FY2026 First Quarter Consolidated Financial Results

(Advantest's consolidated financial statements are prepared in accordance with IFRS)
(Period ended June 30, 2026)

July 29, 2026

Company Name	: **Advantest Corporation** (URL https://www.advantest.com/en/investors/)
Stock Exchange on which shares are listed	: Prime Market of the Tokyo Stock Exchange
Stock Code Number	: 6857
Company Representative	: Koichi Tsukui, Representative Director, Senior Executive Officer and President, Group COO
Contact Person	: Hisako Takada, Senior Executive Officer, CFO (03) 3214-7500
Dividend Payable Date (as planned)	: -
Quarterly Results Supplemental Materials	: Yes
Quarterly Results Presentation Meeting	: Yes

(Rounded to the nearest million yen)

1. Consolidated Results of FY2026 Q1 (April 1, 2026 through June 30, 2026)

(1) Consolidated Financial Results (Accumulated)

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

	Net sales		Operating income		Income before income taxes		Net income		Net income attributable to owners of the parent		Total comprehensive income for the period	
	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)
FY2026 Q1	**367,473**	**39.3**	**189,990**	**53.3**	**234,082**	**92.9**	**174,780**	**93.8**	**174,780**	**93.8**	**301,822**	**213.2**
FY2025 Q1	263,776	90.1	123,952	295.7	121,357	280.1	90,180	277.7	90,180	277.7	96,381	150.1

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY2026 Q1	**241.27**	**239.89**
FY2025 Q1	123.14	122.80

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Million yen	Million yen	Million yen	%
FY2026 Q1	**1,514,652**	**1,042,642**	**1,042,642**	**68.8**
FY2025	1,171,816	795,726	795,726	67.9

2. Dividends

	Dividend per share				
	First quarter end	Second quarter end	Third quarter end	Year end	Annual total
	Yen	Yen	Yen	Yen	Yen
FY2025	-	29.00	-	30.00	59.00
FY2026	-				
FY2026 (forecast)		-	-	-	-

(Note) Revision of dividends forecast for this period: **No**

3. Earnings Forecast for FY2026 (April 1, 2026 through March 31, 2027)

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

	Net sales		Operating income		Income before income taxes		Net income		Net income attributable to owners of the parent		Basic earnings per share
	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Yen
FY2026	1,714,000	51.9	846,000	69.5	891,000	72.4	660,000	75.8	660,000	75.8	911.64

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

For details, please refer to the (4) Outlook, page 4 and "Revision of Earnings Forecast for the Fiscal Year Ending March 31, 2027" separately released today.

2. Basic earnings per share in earnings forecast is calculated deeming the average number of outstanding shares as the number of issued and outstanding shares as of June 30, 2026 excluding the number of treasury shares as of June 30, 2026. For details, please refer to 4. Others (3) Number of issued and outstanding shares (common shares).

4. Others

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

(2) Changes in accounting policies and accounting estimates

1) Changes in accounting policies required by IFRS: None
2) Changes arising from factors other than 1): None
3) Changes in accounting estimates: None

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

1) Number of issued and outstanding shares at the end of each fiscal period (including treasury shares):
FY2026 Q1 732,000,000 shares; FY2025 732,000,000 shares.
2) Number of treasury shares at the end of each fiscal period:
FY2026 Q1 8,033,510 shares; FY2025 6,484,224 shares.
3) Average number of outstanding shares for each period (cumulative term):
FY2026 Q1 724,402,054 shares; FY2025 Q1 732,364,731 shares.

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

Status of Audit Procedures

Review of the attached condensed quarterly consolidated financial statements by certified public accountants or an audit firm: None

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

This document contains "forward-looking statements" that are based on Advantest's current expectations, estimates and projections. These statements include, among other things, the discussion of Advantest's business strategy, outlook and expectations as to market and business developments, production and capacity plans. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "anticipate," "believe," "estimate," "expect," "intend," "project," "should" and similar expressions. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause Advantest's actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements.

Contents

1. Overview of Business Results

(1) Overview of Business Results

Consolidated Financial Results of FY2026 Q1 (April 1, 2026 through June 30, 2026)

(in billion yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026	As compared to the corresponding period of the previous fiscal year increase (decrease)
Net sales	263.8	367.5	39.3%
Operating income	124.0	190.0	53.3%
Income before income taxes	121.4	234.1	92.9%
Net income	90.2	174.8	93.8%

During Advantest's three-month period ended June 30, 2026, the global economy as a whole remained resilient, supported by increased investment related to AI, particularly in the United States. On the other hand, uncertainties have also increased due to geopolitical risks, including the escalating tensions in the Middle East.

Under such global economic conditions, the semiconductor market continued to grow robustly. Against the backdrop of accelerating competition in AI technology and broader adoption across society, AI-related semiconductors, such as HPC (High-Performance Computing) devices and high-performance memory semiconductors for data centers drove market growth.

In Advantest's business, demand for testers for AI-related high-performance semiconductors grew significantly. As production volumes of advanced AI-related semiconductors increased and device complexity grew, customers continued to invest actively in our products. Advantest worked to expand production capacity throughout the supply chain to meet customers' strong tester demand in a timely manner.

As a result of the above, net sales were (Y) 367.5 billion (39.3% increase in comparison to the corresponding period of the previous fiscal year), and operating income was (Y) 190.0 billion (53.3% increase in comparison to the corresponding period of the previous fiscal year), due to factors including an increase in sales and an improved sales mix. In addition, Advantest recorded financial income of approximately (Y) 44.7 billion, primarily attributable to valuation gains on financial instruments related to strategic investments. As a result, income before income taxes was (Y) 234.1 billion (92.9% increase in comparison to the corresponding period of the previous fiscal year) and net income was (Y) 174.8 billion (93.8% increase in comparison to the corresponding period of the previous fiscal year). The depreciation of the yen against the U.S. dollar also contributed to our financial performance, with net sales, operating income, income before income taxes, and net income all reaching record quarterly highs. Average currency exchange rates in the current period were 1 USD to 159 JPY (146 JPY in the corresponding period of the previous fiscal year), and 1 EUR to 185 JPY (162 JPY in the corresponding period of the previous fiscal year). The percentage of net sales to overseas customers was 99.1% (98.6% in the corresponding period of the previous fiscal year).

Conditions of business segments are described below.

<Test System Business Segment>

(in billion yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026	As compared to the corresponding period of the previous fiscal year increase (decrease)
Net sales	240.6	333.6	38.7%
Segment income (loss)	126.9	190.7	50.3%

In this segment, sales of SoC test systems for high-performance SoC semiconductors increased significantly. Demand for testers grew primarily due to rising production volumes of increasingly complex AI and HPC-related semiconductors. With regards to memory testers, amid growing investment in data centers, sales growth was led by products for high-performance DRAM and sales of products for non-volatile memory also increased. In line with the growing demand for testers, sales of device interfaces and test handlers also increased.

As a result of the above, net sales were (Y) 333.6 billion (38.7% increase in comparison to the corresponding period of the previous fiscal year), and segment income was (Y) 190.7 billion (50.3% increase in comparison to the corresponding period of the previous fiscal year).

<Services and Others Segment>

(in billion yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026	As compared to the corresponding period of the previous fiscal year increase (decrease)
Net sales	23.2	33.9	46.0%
Segment income (loss)	2.7	8.6	216.4%

In this segment, sales of support services increased as the installed base grew. In addition, sales of consumables such as test interface boards for high-performance SoC semiconductors increased. The segment income in the corresponding period of the previous fiscal year included a gain of approximately (Y) 2.5 billion resulting from the partial divestiture of a business.

As a result of the above, net sales were (Y) 33.9 billion (46.0% increase in comparison to the corresponding period of the previous fiscal year), and segment income was (Y) 8.6 billion (216.4% increase in comparison to the corresponding period of the previous fiscal year).

(2) Overview of Financial Condition

Total assets at June 30, 2026 amounted to (Y) 1,514.7 billion, an increase of (Y) 342.8 billion compared to March 31, 2026, primarily due to increases of (Y) 289.8 billion in investment securities, (Y) 73.2 billion in cash and cash equivalents, and (Y) 41.9 billion in inventories, offset by a decrease of (Y) 50.2 billion in trade and other receivables. Total liabilities amounted to (Y) 472.0 billion, an increase of (Y) 95.9 billion compared to March 31, 2026, primarily due to increases of (Y) 88.9 billion in bonds, (Y) 37.6 billion in other current liabilities and (Y) 12.3 billion in trade and other payables, offset by a decrease of (Y) 51.1 billion in income taxes payable. Total equity was (Y) 1,042.6 billion. Ratio of equity attributable to owners of the parent was 68.8%, an increase of 0.9 percentage points from March 31, 2026.

(3) Overview of Cash Flows

Cash and cash equivalents held at June 30, 2026 were (Y) 413.1 billion, an increase of (Y) 73.2 billion from March 31, 2026. Significant cash flows during the three-month period of this fiscal year and details are described below.

Net cash provided by operating activities was (Y) 137.2 billion (net cash inflow of (Y) 46.9 billion in the corresponding period of the previous fiscal year). This amount was primarily attributable to income taxes paid of (Y) 101.1 billion, a decrease of (Y) 52.1 billion in trade and other receivables, increases of (Y) 41.3 billion in inventories, (Y) 37.0 billion in advance receipts and adjustments of non-cash items such as depreciation and amortization and gain on valuation of financial instruments in addition to the income before income taxes of (Y) 234.1 billion.

Net cash used in investing activities was (Y) 102.5 billion (net cash outflow of (Y) 3.4 billion in the corresponding period of the previous fiscal year). This amount was primarily attributable to purchases of debt instruments of (Y) 87.8 billion.

Net cash provided by financing activities was (Y) 35.0 billion (net cash outflow of (Y) 31.0 billion in the corresponding period of the previous fiscal year). This amount was primarily attributable to proceeds from issuance of convertible bonds with stock acquisition rights of (Y) 100.0 billion, purchases of treasury shares of (Y) 42.2 billion and dividends paid of (Y) 21.4 billion.

(4) Outlook

Looking at Advantest's business environment going forward, in CY2026, the semiconductor market is expected to surpass USD 1 trillion, with AI-related semiconductors continuing to drive growth. Advantest also expects the semiconductor tester market to reach its largest-ever size, driven by rising production volumes and increasing complexity of AI-related semiconductors. In particular, test demand for inference AI semiconductors is expected to significantly exceed Advantest's projections as of April 2026. As the market grows rapidly, Advantest is expanding production capacity ahead of schedule.

Based on this outlook and the progress made for the three-month period ended June 30, 2026, Advantest has increased its full-year consolidated forecast for the current fiscal year from the forecast provided as of April 2026 as follows: sales forecast (Y) 1,714.0 billion from (Y) 1,420.0 billion; operating income (Y) 846.0 billion from (Y) 627.5 billion; income before income taxes (Y) 891.0 billion from (Y) 629.0 billion; net income (Y) 660.0 billion from (Y) 465.5 billion, respectively. This forecast is based on exchange rate assumptions of 1 USD to 150 JPY and 1 EUR to 170 JPY for the nine months from the second quarter of the consolidated fiscal year.

While Advantest anticipates that the current situation in the Middle East will lead to increases in certain costs, including logistics expenses, the direct impact on our business and earnings is expected to be limited at this time.

Meanwhile, demand for key components such as memory semiconductors continues to exceed supply as AI investment expands across industries. Advantest remains focused on strengthening supply chain resilience to capture further growth opportunities.

Advantest will closely monitor changes in the external environment and respond expeditiously and with agility. At the same time, Advantest will strive to expand the value it provides to stakeholders over the mid/long-term by pursuing the measures set out in the Third Mid-term Management Plan.

2. Condensed Quarterly Consolidated Financial Statements and Main Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

Millions of Yen

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and cash equivalents	339,966	413,124
Trade and other receivables	228,731	178,497
Inventories	231,718	273,654
Other current assets	35,992	25,539
Total current assets	836,407	890,814
Non-current assets		
Property, plant and equipment, net	101,628	107,707
Right-of-use assets	19,947	18,981
Goodwill and intangible assets, net	84,250	85,751
Investment securities	67,927	357,737
Other financial assets	4,022	4,009
Deferred tax assets	55,774	47,952
Other non-current assets	1,861	1,701
Total non-current assets	335,409	623,838
Total assets	1,171,816	1,514,652

Millions of Yen

	As of March 31, 2026	As of June 30, 2026
Liabilities and Equity		
Liabilities		
Current liabilities		
Trade and other payables	142,061	154,357
Income taxes payable	112,455	61,370
Provisions	15,538	15,984
Lease liabilities	4,966	4,977
Other financial liabilities	12,508	17,097
Other current liabilities	42,756	80,397
Total current liabilities	330,284	334,182
Non-current liabilities		
Bonds	-	88,930
Lease liabilities	15,226	14,259
Retirement benefit liabilities	20,222	20,021
Deferred tax liabilities	6,444	11,179
Other non-current liabilities	3,914	3,439
Total non-current liabilities	45,806	137,828
Total liabilities	376,090	472,010
Equity		
Share capital	32,363	32,363
Share premium	52,462	61,388
Treasury shares	(44,372)	(86,414)
Retained earnings	655,566	816,018
Other components of equity	99,707	219,287
Total equity attributable to owners of the parent	795,726	1,042,642
Total equity	795,726	1,042,642
Total liabilities and equity	1,171,816	1,514,652

(2) Condensed Quarterly Consolidated Statement of Profit or Loss and Condensed Quarterly Consolidated Statement of Comprehensive Income

Condensed Quarterly Consolidated Statement of Profit or Loss

Millions of Yen

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	263,776	367,473
Cost of sales	(92,138)	(111,920)
Gross profit	171,638	255,553
Selling, general and administrative expenses	(50,514)	(66,247)
Other income	2,971	796
Other expenses	(143)	(112)
Operating income	123,952	189,990
Financial income	693	44,680
Financial expenses	(3,288)	(588)
Income before income taxes	121,357	234,082
Income taxes	(31,177)	(59,302)
Net income	90,180	174,780
Net income attributable to:		
Owners of the parent	90,180	174,780
Earnings per share:	Yen	Yen
Basic	123.14	241.27
Diluted	122.80	239.89

Condensed Quarterly Consolidated Statement of Comprehensive Income

Millions of Yen

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net income	90,180	174,780
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit pension plan	(111)	(131)
Net change in fair value measurements of equity instruments at fair value through other comprehensive income	5,836	120,229
Items that may be subsequently reclassified to profit or loss		
Exchange differences on translation of foreign operations	476	6,944
Total other comprehensive income (loss)	6,201	127,042
Total comprehensive income for the period	96,381	301,822
Comprehensive income attributable to:		
Owners of the parent	96,381	301,822

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

Three months ended June 30, 2025

Millions of Yen

	Equity attributable to owners of the parent						
	Share capital	Share premium	Treasury shares	Retained earnings	Other components of equity	Total	Total Equity
Balance at April 1, 2025	32,363	46,665	(104,193)	489,850	41,854	506,539	506,539
Net income				90,180		90,180	90,180
Other comprehensive income (loss), net of tax					6,201	6,201	6,201
Total comprehensive income for the period	-	-	-	90,180	6,201	96,381	96,381
Purchase of treasury shares			(15,447)			(15,447)	(15,447)
Disposal of treasury shares		(109)	699	(235)		355	355
Dividends				(14,674)		(14,674)	(14,674)
Share-based payments		1,063				1,063	1,063
Transfer from other components of equity to retained earnings				(111)	111	-	-
Total transactions with the owners	-	954	(14,748)	(15,020)	111	(28,703)	(28,703)
Balance at June 30, 2025	32,363	47,619	(118,941)	565,010	48,166	574,217	574,217

Three months ended June 30, 2026

Millions of Yen

	Equity attributable to owners of the parent						
	Share capital	Share premium	Treasury shares	Retained earnings	Other components of equity	Total	Total Equity
Balance at April 1, 2026	32,363	52,462	(44,372)	655,566	99,707	795,726	795,726
Net income				174,780		174,780	174,780
Other comprehensive income (loss), net of tax					127,042	127,042	127,042
Total comprehensive income for the period	-	-	-	174,780	127,042	301,822	301,822
Purchase of treasury shares		(12)	(42,192)			(42,204)	(42,204)
Disposal of treasury shares		(125)	150	(25)		-	-
Dividends				(21,765)		(21,765)	(21,765)
Share-based payments		1,351				1,351	1,351
Issuance of convertible bonds with stock acquisition rights		7,712				7,712	7,712
Transfer from other components of equity to retained earnings				7,462	(7,462)	-	-
Total transactions with the owners	-	8,926	(42,042)	(14,328)	(7,462)	(54,906)	(54,906)
Balance at June 30, 2026	32,363	61,388	(86,414)	816,018	219,287	1,042,642	1,042,642

(4) Condensed Quarterly Consolidated Statement of Cash Flows

Millions of Yen

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash flows from operating activities:		
Income before income taxes	121,357	234,082
Adjustments to reconcile income before income taxes to net cash provided by (used in) operating activities:		
Depreciation and amortization	6,112	7,151
Gain on valuation of financial instruments	-	(41,075)
Changes in assets and liabilities:		
Trade and other receivables	(11,649)	52,128
Inventories	1,348	(41,346)
Trade and other payables	(8,752)	(407)
Warranty provisions	1,038	444
Deposits received	3,526	4,219
Advance receipts	1,377	36,984
Retirement benefit liabilities	(273)	(275)
Other	(7,430)	(14,206)
Subtotal	106,654	237,699
Interest and dividends received	683	1,171
Interest paid	(456)	(600)
Income taxes paid	(60,030)	(101,115)
Net cash provided by (used in) operating activities	46,851	137,155
Cash flows from investing activities:		
Purchases of equity instruments	-	(26,053)
Proceeds from sale of equity instruments	-	22,133
Purchases of debt instruments	-	(87,817)
Purchases of property, plant and equipment	(5,649)	(9,852)
Purchases of intangible assets	(406)	(1,032)
Proceeds from transfer of business	2,902	-
Other	(291)	73
Net cash provided by (used in) investing activities	(3,444)	(102,548)
Cash flows from financing activities:		
Proceeds from issuance of convertible bonds with stock acquisition rights	-	100,000
Proceeds from disposal of treasury shares	356	-
Purchases of treasury shares	(15,447)	(42,211)
Dividends paid	(14,371)	(21,426)
Payments for lease liabilities	(1,327)	(1,196)
Other	(167)	(201)
Net cash provided by (used in) financing activities	(30,956)	34,966
Net effect of exchange rate changes on cash and cash equivalents	(1,581)	3,585
Net change in cash and cash equivalents	10,870	73,158
Cash and cash equivalents at the beginning of period	262,544	339,966
Cash and cash equivalents at the end of period	273,414	413,124

(5) Notes to the Condensed Quarterly Consolidated Financial Statements

(Notes on Going Concern) : None

(Segment Information)

1. Overview of Reportable Segments

Advantest manufactures and sells test system products and mechatronics-related products such as test handlers and device interfaces. Advantest also engages in research and development activities and provides maintenance and support services associated with these products.

Advantest manages its reportable segments and operating segments on the same basis. The reportable segments are determined based on the nature of the products and the markets. Segment information is prepared on the same basis that management reviews financial information for operational decision-making purposes.

The test system business segment provides product lines such as test systems for SoC semiconductor devices, test systems for memory semiconductor devices, test handlers and mechatronic-applied products for handling semiconductor devices, and device interfaces that serve as interfaces with the devices that are measured, and system level testing solutions for semiconductors and modules.

The services and others segment consists of comprehensive customer solutions provided in connection with the above segments, operations related to nano-technology products, support services, sales of consumables and others.

2. Information of Reportable Segments

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

Share-based compensation expense primarily represents restricted stock compensation expense.

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

Inter-segment sales are based on market prices.

Three months ended June 30, 2025

Millions of Yen

	Test System Business	Services and Others	Elimination and Corporate	Consolidated
Net sales				
Net sales to unaffiliated customers	240,554	23,222	-	263,776
Inter-segment sales	-	-	-	-
Total	240,554	23,222	-	263,776
Segment income (loss) (operating income (loss) before share-based compensation expense)	126,925	2,706	(4,616)	125,015
Adjustment: Share-based compensation expense	-	-	-	(1,063)
Operating income	-	-	-	123,952
Financial income	-	-	-	693
Financial expenses	-	-	-	(3,288)
Income before income taxes	-	-	-	121,357

Three months ended June 30, 2026

Millions of Yen

	Test System Business	Services and Others	Elimination and Corporate	Consolidated
Net sales				
Net sales to unaffiliated customers	333,562	33,911	-	367,473
Inter-segment sales	-	-	-	-
Total	333,562	33,911	-	367,473
Segment income (loss) (operating income (loss) before share-based compensation expense)	190,722	8,563	(7,944)	191,341
Adjustment: Share-based compensation expense	-	-	-	(1,351)
Operating income	-	-	-	189,990
Financial income	-	-	-	44,680
Financial expenses	-	-	-	(588)
Income before income taxes	-	-	-	234,082

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

2. For services and others, the segment income for the three months ended June 30, 2025 includes (Y) 2,504 million income from the partial divestiture of a business.

3. Financial income for the three months ended June 30, 2026 includes (Y) 41,075 million in valuation gains on financial instruments related to strategic investments.