
Advantest Corporation

Advantest completes the acquisition of Semiconductor System Level Test Business from Astronics Corporation

TOKYO - February 14, 2019 - Leading semiconductor test equipment supplier Advantest Corporation ("Advantest" or the "Company") (TSE: 6857) has announced that it has closed its previously announced acquisition of the commercial Semiconductor System Level Test business ("Test Systems"), from Astronics Corporation (Nasdaq: ATRO). The terms of the transaction were renegotiated due to a recent change in business conditions related to the semiconductor industry and Test Systems business. The new terms include an upfront purchase price of \$100 million, plus an earn-out payment of up to \$35 million based on certain performance milestones. This compares to the previously announced \$185 million purchase price, plus an earn-out payment of up to \$30 million based on certain performance milestones.

Test Systems is highly complementary to Advantest's existing suite of leading-edge automated test equipment (ATE) solutions and broadens Advantest's position in system level test, an increasingly critical test modality to large consumer electronics manufacturers. Regardless of the changes of Test Systems' near term business performance forecast affected by recent semiconductor industry business condition, we still believe that Test Systems business is strategically important and the expectation for the growth in mid-long term remains unchanged. The transaction further demonstrates the Company's commitment to expanding test and measurement solutions throughout the semiconductor value chain and represents an important milestone in Advantest's Objectives of Grand Design and the Company's Mid-Term Plan disclosed on April 26th, 2018.

"We will be able to offer stronger solutions to our diversified customer base and continue to add significant customer value in an evolving semiconductor value chain by further enriching and expanding our suite of test and measurement solutions," said Yoshiaki Yoshida, Advantest President and Chief Executive Officer. "With this acquisition, Advantest will benefit greatly from Test Systems' technology development capabilities, technical talent and recent customer successes in this emerging segment of test. The acquisition will allow us to better and more timely respond to the growing needs of our semiconductor customers, and we believe Test Systems will benefit greatly from Advantest's global footprint, customer base and resources. We



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look forward to making significant advances in developing new solutions with Test Systems to deliver significant value to customers, employees and shareholders."

Based in Irvine, California, Test Systems is now a fully owned subsidiary of Advantest's U.S. subsidiary, Advantest America, Inc., and is now operating under a newly created entity, Advantest Test Solutions, Inc.

GCA Advisors, LLC is acting as exclusive financial advisor to Advantest. Stoel Rives LLP and Skadden, Arps, Slate Meagher & Flom LLP are acting as Advantest's legal counsel.

About Advantest Corporation

A world-class technology company, Advantest is the leading producer of automatic test equipment (ATE) for the semiconductor industry and a premier manufacturer of measuring instruments used in the design and production of electronic instruments and systems. Its leading-edge systems and products are integrated into the most advanced semiconductor production lines in the world. The company also focuses on R&D for emerging markets that benefit from advancements in nanotech and terahertz technologies and has introduced multi-vision metrology scanning electron microscopes essential to photomask manufacturing, as well as a groundbreaking 3D imaging and analysis tools. Founded in Tokyo in 1954, Advantest established its first subsidiary in 1982, in the USA, and now has subsidiaries worldwide. More information is available at www.advantest.com.

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