Advantest's Path to the Future

Group CEO Douglas Lefever

- Good morning. Thank you very much for joining us today.
- It is a great honor to address you at this Annual General Meeting.
- Today, I would like to share with you three things.
- First, I will look back on fiscal year 2025, which was another outstanding year for Advantest.
- Second, I will explain how we got here — why our recent success is not simply the result of market conditions, but the outcome of a strategy we have been pursuing for many years.
- And finally, I will speak about what comes next, and how we intend to build the next phase of Advantest's growth.

Note

Accounting Standards

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

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– This presentation and any information provided orally by Advantest representatives 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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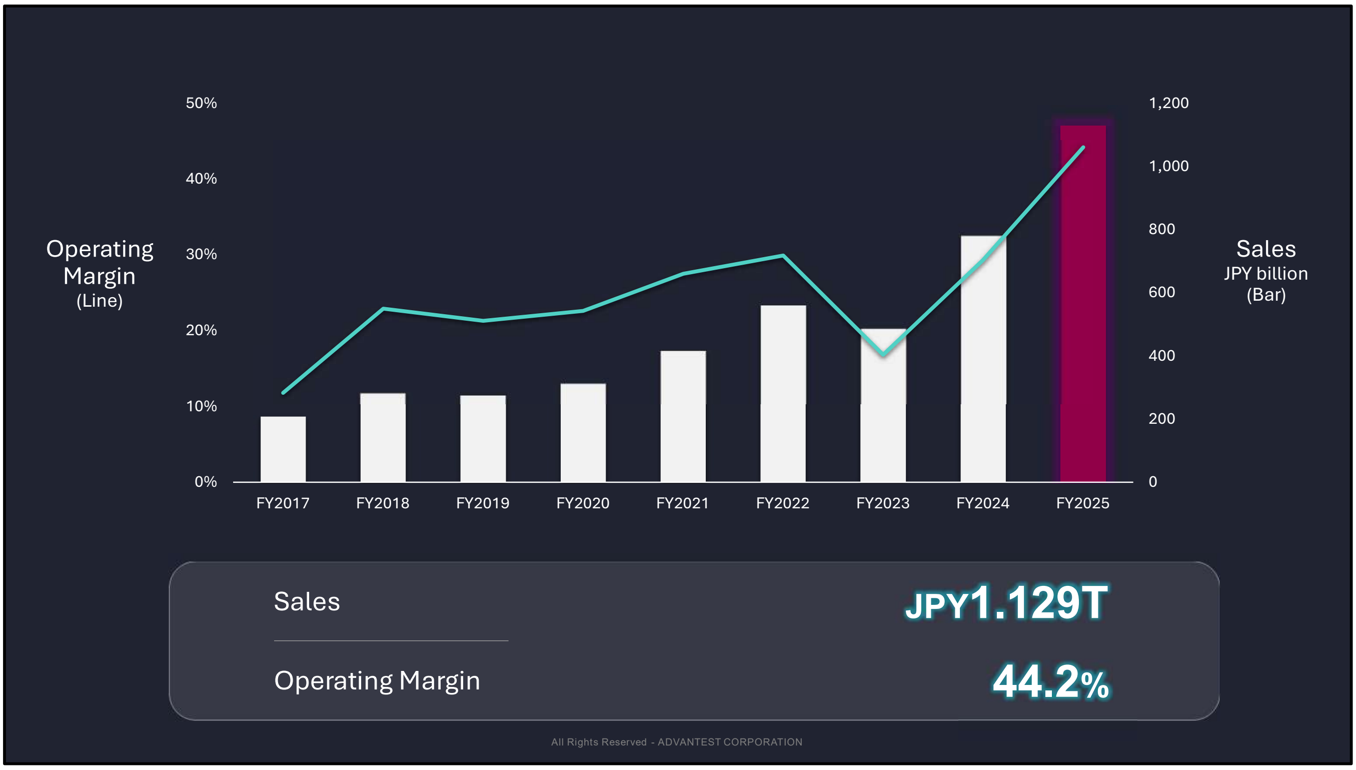
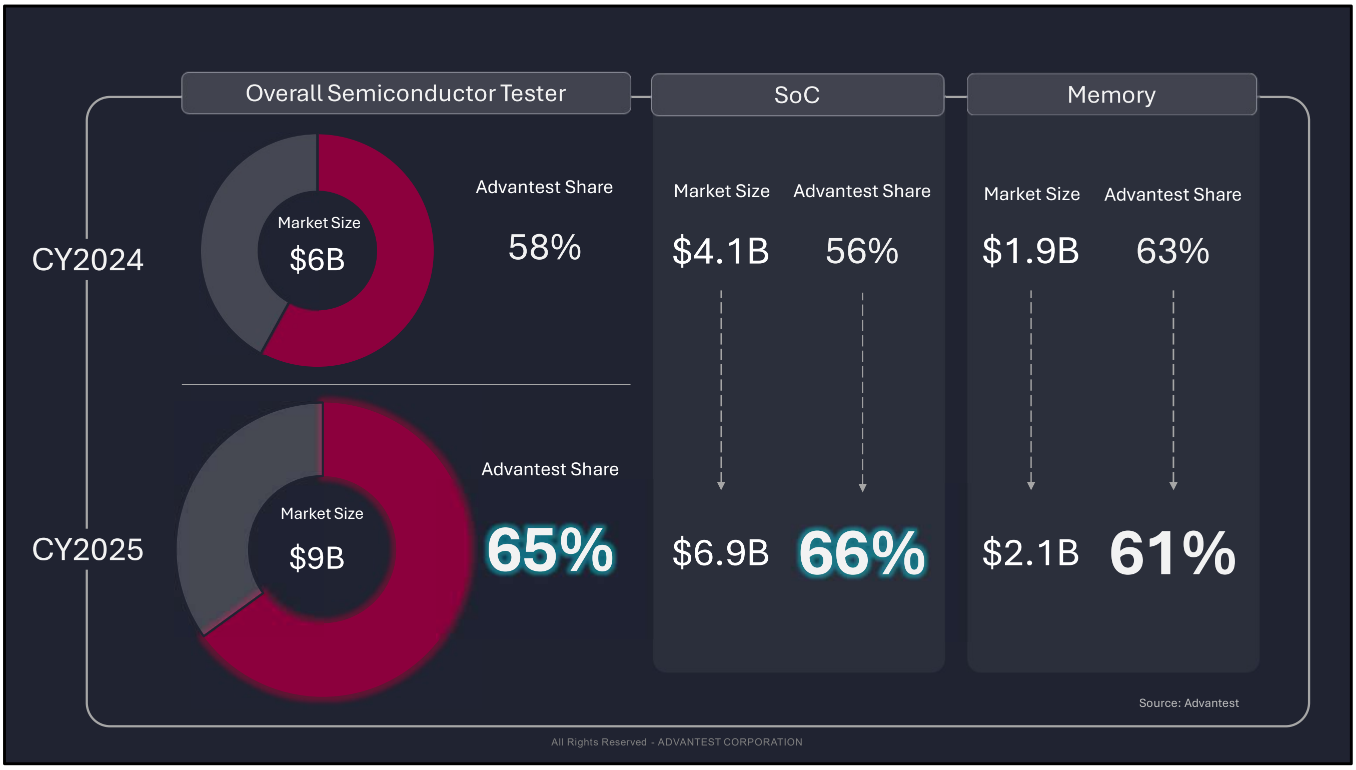
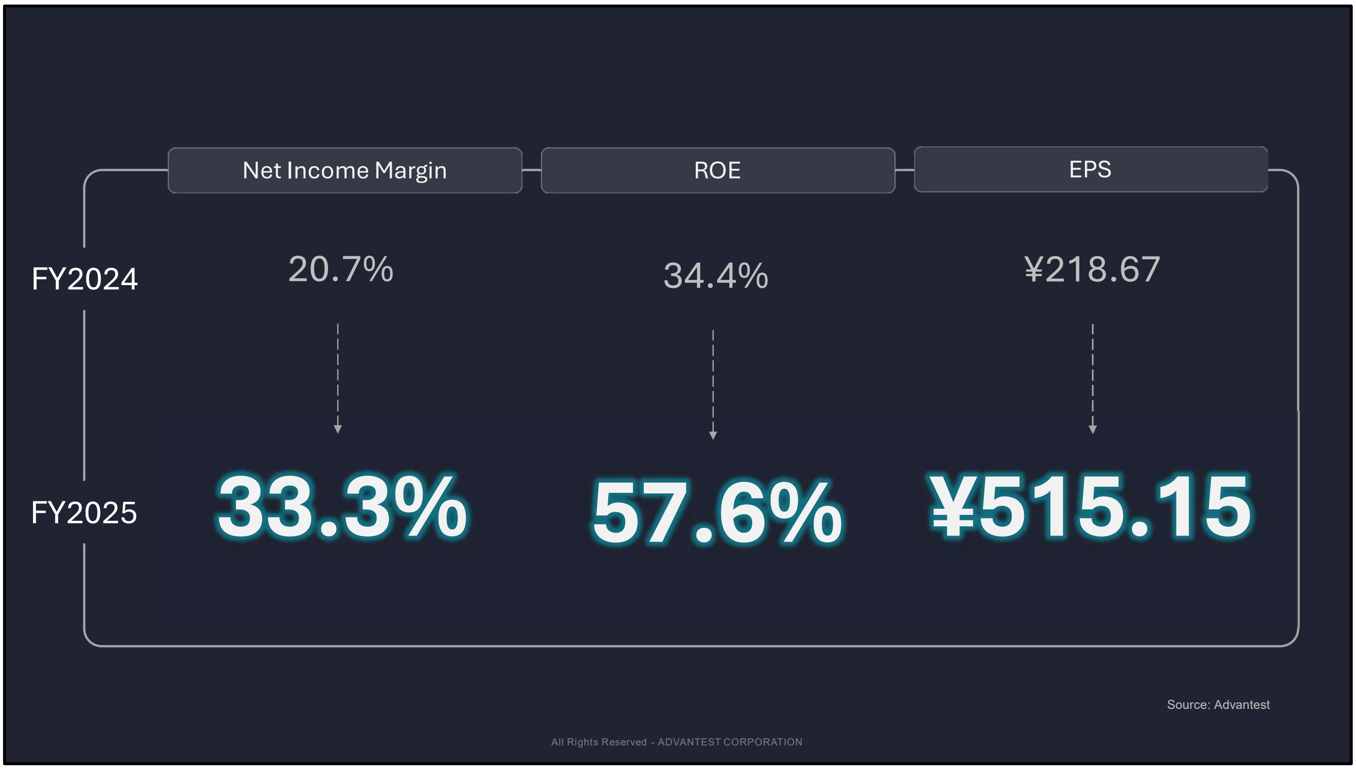
- (No speech will be delivered on this slide. Few-second projection only.)



- Fiscal year 2025 was another outstanding year for Advantest.
- We achieved sales of more than one trillion yen for the first time in our history. We also delivered record profits, marking a major milestone for the company.
- These results reflect the strong growth of the semiconductor industry, particularly in AI and high-performance computing. But more importantly, they reflect the strength of Advantest’s position in that industry.
- We were able to capture the opportunities in front of us because we had the right products, the right customer relationships, the right supply chain, and the right execution capability.
- This was not simply a good year. It was a year that demonstrated the strength of the company we have been building.

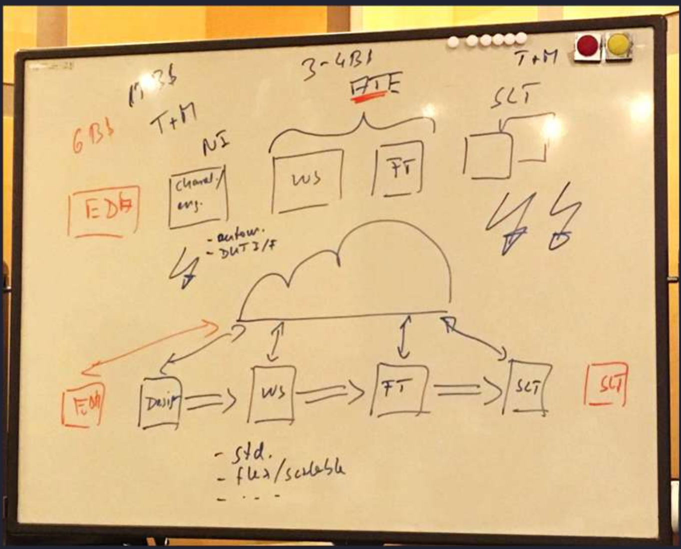


- One of the most important indicators of our progress is market share.
- In the SoC test market, we added an unprecedented 10 percentage points of market share. This is an extraordinary achievement. To my knowledge, this kind of market share gain has never been achieved before in our industry.
- This did not happen by chance. It was the result of years of investment in our core technologies, close collaboration with customers, and our ability to deliver integrated test solutions that meet increasingly complex requirements.
- Advantest is now in an even stronger position in AI and high-performance computing areas, including GPU and CPU providers, as well as hyperscalers and their custom ASIC partners.
- In these critical segments, our position has become more dominant, and our relevance to customers has continued to increase.



- What I would like to highlight here is that our FY2025 performance was not simply about expanding the scale of the company.
- Net Income Margin, ROE, and EPS all improved significantly year over year.
- This shows that we were not only able to capture market opportunities, but also translate that growth into strong profitability, efficient use of capital, and higher value per share.

Management Discussion in 2017



Test-related Product Supplier

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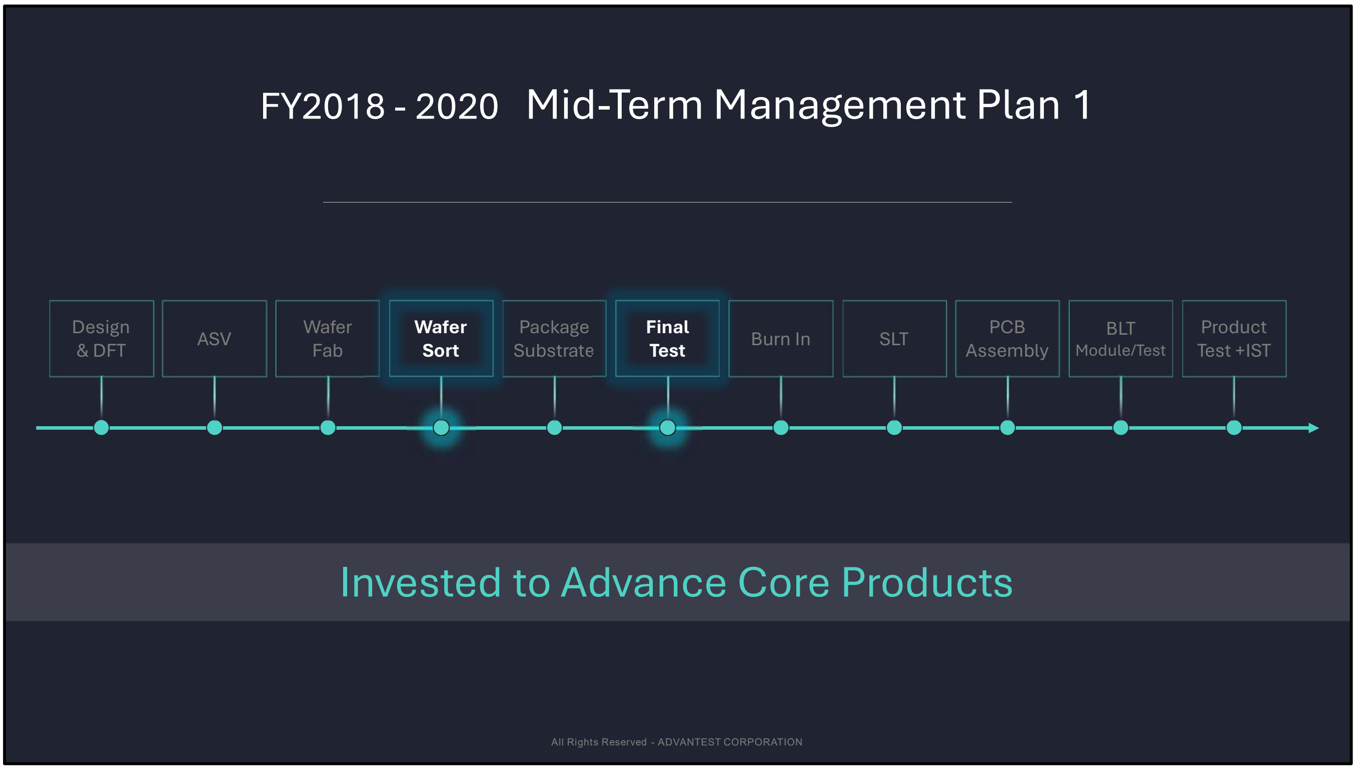
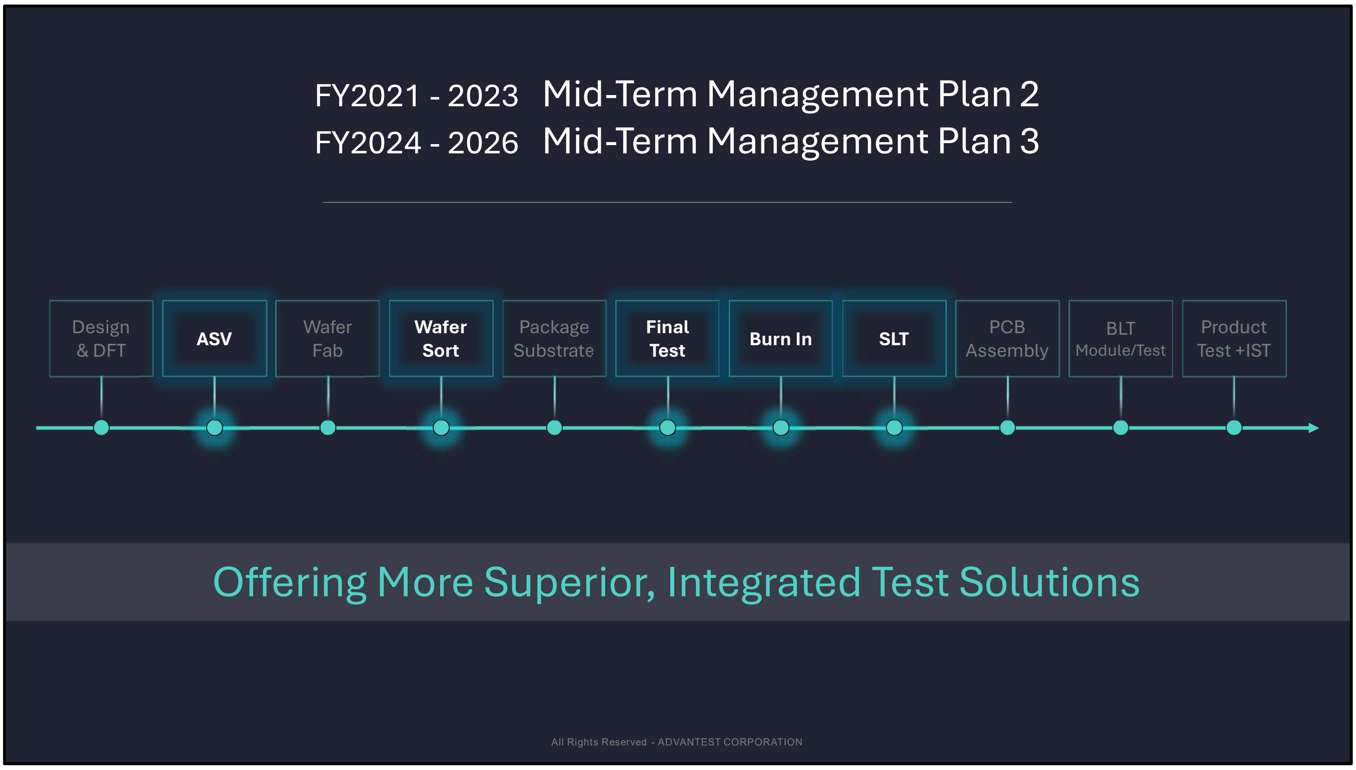
Integrated Test Solution Provider

- So, how did we get here?
- To answer that question, I would like to go back to 2017.
- This photo shows one of our management discussions at that time. It may look like a simple whiteboard discussion, but for Advantest, it captures the starting point of an important transformation.
- At that time, we spent many hours in serious management discussions around one fundamental question: how could Advantest increase its corporate value over the mid to long term?
- We discussed how to strengthen our core test businesses, how to expand the value we provide to customers, and how Advantest should position itself for the future of semiconductor test.
- Through those discussions, the direction became clearer.
- We recognized that our role should not be limited to supplying individual test-related products.
- We needed to evolve toward providing more integrated test solutions that could address broader and more complex customer challenges.
- In other words, this was the starting point of our journey from a test-related product supplier to an integrated test solution provider.
- But this vision was not achieved in one step. It was translated into action through our mid-term management plans.

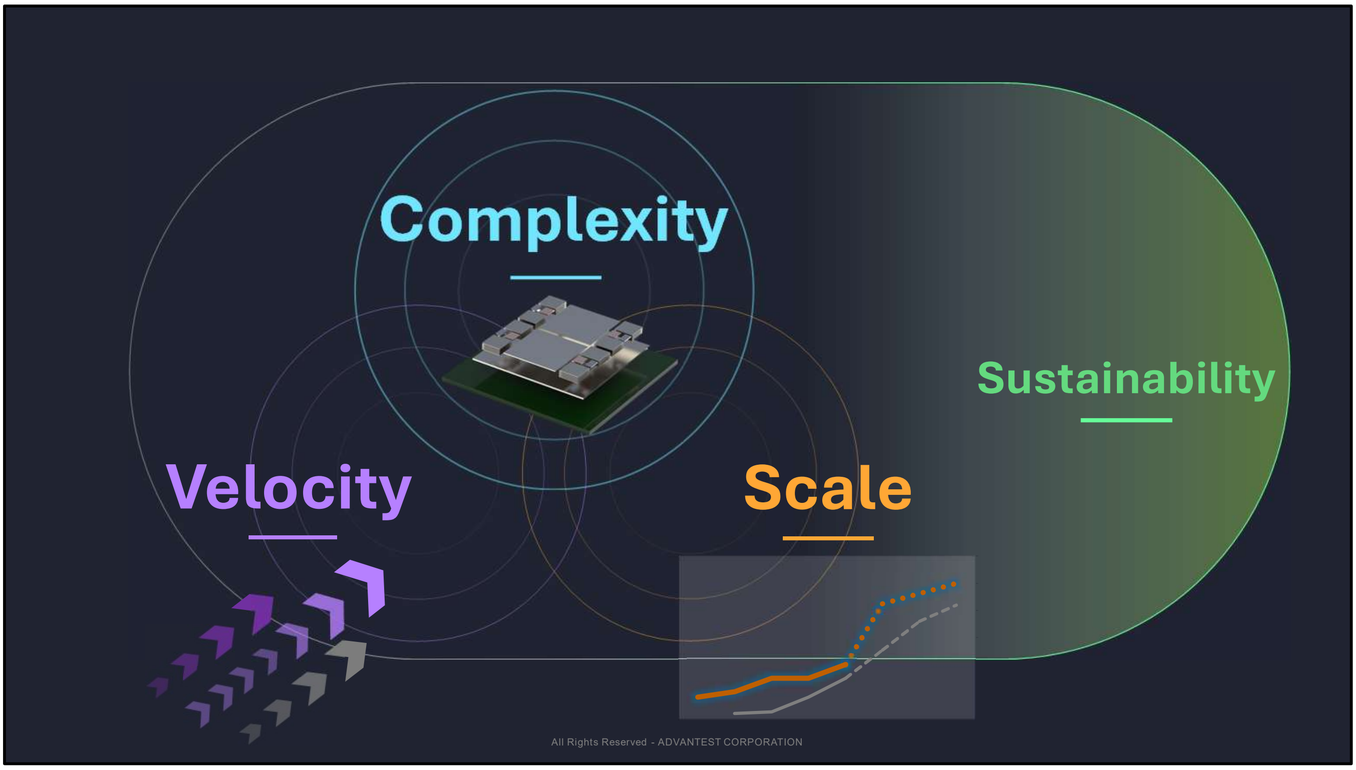


- The first step was the First Mid-Term management Plan.
- This diagram shows the semiconductor value chain, from design and wafer fabrication to wafer sort, final test, system-level test, and product-level testing.
- Advantest’s core role has been to provide tester solutions mainly at two critical points in this value chain: wafer sort and final test. These were, and still are, the foundation of our business.
- In the First Mid-Term management Plan, our main focus was to further strengthen these traditional core tester products.
- We invested in product performance, technology capability, quality, and customer support.
- The First Mid-Term management Plan therefore strengthened the foundation for the transformation that followed.

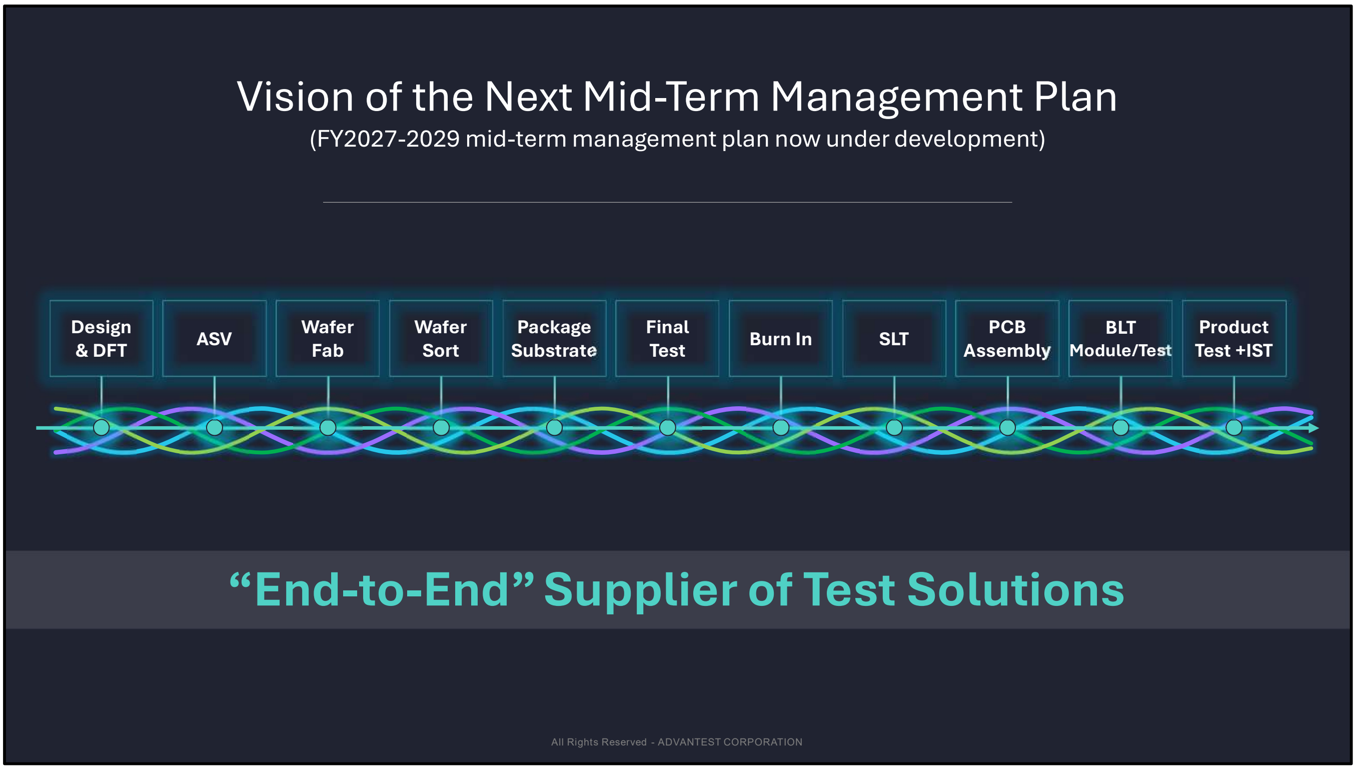


- In the Second and Third Mid-Term management Plan, we began to expand both the range and the depth of the value we provide.
- First, we expanded the range of our solutions across the semiconductor value chain.
- Our focus expanded beyond testers to areas such as automated silicon validation, burn-in, and system-level test.
- This reflected the changing needs of customers. As semiconductor devices became more complex, test challenges were no longer limited to only two points in the value chain.
- Second, we also deepened the solutions around the testing itself.
- Testing is not performed by a tester alone. It requires a broader test cell, including sockets, load boards, handlers, thermal control, software, data analytics, and engineering support.
- Through the Second and Third Mid-Term management Plan, we strengthened these peripheral and enabling capabilities, so that we could provide more complete and integrated test solutions to customers.
- This is how Advantest moved from being mainly a tester product supplier to becoming an integrated test solution provider.
- And now, as we enter the final year of Third Mid-Term management Plan, we are preparing ourselves for the next phase of this evolution.

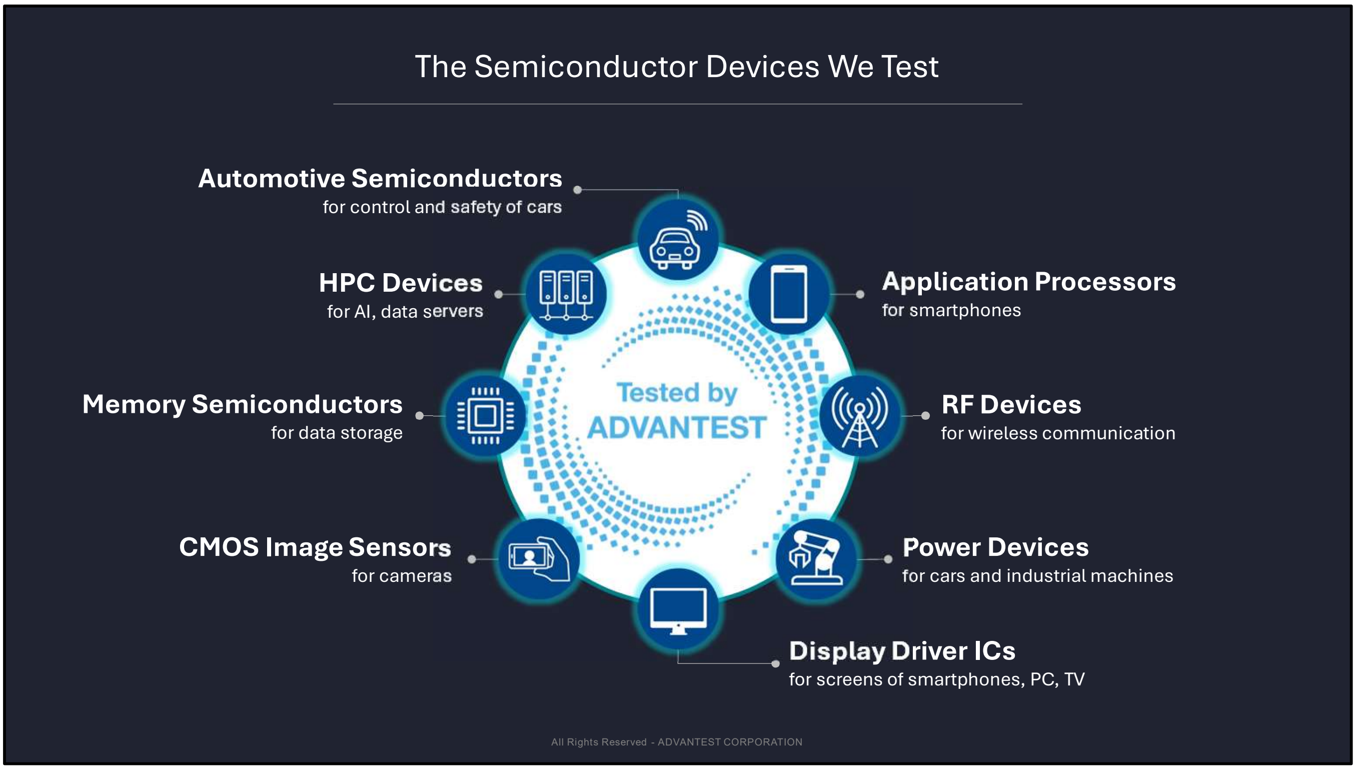
- Also, throughout the last 8 years, we have built on our world class customer support and deepened the relationships.
- The trust our customers have in Advantest is second to none.
- And, during that time, we have built a resilient supply chain capable of meeting the skyrocketing demands of the industry.
- While we didn't fully predict the immense growth brought on by the emergence of AI, our company was perfectly positioned to take advantage of this wave
- And we have executed very well and we have lived up to our vision statement.



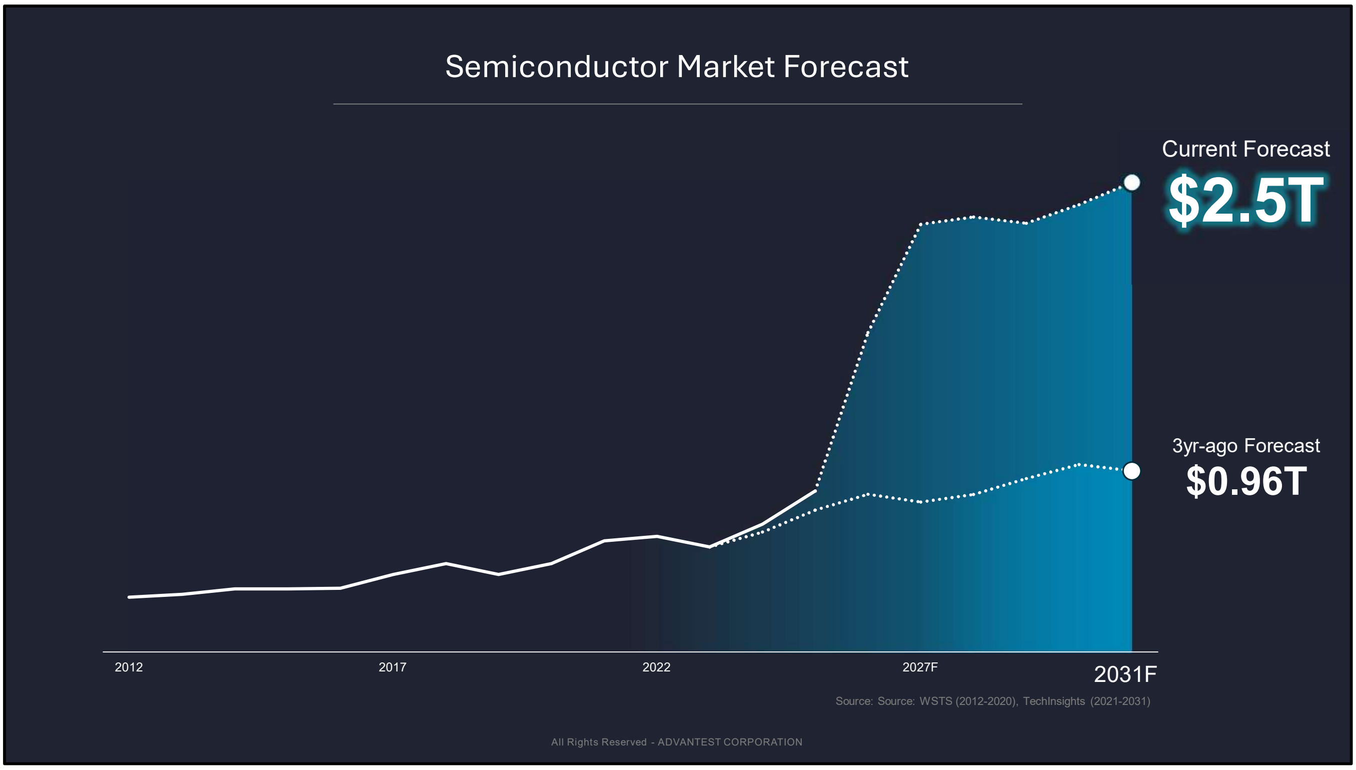
- Looking ahead, the environment surrounding our customers and our industry will continue to change rapidly.
- The next phase of Advantest's growth will be guided by several important themes.
- The first is Complexity.
- Semiconductor devices are becoming more complex, and test challenges are becoming more integrated across the value chain.
- The second is Velocity.
- Customers need to bring new products to market faster and reach stable production sooner.
- The third is Scale.
- The growth of AI and high-performance computing is requiring us to respond at a much larger scale.
- And all of this must be supported by Sustainability.
- We must continue to grow while building a company that can create value over the long term.



- Seven years ago, as I showed on the whiteboard in the earlier slide, our management team discussed what Advantest should become in the future.
- And we defined a clear ambition: to become an integrated test solutions provider.
- Since then, that vision has guided our strategy and investments. The transformation of Advantest over the past seven years has been deliberate and consistent.
- As you can see today, much of what was once just a concept on a whiteboard is now becoming reality.
- We are now preparing for the next step: extending our value across the entire semiconductor value chain and evolving toward an end-to-end supplier of test solutions.
- We will bring together our core hardware and software technologies, our broader portfolio, data capabilities, engineering expertise, and ecosystem partners to support customers across the semiconductor value chain.
- In doing so, we aim to further expand the value Advantest provides to customers and strengthen our role in the semiconductor value chain.



- In today's environment, there is a lot of discussion and concern about over-dependence on AI.
- We believe that artificial intelligence will continue to drive growth in the semiconductor industry for many years to come. At the same time, we are also very aware that Advantest must continue to deliver solutions for the broader semiconductor industry.
- As this slide shows, the devices we test are not limited to AI or high-performance computing. We support a wide range of semiconductor applications, including memory, RF devices, application processors, power devices, automotive semiconductors, display driver ICs, and CMOS image sensors.
- We have built Advantest around the belief that semiconductors will continue to grow across many applications and many industries far into the future.
- At any given time, growth may be concentrated in one area. Today, that area is clearly high-performance computing for AI infrastructure and emerging edge applications. In the future, the next major growth driver may be something else.
- What matters is that Advantest is prepared to support whichever applications drive the next wave of semiconductor growth.
- Earlier this month, we celebrated our 72nd anniversary as a company. Over those many decades, we have lived through many industry cycles. Through those experiences, we have learned what it takes to remain a sustainable company.
- There are three critical actions we continue to take.
- First, we constantly review and update our mid-term and long-term strategies, so that we can focus our future investments in the right areas.
- Second, we maintain a strong financial structure, supported by a healthy balance sheet and disciplined fixed costs.
- Third, we continue to nurture the Advantest culture. This culture is one of our most valuable and sustainable assets.
- This is how we will capture the opportunities created by AI, while continuing to serve the broad semiconductor industry and build Advantest for the long term.



- In just a few years, the outlook for the semiconductor market has changed dramatically.
- In the past forecast three years ago, the semiconductor market was projected to reach approximately $0.96 trillion by 2031.
- In the latest forecast, however, that projection has been revised sharply upward to approximately $2.5 trillion.
- For Advantest, this powerful market expansion represents a tremendous business opportunity. Through the industry's broadest portfolio of test solutions, we will continue to contribute to the further advancement of the semiconductor market.
- At the same time, it also presents a major challenge. The market is expanding at a pace far beyond what was anticipated just a few years ago, while the semiconductor devices we test—and the test technologies required for them—are becoming increasingly complex.
- To translate this profound change into sustainable growth, we must address rising complexity, move quickly in the right direction, and deliver value at greater scale.
- Advantest will continue to advance with confidence—addressing Complexity, accelerating with Velocity, and achieving Scale.

- We have an excellent management team to carry out the vision I have spoken to you today and we also have a supportive Board of Directors representing all of you.
- We are grateful for the trust you have put into Advantest and we are proud that we can deliver the results for you in the past and into the future.
- Thank you very much for your continued support and for your kind attention today.