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**Renesas Electronics Reports Financial Results
 for the First Quarter Ended June 30, 2016**

Tokyo, Japan, August 10, 2016 — Renesas Electronics Corporation (TSE:6723) today announced consolidated financial results for the three months ended June 30, 2016.

Summary of Consolidated Financial Results

	Three months ended June 30, 2016	
	Billion Yen	% of Net Sales
Net sales	152.0	100.0
Sales from semiconductors	147.5	
Sales from others	4.4	
Operating income	18.6	12.2
Ordinary income	16.3	10.7
Net income attributable to shareholders of parent company	10.0	6.6
Capital expenditures	19.0	
Depreciation and others	14.5	
R&D expenses	24.4	
	Yen	
Exchange rate (USD)	111	
Exchange rate (Euro)	124	

	As of June 30, 2016
	Billion Yen
Total assets	823.2
Net assets	375.5
Equity Capital	373.5
Equity ratio (%)	45.4%
Interest-bearing debt	237.9

Note 1: All figures are rounded to the nearest 100 million yen.

Note 2: Consolidated financial results for the three months ended June 30, 2016 have been reviewed by the auditors.

Note 3: At the 14th Ordinary General Shareholders' Meeting held on June 28, 2016, a partial amendment to the Articles of Incorporation was approved and Renesas Electronics Group implemented a change of the fiscal term in which the fiscal year-end will change from March 31 to December 31 starting from the fiscal year 2016. The current fiscal year (fiscal year ending December 31, 2016) in which the transition to the new accounting period is to take place, will comprise the financial results for the nine months from April 1, 2016, to December 31, 2016.

Note 4: Capital expenditures refer to the amount of order placed for property, plant and equipment (manufacturing equipment) and intangible assets.

Note 5: Depreciation and others includes depreciation and amortization of intangible assets and amortization of long-term prepaid expenses in quarterly consolidated statements of cash flows.



Consolidated Financial Results for the First Quarter Ended June 30, 2016

English translation from the original Japanese-language document

August 10, 2016

Company name : **Renesas Electronics Corporation**
 Stock exchanges on which the shares are listed : Tokyo Stock Exchange, First Section
 Code number : 6723
 URL : <http://www.renesas.com>
 Representative : Bunsei Kure, Representative Director,
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 Filing date of Shihanki Hokokusho (scheduled) : August 10, 2016

(Amounts are rounded to the nearest million yen)

1. Consolidated financial results for the three months ended June 30, 2016

1.1 Consolidated financial results (% of change from corresponding period of the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to shareholders of parent company	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2016	151,976	(15.2)	18,555	(42.7)	16,257	(51.3)	9,978	(66.6)
Three months ended June 30, 2015	179,302	(14.3)	32,363	19.9	33,367	31.7	29,872	40.9

Reference: Comprehensive income for the three months ended June 30, 2016: (6,236) million yen (--%)
 Comprehensive income for the three months ended June 30, 2015: 32,844 million yen (54.2%)

	Net income per share basic	Net income per share diluted
	Yen	Yen
Three months ended June 30, 2016	5.99	---
Three months ended June 30, 2015	17.92	---

1.2 Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
June 30, 2016	823,177	375,495	45.4
March 31, 2016	849,376	381,739	44.7

Reference: Equity as of June 30, 2016: 373,469 million yen
 Equity as of March 31, 2016: 379,479 million yen

2. Cash dividends

	Cash dividends per share				
	At the end of first quarter	At the end of second quarter	At the end of third quarter	At the end of year	Total
Year ended March 31, 2016	Yen ---	Yen 0.00	Yen ---	Yen 0.00	Yen 0.00
Year ending December 31, 2016	---				
Year ending December 31, 2016 (forecast)		0.00	---	---	---

Note: Change in forecast of cash dividends since the most recently announced forecast: Yes
For details, please refer to Appendix 1.4., "Forecasts of Cash Dividends" on page 5.

3. Forecast of consolidated results for the six months ending September 30, 2016

(% of change from corresponding period of the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to shareholders of parent company		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen
Six months ending September 30, 2016	301.000	(16.6)	26.000	(58.8)	23.000	(65.7)	11.500	(80.0)	6.90

Note: Change in forecast of consolidated results since the most recently announced forecast: Yes

At the 14th Ordinary General Shareholders' Meeting held on June 28, 2016, a partial amendment to the Articles of Incorporation was approved and Renesas Electronics Group implemented a change of the fiscal term in which the fiscal year-end will change from March 31 to December 31 starting from the fiscal year 2016. The current fiscal year (fiscal year ending December 31, 2016) in which the transition to the new accounting period is to take place, will comprise the financial results for the nine months from April 1, 2016, to December 31, 2016.

4. Others

4.1 Changes in significant subsidiaries for the three months ended June 30, 2016: Yes

(Note) For details, please refer to page 6.

4.2 Adoption of special accounting policies for quarterly financial statements: Yes

(Note) For details, please refer to page 6

4.3 Changes in Accounting Policies, Changes in Accounting Estimates and Corrections of Prior Period Errors

1. Changes in accounting policies with revision of accounting standard: No
2. Changes in accounting policies except for 4.3.1: No
3. Changes in accounting estimates: No
4. Corrections of prior period errors: No

4.4 Number of shares issued and outstanding (common stock)

1. Number of shares issued and outstanding (including treasury stock)

As of June 30, 2016: 1,667,124,490 shares

As of March 31, 2016: 1,667,124,490 shares

2. Number of treasury stock

As of June 30, 2016: 2,581 shares

As of March 31, 2016: 2,581 shares

3. Average number of shares issued and outstanding

For the three months ended June 30, 2016: 1,667,121,909 shares
For the three months ended June 30, 2015: 1,667,121,942 shares

(Note) Information regarding the implementation of quarterly review procedures
Although these quarterly financial results are not subject to quarterly review procedures based upon the Financial Instruments and Exchange Act., the review procedures for the quarterly financial report have been completed at the time of issuance of this report.

Cautionary Statement

The statements with respect to the financial outlook of Renesas Electronics Corporation (hereafter “the Company”) and its consolidated subsidiaries (hereafter “the Group”) are forward-looking statements involving risks and uncertainties. We caution you in advance that actual results may differ materially from such forward-looking statements due to changes in several important factors.

The Group will hold a quarterly earnings conference for institutional investors and analysts on August 10, 2016. The Group plans to post the materials which are provided at the meeting, on the Group’s website on that day.

[APPENDIX]

1. First Quarter Consolidated Financial Results	2
1.1 Consolidated Business Results	2
1.2 Consolidated Financial Condition	4
1.3 Consolidated Forecasts	5
1.4 Forecasts of Cash Dividends	5
2. Others	6
2.1 Changes in Significant Consolidated Subsidiaries	6
2.2 Adoption of Special Accounting Methods for Quarterly Consolidated Financial Statements	6
2.3 Changes in Accounting Principles, Changes in Accounting Estimates and Corrections of Prior Period Errors	6
2.4 Additional information	6
3. Quarterly Consolidated Financial Statements	7
3.1 Quarterly Consolidated Balance Sheets	7
3.2 Quarterly Consolidated Statements of Operations and Comprehensive Income	9
3.3 Quarterly Consolidated Statements of Cash Flows	11
3.4 Notes to Quarterly Consolidated Financial Statements	13
(Quarterly Consolidated Statements of Operations)	13
(Notes on Assumption for Going Concern)	13
(Notes on Significant Changes in the Amount of Shareholders' Equity)	13

1. First Quarter Consolidated Financial Results

1.1 Consolidated Business Results

1.1.1 Summary of Consolidated Financial Results for the Three Months Ended June 30, 2016

	Three months ended June 30, 2015	Three months ended June 30, 2016	Increase (Decrease)	
	Billion yen	Billion yen	Billion yen	% Change
Net sales	179.3	152.0	(27.3)	(15.2)
Sales from semiconductors	174.5	147.5	(27.0)	(15.5)
Sales from others	4.8	4.4	(0.3)	(7.1)
Operating income	32.4	18.6	(13.8)	(42.7)
Ordinary income	33.4	16.3	(17.1)	(51.3)
Net income attributable to shareholders of parent company	29.9	10.0	(19.9)	(66.6)
	Yen	Yen		
Exchange rate (USD)	120	111	-	-
Exchange rate (EUR)	131	124	-	-

[Net sales]

Consolidated net sales for the three months ended June 30, 2016 were 152.0 billion yen, a 15.2% decrease year on year. This was mainly due to the continuing strong yen, and the withdrawal from non-focus products centering on the General-Purpose business that the Group is promoting, in addition to the temporary shutdown of the Group's part of the production lines that was damaged by the 2016 Kumamoto Earthquake.

[Sales from Semiconductors]

Sales from semiconductors for the three months ended June 30, 2016 were 147.5 billion yen, a 15.5% decrease year on year.

The sales breakdown for "Automotive" and "General purpose", and for "Other semiconductors" not belonging to these two categories, is as follows:

Automotive Business: 73.6 billion yen

The automotive business includes the product categories "Automotive control," comprising semiconductor devices for controlling automobile engines and bodies, and "Automotive information," comprising semiconductor devices used in automotive information systems such as navigation systems. The Group supplies microcontrollers, analog & power semiconductor devices, and system-on-chip (SoC) products in each of these categories.

Sales of Automotive business for the three months ended June 30, 2016 were 73.6 billion yen, a decrease of 6.4% year on year. While sales in the "Automotive Control" category remained flat year on year, sales in the "Automotive Information" category decreased.

General-Purpose Business: 72.9 billion yen

The general-purpose business includes the product categories "Industrial", comprising semiconductor devices for industrial equipment, "OA/ICT," comprising semiconductor devices for office automation (OA) equipment such as copy machines and information and communication technology (ICT) equipment such as network infrastructure, and "General-purpose," comprising other general-purpose semiconductor devices (including

devices for home electronics). The Group supplies microcontrollers, analog & power semiconductor devices, and SoC products in each of these categories.

Sales of General-purpose business for the three months ended June 30, 2016 were 72.9 billion yen, a decrease of 22.8% year on year. This was mainly due to a decrease in sales from “Industrial”, “OA/ICT” and “General-Purpose” categories resulting from the Group’s efforts to withdraw ongoing from non-focus products, etc. as part of its promotion of selection and concentration of businesses.

Other Semiconductors: 1.0 billion yen

Sales of Other semiconductors include production by commissioning and royalties.

[Sales from others]

Sales from others include non-semiconductor products sold on a resale basis by the Group’s sales subsidiaries and development and production by commissioning conducted at the Group’s design and manufacturing subsidiaries.

Sales from others for the three months ended June 30, 2016 were 4.4 billion yen, a 7.1% decrease year on year.

[Operating income]

Operating income for the three months ended June 30, 2016 was 18.6 billion yen, 13.8 billion yen decrease year on year. This was mainly due to the opportunity loss incurred by the temporary shutdown of the Group’s part of the production lines caused by the damages from the 2016 Kumamoto Earthquake and the deteriorating exchange rate.

[Ordinary income]

Ordinary income for the three months ended June 30, 2016 was 16.3 billion yen, mainly due to non-operating loss of 2.3 billion yen from recording non-operating expenses of 2.7 billion yen, including foreign exchange losses and interest expenses.

[Net income attributable to shareholders of parent company]

Net income attributable to shareholders of parent company for the three months ended June 30, 2016 was 10.0 billion yen, 19.9 billion yen decrease year on year. This was mainly due to recording losses from the 2016 Kumamoto Earthquake as special loss, in addition to decrease in operating income.

1.2 Consolidated Financial Condition

1.2.1 Total Assets, Liabilities and Net assets

	March 31, 2016	June 30, 2016	Increase (Decrease)
	Billions of yen	Billions of yen	Billions of yen
Total assets	849.4	823.2	(26.2)
Net assets	381.7	375.5	(6.2)
Equity	379.5	373.5	(6.0)
Equity ratio (%)	44.7	45.4	0.7
Interest-bearing debt	244.3	237.9	(6.5)
Debt / Equity ratio	0.64	0.64	(0.01)

Total assets at June 30, 2016 were 823.2 billion yen, a 26.2 billion yen decrease from March 31, 2016. This was primarily due to decreases in notes and accounts receivable-trade, merchandise and finished goods and work in process in the three months ended June 30, 2016. Net assets were 375.5 billion yen, a 6.2 billion yen decrease from March 31, 2016. This was mainly due to a worsening of foreign currency translation adjustment account linked to a strong yen, despite a recording of net income attributable to shareholders of parent company of 10.0 billion yen for the three months ended June 30, 2016.

Equity decreased by 6.0 billion yen from March 31, 2016 and the equity ratio was 45.4%. Interest-bearing debt decreased by 6.5 billion yen from March 31, 2016. Consequently, the debt to equity ratio dropped to 0.64.

1.2.2 Cash Flows

	Three months ended June 30, 2015	Three months ended June 30, 2016
	Billions of yen	Billions of yen
Net cash provided by (used in) operating activities	31.5	27.5
Net cash provided by (used in) investing activities	(5.4)	(8.7)
Free cash flows	26.2	18.9
Net cash provided by (used in) financing activities	(3.7)	(9.9)
Cash and cash equivalents at the beginning of period	343.7	398.4
Cash and cash equivalents at the end of period	368.7	397.3

(Net cash provided by (used in) operating activities)

Net cash provided by operating activities for the three months ended June 30, 2016 was 27.5 billion yen. This was mainly due to a recording of income before income taxes in the amount of 10.7 billion yen and adjustment of non-expenditure items including depreciation and amortization, etc.,.

(Net cash provided by (used in) investing activities)

Net cash used in investing activities for the three months ended June 30, 2016 was 8.7 billion yen, mainly due to the purchase of property, plant and equipment.

The foregoing resulted in positive free cash flows of 18.9 billion yen for the three months ended June 30, 2016.

(Net cash provided by (used in) financing activities)

Net cash used in financing activities for the three months ended June 30, 2016 was 9.9 billion yen.

1.3 Consolidated Forecasts

At the 14th Ordinary General Shareholders' Meeting held on June 28, 2016, a partial amendment to the Articles of Incorporation was approved and Renesas Electronics Group implemented a change of the fiscal term in which the fiscal year-end will change from March 31 to December 31 starting from the fiscal year 2016. The current fiscal year (fiscal year ending December 31, 2016) in which the transition to the new accounting period is to take place, will comprise the financial results for the nine months from April 1, 2016 to December 31, 2016.

The Group reports its consolidated forecasts on a quarterly basis because of the difficulty of forecasting full-year results with high accuracy due to the short-term volatility of the semiconductor market.

(For the six months ending September 30, 2016)

(In millions of yen)

	Net Sales	(Reference) Sales from semiconductors	Operating Income	Ordinary Income	Net Income Attributable to Shareholders of Parent Company
Previous forecasts	---	---	---	---	---
Revised forecasts (August 10, 2016)	301,000	292,500	26,000	23,000	11,500
Increase (decrease)	---	---	---	---	---
Percent change	---	---	---	---	---
Reference: Results for the six months ended September 30, 2015	360,701	351,507	63,093	67,121	57,409

The figures of the consolidated forecasts for the year ending September 30, 2016 above are sum of the results of the three months ended June 30, 2016 and the forecasts of the three months ending September 30, 2016. The consolidated forecasts for the second quarter ending September 30, 2016 are calculated at the rate of 107 yen per USD and 120 yen per Euro.

The statements with respect to the financial outlook of the Group are forward-looking statements involving risks and uncertainties. The Company cautions you in advance that actual results may vary materially from such forward-looking statements due to several important factors.

1.4 Forecasts of Cash Dividends

For the year ending December 31, 2016, while the Group expects to post net income (net income attributable to shareholders of parent company) for the six months ending September 30, 2016, the Group regrettably suspended interim dividend payment for this period in order to build a solid profitable financial base that can stably record net income moving forward.

For the year ending December 31, 2016, the plan for year-end dividend payments remain undecided, and the Group will immediately announce it when the decisions are made.

(For the year ending December 31, 2016)

Interim Dividend	Year-End Dividend	Annual Dividend
0 Yen	---	---

2. Others

2.1 Changes in Significant Consolidated Subsidiaries

Due to the reorganization of the manufacturing sites within the Group as of June 1, 2016, Renesas Semiconductor Singapore Pte. Ltd. was excluded from the Group by means of the merger. Renesas Semiconductor Singapore Pte. Ltd. was a significant consolidated subsidiary.

2.2 Adoption of Special Accounting Methods for Quarterly Consolidated Financial Statements

(Calculation of tax expenses)

Tax expenses are calculated by multiplying income before income taxes for the first quarter of the fiscal year ending December 31, 2016 by a reasonably estimated effective tax rate against income before income taxes for the fiscal year including the first quarter, while applying tax effect accounting.

2.3 Changes in Accounting Principles, Changes in Accounting Estimates and Corrections of Prior Period Errors

None

2.4 Additional Information

From the current first quarter beginning on April 1, 2016, the Group has adopted "Revised Implementation Guidance on Recoverability of Deferred Tax Assets" (ASBJ Guidance No.26, issued on March 28, 2016).

3. Quarterly Consolidated Financial Statements

3.1 Quarterly Consolidated Balance Sheets

(In millions of yen)

	Prior Fiscal Year (As of March 31, 2016)	Current First Quarter (As of June 30, 2016)
Assets		
Current assets		
Cash and deposits	398,673	397,524
Notes and accounts receivable-trade	81,866	72,290
Merchandise and finished goods	39,028	32,349
Work in process	62,950	57,419
Raw materials and supplies	6,376	7,204
Accounts receivable-other	16,155	10,996
Other current assets	6,884	9,622
Allowance for doubtful accounts	(89)	(74)
Total current assets	611,843	587,330
Long-term assets		
Property, plant and equipment		
Buildings and structures, net	64,617	62,093
Machinery and equipment, net	57,903	60,997
Vehicles, tools, furniture and fixtures, net	16,703	16,730
Land	22,516	22,516
Construction in progress	11,307	11,710
Total property, plant and equipment	173,046	174,046
Intangible assets		
Software	10,111	10,744
Other intangible assets	14,987	14,359
Total intangible assets	25,098	25,103
Investments and other assets		
Investment securities	6,196	5,851
Long-term prepaid expenses	27,209	24,710
Other assets	5,987	6,140
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	39,389	36,698
Total long-term assets	237,533	235,847
Total assets	849,376	823,177

(In millions of yen)

	Prior Fiscal Year (As of March 31, 2016)	Current First Quarter (As of June 30, 2016)
Liabilities		
Current liabilities		
Electronically recorded obligations	9,246	11,009
Notes and accounts payable-trade	76,882	66,678
Current portion of long-term borrowings	25,000	25,000
Current portion of lease obligations	5,229	4,987
Accounts payable-other	33,161	34,828
Accrued expenses	31,246	21,186
Accrued income taxes	5,041	2,185
Provision for product warranties	376	394
Provision for business structure improvement	4,273	3,847
Provision for contingent loss	271	275
Provision for loss on disaster	-	2,480
Asset retirement obligations	116	19
Other current liabilities	7,690	11,527
Total current liabilities	198,531	184,415
Long-term liabilities		
Long-term borrowings	213,806	207,556
Lease obligations	307	313
Provision for business structure improvement	110	94
Net defined benefit liability	31,850	33,507
Asset retirement obligations	2,744	2,724
Other liabilities	20,289	19,073
Total long-term liabilities	269,106	263,267
Total liabilities	467,637	447,682
Net assets		
Shareholders' equity		
Common stock	10,000	10,000
Capital surplus	191,919	191,919
Retained earnings	162,226	172,204
Treasury stock	(11)	(11)
Total shareholders' equity	364,134	374,112
Accumulated other comprehensive income		
Unrealized gains (losses) on securities	316	250
Foreign currency translation adjustments	(201)	(16,030)
Remeasurements of defined benefit plans	15,230	15,137
Total accumulated other comprehensive income	15,345	(643)
Non-controlling interests	2,260	2,026
Total net assets	381,739	375,495
Total liabilities and net assets	849,376	823,177

3.2 Quarterly Consolidated Statements of Operations and Comprehensive Income

Quarterly Consolidated Statements of Operations

(Three months ended June 30, 2015 and 2016)

(In millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016
Net sales	179,302	151,976
Cost of sales	99,461	86,921
Gross profit	79,841	65,055
Selling, general and administrative expenses	47,478	46,500
Operating income	32,363	18,555
Non-operating income		
Interest income	181	125
Dividends income	12	6
Equity in earnings of affiliates	6	-
Foreign exchange gains	1,253	-
Other non-operating income	514	285
Total non-operating income	1,966	416
Non-operating expenses		
Interest expenses	729	637
Equity in losses of affiliates	-	13
Foreign exchange losses	-	1,663
Other non-operating expenses	233	401
Total non-operating expenses	962	2,714
Ordinary income	33,367	16,257
Special income		
Gain on sales of property, plant and equipment	275	1,680
Gain on transfer of business	251	-
Gain on sales of investment securities	47	24
Total special income	573	1,704
Special loss		
Loss on sales of property, plant and equipment	29	9
Impairment loss	29	7
Loss on disaster	-	※1 6,816
Business structure improvement expenses	※2 1,554	※2 472
Provision for contingent loss	24	4
Total special loss	1,636	7,308
Income before income taxes	32,304	10,653
Income taxes	2,417	657
Net income	29,887	9,996
Net income attributable to non-controlling interests	15	18
Net income attributable to shareholders of parent company	29,872	9,978

Quarterly Consolidated Statements of Comprehensive Income

(Three months ended June 30, 2015 and 2016)

(In millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016
Net income	29,887	9,996
Other comprehensive income		
Unrealized gains (losses) on securities	(47)	(25)
Foreign currency translation adjustments	3,147	(16,073)
Remeasurements of defined benefit plans, net of tax	(150)	(90)
Share of other comprehensive income of affiliates accounted for by the equity method	7	(44)
Total other comprehensive income	2,957	(16,232)
Comprehensive income	32,844	(6,236)
Comprehensive income attributable to:		
Shareholders of parent company	32,825	(6,010)
Non-controlling interests	19	(226)

3.3 Quarterly Consolidated Statements of Cash Flows

(In millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016
Net cash provided by (used in) operating activities		
Income before income taxes	32,304	10,653
Depreciation and amortization	12,217	11,318
Amortization of long-term prepaid expenses	3,141	3,193
Impairment loss	29	7
Loss on disaster	-	160
Increase (decrease) in net defined benefit liability	(1,710)	1,343
Increase (decrease) in provision for business structure improvement	(241)	17
Increase (decrease) in provision for contingent loss	(22)	4
Increase (decrease) in provision for loss on disaster	-	2,480
Interest and dividends income	(193)	(131)
Insurance income	-	(7)
Interest expenses	729	637
Equity in (earnings) losses of affiliates	(6)	13
Loss (gain) on sales and valuation of investment securities	(47)	(24)
Loss (gain) on sales of property, plant and equipment	(246)	(1,671)
Business structure improvement expenses	86	27
Loss (gain) on transfer of business	(251)	-
Decrease (increase) in notes and accounts receivable-trade	2,426	4,867
Decrease (increase) in inventories	(1,481)	9,132
Decrease (increase) in accounts receivable-other	2,340	1,770
Increase (decrease) in notes and accounts payable-trade	(3,430)	(7,826)
Increase (decrease) in accounts payable-other and accrued expenses	(13,203)	(6,484)
Other cash provided by (used in) operating activities, net	3,408	1,724
Subtotal	35,850	31,202
Interest and dividends received	261	186
Proceeds from insurance income	-	7
Interest paid	(735)	(638)
Income taxes paid	(3,572)	(2,747)
Payments for extra retirement benefits	(264)	(344)
Payments for loss on disaster	-	(146)
Net cash provided by (used in) operating activities	31,540	27,520

(In millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(9,255)	(12,065)
Proceeds from sales of property, plant and equipment	180	2,054
Purchase of intangible assets	(556)	(1,687)
Purchase of long-term prepaid expenses	(922)	(851)
Purchase of investment securities	(16)	(15)
Proceeds from sales of investment securities	251	181
Proceeds from transfer of business	252	3,631
Collection of loans receivable	4,550	-
Other cash provided by (used in) investing activities, net	145	89
Net cash provided by (used in) investing activities	(5,371)	(8,663)
Net cash provided by (used in) financing activities		
Repayments of long-term borrowings	-	(6,250)
Repayments of finance lease obligations	(306)	(286)
Repayments of installment payables	(3,434)	(3,393)
Net cash provided by (used in) financing activities	(3,740)	(9,929)
Effect of exchange rate change on cash and cash equivalents	2,586	(10,054)
Net increase (decrease) in cash and cash equivalents	25,015	(1,126)
Cash and cash equivalents at the beginning of the period	343,722	398,410
Cash and cash equivalents at the end of the period	368,737	397,284

3.4 Notes to Quarterly Consolidated Financial Statements

(Quarterly Consolidated Statements of Operations)

*1 Loss on disaster

The loss on disaster was related to the 2016 Kumamoto Earthquake, and the components of the amount of loss on disaster were as follows:

	(In millions of yen)
	Three months ended June 30, 2016
Repair cost of long term assets	3,711
Fixed costs during the temporary shutdown period of operations	2,114
Loss on disposal of inventories	1,703
Other	288
Subtotal	7,816
Accrued insurance income	(1,000)
Total	6,816

*2 Business structure improvement expenses

The Group has reformed businesses and structures of the production along with the streamlining of employees to strengthen its financial basis, and those related expenses are shown as business structure improvement expenses.

The details of business structure improvement expenses for the consolidated statements of operations for the three months ended June 30, 2015 and 2016 were as follows:

	(In millions of yen)	
	Three months ended June 30, 2015	Three months ended June 30, 2016
Personnel expenses including the special incentive of early retirement program	466	258
Other (*)	1,088	214
Total	1,554	472

(*) The main item of "Other" for the three months ended June 30, 2015 is equipment relocation related expenses etc. to reorganize the design and development operation including its locations.

(Notes on Assumption for Going Concern)

None

(Notes on Significant Changes in the Amount of Shareholders' Equity)

None

Forward-Looking Statements

The statements in this press release with respect to the plans, strategies and financial outlook of Renesas Electronics Corporation and its consolidated subsidiaries (collectively “we”) are forward-looking statements involving risks and uncertainties. We caution you in advance that actual results may differ materially from such forward-looking statements due to several important factors including, but not limited to, general economic conditions in our markets, which are primarily Japan, North America, Asia, and Europe; demand for, and competitive pricing pressure on, products and services in the marketplace; ability to continue to win acceptance of products and services in these highly competitive markets; and fluctuations in currency exchange rates, particularly between the yen and the U.S. dollar. Among other factors, downturn of the world economy; deteriorating financial conditions in world markets, or deterioration in domestic and overseas stock markets, may cause actual results to differ from the projected results forecast.

About Renesas Electronics Corporation

Renesas Electronics Corporation ([TSE: 6723](#)) delivers trusted embedded design innovation with complete semiconductor solutions that enable billions of connected, intelligent devices to enhance the way people work and live—securely and safely. The number one [global](#) supplier of microcontrollers, and a leader in Analog & Power and SoC products, Renesas provides the expertise, quality, and comprehensive solutions for a broad range of Automotive, Industrial, Home Electronics (HE), Office Automation (OA) and Information Communication Technology (ICT) applications to help shape a limitless future. Learn more at [renesas.com](#).

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