

FY2024 Second Quarter (Semi-Annual) Consolidated Financial Results

(Advantest's consolidated financial statements are prepared in accordance with IFRS)

(Period ended September 30, 2024)

October 30, 2024

Company Name : Advantest Corporation
 (URL <https://www.advantest.com/en/investors/>)
 Stock Exchange on which shares are listed : Prime Market of the Tokyo Stock Exchange
 Stock Code Number : 6857
 Company Representative : Koichi Tsukui, Representative Director,
 Senior Executive Officer and President, Group COO
 Contact Person : Yasuo Mihashi, Senior Executive Officer, CFO & CSO
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 Semi-Annual Securities Report Filing Date : November 13, 2024
 (as planned)
 Dividend Payable Date (as planned) : December 2, 2024
 Quarterly Results Supplemental Materials : Yes
 Quarterly Results Presentation Meeting : Yes

(Rounded to the nearest million yen)

1. Consolidated Results of FY2024 Q2 (Semi-Annual) (April 1, 2024 through September 30, 2024)

(1) Consolidated Financial Results (Accumulated)

(% changes as compared to the corresponding period of the previous fiscal year)

	Net sales		Operating income		Income before income taxes		Net income		Net income attributable to owners of the parent		Total comprehensive income for the period	
	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)
FY2024 Q2	329,206	51.4	94,859	169.0	92,645	178.1	69,343	167.3	69,343	167.3	56,478	26.6
FY2023 Q2	217,511	(20.8)	35,269	(59.9)	33,317	(65.0)	25,938	(63.5)	25,938	(63.5)	44,628	(49.0)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY2024 Q2	93.92	93.64
FY2023 Q2	35.18	35.06

(Note) Advantest enacted a 4-for-1 share split of its common share with an effective date of October 1, 2023.

“Basic earnings per share” and “Diluted earnings per share” are calculated based on the assumption that the share split was implemented at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Million yen	Million yen	Million yen	%
FY2024 Q2	762,110	475,811	475,811	62.4
FY2023	671,229	431,178	431,178	64.2

2. Dividends

	Dividend per share				
	First quarter end	Second quarter end	Third quarter end	Year end	Annual total
	Yen	Yen	Yen	Yen	Yen
FY2023	—	65.00	—	18.00	—
FY2024	—	19.00			
FY2024 (forecast)			—	—	—

(Notes) 1. Revision of dividends forecast for this period: No

2. Advantest enacted a 4-for-1 share split of its common share with an effective date of October 1, 2023.

FY2023 interim dividend presents the amount prior to the share split.

FY2023 annual total dividend per share is not presented considering the share split.

FY2023 annual total dividend per share before and after share split is (Y) 137.00 and (Y) 34.25, respectively.

3. Earnings Forecast for FY2024 (April 1, 2024 through March 31, 2025)

(% changes as compared to the previous fiscal year)

	Net sales		Operating income		Income before income taxes		Net income		Net income attributable to owners of the parent		Basic earnings per share
	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	
FY2024	640,000	31.6	165,000	102.1	162,500	107.9	122,000	95.9	122,000	95.9	Yen 165.01

(Notes) 1. Revision of earnings forecast for this period: Yes

For details, please refer to (4) Outlook, page 5.

2. Basic earnings per share in earnings forecast is calculated deeming the average number of outstanding shares as the number of issued and outstanding shares as of September 30, 2024 excluding the number of treasury shares as of September 30, 2024.

For details, please refer to 4. Others (3) Number of issued and outstanding shares (common shares).

4. Others

(1) Significant changes in the scope of consolidation during this period: None

(2) Changes in accounting policies and accounting estimates

1) Changes in accounting policies required by IFRS: None

2) Changes arising from factors other than 1): None

3) Changes in accounting estimates: None

(3) Number of issued and outstanding shares (common shares):

1) Number of issued and outstanding shares at the end of each fiscal period (including treasury shares):

FY2024 Q2 766,141,256 shares; FY2023 766,141,256 shares.

2) Number of treasury shares at the end of each fiscal period:

FY2024 Q2 26,802,832 shares; FY2023 27,729,675 shares.

3) Average number of outstanding shares for each period (cumulative term):

FY2024 Q2 738,334,137 shares; FY2023 Q2 737,318,084 shares.

(Notes) 1. Shares used for stock remuneration plans are considered in calculating average number of outstanding shares for each period.

2. Advantest enacted a 4-for-1 share split of its common share with an effective date of October 1, 2023.

“Average number of outstanding shares for each period” is calculated based on the assumption that the share split was implemented at the beginning of the previous fiscal year.

Status of Audit Procedures

Second quarter (semi-annual) financial results are exempt from review conducted by certified public accountants or an audit firm.

Explanation on the Appropriate Use of Future Earnings Projections and Other Special Instructions

This document contains “forward-looking statements” that are based on Advantest’s current expectations, estimates and projections. These statements include, among other things, the discussion of Advantest’s business strategy, outlook and expectations as to market and business developments, production and capacity plans. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “project,” “should” and similar expressions. Forward-looking statements 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.

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1. Overview of Business Results

(1) Overview of Business Results

Consolidated Financial Results of FY2024 Q2 (Semi-Annual) (April 1, 2024 through September 30, 2024)

(in billion yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024	As compared to the corresponding period of the previous fiscal year increase (decrease)
Net sales	217.5	329.2	51.4%
Operating income	35.3	94.9	2.7 times
Income before income taxes	33.3	92.6	2.8 times
Net income	25.9	69.3	2.7 times

During Advantest's six-month period ended September 30, 2024, the global economy as a whole trended firmly, amidst the easing of monetary tightening policies particularly in Europe and the U.S. On the other hand, concerns about the future have increased due to rising geopolitical risks, such as the escalating tensions in the Middle East, in addition to the prolonged Ukrainian situation.

Under such global economic conditions, the demand for semiconductors related to the proliferation of AI, including HPC devices and high-performance DRAMs such as HBM for data centers, drove the growth of the semiconductor market. This led the semiconductor market to move out of the correction phase experienced in the corresponding period of the previous fiscal year and showed a recovery trend. On the other hand, the demand for semiconductors used in applications other than AI remained soft, therefore the overall recovery in the semiconductor market presented a mixed picture.

In Advantest's semiconductor test equipment business, demand for high-performance semiconductors related to AI increased significantly. Advantest has worked to secure the procurement of parts and materials and its product supply capabilities to the greatest extent possible to meet customers' delivery requirements.

As a result of the above, net sales were (Y) 329.2 billion (51.4% increase in comparison to the corresponding period of the previous fiscal year), operating income was (Y) 94.9 billion (2.7 times increase in comparison to the corresponding period of the previous fiscal year), income before income taxes was (Y) 92.6 billion (2.8 times increase in comparison to the corresponding period of the previous fiscal year) and net income was (Y) 69.3 billion (2.7 times increase in comparison to the corresponding period of the previous fiscal year). Net sales and operating income reached record highs for the semi-annual consolidated accounting period due to factors such as strong customer demand, an improved sales mix of higher-margin products, and yen depreciation, which boosted both sales and income. Average currency exchange rates in the semi-annual consolidated accounting period were 1 USD to 154 JPY (139 JPY in the corresponding period of the previous fiscal year) and 1 EUR to 167 JPY (151 JPY in the corresponding period of the previous fiscal year). The percentage of net sales to overseas customers was 97.0% (95.4% in the corresponding period of the previous fiscal year).

Conditions of business segments are described below.

<Semiconductor and Component Test System Segment>

(in billion yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024	As compared to the corresponding period of the previous fiscal year increase (decrease)
Net sales	151.7	246.6	62.5%
Segment income (loss)	39.6	94.7	2.4 times

In this segment, while demand for mature semiconductors in the automotive and industrial equipment sectors remained soft, sales of test equipment for SoC semiconductors increased significantly with higher demands for advanced process products, driven by performance enhancement of semiconductors such as HPC devices. With regards to test equipment for memory semiconductors, sales grew on the back of strong demand for high-performance DRAM such as HBM.

As a result of the above, net sales were (Y) 246.6 billion (62.5% increase in comparison to the corresponding period of the previous fiscal year), and segment income was (Y) 94.7 billion (2.4 times increase in comparison to the corresponding period of the previous fiscal year).

< Mechatronics System Segment >

(in billion yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024	As compared to the corresponding period of the previous fiscal year increase (decrease)
Net sales	21.0	31.5	50.2%
Segment income (loss)	1.7	6.3	3.6 times

In this segment, robust customer demand for semiconductor test equipment led to growth in sales of related device interfaces. Sales of nano-technology products also increased.

As a result of the above, net sales were (Y) 31.5 billion (50.2% increase in comparison to the corresponding period of the previous fiscal year), and segment income was (Y) 6.3 billion (3.6 times increase in comparison to the corresponding period of the previous fiscal year).

<Services, Support and Others Segment>

(in billion yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024	As compared to the corresponding period of the previous fiscal year increase (decrease)
Net sales	44.8	51.1	14.1%
Segment income (loss)	1.9	4.1	2.2 times

In this segment, support services sales increased as the installed base grew. In terms of profit, an increase in sales and a change in the sales mix contributed to improved profitability in this segment. The segment income in the corresponding period of the previous fiscal year includes approximately (Y) 3.2 billion in settlement income, mainly related to a dispute with a counterparty.

As a result of the above, net sales were (Y) 51.1 billion (14.1% increase in comparison to the corresponding period of the previous fiscal year), and segment income was (Y) 4.1 billion (2.2 times increase in comparison to the corresponding period of the previous fiscal year).

(2) Overview of Financial Condition

Total assets at September 30, 2024 amounted to (Y) 762.1 billion, an increase of (Y) 90.9 billion compared to the fiscal year ended March 31, 2024. This was primarily attributable to increases of (Y) 60.5 billion in cash and cash equivalents, (Y) 25.2 billion in trade and other receivables and (Y) 14.1 billion in inventories. The amount of total liabilities was (Y) 286.3 billion, an increase of (Y) 46.2 billion compared to the fiscal year ended March 31, 2024. This was primarily attributable to increases of (Y) 21.5 billion in income taxes payables and (Y) 19.2 billion in trade and other payables. Total equity was (Y) 475.8 billion. Ratio of equity attributable to owners of the parent was 62.4%, a decrease of 1.8 percentage point from March 31, 2024.

(3) Overview of Cash Flows

Cash and cash equivalents held at September 30, 2024 were (Y) 167.2 billion, an increase of (Y) 60.5 billion from March 31, 2024. Significant cash flows during the six-month period of this fiscal year and the details are described below.

Net cash provided by operating activities was (Y) 92.9 billion (net cash inflow of (Y) 0.1 billion in the corresponding period of the previous fiscal year). This amount was primarily attributable to an increase of (Y) 29.2 billion in trade and other receivables, an increase of (Y) 19.9 billion in trade and other payables and adjustments of non-cash items such as depreciation and amortization in addition to the income before income taxes of (Y) 92.6 billion.

Net cash used in investing activities was (Y) 11.8 billion (net cash outflow of (Y) 17.7 billion in the corresponding period of the previous fiscal year). This amount was primarily attributable to purchases of property, plant and equipment in the amount of (Y) 7.1 billion and acquisition of subsidiaries of (Y) 3.8 billion.

Net cash used in financing activities was (Y) 16.1 billion (net cash inflow of (Y) 5.2 billion in the corresponding period of the previous fiscal year). This amount was primarily attributable to dividends paid of (Y) 13.3 billion and payment for lease liabilities of (Y) 2.7 billion.

(4) Outlook

Looking at Advantest's market environment going forward, the semiconductor market is expected to return to a growth trajectory in CY2024, as investments related to AI are becoming more active. As advances in AI drive performance improvements in semiconductors and growth in production demand, the semiconductor test equipment market is expected to see a notable increase in demand for related equipment. Specifically, in addition to strength in tester demand for high-performance DRAM, increasing chip complexity is also raising tester demand for SoC semiconductors more rapidly than originally expected. Overall, the semiconductor test equipment market is expected to show stronger demand growth in CY2024 than previously forecasted. On the other hand, the recovery in demand for testing equipment used in applications other than in AI including automotive and industrial equipment is expected to take time, resulting in varying demand trends across different applications.

Based on this outlook and the progress made for the six-month period ended September 30, 2024, Advantest has revised its full-year consolidated forecast for the current fiscal year from the forecast as of July 2024 as follows. Sales forecast is revised up to (Y) 640.0 billion from (Y) 600.0 billion, operating income to (Y) 165.0 billion from (Y) 138.0 billion, income before income taxes to (Y) 162.5 billion from (Y) 138.5 billion, net income to (Y) 122.0 billion from (Y) 105.0 billion, respectively. This forecast is based on exchange rate assumptions of 1 USD to 140 JPY and 1 EUR to 155 JPY for the second half of the current consolidated fiscal year. Regarding the restrictions on the export of semiconductor production equipment to China by the U.S. and its allies, the direct impact on our current fiscal year's earnings is expected to be limited under the current laws and regulations, but Advantest will continue to closely monitor the situation.

In the mid-/long-term, as the semiconductor market expands and the industry faces structural challenges in dealing with the complexity within semiconductor supply chains, Advantest believes that business opportunities will expand. In such an industry landscape, Advantest will strive to expand the value it provides to stakeholders over the mid/long-term by pursuing the measures set out in the Third Mid-term Management Plan, of which the current fiscal year is the first year.

2. Condensed Semi-Annual Consolidated Financial Statements and Main Notes

(1) Condensed Semi-Annual Consolidated Statement of Financial Position

	Millions of Yen	
	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and cash equivalents	106,702	167,164
Trade and other receivables	88,855	114,098
Inventories	204,389	218,526
Other current assets	20,315	19,837
Total current assets	420,261	519,625
Non-current assets		
Property, plant and equipment, net	78,884	74,764
Right-of-use assets	19,106	17,312
Goodwill and intangible assets, net	98,514	96,162
Other financial assets	20,139	18,280
Deferred tax assets	33,423	34,869
Other non-current assets	902	1,098
Total non-current assets	250,968	242,485
Total assets	671,229	762,110

Millions of Yen

	As of March 31, 2024	As of September 30, 2024
Liabilities and Equity		
Liabilities		
Current liabilities		
Trade and other payables	76,863	96,039
Income taxes payable	10,262	31,750
Provisions	8,668	9,223
Lease liabilities	5,147	5,180
Other financial liabilities	1,868	2,206
Other current liabilities	23,469	29,944
Total current liabilities	126,277	174,342
Non-current liabilities		
Long-term borrowings	75,143	74,275
Lease liabilities	14,153	12,347
Retirement benefit liabilities	19,134	18,967
Deferred tax liabilities	3,934	4,111
Other non-current liabilities	1,410	2,257
Total non-current liabilities	113,774	111,957
Total liabilities	240,051	286,299
Equity		
Share capital	32,363	32,363
Share premium	45,441	45,047
Treasury shares	(56,353)	(54,465)
Retained earnings	355,299	411,076
Other components of equity	54,428	41,790
Total equity attributable to owners of the parent	431,178	475,811
Total equity	431,178	475,811
Total liabilities and equity	671,229	762,110

(2) Condensed Semi-Annual Consolidated Statement of Profit or Loss and Condensed Semi-Annual Consolidated Statement of Comprehensive Income

Condensed Semi-Annual Consolidated Statement of Profit or Loss

Millions of Yen

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	217,511	329,206
Cost of sales	(108,502)	(142,209)
Gross profit	109,009	186,997
Selling, general and administrative expenses	(77,164)	(92,374)
Other income	3,616	671
Other expenses	(192)	(435)
Operating income	35,269	94,859
Financial income	546	959
Financial expenses	(2,498)	(3,173)
Income before income taxes	33,317	92,645
Income taxes	(7,379)	(23,302)
Net income	25,938	69,343
Net income attributable to:		
Owners of the parent	25,938	69,343
Earnings per share:	Yen	Yen
Basic	35.18	93.92
Diluted	35.06	93.64

Condensed Semi-Annual Consolidated Statement of Comprehensive Income

	Millions of Yen	
	Six months ended September 30, 2023	Six months ended September 30, 2024
Net income	25,938	69,343
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit pension plan	—	(227)
Net change in fair value measurements of equity instruments at fair value through other comprehensive income	(3,683)	(662)
Items that may be subsequently reclassified to profit or loss		
Exchange differences on translation of foreign operations	22,373	(11,976)
Total other comprehensive income (loss)	18,690	(12,865)
Total comprehensive income for the period	44,628	56,478
Comprehensive income attributable to:		
Owners of the parent	44,628	56,478

(3) Condensed Semi-Annual Consolidated Statement of Changes in Equity

Six months ended September 30, 2023

Millions of Yen

	Equity attributable to owners of the parent					Total	Total Equity
	Share capital	Share premium	Treasury shares	Retained earnings	Other components of equity		
Balance as of April 1, 2023	32,363	44,622	(59,099)	319,171	31,637	368,694	368,694
Net income				25,938		25,938	25,938
Other comprehensive income (loss), net of tax					18,690	18,690	18,690
Total comprehensive income for the period	—	—	—	25,938	18,690	44,628	44,628
Purchase of treasury shares			(12)			(12)	(12)
Disposal of treasury shares		(1,128)	2,149	(435)		586	586
Cancellation of treasury shares			36	(36)		—	—
Dividends				(12,895)		(12,895)	(12,895)
Share-based payments		812				812	812
Total transactions with the owners	—	(316)	2,173	(13,366)	—	(11,509)	(11,509)
Balance as of September 30, 2023	32,363	44,306	(56,926)	331,743	50,327	401,813	401,813

Six months ended September 30, 2024

Millions of Yen

	Equity attributable to owners of the parent					Total	Total Equity
	Share capital	Share premium	Treasury shares	Retained earnings	Other components of equity		
Balance as of April 1, 2024	32,363	45,441	(56,353)	355,299	54,428	431,178	431,178
Net income				69,343		69,343	69,343
Other comprehensive income (loss), net of tax					(12,865)	(12,865)	(12,865)
Total comprehensive income for the period	—	—	—	69,343	(12,865)	56,478	56,478
Purchase of treasury shares			(3)			(3)	(3)
Disposal of treasury shares		(1,653)	1,891	(48)		190	190
Dividends				(13,291)		(13,291)	(13,291)
Share-based payments		1,259				1,259	1,259
Transfer from other components of equity to retained earnings				(227)	227	—	—
Total transactions with the owners	—	(394)	1,888	(13,566)	227	(11,845)	(11,845)
Balance as of September 30, 2024	32,363	45,047	(54,465)	411,076	41,790	475,811	475,811

(4) Condensed Semi-Annual Consolidated Statement of Cash Flows

	Millions of Yen	
	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities:		
Income before income taxes	33,317	92,645
Adjustments to reconcile income before income taxes to net cash provided by (used in) operating activities:		
Depreciation and amortization	12,492	14,258
Changes in assets and liabilities:		
Trade and other receivables	27,098	(29,231)
Inventories	(24,835)	(13,245)
Trade and other payables	(18,254)	19,928
Warranty provisions	(199)	577
Advance receipts	7,729	8,159
Retirement benefit liabilities	(381)	47
Other	(10,672)	1,266
Subtotal	26,295	94,404
Interest and dividends received	500	940
Interest paid	(720)	(911)
Income taxes paid	(25,978)	(1,565)
Net cash provided by (used in) operating activities	97	92,868
Cash flows from investing activities:		
Proceeds from sale of equity instruments	1,150	—
Purchases of property, plant and equipment	(9,957)	(7,142)
Purchases of intangible assets	(382)	(1,028)
Acquisition of subsidiaries	(8,260)	(3,815)
Other	(276)	137
Net cash provided by (used in) investing activities	(17,725)	(11,848)
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings	20,000	—
Proceeds from disposal of treasury shares	542	191
Purchases of treasury shares	(12)	(3)
Dividends paid	(12,893)	(13,278)
Payments for lease liabilities	(2,387)	(2,684)
Other	(1)	(326)
Net cash provided by (used in) financing activities	5,249	(16,100)
Net effect of exchange rate changes on cash and cash equivalents	4,567	(4,458)
Net change in cash and cash equivalents	(7,812)	60,462
Cash and cash equivalents at the beginning of period	85,537	106,702
Cash and cash equivalents at the end of period	77,725	167,164

(5) Notes to the Condensed Semi-Annual Consolidated Financial Statements

(Notes on Going Concern) : None

(Segment Information)

1. Overview of Reporting Segments

Advantest manufactures and sells semiconductor and component test system products and mechatronics-related products such as test handlers and device interfaces. Advantest also engages in research and development activities and provides maintenance and support services associated with these products. Advantest's organizational structure consists of three reportable operating segments, which are the design, manufacturing, and sale of semiconductor and component test systems, mechatronics systems and services, support and others. These reportable operating segments are determined based on the nature of the products and the markets. Segment information is prepared on the same basis that management reviews financial information for operational decision making purposes.

The semiconductor and component test system segment provides customers with test system products for the semiconductor industry and the electronic parts industry. Product lines provided in the semiconductor and component test system segment include test systems for SoC semiconductor devices and test systems for memory semiconductor devices.

The mechatronics system segment provides product lines such as test handlers, mechatronic-applied products, for handling semiconductor devices, device interfaces that serve as interfaces with the devices that are measured and operations related to nano-technology products.

The services, support and others segment consists of comprehensive customer solutions provided in connection with the above segments, test solutions of system level testing for such as semiconductor and modules, support services, sales of consumables, sales of used products, equipment lease business and others.

2. Information of Reporting Segments

Advantest uses the operating income (loss) before share-based compensation expense for management's analysis of operating segment results.

Share-based compensation expense represents expenses for performance-based stock remuneration expense and restricted stock compensation expense.

Segment income (loss) is presented on the basis of operating income (loss) before share-based compensation expense.

Inter-segment sales are based on market prices.

Six months ended September 30, 2023

Millions of Yen

	Semiconductor and Component Test System Business	Mechatronics System Business	Services, Support and Others	Elimination and Corporate	Consolidated
Net sales					
Net sales to unaffiliated customers	151,717	20,976	44,818	—	217,511
Inter-segment sales	—	—	—	—	—
Total	151,717	20,976	44,818	—	217,511
Segment income (loss) (operating income (loss) before share-based compensation expense)	39,568	1,719	1,854	(6,930)	36,211
Adjustment: Share-based compensation expense	—	—	—	—	(942)
Operating income	—	—	—	—	35,269
Financial income	—	—	—	—	546
Financial expenses	—	—	—	—	(2,498)
Income before income taxes	—	—	—	—	33,317

Six months ended September 30, 2024

Millions of Yen

	Semiconductor and Component Test System Business	Mechatronics System Business	Services, Support and Others	Elimination and Corporate	Consolidated
Net sales					
Net sales to unaffiliated customers	246,578	31,506	51,122	—	329,206
Inter-segment sales	—	—	—	—	—
Total	246,578	31,506	51,122	—	329,206
Segment income (loss) (operating income (loss) before share-based compensation expense)	94,723	6,265	4,106	(8,976)	96,118
Adjustment: Share-based compensation expense	—	—	—	—	(1,259)
Operating income	—	—	—	—	94,859
Financial income	—	—	—	—	959
Financial expenses	—	—	—	—	(3,173)
Income before income taxes	—	—	—	—	92,645

(Notes) 1. Adjustments to segment income (loss) in Corporate principally represent corporate general and administrative expenses and research and development expenses related to fundamental research activities that are not allocated to operating segments.

2. For services, support and others, the segment income for the six months ended September 30, 2023 includes (Y) 3,179 million income. This is mainly due to the settlement of a dispute with the counterparty.

October 30, 2024
Advantest Corporation

FY2024 Second Quarter (Semi-Annual) Consolidated Financial Results Overview

1. Profit or Loss

(in billion yen)

	FY2023	FY2024					FY2024 Forecast	
		1Q	2Q	vs. FY2024 1Q increase (decrease)	1H	vs. FY2023 1H increase (decrease)	Annual total	vs. FY2023 increase (decrease)
Net sales	486.5	138.7	190.5	37.3%	329.2	51.4%	600.0 640.0	— 31.6%
Cost of sales	(240.5)	(61.8)	(80.4)	30.0%	(142.2)	31.1%	—	—
Selling, general and administrative expenses	(159.0)	(45.6)	(46.8)	2.8%	(92.4)	19.7%	—	—
Other income - expenses	(5.4)	0	0.3	—	0.3	(93.1%)	—	—
Operating income	81.6	31.3	63.6	2.0 times	94.9	2.7 times	138.0 165.0	— 2.0 times
Sales ratio	16.8%	22.6%	33.4%		28.8%		25.8%	
Financial income - expenses	(3.4)	0.6	(2.9)	—	(2.3)	13.4%	—	—
Income before income taxes	78.2	31.9	60.7	90.2%	92.6	2.8 times	138.5 162.5	— 2.1 times
Sales ratio	16.1%	23.0%	31.9%		28.1%		25.4%	
Income taxes	(15.9)	(8.0)	(15.3)	89.2%	(23.3)	3.2 times	—	—
Net income	62.3	23.9	45.4	90.5%	69.3	2.7 times	105.0 122.0	— 95.9%
Sales ratio	12.8%	17.2%	23.9%		21.1%		19.1%	

(Note) Upper data is the forecast amount released on July 31, 2024.

2. Financial Condition

(in billion yen)

	FY2023	FY2024		
	4Q End	1Q End	2Q End	vs. FY2024 1Q increase (decrease)
Total assets	671.2	723.2	762.1	5.4%
Equity attributable to owners of the parent	431.2	456.9	475.8	4.1%

Ratio of equity attributable to owners of the parent	64.2%	63.2%	62.4%	—
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3. Dividends

(in yen)

	FY2023			FY2024		
	Interim	Year end	Annual total	Interim	Year end (Forecast)	Annual total (Forecast)
Dividend per share	65.00	18.00	—	19.00 19.00	TBD	TBD

(Notes) 1. Upper data is the forecast amount released on July 31, 2024.

2. The dividends forecast for FY2024 year end hasn't been decided yet. We will disclose promptly after considering the results based on the business performance.

3. Advantest enacted a 4-for-1 share split of its common share with an effective date of October 1, 2023.

FY2023 interim dividend per share presents the amount prior to the share split.

FY2023 annual total dividend per share is not presented considering the share split.

FY2023 annual total dividend per share before and after share split is (Y) 137.00 and (Y) 34.25, respectively.