



# **FY2024 1Q**

**(Three months ended June 30<sup>th</sup>, 2024)**

# **Financial Briefing**

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July 31<sup>st</sup>, 2024  
Advantest Corporation

# NOTE

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## Accounting Standards

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

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# Summary

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- Rising complexity in SoC semiconductors for generative AI are driving tester demand more than expected in light of quality assurance requirement.
- FY24 1Q sales, operating income, and net income increased QoQ and YoY, as product deliveries to customers progressed and sales mix also improved.
- FY24 full-year earnings forecast is revised upward.

# Financial Results for FY2024 1Q

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Yasuo Mihashi

Senior Executive Officer, CFO & CSO (Chief Strategy Officer)

Executive Vice President, Corporate Strategy Group

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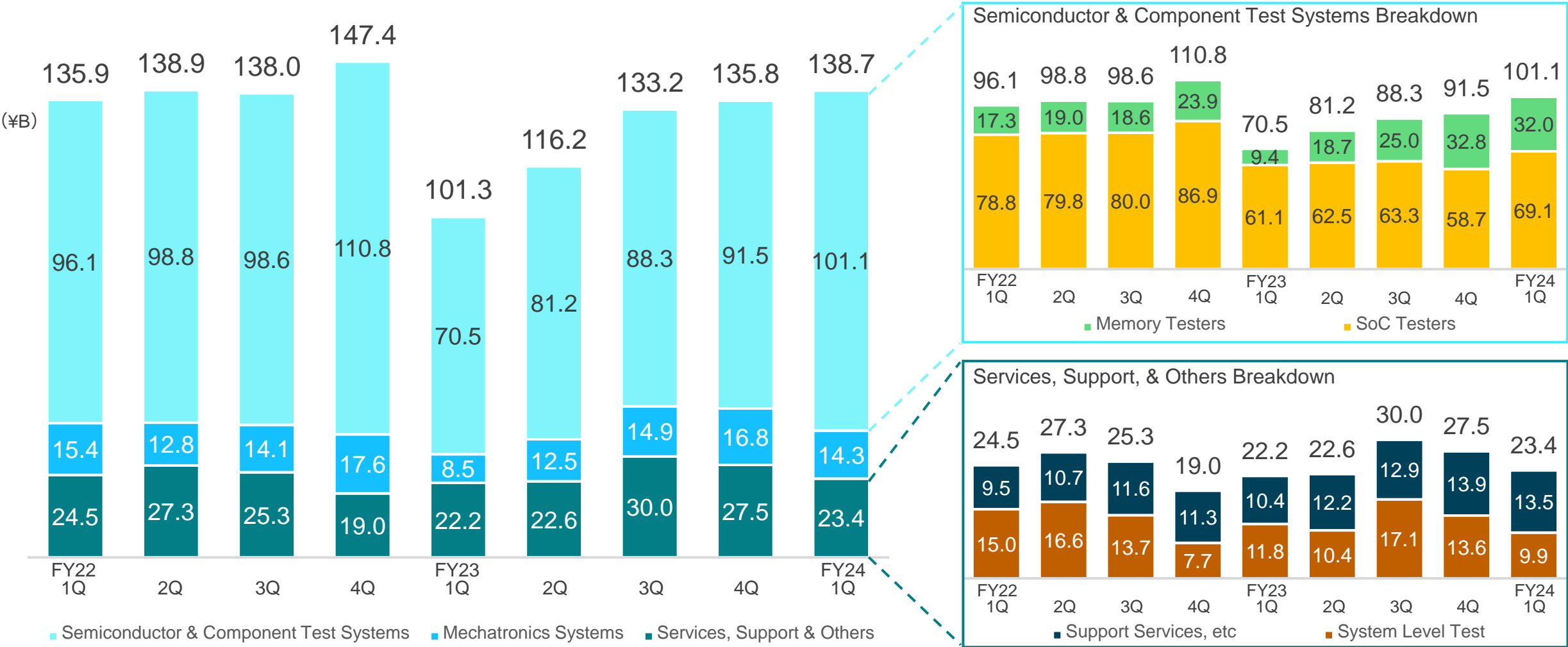
# FY24 1Q Summary of Results

(¥B)

	FY23				FY24				
	1Q	2Q	3Q	4Q	1Q	QoQ		YoY	
						Change	(%)	Change	(%)
Sales	101.3	116.2	133.2	135.8	138.7	+3.0	+2.2%	+37.5	+37.0%
Gross Profit	51.0	58.0	67.4	69.6	76.9	+7.3	+10.4%	+26.0	+50.9%
Gross Margin %	50.3%	49.9%	50.6%	51.3%	55.4%	+4.1pts		+5.1pts	
Operating Income	14.3	21.0	26.8	19.5	31.3	+11.8	+60.4%	+17.1	+2.2x
Operating Margin %	14.1%	18.1%	20.1%	14.4%	22.6%	+8.2pts		+8.5pts	
Income Before Tax	13.0	20.3	26.3	18.6	31.9	+13.3	+71.6%	+19.0	+2.5x
Net Income	9.2	16.7	21.2	15.2	23.9	+8.7	+57.6%	+14.7	+2.6x
Net Income Margin %	9.1%	14.4%	15.9%	11.2%	17.2%	+6.0pts		+8.1pts	
Exchange Rate	1 US\$	¥135	¥142	¥149	¥147	¥153	¥6 Depreciation		¥18 Depreciation
	1 Euro	¥146	¥156	¥159	¥159	¥165	¥6 Depreciation		¥19 Depreciation
Dividend Per Share*1	-	¥16.25 (¥65)	-	¥18	-	-	-	-	-

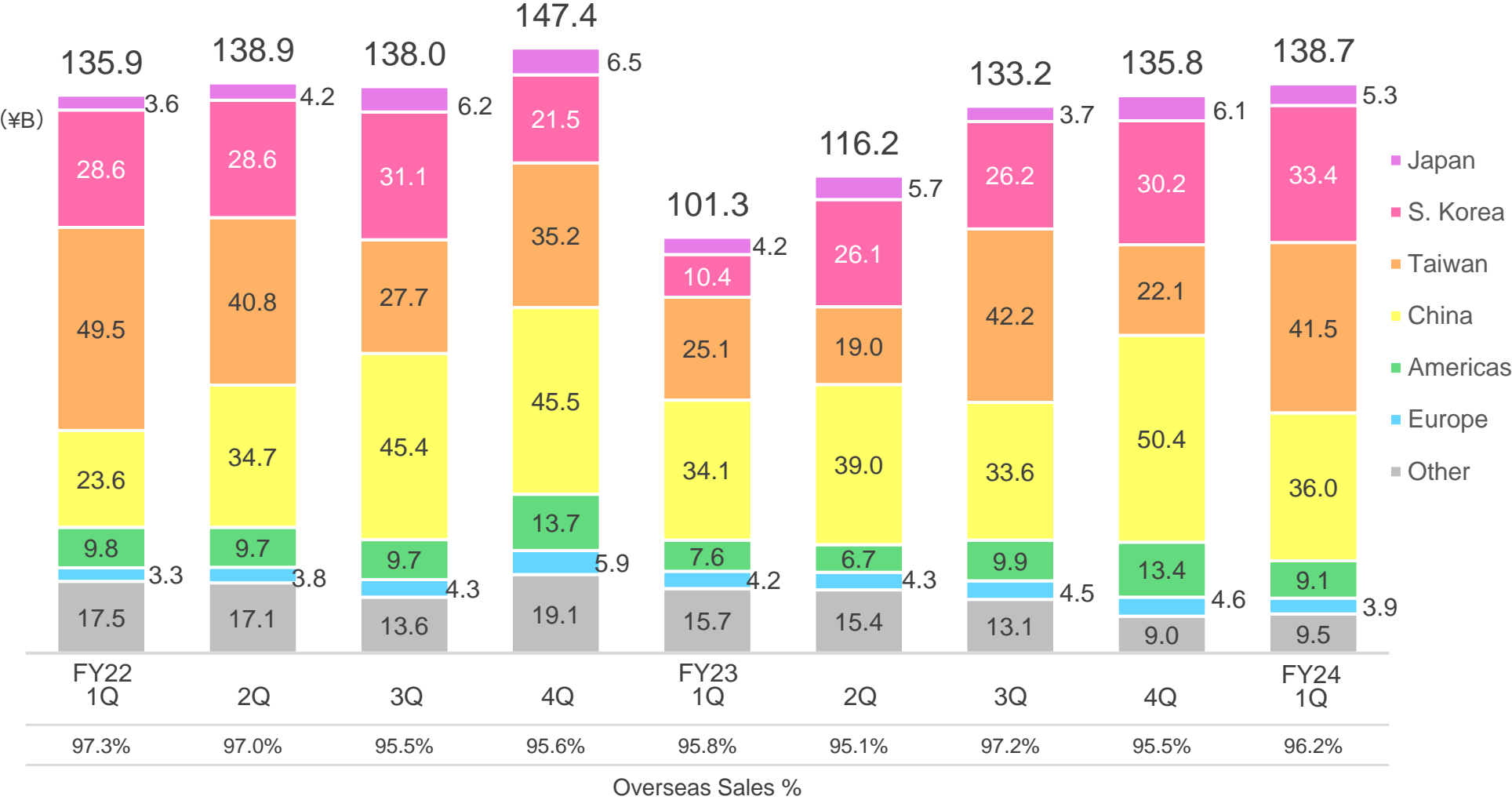
\*1: Advantest has issued a 4-for-1 stock split of common stock, effective October 1, 2023. The above dividend per share figures are based on the assumption that the stock split had been issued at the beginning of FY23. (values in parentheses are those before the split).

# Quarterly Sales by Segment

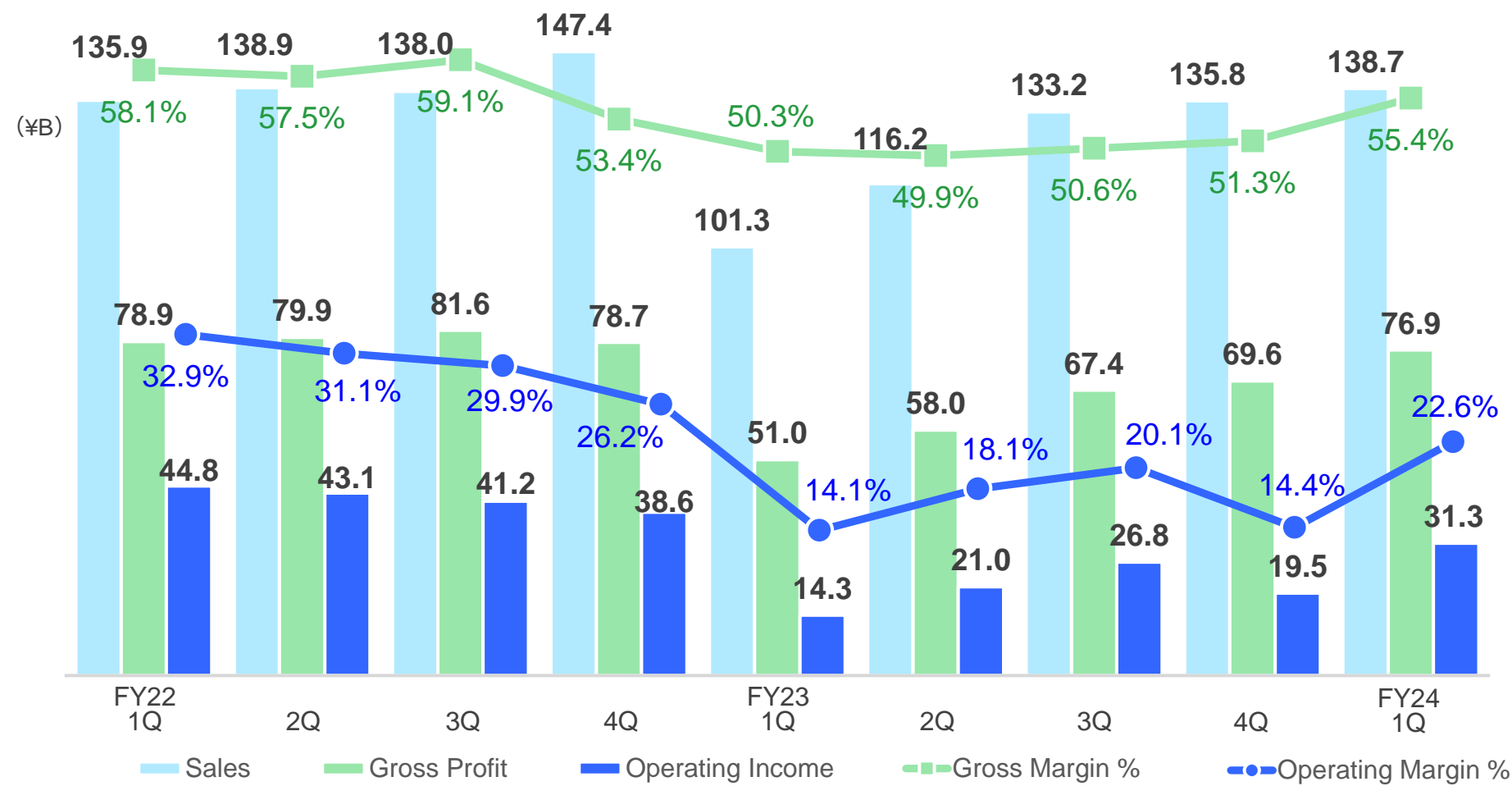


Note: Intersegment transactions have been eliminated from totals

# Quarterly Sales by Region (Ship to Region)



# Sales / Gross Profit / Operating Income

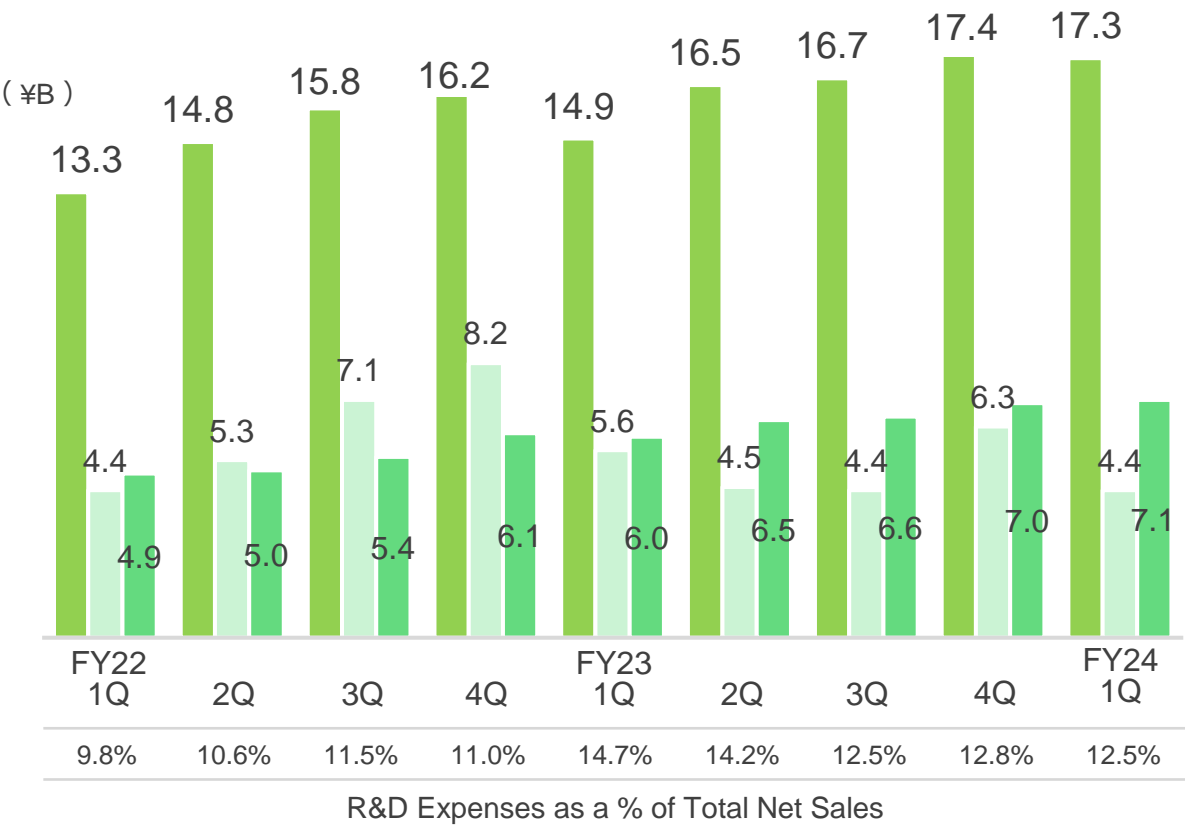




# Investments / Cash Flow

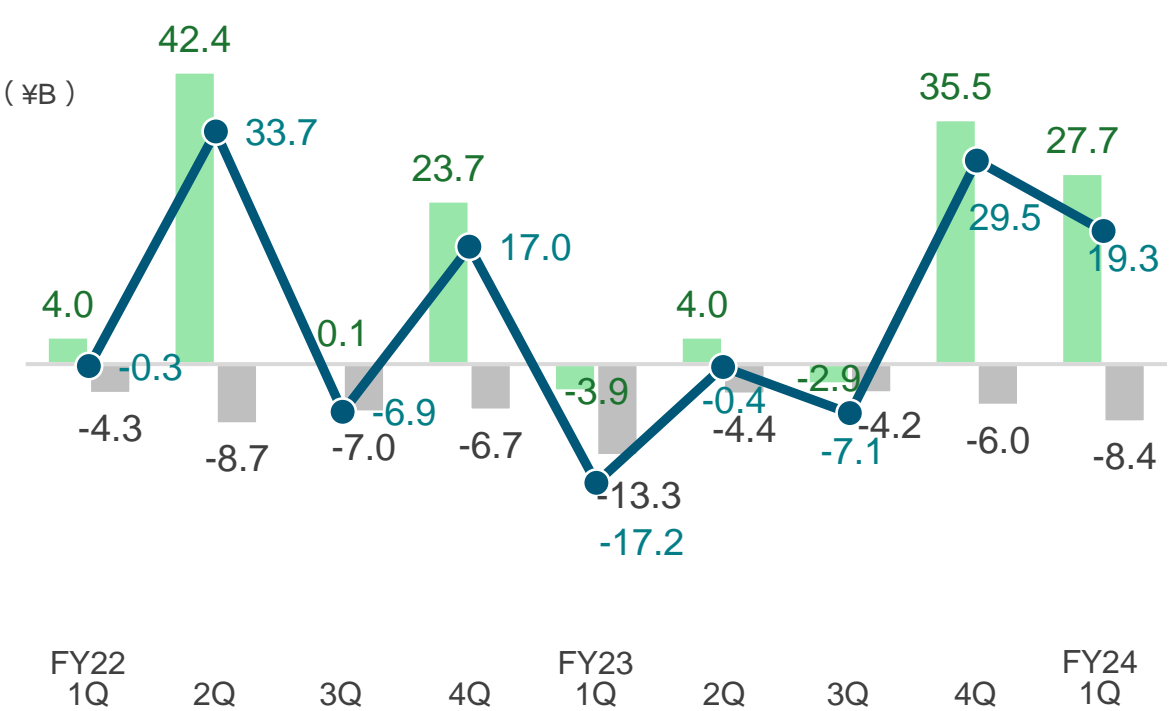
## <Investments>

- R&D Expenses
- Capital Expenditure
- Depreciation & Amortization



## <Cash Flow>

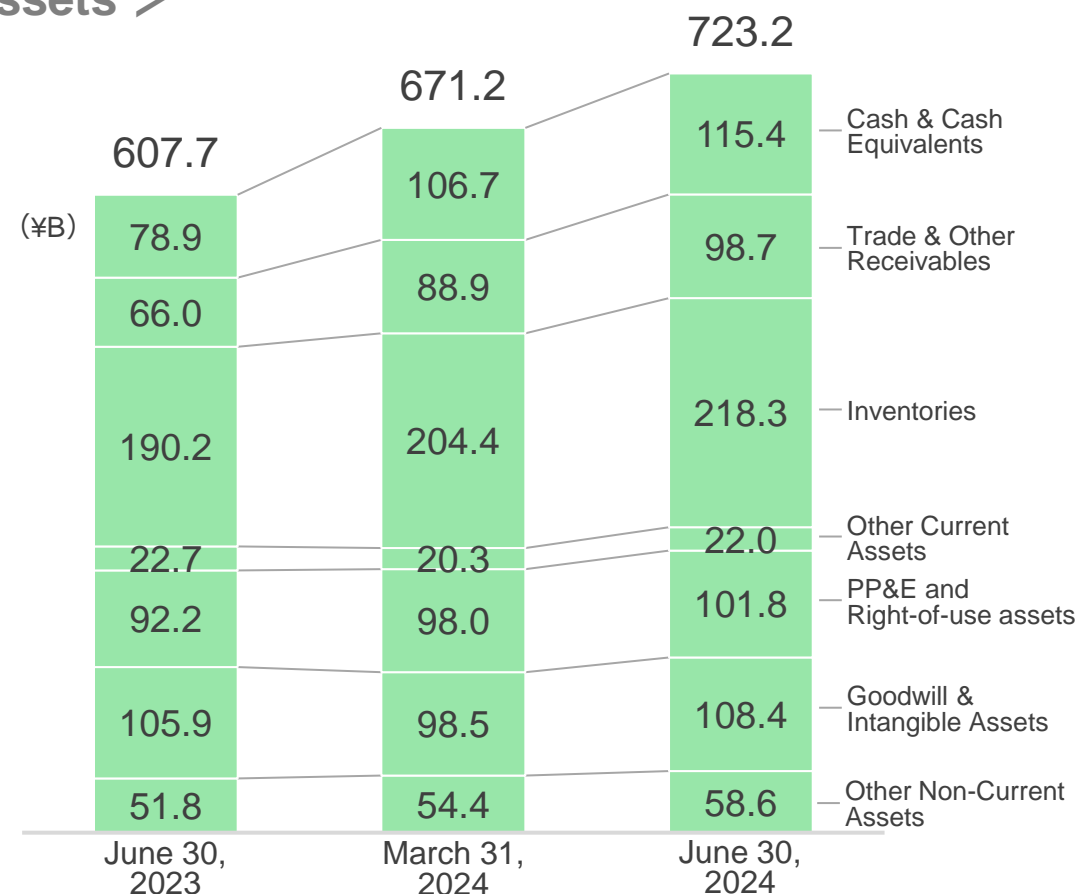
- Cash flows from operating activities
- Cash flows from investing activities
- Free cash flows



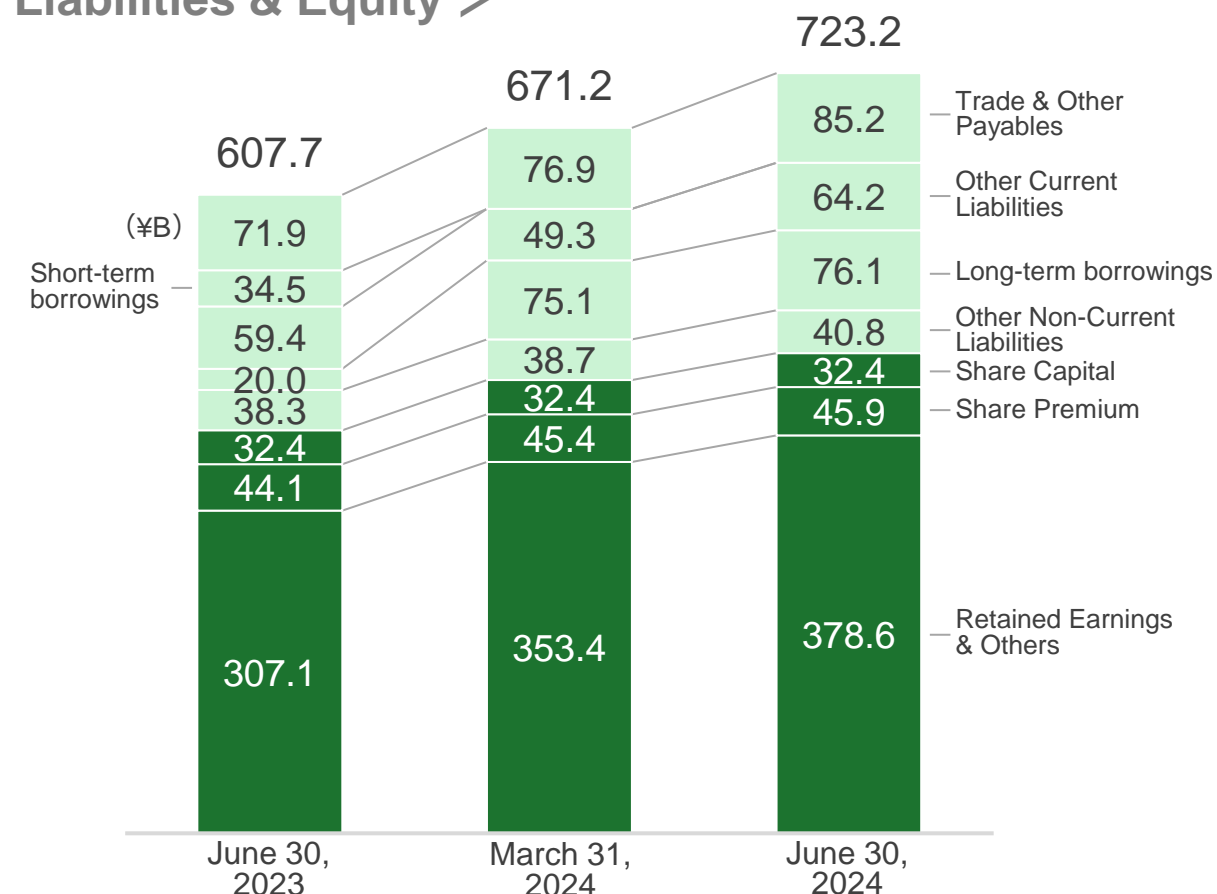
\* Free Cash Flows = Cash flows from operating activities + Cash flows from investing activities

# Financial Position

## < Assets >



## < Liabilities & Equity >



Equity Attributable to Owners of the Parent	383.6	431.2	456.9
Ratio of Equity Attributable to Owners of the Parent	63.1%	64.2%	63.2%



# FY2024 Outlook

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Douglas Lefever

Representative Director, Senior Executive Officer, Group CEO

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# Business Environment / Semiconductor Tester Market Trends: July 2024 Outlook

## < Business Environment >

- The global economy trended firmly, despite the ongoing monetary tightening policies against a backdrop of persistent inflation.
- The semiconductor market presented a mixed picture of recovery with faster than expected growth of semiconductors related to generative AI on one hand and continued softness in semiconductors for automotive and industrial equipment on the other hand.

## <Semiconductor Tester Market>

- In CY24 semiconductor tester market, increasing complexity in semiconductors related to generative AI is raising HPC test demand more rapidly than originally anticipated. Demand growth is forecast to be stronger than previously expected.
- On the other hand, tester demand for automotive and industrial equipment is expected to take time to recover.
- Prompt supply capacity expansion of testers in response to robust demand for high-performance DRAM is also contributing to an upward revision of the TAM estimate.

	CY23 Actual	CY24 Estimate
SoC Tester Market	Approx. \$3.3B	Approx. \$3.2B - 3.5B (April estimate: approx. \$2.9B - 3.2B)
Memory Tester Market	Approx. \$1.1B	Approx. \$1.6B - 1.8B (April estimate: approx. \$1.4B - 1.7B)

Source: Advantest

# FY24 Forecast

									(¥B)		
		FY23	FY24						Change vs. Prior Full-Year Forecast		
		Results			1H Forecast	2H Forecast	Full-year Forecast	vs. FY23		FY24 Forecast as of April	Change
			1Q Results	2Q Forecast				Change	(%)		
Sales*1		486.5	138.7	153.3	292.0	308.0	600.0	+113.5	+23.3%	525.0	+75.0
Operating Income		81.6	31.3	35.7	67.0	71.0	138.0	+56.4	+69.1%	90.0	+48.0
Operating Margin %		16.8%	22.6%	23.3%	22.9%	23.1%	23.0%	+6.2pts		17.1%	+5.9pts
Income Before Tax		78.2	31.9	35.6	67.5	71.0	138.5	+60.3	+77.2%	89.0	+49.5
Net Income		62.3	23.9	26.7	50.6	54.4	105.0	+42.7	+68.6%	67.0	+38.0
Net Income Margin %		12.8%	17.2%	17.4%	17.3%	17.7%	17.5%	+4.7pts		12.8%	+4.7pts
R&D Expenses		65.5	17.3	17.7	35.0	35.0	70.0	+4.5	+6.9%	67.0	+3.0
CapEx		20.8	4.4	6.4	10.8	11.2	22.0	+1.2	+5.8%	22.0	-
D&A		26.1	7.1	6.8	13.9	13.1	27.0	+0.9	+3.4%	27.0	-
Exchange Rate*2	1 US\$	¥143	¥153	¥140	¥147	¥140	¥143	-		¥140	¥3 Depreciation
	1 Euro	¥155	¥165	¥155	¥160	¥155	¥158	¥3 Depreciation		¥155	¥3 Depreciation

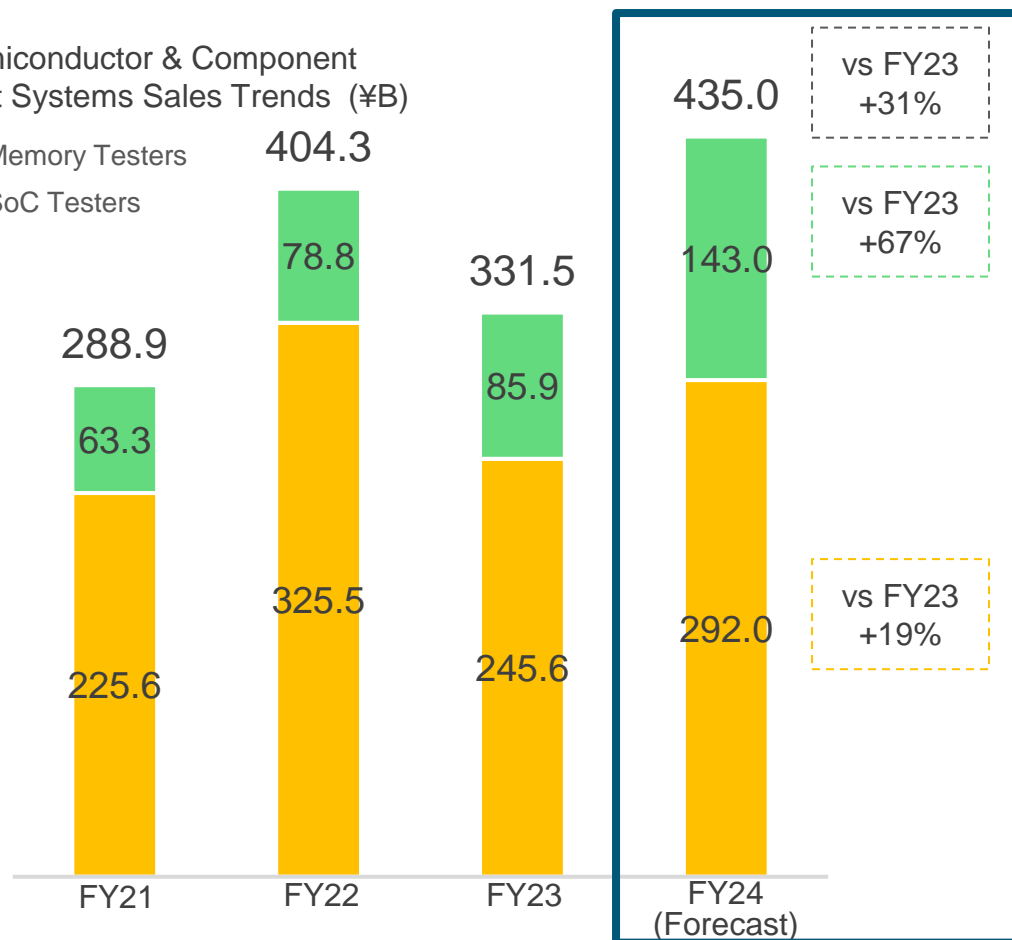
\*1: Intersegment transactions have been eliminated from totals

\*2: Our latest forecast for the impact of exchange rate fluctuations on FY24 operating income is plus ¥0.9 billion per 1 yen of JPY depreciation vs USD, and minus ¥0.3 billion per 1 yen of JPY depreciation vs the Euro

# FY24 Outlook by Segment

Semiconductor & Component Test Systems Sales Trends (¥B)

■ Memory Testers  
■ SoC Testers



## Semiconductor & Component Test Systems

### < SoC Testers > (+¥47.0B vs April forecast)

- Demand increase is likely to exceed the original expectation due to semiconductor complexity gains for HPC/AI. On the other hand, recovery is likely to take time for mature node devices.

Applications	FY21	FY22	FY23	FY24e
Computing / Comms	60%	65%	60%	80%
Automotive / Industrial / Consumer / DDIC*1	40%	35%	40%	20%

\*1 DDIC : Display Driver IC

Numbers are rounded to the nearest 5%

### < Memory Testers > (+¥17.0B vs April forecast)

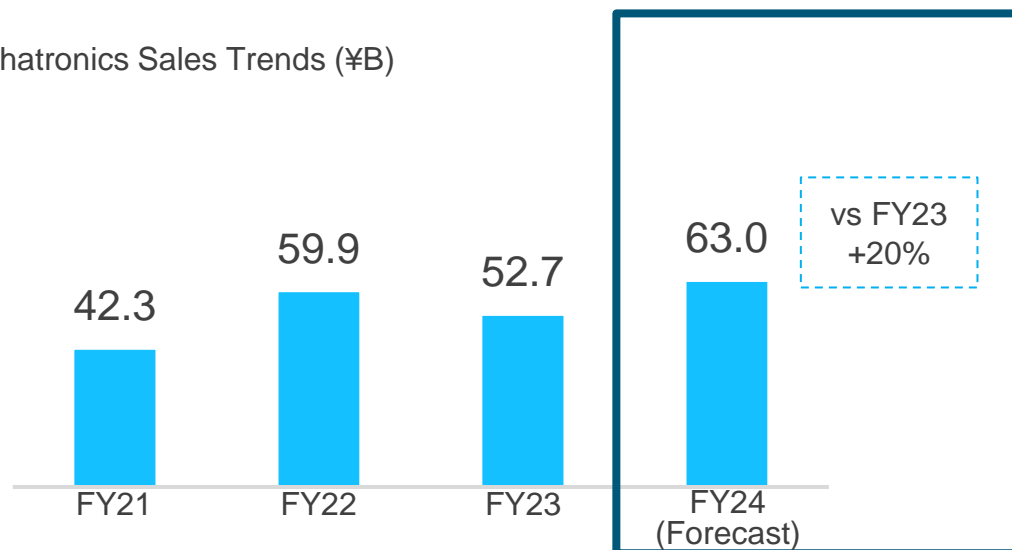
- Our supply capacity has been promptly increased in response to customers' strong appetite for investment in HBM. Sales forecast is revised upward due to prospects for increased production.

Applications	FY21	FY22	FY23	FY24e
DRAM	60%	60%	90%	95%
Non-Volatile Memory	40%	40%	10%	5%

Numbers are rounded to the nearest 5%

# FY24 Outlook by Segment

Mechatronics Sales Trends (¥B)

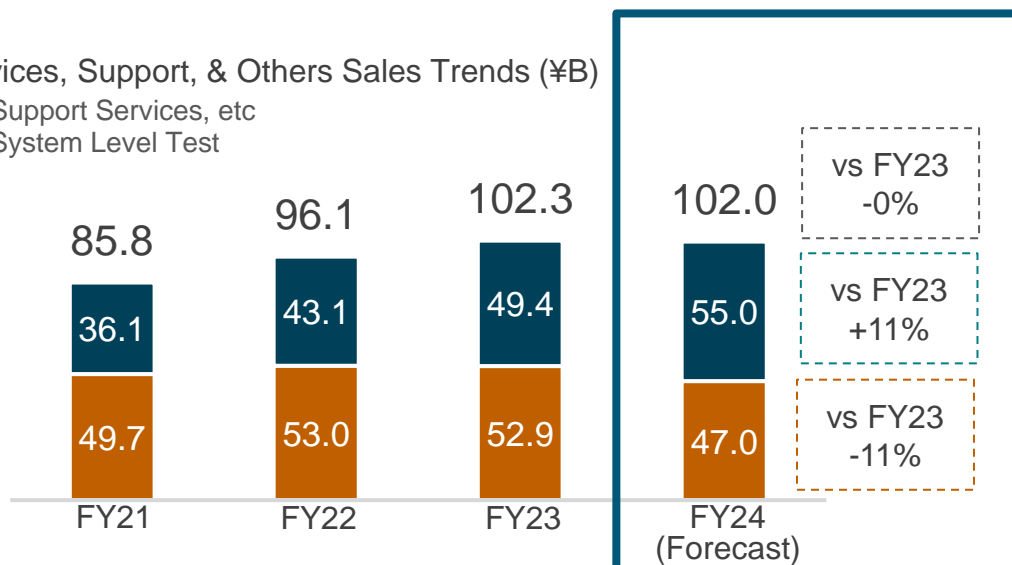


## Mechatronics Systems (+¥8.0B vs April forecast)

- Sales forecast of device interface products is revised upward in tandem with the increase in sales forecast for testers.

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

■ Support Services, etc  
■ System Level Test



## Services, Support, & Others (+¥3.0B vs April forecast)

- Solid demand for support services is expected due to the steady growth of our installed base.
- For the system level test business, sales forecast is raised slightly on the back of increasing complexity and high reliability requirements for semiconductors, despite continued uncertainty in the consumer application.



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