

## FY2022 Third Quarter Consolidated Financial Results

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

(Period ended December 31, 2022)

January 31, 2023

Company Name : **Advantest Corporation**  
 (URL <https://www.advantest.com/investors>)  
 Stock Exchange on which shares are listed : Prime Market of the Tokyo Stock Exchange  
 Stock Code Number : 6857  
 Company Representative : Yoshiaki Yoshida, Representative Director,  
 President & Group CEO  
 Contact Person : Atsushi Fujita, Director, Senior Executive Officer, CFO & CCO  
 (03) 3214-7500  
 Quarterly Report Filing Date (as planned) : February 13, 2023  
 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 FY2022 Q3 (April 1, 2022 through December 31, 2022)

#### (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)
<b>FY2022 Q3</b>	<b>412,799</b>	<b>37.6</b>	<b>129,140</b>	<b>59.4</b>	<b>132,858</b>	<b>63.3</b>	<b>99,806</b>	<b>63.9</b>	<b>99,806</b>	<b>63.9</b>	<b>109,843</b>	<b>55.7</b>
FY2021 Q3	300,067	35.1	81,042	75.5	81,335	88.4	60,893	66.7	60,893	66.7	70,554	101.1

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
<b>FY2022 Q3</b>	<b>530.99</b>		<b>529.01</b>	
FY2021 Q3	311.62		310.03	

#### (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	%
<b>FY2022 Q3</b>	<b>552,379</b>	<b>330,552</b>	<b>330,552</b>	<b>59.8</b>
FY2021	494,696	294,621	294,621	59.6

### 2. Dividends

	Dividend per share				
	First quarter end	Second quarter end	Third quarter end	Year end	Annual total
	Yen	Yen	Yen	Yen	Yen
FY2021	—	50.00	—	70.00	120.00
FY2022	—	65.00	—		
FY2022 (forecast)				70.00	135.00

(Note) Revision of dividends forecast for this period: **Yes**

### 3. Earnings Forecast for FY2022 (April 1, 2022 through March 31, 2023)

(% changes as compared to the previous fiscal year)

	Net sales		Operating income		Income before income taxes		Net income		Net income attributable to owners of the parent	
	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)
FY2022	550,000	31.9	170,000	48.2	174,000	49.6	130,000	48.9	130,000	48.9

(Note) Revision of earnings forecast for this period: No

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

### 4. Others

(1) Material changes in subsidiaries during this period (changes in scope of consolidation resulting from changes in subsidiaries): 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 share (common share):

- 1) Number of issued and outstanding share at the end of each fiscal period (including treasury share):  
FY2022 Q3 191,542,265 shares; FY2021 199,542,265 shares.
- 2) Number of treasury share at the end of each fiscal period:  
FY2022 Q3 7,572,664 shares; FY2021 9,634,859 shares.
- 3) Average number of outstanding share for each period (cumulative term):  
FY2022 Q3 187,962,265 shares; FY2021 Q3 195,408,739 shares.

(Note) Advantest's share (FY2022 Q3 162,347 shares, FY2021 425,495 shares), which is being kept as performance-based stock remuneration in trust account, is included in the number of treasury share at the end of each fiscal period. Shares used for stock remuneration plans are considered in calculating average number of outstanding share for each period.

### Status of Quarterly Review Procedures

This quarterly financial results report is not subject to quarterly review procedures by independent auditors.

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

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

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## 1. Overview of Business Results

## (1) Overview of Business Results

Consolidated Financial Results of FY2022 Q3 (April 1, 2022 through December 31, 2022)

(in billion yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022	As compared to the corresponding period of the previous fiscal year increase (decrease)
Net sales	300.1	412.8	37.6%
Operating income	81.0	129.1	59.4%
Income before income taxes	81.3	132.9	63.3%
Net income	60.9	99.8	63.9%

During Advantest's nine-month period ended December 31, 2022, the global economy experienced ongoing inflation due to higher resource prices driven by heightened geopolitical risks as well as supply chain disruptions caused by COVID-19 restrictions. Mainly in Western countries, policymakers also raised interest rates to curb inflation. This increased recessionary pressures on the global economy, exacerbating fears of a downturn.

Amidst this uncertain global economic situation, the semiconductor market also saw a decline in demand for chips used in cornerstone consumer electronics products such as smartphones, personal computers and televisions, and suppliers of devices for these applications have been adjusting their inventories and capital expenditure plans. On the other hand, shortages of certain automotive and industrial semiconductors continued. Despite this patchy demand picture, the decline of the semiconductor market overall has been gradually accelerating during the period.

Advantest's semiconductor test equipment sales were also affected by the decline in demand for consumer electronic devices and consequent reduction in production volumes of these chips. Rising demand for our products against the backdrop of higher semiconductor performance compensated for this factor, but at the same time, parts shortages and logistical dislocations affected a wide range of supply chains, and Advantest continued to have difficulty procuring needed parts. Advantest responded to this situation from a mid/long-term perspective by reinforcing our procurement capabilities and improving our readiness to cope with demand fluctuations. Sales were generally in line with expectations.

As a result of the above, net sales were (Y) 412.8 billion (37.6% increase in comparison to the corresponding period of the previous fiscal year), operating income was (Y) 129.1 billion (59.4% increase in comparison to the corresponding period of the previous fiscal year), income before income taxes was (Y) 132.9 billion (63.3% increase in comparison to the corresponding period of the previous fiscal year), and net income was (Y) 99.8 billion (63.9% increase in comparison to the corresponding period of the previous fiscal year). Although procurement costs rose, our sales mix tilted towards more-profitable products, and the weaker yen also had the effect of increasing sales and profits. As a result, all the above results reached record highs for this nine-month period. Average currency exchange rates in the nine-month period ended December 31, 2022 were 1 USD to 135 JPY (111 JPY in the corresponding period of the previous fiscal year) and 1 EUR to 139 JPY (131 JPY in the corresponding period of the previous fiscal year). The percentage of net sales to overseas customers was 96.6% (96.1% in the corresponding period of the previous fiscal year).

Conditions of business segments are described below.

<Semiconductor and Component Test System Segment>

(in billion yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022	As compared to the corresponding period of the previous fiscal year increase (decrease)
Net sales	207.6	293.5	41.3%
Segment income (loss)	74.4	122.3	64.4%

In this segment, sales of SoC semiconductor test equipment for advanced process devices increased significantly amidst further technological evolution and performance gains in HPC (High Performance Computing) devices and application processors. Sales of test equipment for mature process products such as automotive and industrial devices, which are in great demand, were also strong. Regarding memory semiconductor test equipment, despite the slowdown in the memory semiconductor market, customers continued to invest mainly in high-performance memory semiconductor test equipment, supporting continued strong sales of our products.

As a result of the above, net sales were (Y) 293.5 billion (41.3% increase in comparison to the corresponding period of the previous fiscal year), and segment income was (Y) 122.3 billion (64.4% increase in comparison to the corresponding period of the previous fiscal year).

< Mechatronics System Segment >

(in billion yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022	As compared to the corresponding period of the previous fiscal year increase (decrease)
Net sales	31.8	42.3	32.9%
Segment income (loss)	4.9	10.0	2.0 times

In this segment, sales of device interface products and test handlers increased due to strong customer motivation to invest in semiconductor test equipment. In terms of profit, increased sales were the principal factor contributing to higher segment profitability.

As a result of the above, net sales were (Y) 42.3 billion (32.9% increase in comparison to the corresponding period of the previous fiscal year), and segment income was (Y) 10.0 billion (2.0 times increase in comparison to the corresponding period of the previous fiscal year).

## &lt;Services, Support and Others Segment&gt;

(in billion yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022	As compared to the corresponding period of the previous fiscal year increase (decrease)
Net sales	60.7	77.1	27.0%
Segment income (loss)	12.5	10.1	(18.8%)

In this segment, maintenance services delivered strong sales as Advantest's installed base grew. However, in our system-level test business, although Advantest is making ongoing investments in reinforcing our production and R&D capabilities, declining consumer-related demand from some customers, the impact of U.S. restrictions on exports to China, and other factors caused sales growth to lag our estimates. As a result, profit in this segment fell below the results for the corresponding period of the previous fiscal year.

As a result of the above, net sales were (Y) 77.1 billion (27.0% increase in comparison to the corresponding period of the previous fiscal year), and segment income was (Y) 10.1 billion (18.8% decrease in comparison to the corresponding period of the previous fiscal year).

## (2) Overview of Financial Condition

Total assets at December 31, 2022 amounted to (Y) 552.4 billion, an increase of (Y) 57.7 billion compared to the fiscal year ended March 31, 2022. This was primarily attributable to increases of (Y) 61.7 billion in inventories, (Y) 10.7 billion in goodwill and intangible assets and (Y) 8.8 billion in property, plant and equipment, offset by a decrease of (Y) 32.6 billion in cash and cash equivalents. The amount of total liabilities was (Y) 221.8 billion, an increase of (Y) 21.8 billion compared to the fiscal year ended March 31, 2022. This was primarily attributable to increases of (Y) 18.0 billion in borrowings and (Y) 4.5 billion in other financial liabilities mainly due to an increase in deposits received. Total equity was (Y) 330.6 billion. Ratio of equity attributable to owners of the parent was 59.8%, an increase of 0.2 percentage point from March 31, 2022.

## (3) Overview of Cash Flows

Cash and cash equivalents held at December 31, 2022 were (Y) 84.0 billion, a decrease of (Y) 32.6 billion from March 31, 2022. Significant cash flows during the nine-month period of this fiscal year and details are described below.

Net cash provided by operating activities was (Y) 46.5 billion (net cash inflow of (Y) 56.3 billion in the corresponding period of the previous fiscal year). This amount was primarily attributable to an increase of (Y) 59.3 billion in inventories, income taxes paid of (Y) 39.7 billion and adjustments of non-cash items such as depreciation and amortization in addition to the income before income taxes of (Y) 132.9 billion.

Net cash used in investing activities was (Y) 20.0 billion (net cash outflow of (Y) 41.2 billion in the corresponding period of the previous fiscal year). This amount was primarily attributable to purchases of property, plant and equipment in the amount of (Y) 16.3 billion and acquisition of subsidiaries of (Y) 3.5 billion.

Net cash used in financing activities was (Y) 62.2 billion (net cash outflow of (Y) 43.7 billion in the corresponding period of the previous fiscal year). This amount was primarily attributable to purchase of treasury shares of (Y) 50.0 billion.

#### (4) Outlook

Looking at Advantest's market environment going forward, Advantest sees a higher short-term risk of global economic slowdown due to inflation and rising interest rates, as well as growing concerns about geopolitical risk factors such as the tightening of U.S. restrictions on exports to China, and pronounced exchange rate fluctuations. Our business environment outlook is becoming increasingly uncertain. Advantest will closely watch inventory and production adjustments in the semiconductor market, as well as customers' revisions of investment plans.

However, as semiconductors transition to the status of infrastructure that supports the world's digitalization and Net Zero initiatives, ever higher device functionality and reliability is required. Advantest continues to believe strongly in our thesis that the semiconductor market will grow over the medium to long term. The flagship applications of the digital revolution, such as the Metaverse, are expanding, and amidst growing public demand for carbon-neutrality, semiconductor technology is taking on a more important role in delivering energy efficiency. While some customers are reassessing their investment plans, they are continuing to selectively develop next-generation devices and make strategic investments with an eye to the future. Demand for semiconductor test equipment, which ensures that semiconductors support safety, security, comfort, and sustainability, is expected to grow in tandem with the semiconductor market itself.

Though the semiconductor market is in an adjustment phase, in view of our large order backlog, Advantest has not changed our full-year consolidated earnings forecast for FY2022. As published in October 2022, Advantest expects net sales of (Y)550.0 billion, operating income of (Y)170.0 billion, income before income taxes of (Y)174.0 billion, and net income of (Y)130.0 billion. This forecast is based on exchange rate assumptions of 1 USD to 130 JPY and 1 EUR to 140 JPY for the fourth quarter of the current consolidated fiscal year, also unchanged from our previous forecast.

In the nine-month period ended December 31, 2022, Advantest did not recognize more than a minor direct impact on business results from COVID-19 and the situation in Ukraine. As mentioned above, our business environment is becoming increasingly uncertain. Advantest will continue to work to stabilize our parts and materials procurement situation, and stay alert for changes in our external environment in order to respond to them quickly and flexibly.

## 2. Condensed Quarterly Consolidated Financial Statements

## (1) Condensed Quarterly Consolidated Statement of Financial Position

	Millions of Yen	
	As of March 31, 2022	As of December 31, 2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	116,582	83,976
Trade and other receivables	82,155	81,832
Inventories	95,013	156,731
Other current assets	11,007	19,261
Subtotal	304,757	341,800
Assets held for sale	188	—
Total current assets	304,945	341,800
<b>Non-current assets</b>		
Property, plant and equipment, net	51,392	60,194
Right-of-use assets	12,645	11,398
Goodwill and intangible assets, net	85,307	96,022
Other financial assets	14,565	16,567
Deferred tax assets	25,494	25,956
Other non-current assets	348	442
Total non-current assets	189,751	210,579
Total assets	494,696	552,379

Millions of Yen

	As of March 31, 2022	As of December 31, 2022
<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
Current liabilities		
Trade and other payables	70,352	72,171
Short-term borrowings	18,359	35,193
Income taxes payable	26,814	22,556
Provisions	6,536	8,525
Lease liabilities	2,918	2,911
Other financial liabilities	3,276	7,799
Other current liabilities	22,627	22,410
Total current liabilities	150,882	171,565
Non-current liabilities		
Long-term borrowings	12,239	13,394
Lease liabilities	9,947	8,685
Retirement benefit liabilities	22,341	21,568
Deferred tax liabilities	3,445	5,218
Other non-current liabilities	1,221	1,397
Total non-current liabilities	49,193	50,262
Total liabilities	200,075	221,827
<b>Equity</b>		
Share capital	32,363	32,363
Share premium	44,995	44,566
Treasury shares	(81,547)	(61,088)
Retained earnings	279,828	285,692
Other components of equity	18,982	29,019
Total equity attributable to owners of the parent	294,621	330,552
Total equity	294,621	330,552
Total liabilities and equity	494,696	552,379

## (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

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	300,067	412,799
Cost of sales	(130,463)	(172,436)
Gross profit	169,604	240,363
Selling, general and administrative expenses	(88,471)	(111,550)
Other income	516	589
Other expenses	(607)	(262)
Operating income	81,042	129,140
Financial income	422	4,376
Financial expenses	(129)	(658)
Income before income taxes	81,335	132,858
Income taxes	(20,442)	(33,052)
Net income	60,893	99,806
Net income attributable to:		
Owners of the parent	60,893	99,806
Earnings per share:	Yen	Yen
Basic	311.62	530.99
Diluted	310.03	529.01

Millions of Yen

	Three months ended December 31, 2021	Three months ended December 31, 2022
Net sales	112,077	137,993
Cost of sales	(47,226)	(56,390)
Gross profit	64,851	81,603
Selling, general and administrative expenses	(31,400)	(40,528)
Other income	172	223
Other expenses	(57)	(74)
Operating income	33,566	41,224
Financial income	565	142
Financial expenses	(56)	(3,755)
Income before income taxes	34,075	37,611
Income taxes	(8,428)	(8,966)
Net income	25,647	28,645
Net income attributable to:		
Owners of the parent	25,647	28,645
Earnings per share:	Yen	Yen
Basic	132.50	154.93
Diluted	131.91	154.39

## Condensed Quarterly Consolidated Statement of Comprehensive Income

Millions of Yen

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net income	60,893	99,806
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to profit or loss		
Net change in fair value measurements of equity instruments at fair value through other comprehensive income	5,347	1,067
Items that may be subsequently reclassified to profit or loss		
Exchange differences on translation of foreign operations	4,314	8,970
Total other comprehensive income (loss)	9,661	10,037
Total comprehensive income for the period	70,554	109,843
Comprehensive income attributable to:		
Owners of the parent	70,554	109,843

Millions of Yen

	Three months ended December 31, 2021	Three months ended December 31, 2022
Net income	25,647	28,645
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to profit or loss		
Net change in fair value measurements of equity instruments at fair value through other comprehensive income	3,362	2,478
Items that may be subsequently reclassified to profit or loss		
Exchange differences on translation of foreign operations	3,473	(8,772)
Total other comprehensive income (loss)	6,835	(6,294)
Total comprehensive income for the period	32,482	22,351
Comprehensive income attributable to:		
Owners of the parent	32,482	22,351

## (3) Condensed Quarterly Consolidated Statement of Changes in Equity

Nine months ended December 31, 2021

Millions of Yen

	Equity attributable to owners of the parent						Total Equity
	Share capital	Share premium	Treasury shares	Retained earnings	Other components of equity	Total	
Balance as of April 1, 2021	32,363	44,573	(15,001)	214,858	3,576	280,369	280,369
Net income				60,893		60,893	60,893
Other comprehensive income (loss), net of tax					9,661	9,661	9,661
Total comprehensive income for the period	—	—	—	60,893	9,661	70,554	70,554
Purchase of treasury shares		(43)	(45,711)			(45,754)	(45,754)
Disposal of treasury shares		(1,018)	2,621	(865)		738	738
Cancellation of treasury shares			66	(66)		—	—
Dividends				(25,470)		(25,470)	(25,470)
Share-based payments		1,018				1,018	1,018
Other				5		5	5
Transfer from other components of equity to retained earnings				69	(69)	—	—
Total transactions with the owners	—	(43)	(43,024)	(26,327)	(69)	(69,463)	(69,463)
Balance as of December 31, 2021	32,363	44,530	(58,025)	249,424	13,168	281,460	281,460

Nine months ended December 31, 2022

Millions of Yen

	Equity attributable to owners of the parent						Total Equity
	Share capital	Share premium	Treasury shares	Retained earnings	Other components of equity	Total	
Balance as of April 1, 2022	32,363	44,995	(81,547)	279,828	18,982	294,621	294,621
Net income				99,806		99,806	99,806
Other comprehensive income (loss), net of tax					10,037	10,037	10,037
Total comprehensive income for the period	—	—	—	99,806	10,037	109,843	109,843
Purchase of treasury shares		(23)	(50,003)			(50,026)	(50,026)
Disposal of treasury shares		(1,619)	2,183	(229)		335	335
Cancellation of treasury shares			68,279	(68,279)		—	—
Dividends				(25,434)		(25,434)	(25,434)
Share-based payments		1,213				1,213	1,213
Total transactions with the owners	—	(429)	20,459	(93,942)	—	(73,912)	(73,912)
Balance as of December 31, 2022	32,363	44,566	(61,088)	285,692	29,019	330,552	330,552

## (4) Condensed Quarterly Consolidated Statement of Cash Flows

	Millions of Yen	
	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Cash flows from operating activities:		
Income before income taxes	81,335	132,858
Adjustments to reconcile income before income taxes to net cash provided by (used in) operating activities:		
Depreciation and amortization	10,879	15,262
Changes in assets and liabilities:		
Trade and other receivables	(2,093)	4,396
Inventories	(20,060)	(59,339)
Trade and other payables	(2,260)	(212)
Warranty provisions	2,087	1,962
Deposits received	1,851	3,858
Advance receipts	6,413	(1,089)
Retirement benefit liabilities	(8,388)	(1,225)
Other	874	(10,352)
Subtotal	70,638	86,119
Interest and dividends received	53	213
Interest paid	(102)	(165)
Income taxes paid	(14,293)	(39,685)
Net cash provided by (used in) operating activities	56,296	46,482
Cash flows from investing activities:		
Proceeds from sale of equity instruments	920	—
Purchases of equity instruments	(881)	—
Proceeds from sale of debt instruments	404	—
Purchases of property, plant and equipment	(11,801)	(16,312)
Purchases of intangible assets	(767)	(581)
Acquisition of subsidiaries	(28,991)	(3,505)
Other	(132)	417
Net cash provided by (used in) investing activities	(41,248)	(19,981)
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings	28,468	15,000
Proceeds from disposal of treasury shares	726	301
Purchases of treasury shares	(45,779)	(50,040)
Dividends paid	(25,260)	(25,118)
Payments for lease liabilities	(1,897)	(2,336)
Other	—	(9)
Net cash provided by (used in) financing activities	(43,742)	(62,202)
Net effect of exchange rate changes on cash and cash equivalents	1,243	3,095
Net change in cash and cash equivalents	(27,451)	(32,606)
Cash and cash equivalents at the beginning of period	149,164	116,582
Cash and cash equivalents at the end of period	121,713	83,976

## (5) Notes to the Condensed Consolidated Financial Statements

(Notes on Going Concern) : None

(Segment Information)

Nine months ended December 31, 2021

Millions of Yen

	Semiconductor and Component Test System Business	Mechatronics System Business	Services, Support and Others	Elimination and Corporate	Consolidated
Net sales					
Net sales to unaffiliated customers	207,564	31,840	60,663	—	300,067
Inter-segment sales	66	—	—	(66)	—
Total	207,630	31,840	60,663	(66)	300,067
Segment income (loss) (operating income (loss) before share-based compensation expense)	74,402	4,930	12,493	(9,576)	82,249
Adjustment:					
Share-based compensation expense	—	—	—	—	(1,207)
Operating income	—	—	—	—	81,042
Financial income	—	—	—	—	422
Financial expenses	—	—	—	—	(129)
Income before income taxes	—	—	—	—	81,335

Nine months ended December 31, 2022

Millions of Yen

	Semiconductor and Component Test System Business	Mechatronics System Business	Services, Support and Others	Elimination and Corporate	Consolidated
Net sales					
Net sales to unaffiliated customers	293,415	42,322	77,062	—	412,799
Inter-segment sales	39	—	—	(39)	—
Total	293,454	42,322	77,062	(39)	412,799
Segment income (loss) (operating income (loss) before share-based compensation expense)	122,325	10,041	10,139	(12,171)	130,334
Adjustment:					
Share-based compensation expense	—	—	—	—	(1,194)
Operating income	—	—	—	—	129,140
Financial income	—	—	—	—	4,376
Financial expenses	—	—	—	—	(658)
Income before income taxes	—	—	—	—	132,858

Three months ended December 31, 2021

Millions of Yen

	Semiconductor and Component Test System Business	Mechatronics System Business	Services, Support and Others	Elimination and Corporate	Consolidated
Net sales					
Net sales to unaffiliated customers	80,252	10,896	20,929	—	112,077
Inter-segment sales	18	—	—	(18)	—
Total	80,270	10,896	20,929	(18)	112,077
Segment income (loss) (operating income (loss) before share-based compensation expense)	30,806	1,933	4,795	(3,514)	34,020
Adjustment: Share-based compensation expense	—	—	—	—	(454)
Operating income	—	—	—	—	33,566
Financial income	—	—	—	—	565
Financial expenses	—	—	—	—	(56)
Income before income taxes	—	—	—	—	34,075

Three months ended December 31, 2022

Millions of Yen

	Semiconductor and Component Test System Business	Mechatronics System Business	Services, Support and Others	Elimination and Corporate	Consolidated
Net sales					
Net sales to unaffiliated customers	98,566	14,169	25,258	—	137,993
Inter-segment sales	19	—	—	(19)	—
Total	98,585	14,169	25,258	(19)	137,993
Segment income (loss) (operating income (loss) before share-based compensation expense)	40,443	2,979	2,402	(4,141)	41,683
Adjustment: Share-based compensation expense	—	—	—	—	(459)
Operating income	—	—	—	—	41,224
Financial income	—	—	—	—	142
Financial expenses	—	—	—	—	(3,755)
Income before income taxes	—	—	—	—	37,611

(Notes)

1. Advantest uses the operating income (loss) before share-based compensation expense for management's analysis of business segment results.
2. Share-based compensation expense represents expenses for stock options, performance-based stock remuneration expense and restricted stock compensation expense.
3. Segment income (loss) is presented on the basis of operating income (loss) before share-based compensation expense.
4. Inter-segment sales are based on market prices.
5. 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.

## FY2022 Third Quarter Consolidated Financial Results Overview

### 1. Profit or Loss

(in billion yen)

	FY2021	FY2022						FY2022 Forecast	
		1Q	2Q	3Q	vs. FY2022 2Q increase (decrease)	FY2022 9 months total	vs. FY2021 9 months total increase (decrease)	Annual total	vs. FY2021 increase (decrease)
Net sales	<b>416.9</b>	<b>135.9</b>	<b>138.9</b>	<b>138.0</b>	<b>(0.6%)</b>	<b>412.8</b>	<b>37.6%</b>	550.0 <b>550.0</b>	31.9%
Cost of sales	(181.0)	(57.0)	(59.0)	(56.4)	(4.5%)	(172.4)	32.2%	—	—
Selling, general and administrative expenses	(121.2)	(34.0)	(37.1)	(40.5)	9.5%	(111.6)	26.1%	—	—
Other income - expenses	0	(0.1)	0.3	0.1	(48.6%)	0.3	—	—	—
Operating income	<b>114.7</b>	<b>44.8</b>	<b>43.1</b>	<b>41.2</b>	<b>(4.4%)</b>	<b>129.1</b>	<b>59.4%</b>	170.0 <b>170.0</b>	48.2%
Sales ratio	27.5%	32.9%	31.1%	29.9%		31.3%		30.9%	
Financial income - expenses	1.6	3.6	3.7	(3.5)	—	3.8	12.7times	—	—
Income before income taxes	116.3	48.4	46.8	37.7	(19.7%)	132.9	63.3%	174.0 174.0	49.6%
Sales ratio	27.9%	35.6%	33.7%	27.3%		32.2%		31.6%	
Income taxes	(29.0)	(11.9)	(12.1)	(9.1)	(26.3%)	(33.1)	61.7%	—	—
Net income	<b>87.3</b>	<b>36.5</b>	<b>34.7</b>	<b>28.6</b>	<b>(17.4%)</b>	<b>99.8</b>	<b>63.9%</b>	130.0 <b>130.0</b>	48.9%
Sales ratio	20.9%	26.8%	25.0%	20.8%		24.2%		23.6%	

(Note) Upper data is the forecast amount released on Oct 27, 2022.

### 2. Financial Condition

(in billion yen)

	FY2021	FY2022				vs. FY2022 2Q increase (decrease)
	4Q End	1Q End	2Q End	3Q End		
Total assets	<b>494.7</b>	<b>531.1</b>	<b>567.3</b>	<b>552.4</b>	<b>(2.6%)</b>	
Equity attributable to owners of the parent	<b>294.6</b>	<b>327.9</b>	<b>342.4</b>	<b>330.6</b>	<b>(3.5%)</b>	

Ratio of equity attributable to owners of the parent	<b>59.6%</b>	<b>61.7%</b>	<b>60.4%</b>	<b>59.8%</b>	—
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### 3. Dividends

(in yen)

(Record Date)	FY2021			FY2022		
	Interim	Year end	Annual total	Interim	Year end (Forecast)	Annual total (Forecast)
Dividend per share	<b>50.00</b>	<b>70.00</b>	<b>120.00</b>	<b>65.00</b>	<b>70.00</b>	<b>135.00</b>

(Note) Refer to "Revisions of Year-End Dividends Forecast" released today for FY2022 year-end dividends.