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**Renesas Electronics Reports Financial Results
 for the Year Ended March 31, 2015**

Tokyo, Japan, May 12, 2015 — Renesas Electronics Corporation (TSE:6723) today announced consolidated financial results for the year ended March 31, 2015.

Summary of Consolidated Financial Results

	Year ended March 31, 2015	
	Billion Yen	% of Net Sales
Net sales	791.1	100.0
Sales from semiconductors	753.3	
Sales from others	37.8	
Operating income (loss)	104.4	13.2
Ordinary income (loss)	105.3	13.3
Net income (loss)	82.4	10.4
Capital expenditures	33.1	
Depreciation and others	66.6	
R&D expenses	91.1	
	Yen	
Exchange rate (USD)	108	
Exchange rate (Euro)	140	

	As of March 31, 2015
	Billion Yen
Total assets	840.1
Net assets	311.9
Equity Capital	309.5
Equity ratio (%)	36.8
Interest-bearing debt	259.7

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

Note 2: Capital expenditures refer to the amount of order placed for property, plant and equipment (manufacturing equipment).

Note 3: 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 Year Ended March 31, 2015

English translation from the original Japanese-language document

May 12, 2015

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 : Hisao Sakuta, Representative Director,
 Chairman and CEO
 Contact person : Yoichi Kobayashi, Department Manager
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 Office
 Tel. +81 (0)3-6756-5552
 Date of the ordinary general shareholders' meeting (scheduled) : June 24, 2015
 Filing date of Yukashoken Hokokusho (scheduled) : June 24, 2015

(Amounts are rounded to the nearest million yen)

1. Consolidated financial results for the year ended March 31, 2015

1.1 Consolidated financial results

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

	Net sales		Operating income (loss)		Ordinary income (loss)		Net income (loss)	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 31, 2015	791,074	(5.0)	104,427	54.4	105,335	79.7	82,365	---
Year ended March 31, 2014	833,011	6.0	67,635	---	58,625	---	(5,291)	---

Reference: Comprehensive income for the year ended March 31, 2015: 122,544 million yen (---%)
 Comprehensive income for the year ended March 31, 2014: 8,783 million yen (---%)

	Net income (loss) per share basic	Net income (loss) per share diluted	Net income (loss) ratio per equity	Ordinary income (loss) ratio per total assets	Operating income (loss) ratio per sales
	Yen	Yen	%	%	%
Year ended March 31, 2015	49.41	---	31.4	13.0	13.2
Year ended March 31, 2014	(5.07)	---	(3.8)	8.1	8.1

Reference: Equity in net income of affiliates of the year ended March 31, 2015: 273 million yen
 Equity in net income of affiliates of the year ended March 31, 2014: 168 million yen

1.2 Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2015	840,087	311,909	36.8	185.67
March 31, 2014	786,002	227,314	27.3	128.73

Reference: Equity as of March 31, 2015:
Equity as of March 31, 2014:

309,529 million yen
214,601 million yen

Note: Equity is equal to "Net assets" excluding "Share subscription rights" and "Minority interests"

1.3 Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the year
	Million yen	Million yen	Million yen	Million yen
Year ended March 31, 2015	116,746	(26,603)	(23,762)	343,722
Year ended March 31, 2014	93,722	(19,241)	107,007	265,897

2. Cash dividends

	Cash dividends per share					Total dividends during the year	Dividends payout ratio (consolidated)	Dividends ratio per net assets (consolidated)
	At the end of first quarter	At the end of second quarter	At the end of third quarter	At the end of year	Total			
	Yen	Yen	Yen	Yen	Yen			
Year ended March 31, 2015	---	0.00	---	0.00	0.00	---	---	---
Year ended March 31, 2014	---	0.00	---	0.00	0.00	---	---	---
Year ending March 31, 2016 (forecast)	---	---	---	---	---		---	

3. Forecast of consolidated results for the three months ending June 30, 2015

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

	Net sales		Operating income (loss)		Ordinary income (loss)		Net income (loss) attributable to shareholders of parent company		Net income (loss) per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen
Three months ending June 30, 2015	180,000	(14.0)	25,000	(7.4)	23,000	(9.2)	20,000	(5.7)	12.00

Note: Change in forecast of consolidated results since the most recently announced forecast: No
Renesas Electronics Group reports its consolidated forecasts on a quarterly basis as substitute for a yearly forecasts. For details, please refer to Appendix 1.1.2., "Consolidated Forecasts" on page 4.

4. Others

4.1 Changes in significant subsidiaries for the year ended March 31, 2015

(Changes in specified subsidiaries resulting in changes in scope of consolidation): No

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

1. Changes in accounting policies with revision of accounting standard: Yes
2. Changes in accounting policies except for 4.2.1: No
3. Changes in accounting estimates: No
4. Corrections of prior period errors: No

4.3 Number of shares issued and outstanding (common stock)

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

As of March 31, 2015: 1,667,124,490 shares

As of March 31, 2014: 1,667,124,490 shares

2. Number of treasury stock

As of March 31, 2015: 2,548 shares

As of March 31, 2014: 2,548 shares

3. Average number of shares issued and outstanding

For the year ended March 31, 2015: 1,667,121,942 shares

For the year ended March 31, 2014: 1,043,834,271 shares

(Reference) Non-consolidated results for the year ended March 31, 2015

Non-consolidated financial results

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

	Net sales		Operating income (loss)		Ordinary income (loss)		Net income (loss)	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 31, 2015	718,784	(2.6)	74,155	231.3	72,070	363.4	84,617	--
Year ended March 31, 2014	738,088	9.1	22,386	--	15,554	--	(12,527)	--

	Net income (loss) per share: basic	Net income (loss) per share: diluted
	Yen	Yen
Year ended March 31, 2015	50.76	--
Year ended March 31, 2014	(12.00)	--

Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2015	768,804	217,255	28.3	130.32
March 31, 2014	731,800	157,455	21.5	94.45

Reference: Equity at the end of the year ended March 31, 2015: 217,255 million yen
Equity at the end of the year ended March 31, 2014: 157,455 million yen

(Note) Information regarding the implementation of audit procedures

These financial statements are under the audit procedures based upon the Financial Instruments and Exchange Act 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 an earnings conference for institutional investors and analysts on May 12, 2015. The Group plans to post the materials which are provided at the meeting, on the Group's website on that day.

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1. Business Results

1.1 Analysis of Business Results

1.1.1 Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2015

	Year ended March 31, 2014	Year ended March 31, 2015	Increase (Decrease)	
	Billion yen	Billion yen	Billion yen	% Change
Net sales	833.0	791.1	(41.9)	(5.0)
Sales from semiconductors	796.8	753.3	(43.5)	(5.5)
Sales from others	36.2	37.8	1.5	4.3
Operating income (loss)	67.6	104.4	36.8	54.4
Ordinary income (loss)	58.6	105.3	46.7	79.7
Net income (loss)	(5.3)	82.4	87.7	---
	Yen	Yen		
Exchange rate (USD)	100	108	-	-
Exchange rate (EUR)	133	140	-	-

[Net sales]

Consolidated net sales for the year ended March 31, 2015 were 791.1 billion yen, a 5.0% decrease year on year. This was mainly due to a decrease in sales from semiconductors, including small- and medium-sized display driver ICs for mobile handsets and consumer electronics devices, resulting from the selection and concentration of businesses, despite the steady sales of automotive and industrial semiconductors and improved exchange rate.

[Sales from Semiconductors]

Sales from semiconductors for the year ended March 31, 2015 were 753.3 billion yen, a 5.5% 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: 323.1 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 year ended March 31, 2015 were 323.1 billion yen, an increase of 6.4 % year on year. Sales increased in both the “Automotive control” and “Automotive information” categories.

General-Purpose Business: 425.5 billion yen

The general-purpose business includes the product categories “Industrial/Home electronics,” comprising semiconductor devices for industrial equipment, white goods, etc., “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 general-purpose semiconductor devices for other applications. The Group supplies microcontrollers, analog & power semiconductor devices, and SoC products in each of these categories.

Sales of General-purpose business for the year ended March 31, 2015 were 425.5 billion yen, a decrease of 12.7% year on year. This was mainly due to the Group's promotion of selection and concentration of businesses which led to decreased sales in the "OA/ICT" and "General-Purpose" categories, despite the increased sales in the "Industrial/Home electronics". In particular, sales in the "General-Purpose" category decreased year on year as a result of transferring all of the shares in Renesas SP Drivers Inc., a consolidated subsidiary of the Group and supplier of small- and medium-sized display driver ICs, to Synaptics Holding GmbH.

Other Semiconductors: 4.7 billion yen

Sales of Other semiconductors include production by commissioning and royalties.

Sales of other semiconductors for the year ended March 31, 2015 were 4.7 billion yen, a 19.4% decrease year on year.

[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 year ended March 31, 2015 were 37.8 billion yen, a 4.3% increase year on year. This increase was mainly due to sales of the former Renesas SP Drivers products supplied by commissioning that continued even after the transfer of all of the shares in Renesas SP Drivers on October 1, 2014, until the supply system was organized at Synaptics Holding GmbH on October 31, 2014.

[Operating income (loss)]

Operating income for the year ended March 31, 2015 was 104.4 billion yen, 36.8 billion yen improvement year on year. This was mainly owing to: continued strong growth of the sales of automotive and industrial semiconductors; improved exchange rate; and improved earnings structure, including the improvement of gross profit ratio, through implementation of the structural reform measures, despite the decrease in sales from semiconductors, including those for mobile handsets and consumer electronics devices, resulting from the selection and concentration of businesses.

[Ordinary income (loss)]

Ordinary income for the year ended March 31, 2015 was 105.3 billion yen, mainly due to non-operating income of 0.9 billion yen from recording non-operating income of 7.7 billion yen including foreign exchange gains, etc., despite a recording of non-operating expenses of 6.8 billion yen, including interest expenses. Additionally, foreign exchanges gains for the year ended March 31, 2015 were 4.6 billion yen. The exchange gains are the result of foreign exchange valuation of cash and deposits, account receivable, and account payable in foreign currency at the end of year ended March 31, 2015, and the difference between the exchange rates as of the recording and settlement time of the sales and purchase.

[Net income (loss)]

Net income for the year ended March 31, 2015 was 82.4 billion yen, 87.7 billion yen improvement year on year. This was mainly due to improved operating income and ordinary income in addition to decreased special loss year on year, especially from the business structure improvement expenses, and recording of special income

from business transfer.

1.1.2. Consolidated Forecasts

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 three months ending June 30, 2015)

(In millions of yen)

	Net Sales	(Reference) Sales from semiconductors	Operating Income (Loss)	Ordinary Income (Loss)	Net Income (Loss) Attributable to Shareholders of Parent Company
Current forecasts (May 12, 2015)	180,000	174,000	25,000	23,000	20,000
Reference: Results for the first quarter ended June 30, 2014	209,259	201,200	26,984	25,343	21,199

The consolidated forecasts for the first quarter ending June 30, 2015 are calculated at the rate of 117 yen per USD and 130 yen per Euro.

The statements with respect to the financial outlook of Renesas Electronics Corporation and its consolidated subsidiaries 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.

1.2 Consolidated Financial Condition

1.2.1 Total Assets, Liabilities and Net assets

	March 31, 2014	March 31, 2015	Increase (Decrease)
	Billions of yen	Billions of yen	Billions of yen
Total assets	786.0	840.1	54.1
Net assets	227.3	311.9	84.6
Equity	214.6	309.5	94.9
Equity ratio (%)	27.3	36.8	9.5
Interest-bearing debt	270.9	259.7	(11.2)
Debt / Equity ratio	1.26	0.84	(0.42)

Total assets at March 31, 2015 were 840.1 billion yen, a 54.1 billion yen increase from March 31, 2014. This was primarily due to improved net cash provided by operating activities from recording income before income taxes and minority interest through structural reform measures, which resulted in increase in cash and deposits in the year ended March 31, 2015. Net assets were 311.9 billion yen, an 84.6 billion yen increase from March 31, 2014. This was mainly due to recording of net income of 82.4 billion yen for the year ended March 31, 2015.

Equity increased by 94.9 billion yen from March 31, 2014 and the equity ratio was 36.8%. Interest-bearing debt decreased by 11.2 billion yen from March 31, 2014. Consequently, the debt to equity ratio dropped to 0.84.

1.2.2 Cash Flows

	Year ended March 31, 2014	Year ended March 31, 2015
	Billions of yen	Billions of yen
Net cash provided by (used in) operating activities	93.7	116.7
Net cash provided by (used in) investing activities	(19.2)	(26.6)
Free cash flows	74.5	90.1
Net cash provided by (used in) financing activities	107.0	(23.8)
Cash and cash equivalents at the beginning of period	77.7	265.9
Cash and cash equivalents at the end of period	265.9	343.7

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

Net cash provided by operating activities for the year ended March 31, 2015 was 116.7 billion yen. This was mainly due to recording of income before income taxes in the amount of 94.1 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 year ended March 31, 2015 was 26.6 billion yen, mainly due to payments for purchases of property, plant and equipment as well as purchases of intangible assets, despite an 18.2 billion yen proceeds from transfer of business.

The foregoing resulted in positive free cash flows of 90.1 billion yen for the year ended March 31, 2015.

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

Net cash used in financing activities for the year ended March 31, 2015 was 23.8 billion yen.

Consequently, cash and cash equivalents at the end of the period were 343.7 billion yen, 77.8 billion yen increase from the beginning of the period.

1.3 Dividend Payments

For the year ended March 31, 2015, while the Group recorded a consolidated net income for the year ended March 31, 2015, the Group regrettably suspended 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 March 31, 2016, whether the Group provides interim and year-end dividend payments remain undecided, and the Group will immediately announce it when the decisions are made.

1.4 Risk Factors

Please refer to the Group's "Financial Report" for risk factors.

2. Renesas Electronics Group Companies

The Renesas Electronics Group comprises 31 consolidated subsidiaries and 3 equity method affiliates, as listed below according to primary business activity.

	Japan	Overseas
Sales Companies	<u><Equity Method Affiliate></u> RENASAS EASTON Co., Ltd.	<u><Consolidated Subsidiary></u> Renesas Electronics (China) Co., Ltd. Renesas Electronics (Shanghai) Co., Ltd. Renesas Electronics Hong Kong Limited Renesas Electronics Taiwan Co., Ltd. Renesas Electronics Korea Co., Ltd. Renesas Electronics Singapore Pte. Ltd. Renesas Electronics Malaysia Sdn. Bhd. Renesas Electronics India Private Limited Renesas Electronics America, Inc. Renesas Electronics Canada Limited Renesas Electronics Brasil-Servicos Ltda. Renesas Electronics Europe Limited (UK) Renesas Electronics Europe GmbH (Germany)
Manufacturing and Engineering Service Companies	<u><Consolidated Subsidiary></u> Renesas Semiconductor Manufacturing, Co., Ltd. Renesas Semiconductor Package & Test Solutions Co., Ltd.	<u><Consolidated Subsidiary></u> Renesas Semiconductor (Beijing) Co., Ltd. Renesas Semiconductor (Suzhou) Co., Ltd. Renesas Semiconductor Singapore Pte. Ltd. Renesas Semiconductor KL Sdn. Bhd. Renesas Semiconductor (Malaysia) Sdn. Bhd. Renesas Semiconductor (Kedah) Sdn. Bhd. Renesas Semiconductor Technology (Malaysia) Sdn. Bhd.
Design and Application Technologies Companies	<u><Consolidated Subsidiary></u> Renesas System Design Co., Ltd. Renesas Solutions Corp. Renesas Engineering Services Co., Ltd.	<u><Consolidated Subsidiary></u> Renesas Semiconductor Design (Beijing) Co., Ltd. Renesas Design Vietnam Co., Ltd. Renesas Semiconductor Design (Malaysia) Sdn. Bhd.
Business Corporations and Others	<u><Equity Method Affiliate></u> 1 company	<u><Consolidated Subsidiary></u> 3 companies <u><Equity Method Affiliate></u> 1 company

Note: Some of the Group's overseas sales companies are also engaged in design and development activities.

3. Management Policies

3.1 Management Policies

The Renesas Electronics Group sets up the following corporate philosophy, which expresses the Group's identity and mission, and corporate vision that shows the Group's target direction. Under these philosophy and vision, the Group is aiming to increase its business value and shareholders value as the world's leading semiconductor company.

[Corporate Philosophy]

Harnessing its collective expertise in new technologies, the Renesas Electronics Group contributes to a world where people and the planet prosper in harmony by realizing our vision and building our future.

[Corporate Vision]

Renesas Electronics Group will be first to respond to customer needs worldwide with our creative power and technology innovations to become a strong, growing semiconductor manufacturer and a trustworthy partner.

3.2 Management Targets

As announced in the Group's presentation, "Reforming Renesas" issued on October 30, 2013, with an aim of realizing a company that generates consistent revenue, the Renesas Group has developed a reform plan, consisting of three components: 1) "Reform businesses to better utilize market intelligence during product development," 2) "Reform into a profit-oriented organization," and 3) Reform to a global management and organizational structures." To achieve these reform plans, the Group will exert its utmost efforts into tackling the target described in "3.3 Mid-Term Corporate Strategies and Issues to Address" in the fiscal year ending March 31, 2016.

3.3 Mid-Term Corporate Strategies and Issues to Address

As indicated in the "1. Business Results, 1.1 Analysis of Business Results" section, the operating income improved in the fiscal year ended March 31, 2015 from the previous year. Nevertheless, in order to deal flexibly with changes in the business climate and achieve stable business operation, the Renesas Group must boost profitability still further.

Based on the reform plan which was announced on October 30, 2014, Renesas Group has been working toward "improved profit ratio through restructuring" alongside "further growth in profits through business selection and concentration" aimed at stable corporate growth, and the Group intends to continue to address these tasks.

3.3.1 Improved Profit Ratio through Restructuring

Based on the reform plan, the Renesas Group has been moving forward with reforms characterized by a thorough emphasis on profitability and implementation of autonomous management.

As part of these measures, for its manufacturing structure, the Group is carrying out restructuring of the manufacturing system in accordance with its basic policies of (1) boosting production efficiency, (2) building a

flexible production system to respond to rapid market changes, and (3) maintaining and continuing in-house plants with advanced technologies and cost competitiveness. During the year ended March 31, 2015, the Group had worked on various manufacturing-related structural reforms, including realignment and consolidation of front-end and back-end line production businesses that had been dispersed across Japan. Moving forward the Group will continue to steadily implement steps such as optimization of manufacturing lines and improving production efficiency through increased turnover rates.

As for its design and development structure, the Group has been working on realignment and consolidation of its design and development businesses in Japan and intends to continue to promote a realignment of its design sites aimed at increasing work efficiency and accelerated decision-making through standardization and common application of design work processes to match its key focus domains.

As the Group goes about implementing these restructuring measures, it has been proceeding with efforts to hire and train personnel who will contribute to the realization of our corporate philosophy and vision, and to revise the personnel system, such as personnel treatment, from the standpoint of employee development and organizational invigoration. During the year ended March 31, 2015, the Group had been engaged in the revision of the personnel treatment system mainly for Japan, and moving forward, it is aiming to extend this into the global systems. Additionally, to thoroughly promote the results-oriented thinking in synchronization with the consolidated financial performance, the Group will work toward full-scale operation of the KPI system, which has been implemented during the fiscal year ended March 31, 2015, to reflect the status of the KPI achievement into the financial performance, by extending it globally within the Group.

By carrying out these restructuring measures, the Group aims to boost production and design and development efficiency while speeding up decision-making, and thereby to realize improved profitability.

3.3.2 Further Growth in Profits through Business Selection and Concentration

The Renesas Group places its focus on five application fields where the Group possesses unique strengths and can compete most effectively: “Automotive control”, “Automotive information”, “Industrial and home appliances”, “OA and ICT”, and “General-purpose products”.

The Group will accelerate selection and concentration of products and business domains aimed at the realization of steady growth in profits, and in this way the Group will improve its product mix and strengthen the competitiveness of its products. During the year ended March 31, 2015, the Group has been promoting withdrawal from non-core businesses such as the small- and medium-sized display driver IC businesses by transferring the shares in Renesas SP Drivers, Inc. , and moving forward the Group will select businesses that will form the foundations for future growth, focusing on applications where the Group can display its unique strengths, and by concentrating management resources on these key businesses, the Group will improve its product mix.

By boosting added value through strengthening of the ability to deliver solutions for its focus domains, and improving product mix through business selection and concentration, the Renesas Group will achieve further growth in profits.

3.4 Primary policy for selection of accounting standards

The consolidated financial statements of Renesas Electronics Group are prepared in accordance with accounting principles generally accepted in Japan (JGAAP). In connection with adopting International Financial Reporting Standards (IFRS), considering that the Group drives its business globally further, the Group researches and studies the possible effects of adopting the IFRS on the group as well as an appropriate accounting period the Group adopt IFRS.

4. Consolidated Financial Statements

4.1 Consolidated Balance Sheets As of March 31, 2014 and 2015

(In millions of yen)

	Prior Fiscal Year (As of March 31, 2014)	Current Fiscal Year (As of March 31, 2015)
Assets		
Current assets		
Cash and deposits	267,302	344,000
Notes and accounts receivable-trade	82,531	91,471
Merchandise and finished goods	※1 47,332	※1 38,203
Work in process	※1 70,185	※1 66,761
Raw materials and supplies	※1 8,538	※1 6,457
Deferred tax assets	2,487	1,529
Accounts receivable-other	20,071	14,174
Other current assets	5,562	8,560
Allowance for doubtful accounts	(101)	(92)
Total current assets	503,907	571,063
Long-term assets		
Property, plant and equipment		
Buildings and structures	243,713	246,883
Accumulated depreciation	※3 (160,070)	※3 (172,963)
Buildings and structures, net	※1 83,643	※1 73,920
Machinery and equipment	657,522	648,927
Accumulated depreciation	※3 (597,958)	※3 (593,694)
Machinery and equipment, net	※1 59,564	※1 55,233
Vehicles, tools, furniture and fixtures	110,399	107,251
Accumulated depreciation	※3 (91,450)	※3 (90,506)
Vehicles, tools, furniture and fixtures, net	18,949	16,745
Land	※1 31,197	※1 27,277
Construction in progress	10,901	8,640
Total property, plant and equipment	204,254	181,815
Intangible assets		
Software	11,722	9,743
Other intangible assets	23,155	18,509
Total intangible assets	34,877	28,252
Investments and other assets		
Investment securities	※1,※2 8,587	※2 8,108
Net defined benefit asset	492	946
Deferred tax assets	2,300	2,106
Long-term prepaid expenses	21,633	35,024
Other assets	9,953	12,774
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	42,964	58,957
Total long-term assets	282,095	269,024
Total assets	786,002	840,087

(In millions of yen)

	Prior Fiscal Year (As of March 31, 2014)	Current Fiscal Year (As of March 31, 2015)
Liabilities		
Current liabilities		
Electronically recorded obligations	4,992	9,275
Notes and accounts payable-trade	86,382	76,364
Short-term borrowings	2,000	—
Current portion of long-term borrowings	3,366	6,700
Current portion of lease obligations	※1 2,458	※1 1,135
Accounts payable-other	41,238	37,337
Accrued expenses	41,663	36,875
Accrued income taxes	8,631	5,785
Provision for product warranties	605	366
Provision for business structure improvement	5,142	3,871
Provision for contingent loss	993	252
Asset retirement obligations	22	2,089
Other current liabilities	3,524	6,009
Total current liabilities	201,016	186,058
Long-term liabilities		
Long-term borrowings	※1 256,625	※1 246,505
Lease obligations	※1 6,453	※1 5,385
Deferred tax liabilities	11,040	11,641
Provision for business structure improvement	4,956	2,980
Net defined benefit liability	57,874	50,489
Asset retirement obligations	4,102	2,862
Other liabilities	16,622	22,258
Total long-term liabilities	357,672	342,120
Total liabilities	558,688	528,178
Net assets		
Shareholders' equity		
Common stock	228,255	228,255
Capital surplus	525,413	525,413
Retained earnings	(533,106)	(475,815)
Treasury stock	(11)	(11)
Total shareholders' equity	220,551	277,842
Accumulated other comprehensive income		
Unrealized gains (losses) on securities	572	716
Foreign currency translation adjustments	(347)	13,716
Remeasurements of defined benefit plans	(6,175)	17,255
Total accumulated other comprehensive income	(5,950)	31,687
Minority interests	12,713	2,380
Total net assets	227,314	311,909
Total liabilities and net assets	786,002	840,087

4.2 Consolidated Statements of Operations and Consolidated Statements of Comprehensive Income

4.2.1 Consolidated Statements of Operations For the Years Ended March 31, 2014 and 2015

(In millions of yen)

	The year ended March 31, 2014	The year ended March 31, 2015
Net sales	833,011	791,074
Cost of sales	523,262	472,303
Gross profit	309,749	318,771
Selling, general and administrative expenses	242,114	214,344
Operating income	67,635	104,427
Non-operating income		
Interest income	531	888
Dividends income	105	129
Equity in earnings of affiliates	168	273
Foreign exchange gains	2,802	4,626
Other non-operating income	1,500	1,786
Total non-operating income	5,106	7,702
Non-operating expenses		
Interest expenses	4,531	3,166
Retirement benefit expenses	1,897	1,552
Share issuance cost	2,354	-
Other non-operating expenses	5,334	2,076
Total non-operating expenses	14,116	6,794
Ordinary income	58,625	105,335
Special income		
Gain on sales of property, plant and equipment	448	1,259
Gain on transfer of business	※1 15,632	※1 20,045
Gain on sales of investment securities	101	146
Gain on forgiveness of debt	※2 7,636	-
Gain on extinguishment of debt	-	※3 1,694
Total special income	23,817	23,144
Special loss		
Loss on sales of property, plant and equipment	2,318	175
Impairment loss	※4 2,229	※4 1,173
Loss on disaster	1,321	-
Business structure improvement expenses	※4, ※5 54,040	※4, ※5 30,141
Loss on valuation of investment securities	10	-
Loss on sales of investment securities	-	30
Loss on liquidation of subsidiaries and affiliates	35	498
Loss on transfer of business	1,598	-
Loss on abolishment of retirement benefit plan	※6 9,116	-
Provision for contingent loss	1,270	274
Compensation for damage	17	-
Compensation expenses	-	※7 1,897
Loss on sales of subsidiaries and affiliates' stocks	-	129
Loss on change in equity	-	62
Total special loss	71,954	34,379
Income before income taxes and minority interests	10,488	94,100

	The year ended March 31, 2014	The year ended March 31, 2015
Income taxes-current	11,378	8,725
Income taxes-deferred	(157)	460
Total income taxes	11,221	9,185
Income (loss) before minority interests	(733)	84,915
Minority interests in income of consolidated subsidiaries	4,558	2,550
Net income (loss)	(5,291)	82,365

4.2.2 Consolidated Statements of Comprehensive Income For the Years Ended March 31, 2014 and 2015

(In millions of yen)

	The year ended March 31, 2014	The year ended March 31, 2015
Income (loss) before minority interests	(733)	84,915
Other comprehensive income		
Unrealized gains (losses) on securities	240	103
Foreign currency translation adjustments	9,252	14,026
Remeasurements of defined benefit plans, net of tax	—	23,430
Share of other comprehensive income of affiliates accounted for by the equity method	24	70
Total other comprehensive income	9,516	37,629
Comprehensive income	8,783	122,544
Comprehensive income attributable to:		
Shareholders of parent company	4,032	120,031
Minority interests	4,751	2,513

4.3 Consolidated Statements of Changes in Net Assets For the Years Ended March 31, 2014 and 2015

The year ended March 31, 2014

(In millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	153,255	450,413	(527,815)	(11)	75,842
Changes during the period					
Issuance of new shares	75,000	75,000			150,000
Net income (loss)			(5,291)		(5,291)
Net changes other than shareholders' equity					
Total changes during the period	75,000	75,000	(5,291)	—	144,709
Balance at the end of the period	228,255	525,413	(533,106)	(11)	220,551

	Accumulated other comprehensive income				Minority interests	Total net assets
	Unrealized gains (losses) on securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the period	308	(9,406)	—	(9,098)	11,180	77,924
Changes during the period						
Issuance of new shares						150,000
Net income (loss)						(5,291)
Net changes other than shareholders' equity	264	9,059	(6,175)	3,148	1,533	4,681
Total changes during the period	264	9,059	(6,175)	3,148	1,533	149,390
Balance at the end of the period	572	(347)	(6,175)	(5,950)	12,713	227,314

The year ended March 31, 2015

(In millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	228,255	525,413	(533,106)	(11)	220,551
Cumulative effects of changes in accounting policies			(25,074)		(25,074)
Restated balance	228,255	525,413	(558,180)	(11)	195,477
Changes during the period					
Net income (loss)			82,365		82,365
Net changes other than shareholders' equity					
Total changes during the period			82,365	—	82,365
Balance at the end of the period	228,255	525,413	(475,815)	(11)	277,842

	Accumulated other comprehensive income				Minority interests	Total net assets
	Unrealized gains (losses) on securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the period	572	(347)	(6,175)	(5,950)	12,713	227,314
Cumulative effects of changes in accounting policies						(25,074)
Restated balance	572	(347)	(6,175)	(5,950)	12,713	202,240
Changes during the period						
Net income (loss)						82,365
Net changes other than shareholders' equity	144	14,063	23,430	37,637	(10,333)	27,304
Total changes during the period	144	14,063	23,430	37,637	(10,333)	109,669
Balance at the end of the period	716	13,716	17,255	31,687	2,380	311,909

4.4 Consolidated Statements of Cash Flows For the Years Ended March 31, 2014 and 2015

(In millions of yen)

	The year ended March 31, 2014	The year ended March 31, 2015
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	10,488	94,100
Depreciation and amortization	64,954	54,834
Amortization of long-term prepaid expenses	11,734	11,788
Impairment loss	2,229	1,173
Increase (decrease) in net defined benefit liability	2,387	(9,391)
Increase (decrease) in provision for business structure improvement	9,397	(836)
Increase (decrease) in provision for contingent loss	1,205	278
Interest and dividends income	(636)	(1,017)
Insurance income	(419)	(328)
Interest expenses	4,531	3,166
Equity in (earnings) losses of affiliates	(168)	(273)
Loss (gain) on sales and valuation of investment securities	(91)	(116)
Loss (gain) on liquidation of subsidiaries and affiliates	35	498
Loss (gain) on sales of subsidiaries and affiliates' stocks	—	129
Loss (gain) on sales of property, plant and equipment	1,870	(1,084)
Share issuance cost	2,354	—
Gain on forgiveness of debts	(7,636)	—
Business structure improvement expenses	27,422	23,944
Loss (gain) on transfer of business	(14,034)	(20,045)
Decrease (increase) in notes and accounts receivable-trade	(1,478)	(7,286)
Decrease (increase) in inventories	23,758	15,876
Decrease (increase) in accounts receivable-other	(4,477)	9,258
Increase (decrease) in notes and accounts payable-trade	(5,263)	(17,387)
Increase (decrease) in accounts payable-other and accrued expenses	27,180	(6,995)
Other cash provided by (used in) operating activities, net	(641)	(6,246)
Subtotal	154,701	144,040
Interest and dividends received	701	1,089
Proceeds from insurance income	450	328
Interest paid	(4,602)	(3,167)
Income taxes paid	(12,144)	(6,435)
Payments for extra retirement benefits	(44,979)	(18,943)
Settlement package paid	(405)	(166)
Net cash provided by (used in) operating activities	93,722	116,746

	(In millions of yen)	
	The year ended March 31, 2014	The year ended March 31, 2015
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(37,506)	(39,274)
Proceeds from sales of property, plant and equipment	8,120	2,294
Purchase of intangible assets	(3,984)	(5,439)
Purchase of long-term prepaid expenses	(2,027)	(2,671)
Purchase of investment securities	(470)	(626)
Proceeds from sales of investment securities	710	944
Purchase of investments in subsidiaries	—	(3,200)
Proceeds from sales of subsidiaries and affiliates' stocks	—	967
Proceeds from transfer of business	21,086	18,170
Payments for transfer of business	(5,573)	(448)
Collection of loans receivable	1,050	1,400
Other cash provided by (used in) investing activities, net	(647)	1,280
Net cash provided by (used in) investing activities	(19,241)	(26,603)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term borrowings	1,000	(2,000)
Proceeds from long-term borrowings	221,789	3,000
Repayment of long-term borrowings	(244,815)	(9,786)
Proceeds from issuance of common shares	147,646	—
Repayments of finance lease obligations	(6,413)	(2,461)
Repayments of installment payables	(11,728)	(12,515)
Other cash provided by (used in) financing activities, net	(472)	—
Net cash provided by (used in) financing activities	107,007	(23,762)
Effect of exchange rate change on cash and cash equivalents	6,678	11,444
Net increase (decrease) in cash and cash equivalents	188,166	77,825
Cash and cash equivalents at the beginning of the period	77,731	265,897
Cash and cash equivalents at the end of the period	265,897	343,722

Notes to Consolidated Financial Statements

(Notes about Going Concern Assumption)

Not applicable

(Basis of Consolidated Financial Statements)

1. Scope of Consolidation

All subsidiaries are consolidated.

The number of consolidated companies of Renesas Electronics Corporation Group: 31

The names of major subsidiaries:

Names of the major consolidated subsidiaries are listed on “2. Renesas Electronics Group Companies” and omitted in this part.

Number of subsidiaries decreased by sale and liquidation: 4

Renesas SP Drivers Inc.
and other 3 companies

Number of subsidiaries decreased by merger: 10

Renesas Mobile Corporation
and other 9 companies

2. Application of Equity Method

(1) The number of affiliates accounted for by the equity method: 3

The names of major affiliates accounted for by the equity method:

Renesas Easton Co., Ltd.
and other 2 companies

(2) The name of affiliates not accounted for by the equity method:

The equity method is not applied to Semiconductor Technology Academic Research Center because net income and retained earnings (both amounts equivalent to what is accounted for by the equity method) have little impact on the consolidated financial statements of the Company on an individual basis, nor have any material impact on them on an aggregate basis.

(3) Of the affiliates accounted for by the equity method, if the closing date differs from that of the consolidated financial statements, the financial statements prepared with the provisional closing date of March 31, 2015 (same as that of consolidated financial statements) are used.

3. Significant Accounting Policies

(1) Valuation methods for significant assets

1) Securities

Other securities:

Marketable securities:

Marketable securities classified as other securities are valued at the fair value at the fiscal year-end, with unrealized gains and losses included in a component of net assets. The cost of securities sold is determined based on the moving-average method.

Non-marketable securities:

Non-marketable securities classified as other securities are carried at cost.

2) Derivatives

Derivative financial instruments are stated at the fair value.

3) Inventories

Inventories are stated at the lower of cost or market. The costs are stated as follows:

Merchandise and finished goods:
 Custom-made products: Specific identification method
 Mass products: Average method
Work in process:
 Custom-made products: Specific identification method
 Mass products: Average method
Raw materials and supplies: Mainly average method

(2) Depreciation and amortization method for significant long-term assets

1) Property, plant and equipment other than leased assets

 Depreciated principally by the straight-line method

 The useful lives of principal property, plant and equipment are as follows:

 Buildings and structures: 10 to 45 years
 Machinery and equipment: 2 to 8 years
 Vehicles, tools, furniture and fixtures: 2 to 10 years

2) Intangible assets other than leased assets

 Amortized by the straight-line method

 Software for sales purposes

 Amortized using the higher of the amount based on sales in the year as a proportion of total estimated sales over salable periods (not exceeding 3 years) or the amount based on a straight-line basis over the remaining salable period.

 Software for internal use

 Amortized by the straight-line method mainly over an estimated useful life of 5 years, which is the available term for internal use.

 Developed technology

 Amortized by the straight-line method based on the useful life (not exceeding 10 years) of the business activities.

3) Leased assets

 Leased assets under finance leases under which the ownership of the assets is transferred to the lessee
 Depreciated / amortized in the same way as self-owned long-term assets.

 Leased assets under finance leases other than those under which the ownership of the assets is transferred to the lessee

 Depreciated / amortized by the straight-line method over the lease term, assuming no residual value.

 Other than those under which the ownership of the assets is transferred to the lessee, the finance leases which started the lease transactions on or before March 31, 2008 are accounted for as operating lease transactions.

4) Long-term prepaid expenses

 Amortized by the straight-line method

(3) Basis of significant reserves

1) Allowance for doubtful accounts

 Allowance for doubtful accounts is provided based on past experience for normal receivables and using a specific estimate of the collectability of individual receivables from companies in financial difficulty.

2) Provision for product warranties

 The Group accrues product warranty liabilities for estimated future warranty costs using the individual estimates for the specific matters as well as historical ratio of warranty costs to net sales.

3) Provision for loss on guarantees

 Provision for loss on guarantees is made for the amount of the estimated future losses related to debt guarantees, which the Group has taken into account for the deterioration of financial conditions.

4) Provision for business structure improvement

Provision for business structure improvement is made for the amount of the estimated losses to be incurred in connection with business structure reconstructions and consolidation.

5) Provision for contingent loss

In relation to matters such as legal proceedings and litigations, a provision for the amount of expected losses and expenses is made when they are reasonably estimated considering individual risks associated with each contingency.

(4) Accounting treatment for retirement benefits

1) Method of attributing expected benefit to periods

The method of attributing expected benefit to periods to estimate the asset or liability for retirement benefits is based on a benefit formula basis.

2) Treatment for transitional obligation, actuarial gains and losses and prior service costs

Transitional obligation is amortized on a straight-line basis mainly over 15 years.

Actuarial gains and losses are amortized on a straight-line basis over the employees' estimated average remaining service periods (mainly over 12 years), starting in the following year after its occurrence.

Prior service costs are amortized as incurred on a straight-line basis over the employees' estimated average remaining service periods (mainly over 12 years).

(5) Foreign currency translation

Assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Japanese yen at the applicable rates of exchange prevailing at the fiscal year-end, and differences arising from the translation are included in the statement of operations. Assets and liabilities of foreign subsidiaries are translated into Japanese yen at the applicable year-end rates of exchange, and all revenue and expense accounts are translated at the average rates of exchange prevailing during the period. Differences arising from the translation are presented as foreign currency translation adjustments and minority interests in net assets.

(6) Amortization method and term for goodwill

Goodwill is amortized by the straight-line method for over reasonable periods not exceeding 20 years.

(7) Cash and cash equivalents on the consolidated statements of cash flows

Cash and cash equivalents in the consolidated statements of cash flows consist of cash on hand, deposits which can be withdrawn at any time and short-term investments with a maturity of 3 months or less when purchased which can easily be converted to cash and are subject to little risk of change in value.

(8) Others

1) Accounting for consumption tax

Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.

2) Adoption of consolidated taxation system

The Company and its subsidiaries in Japan adopt the consolidated taxation system.

(Changes in accounting principles)

From the year ended March 31, 2015, the Group has adopted the provisions set forth in Clause 35 of the "Accounting Standard for Retirement Benefits" and in Clause 67 of the "Guidance on Accounting Standard for Retirement Benefits" for "Accounting Standard for Retirement Benefits" (ASBJ Statement No. 26, issued on May 17, 2012) and "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, issued on May 17, 2012). As a result of this adoption, the calculation method of retirement benefit obligations and current service costs has been reviewed, and the method of attributing expected benefit to periods has been changed from mainly a point-based or straight-line method to a benefit formula basis. Furthermore, the calculation method of the discount rate has also been changed.

The adoption of the accounting standards is subject to the transition treatment set forth in Clause 37 of the "Accounting Standard for Retirement Benefits", and effects of the change in the accounting standard for the calculation method of retirement benefit obligations and current service costs are adjusted on the beginning balance of the year ended March 31, 2015 for the "Retained earnings" of the net asset section.

Consequently, the beginning balance of the "Net defined benefit liability" for the year ended March 31, 2015 was increased by 25,275 million yen, while that of the "Retained earnings" was decreased by 25,074 million yen. Furthermore, the impact on operating income, ordinary income and Income before income taxes and minority interests for the year ended March 31, 2015 is negligible.

The effect on amount per share information is described in the corresponding section.

(Accounting Standards Issued but Not Yet Adopted)

"Accounting Standard for Business Combinations" (ASBJ Statement No.21, issued on September 13, 2013)
"Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No.22, issued on September 13, 2013)

"Accounting Standard for Business Divestitures" (ASBJ Statement No.7, issued on September 13, 2013)

"Accounting Standard for Earnings Per Share" (ASBJ Statement No.2, issued on September 13, 2013)

"Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No.10, issued on September 13, 2013)

"Guidance on Accounting Standard for Earnings Per Share" (ASBJ Guidance No.4, issued on September 13, 2013)

1. Outline of accounting standards and guidance

The accounting standards and the guidance were revised mainly on (a) accounting treatment of changes in a parent company's equity interest in its subsidiaries by means of the additional acquisition of the shares of those subsidiaries or other transactions while the parent company retains its controlling interest in its subsidiaries, (b) accounting treatment of acquisition-related costs, (c) the presentation of net income and the change in presentation from "Minority interests" to "Non-controlling interests," (d) tentative accounting treatment.

2. Application date

The Group is scheduled to apply the accounting standards and the guidance from the fiscal year beginning on or after April 1, 2015. In addition, the tentative accounting treatment will be applied for a business combination which will implement from the fiscal year beginning on or after April 1, 2015.

3. Impact of adopting these accounting standards and the guidance

The impact of adopting these accounting standards and the guidance for the consolidated financial statements is currently under consideration.

(Changes in Presentation)

(Consolidated Statements of Operations)

"Insurance income" and "Loss on disposal of long-term assets" presented separately in the previous fiscal year are included in "Other non-operating income" and "Other non-operating expenses" respectively from the current fiscal year due to decreased materiality. In order to reflect the change in presentation, the consolidated statement of operations in the previous fiscal year has been reclassified to reflect a consistent presentation format.

As a result of this change, 419 million yen presented as "Insurance income" and 928 million yen presented as "Loss on disposal of long-term assets" in the previous fiscal year are reclassified as "Other non-operating income" and "Other non-operating expenses", respectively.

(Consolidated Balance Sheets)

“Electronically recorded obligations” included in “Notes and accounts receivable-trade” of current liabilities in the previous fiscal year is presented separately from the current fiscal year to enhance the clarity. In order to reflect the change in presentation, the consolidated balance sheet in the previous fiscal year has been reclassified to reflect a consistent presentation format.

As a result of this change, 4,992 million yen presented as “Notes and accounts receivable-trade” of current liabilities in the previous fiscal year has been reclassified as “Electronically recorded obligations.”

(Consolidated Statements of Cash Flows)

“Loss on disposal of long-term assets” presented separately in the previous fiscal year is included in “Other cash provided by (used in) operating activities, net” from the current fiscal year due to decreased materiality. In order to reflect the change in presentation, the consolidated statement of cash flows in the previous fiscal year has been reclassified to reflect a consistent presentation format.

As a result of this change, 928 million yen presented as “Loss on disposal of long-term assets” in the previous fiscal year is reclassified as “Other cash provided by (used in) operating activities, net”.

(Additional Information)

Associated with the promulgation on March 31, 2015 of the Act for Partial Revision of the Income Tax Act etc., the effective statutory tax rates applied for the calculations of deferred tax assets and liabilities were changed from 35.64% to 33.10% for temporary differences expected to be realized or settled in the periods from April 1, 2015 to March 31, 2016 and 32.34% for temporary differences expected to realized or settled after April 1, 2016.

The impact of the tax rate change on the consolidated financial statements for the year ended March 31, 2015 is negligible.

(Consolidated Balance Sheets)

*1 Assets pledged as collateral and secured liabilities
(Assets pledged as collateral)

	(In millions of yen)			
	As of March 31, 2014		As of March 31, 2015	
Merchandise and finished goods	34,362	(—)	25,052	(—)
Work in process	54,258	(—)	52,656	(—)
Raw materials and supplies	7,271	(—)	5,193	(—)
Buildings and structures	63,926	(62,935)	57,732	(57,084)
Machinery and equipment	26,818	(26,742)	31,126	(31,126)
Land	31,193	(27,221)	27,042	(23,334)
Investment securities	5,007	(—)	—	(—)
Total	222,835	(116,898)	198,801	(111,544)

(Secured liabilities)

	(In millions of yen)			
	As of March 31, 2014		As of March 31, 2015	
Current portion of lease obligations	893	(—)	919	(—)
Long-term borrowings	249,925	(249,925)	246,505	(246,505)
Lease obligations	5,969	(—)	5,051	(—)
Total	256,787	(249,925)	252,475	(246,505)

*Amounts in parenthesis represent assets pledged as collateral and secured liabilities related to factory properties.

*2 Items below relate to affiliates

	(In millions of yen)	
	As of March 31, 2014	As of March 31, 2015
Investment securities (Stock)	5,101	4,315

*3 Accumulated impairment loss was included in accumulated depreciation.

4 Contingent liabilities

(1) Debt guarantees

	(In millions of yen)			
	As of March 31, 2014		As of March 31, 2015	
Guarantees of employees' housing loans	393		Guarantees of employees' housing loans	230
Other	510		Other	499
Total	903		Total	729

(2) Others

The Group has been named in Canada as one of the defendants in multiple civil lawsuits related to possible violations of the competition law involving SRAM brought by purchasers of such products.

The Group's subsidiaries in the U.S., Europe and South Korea are the subject of investigations each by the U.S. Department of Justice, the Competition Bureau of Canada, the European Commission, and the Korea Fair Trade Commission in connection with possible violations of antitrust law/competition law related to thin-film transistor liquid crystal displays (TFT-LCDs). Although the Group's subsidiary in the U.S. had been also named in the U.S. as one of the defendants in a civil lawsuit related to possible violations of antitrust law involving TFT-LCDs brought by purchasers of such products, the pending lawsuit was concluded by a settlement.

The Group had been the subject of an investigation by the European Commission regarding possible violations of competition law in relation to smartcard chips. However, this investigation case was terminated upon receipt of a written decision from the European Commission in September 2014.

The Group has also been named in Canada as the defendant in a civil lawsuit related to possible violations of competition law involving smartcard chips brought by purchasers of such products. Moreover, the Company and a subsidiary in the Europe has been named in the U.K. as the defendants in a civil lawsuit related to possible violations of the competition law involving smartcard chips brought by purchasers of such products.

(Consolidated Statements of Operations)

*1 Gain on transfer of business

For the year ended March 31, 2014

Mainly due to the transfer of subsidiaries' shares and certain assets related to the LTE Modem technology to Broadcom Corporation.

For the year ended March 31, 2015

Due to the transfer of a subsidiary's shares to Synaptics Holding GmbH.

*2 Gain on forgiveness of debt

Due to the receipt of planned financial assistance in the form of a partial debt waiver from some of its major shareholders.

*3 Gain on extinguishment of debt

Due to the extinguishment of the performance obligation for the accrued liabilities recognized in the past fiscal years.

*4 Impairment loss

The details of impairment loss were as follows:

For the year ended March 31, 2014

Location	Usage	Type
Kai-city, Yamanashi-prefecture Showa-Town, Yamanashi-prefecture etc.	Business assets	Machinery and equipment, Vehicles, tools, furniture and fixtures, Construction in progress, Software and Other intangible assets
Tsuruoka-city, Yamagata-prefecture Ube-city, Yamaguchi-prefecture China etc.	Assets to be disposed of	Buildings and structures, Machinery and equipment, Vehicles, tools, furniture and fixtures, Land, Construction in progress, Software, Other intangible assets and Long-term prepaid expenses
Tsuruoka-city, Yamagata-prefecture Malaysia Taiwan China etc.	Idle assets	Buildings and structures, Machinery and equipment, Vehicles, tools, furniture and fixtures, Construction in progress and Long-term prepaid expenses

The Group, in principle, bases its grouping for assessing impairment loss on long-term assets on each company or place of business. However, the Group determines whether an asset should be impaired on an individual asset basis when the significant asset is considered idle or when it is to be disposed of.

Net book values of business assets with the expectation of lower profitability were reduced to their recoverable values because the sum of the undiscounted future cash flows was less than that of book value. Such loss amounted to 2,606 million yen, which was included in special loss. The main such impairment loss was for the shutdown of Kofu factory, which amounted to 2,015 million yen.

Also, the Group recognized impairment loss on assets to be transferred for the purpose of reforming the production structure for the establishment of a robust and profitable structure, and assets to be disposed of, which had no business use due to a decision to close or sell the product line by reducing their net book values to their recoverable values because their fair value declined significantly. Such loss amounted to 11,714 million yen, which was included in special loss.

The main components of such impairment loss were related to the transfer of the subsidiary's semiconductor manufacturing facility and related equipment at the Tsuruoka Factory (12-inch front-end wafer fabrication line of the semiconductor production facility) of Renesas Yamagata Semiconductor Co., Ltd., a wholly-owned subsidiary of the Company, to Sony Semiconductor Corporation, a wholly-owned subsidiary of Sony Corporation, which amounted to 7,616 million yen.

Also, the Group recognized impairment loss on idle assets with no business use by reducing their net book values to their recoverable values because their fair values declined significantly. Such loss amounted to 2,264 million yen, which was included in special loss.

The impairment loss on business assets, assets to be disposed of and idle assets amounted to 16,584 million yen for special loss.

In addition, impairment loss includes business structure improvement expenses, which amounted to 14,355 million yen and impairment loss except for business structure improvement expenses, which amounted to 2,229 million yen.

The components of impairment loss (16,584 million yen) were as follows:

	(In millions of yen)
Buildings and structures	9,422
Machinery and equipment	1,441
Vehicles, tools, furniture and fixtures	1,168
Land	2,204
Construction in progress	1,679
Software	575
Other intangible assets	10
Long-term prepaid expenses	85
Total	16,584

The recoverable value of these assets was measured at net sale value or value in use. The net sale value was reasonably estimated as the appraisal amount less the necessary expenses for disposal. However, the net sale value of assets which were difficult to sell was estimated at zero. In addition, in case the estimated value of assets' future cash flow was negative, the recoverable value of these assets was estimated at zero.

For the year ended March 31, 2015

Location	Usage	Type
Otsu-city, Shiga-prefecture Kawasaki-city, Kanagawa-prefecture Sagamihara-city, Kanagawa-prefecture etc.	Assets to be disposed of	Buildings and structures, Machinery and equipment, Vehicles, tools, furniture and fixtures, Land, Construction in progress, Software and Other intangible
Taiwan Malaysia China etc.	Idle assets	Machinery and equipment, Vehicles, tools, furniture and fixtures, Construction in progress and Long-term prepaid expenses

The Group, in principle, bases its grouping for assessing impairment loss on long-term assets on each company or place of business. However, the Group determines whether an asset should be impaired on an individual asset basis when the significant asset is considered idle or when it is to be disposed of.

The Group recognized impairment loss on assets to be transferred for the purpose of reforming the production structure for the establishment of a robust and profitable structure, and assets to be disposed of, which had no business use due to a decision to close or sell the product line by reducing their net book values to their recoverable values because their fair value declined significantly. Such loss amounted to 10,133 million yen, which was included in special loss.

The main components of such impairment loss which amounted to 6,116 million yen were semiconductor manufacturing facilities, land and building for 8-inch front-end wafer fabrication lines (these fixed assets will be transferred or leased to ROHM Co., Ltd. in February 2016) at the Shiga Factory of Renesas Semiconductor Manufacturing Co., Ltd., a wholly-owned subsidiary of the Company.

Also, the Group recognized impairment loss on idle assets with no business use by reducing their net book values to their recoverable values because their fair values declined significantly. Such loss amounted to 1,125 million yen, which was included in special loss.

The assets to be disposed of and idle assets amounted to 11,258 million yen for special loss.

In addition, impairment loss includes business structure improvement expenses, which amounted to 10,085 million yen and impairment loss except for business structure improvement expenses, which amounted to 1,173 million yen.

The components of impairment loss (11,258 million yen) were as follows:

	(In millions of yen)
Buildings and structures	6,642
Machinery and equipment	769
Vehicles, tools, furniture and fixtures	662
Land	2,919
Construction in progress	231
Software	1
Other intangible assets	32
Long-term prepaid expenses	2
Total	11,258

The recoverable value of these assets was measured at net sale value or value in use. The net sale value was reasonably estimated as the appraisal amount less the necessary expenses for disposal. However, the net sale value of assets which were difficult to sell was estimated at zero.

***5 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 were as follows:

	(In millions of yen)	
	The year ended March 31, 2014	The year ended March 31, 2015
Personnel expenses including the special incentive of early retirement program	28,952	14,198
Impairment loss	14,355	10,085
Other (*)	10,733	5,858
Total	54,040	30,141

(*) The main item of "Other" for the year ended March 31, 2014 is the write-off of a long-term accounts receivable-other held by a consolidated subsidiary. In addition, the main item of "Other" for the year ended March 31, 2015 is equipment relocation related expenses etc. to reorganize the design and development operation including its locations.

***6 Loss on abolishment of retirement benefit plan**

Due to the unification of the company pension plans on April 1, 2014.

***7 Compensation Expenses**

Temporarily expenses incurred by reviewing the manufacturing agreement with a contractor.

(Consolidated Statements of Changes in Net Assets)

For the year ended March 31, 2014

1. Shares issued and outstanding / Treasury stock

	Number of shares at the beginning of the period	Increase	Decrease	Number of shares at the end of the period
Shares issued				
Common stock (<i>Note 1</i>)	417,124,490	1,250,000,000	—	1,667,124,490
Total	417,124,490	1,250,000,000	—	1,667,124,490
Treasury stock				
Common stock	2,548	—	—	2,548
Total	2,548	—	—	2,548

Note 1: The increase in the number of common stock of 1,250,000,000 was due to the issuance of new shares through third-party allotment to Innovation Network Corporation of Japan etc. on September 30, 2013.

For the year ended March 31, 2015

1. Shares issued and outstanding / Treasury stock

	Number of shares at the beginning of the period	Increase	Decrease	Number of shares at the end of the period
Shares issued				
Common stock	1,667,124,490	—	—	1,667,124,490
Total	1,667,124,490	—	—	1,667,124,490
Treasury stock				
Common stock	2,548	—	—	2,548
Total	2,548	—	—	2,548

(Financial Instruments)

1. Conditions of Financial Instruments

(1) Policies for Financial Instruments

Regarding fund operation, the Group uses only short-term deposits and financial assets which are relatively safe. Regarding financing, the Group uses mainly borrowings from banks. The Group utilizes derivative financial instruments to manage fluctuations in foreign currency exchange rates and interest payments. The Group's policies prohibit holding or issuing derivative financial instruments for trading purposes.

(2) Contents and Risks of Financial Instruments and Risk Management

Notes and accounts receivable-trade and accounts receivable-other are exposed to credit risks. Conforming to internal rules for management of accounts receivable, the Group regularly monitors major customers' credit and manages due dates of collection and balances for each customer.

The management policies regarding short-term and long-term investment securities are as follows; regarding short-term investment securities, the Group deals with banks with high credit rating. Long-term investment securities, issued by companies with which the Group has business relationships, are exposed to risks of market fluctuations. By regularly monitoring the fair value of the securities, financial condition of the issuing companies and consideration of existing business relationship, if any, the Group evaluates the merit of holding the securities.

The maturities of electronically recorded obligations, notes and accounts payable-trade, accounts payable-other and accrued income taxes are within one year.

Most borrowings and lease obligations from finance lease transactions are mainly utilized for working capital and capital investments. Their repayment terms are at most 7 years after the fiscal year-end. Certain borrowings with variable interest rates are exposed to interest rate fluctuation risk. In addition, certain contracts include financial covenants.

The Group enters into forward exchange contracts in order to hedge the risks from exchange rate fluctuations of accounts receivable and accounts payable denominated in foreign currencies and interest rate swaps in order to hedge the risks from interest fluctuations of borrowings.

The Group's policies for managing derivatives are as follows: the Group conforms to internal rules for the management of derivatives and transacts only with major financial institutions to reduce credit risks.

Because accounts payable and borrowings are exposed to liquidity risks, the headquarters and each subsidiary manage them by making financial plans.

(3) Supplemental Explanation of the Fair Value of Financial Instruments

The notional amount of derivative transactions described in the note "Derivative Transactions" does not necessarily indicate market risk involved in derivative transactions.

2. Fair Value of Financial Instruments

The fair values of financial instruments in consolidated balance sheets as of March 31, 2014 and 2015 were presented below. The table does not include the financial instruments for which it is extremely difficult to estimate fair values. (Note2)

As of March 31, 2014

(In millions of yen)

	Carrying value	Fair value	Difference
(1) Cash and deposits	267,302	267,302	—
(2) Notes and accounts receivable-trade	82,531	82,531	—
(3) Accounts receivable-other	20,071	20,071	—
(4) Long-term investment securities			
Stocks of affiliates	5,007	2,815	(2,192)
Other securities	3,274	3,274	—
Total assets	378,185	375,993	(2,192)
(5) Electronically recorded obligations	4,992	4,992	—
(6) Notes and accounts payable-trade	86,382	86,382	—
(7) Short-term borrowings	2,000	2,000	—
(8) Accounts payable-other	41,238	41,238	—
(9) Accrued income taxes	8,631	8,631	—
(10) Long-term borrowings (including current portion)	259,991	228,236	(31,755)
(11) Lease obligations (including current portion)	8,911	8,654	(257)
Total liabilities	412,145	380,133	(32,012)
(12) Derivative transactions(*)	(2)	(2)	—

(*)The values of assets and liabilities arising from derivative transactions are shown at net value. If the net balance of the derivative transactions is a liability, it is shown in parenthesis.

As of March 31, 2015

(In millions of yen)

	Carrying value	Fair value	Difference
(1) Cash and deposits	344,000	344,000	—
(2) Notes and accounts receivable-trade	91,471	91,471	—
(3) Accounts receivable-other	14,174	14,174	—
(4) Long-term investment securities			
Stocks of affiliates	4,220	3,472	(748)
Other securities	3,662	3,662	—
Total assets	457,527	456,779	(748)
(5) Electronically recorded obligations	9,275	9,275	—
(6) Notes and accounts payable-trade	76,364	76,364	—
(7) Accounts payable-other	37,337	37,337	—
(8) Accrued income taxes	5,785	5,785	—
(9) Long-term borrowings			
(including current portion)	253,205	251,890	(1,315)
(10) Lease obligations			
(including current portion)	6,520	6,756	236
Total liabilities	388,486	387,407	(1,079)

Note1: Calculation method for fair value of financial instruments and other materials related to securities and derivative transactions

(1) Cash and deposits, (2) Notes and accounts receivable-trade and (3) Accounts receivable-other
The fair value was measured at the amounts equivalent to their book values because these were settled in the short-term and accordingly, their fair values approximated book values.

(4) Long-term investment securities

The fair value of shares was based on market price. The fair value of bond securities was measured at its book value because it was settled in short-term and its fair value was nearly equal to its book value. The fair value of mutual funds was measured at the price provided by financial institutions.

(5) Electronically recorded obligations, (6) Notes and accounts payable-trade, (7) Accounts payable-other and (8) Accrued income taxes

The fair value was measured at the amount equivalent to their book values because these were settled in the short-term and accordingly, their fair values approximated book values.

(9) Long-term borrowings and (10) Lease obligations

The fair values of long-term borrowings and lease obligations were estimated by discounting the future cash flows which includes both principal and interest. The discount rates were considered for both the remaining periods and credit risks.

Note2: Financial instruments for which it is extremely difficult to estimate their fair value in consolidated balance sheets

(In millions of yen)

	As of March 31, 2014	As of March 31, 2015
Non-marketable securities	306	226

Non-marketable securities which did not have market prices and for which the future cash flows could not be estimated, were not included in “(4) long-term investment securities” since it was extremely difficult to estimate their fair value.

(Business Combinations)

Business Divestiture

(Transfer of subsidiary's shares)

1. Outline of the business divestiture

- (1) Name of the buyer
Synaptics Holding GmbH (hereafter "Synaptics Holding")
- (2) Nature of the divested business
Design, development, sale, and marketing of LCD drivers and controllers for small- and medium-sized LCD panels
- (3) Main reasons for the divestiture
As outlined in the Company's press release, "Renesas Electronics Shows Direction of Renesas Group," issued on August 2, 2013, the Company identified fields and regions where growth is expected in the medium to long term and areas where it can outpace the competition, and will focus on three fields where it has strengths and can compete effectively: automotive (automotive control and automotive information), industrial/networking (industrial/home appliance, OA and ICT), and general-purpose products. In parallel, the Company has been carrying out structural reforms aimed at creating an organization that is consistently profitable, even when exposed to risks (natural disasters, market stagnation, etc.).

Renesas SP Drivers (hereafter "RSP") was established in 2008 as a joint venture of display driver IC business, which does not fall under the Company's three focus fields. While its operation is focused on design and development, RSP also offers manufacturing service by outsourcing its production to foundries. RSP has continued to perform well in recent years, buoyed by vigorous demand for smartphones and tablet devices.

Under such circumstances, based on its structural reform policies, the Company has been looking into the possibility of transferring ownership to another company which focuses on display driver IC business and also is expected to proactively invest its management resources into this business.

Having been approached by Synaptics Incorporated (hereafter "Synaptics") with an offer to purchase all of the Company's shares in RSP, the Company evaluated the offer and reached a conclusion to transfer the shares to Synaptics Holding, a wholly-owned subsidiary of Synaptics.

- (4) Date of divestiture
October 1, 2014
- (5) Overview of transactions including statutory form
The Company had transferred all of the common stocks of RSP with cash consideration.

2. Overview of accounting treatment applied

(1) Amount of gain on transfer of business

The difference between the consideration transferred and the amount corresponding to the shareholders' equity of the transferred business was recognized as gain on transfer of business in the consolidated statement of operations.

	(Millions of yen)
Gain on transfer of business	20,045

(2) Appropriate book value of assets and liabilities pertaining to the transferred business

	(Millions of yen)
Current assets	29,155
Long-term assets	14,324
Total assets	43,479
Current liabilities	15,243
Total liabilities	15,243

3. Approximate amount of income (loss) pertaining to divested business recorded in the consolidated statement of operations for the year ended March 31, 2015.

	(Millions of yen)
Net sales	38,636
Operating income	7,976

Transactions under Common Control

(Reorganization of semiconductor front-end production business involving the Company and its subsidiaries, and Change of surviving company's name)

1. Summary of transaction under common control

(1) Names and business of companies involved in business combination

Name of surviving company: Renesas Kansai Semiconductor Co., Ltd.

Names of the companies or businesses to be merged:

(1)	The semiconductor front-end production business of Renesas Electronics Corporation
(2)	The semiconductor front-end production business of Renesas Semiconductor Kyushu Yamaguchi Co., Ltd.
(3)	The crystal business of Renesas Northern Japan Semiconductor, Inc.
(4)	Renesas Yamagata Semiconductor Co., Ltd.
(5)	Renesas Kofu Semiconductor, Co., Ltd.
(6)	Renesas Naka Semiconductor Co., Ltd.
(7)	Renesas Semiconductor Engineering Corp.

Business operations:

Mainly the semiconductor front-end production business and semiconductor engineering work.

(2) Date of business combination

April 1, 2014

(3) Legal type of business combination

Absorption-type split or merger with Renesas Kansai Semiconductor Co., Ltd., as the successor and surviving company

Names of the companies or businesses to be merged		Legal type of business combination
(1)	The semiconductor front-end production business of Renesas Electronics Corporation	Absorption-type split
(2)	The semiconductor front-end production business of Renesas Semiconductor Kyushu Yamaguchi Co., Ltd.	Absorption-type split
(3)	The crystal business of Renesas Northern Japan Semiconductor, Inc.	Absorption-type split
(4)	Renesas Yamagata Semiconductor Co., Ltd.	Absorption-type merger
(5)	Renesas Kofu Semiconductor, Co., Ltd.	Absorption-type merger
(6)	Renesas Naka Semiconductor Co., Ltd.	Absorption-type merger
(7)	Renesas Semiconductor Engineering Corp.	Absorption-type merger

(4) Name of company after business combination

Renesas Semiconductor Manufacturing Co., Ltd.

(5) Other matters relating to the outline of the transaction

The semiconductor manufacturing business of the Renesas Group is moving forward with reforms with a consistent focus on profitability and promotion of autonomous management as its hallmarks. Specifically, the semiconductor manufacturing business is undergoing structural reforms based on (1) boosting production efficiency, (2) building a flexible manufacturing system to respond to rapid market changes, and (3) maintaining and continuing in-house plants with advanced technologies and cost competitiveness.

As a part of this process, the Company decided to reorganize its front-end production-related group companies in Japan by means of absorption-type splits and absorption-type mergers, involving the Company and its subsidiaries.

2. Overview of accounting treatment applied

This transfer of business has been accounted for as transactions under common control in accordance with "Accounting Standard for Business Combinations" (ASBJ Statement No.21, issued on December 26, 2008) and "Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No.10, issued on December 26, 2008).

(Reorganization of semiconductor back-end production business involving the Company and its subsidiaries, and Change of surviving company's name)

1. Summary of transaction under common control

(1) Names and business of companies involved in business combination

Name of surviving company: Renesas Semiconductor Kyushu Yamaguchi Co., Ltd.

Name of the companies or businesses to be merged:

(1)	The semiconductor back-end production business of Renesas Electronics Corporation
(2)	Renesas Northern Japan Semiconductor, Inc.
(3)	Hokkai Electronics Co., Ltd.
(4)	Haguro Electronics Co., Ltd.
(5)	Renesas Yanai Semiconductor, Inc.
(6)	Renesas Kyushu Semiconductor Corp.

Business operations:

Mainly the semiconductor back-end production and contract manufacturing businesses.

(2) Date of business combination

April 1, 2014

(3) Legal type of business combination

Absorption-type split or merger with Renesas Semiconductor Kyushu Yamaguchi Co., Ltd., as the successor and surviving company

Names of the companies or businesses to be merged		Legal type of business combination
(1)	The semiconductor back-end production business of Renesas Electronics Corporation	Absorption-type split
(2)	Renesas Northern Japan Semiconductor, Inc.	Absorption-type merger
(3)	Hokkai Electronics Co., Ltd.	Absorption-type merger
(4)	Haguro Electronics Co., Ltd.	Absorption-type merger
(5)	Renesas Yanai Semiconductor, Inc.	Absorption-type merger
(6)	Renesas Kyushu Semiconductor Corp.	Absorption-type merger

(4) Name of company after business combination

Renesas Semiconductor Package & Test Solutions Co., Ltd.

(5) Other matters relating to the outline of the transaction

The semiconductor manufacturing business of the Renesas Group is moving forward with reforms with a consistent focus on profitability and promotion of autonomous management as its hallmarks. Specifically, the semiconductor manufacturing business is undergoing structural reforms based on (1) boosting production efficiency, (2) building a flexible manufacturing system to respond to rapid market changes, and (3) maintaining and continuing in-house plants with advanced technologies and cost competitiveness.

As a part of this process, the Company decided to reorganize its back-end production-related group companies in Japan by means of absorption-type splits and absorption-type mergers, involving the Company and its subsidiaries.

2. Overview of accounting treatment applied

This transfer of business has been accounted for as transactions under common control in accordance with "Accounting Standard for Business Combinations" (ASBJ Statement No.21, issued on December 26, 2008) and "Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No.10, issued on December 26, 2008).

(Merger between the Company and its Subsidiary, Renesas Mobile Corporation)

1. Summary of transaction under common control

(1) Names and businesses of companies involved in business combination

Name of surviving company: Renesas Electronics Corporation

Name of merged company: Renesas Mobile Corporation

Business Operations: Design of SoC devices, etc., for use primarily in mobile phones and car information systems (hereafter "CIS")

(2) Date of business combination

October 1, 2014

(3) Legal type of business combination

The absorption-type merger with the Company as the surviving company and RMC as the absorbed company.

(4) Other matters relating to the outline of the transaction

As an important initiative among the structural reform measures currently being undertaken by the Company, an absorption-type merger will be executed with RMC to expand its CIS business in the automotive field, by concentrating resources involved in that business within the Company and to improve the Company's ability to develop solutions, while boosting the operational efficiency of that business and strengthening the profit structure.

2. Overview of accounting treatment applied

This transfer of business has been accounted for as transactions under common control in accordance with "Accounting Standard for Business Combinations" (ASBJ Statement No.21, issued on December 26, 2008) and "Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No.10, issued on December 26, 2008).

(Segment Information)

[Business Segment Information]

For the years ended March 31, 2014 and 2015

The semiconductor business segment is the sole operating segment of the Group. The information by business segment is therefore omitted.

[Related Information]

For the year ended March 31, 2014

1. Information by product and service

(In millions of yen)

	Automotive Business	General-Purpose Business	Other Semiconductors	Others	Total
Net sales to third parties	303,743	487,175	5,872	36,221	833,011

2. Information by region and country

(1) Net sales

(In millions of yen)

Japan	China	Asia (Excluding China)	Europe	North America	Others	Total
379,212	133,254	149,468	105,377	61,730	3,970	833,011

[Note] Sales are based on the location of customers and classified by country or region.

(2) Property, plant and equipment

(In millions of yen)

Japan	Asia	Europe	North America	Total
178,904	24,030	579	741	204,254

3. Information by major customer

(In millions of yen)

Name of major customers	Net sales	Name of related segment
Ryosan Company, Limited	111,091	Semiconductor business
Sanshin Electronics Co., Ltd.	74,086	Semiconductor business

For the year ended March 31, 2015

1. Information by product and service

(In millions of yen)

	Automotive Business	General-Purpose Business	Other Semiconductors	Others	Total
Net sales to third parties	323,072	425,506	4,732	37,764	791,074

2. Information by region and country

(1) Net sales

(In millions of yen)

Japan	China	Asia (Excluding China)	Europe	North America	Others	Total
332,783	129,424	145,054	113,816	65,596	4,401	791,074

[Note] Sales are based on the location of customers and classified by country or region.

(2) Property, plant and equipment

(In millions of yen)

Japan	Asia	Europe	North America	Total
156,333	24,170	539	773	181,815

3. Information by major customer

(In millions of yen)

Name of major customers	Net sales	Name of related segment
Ryosan Company, Limited	108,843	Semiconductor business

(Amount per Share Information)

Item	The year ended March 31, 2014	The year ended March 31, 2015
Net assets per share	128.73 yen	185.67 yen
Basic net income (loss) per share	(5.07) yen	49.41 yen

Note 1: For the year ended March 31, 2015, net income per share fully diluted was not presented, owing to the fact that dilutive shares did not exist.

Note 2: As described in the section of (Changes in accounting principles), the Group has adopted "Accounting Standard for Retirement Benefits", and the adoption of the accounting standard is subject to the transitional treatment set forth in Clause 37 of the "Accounting Standard for Retirement Benefits". As a result of this adoption, the net assets per share as of March 31, 2015 decreased by 15.04 yen. In addition, the impact on basic net income per share for the year ended March 31, 2015 was negligible.

Note 3: The basis of calculation for net income (loss) per share was as follows

Item	The year ended March 31, 2014	The year ended March 31, 2015
Basic net income (loss) per share		
Net income (loss) (In millions of yen)	(5,291)	82,365
Amounts not attributable to common stock (In millions of yen)	—	—
Net income (loss) attributable to common stock (In millions of yen)	(5,291)	82,365
Average number of common stock during the fiscal year (Thousands)	1,043,834	1,667,122

Note 4: The basis of calculation for net assets per share was as follows

Item	As of March 31, 2014	As of March 31, 2015
Total net assets (In millions of yen)	227,314	311,909
Amounts deducted from total net assets (In millions of yen)	12,713	2,380
(Minority interests (In millions of yen))	(12,713)	(2,380)
Net assets attributable to common stock at the end of the year (In millions of yen)	214,601	309,529
The fiscal year-end number of common stock used for the calculation of net assets per share (Thousands)	1,667,122	1,667,122

(Significant Subsequent Events)

(Reduction of common stock and capital legal reserve, and appropriation of retained earnings)

The company passed the resolution at its board of directors meeting held on May 12, 2015 to submit the proposal on reduction of common stock and capital legal reserve and appropriation of retained earnings to the ordinary general meeting of shareholders to be held on June 24, 2015.

1. Purposes of reduction of common stock and capital legal reserve and appropriation of retained earnings
The purposes are correction of capital composition and improvement of flexibility for capital policy by covering deficiency.
2. Method and procedure of reduction of common stock and capital legal reserve and appropriation of retained earnings
 - (1) Reduction of common stock
Pursuant to the paragraph 1, article 447 of the companies act, the company will reduce 218,255 million yen of common stock to 10,000 million yen, and transfer the entire amount of reduction of common stock to other capital surplus.
 - (2) Reduction of capital legal reserve
Pursuant to the paragraph 1, article 448 of the companies act, the company will reduce 163,789 million yen of all amount of its capital legal reserve and transfer the entire amount to other capital surplus.
 - (3) Appropriation of retained earnings
Pursuant to the article 452 of the companies act, following reductions of common stock and capital legal reserve stated above, the company will cover its deficiency by transferring 551,749 million yen from other capital surplus to retained earnings brought forward.
3. Schedules
 - (1) May 12, 2015 Resolution of the board of directors meeting
 - (2) June 24, 2015 Resolution of the ordinary general meeting of shareholders (Plan)
 - (3) August 3, 2015 Initial date of public notice to creditors for objections (Plan)
 - (4) September 3, 2015 Final due date for objections by creditors (Plan)
 - (5) September 30, 2015 Effective date (Plan)