Advantest)	Million US dollar	550	450	420	420	470

\*1 Selling, general and administrative expenses from the fiscal year ended March 31, 2015 are composed of selling, general and administrative expenses, other income/expenses. Figures until the fiscal year ended March 31, 2014 consist of research and development expenses, selling, general and administrative expenses, restructuring and impairment charges.

\*2 EBITDA= Operating income + Depreciation and amortization, EBITDA margin = EBITDA/Sales

\*3 Free cash flows= Cash flows from operating activities + Cash flows from investing activities

## 11 Year Financial Highlights

		IFRS					
		FY2016 (2017/3)	FY2017 (2018/3)	FY2018 (2019/3)	FY2019 (2020/3)	FY2020 (2021/3)	FY2021 (2022/3)
<b>Financial Results</b>							
<b>Fiscal year</b>	(Unit)						
Net sales	Million yen	155,916	207,223	282,456	275,894	312,789	416,901
Gross profit	Million yen	89,740	106,588	154,039	156,497	168,291	235,907
Selling, general and administrative expenses*1	Million yen	75,835	82,101	89,377	97,789	97,565	121,173
Operating income	Million yen	13,905	24,487	64,662	58,708	70,726	114,734
EBITDA*2	Million yen	19,063	29,511	69,629	69,600	82,482	129,702
Income (loss) before income taxes	Million yen	15,022	24,282	66,211	58,574	69,618	116,343
Net income (loss) attributable to owners of the parent	Million yen	14,201	18,103	56,993	53,532	69,787	87,301
Cash flows from operating activities	Million yen	15,833	28,254	44,792	66,475	67,830	78,889
Cash flows from investing activities	Million yen	(3,521)	(2,329)	(15,915)	(38,819)	(16,831)	(46,907)
Cash flows from financing activities	Million yen	(1,002)	(15,237)	(13,724)	(17,916)	(30,415)	(68,736)
Free cash flows*3	Million yen	12,312	25,925	28,877	27,656	50,999	31,982
Cash and cash equivalents at end of year	Million yen	95,324	103,973	119,943	127,703	149,164	116,582
<b>Fiscal year-end</b>							
Shareholders' equity	Million yen	109,517	124,610	198,731	231,452	280,369	294,621
Total assets	Million yen	231,603	254,559	304,580	355,777	422,641	494,696
<b>Information per share</b>							
Basic earnings (loss) per share	¥	81.07	101.94	302.35	270.12	353.87	449.56
Diluted earnings (loss) per share	¥	73.95	92.69	287.37	268.96	351.82	447.26
Shareholders' equity per share	¥	619.33	696.04	1,004.53	1,166.51	1,427.29	1,551.72
Dividend per Share	¥	25.0	32.0	92.0	82.0	118.0	120.0
Number of shares issued at year-end		199,566,770	199,566,770	199,566,770	199,566,770	199,566,770	199,542,265
<b>Management indicator</b>							
Overseas net sales as a % of total net sales	%	88.2	93.2	94.7	94.6	95.5	96.1
Net sales per employee	Million yen	35.3	46.5	61.0	54.7	59.5	70.2
Gross profit margin	%	57.6	51.4	54.5	56.7	53.8	56.6
Operating Income Margin	%	8.9	11.8	22.9	21.3	22.6	27.5
Net income ratio	%	9.1	8.7	20.2	19.4	22.3	20.9
SG&A ratio to sales	%	48.7	39.6	31.6	35.4	31.2	29.1
R&D Expenses	Million yen	31,170	33,540	37,852	40,070	42,678	48,367
R&D as a % of total net sales	%	20.0	16.2	13.4	14.5	13.6	11.6
Capital Expenditures	¥100 million	48	54	66	99	137	180
Depreciation and Amortization	¥100 million	52	50	50	109	118	150
EBITDA margin	%	12.2	14.2	24.7	25.2	26.4	31.1
Cash conversion cycle	Day	186	137	132	162	134	136
Shareholders' equity ratio	%	47.3	49.0	65.2	65.1	66.3	59.6
ROE	%	14.0	15.5	35.3	24.9	27.3	30.4
Dividend payout ratio	%	30.8	31.4	30.4	30.4	33.3	26.7
Yen exchange rate	US Dollar	108	111	110	109	106	112
	Euro	119	129	129	121	123	130
		CY2016	CY2017	CY2018	CY2019	CY2020	CY2021
<b>Performance-related data</b>							
		(Unit)					
Global real GDP growth (Source: IMF)	%	3.3	3.8	3.6	2.8	(3.0)	6.0
Worldwide semiconductor sales (Source: WSTS)	Billion US dollar	339	412	469	412	440	556
SoC tester market size (Source: Advantest)	Million US dollar	2,000	2,200	2,550	2,700	3,000	4,300
Memory tester market size (Source: Advantest)	Million US dollar	470	750	1,150	650	1,200	1,300

\*1 Selling, general and administrative expenses from the fiscal year ended March 31, 2015 are composed of selling, general and administrative expenses, other income/expenses. Figures until the fiscal year ended March 31, 2014 consist of research and development expenses, selling, general and administrative expenses, restructuring and impairment charges.

\*2 EBITDA= Operating income + Depreciation and amortization, EBITDA margin = EBITDA/Sales

\*3 Free cash flows= Cash flows from operating activities + Cash flows from investing activities

# Sustainability Accounting Standard Board (SASB) Reporting

Advantest corporation and its consolidated subsidiaries  
Each fiscal year beginning on April 1

The Advantest Group reports sustainability related information based on the Sustainability Accounting Standards Board (SASB) standards, as part of our policy of rigorous disclosure. SASB standards are to help businesses around the world identify, manage and report on the sustainability topics that

matter most to their investors. And they can help investors by enabling easy access the data that is comparable within an industry. Please note, however, that some accounting metrics set by the SASB include items that do not apply to Advantest's business activities.

TOPIC	ACCOUNTING METRIC	SASB Code	CATEGORY	UNIT OF MEASURE	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
					(2017/3)	(2018/3)	(2019/3)	(2020/3)	(2021/3)	(2022/3)
Green Gas Emissions	(1) Gross global Scope 1 emissions	TC-SC-110a.1	Quantitative	Metric tons(t) CO <sub>2</sub> -e	3,838	3,825	4,685	4,485	3,811	3,753
	(2) Amount of total emissions from perfluorinated compounds	TC-SC-110a.1	Quantitative	Metric tons(t) CO <sub>2</sub> -e	940	339	290	344	629	899
	Short-term and long-term Scope 1 emissions: strategies, goals, progress	TC-SC-110a.2	Discussion and Analysis	-	The Advantest Group is engaged in strategies, goals, and progress regarding Scope 1 emissions. (For details please refer to: <a href="https://www.advantest.com/sustainability/advantest-sustainability/materialityESG.html">https://www.advantest.com/sustainability/advantest-sustainability/materialityESG.html</a> )					
Energy Management in Manufacturing	(1) Total energy consumed	TC-SC-130a.1	Quantitative	Gigajoules (G.J)	736,049	770,427	844,021	887,837	956,119	996,766
	(2) Percentage grid electricity	TC-SC-130a.1	Quantitative	%	79	79	79	66	52	44
	(3) Percentage renewable	TC-SC-130a.1	Quantitative	%	13	13	12	28	44	54
Water management	(1) Total water withdrawn	TC-SC-140a.1	Quantitative	Thousand cubic meters (m <sup>3</sup> )	288	249	280	261	250	236
	(2) Total water consumed	TC-SC-140a.1	Quantitative	Thousand cubic meters (m <sup>3</sup> )	172	127	119	112	107	106
	Percentage of each in regions with High or Extremely High Baseline water stress	TC-SC-140a.1	Quantitative	%	0	0	0	0	0	0
Waste Management	(1) Amount of hazardous waste from manufacturing	TC-SC-150a.1	Quantitative	Metric tons (t)	7.6	6.4	10.1	11.9	28.5	8.4
	(2) Percentage recycle	TC-SC-150a.1	Quantitative	%	73.8	100.0	100.0	99.9	91.1	71.9

## Sustainability Accounting Standard Board (SASB) Reporting

					FY2016 (2017/3)	FY2017 (2018/3)	FY2018 (2019/3)	FY2019 (2020/3)	FY2020 (2021/3)	FY2021 (2022/3)
TOPIC	ACCOUNTING METRIC	SASB Code	CATEGORY	UNIT OF MEASURE						
<b>Employee Health &amp; Safety</b>	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	TC-SC-320a.1	Discussion and Analysis	–	The Advantest Group conducts risk management for the health and safety of our employees. (For details please refer to: <a href="https://www.advantest.com/sustainability/society/safety.html">https://www.advantest.com/sustainability/society/safety.html</a> )					
	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	TC-SC-320a.2	Quantitative	¥	957,552	0	0	0	0	0
<b>Recruiting &amp; Managing a Global &amp; Skilled Workforce</b>	Percentage of employees that are									
	(1) Foreign nationals	TC-SC-330a.1	Quantitative	%	8	8	8	9	8	7
	(2) Located offshore	TC-SC-330a.1	Quantitative	%	0	0	0	0	0	0
<b>Product Lifecycle Management</b>	Percentage of products by revenue that contain IEC 62474 declarable substances	TC-SC-410a.1	Quantitative	%	81	85	89	85	79	85
	Processor energy efficiency at a system-level for: (1) servers, (2) desktops, and (3) laptops	TC-SC-410a.2	Quantitative	Various, by product category	n / a					
<b>Materials Sourcing</b>	Description of the management of risks associated with the use of critical materials	TC-SC-440a.1	Discussion and Analysis	–	The Advantest Group conducts risk management for the use of critical materials. (For details please refer to: <a href="https://www.advantest.com/sustainability/society/schain-management.html">https://www.advantest.com/sustainability/society/schain-management.html</a> )					
<b>Intellectual Property Protection &amp; Competitive Behavior</b>	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	TC-SC-520a.1	Quantitative	¥	0	0	0	0	0	0
<b>Total production</b>		TC-SC-000.A	Quantitative	Output	1,116	1,891	2,270	2,065	2,336	3,082
<b>Percentage of production from owned facilities</b>		TC-SC-000.B	Quantitative	%	39	45	53	39	43	43

# Corporate Overview / Stock Information

As of March 31, 2022

## Corporate Overview

Registered Name	ADVANTEST CORPORATION
Head Office	Shin Marunouchi Center Bldg., 1-6-2, Marunouchi, Chiyoda-ku, Tokyo 100-0005
URL	<a href="https://www.advantest.com/">https://www.advantest.com/</a>
Established	December 1954
Capital	32,363 million yen
Number of Employees	6,464 (Include temporary employees.)
Business Description	Semiconductor and Component Test System Business, Mechatronics System Business, Services, Support and Others

## Stock Information

Fiscal Year	April 1 through March 31	Number of Shares Outstanding	199,542,265
Ordinary General Meeting of Shareholders	June	Number of Shareholders	36,259
Number of Issuable Shares	440,000,000		

## Major Shareholders

Name	Number of Shares (in thousand)	Percentage of Ownership (%)
The Master Trust Bank of Japan, Ltd. (trust account)	62,956	33.07
Custody Bank of Japan, Ltd. (trust account)	20,042	10.53
Custody Bank of Japan, Ltd. (investment trust account)	6,459	3.39
NORTHERN TRUST CO.(AVFC) SUB A/C NON TREATY	3,838	2.01
STATE STREET BANK WEST CLIENT - TREATY 505234	3,393	1.78
HSBC HONGKONG - TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	2,546	1.33
JP MORGAN CHASE BANK 385781	2,464	1.29
STATE STREET BANK AND TRUST COMPANY 505025	2,193	1.15
BNYM AS AGT/CLTS NON TREATY JASDEC	2,022	1.06
BBH BOSTON CUSTODIAN FOR NEXT GENERATION CONNECTIVITY FUND A SERIES TRUST 620818	1,892	0.99

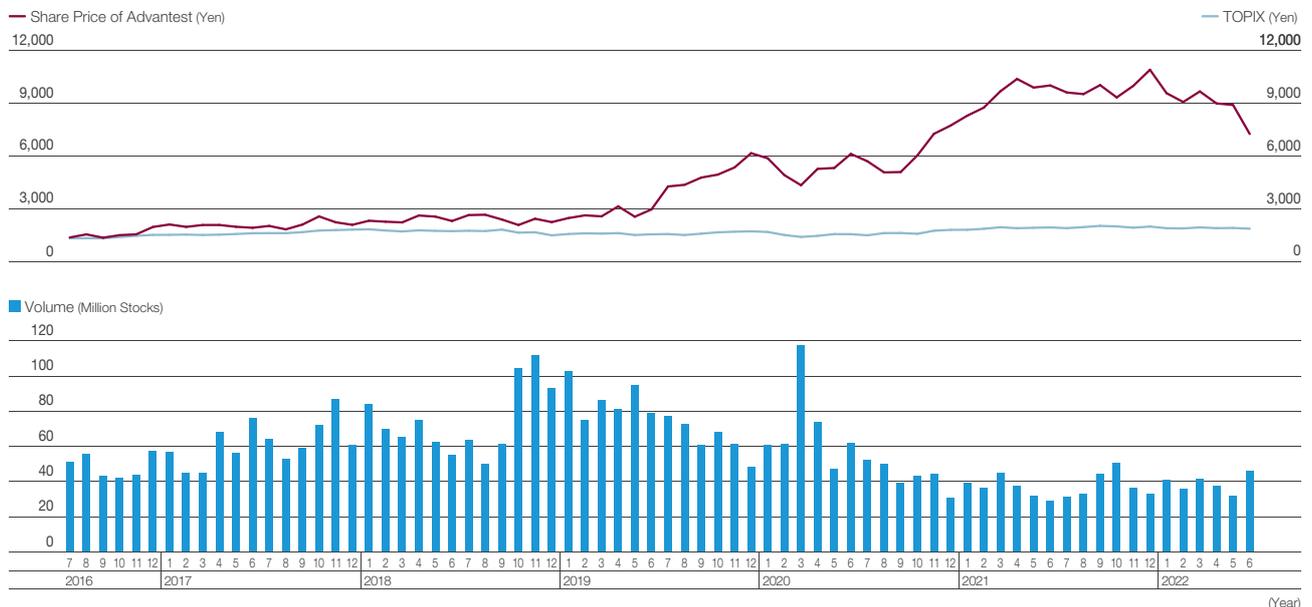
(Notes)

- The number of treasury shares (9,209 thousand shares) that Advantest owns does not include Advantest shares which the Board Incentive Plan Trust owns (89 thousand shares) and Advantest shares which the Employee Stock Ownership Plan Trust owns (335 thousand shares).
- Number of Shares is rounded down to the nearest thousand.
- Percentage of Ownership is calculated excluding treasury shares.

## Breakdown of Shareholders



## Stock Price and Trading Volume Rate



# External Recognition

## Recognition Regarding ESG Initiatives at Advantest

### Graded “A-” in the CDP Climate Change Report / Selected as “CDP Supplier Engagement Leader”



Advantest was graded A- in the CDP Climate Change Report 2021. This rating was upgraded from “B” in 2020, and our efforts to address climate change were highly evaluated.

Advantest has also been selected as a “Supplier Engagement Leader” in CDP’s Supplier Engagement Rating (SER).

### Received “A” Rating in MSCI ESG Ratings



MSCI ESG Ratings aim to comprehensively analyze and measure corporate initiatives for relevant ESG risks and opportunities in the areas of Environment, Social, and Governance. ESG Ratings range on a seven-level scale.

Advantest received an “A” rating in the 2022 MSCI ESG Ratings. This constituted an upgrade from the previous “BBB” rating.

\* THE INCLUSION OF ADVANTEST CORPORATION IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF ADVANTEST CORPORATION BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

## Inclusion in SRI indexes

### MSCI Japan Empowering Women (WIN) Index and MSCI Japan Empowering Women Select Index

2022 CONSTITUENT MSCI JAPAN  
EMPOWERING WOMEN INDEX (WIN)

For the MSCI Japan Empowering Women Index (WIN), companies that exhibit higher levels of gender diversity among their employees are selected based on the gender diversity score calculated using the data disclosed in accordance with the Act on Promotion of Women’s Participation and Advancement in the Workplace and information disclosed by the company. For the MSCI Japan Empowering Women (WIN) Select Index, companies that demonstrate strong growth and good financial conditions among those selected for the Japan Empowering Women (WIN) Select Index are selected.

### FTSE4Good Index Series



Designed by FTSE Russell to measure the performance of companies that demonstrate strong Environmental, Social, and Governance (ESG) practices based on diverse relevant criteria, the FTSE4Good Index Series is a major index series used to create and assess sustainable investment funds and other financial products.

### FTSE Blossom Japan Index



The FTSE Blossom Japan Index was designed by FTSE Russell to measure the performance of Japanese companies that demonstrate strong ESG practices.

### SOMPO Sustainability Index



The SOMPO Sustainability Index selects approximately 300 companies each year based on ESG criteria and their equity value. This index was created by SOMPO Asset Management for “SOMPO Sustainable Management,” an investment product for pension funds and institutional investors.

## Recognition and awards for our activities

### Advantest Named THE BEST Supplier of Chip Making Equipment and #1 ATE Supplier for 3rd Consecutive Year from TechInsights



In the 2021 TechInsights (formerly VLSresearch) Customer Satisfaction Survey, which surveys customers of semiconductor equipment suppliers, Advantest captured the No. 1 spot of global semiconductor equipment suppliers for the third consecutive year. The company was also named on the 10 BEST Suppliers list of large suppliers of test equipment for the 34th consecutive year.

### Advantest Named a Top Health Management Brand for the First Time



Advantest was recently selected for the first time as one of the brands in the 2022 Health & Productivity Stock Selection, which are jointly selected by Japan’s Ministry of Economy, Trade, and Industry (METI) and the Tokyo Stock Exchange. At the same time, METI has certified Advantest as one of the “White 500” (large listed corporation section), the top 500 corporations certified under METI’s 2022 Health and Productivity Management Awards, for the second consecutive year.

\*For further details on external recognition, please refer to our Sustainability Data Book.



<https://www.advantest.com/sustainability/>