

(The following is an unofficial English translation of the Reference Documents for the 83rd Ordinary General Meeting of Shareholders and Business Report (Matters for Document Delivery) of Advantest Corporation (the “Company”). Please understand that the order may differ from the original Japanese version. This translation is provided solely for your reference and convenience and without any warranty as to its accuracy or otherwise. Please note that pictures, graphs, and reference materials included in the original Japanese version have been omitted from this translation.)

(Stock Code Number: 6857)

Message to Shareholders

To Our Shareholders

We are pleased to send you this Convocation Notice for the 83rd Ordinary General Meeting of Shareholders.

During the Company group's fiscal year ended March 31, 2025, despite the ongoing uncertainty due to geopolitical risks, the global economy as a whole trended firm, supported by the easing of monetary tightening policies particularly in Europe and the U.S.

Under such global economic conditions, the semiconductor market shifted from the correction phase of the previous fiscal year to a recovery phase. In particular, in the Company group's semiconductor test equipment business, demand for AI-related high-performance semiconductors, such as HPC devices for data centers and high-performance DRAM, increased significantly.

In order to meet our customers' delivery requirements to the greatest extent possible, the Company group worked to ensure timely procurement of parts and product supply capabilities. Our measures, such as long-term agreements with existing suppliers and the diversification of the supply chain for core parts, have been successful.

As a result, in the consolidated fiscal year ended March 31, 2025, net sales were JPY 779.7 billion, operating income was JPY 228.2 billion, income before income taxes was JPY 224.8 billion, and net income was JPY 161.2 billion, all of which marked record highs for a consolidated fiscal year, mainly driven by factors such as an increase in the sales mix of high-margin products and the positive impact of a weaker yen on both sales and profits.

With respect to the year-end dividend distribution to shareholders, we resolved at the meeting of the Board of Directors held on May 22, 2025 to distribute a year-end dividend of JPY 20 per share, with payment to begin on June 6, 2025.

We hope that we may rely on you for your continued support and guidance in the future.

June 2025
Douglas Lefever
Representative Director,
Senior Executive Officer, Group CEO

Koichi Tsukui
Representative Director,
Senior Executive Officer and President, Group COO

Reference Documents for the General Meeting of Shareholders

Agenda Items and Reference Matters:

Agenda Item No. 1: Partial Amendment of Articles of Incorporation

1. Purposes of the Amendments

The Company believes that appropriate disclosure of information prior to the General Meeting of Shareholders is essential for engaging with shareholders constructively and effectively. Based on this belief, the Company proposes to change the record date for the voting rights at the Ordinary General Meeting of Shareholders to May 15. This change is intended to enable the convocation of the Ordinary General Meeting of Shareholders on the date between late July and early August, with a view to the integrated disclosure of the Annual Securities Report and the Business Report.

2. Details of the Amendments

Details of the Amendments are as follows:

(The underlined text is to be amended.)


Current Articles of Incorporation	Proposed Amendments
(Record Date) Article 11 1. The record date for the voting rights at the ordinary general meeting of shareholders of the Company shall be <u>March 31</u> of each year. 2. <u>In addition to the case provided for in</u> the preceding paragraph, whenever necessary, in accordance with a resolution of the Board of Directors and upon giving prior public notice, the Company may set <u>a</u> record date <u>as necessary</u> .	(Record Date <u>for Ordinary General Meeting of Shareholders</u>) Article 11 1. The record date for the voting rights at the ordinary general meeting of shareholders of the Company shall be <u>May 15</u> of each year. 2. <u>Notwithstanding the provisions of</u> the preceding paragraph, whenever necessary, in accordance with a resolution of the Board of Directors and upon giving prior public notice, the Company may <u>separately</u> set <u>the</u> record date <u>set forth in the preceding paragraph</u> .
(Convocation of General Meeting of Shareholders) Article 12 The ordinary general meeting of shareholders shall be convened within three (3) months <u>after April 1 each year</u> and the extraordinary general meeting of shareholders shall be convened at any time whenever necessary.	(Convocation of General Meeting of Shareholders) Article 12 The ordinary general meeting of shareholders shall be convened within three (3) months <u>from the record date set forth in the preceding article</u> , and the extraordinary general meeting of shareholders shall be convened at any time whenever necessary.

Agenda Item No. 2: Election of 6 Directors (excluding Directors who are Audit and Supervisory Committee members)


The term of office of all 6 current Directors (excluding Directors who are Audit and Supervisory Committee members) will expire at the conclusion of this Ordinary General Meeting of Shareholders. The Company therefore proposes the election of 6 Directors (excluding Directors who are Audit and Supervisory Committee members). The Company has received a report from the Audit and Supervisory Committee stating that this agenda was decided by the Board of Directors following the deliberation by the Nomination and Compensation Committee, taking into consideration the career, capabilities, personality, and other attributes of each candidate in a comprehensive manner, and that the candidate nomination procedure was appropriate and there were no particular issues to note.


Below are the profiles of the candidates for the Director (excluding Directors who are Audit and Supervisory Committee members).


Candidate No.	Name	Present position and assignment	Number of meetings of the Board of Directors attended
1	<div>Reappointed</div> Douglas Lefever	Representative Director, Senior Executive Officer, Group CEO (Corporate Strategy & Finance, Business Promotion, Technology in charge)	13/13 (100%)
2	<div>Reappointed</div> Koichi Tsukui	Representative Director, Senior Executive Officer and President, Group COO (Human Capital & General Affairs & Legal, Supply Chain, Business Process Innovation in charge)	12/13 (92%)
3	<div>Reappointed</div> Yoshiaki Yoshida	Director, Chairperson of the Board	13/13 (100%)
4	<div>Reappointed</div> <div>Independent</div> Toshimitsu Urabe	Outside Director	13/13 (100%)
5	<div>Reappointed</div> <div>Independent</div> Nicholas Benes	Outside Director	13/13 (100%)
6	<div>Reappointed</div> <div>Independent</div> Naoto Nishida	Outside Director	13/13 (100%)


	Name (Date of Birth)	Brief Career Summary, Current Position and Responsibilities, and Other Significant Concurrent Positions (if any)		Number of the Company Shares Held
1	<div></div> <div>Douglas Lefever</div> <div>Reappointed</div> <div>(December 10, 1970)</div> <div>Number of Years as Director: 5 years</div>	June 1998	Joined Advantest America, Inc.	14,624
		August 2014	Executive Officer, Advantest Corporation	
		September 2014	Director, President and CEO, Advantest America, Inc.	
		June 2017	Managing Executive Officer, Advantest Corporation	
		June 2020	Director, Managing Executive Officer	
		June 2021	Director, Senior Executive Officer CSO (Chief Strategy Officer)	Number of the Company Shares to be provided under the Restricted Stock Compensation
		January 2023	Representative Director, Corporate Vice President, Group COO (Chief Operating Officer)	
		June 2023	Representative Director, Corporate Vice President Group COO (Corporate Strategy, Business Promotion, Technology in charge) Chairman, Advantest America, Inc.	
		April 2024	Representative Director, Senior Executive Officer (present position) Group CEO (Corporate Strategy, Business Promotion, Technology in charge)	
		April 2025	Group CEO (Corporate Strategy & Finance, Business Promotion, Technology in charge) (present position)	
Reason for Nomination as Director Mr. Douglas Lefever is responsible for promoting business development, primarily in the United States (Silicon Valley). Mr. Douglas Lefever had served as Representative Director, Corporate Vice President, Group COO of the Company since January 2023, and has served as Representative Director, Senior Executive Officer, Group CEO since April 2024. He possesses a wealth of knowledge and experience in the Company group’s business operations and corporate management. The Company expects him to contribute to enhancing and invigorating the diversity of the Board of Directors. Thus, the Company has determined that he is well qualified to realize the sustainable enhancement of corporate value and has re-nominated him as a candidate for a Director.				

	Name (Date of Birth)	Brief Career Summary, Current Position and Responsibilities, and Other Significant Concurrent Positions (if any)		Number of the Company Shares Held
2	 <p>Koichi Tsukui</p> <p>Reappointed</p> <p>(December 11, 1964)</p> <p>Number of Years as Director: 5 years</p>	<p>April 1987</p> <p>June 2014</p> <p>June 2015</p> <p>June 2020</p> <p>June 2021</p> <p>January 2023</p> <p>June 2023</p> <p>April 2024</p> <p>June 2024</p> <p>April 2025</p>	<p>Joined Advantest Corporation</p> <p>Executive Officer</p> <p>Managing Executive Officer</p> <p>Director, Managing Executive Officer</p> <p>Director, Senior Executive Officer</p> <p>CTO (Chief Technology Officer)</p> <p>Representative Director, Corporate Vice President, Group Co-COO</p> <p>Representative Director, Corporate Vice President</p> <p>Group Co-COO (Production, Business Process Innovation in charge)</p> <p>Representative Director, Senior Executive Officer and President (present position)</p> <p>Group COO (Administration, Production, Business Process Innovation in charge)</p> <p>Group COO (Administration, Supply Chain, Business Process Innovation in charge)</p> <p>Group COO (Human Capital & General Affairs & Legal, Supply Chain, Business Process Innovation in charge) (present position)</p>	74,407
<p>Reason for Nomination as Director</p> <p>Mr. Koichi Tsukui has been engaged in business operations and sales and marketing operations for many years, including an overseas assignment in Germany. Mr. Koichi Tsukui had served as Representative Director, Corporate Vice President, Group Co-COO of the Company since January 2023, and has served as Representative Director, Senior Executive Officer and President, Group COO since April 2024. He possesses a wealth of knowledge and experience in the Company group's business and corporate management. Thus, the Company has determined that he is well qualified to realize the sustainable enhancement of corporate value and has re-nominated him as a candidate for a Director.</p>				

	Name (Date of Birth)	Brief Career Summary, Current Position and Responsibilities, and Other Significant Concurrent Positions (if any)		Number of the Company Shares Held
3	 <p>Yoshiaki Yoshida</p> <p>Reappointed</p> <p>(February 8, 1958)</p> <p>Number of Years as Director: 12 years</p>	<p>April 1999</p> <p>June 2006</p> <p>June 2009</p> <p>June 2013</p> <p>June 2016</p> <p>January 2017</p> <p>January 2023</p> <p>June 2023</p> <p>April 2024</p>	<p>Joined Advantest Corporation</p> <p>Executive Officer</p> <p>Managing Executive Officer</p> <p>Director, Managing Executive Officer</p> <p>Director, Senior Executive Officer</p> <p>Representative Director, President and CEO</p> <p>Representative Director, President and Group CEO</p> <p>Representative Director, President</p> <p>Group CEO (Administration, New Area Business Development Initiative in charge)</p> <p>Director, Chairperson of the Board (present position)</p>	298,243
	<p>Reason for Nomination as Director</p> <p>After serving as Representative Director of a subsidiary of the Company, Executive Vice President of the Corporate Planning Group, Executive Vice President of the Corporate Relations Group, and Executive Vice President of the Nanotechnology Business Group, Mr. Yoshiaki Yoshida served as Representative Director, President and CEO of the Company from January 2017, and as Representative Director, President and Group CEO of the Company from January 2023. Since April 2024, he has served as Chairperson of the Board, overseeing management from a non-executive position. He possesses a wealth of knowledge and experience in the Company group's business and corporate management. Thus, the Company has determined that he is well qualified to realize the sustainable enhancement of corporate value and has re-nominated him as a candidate for a Director.</p>			

	Name (Date of Birth)	Brief Career Summary, Current Position and Responsibilities, and Other Significant Concurrent Positions (if any)		Number of the Company Shares Held
4	 <p>Toshimitsu Urabe</p> <p>Reappointed</p> <p>Independent</p> <p>(October 2, 1954)</p> <p>Number of Years as Outside Director: 6 years</p>	<p>April 1978</p> <p>April 2009</p> <p>April 2011</p> <p>April 2013</p> <p>April 2017</p> <p>June 2017</p> <p>June 2019</p> <p>April 2021</p>	<p>Joined Mitsubishi Corporation</p> <p>Senior Vice President and Deputy Chief Representative for China of Mitsubishi Corporation, and President for Mitsubishi Corporation (Hong Kong) Ltd.</p> <p>Senior Vice President and Senior Assistant to Senior Executive Vice President, Human Resources of Mitsubishi Corporation</p> <p>Executive Vice President, Group CEO, Business Service Group of Mitsubishi Corporation</p> <p>Advisor, Mitsubishi Corporation</p> <p>Deputy President and Executive Officer of Mitsubishi UFJ Lease & Finance Company Limited (currently Mitsubishi HC Capital Inc.) (Resigned as Executive Officer in March 2021) (Resigned as Director in April 2021)</p> <p>Outside Director of Advantest Corporation (present position)</p> <p>Outside Director of Japan Business Systems, Inc. (present position)</p>	5,183
<p>Reason for Nomination as Outside Director and Expected Roles</p> <p>Mr. Toshimitsu Urabe has extensive management experience at a leading Japanese general trading company and a nonbank financial institution, particularly in overseas experience in the United States and Asia, business investment decision-making, and administrative management, such as human resources and IT. The Company expects him to apply his knowledge to the Company group's global management, thereby contributing to the sustainable enhancement of corporate value and the revitalization of the Board of Directors. Thus, the Company has determined that he is well qualified to serve as an Outside Director, and has re-nominated him as a candidate for an Outside Director.</p> <p>Supplementary Information with respect to Independence</p> <p>Mr. Toshimitsu Urabe has no special transactions with the Company that would affect his independent judgment. In addition, in FY 2024, there were no special business relationships between the Company and Japan Business Systems, Inc.</p> <p>Therefore, the Company has determined that he is sufficiently independent in accordance with the Independence Criteria of Independent Outside Directors established by the Company. Furthermore, as he also satisfies the requirements for independent directors set forth by Tokyo Stock Exchange, Inc., the Company has registered him as an Independent Director.</p>				

	Name (Date of Birth)	Brief Career Summary, Current Position and Responsibilities, and Other Significant Concurrent Positions (if any)	Number of the Company Shares Held
5	 <p>Nicholas Benes</p> <p>Reappointed</p> <p>Independent</p> <p>(April 16, 1956)</p> <p>Number of Years as Outside Director: 6 years</p>	<p>September 1983 Joined Morgan Guaranty Trust Company of New York (currently JPMorgan Chase & Co.)</p> <p>November 1983 Joined California State Bar Association.</p> <p>October 1984 Joined New York State Bar Association.</p> <p>May 1994 Senior Managing Director, Kamakura Corporation</p> <p>April 1997 President and Founder, JTP Corporation</p> <p>March 2000 Outside Director, Alps Mapping Co., Ltd.</p> <p>December 2006 Outside Director, Livedoor Holdings Co., Ltd.</p> <p>March 2007 Outside Director, Cecile Co., Ltd.</p> <p>November 2009 Representative Director, The Board Director Training Institute of Japan (present position)</p> <p>June 2016 Outside Director, Imagica Robot Holdings Inc. (currently IMAGICA GROUP Inc.)</p> <p>June 2019 Outside Director of Advantest Corporation (present position)</p>	3,000
<p>Reason for Nomination as Outside Director and Expected Roles</p> <p>Mr. Nicholas Benes has extensive knowledge and experience in corporate governance and investment banking, including M&A transactions. The Company expects him to apply his knowledge of corporate governance, finance matters and the shareholder-oriented perspective to the Company group's global management, thereby contributing to the sustainable enhancement of corporate value and the revitalization of the Board of Directors. Thus, the Company has determined that he is well qualified to serve as an Outside Director, and has re-nominated him as a candidate for an Outside Director.</p> <p>Supplementary Information with respect to Independence</p> <p>Mr. Nicholas Benes has no special transactions with the Company that would affect his independent judgment. The Company has paid an annual fee to, and received executive training from the Board Director Training Institute of Japan, where he serves as a Representative Director. The amount of payment to the Board Director Training Institute of Japan in FY2024 was less than JPY 1,000,000.</p> <p>Therefore, the Company has determined that the institute does not constitute a significant business partner as defined in the Independence Criteria of Independent Outside Directors established by the Company, and accordingly, he is sufficiently independent. Furthermore, as he also satisfies the requirements for independent directors set forth by Tokyo Stock Exchange, Inc., the Company has registered him as an Independent Director.</p>			

	Name (Date of Birth)	Brief Career Summary, Current Position and Responsibilities, and Other Significant Concurrent Positions (if any)		Number of the Company Shares Held
6	 <p>Naoto Nishida</p> <p>Reappointed</p> <p>Independent</p> <p>(February 11, 1954)</p> <p>Number of Years as Outside Director: 2 years</p>	<p>April 1978</p> <p>June 2007</p> <p>April 2009</p> <p>April 2011</p> <p>June 2012</p> <p>June 2013</p> <p>June 2014</p> <p>September 2015</p> <p>April 2016</p> <p>November 2017</p> <p>June 2023</p>	<p>Joined Toshiba Corporation</p> <p>Director, Production Engineering Center, Toshiba Corporation</p> <p>General Manager, Productivity Planning Division, Toshiba Corporation</p> <p>General Manager, Technology Planning Division, Toshiba Corporation</p> <p>Executive Officer, Corporate Vice President (General Manager, Technology Planning Division), Toshiba Corporation</p> <p>Executive Officer, Corporate Senior Vice President (In charge of Procurement & Logistics Group, In charge of Production Control Group), Toshiba Corporation</p> <p>Board of Director, Executive Officer, Corporate Executive Vice President (In charge of Technology & Innovation Dept., IT system Dept., New Business Dept., Research & Development Center, Software Technology Center), Toshiba Corporation</p> <p>Executive Officer, Corporate Executive Vice President (In charge of Research & Development Management Dept.), Toshiba Corporation</p> <p>Executive Officer, Corporate Executive Vice President (In charge of Technology Management Dept.), Toshiba Corporation</p> <p>Special Commission, Toshiba Corporation (present position)</p> <p>Outside Director of Advantest Corporation (present position)</p>	1,325
<p>Reason for Nomination as Outside Director and Expected Roles</p> <p>Mr. Naoto Nishida possesses a wealth of knowledge and experience as a laser technology expert, in addition to his expertise in technology, supply chain management (SCM), production, and research & development at a global company deeply involved in semiconductors. The Company expects him to apply his expertise in our business, industry, and technology as well as his perspectives on strategic innovation to the Company group's global management, thereby contributing to the sustainable enhancement of corporate value and the revitalization of the Board of Directors. Thus, the Company has determined that he is well qualified to serve as an Outside Director, and has re-nominated him as a candidate for an Outside Director.</p> <p>Supplementary Information with respect to Independence</p> <p>Mr. Naoto Nishida has no special transactions with the Company that would affect his independent judgment. The Company has transactions with Toshiba Corporation, where Mr. Naoto Nishida serves as Special Commission, and its affiliates, including the sales of the Company's products. The amount of such transactions with Toshiba Corporation and its affiliates in FY2024 was less than 1% of the total of the Company's consolidated cost of sales and selling, general and administrative expenses.</p> <p>Therefore, the Company has determined that Toshiba Corporation does not constitute a significant business partner as defined in the Independence Criteria of Independent Outside Directors established by the Company, and accordingly, he is sufficiently independent. Furthermore, as he also satisfies the requirements for independent directors set forth by Tokyo Stock Exchange, Inc., the Company has registered him as an Independent Director.</p>				

Notes:


1. These candidates do not have any special interests with the Company.
2. Mr. Yoshiaki Yoshida is currently a Non-executive Director of the Company, and if his reappointment is approved, he will continue to serve as a Non-executive Director.
3. Messrs. Toshimitsu Urabe, Nicholas Benes, and Naoto Nishida are candidates for Outside Director.
4. The Company has entered into a limited liability agreement pursuant to Article 427, Paragraph 1 of the Companies Act with each of Messrs. Yoshiaki Yoshida, Toshimitsu Urabe, Nicholas Benes and Naoto Nishida. The upper limit of liability based on this agreement is the minimum liability as provided in the applicable laws and ordinances. If the candidates are reappointed as Directors as originally proposed, the Company will continue the respective limited liability agreements with each of them.
5. The Company has concluded a directors and officers liability insurance contract as provided for in Article 430-3, Paragraph 1 of the Companies Act, with insurance companies. The insurance policy insures all directors, executive officers and employees of the Company, including employees in managerial and supervisory positions, and all employees of Company subsidiaries, including executives and employees in managerial and supervisory positions, against legal damages and litigation expenses that may arise when the insured party assumes liability for the execution of his or her duties or is subject to a claim for the pursuit of the said liability. However, the insurance policy has certain exclusions, such as providing no coverage for damage suffered by insured parties arising from actions taken by the said insured parties with the knowledge that they were in violation of the law, to ensure that the insured parties execute their duties in an appropriate manner. The insurance premiums, including riders, are borne in their entirety by the company to which the insured party belongs, and no insurance premiums are borne by the insured parties themselves. Messrs. Douglas Lefever, Koichi Tsukui, Yoshiaki Yoshida, Toshimitsu Urabe, Nicholas Benes and Naoto Nishida are currently directors of the Company (excluding Directors who are Audit and Supervisory Committee members) and are covered by the insurance policy as insured. If they are reappointed as a Director, they will continue to be covered by the insurance policy as insured. The Company plans to renew the insurance contract while each director is in office.
6. The Company has concluded indemnification agreements with Messrs. Douglas Lefever, Koichi Tsukui, Yoshiaki Yoshida, Toshimitsu Urabe, Nicholas Benes and Naoto Nishida pursuant to Article 430-2, Paragraph 1 of the Companies Act. If the candidates are reappointed as Directors as originally proposed, the Company will continue the respective indemnification agreements with each of them. Under the said agreement, the Company shall indemnify the candidates against expenses listed in Item 1 of the Paragraph and losses listed in Item 2 of the Paragraph to the extent permitted by laws and regulations. However, certain conditions of exemption are established to ensure that the appropriateness of the execution of duties by the insured persons is not impaired by the said agreements, and the amount of expenses and losses of no less than JPY 3 million requires deliberation by the Board of Directors.
7. “Number of the Company Shares Held” is the number of the Company’s common shares held as of March 31, 2025. For residents in Japan, the number includes their interest in the Company’s Executives’ Shareholding Association, and for non-residents in Japan, the number includes their interest in the omnibus account established by Global Shares Execution Services Limited, the stock compensation plan administrator.
8. The Company has introduced a share-based compensation system for Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members), consisting of a restricted stock compensation plan and a performance share unit system. As Mr. Douglas Lefever is a Non-resident, the restricted stock unit plan (a plan in which shares of the Company are delivered after a certain period of time) is applied to him in lieu of the restricted stock compensation plan. Since the shares are to be delivered after the restricted period ends, the number of shares scheduled to be delivered under this plan is presented as “Number of Company Shares to be provided under the Restricted Stock Compensation”. Under the performance share unit system approved at the 82nd Ordinary General Meeting of Shareholders held on 28 June 2024, the number of shares to be delivered is calculated and granted based on the level of achievement of numerical performance targets for the business years corresponding to the Mid-term Management Plan (the performance evaluation period). Accordingly, the “Number of the Company Shares Held” and the “Number of Company Shares to be provided under the Restricted Stock Compensation” do not include any shares corresponding to performance evaluation period for which the achievement of performance targets has not yet been confirmed. Under this performance share unit system, the maximum total number of the Company’s common shares to be delivered to eligible Directors for each Mid-term Management Plan period (three fiscal years) is 1,200,000 shares.
9. The Company has introduced a restricted stock compensation plan as a stock-based compensation plan for Outside Directors of the Company (excluding Directors who are Audit and Supervisory Committee members).

Agenda Item No. 3: Election of 2 Directors who are Audit and Supervisory Committee members

The term of office of the current Directors who are Audit and Supervisory Committee members, Mr. Yuichi Kurita and Ms. Tomoko Nakada, will expire at the conclusion of this Ordinary General Meeting of Shareholders. The Company therefore proposes the election of 2 Directors who are Audit and Supervisory Committee members. The Company has obtained the consent of the Audit and Supervisory Committee with respect to this agenda item.

Below are the profiles of the candidates for Directors who are Audit and Supervisory Committee members.

Candidate No.	Name	Present position and assignment	Number of meetings of the Board of Directors and the Audit and Supervisory Committee attended
1	<div>Reappointed</div> Yuichi Kurita	Director, Standing Audit and Supervisory Committee Member	Meetings of the Board of Directors: 13/13 (100%) Meetings of the Audit and Supervisory Committee: 14/14 (100%)
2	<div>Reappointed</div> <div>Independent</div> Tomoko Nakada	Outside Director, Audit and Supervisory Committee Member	Meetings of the Board of Directors: 13/13 (100%) Meetings of the Audit and Supervisory Committee: 14/14 (100%)

	Name (Date of Birth)	Brief Career Summary, Current Position and Responsibilities, and Other Significant Concurrent Positions (if any)	Number of the Company Shares Held
1	 <p>Yuichi Kurita (July 28, 1949)</p> <div>Reappointed</div> <p>Number of Years as Director who is an Audit and Supervisory Committee member: 10 years</p>	<p>April 1973 Joined Fujitsu Limited</p> <p>March 2001 Joined Advantest Corporation</p> <p>June 2003 Executive Officer</p> <p>June 2007 Director, Managing Executive Officer</p> <p>June 2010 Director, Senior Executive Officer</p> <p>June 2012 Standing Audit and Supervisory Board Member</p> <p>June 2015 Director, Standing Audit and Supervisory Committee Member (present position)</p>	21,442

Reason for Nomination as Director who is an Audit and Supervisory Committee member:

Mr. Yuichi Kurita has many years of experience in finance and corporate planning departments and possesses a wealth of knowledge and experience in finance and accounting. He previously served as a Director and an Audit and Supervisory Board Member of the Company. He currently serves as a Director who is a standing Audit and Supervisory Committee member, striving to enhance audit, supervision, and corporate governance of the Company's group. In view of his achievements, the Company has determined that he is well qualified to further strengthen these functions and, has re-nominated him as a candidate for Director who is an Audit and Supervisory Committee member.

	Name (Date of Birth)	Brief Career Summary, Current Position and Responsibilities, and Other Significant Concurrent Positions (if any)		Number of the Company Shares Held
2	 <p>Tomoko Nakada (January 20, 1972)</p> <p>Reappointed</p> <p>Independent</p> <p>Number of Years as Director who is an Audit and Supervisory Committee member: 2 years</p>	<p>April 1997 Judge, Tokyo District Court</p> <p>June 2000 Registered as attorney-at-law (Daini Tokyo Bar Association)</p> <p>August 2002 Registered as attorney, New York State, U.S.A</p> <p>March 2015 International Fellow, The American College of Trust and Estate Counsel (ACTEC) (present position)</p> <p>April 2017 Academician, The International Academy of Estate and Trust Law (TIAETL) (present position)</p> <p>December 2020 Founder and Representative, Tokyo Heritage Law Firm (present position)</p> <p>June 2021 Outside Director, Audit and Supervisory Committee Member, TS Tech Co., Ltd. (present position)</p> <p>June 2023 Outside Director, Audit and Supervisory Committee member of Advantest Corporation (present position)</p>		1,325
<p>Reason for Nomination as Director who is an Audit and Supervisory Committee member and Expected Roles</p> <p>Although Ms. Tomoko Nakada has not been directly involved in the management of a company in the past, she possesses a wealth of experience and a high level of expertise in law as a judge and as a lawyer, gained through her work as corporate legal affairs, general civil cases, and domestic and international inheritance cases. The Company expects to apply her legal insights to the Company group's audit and supervision, thereby contributing to the enhancement of compliance. Thus, the Company has determined that she is well qualified as an Outside Director who is an Audit and Supervisory Committee member, and has re-nominated her as a candidate for Outside Director who is an Audit and Supervisory Committee member.</p> <p>Supplementary Information with respect to Independence</p> <p>The Company has no special transactions with Ms. Tomoko Nakada, the law firm she is the representative of, or TS Tech Co., Ltd., where she serves as an Outside Director and Audit and Supervisory Committee member.</p> <p>However, Ms. Tomoko Nakada is a relative within the third degree of kinship of an attorney at the law firm of Nagashima Ohno & Tsunematsu. The Company has transactions with the law firm related to the provision of legal advice, but the amount paid to the firm by the Company in FY2024 was less than 1% of the total income of the law firm. Therefore, the Company has determined that she is sufficiently independent in accordance with the Independence Criteria of Independent Outside Directors established by the Company. Furthermore, as she also satisfies the requirements for independent directors set forth by Tokyo Stock Exchange, Inc., the Company has registered her as an Independent Director.</p>				

Notes:

1. These candidates do not have any special interests with the Company.
2. Ms. Tomoko Nakada is a candidate for Outside Director.
3. The Company has entered into a limited liability agreement pursuant to Article 427, Paragraph 1 of the Companies Act with Mr. Yuichi Kurita and Ms. Tomoko Nakada. The upper limit of liability based on this agreement is the minimum liability as provided in the applicable laws and ordinances. If the candidates are reappointed as Directors as originally proposed, the Company will continue the respective limited liability agreements with each of them.
4. The Company has concluded a directors and officers liability insurance contract as provided for in Article 430-3, Paragraph 1 of the Companies Act, with an insurance company. The insurance policy insures all directors, executive officers and employees of the Company, including employees in managerial and supervisory positions, and all employees of the Company subsidiaries, including executives and employees in managerial and supervisory positions, against legal damages and litigation expenses that may arise when the insured party assumes liability for the execution of his or her duties or is subject to a claim for the pursuit of the said liability. However, the insurance policy has certain exclusions, such as providing no coverage for damage suffered by insured parties arising from actions taken by the said insured parties with the knowledge that they were in violation of the law, to ensure that the insured parties execute their duties in an appropriate manner. The insurance premiums, including riders, are borne in their entirety by the company to which the insured party belongs, and no insurance premiums are borne by the insured parties themselves. Mr. Yuichi Kurita and Ms. Tomoko Nakada are currently Directors who are Audit and Supervisory Committee members of the Company and are covered by the insurance policy as insured. If both of them are reappointed as Director who are Audit and Supervisory Committee members, they will continue to be covered by the insurance policy as insured. The Company plans to renew the insurance contract while the directors are in office.
5. The Company has concluded an indemnification agreement with Mr. Yuichi Kurita and Ms. Tomoko Nakada pursuant to Article 430-2, Paragraph 1 of the Companies Act. If the candidates are reappointed as Directors as originally proposed, the Company will continue the respective indemnification agreements with each of them. Under the said agreement, the Company shall indemnify the candidates against expenses listed in Item 1 of the Paragraph and losses listed in Item 2 of the Paragraph to the extent permitted by laws and regulations. However, certain conditions of exemption are established to ensure that the appropriateness of the execution of duties by the insured persons is not impaired by the said agreements, and the amount of expenses and losses of no less than JPY 3 million requires the deliberation by the Board of Directors.
6. “Number of the Company Shares Held” is the number of the Company’s common shares held as of March 31, 2025. The number includes their interest in the Company’s Executives’ Shareholding Association.
7. The Company has introduced a restricted stock compensation plan as a stock-based compensation plan for Directors who are Audit and Supervisory Committee members.

(Reference) Overview of Agenda Items No. 4, No. 5 and No. 6

Revision of the Compensation System for Directors (excluding Directors who are Audit & Supervisory Committee members) and Directors who are Audit & Supervisory Committee members

			Directors (excluding Outside Directors and Audit & Supervisory Committee members)	Outside Directors (excluding Directors who are Audit and Supervisory Committee members)	Directors who are Audit & Supervisory Committee member
Cash Compensation	Maximum amount	Current	Up to JPY1.2 billion per year	Up to JPY 150 million per year	Up to JPY100 million per year
		Proposal	<i>No change</i>	<i>No change</i>	<i>No change</i>
Restricted Stock (RS)	Maximum amount and the number of shares	Current	Up to JPY 1 billion / 400,000 shares per year	Up to JPY 45 million / 18,000 shares per year	Up to JPY 30 million / 12,000 shares per year
		Proposal	<i>No change</i>	Up to JPY 75 million / 30,000 shares per year	Up to JPY 50 million / 20,000 shares per year
	Timing of Lifting of Transfer Restrictions (as medium- to long-term incentives)	Current	Upon resignation of Director and executive officer	Upon resignation of Director	Upon resignation of Director
		Proposal	At least 3 years only for Non-residents	<i>No change</i>	<i>No change</i>
	Timing of Lifting of Transfer Restrictions (as part of the Recruiting & Retention Program)	Current	At least 3 years	Not granted	Not granted
		Proposal	<i>No change</i>	<i>No change</i>	<i>No change</i>
	Maximum amount per person	Current	Within overall compensation limit	Up to 30% of cash compensation and JPY 5 million per year	Up to 30% of cash compensation and JPY 5 million per year
		Proposal	<i>No change</i>	Up to one-third of total compensation	Up to one-third of total compensation
	Maximum amount and the number of shares	Current	Up to JPY 1 billion / 400,000 shares per year	Not granted	Not granted
		Proposal	<i>No change</i>	<i>No change</i>	<i>No change</i>

* Maximum dilution rate per year, including existing executive compensation plans that are not subject to revision this time

Current: Approximately 0.21%

Proposal: Approximately 0.22%

<Reason for the Revisions>

Agenda Item 4: In accordance with the RS granting conditions of overseas global companies.

Agenda Items 5 and 6: To respond to the increasing compensation levels of Outside Directors and Directors who are Audit & Supervisory Committee Members, while promoting value-sharing with shareholders.

* To enhance discipline, stock ownership guidelines have been introduced and a clawback mechanism has been established, in conjunction with efforts to improve the flexibility of the executive compensation system in response to business and organizational expansion as well as globalization.

Agenda Item No. 4: Revision of the restricted stock compensation plan for Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee members)

At the 79th Ordinary General Meeting of Shareholders held on June 23, 2021, based on a resolution of the Board of Directors of the Company, the Company shall issue restricted stock compensation (hereinafter referred to as "RS" in this agenda item) to the Directors of the Company (excluding Outside Directors and Directors who are Audit and Supervisory Committee members. Hereinafter referred to as "Eligible Directors") as a medium- to long-term incentive. At the 82nd Ordinary General Meeting of Shareholders held on June 28, 2024, regarding RS, the total amount of monetary compensation claims to be paid to the Eligible Directors for this item shall be "not more than 1 billion yen per year", the total number of the Company's common stocks to be issued or disposed of to the Eligible Directors by payment of all such monetary compensation claims as assets contributed in kind shall be "not more than 400,000 shares per year" and in addition to RS as a medium- to long-term incentives, the Company may grant RS within the framework of the total amount of monetary compensation claims and the total number of shares of common stock as a recruiting and retention program.

Considering regional differences in the system and the practice of stock-based compensation, the Company proposes revising the RS system as below, with the aim of further increasing incentives for the Eligible Directors.

Specifically, regarding the existing RS (the outline of which is described in 1. and 2.(1) below), which set the transfer restriction period from the date of allotment to the time immediately after retirement from any of the positions of Director or executive officer of the Company for the purpose of medium- to long-term incentives, the Company proposes to make the transfer restriction period etc. applicable to non-residents of Japan the same as that of the existing RS as a recruiting and retention program (the outline of which is described in 1. and 2. (3) below), which has a transfer restriction period of three years or longer (the outline of which is described in 2. (2) below).

Other than the above revisions, there are no changes to the contents of this RS system.

The outline of the revised RS system and other details based on this agenda item are as described in 1. through 3. below. The specific timing and allocation of payments to each Eligible Director will be determined by the Company's Board of Directors after deliberation by the Nomination and Compensation Committee.

With regard to this agenda, the Company has received a report from the Audit and Supervisory Committee stating that this agenda was decided by the Board of Directors following the deliberation by the Nomination and Compensation Committee, that the procedure for determining compensation, etc. was appropriate, and that there were no specific findings. The Company believes the details to be appropriate.

The current number of Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee members) is three. If Agenda Item No. 2, "Election of 6 Directors (excluding Directors who are Audit and Supervisory Committee members)," is approved and passed as originally proposed, there will be no change in the number of such Directors.

1. Overview of RS

Based on the resolution of the Board of Directors, the Eligible Directors shall make in-kind payment of all cash compensation claims paid to the Eligible Directors and shall in return receive shares of common stock of the Company that shall be issued or disposed of as RS, and the total number of shares of common stock of the Company to be issued or disposed of under this agenda item shall not exceed 400,000 shares per year. However, if the Company splits (including an allotment of common shares without consideration) or consolidates its common stock after the date of the resolution for this agenda item, or if the total number of shares of common stock of the Company to be issued or disposed of as RS needs to be adjusted, the total number of such shares shall be adjusted

to a reasonable extent.

The amount to be paid-in per share of common stock of the Company that has been issued or disposed as stated above shall be determined by the Board of Directors, within a scope in which the amount is not particularly favorable to the Eligible Directors who subscribe for such shares of common stock of the Company, based on the closing price of shares of common stock of the Company on the Prime Market of the Tokyo Stock Exchange on the business day immediately preceding each date of the resolution by the Board of Directors regarding such issuance or disposal (or, if there was no trade on such business day, the closing price on the trading day immediately prior thereto). In addition, upon the issuance or disposal of the Company's common shares and the payment of monetary compensation claims as assets contributed in kind, the Company and the Eligible Director shall enter into an agreement on the allotment of restricted stock (hereinafter referred to as the "Allotment Agreement" in this agenda item) including the terms and conditions set forth in Section 2 below.

2. Outline of details of the Allotment Agreement

(1) RS as a medium- to long-term incentive for residents of Japan

The details of the Allotment Agreement to be concluded in the case where RS are granted as a medium- to long-term incentive to Eligible Directors who are residents of Japan on the date of the conclusion of the Allotment Agreement shall be as below:

① Transfer restriction period

The Eligible Directors may not transfer, create a security interest on, or otherwise dispose of shares of common stock of the Company allotted to them under the Allotment Agreement (hereinafter referred to as "Allotted Shares" in this Item (1)) during the period from the date of allotment in accordance with the Allotment Agreement until the time immediately after their resignation from any of the position of Director or executive officer of the Company (hereinafter referred to as the "Transfer Restriction Period" in this Item (1)) (this restriction hereinafter referred to as the "Transfer Restriction" in this Item (1)).

② Handling when resigning for reasons other than those justifiable prior to the expiration of the Term of Service

In the event that an Eligible Director resigns from any of the positions of Director or executive officer of the Company before the expiration of the period determined in advance by the Board of Directors (hereinafter referred to as the "Term of Service" in this Item (1)), the Company shall automatically acquire the Allotted Shares without consideration, unless such resignation is due to expiration of term of office, death or for other justifiable reasons.

③ Lifting the Transfer Restriction

The Company shall lift the Transfer Restriction for all of the Allotted Shares upon expiration of the Transfer Restriction Period, on the condition that the Eligible Director continuously remained in the position of Director or executive officer of the Company throughout the Term of Service. If the Eligible Director resigned from any of the position of a Director or an executive officer of the Company prior to the expiration of the Term of Service due to expiration of term of office, death or for other justifiable reasons, the Company shall make reasonable adjustments, as necessary, to the number of Allotted Shares for which the Transfer Restriction will be lifted and the timing at which the Transfer Restriction will be lifted. The Company shall automatically acquire without consideration Allotted Shares for which the Transfer Restriction has not been lifted at the time immediately after the Transfer Restriction is lifted in accordance with the above-stated provisions.

④ Treatment in the event of organizational restructuring, etc.

Notwithstanding the provisions in ① above, if, during the Transfer Restriction Period, matters concerning a merger agreement in which the Company becomes the dissolving company, a stock-for-stock exchange agreement or a stock-transfer plan in which the Company becomes a wholly-owned subsidiary or any other matters concerning organizational restructuring, etc. is approved at the General Meeting of Shareholders of the Company (or the Board of Directors of the Company

in cases where approval at a general meeting of shareholders is not required for the such organizational restructuring, etc.), the Company shall, by resolution of the Board of Directors, lift the Transfer Restriction prior to the effective date of such organizational restructuring, etc., for the number of Allotted Shares that is reasonably determined based on the period from the date of commencement of the Transfer Restriction Period until the date of approval of such organizational restructuring, etc. In the cases set forth above, the Company shall automatically acquire without consideration Allotted Shares for which the Transfer Restriction has not been lifted at the time immediately after the Transfer Restriction is lifted.

⑤ Other Matters

Other matters concerning Allotment Agreement shall be determined by the Board of Directors of the Company.

(2) RS as a medium- to long-term incentive for non-residents of Japan

The details of the Allotment Agreement to be concluded in the case where RS are granted as a medium- to long-term incentive to Eligible Directors who are non-residents of Japan on the date of the conclusion of the Allotment Agreement shall be similar to that of the Allotment Agreement to be concluded when RS are granted as a recruiting and retention program as described below in (3).

(3) RS as a recruiting and retention program

The details of the Allotment Agreement to be concluded in the case where RS are granted as a recruiting and retention program to the Eligible Directors (regardless of whether they are residents or non-residents of Japan) shall be as below:

① Transfer restriction period

The Eligible Directors may not transfer, create a security interest on, or otherwise dispose of shares of common stock of the Company allotted to them under the Allotment Agreement (hereinafter referred to as “Allotted Shares” in this Item (3)) for a period of not less than three (3) years from the date of allotment under the Allotment Agreement, as determined by the Board of Directors of the Company (hereinafter referred to as the “Transfer Restriction Period” in this Item (3)) (this restriction hereinafter referred to as the “Transfer Restriction” in this Item (3)).

② Handling when resigning or retiring for reasons other than those justifiable prior to the expiration of the Term of Service

In the event that an Eligible Director resigns from any of the positions of Director, corporate auditor, executive officer, employee (including contract employees) or any other similar position at the Company or any of its subsidiaries before the expiration of the Transfer Restriction Period, the Company shall automatically acquire the Allotted Shares without consideration, unless such resignation is due to expiration of term of office, death or for other justifiable reasons.

③ Lifting the Transfer Restriction

The Company shall lift the Transfer Restriction for all of the Allotted Shares upon expiration of the Transfer Restriction Period, on the condition that the Eligible Director continuously remained in the position of Director, corporate auditor, executive officer, employee (including contract employees) or any other similar position at the Company or any of its subsidiaries. If the Eligible Director resigned from any of the position of Director, corporate auditor, executive officer, employee (including contract employees) or any other similar position at the Company or any of its subsidiaries, prior to the expiration of the Transfer Restriction Period due to expiration of term of office, death or for other justifiable reasons, the Company shall make reasonable adjustments, as necessary, to the number of Allotted Shares for which the Transfer Restriction will be lifted and the timing at which the Transfer Restriction will be lifted. The Company shall automatically acquire without consideration Allotted Shares for which the Transfer Restriction has not been lifted at the time immediately after the Transfer Restriction is lifted in accordance with the above-stated provisions.

④ Treatment in the event of organizational restructuring, etc.

Notwithstanding the provisions in ① above, if, during the Transfer Restriction Period, matters concerning a merger agreement in which the Company becomes the dissolving company, a stock-for-stock exchange agreement or a stock-transfer plan in which the Company becomes a wholly-

owned subsidiary or any other matters concerning organizational restructuring, etc. is approved at the General Meeting of Shareholders of the Company (or the Board of Directors of the Company in cases where approval at a general meeting of shareholders is not required for the such organizational restructuring, etc.), the Company shall, by resolution of the Board of Directors, lift the Transfer Restriction prior to the effective date of such organizational restructuring, etc., for the number of Allotted Shares that is reasonably determined based on the period from the date of commencement of the Transfer Restriction Period until the date of approval of such organizational restructuring, etc. In the cases set forth above, the Company shall automatically acquire without consideration Allotted Shares for which the Transfer Restriction has not been lifted at the time immediately after the Transfer Restriction is lifted.

⑤ Other Matters

Other matters concerning Allotment Agreement shall be determined by the Board of Directors of the Company.

3. Post-delivery restricted stock unit plan

If the Eligible Director is a non-resident of Japan at the time of receiving the allotment of above RSs, the restricted stock unit ("RSU") plan (a plan in which shares of the Company are delivered after a certain period of time) may be applied instead of the above RSs for the purpose of complying with laws and regulations and avoiding tax disadvantages in the country of residence of such Eligible Director. Even in such case, the terms shall be the same as those of the above RSs, except for the timing of the issuance or disposal of shares of common stock of the Company and a payment of money to the heirs of the Directors in lieu of shares in the event of the death of the subject director. The RSs and RSUs together will be operated within the total amount of monetary compensation claims and the total number of shares of the Company's common stock set forth above.

Agenda Item No. 5: Revision of the restricted stock compensation plan for Outside Directors (excluding Directors who are Audit and Supervisory Committee members)

At the 82nd Ordinary General Meeting of Shareholders held on June 28, 2024, based on a resolution of the Board of Directors of the Company, the Company shall issue restricted stock compensation (hereinafter referred to as "RS" in this agenda item) to the Outside Directors of the Company (excluding Directors who are Audit and Supervisory Committee members. Hereinafter referred to as "Eligible Outside Directors"). The total amount of monetary compensation claims to be paid to Outside Directors shall be "not more than 45 million yen per year" and the total number of shares of common stock of the Company to be issued or disposed of to the Eligible Outside Directors as a result of payment of all such monetary compensation claims as assets contributed in kind shall be "not more than 18,000 shares per year". The amount of monetary compensation claims to be paid to each Eligible Outside Director with respect to RS shall be "not more than 30% of the amount of monetary compensation to be paid to such an Eligible Outside Director and not more than 5,000,000 yen".

In order to further promote the Eligible Outside Directors to share value with shareholders, the Company proposes revising the RS system as below.

Specifically, with respect to RS, (1) the total amount of monetary compensation claims to be paid to Eligible Outside Directors shall be revised to "not more than 75 million yen per year" and the total number of shares of common stock of the Company to be issued or disposed of to the Eligible Outside Directors as a result of payment of all such monetary compensation claims as assets contributed in kind shall be revised to "not more than 30,000 shares per year" and (2) the amount of monetary compensation claims to be paid to each Eligible Outside Director shall be revised to "not more than one-third of the total of this amount and the amount of monetary compensation to be paid to such an Eligible Outside Director".

The maximum number of shares of our common stock to be issued or disposed of as RS is 30,000 shares per year as described above, and the maximum dilution rate will be approximately 0.004% per year at the time of the resolution of this agenda item. Even if Agenda Item No. 4, No. 5 and No. 6 are approved as proposed, the maximum number of shares of common stock of the Company to be issued or disposed of pursuant to those propositions and Performance Share Unit System for Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee members) resolved at the 82nd Ordinary General Meeting of Shareholders held on June 28, 2024 is 1,650,000 shares per year, and the maximum dilution rate will be approximately 0.22% per year at the time of resolution of this agenda item.

The overview of the RS and other details based on this agenda item are described in 1. through 3. below, and there is no change from the previous version except for the above-mentioned points. The specific timing and allocation of payments to each Eligible Outside Director will be determined by the Company's Board of Directors after deliberation by the Nomination and Compensation Committee.

With regard to this agenda, the Company has received a report from the Audit and Supervisory Committee stating that this agenda was decided by the Board of Directors following the deliberation by the Nomination and Compensation Committee, that the procedure for determining compensation, etc. was appropriate, and that there were no specific findings. The Company believes the details to be appropriate.

The current number of Outside Directors (excluding Directors who are Audit and Supervisory Committee members) is three. If Agenda Item No.2, "Election of 6 Directors (excluding Directors who are Audit and Supervisory Committee members)," is approved and passed as proposed, there will be no change in the number of Outside Directors.

1. Overview of the RS

Based on the resolution of the Board of Directors, the Eligible Outside Directors shall make in-kind payment of all cash compensation claims paid to the Eligible Outside Directors and shall in return

receive shares of common stock of the Company that shall be issued or disposed of as RS, and the total number of shares of common stock of the Company to be issued or disposed of under this agenda shall not exceed 30,000 shares per year. However, if the Company splits (including an allotment of common shares without consideration) or consolidates its common stock after the date of the resolution for this agenda, or if the total number of shares of common stock of the Company to be issued or disposed of as RS needs to be adjusted, the total number of such shares shall be adjusted to a reasonable extent. The amount to be paid-in per share of common stock of the Company that has been issued or disposed as stated above shall be determined by the Board of Directors, within a scope in which the amount is not particularly favorable to the Eligible Outside Directors who subscribe for such shares of common stock of the Company, based on the closing price of shares of common stock of the Company on the Prime Market of the Tokyo Stock Exchange on the business day immediately preceding each date of the resolution by the Board of Directors regarding such issuance or disposal (or, if there was no trade on such business day, the closing price on the trading day immediately prior thereto).

2. Outline of details of the Allotment Agreement

① Transfer restriction period

The Eligible Outside Directors may not transfer, create a security interest on, or otherwise dispose of shares of common stock of the Company allotted to them under the Allotment Agreement (hereinafter referred to as “Allotted Shares” in this agenda item) during the period from the date of allotment in accordance with the Allotment Agreement until the time immediately after their resignation of Director of the Company (hereinafter referred to as the “Transfer Restriction Period” in this agenda item) (this restriction hereinafter referred to as the “Transfer Restriction” in this agenda item).

② Handling when resigning for reasons other than those justifiable prior to the expiration of the Term of Service

In the event that an Eligible Outside Director resigns from Director of the Company before the expiration of the period determined in advance by the Board of Directors (hereinafter referred to as the “Term of Service” in this agenda item), the Company shall automatically acquire the Allotted Shares without consideration, unless such resignation is due to expiration of term of office, death or for other justifiable reasons.

③ Lifting the Transfer Restriction

The Company shall lift the Transfer Restriction for all of the Allotted Shares upon expiration of the Transfer Restriction Period, on the condition that the Eligible Outside Director continuously remained in the position of Director of the Company throughout the Term of Service. If the Eligible Outside Director resigned from the position of Director of the Company prior to the expiration of the Term of Service due to expiration of term of office, death or for other justifiable reasons, the Company shall make reasonable adjustments, as necessary, to the number of Allotted Shares for which the Transfer Restriction will be lifted and the timing at which the Transfer Restriction will be lifted. The Company shall automatically acquire without consideration Allotted Shares for which the Transfer Restriction has not been lifted at the time immediately after the Transfer Restriction is lifted in accordance with the above-stated provisions.

④ Treatment in the event of organizational restructuring, etc.

Notwithstanding the provisions in ① above, if, during the Transfer Restriction Period, matters concerning a merger agreement in which the Company becomes the dissolving company, a stock-for-stock exchange agreement or a stock-transfer plan in which the Company becomes a wholly-owned subsidiary or any other matters concerning organizational restructuring, etc. is approved at the General Meeting of Shareholders of the Company (or the Board of Directors of the Company in cases where approval at a general meeting of shareholders is not required for the such organizational restructuring, etc.), the Company shall, by resolution of the Board of Directors, lift the Transfer Restriction prior to the effective date of such organizational restructuring, etc., for

the number of Allotted Shares that is reasonably determined based on the period from the date of commencement of the Transfer Restriction Period until the date of approval of such organizational restructuring, etc. In the cases set forth above, the Company shall automatically acquire without consideration Allotted Shares for which the Transfer Restriction has not been lifted at the time immediately after the Transfer Restriction is lifted.

⑤ Other matters

Other matters concerning Allotment Agreement shall be determined by the Board of Directors of the Company.

3. Post-delivery restricted stock unit plan

If an Eligible Outside Director is a non-resident of Japan at the time of receiving the allotment of the above RSs, the restricted stock unit ("RSU") plan (a plan in which shares of the Company are delivered after a certain period of time) may be applied instead of the above RSs for the purpose of complying with laws and regulations and avoiding tax disadvantages in the country of residence of such Eligible Outside Director. Even in such case, the terms shall be the same as those of the above RSs, except for the timing of the issuance or disposal of shares of common stock of the Company and a payment of money to the heirs of the Directors in lieu of shares in the event of the death of the subject director. The RSs and RSUs together will be operated within the total amount of monetary compensation claims and the total number of shares of the Company's common stock set forth above.

Agenda Item No. 6: Revision of the restricted stock compensation plan for Directors who are Audit and Supervisory Committee members

At the 82nd Ordinary General Meeting of Shareholders held on June 28, 2024, based on a resolution of the Board of Directors of the Company, the Company shall issue restricted stock compensation (hereinafter referred to as "RS" in this agenda item) to the Directors who are Audit and Supervisory Committee members of the Company. The total amount of monetary compensation claims to be paid to Directors who are Audit and Supervisory Committee members with respect to RS shall be "not more than 30 million yen per year" and the total number of shares of common stock of the Company to be issued or disposed to Directors who are Audit and Supervisory Committee members by payment of all such monetary compensation claims as assets contributed in kind shall be "12,000 shares per year". The amount of monetary compensation claims to be paid to each Director who are Audit and Supervisory Committee members with respect to RS shall be "not more than 30% of the amount of monetary compensation to be paid to such Director who are Audit Committee members and not more than 5 million yen".

In order to further promote the Directors who are Audit and Supervisory Committee members to share value with shareholders, the Company proposes to revise the RS system as below.

Specifically, with respect to RS, (1) the total amount of monetary compensation claims to be paid to the Directors who are Audit and Supervisory Committee members shall be revised to "not more than 50 million yen per year" and the total number of shares of common stock of the Company to be issued or disposed of to the Directors who are Audit and Supervisory Committee members as a result of payment of all such monetary compensation claims as assets contributed in kind shall be revised to "not more than 20,000 shares per year" and (2) the amount of monetary compensation claims to be paid to each Directors who are Audit and Supervisory Committee members shall be revised to "not more than one-third of the total of this amount and the amount of monetary compensation to be paid to such an Director who is an Audit and Supervisory Committee member".

The maximum number of shares of our common stock to be issued or disposed of as RS is 20,000 shares per year as described above, and the maximum dilution rate will be approximately 0.003% per year at the time of the resolution of this agenda item. Even if Agenda Item No. 4, No. 5 and No. 6 are approved as proposed, the maximum number of shares of common stock of the Company to be issued or disposed of pursuant to those propositions and Performance Share Unit System for directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee members) resolved at the 82nd Ordinary General Meeting of Shareholders held on June 28, 2024 is 1,650,000 shares per year, and the maximum dilution rate will be approximately 0.22% per year at the time of resolution of this agenda item.

The overview of the RS and other details based on this agenda item are described in 1. through 3. below, and there is no change from the previous version except for the above-mentioned points. The specific timing and allocation of payments to each director who is an Audit and Supervisory Committee member will be determined by the Audit and Supervisory Committee.

With regard to this agenda, the revision of this plan were discussed by all Audit and Supervisory Committee members, and the Company has received a report from the Audit and Supervisory Committee stating that this agenda was decided by the Board of Directors following the deliberation by the Nomination and Compensation Committee, that the procedure for determining the compensation, etc. was appropriate, and that there were no specific opinions that should be stated at the General Meeting of Shareholders. The Company believes the details to be appropriate.

The current number of Directors who are Audit and Supervisory Committee members is three, and if Agenda Item No. 3, "Election of 2 Directors who are Audit and Supervisory Committee members," is approved and passed as proposed, there will be no change in the number of Directors who are Audit and Supervisory Committee members.

1. Overview of the RS

Based on the resolution of the Board of Directors, the eligible directors who are Audit and

Supervisory Committee members shall make in-kind payment of all cash compensation claims paid to the eligible directors and shall in return receive shares of common stock of the Company that shall be issued or disposed of as RS, and the total number of shares of common stock of the Company to be issued or disposed of under this agenda shall not exceed 20,000 shares per year. However, if the Company splits (including an allotment of common shares without consideration) or consolidates its common stock after the date of the resolution for this agenda, or if the total number of shares of common stock of the Company to be issued or disposed of as RS needs to be adjusted, the total number of such shares shall be adjusted to a reasonable extent.

The amount to be paid-in per share of common stock of the Company that has been issued or disposed as stated above shall be determined by the Board of Directors, within a scope in which the amount is not particularly favorable to the eligible directors who are Audit and Supervisory Committee members who subscribe for such shares of common stock of the Company, based on the closing price of shares of common stock of the Company on the Prime Market of the Tokyo Stock Exchange on the business day immediately preceding each date of the resolution by the Board of Directors regarding such issuance or disposal (or, if there was no trade on such business day, the closing price on the trading day immediately prior thereto). The issuing or disposal of shares of common stock of the Company under this agenda and in-kind payment of cash compensation claims shall be subject to the conclusion of an agreement on the allotment of restricted stock including the terms and conditions set forth below (hereinafter referred to as the "Allotment Agreement" in this agenda item) with each eligible director who is an Audit and Supervisory Committee member that includes the following details.

2. Outline of details of the Allotment Agreement

① Transfer restriction period

The eligible directors who are Audit and Supervisory Committee members may not transfer, create a security interest on, or otherwise dispose of shares of common stock of the Company allotted to them under the Allotment Agreement (hereinafter referred to as "Allotted Shares" in this agenda) during the period from the date of allotment in accordance with the Allotment Agreement until the time immediately after their resignation as a Director of the Company (hereinafter referred to as the "Transfer Restriction Period" in this agenda) (this restriction hereinafter referred to as the "Transfer Restriction" in this agenda).

② Handling when resigning for reasons other than those justifiable prior to the expiration of the Term of Service

In the event that an eligible director who is an Audit and Supervisory Committee member resigns as a Director of the Company before the expiration of the period determined in advance by the Board of Directors (hereinafter referred to as the "Term of Service" in this agenda), the Company shall automatically acquire the Allotted Shares without consideration, unless such resignation is due to expiration of term of office, death or for other justifiable reasons.

③ Lifting the Transfer Restriction

The Company shall lift the Transfer Restriction for all of the Allotted Shares upon expiration of the Transfer Restriction Period, on the condition that the eligible director who is an Audit and Supervisory Committee member continuously remained in the position of Director of the Company throughout the Term of Service. If the eligible director who is an Audit and Supervisory Committee member resigned from the position of a Director of the Company prior to the expiration of the Term of Service due to expiration of term of office, death or for other justifiable reasons, the Company shall make reasonable adjustments, as necessary, to the number of Allotted Shares for which the Transfer Restriction will be lifted and the timing at which the Transfer Restriction will be lifted. The Company shall automatically acquire without consideration Allotted Shares for which the Transfer Restriction has not been lifted at the time immediately after the Transfer Restriction is lifted in accordance with the above-stated provisions.

④ Treatment in the event of organizational restructuring, etc.

Notwithstanding the provisions in ① above, if, during the Transfer Restriction Period, matters concerning a merger agreement in which the Company becomes the dissolving company, a stock-for-stock exchange agreement or a stock-transfer plan in which the Company becomes a wholly-owned subsidiary or any other matters concerning organizational restructuring, etc. is approved at the General Meeting of Shareholders of the Company (or the Board of Directors of the Company in cases where approval at a general meeting of shareholders is not required for the such organizational restructuring, etc.), the Company shall, by resolution of the Board of Directors, lift the Transfer Restriction prior to the effective date of such organizational restructuring, etc., for the number of Allotted Shares that is reasonably determined based on the period from the date of commencement of the Transfer Restriction Period until the date of approval of such organizational restructuring, etc. In the cases set forth above, the Company shall automatically acquire without consideration Allotted Shares for which the Transfer Restriction has not been lifted at the time immediately after the Transfer Restriction is lifted.

⑤ Other matters

Other matters concerning Allotment Agreement shall be determined by the Board of Directors of the Company with the consent of the Audit and Supervisory Committee.

3. Post-delivery restricted stock unit plan

If a Director who is the Audit and Supervisory Committee member is a non-resident of Japan at the time of receiving allotment of the above RSs, the restricted stock unit ("RSU") plan (a plan in which shares of the Company are delivered after a certain period of time) may be applied instead of the above RSs for the purpose of complying with laws and regulations and avoiding tax disadvantages in the country of residence of such Director who is the Audit and Supervisory Committee member. Even in such case, the terms shall be the same as those of the above RSs, except for the timing of the issuance or disposal of shares of common stock of the Company and a payment of money to the heirs of the Directors in lieu of shares in the event of the death of the subject director. The RSs and RSUs together will be operated within the total amount of monetary compensation claims and the total number of shares of the Company's common stock set forth above.

END

(Reference)

Policies and Procedures for Determining Compensation for Directors and Executive Officers (after revisions)

1. Basic policy

Based on the Company's corporate mission and vision, we aim to create a system for the compensation of directors and executive officers that contributes to the enhancement of corporate value. The ground rules of the system are as follows.

- (1) Compensation mix and compensation level that shall attract international human resources who support the Company's global business development.

In order to continue to grow globally in the complex and rapidly evolving semiconductor industry, we will appoint talented people from all over the world and compensate them appropriately by global standards.

- (2) Bonus that is strongly linked to business performance

Given the inevitability of fluctuations in business performance, strongly indexing bonuses to performance will fully reward the contributions of officers when business performance is strong and will reduce the burden on the Company during downturns in business performance.

- (3) Stock compensation that incentivizes directors and officers to share values with shareholders and promotes management from a medium- to long-term perspective

We will combine transfer-restricted stock compensation, which incentivizes the pursuit of medium- to long-term corporate value improvement, which is also beneficial to shareholders, and performance-linked stock compensation, which promotes the achievement of medium-term management goals that lead to corporate value improvement.

2. Policy on the system, timing, conditions, and determination of compensation for director (excluding outside directors and directors who are Audit and Supervisory Committee members)

- (1) For directors who also serve as executive officers, base compensation (monetary remuneration) appropriate to their duties and responsibilities will be paid monthly, in addition to the executive officer compensation specified in 5 below.

- (2) The compensation of directors who do not serve as executive officers shall be set as follows, in accordance with the basic policy set forth in 1 above.

(a) Structure: Base compensation (monetary remuneration), Stock compensation

(b) Ratio: Base compensation : Stock compensation = 1 : 1 (guideline in the standard amount)

(c) Base compensation

Base compensation shall be set at an appropriate level according to duties and responsibilities as such director, and will be paid monthly, with reference to external objective data (i.e. the level of compensation paid to people with similar responsibilities by companies of similar size in each country).

(d) Stock compensation

- We will grant restricted stock (RS), which incentivizes the pursuit of medium- to long-term corporate value improvement, which is also beneficial to shareholders.
- Shares of RS will be granted every business year as described above.
- As a general rule, holding is obligatory during the term of office, and transfer restrictions will be lifted when a director retires.

- (3) In addition to the above, lump sum payments may be made based on special events such as the anniversary of the Company's founding.

3. Policy on the system, timing, conditions, and determination of compensation for outside directors (excluding directors who are Audit and Supervisory Committee members)

The compensation of outside directors (excluding directors who are Audit and Supervisory Committee members) shall be set as follows in consideration of their roles and independence with the basic policy set forth in 1 above.

- (1) Structure: Base compensation (monetary remuneration), Stock compensation
- (2) Ratio: Stock compensation not to exceed one-third of total compensation
- (3) Base compensation

Base compensation shall be set at an appropriate level according to duties and responsibilities as such director, and will be paid monthly, with reference to external objective data (i.e. the level of compensation paid to people with similar responsibilities by companies of similar size in each country).

- (4) Stock compensation
 - We will grant restricted stock (RS), which incentivizes the pursuit of medium- to long-term corporate value improvement, which is also beneficial to shareholders.
 - Shares of RS will be granted every business year as described above.
 - As a general rule, holding is obligatory during the term of office, and transfer restrictions will be lifted when an director retires.
- (5) In addition to the above, lump sum payments may be made based on special events such as the anniversary of the Company's founding.

4. Policy on the system, timing, conditions, and determination of compensation for directors who are Audit and Supervisory Committee members

The compensation of directors who are Audit and Supervisory Committee members shall be set as follows in consideration of their roles and independence with the basic policy set forth in 1 above.

- (1) Structure: Base compensation (monetary remuneration), Stock compensation
- (2) Ratio: Stock compensation not to exceed one-third of total compensation
- (3) Base compensation

Base compensation will be paid monthly. The individual compensation level of directors who are Audit and Supervisory Committee members will be decided through discussions with them.
- (4) Stock compensation
 - We will grant restricted stock (RS), which incentivizes the pursuit of medium- to long-term corporate value improvement, which is also beneficial to shareholders.
 - Shares of RS will be granted every business year as described above.
 - The individual compensation level of directors who are Audit and Supervisory Committee members will be decided through discussions with them.
 - As a general rule, holding is obligatory during the term of office, and transfer restrictions will be lifted when an director retires.
- (5) In addition to the above, lump sum payments may be made based on special events such as the anniversary of the Company's founding.

5. Policy on the system, timing, conditions, and determination of compensation for executive officers

The compensation of executive officers shall be set as follows with the basic policy set forth in 1 above.

- (1) Structure: Base compensation (monetary remuneration), Performance-linked bonuses (monetary remuneration), Stock compensation
- (2) Ratio: Base compensation : Performance-linked bonuses : Stock compensation =
 - 1 : 1 : 4 (Senior Executive Officer (Group CEO))
 - 1 : 1 : 2 (Senior Executive Officer (Group COO))
 - Between 1 : 1 : 1 and 1 : 1 : 1.5 (Senior Executive Officer)
 - 1 : 1 : 1 (Executive Officer)

*All of the above estimates are based on the standard amount.

- (3) Base compensation

Base compensation shall be set at an appropriate level according to individual duties and responsibilities, and will be paid monthly, with reference to external objective data (i.e. the level of compensation paid to people with similar responsibilities by companies of similar size in each country).
- (4) Performance-linked bonuses
 - Performance-linked bonuses (monetary remuneration) are short-term incentives for the results

of a single year, and are paid once a year after the performance of the Group for the relevant business year is confirmed.

- a. The amount of bonuses is determined using net income as an index.
 - b. Target amounts will be set by referring to the net income targets of the single-year business plan and mid-term management plan. We will pay the standard amount when the target values are achieved, but the amount paid will fluctuate as described below when actual results undershoot or exceed the target values.
 - Actual results <50% of target values: 0% of standard amount
 - Actual results >150% of target values: 200% of standard amount
 - Actual results 50% -150% of target values: Varies between 0-200% of standard amount
- (5) Stock compensation
- We will grant restricted stock (RS) and performance-linked stock compensation (PSU) with the intention of incentivizing the pursuit of medium- to long-term enhancement of corporate value in alignment with shareholder priorities. As a general rule, the ratio of RS to PSUs should be 1:3 for the Senior Executive Officers (Group CEO) and 1:1 for other Executive Officers.
 - a. Shares of RS will be granted every business year as described above. As a general rule, for residents in Japan, holding is obligatory during the term of office, and transfer restrictions will be lifted when an officer retires and for non-residents in Japan, establish a transfer restriction period of 3 to 5 years.
 - b. PSU shall be granted in a lump sum for three years in the first year of the three-year mid-term management plan, with the base value being the points that will become shares of a value determined to be as described above. After the expiration of the term of the mid-term management plan, We will grant shares in proportion to the points, which are varied between 60% and 140% of the base value according to the degree of achievement of the mid-term management targets. The indicators for evaluating achievement of mid-term management targets are as follows, and the degree of fluctuation is determined by the total value of both indicators.
 - Main indicator: Earnings per share (EPS) during the mid-term management plan
 - Fluctuation between 70% and 130% of the standard amount
 - Sub-indicator: Relative Total Shareholders Return (r-TSR) and Sustainability
 - Fluctuation between -5% to 5% of the standard amount

*However, the indicators and fluctuation ranges may be revised in response to the new mid-term management plan.
- Note, officers who take office or retire in the second or third years of the medium-term management plan will be as standard performance, prorated according to the length of time they have served.
- (6) Additional compensation may be paid for the purpose of securing managers, specially skilled personnel, and/or similar individuals, depending on the conditions of the human resource market in each region and/or industry. As a general rule, compensation levels across regions shall be adjusted through base compensation (monetary compensation) and stock compensation while stock compensation shall be used to secure a pool of specific human resources. The stock compensation shall be in the form of RS or PSU, but the term of the RS transfer restriction under this section shall be 3 to 5 years.
 - (7) Compensation for non-residents in Japan may be different from the above due to laws and other circumstances.
 - (8) If there are changes in the Company's financial situation or business environment that are clearly judged to make it difficult to achieve the goals of the mid-term management plan, this system and its operation may be reviewed based on a resolution of the Board of Directors.
 - (9) In addition to the above, lump sum payments may be made based on special events such as the anniversary of the Company's founding.
6. Procedures and methods for determining compensation
- (1) Individual compensation for directors (excluding directors who are Audit and Supervisory Committee members) and executive officers is deliberated by the Nomination and Compensation Committee based on consultation with the Board of Directors, and proposed to the Board of

Directors. The Board of Directors deliberates on proposals from the Nomination and Compensation Committee and decides on compensation.

(2) However, performance-linked bonuses are determined as follows:

- a. Up to 30% of the total amount calculated and determined according to the policies above of performance-linked bonuses for executive officers, excluding the Group CEO, shall be redistributed based on individual evaluations conducted by the Group CEO and approved by the Nomination and Compensation Committee. Results of these evaluations and redistributions shall be reported to the Board of Directors.
- b. In principle, the Group CEO's performance-linked bonus is calculated based on the results of performance indicators, but if the Board of Directors deems it necessary and clearly states their reasoning, it may be increased or decreased.

7. Reduction of compensation, clawbacks, etc.

The Company may reduce future compensation or claw back past compensation by resolution of the Board of Directors in the event of certain circumstances, such as violation of relevant laws and regulations or internal rules, or material restatement due to errors discovered in the consolidated financial statements.

8. Stock ownership guidelines

The Company recommends that Executive Officers hold the Company's shares (including RS/RSUs) as follows. The Company will set the criteria for the amount and the number of shares based on the amount of base compensation and the stock price at the start of the Mid-term Management Plan, and one of them shall be satisfied with a grace period of five years until the achievement of the criteria.

Group CEO: 4 years of base compensation

Executive officers other than Group CEO: 2 years of base compensation

(Supplementary provision)

This amendment is subject to suspension of approval on the condition that all proposals for remuneration of directors are approved at the Ordinary General Meeting of Shareholders scheduled for June 2025.

(Reference)

Skill Matrix for the Board of Directors following the General Meeting of Shareholders

In nomination and selection of Directors and Senior Executive Officers, the Company recognizes that noteworthy issues around the corporate management and communication with stakeholders have to be taken into consideration, in addition to our Purpose & Mission, management strategies, and business strategies. Our business is indispensable for the manufacturing of semiconductors, which support the development of our society, and also assumes the important function of supporting the stable operation of the facilities and systems in our society and industries, creating great opportunities for growth even in the surrounding areas. The Company has selected the following nine areas of management activities which are considered important for the Company to grow the business in the medium to long term and realize the improvement of our corporate value: "Management & Corporate Strategy," "Semiconductor," "Technology," "Sales & Marketing," "Finance & Accounting," "Legal & Compliance," "Human Capital Management," "Global Business," and "Digital Transformation". The Board of Directors and the Nomination and Compensation Committee have discussed the essential "insight and experiences" required for the execution of duties and the fulfilment of the responsibly of supervision in the nine areas, and established the required skill sets for Senior Executive Officers and Directors. If the election of all of the candidates presented in this convocation notice of is approved as originally proposed, the skills of the Directors will be as shown in the table below. Following the environmental changes, the skills required by the Company will be constantly updated.

Details of Skill

Areas for management activities	Items	Experience, knowledge, and abilities expected
① Management & Corporate Strategy	Top management	Management experience at a company or legal entity (as a chairperson, president, representative director or equivalents)
	Management strategy	Experience and knowledge as a head of a management strategies department ^{*1,2}
	Business investment and M&A	Experience and knowledge of business investment and M&A
② Semiconductor	Semiconductor-related industries	Experience in semiconductor-related industries and knowledge of the semiconductor industry
③ Technology	Industries & technologies (incl. Environment and Energy)	Knowledge of the electrical/electronics related industry and ICT technologies
	Research & development	Experience and knowledge as a head of an R&D department ^{*1,2}
	SCM ^{*3} , production, and quality assurance	Experience and knowledge as a head of SCM ^{*3} , production, production engineering, and quality assurance departments ^{*1,2}
④ Sales & Marketing	Sales and marketing	Experience and knowledge as a head of a sales and marketing department ^{*1,2}
⑤ Finance & Accounting	Finance, accounting and audit	Experience and knowledge as a head of a finance, accounting and audit department ^{*1,2} or as a certified public accountant and auditor
	Communication with the capital market	Experience and knowledge as a head of the department responsible for communicating with investors and shareholders ^{*1,2} , such as a head of IR (Investor Relations) or SR (Shareholder Relations) department
⑥ Legal & Compliance	Legal affairs, risk management, and compliance	Experience and knowledge as a head of a legal affairs, risk management, or compliance department ^{*1,2} or as an attorney at law
⑦ Human Capital Management	Human capital management	Experience and knowledge as a head of an HR department ^{*1,2} or in recruiting & developing human capital, and talent management

⑧ Global Business	Global business	Experience at a global organization or experience working in a foreign country
⑨ Digital Transformation	IT & DX	Experience and knowledge as a head of an IT department ¹ , and as a head of a DX promotion department ^{*1,2}

*1 :The head of a large company or a company with complicated businesses or operations

*2: The executive of a specialized service company in the relevant field

*3: Supply Chain Management

Skill Matrix

						Fundamental managerial activities deemed essential for carrying out management duties and guiding/supervising our management team												Key areas of our immediate management issues	
						① Management & Corporate Strategy			② Semiconductor	③ Technology			④ Sales & Marketing	⑤ Finance & Accounting		⑥ Legal & Compliance	⑦ Human Capital Management	⑧ Global Business	⑨ Digital Transformation
		Attribute				Management		Business investment and M&A	R&D, Semiconductor, Industries & Technologies			SCM, production, and quality assurance	Sales and marketing	Finance & Accounting, Communication with Capital Market		Legal affairs, risk management, and compliance	Human capital management	Global business	IT & DX
		Gender	Nationality	Member of the Audit and Supervisory Committee	Independent member	Top management	Management strategy		Semiconductor-related industries	Industries & technologies (Incl. Environment and Energy)	Research & development			Finance, accounting and audit	Communication with the capital market				
Inside Directors	Douglas Lefever	Male	American			○	○	○	○	○	○	○	○	○			○		
	Koichi Tsukui	Male	Japanese			○	○	○	○	○	○	○	○	○			○		
	Yoshiaki Yoshida	Male	Japanese			○	○	○	○		○		○			○			
	Yuichi Kurita	Male	Japanese	○			○	○	○			○	○			○			
Outside Directors	Toshimitsu Urabe	Male	Japanese		○	○	○	○								○	○	○	
	Nicholas Benes	Male	American		○		○	○					○	○		○			
	Naoto Nishida	Male	Japanese		○			○	○	○						○			
	Sayaka Sumida	Female	Japanese	○	○							○		○		○			
	Tomoko Nakada	Female	Japanese	○	○									○		○			

*Skills of the Senior Executive Officers (excluding those concurrently serving as directors) as of June 27, 2025 will be as follows.

Senior Executive Officers	Keith Hardwick	Male	American					○	○					○			○	○	
	Yasuo Mihashi	Male	Japanese			○	○	○	○				○		○			○	
	Juergen Serrer	Male	German						○		○							○	
	Makoto Nakahara	Male	Japanese						○			○	○					○	
	Sanjeev Mohan	Male	American						○				○					○	
	Richard Junger	Male	German						○			○						○	○
	Yong Xu	Male	Chinese						○				○					○	
	Toshiaki Adachi	Male	Japanese						○		○							○	○
	Hisako Takada	Female	Japanese			○	○			○				○	○			○	

(Reference)

Independence Criteria of Independent Outside Directors

Outside Director of Advantest Corporation (the “Company”) shall be judged to be independent provided none of the following conditions apply presently and recently.

1. Major Business Partner
 - (1) Entity transacts with the Company as Major Business Partner or Executive thereof
 - (2) Major Business Partner of the Company or Executive thereof
2. Expert
 - (1) Consultant, Accountant or Lawyer who receives a large amount of money or other compensation from the Company. (In case that the receiver of such compensation is a legal entity or group such as union, the person who belongs to such entity.)
3. Relative
 - (1) Relative of person who falls in the condition set forth in 1 or 2 above.
 - (2) Relative of Executive or Board Director of the subsidiary of Company
 - (3) Relative of person who was an Executive or Board Director of Company or subsidiary of Company recently.

Notes

- *1 “Recently” shall mean time range substantially identical to presently.
- *2 “Major Business Partner” means partner whose revenue from the transaction with the Company shares the considerable part of revenue of the Company or partner supplying the Company with commodities or services indispensable to the Company’s business.
- *3 “Executive” means the “executive” defined in the Ordinance for Enforcement of the Companies Act.
- *4 “Relative” means the person’s relative within the second degree of kinship.

(Reference)

Information on Shares the Company Group Holds (as of March 31, 2025)

Number of Stocks and Amounts held by the Company group for purposes other than pure investment.

Holder	Classification	Company	Amount (Millions of yen)	Reason for holding shares
	Listed	Micronics Japan Co., Ltd	522	To build partnerships
	Unlisted	6 companies	162	Primarily for business support purposes
	The Company		684	
	Listed	Technoprobe S.p.A.	15,247	To build partnerships
		PDF Solutions, Inc.	9,449	For joint business development
		2 companies	1,480	To build partnerships
	Unlisted	2 companies	365	Primarily for business support purposes
The Company’s subsidiaries			26,541	

(Note) The amount of shares held by the Company for strategic purposes is presented based on book value in accordance with Japanese standards. The amount of shares held by the Company’s subsidiaries as strategic-shareholdings is presented at market value in accordance with IFRS. The effectiveness of these investments is evaluated periodically and reported to the Board of Directors.

(Attachments)

Business Report

(April 1, 2024 through March 31, 2025)

1. Current Conditions of the Company group

(1) Business conditions during the fiscal year

(i) Operations and Results of Business

[Overall]

During Advantest's fiscal year ended March 31, 2025, despite the ongoing uncertainty due to geopolitical risks, the global economy as a whole trended firmly, supported by the easing of monetary tightening policies particularly in Europe and the U.S.

Under such global economic conditions, the semiconductor market shifted from the correction phase of the last fiscal year to a recovery trend. While demand for semiconductors for applications such as those for automotive and industrial equipment remained soft, demand for semiconductors related to the proliferation of AI, such as HPC devices for data centers and high-performance DRAM, drove market growth.

In Advantest's semiconductor test equipment business, demand for high-performance semiconductors related to AI increased significantly. In order to meet our customers' delivery requirements to the greatest extent possible, Advantest worked to ensure the timely procurement of parts and product supply capabilities. Our measures, such as long-term agreements with existing suppliers and the diversification of supply chain for core parts, have been successful.

As a result of the above, in the consolidated fiscal year ended March 31, 2025, net sales were JPY 779.7 billion (60.3% increase in comparison to the previous fiscal year), operating income was JPY 228.2 billion (2.8 times increase in comparison to the previous fiscal year), income before income taxes was JPY 224.8 billion (2.9 times increase in comparison to the previous fiscal year) and net income was JPY 161.2 billion (2.6 times increase in comparison to the previous fiscal year). All figures have reached record highs for the fiscal year due to factors such as an increase in the sales mix of high-margin products and the positive impact of the weaker yen on both sales and profits. In the fourth quarter, an impairment loss of approximately JPY 21.4 billion was recorded for a portion of goodwill and intangible assets. Average currency exchange rates in the fiscal year ended March 31, 2025, were 1 USD to 153 JPY (143 JPY in the previous fiscal year) and 1 EUR to 164 JPY (155 JPY in the previous fiscal year). The percentage of net sales to overseas customers was 98.0% (95.9% in the corresponding period of the previous fiscal year).

[Business conditions by Business Segment]

Semiconductor and Component Test System Segment

In this segment, while demand for mature semiconductors in the automotive and industrial equipment sectors remained soft, sales of test equipment for high-performance SoC semiconductors increased significantly due to the increasing complexity of semiconductors and performance enhancement of semiconductors such as HPC devices. With regards to test equipment for memory semiconductors, sales grew significantly on the back of strong demand for high-performance DRAM such as HBM. Our enhanced procurement of materials and product supply capabilities also supported an increase in sales.

As a result of the above, net sales were JPY 598.1 billion (80.4% increase in comparison to the previous fiscal year), and segment income was JPY 244.0 billion (2.7 times increase in comparison to the previous fiscal year).

Mechatronics System Segment

In this segment, robust customer demand for semiconductor test equipment led to growth in sales of related device interfaces.

As a result of the above, net sales were JPY 73.2 billion (38.9% increase in comparison to the previous fiscal year), and segment income was JPY 16.8 billion (83.0% increase in comparison to the previous fiscal year).

Services, Support and Others Segment

In this segment, support services sales increased as the installed base grew. However, an impairment loss of approximately JPY 21.4 billion was recorded for goodwill and intangible assets related to the test sockets business of Essai, Inc. This was due to softness in sales for a major customer and delays in expanding sales to new customers. As a result, this segment incurred a loss exceeding that of the previous fiscal year. The segment loss for the previous fiscal year includes a profit of approximately JPY 3.2 billion from settlement payments related to disputes with business partners, as well as an impairment loss of approximately JPY 9.0 billion on a portion of goodwill..

As a result of the above, net sales were JPY 108.4 billion (6.0% increase in comparison to the previous fiscal year), and segment loss was JPY 10.9 billion (JPY 8.1 billion deterioration in comparison to the previous fiscal year).

Sales Breakdown by Business Segment (consolidated)

IFRS						
Fiscal Year	FY2023 (the 82nd)		FY2024 (the 83rd)		Change from the previous period	
Segment	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage increase (decrease) (%)
Semiconductor and Component Test System	331,542	68.2	598,128	76.7	266,586	80.4
Mechatronics System	52,695	10.8	73,180	9.4	20,485	38.9
Services, Support and Others	102,270	21.0	108,399	13.9	6,129	6.0
Total	486,507	100.0	779,707	100.0	293,200	60.3
Overseas	466,784	95.9	763,858	97.9	297,074	63.6

(ii) Capital Expenditures

The Company group invested a total of JPY 21 billion in capital expenditures in FY2024 centering around new product development and production facilities, in addition to the expansion investment of manufacturing sites in the United States.

(iii) Financing

There was no significant financing during FY2024.

(iv) Acquisition or disposal of shares or other equities or stock acquisition rights of other companies

In January 2025, the Company acquired common shares of Technoprobe S.p.A. and FormFactor, Inc. through a subsidiary of the Company. Furthermore, in March 2025, the Company acquired common shares of MICRONICS JAPAN CO.,LTD.

These acquisitions were made as minority investments and were intended to build partnerships with major probe card manufacturers.

(2) Conditions of Assets, Profit and Loss

Conditions of Assets, Profit and Loss of the Company group (consolidated)

	IFRS			
	FY2021 (the 80th)	FY2022 (the 81st)	FY2023 (the 82nd)	FY2024 (the 83rd)
Net sales (Millions of yen)	416,901	560,191	486,507	779,707
Operating Margin (%)	27.5	29.9	16.8	29.3
Net income (loss) attributable to owners of the parent (Millions of yen)	87,301	130,400	62,290	161,177
Return on Invested Capital (ROIC) (%)	28.4	34.6	13.5	31.5
Basic earnings per share (EPS) (Yen)	112.39	174.35	84.45	218.67
Total equity attributable to owners of the parent (Millions of yen)	294,621	368,694	431,178	506,539
Total assets (Millions of yen)	494,696	600,224	671,229	854,210

(Notes)

1. The name of each item in the category above is presented according to the IFRS terminology.
2. The Company enacted a 4-for-1 share split of its common share with an effective date of October 1, 2023. “Basic earnings per share” is calculated based on the assumption that the share split was implemented at the beginning of the fiscal year 2021.
3. Return on Invested Capital = NOPAT / Invested capital (average at beginning and end of period). NOPAT = Operating income x (1 - tax ratio 25%). Invested Capital = Borrowings + Corporate bonds + Total equity, with excluding Lease liabilities.)

(3) Significant Subsidiaries

Name of Subsidiary	Common Stock	Percentage of Voting Rights (Note)	Principal Business
Advantest America, Inc.	USD 4,059 thousand	100%	Development and sales of the Company's products
Advantest Test Solutions, Inc.	USD 2,500 thousand	100%	Design and sales of the Company's products
Essai, Inc.	USD 500 thousand	100%	Design, production and sales of the Company's products
Advantest Europe GmbH	EUR 10,793 thousand	100%	Development and sales of the Company's products
Advantest Taiwan Inc.	NTD 500,000 thousand	100%	Sales of the Company's products
Advantest (Singapore) Pte. Ltd.	SGD 15,300 thousand	100%	Sales of the Company's products
Advantest Korea Co., Ltd.	KRW 9,516 million	100%	Production and support for sales of the Company's products
Advantest (China) Co., Ltd.	USD 8,000 thousand	100%	Support for sales of the Company's products

(Note) Percentage of voting rights include indirectly held shares.

(4) Issues to be Addressed

1. Mid- to Long-term Management Policy: the "Grand Design"

In order to continue to be a company that embodies our purpose and mission of "Enabling Leading-edge Technologies," in 2018, the Company established its mid- to long-term management policy, the "Grand Design," which outlines the direction the Company group should take, including what the Company wants to be in the long-term and what the Company should do to achieve this.

Under the 2018 version of the "Grand Design," the Company executed on two mid-term management plans: the first mid-term management plan (MTP1, FY2018-FY2020), and the second mid-term management plan (MTP2, FY2021-FY2023), and achieved market share gains, business expansion, and profitability improvement at a scale and speed that exceeded the original plans.

Then, in 2024, in order to further develop the Company and to continue to be of the greatest value to customers and society, the Company has refreshed its "Grand Design" to reflect the changes in its management and business structure up to that time and the latest outlook for the long-term business environment at that time.

In accordance with the refreshed "Grand Design," the Company group will strive to expand the value it provides to stakeholders and strengthen the management foundation that supports this value.

<Vision Statement>

"Be the most trusted and valued test solution company in the semiconductor value chain."

By expanding the economic and social benefits it provides, the Company aims to become the most trusted and valued test solution company in the semiconductor value chain for all its stakeholders.

<View on Long-term Business Environment and Issues to be Addressed>

Future uncertainties in the macro business environment are expected to remain high. Today, the issues surrounding the world with climate change, geopolitical risks, demographics change, etc. are becoming more consequential, and the complexity of solving problems from those issues are increasing dramatically.

While such issues remain, innovations, represented by AI, continue dynamically in various industries in order to solve those social issues. In response to this, regarding semiconductors, which are the foundation of social innovations, the Company expects to see greater inter-company and interregional collaboration to further improve performance and ensure economic rationality, and to strengthen the supply chain within the region. Along with these trends, the Company assumes that the semiconductor value chain will continue to evolve over the medium- to long-term, while further increasing its complexity.

Furthermore, when looking ahead at technological trends in semiconductor testing, technological advancements to achieve higher semiconductor performance and energy efficiency, such as further miniaturization, adoption of new architectures, and adoption of advanced packaging, are expected to continue to raise the complexity of semiconductor testing in the future. In particular, the Company expects that test complexity will become even more pronounced in AI- and HPC (high performance computing)-related semiconductors, which are expected to be the biggest growth drivers of the semiconductor market.

With this increasing complexity as a key trend in the industry, the Company anticipates the semiconductor test-related market to grow over the medium- to long-term as customers invest in increasing their testing capacity. In addition, the Company predicts that future test solutions will need to be more highly automated to improve efficiency in the semiconductor quality assurance process. Under these trends, the Company group believes that in addition to the development and sale of products with superior performance, the provision of new solutions and services that harmoniously develop and integrate these products will be a further growth opportunity, and the Company intends to make the realization of such opportunities the cornerstone of its medium- to long-term future growth strategies. Furthermore, as the entire industry becomes increasingly complex, efficiency will also be important for the Company group, and the Company will strive to improve efficiency in a variety of ways across all aspects of management and operations.

<Long-term Management Goals>

Semiconductors will be essential for the realization of a sustainable society and the development of various industries. In fact, almost all of the Company group's businesses are related to the realization and diffusion of semiconductors with superior performance. Therefore, the Company believes that developing business activities based on its purpose & mission and contributing to the development and diffusion of semiconductors with superior performance through our leading-edge technologies will continue to directly contribute to a "safer, more secure and more comfortable" society while realizing its own sustainable growth.

Reflecting these ideas, the Company group will promote initiatives that contribute to a sustainable society while focusing on solving customer issues such as the aforementioned increasing complexity in semiconductor testing. Through these efforts, the Company group aims over the long-term to expand the economic and social value it provides to each stakeholder in a multifaceted and well-balanced manner.

2. Overview of the Third Mid-term Management Plan [MTP3, FY2024-FY2026]

The Company expects that the semiconductor test-related market to continue to grow over the medium-to long-term, while will include short-term down cycles. In addition to the expansion of the semiconductor market, the Company believes that business opportunities for the Company group will expand over the medium-to long-term, as the industry faces structural challenges in dealing with the complexity of semiconductors.

In this environment, the Company group will work to expand the value it provides to stakeholders over the medium-to long-term by promoting its third mid-term management plan, which was formulated in accordance with the refreshed "Grand Design."

<Strategies>

1. Outpace the growth in our core market

In the future core market, the Company group expects growth opportunities to arise from increased semiconductor production volume, higher performance semiconductors, and the increasing complexity of semiconductors. To address these opportunities, the Company group will not only improve the performance of individual test solutions, but also will create new value for its customers by provision of "Automation of Test," that enables more efficient semiconductor testing, through organically integrating its diverse portfolio of products and solutions and collaborating with external partners. Through these efforts, the Company will continue to grow faster than the market.

2. Expand adjacently / new businesses

As semiconductors continue to become more high-performance and complex, there is a demand for broader and more integrated test solutions. The Company group has been expanding its business into system level test and test peripherals, and will continue this initiative to further increase the value it

provides to customers. More specifically, the Company will work to leverage its installed base of products to promote its field services and the Company Cloud Solutions™ and Applied Research & Venture Team to create business opportunities.

3. Drive operational excellence

The Company group will continue to solve testing issues in the semiconductor industry by leveraging in-house technology, know-how, and resources on a cross-functional basis. In addition to the above, to become a company that is valuable to all of the stakeholders, the Company believes that it needs to improve not only the excellence of its products and technologies, but also the efficiency and effectiveness of all of its operations. To this end, the Company group is committed to accelerating internal operation and streamlining manpower by using DX (digital transformation), building a resilient supply chain, strengthening our human capital through recruiting competent talents and expanding employee training, and improving internal productivity through the use of AI and data analytics.

4. Enhance sustainability

The Company group will further strengthen its foundation for enhancing corporate value through proactive and positive action on sustainability issues such as climate change and human rights, the execution of responsible business activities, including legal compliance and adherence to ethical business practices, and the reinforcement of risk management and enhancement of corporate governance, to earn greater trust from each stakeholder. The Company will also strive to cultivate and instill a common culture and shared values within the Company, as these are the starting point for promoting initiatives related to sustainability.

<Targeted Management Metrics>

In MTP3, the Company group will strive to enhance its corporate value by increasing sales, improving profitability, and improving capital efficiency through the above four strategies. Given this framework, the management metrics that are emphasized in MTP3 are sales, operating profit margin, net income, return on invested capital (ROIC), and basic earnings per share (EPS). The Company has been endeavoring to grow all these numbers. In order to evaluate the progress of the plan from a medium- to long-term perspective, the Company uses three-year averages to level the impact of industry cycle. In FY2024, the first year of MTP3, the Company exceeded our target for all of the management metrics.

	MTP3 targets*1 (FY2024-2026 Avg.)	FY2024 Results*2
Sales	JPY 560-700 billion	JPY 779.7 billion
Operating profit margin	22-28%	29.3%
Net income	JPY 93-147 billion	JPY 161.2 billion
Return on Invested Capital*3 (ROIC)	18-28%	31.5%
Basic Earnings per share (EPS)	JPY 127 - 202	JPY 218.67

(Notes)

1. MTP3 financial targets are based on exchange rate assumptions of JPY 140 to the US dollar and JPY 155 to EUR.
2. Actual exchange rate for FY2024 were JPY 153 to the USD and JPY 164 to EUR
3. Return on Invested Capital = NOPAT / Invested capital (average at beginning and end of period). NOPAT = Operating income x (1 - tax ratio 25%). Invested Capital = Borrowings + Corporate bonds + Total equity, with excluding Lease liabilities.)

<Cost / Profit Structure>

The Company group will work to improve its gross profit margin through measures such as increasing the development and sales of superior test solutions and optimizing supply chain management and manufacturing operations. The Company will also actively invest in areas that will be the source of sustainable value creation, for instance by means of R&D investment and investment in human capital. At the same time, we will strive to continuously improve our profit structure by implementing measures to increase management efficiency and operational productivity, such as DX. On the other hand, there is a high degree of future uncertainties in the global economy and market conditions. The Company group will strive to achieve these management goals by carrying out flexible financial management in line with

changes in the business environment.

<Capital Policy & Shareholder Returns>

The Company group has set its capital policy to prioritize business investment for growth such as R&D, facility enhancements, and M&A. In order to strengthen the Company group's ability to generate cash in the future in line with the long-term semiconductor market expansion and further semiconductor performance gains, the Company will allocate cumulative operating cash flow (before deducting R&D expenses) of JPY 600 billion or more, expected during MTP3 period, to investments in organic and non-organic growth in its core businesses and the acceleration of business expansion into adjacent markets. The Company will also be flexible in utilization of liabilities (debt) from the viewpoint of balance sheet management that considers both capital efficiency and capital cost. In addition, the Company ensures an appropriate capital structure with maintaining financial soundness in order to strengthen the Company's business position and enhance its corporate value.

The shareholder return that is in congruence with MTP3 for the three years starting from April 1, 2024, under the premise of a stable business environment, is set to make stable and continuous dividend with a minimum amount of JPY 30 per share for the full year. In addition to dividends, the Company has set a target to achieve a cumulative total return ratio* of 50% or more over the three years of MTP3.

The Company estimates that its cash on hand will range between JPY 100-120 billion in normal times. When surplus cash arises beyond that which is needed for investments and cash for working capital, the Company will return it to our shareholders via dividend and treasury share purchase.

*Total return ratio: (Dividend + share repurchase) / consolidated net income

3. Outlook

Looking at the Company's market environment going forward, in CY2025, the semiconductor market will continue to be driven by demand for AI-related semiconductors, as it was in the previous year with the ongoing implementation of AI in society. In the semiconductor test equipment market, while the recovery in demand for applications other than AI, such as for automotive and industrial equipment, is expected to take some time, high level of demand is expected to continue for AI-related applications, against the backdrop of increasing complexity and production expansion. The increasing number of companies entering the AI-related semiconductor market is also likely to contribute to the growth in demand.

On the other hand, looking at the global economy, the business environment surrounding the Company is becoming increasingly uncertain due to ongoing geopolitical risks, and the risk of rapid exchange rate fluctuations.

Based on this outlook, our full-year consolidated earnings forecast for FY2025 calls for net sales of JPY 755.0 billion, operating income of JPY 242.0 billion, income before income taxes of JPY 240.0 billion, and net income of JPY 179.0 billion. This forecast is based on exchange rate assumptions of USD 1 to JPY 140 and EUR 1 to JPY 155.

At this time, the Company does not recognize more than a minor direct impact on its business and results from tariff measures. However, we perceive that the business environment surrounding our company is becoming increasingly uncertain, and the situation remains unpredictable.

The Company will continue to constantly monitor changes in the external environment and respond expeditiously and flexibly. The Company 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.

(5) Primary Areas of Business

The Company group manufactures and sells semiconductor and component test systems products and mechatronics-related products such as test handlers and device interfaces. The Company group also engages in research and development activities and provides maintenance and support services associated with these products.

2. Company Information

(1) Equity Stock (as of March 31, 2025)

(i) Total number of issuable shares 1,760,000,000 shares

(ii) Total number of issued shares 766,141,256 shares

(Note) The total number of issued shares includes treasury shares (32,422,231 shares).

(iii) Number of shareholders 98,048

(iv) Major Shareholders (Top 10 shareholders)

Name of Shareholder	Number of Shares (in: thousand shares)	Percentage of Ownership (%)
The Master Trust Bank of Japan, Ltd. (trust account)	227,336	30.98
Custody Bank of Japan, Ltd. (trust account)	98,145	13.37
HSBC HONG KONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	19,029	2.59
THE BANK OF NEW YORK MELLON 140042	16,722	2.27
STATE STREET BANK AND TRUST COMPANY 505001	16,459	2.24
STATE STREET BANK WEST CLIENT - TREATY 505234	16,244	2.21
JP MORGAN CHASE BANK 385781	10,597	1.44
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	9,411	1.28
STATE STREET BANK AND TRUST COMPANY 505103	7,870	1.07
MOXLEY & CO LLC	6,678	0.91

(Note)1. Number of Shares is rounded down to the nearest thousand.

2. Percentage of Ownership is calculated excluding treasury shares (32,422,231 shares).

3. Percentage of Ownership is rounded down to the second decimal place.

(v) Status of shares issued to officers as compensation for the execution of their duties during FY2024

	Number of shares (shares)	Number of eligible (person)
Directors (excluding Directors who are Audit and Supervisory Committee members and outside directors)	137,305	3
Outside directors (excluding Directors who are Audit and Supervisory Committee members)	1,731	3
Directors who are Audit and Supervisory Committee members	1,923	3

(Note) Contents of the stock compensation of the Company are stated in 2. (2) d, 3. (4), 4. (4) and 5. (5) of <Directors and Executive Officers Compensation Policy and Procedure> in (ii) of 2. (2) Directors and Audit and Supervisory Committee members.

(vi) Important items regarding our shares

The Company purchased treasury stock as outlined below, pursuant to the resolution made at the meeting of the Board of Directors held on October 30, 2024, to purchase treasury stock in accordance with the Articles of Incorporation, as stipulated in Article 459, Paragraph 1 of the Companies Act.

Types of shares acquired	:	Common shares
Total number of shares acquired	:	5,711,000 shares
Total cost of acquisition	:	JPY 49,999,998,563(excluding brokerage commissions)
Acquisition period	:	From November 1, 2024 to January 28, 2025
Reason for acquisition	:	For the purpose of shareholder returns and improving capital efficiency.

The Company has resolved, at the meeting of the Board of Directors held on April 25, 2025, to purchase treasury stock in accordance with the Articles of Incorporation, as stipulated in Article 459, Paragraph 1 of the Companies Act.

Types of shares acquired	:	Common shares
Total number of shares to be acquired	:	Up to 19 million shares (Equivalent to 2.6% of outstanding shares excluding treasury shares as of March 31, 2025)
Total cost of acquisition	:	Up to 70 billion yen
Acquisition period	:	From May 7, 2025 to September 22, 2025
Reason for acquisition	:	For the purpose of shareholder returns and improving capital efficiency.

(2) Directors and Audit and Supervisory Committee Members

(i) Directors and Audit and Supervisory Committee Members (as of March 31, 2025)

Title	Name	Assignment in the Company and significant concurrent positions
Representative Director	Douglas Lefever*	Corporate Strategy, Business Promotion, Technology in charge
Representative Director	Koichi Tsukui*	Administration, Supply Chain, Business Process Innovation in charge
Director, Chairperson of the Board	Yoshiaki Yoshida	
Director	Toshimitsu Urabe	Outside Director, Japan Business Systems, Inc.
Director	Nicholas Benes	Representative Director, The Board Director Training Institute of Japan
Director	Naoto Nishida	Special Commission, Toshiba Corporation
Director Standing Audit and Supervisory Committee Member	Yuichi Kurita	
Director Audit and Supervisory Committee Member	Sayaka Sumida	Outside Audit & Supervisory Board Member, Furukawa Electric Co., Ltd. Outside Director, Audit Committee Member, Japan Exchange Group, Inc.
Director Audit and Supervisory Committee Member	Tomoko Nakada	Outside Director, Audit and Supervisory Committee Member, TS Tech Co., Ltd.

- (Note)1. Mr. Yuichi Kurita has been appointed as a standing Audit and Supervisory Committee member in order to enhance effectiveness of audits and supervisory function by the Audit and Supervisory Committee through information gathering by attending important meetings and conducting hearings about reports on operations received from execution departments as well as through strengthened collaboration between the Independent Auditor and the internal audit division.
2. Mr. Yuichi Kurita, a Director who is an Audit and Supervisory Committee member, has many years of experience in corporate planning and finance, as well as experience serving as an officer of the Company responsible for administration. Ms. Sayaka Sumida, a Director who is an Audit and Supervisory Committee member, has experience as a certified public accountant working for an auditing firm. Both Mr. Kurita and Ms. Sumida have considerable knowledge regarding finance and accounting.
3. Mr. Toshimitsu Urabe, Mr. Nicholas Benes, Mr. Naoto Nishida, Ms. Sayaka Sumida and Ms. Tomoko Nakada are outside directors.
4. The Company has registered Directors Toshimitsu Urabe, Nicholas Benes, Naoto Nishida, Sayaka Sumida and Tomoko Nakada as independent directors with the Tokyo Stock Exchange.
5. As of April 1, 2025, the assignment of Directors have been changed as follows.

	New	Former
Douglas Lefever	Corporate Strategy & Finance, Business Promotion, Technology in charge	Corporate Strategy, Business Promotion, Technology in charge
Koichi Tsukui	Human Capital & General Affairs & Legal, Supply Chain, Business Process Innovation in charge	Administration, Supply Chain, Business Process Innovation in charge

6. The Company has in place an Executive Officers System and * indicates a Director who also serves as an Executive Officer.

7. The assignments of Executive Officers are currently held as follows:

Title	Name	Assignment in the Company and significant concurrent positions
Senior Executive Officer, Group CEO	Douglas Lefever	Group CEO (Chief Executive Officer)
Senior Executive Officer and President, Group COO	Koichi Tsukui	Group COO (Chief Operating Officer)
Senior Executive Officer	Keith Hardwick	CHO & CCO (Chief Human Capital Officer & Chief Compliance Officer)
Senior Executive Officer	Yasuo Mihashi	CFO & CSO (Chief Financial Officer & Chief Strategy Officer)
Senior Executive Officer	Juergen Serrer	CTO (Chief Technology Officer) & ATE Business Group Leader
Senior Executive Officer	Makoto Nakahara	CCRO (Chief Customer Relations Officer)
Senior Executive Officer	Sanjeev Mohan	Co-CCRO (Co-Chief Customer Relations Officer)
Senior Executive Officer	Richard Junger	CSCO, CDO & CIO (Chief Supply Chain Officer, Chief Digital Officer & Chief Information Technology Officer)
Senior Executive Officer	Yong Xu	China Business Strategy
Senior Executive Officer	Toshiaki Adachi	Sub-leader, ATE Business Group
Executive Officer	Suan Seng Sim (Ricky Sim)	Managing Director (CEO), Advantest (Singapore) Pte. Ltd.
Executive Officer	Masayuki Suzuki	Executive Vice President, Memory Test Business Unit, ATE Business Group
Executive Officer	Naruo Tanaka	Executive Vice President, New Area Business Development Initiative
Executive Officer	Wan-Kun Wu (Alex Wu)	Chairperson of the Board, President (CEO), Advantest Taiwan Inc.
Executive Officer	Chien-Hua Chang (Titan Chang)	Executive Vice President, Field Service Group
Executive Officer	Akio Osawa	Senior Vice President (Officer) (System Solution), Sales Group
Executive Officer	Yasushi Yoshimoto	Co-CHO & Co-CCO (Co-Chief Human Capital Officer & Co-Chief Compliance Officer)
Executive Officer	Jaehyuk Cha	Representative Director and President, Advantest Korea Co., Ltd.
Executive Officer	Daisuke Watanabe	Executive Vice President, Technology Development Group, ATE Business Group
Executive Officer	Ralf Stoffels	Division Manager, 93000 Product Unit, SoC Test Business Unit, ATE Business Group
Executive Officer	Katsuhiko Tsunetsugu	Senior Vice President (Officer), Corporate Strategy Group
Executive Officer	Andre Vachenauer	Executive Vice President, Corporate IT Group
Executive Officer	Kazuyuki Yamashita	Senior Vice President, DH Business Group
Executive Officer	Steven Hsieh	Senior Vice President (Officer) (Asia), Sales Group
Executive Officer	Jintie Li	Director, Advantest (China) Co., Ltd.
Executive Officer	Masaki Arai	Executive Vice President, Global Production Unit, Corporate Supply Chain (CSC) Group

(Note)1. As of April 1, 2025, the assignments of Executive Officers have been changed as follows.

	New	Former
Yasuo Mihashi	CSO	CFO & CSO
Juergen Serrer	CTO & Test System Business Group Leader	CTO & ATE Business Group Leader
Toshiaki Adachi	Sub-leader, Test System Business Group	Sub-leader, ATE Business Group
Masayuki Suzuki	Executive Vice President, Memory Test Business Unit, Test System Business Group	Executive Vice President, Memory Test Business Unit, ATE Business Group
Naruo Tanaka	Executive Vice President, New Area Business Development Initiative, Technology & Research Group	Executive Vice President, New Area Business Development Initiative
Chien-Hua Chang (Titan Chang)	Advisor, Field Service Group	Executive Vice President, Field Service Group
Daisuke Watanabe	Executive Vice President, Technology Development Group, Technology & Research Group	Executive Vice President, Technology Development Group, ATE Business Group
Ralf Stoffels	Division Manager, 93000 Product Unit, SoC Test Business Unit, Test System Business Group	Division Manager, 93000 Product Unit, SoC Test Business Unit, ATE Business Group
Kazuyuki Yamashita	Executive Vice President, DH Group, Test System Business Group	Senior Vice President, DH Business Group

2. As of April 1, 2025, the following appointments to the position of Senior Executive Officer or Executive Officer have occurred

Title	Name	Assignment in the Company and significant concurrent positions
Senior Executive Officer	Hisako Takada	CFO
Executive Officer	Kesa Yorozu	General Counsel
Executive Officer	Fabio Morgana	Research & Venture, Technology & Research Group
Executive Officer	Jonathan Sinskie	ATS Business Unit Leader, Test System Business Group

(ii) Matters concerning policy for determining the details of individual compensation, etc. for directors (excluding directors who are Audit and Supervisory Committee members)

The Company's policy for determining the details of individual compensation for directors (excluding directors who are Audit and Supervisory Committee members) is as follows. This policy was approved by the Board of Directors on May 21, 2024. The Nomination and Compensation Committee deliberated on individual compensation for directors (excluding directors who are Audit and Supervisory Committee members) for FY2024 based on the policy and reported their findings to the Board of Directors. The Board of Directors deliberated on and determined compensation based on the Nomination and Compensation Committee's findings, and the Company believes that compensation is in line with the policy.

<Policies and Procedures for Determining Compensation for Directors and Executive Officers>

1. Basic policy

Based on the Company's corporate mission and vision, we aim to create a system for the compensation of directors and executive officers that contributes to the enhancement of corporate value. The ground rules of the system are as follows.

(1) Compensation mix and compensation level that shall attract international human resources who support the Company's global business development.

In order to continue to grow globally in the complex and rapidly evolving semiconductor industry, we will appoint talented people from all over the world and compensate them appropriately by global standards.

(2) Bonus that is strongly linked to business performance

Given the inevitability of fluctuations in business performance, strongly indexing bonuses to performance will fully reward the contributions of officers when business performance is strong and will reduce the burden on the Company during downturns in business performance.

- (3) Stock compensation that incentivizes directors and officers to share values with shareholders and promotes management from a medium- to long-term perspective

We will combine transfer-restricted stock compensation, which incentivizes the pursuit of medium- to long-term corporate value improvement, which is also beneficial to shareholders, and performance-linked stock compensation, which promotes the achievement of medium-term management goals that lead to corporate value improvement.

2. Policy on the system, timing, conditions, and determination of compensation for director (excluding outside directors and directors who are Audit and Supervisory Committee members)

- (1) For directors who also serve as executive officers, base compensation (monetary remuneration) appropriate to their duties and responsibilities will be paid monthly, in addition to the executive officer compensation specified in 5 below.

- (2) The compensation of directors who do not serve as executive officers shall be set as follows, in accordance with the basic policy set forth in 1 above.

- (a) Structure: Base compensation (monetary remuneration), Stock compensation

- (b) Ratio: Base compensation: Stock compensation = 1 : 0.5 (guideline in the standard amount)

- (c) Base compensation

Base compensation shall be set at an appropriate level according to duties and responsibilities as such director, and will be paid monthly, with reference to external objective data (i.e. the level of compensation paid to people with similar responsibilities by companies of similar size in each country).

- (d) Stock compensation

- We will grant restricted stock (RS), which incentivizes the pursuit of medium- to long-term corporate value improvement, which is also beneficial to shareholders.

- Shares of RS will be granted every business year as described above.

- As a general rule, holding is obligatory during the term of office, and transfer restrictions will be lifted when an director retires.

- (3) In addition to the above, lump sum payments may be made based on special events such as the anniversary of the Company's founding.

3. Policy on the system, timing, conditions, and determination of compensation for outside directors (excluding directors who are Audit and Supervisory Committee members)

The compensation of outside directors (excluding directors who are Audit and Supervisory Committee members) shall be set as follows in consideration of their roles and independence with the basic policy set forth in 1 above.

- (1) Structure: Base compensation (monetary remuneration), Stock compensation

- (2) Ratio: Base compensation : Stock compensation = 1 : 0.3 (guideline in the standard amount)

- (3) Base compensation

Base compensation shall be set at an appropriate level according to duties and responsibilities as such director, and will be paid monthly, with reference to external objective data (i.e. the level of compensation paid to people with similar responsibilities by companies of similar size in each country).

- (4) Stock compensation

- We will grant restricted stock (RS), which incentivizes the pursuit of medium- to long-term corporate value improvement, which is also beneficial to shareholders.

- Shares of RS will be granted every business year as described above.

- As a general rule, holding is obligatory during the term of office, and transfer restrictions will be lifted when an director retires.

- (5) In addition to the above, lump sum payments may be made based on special events such as the

anniversary of the Company's founding.

4. Policy on the system, timing, conditions, and determination of compensation for directors who are Audit and Supervisory Committee members

The compensation of directors who are Audit and Supervisory Committee members shall be set as follows in consideration of their roles and independence with the basic policy set forth in 1 above.

- (1) Structure: Base compensation (monetary remuneration), Stock compensation
- (2) Ratio: Base compensation: Stock compensation = 1 : 0.3 (guideline in the standard amount)
- (3) Base compensation
Base compensation will be paid monthly. The individual compensation level of directors who are Audit and Supervisory Committee members will be decided through discussions with them.
- (4) Stock compensation
 - We will grant restricted stock (RS), which incentivizes the pursuit of medium- to long-term corporate value improvement, which is also beneficial to shareholders.
 - Shares of RS will be granted every business year as described above.
 - The individual compensation level of directors who are Audit and Supervisory Committee members will be decided through discussions with them.
 - As a general rule, holding is obligatory during the term of office, and transfer restrictions will be lifted when a director retires.
- (5) In addition to the above, lump sum payments may be made based on special events such as the anniversary of the Company's founding.

5. Policy on the system, timing, conditions, and determination of compensation for executive officers
The compensation of executive officers shall be set as follows with the basic policy set forth in 1 above.

- (1) Structure: Base compensation (monetary remuneration), Performance-linked bonuses (monetary remuneration), Stock compensation
- (2) Ratio: Base compensation: Performance-linked bonuses : Stock compensation =
 - 1 : 1 : 2 (Senior Executive Officer (Group CEO))
 - 1 : 1 : 1.5 (Senior Executive Officer (Group COO))
 - Between 1 : 1 : 1 and 1 : 1 : 1.2 (Senior Executive Officer)
 - Between 1 : 0.8 : 0.8 and 1 : 1 : 1 (Executive Officer)

*All of the above estimates are based on the standard amount.

- (3) Base compensation
Base compensation shall be set at an appropriate level according to individual duties and responsibilities, and will be paid monthly, with reference to external objective data (i.e. the level of compensation paid to people with similar responsibilities by companies of similar size in each country).
- (4) Performance-linked bonuses
 - Performance-linked bonuses (monetary remuneration) are short-term incentives for the results of a single year, and are paid once a year after the performance of the Group for the relevant business year is confirmed.
 - a. The amount of bonuses is determined using net income as an index.
 - b. Target amounts will be set by referring to the net income targets of the single-year business plan and mid-term management plan. We will pay the standard amount when the target values are achieved, but the amount paid will fluctuate as described below when actual results undershoot or exceed the target values.
 - Actual results <50% of target values: 0% of standard amount
 - Actual results >150% of target values: 200% of standard amount
 - Actual results 50% -150% of target values: Varies between 0-200% of standard amount
- (5) Stock compensation

- We will grant restricted stock (RS) and performance-linked stock compensation (PSU) with the intention of incentivizing the pursuit of medium- to long-term enhancement of corporate value in alignment with shareholder priorities. As a general rule, about half of the stock-based compensation should be RS and about half should be PSU.
 - a. Shares of RS will be granted every business year as described above. As a general rule, holding is obligatory during the term of office, and transfer restrictions will be lifted when an officer retires.
 - b. PSU shall be granted in a lump sum for three years in the first year of the three-year mid-term management plan, with the base value being the points that will become shares of a value determined to be as described above. After the expiration of the term of the mid-term management plan, We will grant shares in proportion to the points, which are varied between 60% and 140% of the base value according to the degree of achievement of the mid-term management targets. The indicators for evaluating achievement of mid-term management targets are as follows, and the degree of fluctuation is determined by the total value of both indicators.
 - Main indicator: Earnings per share (EPS) during the mid-term management plan
→ Fluctuation between 70% and 130% of the standard amount
 - Sub-indicator: Relative Total Shareholders Return (r-TSR) and ESG evaluation
→ Fluctuation between -5% to 5% of the standard amount

*However, the indicators and fluctuation ranges may be revised in response to the new mid-term management plan.

Note, officers who take office or retire in the second or third years of the medium-term management plan will be as standard performance, prorated according to the length of time they have served.
 - (6) Additional compensation may be paid for the purpose of securing managers, specially skilled personnel, and/or similar individuals, depending on the conditions of the human resource market in each region and/or industry. As a general rule, compensation levels across regions shall be adjusted through base compensation (monetary compensation) and stock compensation while stock compensation shall be used to secure a pool of specific human resources. The stock compensation shall be in the form of RS or PSU, but the term of the RS transfer restriction under this section shall be at least three years.
 - (7) Compensation for non-residents in Japan may be different from the above due to laws and other circumstances.
 - (8) If there are changes in the Company's financial situation or business environment that are clearly judged to make it difficult to achieve the goals of the mid-term management plan, this system and its operation may be reviewed based on a resolution of the Board of Directors.
 - (9) In addition to the above, lump sum payments may be made based on special events such as the anniversary of the Company's founding.
6. Procedures and methods for determining compensation
- (1) Individual compensation for directors (excluding directors who are Audit and Supervisory Committee members) and executive officers is deliberated by the Nomination and Compensation Committee based on consultation with the Board of Directors, and proposed to the Board of Directors. The Board of Directors deliberates on proposals from the Nomination and Compensation Committee and decides on compensation.
 - (2) However, performance-linked bonuses are determined as follows:
 - a. Up to 30% of the total amount calculated and determined according to the policies above of performance-linked bonuses for executive officers, excluding the Group CEO, shall be redistributed based on individual evaluations conducted by the Group CEO and approved by the Nomination and Compensation Committee. Results of these evaluations and redistributions shall be reported to the Board of Directors.
 - b. In principle, the Group CEO's performance-linked bonus is calculated based on the results of

performance indicators, but if the Board of Directors deems it necessary and clearly states their reasoning, it may be increased or decreased.

7. Reduction of compensation, clawbacks, etc.

The Company may reduce future compensation or claw back past compensation by resolution of the Board of Directors in the event of certain circumstances, such as violation of relevant laws and regulations or internal rules.

(iii) Matters concerning policies for determining the details of individual compensation, etc. for Directors who are Audit and Supervisory Committee members

The Company has established a policy for determining the details of individual compensation for directors who are Audit and Supervisory Committee members. Under the policy, the amount of compensation for each Audit and Supervisory Committee member is determined through discussions by Audit and Supervisory Committee members, taking into consideration the distinction between standing and non-standing positions, the assignment of auditing duties, the details and level of compensation paid to directors, and other factors. This policy was approved by a resolution of the Audit and Supervisory Committee held on January 27, 2016.

(iv) Total amount of compensation for directors

Officer Category	Company Category	Total Compensation (Millions of yen)	Total Compensation by Category (Millions of yen)				Number of Eligible Officers (person)
			Cash Compensation		Non-Cash Compensation		
			Base Compensation	Performance-based Compensation	Restricted stock compensation	Performance-based Stock Compensation	
Directors (excluding Audit and Supervisory Committee members) (excluding Outside Directors)	the Company	1,188	221	254	289	424	3
	Consolidated subsidiary	11	11	-	-	-	
Directors (Audit and Supervisory Committee members) (excluding Outside Directors)	the Company	47	44	-	3	-	1
Outside Directors (not Audit and Supervisory Committee members) (Audit and Supervisory Committee members)	the Company	86	74	-	12	-	5
		(50)	(43)	(-)	(7)	(-)	(3)
		(36)	(31)	(-)	(5)	(-)	(2)

(Note)1. Performance-linked bonuses are paid to Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee members) as performance-based compensation. Performance-linked bonuses are cash compensation for achievements for a single year and paid out once a year after the corporate performance of the Company group for the said fiscal year is confirmed. Net income is used as the performance indicator of the said bonuses which are positioned as a short-term incentive. The details of the performance-linked bonuses and the reasons for selection of this indicator are described in <Policies and Procedures for Determining Compensation for Directors and Executive Officers> 5. (4) and 6. (2) described in 2. (2) "Directors and Audit and Supervisory Committee Members" (ii). The indicators, actual results and payment rates for performance-linked bonuses are as follows.

Indicators	Actual results	Payment rates
Net Income	161.2 Billion yen	168.7%

2. Restricted stock compensation and performance-based stock compensation are delivered to Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee members) as non-cash compensation. For restricted stock compensation and performance-based stock compensation, the amount recorded as an expense for FY2024 in accordance with IFRS standards is listed.

Regarding restricted stock compensation and performance-based stock compensation, the 82nd Ordinary General

Meeting of Shareholders held on June 28, 2024 resolved that (1) restricted stock compensation for the Company's Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee members) shall not be more than JPY 1 billion per year, and the total number of common shares of the Company to be delivered to eligible Directors shall be within 400,000 shares per year; and (2) a performance share unit for the said Directors shall not be more than JPY 3 billion for each mid-term management plan (three fiscal years), and the total number of common shares of the Company to be delivered to eligible Directors shall be within 1,200,000 shares for each mid-term management plan (three fiscal years). The number of Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee members) at the end of the 82nd Ordinary General Meeting of Shareholders was three. The state of delivery of the said stock compensations in FY2024 is described in (v) of 2. (1) Equity Stock.

The details of the restricted stock compensation and performance-based stock compensation, as well as the indicators and the reasons for their selection in the performance-based stock compensation are as described in <Policies and Procedures for Determining Compensation for Directors and Executive Officers> 5 (5) described in 2.(2) "Directors and Audit and Supervisory Committee Members".

3. At the 82nd Ordinary General Meeting of Shareholders held on June 28, 2024, shareholders approved that the total amount of cash compensation for the Company's Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee members) shall not be more than JPY 1.2 billion per year. The number of Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee members) at the end of the 82nd Ordinary General Meeting of Shareholders was three.
4. Restricted stock compensation is delivered to Outside Directors (excluding Directors who are Audit and Supervisory Committee members) as non-cash compensation. In the restricted stock compensation column, the amount recorded as an expense for FY2024 in accordance with IFRS standards is listed. The company resolved that at the 82nd Ordinary General Meeting of Shareholders held on June 28, 2024 that the amount of restricted stock compensation for the Outside Directors (excluding Directors who are Audit and Supervisory Committee members) shall be not more than JPY 45 million per year, the total number of shares of common stock of the Company to be delivered to eligible Outside Directors shall be not more than 18,000 shares per year, and the per-person amount of cash compensation claims to be paid to eligible Outside Directors shall be not more than 30% of the cash compensation paid to the relevant Outside Director and not more than JPY 5 million per year. The number of Outside Directors (excluding Directors who are Audit and Supervisory Committee members) at the end of the 82nd Ordinary General Meeting of Shareholders was three. The state of delivery of the said stock compensation in FY2024 is described in (v) of 2. (1) Equity Stock. Details of the restricted stock compensation are as stated in 3 (4) of <Policies and Procedures for Determining Compensation for Directors and Executive Officers> in (ii) of 2.(2) "Directors and Audit and Supervisory Committee members".
5. At the 82nd Ordinary General Meeting of Shareholders held on June 28, 2024, shareholders approved that the total amount of cash compensation for the Company's Outside Directors (excluding Directors who are Audit and Supervisory Committee members) shall not be more than JPY 150 million per year. The number of Outside Directors (excluding Directors who are Audit and Supervisory Committee members) at the end of the 82nd Ordinary General Meeting of Shareholders was three.
6. Restricted stock compensation is delivered to the Directors who are Audit and Supervisory Committee members as non-cash compensation. In the restricted stock compensation column, the amount recorded as an expense for FY2024 in accordance with IFRS standards is listed. The company resolved that at the 82nd Ordinary General Meeting of Shareholders held on June 28, 2024 that the amount of restricted stock compensation for the Directors who are Audit and Supervisory Committee members shall be not more than JPY 30 million per year, and the total number of share of common stock of the Company to be delivered to eligible Directors who are Audit and Supervisory Committee members shall be not more than 12,000 shares per year, and the per-person amount of cash compensation claims to be paid to eligible Directors who are Audit and Supervisory Committee members shall be not more than 30% of the cash compensation paid to the relevant Director who is an Audit and Supervisory Committee member and not more than JPY 5 million per year. The number of Directors who are Audit and Supervisory Committee members at the end of the 82nd Ordinary General Meeting of Shareholders was three. The state of delivery of the said stock compensation in FY2024 is described in (v) of 2. (1) Equity Stock. Details of the restricted stock compensation are in 4 (4) of <Policies and Procedures for Determining Compensation for Directors and Executive Officers> in (ii) of 2.(2) "Directors and Audit and Supervisory Committee members".
7. At the 73rd Ordinary General Meeting of Shareholders held on June 24, 2015, shareholders approved that the total amount of compensation for the Company's Directors who are Audit and Supervisory Committee members shall not be more than 100 million yen per year. The number of Directors who are Audit and Supervisory Committee members at the end of the 73rd Ordinary General Meeting of Shareholders was three (including two outside directors).
8. Individual compensation of Directors (excluding Directors who are Audit and Supervisory Committee members) is deliberated by the Nomination and Compensation Committee with consultation to the Board of Directors and proposed to the Board of Directors. The Board of Directors deliberates on proposals from the Nomination and Compensation Committee and decides compensation. However, with respect to the performance-based compensation for Executive Officers (including those concurrently serving as Directors) other than the Group CEO, it is considered most appropriate to reflect the evaluation of such Executive Officers by the Group CEO,

who is the top executive officer in charge of business execution. Therefore, regarding performance-based compensation for this current fiscal year, Mr. Douglas Lefever, who is Representative Director and Senior Executive Officer and Group CEO (Corporate Strategy, Business Promotion, Technology in charge) as of the end of this fiscal year, will evaluate each executive officer, and redistribute the performance-based compensation for each individual, which was approved by the Nomination and Compensation Committee (members: Mr. Toshimitsu Urabe, Ms. Sayaka Sumida, and Mr. Yoshiaki Yoshida, whose positions and responsibilities are described in (i) Directors and Audit and Supervisory Committee members of 2 (2) Directors and Audit and Supervisory Committee members). Individual amounts of performance-based compensation which the Nomination and Compensation Committee approves are within the range decided by the Board of Directors, and the amounts are reported to the Board of Directors after the approval by the Nomination and Compensation Committee. The range of individual amounts of performance-based compensation which the Nomination and Compensation Committee approves is stated in 6. (2) a. of <Policies and Procedures for Determining Compensation for Directors and Executive Officers> in (ii) of 2. (2) Directors and Audit and Supervisory Committee members

(v) Matters pertaining to outside directors and outside Audit and Supervisory Committee members

(a) Significant concurrent positions held and relationship to the Company

Name	Concurrent position(s)	Relationship to the Company
Toshimitsu Urabe (Outside Director)	Outside Director, Japan Business Systems, Inc.	There is no special relationship between Japan Business Systems, Inc. and the Company.
Nicholas Benes (Outside Director)	Representative Director, The Board Director Training Institute of Japan	The Company has paid an annual fee to and received executive training from The Board Director Training Institute of Japan (“BDTI”). The amount of payment to BDTI in FY2024 was less than JPY 1million.
Naoto Nishida (Outside Director)	Special Commission, Toshiba Corporation	The Company has transactions with Toshiba Corporation and its affiliates, including the sales of our products, etc. The amount of such transactions with Toshiba Corporation and its affiliates, in FY2024 was less than 1% of the total of the Company’s consolidated cost of sales and selling, general and administrative expenses.
Sayaka Sumida (Outside Director, Audit and Supervisory Committee Member)	Outside Audit & Supervisory Board Member, Furukawa Electric Co., Ltd.	The Company has transactions with Furukawa Electric Co., Ltd., including the purchase of raw materials, etc. The amount of such transactions with Furukawa Electric Co., Ltd., in FY2024 was less than 1% of the total of the Company’s consolidated cost of sales and selling, general and administrative expenses.
	Outside Director, Audit Committee Member, Japan Exchange Group, Inc.	The Company makes payments including listing fees to Tokyo Stock Exchange, Inc., which is a subsidiary of Japan Exchange Group, Inc. The amount of such transactions with Tokyo Stock Exchange, Inc. in FY2024 was less than 1% of the total of the Company’s consolidated cost of sales and selling, general and administrative expenses.
Tomoko Nakada (Outside Director, Audit and Supervisory Committee Member)	Outside Director, Audit and Supervisory Committee Member, TS Tech Co., Ltd.	There is no special relationship between TS Tech Co., Ltd. and the Company.

(b) Principal activities

Name	Attendance	Participation at meetings
Toshimitsu Urabe (Outside Director)	Meetings of Board of Directors: 13 out of 13 times	Mr. Urabe is expected to apply his knowledge of corporate management, investment decision-making and administrative management such as human resources and IT to the Company group's global management, thereby contributing to the sustainable enhancement of the Company's corporate value and revitalization of the Board of Directors. During FY2024, based on his experience in business investment in global companies, he performed duties based on his role, such as providing advice on M&A and, as the Chairperson of the Nomination and Compensation Committee, making statements based on his own experience in the fields of management and human resources with respect to the executive compensation. Mr. Urabe expresses his opinions mainly on business investment decisions, global management, and the promotion of DX, based on his management experience.
Nicholas Benes (Outside Director)	Meetings of Board of Directors: 13 out of 13 times	Mr. Benes is expected to apply his knowledge of corporate governance, finance matters and the shareholder-oriented perspective to the Company group's global management, thereby contributing to the sustainable enhancement of the Company's corporate value and revitalization of the Board of Directors. During FY2024, Mr. Benes performed his duties based on his role, including M&A advisory service based on his experience in investment banks, providing advice from the perspective of shareholders including institutional shareholders Mr. Benes expresses his opinions based mainly on his knowledge of corporate governance and finance matters.
Naoto Nishida (Outside Director)	Meetings of Board of Directors: 13 out of 13 times	Mr. Nishida is expected to apply his knowledge of corporate management, supply chain management (SCM), production, and research & development to the Company group's global management, thereby contributing to the sustainable enhancement of the Company's corporate value and revitalization of the Board of Directors. During FY2024, Mr. Nishida performed his duties based on his role, including making statements on SCM and safety and health based on his experience in the production and procurement division of a global company. Mr. Nishida expresses his opinions mainly on global management and SCM, based on his management experience.
Sayaka Sumida (Outside Director, Audit and Supervisory Committee Member)	Meetings of Board of Directors: 13 out of 13 times	Ms. Sumida is expected to apply her knowledge of finance and accounting to the Company group's audit and supervision, thereby contributing to the enhancement of corporate accounting and internal controls. During FY2024, Ms. Sumida performed her duties based on her role, including providing advice on internal audit and disclosure documents such as the Annual Securities Report, based on many years of experience as a certified public accountant. Ms. Sumida expresses her opinions mainly in relation to corporate accounting and auditing from a professional perspective.
	Meetings of Audit and Supervisory Committee: 14 out of 14 times	
Tomoko Nakada (Outside Director, Audit and Supervisory Committee Member)	Meetings of Board of Directors: 13 out of 13 times	Ms. Nakada is expected to apply her knowledge of laws and compliance to the Company group's audit and supervision, thereby contributing to the enhancement of compliance. During FY 2024, Ms. Nakada performed her duties based on her role, including pointing out matters relating to risk management and providing advice from a compliance perspective based on her many years of experience as an attorney-at-law. Ms. Nakada expresses her opinions mainly in relation to law and compliance from a professional perspective.
	Meetings of Audit and Supervisory Committee: 14 out of 14 times	

(3) Policies on the distribution of surplus

Based on the premise that a sustainable level of business development and mid-to-long term enhancement of corporate value is fundamental to the creation of shareholder value, the Company practices management that is conscious of capital efficiency, financial soundness, and shareholder returns.

The Company has set the capital policy to prioritize business investment for growth such as R&D, facility enhancements, and M&A, while being flexible in utilization of liabilities (debt) from the viewpoint of balance sheet management that considers both capital efficiency and capital cost. In addition, the Company ensures an appropriate capital structure with maintaining financial soundness in order to strengthen the Company's business position and enhance its corporate value.

The shareholder return that is in congruence with the third mid-term management plan for the three years starting from April 1, 2024, under the premise of stable business environment, is set to make stable and continuous dividend with a minimum amount of JPY30 per share for the full year. In addition to dividends, the Company has set a target to achieve a cumulative total return ratio(*) of 50% or more, including share repurchase, over the three years of the third mid-term management plan. However, there is a possibility that the Company may not be able to disburse shareholder returns due to the occurrence of investment growth opportunities that require more funds than expected and the deterioration of business performance for the changes in the market environment.

* Total return ratio: (Dividend + share repurchase)/consolidated net income

Consolidated Financial Statements

Consolidated Statement of Financial Position

(As of March 31, 2025)

(Millions of Yen)

	FY2023 (reference)	FY2024		FY2023 (reference)	FY2024
Assets			Liabilities		
Current assets	420,261	599,753	Current liabilities	126,277	309,424
Cash and cash equivalents	106,702	262,544	Trade and other payables	76,863	107,093
Trade and other receivables	88,855	113,031	Short-term borrowings	—	74,952
Inventories	204,389	209,707	Income taxes payable	10,262	73,023
Other current assets	20,315	14,471	Provisions	8,668	12,454
Non-current assets	250,968	254,457	Lease liabilities	5,147	5,046
Property, plant and equipment, net	78,884	78,602	Other financial liabilities	1,868	5,790
Right-of-use assets	19,106	18,338	Other current liabilities	23,469	31,066
Goodwill and intangible assets, net	98,514	78,365	Non-current liabilities	113,774	38,247
Other financial assets	20,139	30,167	Long-term borrowings	75,143	3
Deferred tax assets	33,423	47,894	Lease liabilities	14,153	13,502
Other non-current assets	902	1,091	Retirement benefit liabilities	19,134	17,614
			Deferred tax liabilities	3,934	4,709
			Other non-current liabilities	1,410	2,419
			Total liabilities	240,051	347,671
			Equity		
			Share capital	32,363	32,363
			Share premium	45,441	46,665
			Treasury shares	(56,353)	(104,193)
			Retained earnings	355,299	489,850
			Other components of equity	54,428	41,854
			Total equity attributable to owners of the parent	431,178	506,539
			Total equity	431,178	506,539
Total assets	671,229	854,210	Total liabilities and equity	671,229	854,210

Consolidated Statement of Profit or Loss

(From April 1, 2024 to March 31, 2025)

(Millions of Yen)

	FY2023 (reference)	FY2024
Net sales	486,507	779,707
Cost of sales	(240,477)	(334,622)
Gross profit	246,030	445,085
Selling, general and administrative expenses	(158,963)	(195,392)
Other income	3,926	1,366
Other expenses	(9,365)	(22,898)
Operating income	81,628	228,161
Financial income	1,244	1,895
Financial expenses	(4,702)	(5,282)
Income before income taxes	78,170	224,774
Income taxes	(15,880)	(63,597)
Net income	62,290	161,177
Net income attributable to: Owners of the parent	62,290	161,177