FY10/3 Financial Results

Renesas Electronics Corporation

May 11, 2010

Junshi Yamaguchi, Chairman
Yasushi Akao, President

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Thank you for joining Renesas Electronics' webcast.

Before we begin, please be sure to review the cautionary statement on page 28.

I. FY10/3 Financial Results

Former NEC Electronics

Former Renesas Technology

Renesas Electronics (Combined)

II. Renesas Electronics Management Target and Business Approach in FY11/3

Slide 2 provides an overview of the points we will discuss today.

First, we will explain the former NEC Electronics' financial results for the fiscal year ended March 2010. Next, we will show the former Renesas Technology's results for the same period.

Then, we will explain the combined figures of these results, which represent the financial results of the new company, Renesas Electronics.

Second, we will explain our management target and business approach in the fiscal year ending March 2011.

I. FY10/3 Financial Results
-Former NEC Electronics

[Summary]

Let us move on to the main presentation for the former NEC Electronics' financial results for the fiscal year ended March 31, 2010.

FY10/3 Financial Snapshot

- Q4 sales and profitability improved as expected
- Despite the significant drop in full-year sales, operating loss recovered due to fixed-cost reduction

(B yen)	FY10/3					
	Q4 Actual	QoQ	YoY	Full-year	YoY	Difference between Original Forecasts (Announced June 29, 2009)
Net Sales	131.8	+13.9	+45.9	471.0	-79.6	+9.0
Semiconductor Sales	126.1	+12.9	+45.0	451.9	-74.0	+4.9
Operating Income (Loss)	-3.0	+6.3	+50.1	-49.2	+17.2	-1.7
Ordinary Income (Loss)	-5.3	+6.0	+52.5	-54.4	+21.8	-2.9
Net Income (Loss)	-2.4	+11.9	+61.7	-56.4	+28.6	+2.6
1 US$=	90 yen	0 yen strong	1 yen strong	93 yen	8 yen strong	3 yen weak
1 Euro=	128 yen	5 yen strong	8 yen weak	132 yen	14 yen strong	2 yen weak

Note: This document is prepared under Japanese GAAP.

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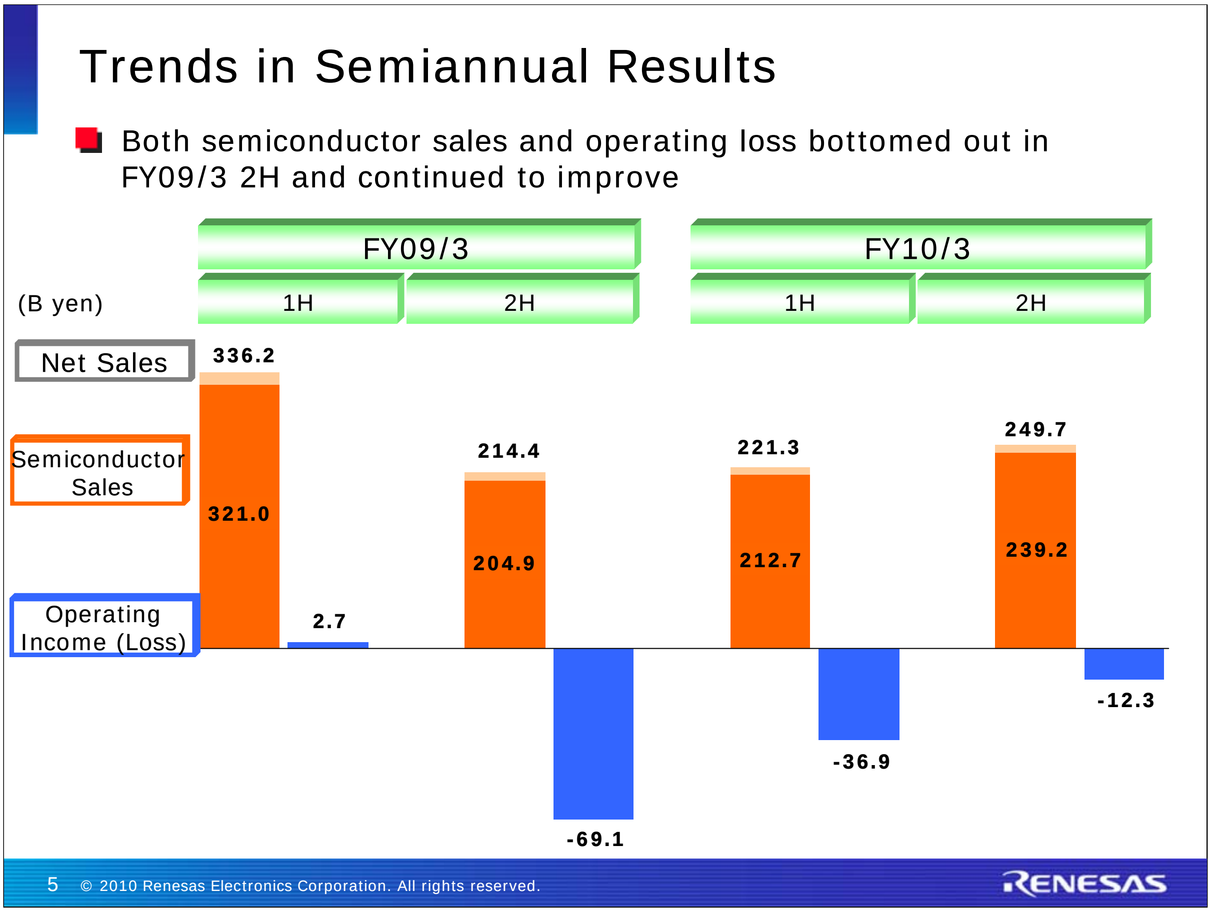
Slide 4 shows the summary of the financial results for the fiscal year ended March 2010.

Semiconductor sales decreased by 74 billion yen year on year, down to 451.9 billion yen.

Operating loss was 49.2 billion yen, a 17.2 billion yen improvement year on year.

Ordinary loss was 54.4 billion yen and net loss was 56.4 billion yen.



Slide 5 shows trends in semiannual results.

Both net sales and operating loss improved from the second-half of the fiscal year ended March 2009, the time when the financial results were significantly affected by the Lehman shock.

I. FY10/3 Financial Results
-Former NEC Electronics

[Q4]

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Now let us discuss the fourth quarter results for the fiscal year ended March 2010.

Q4 Semiconductor Sales by Platform

- Overall semiconductor sales increased by 11% from Q3. Semiconductor sales in all areas increased
- The SoC sales in particular increased dramatically with LSIs, especially the EMMA products, for digital AV

(B yen)	FY10/3 Q4	FY10/3 QoQ (%)
Semiconductor Sales	126.1	+11%
SoC	43.1	+22%
MCU	43.7	+6%
Discrete & IC	39.3	+7%

Sales Overview by Platform

SoC
[↑] Increase in sales of LSIs, especially the EMMA products, for digital AV

MCU
[↑] Sales of automotive products and general-purpose ICs

Discrete & IC
[↑] Discrete devices, display driver IC
[→] Compound semiconductors

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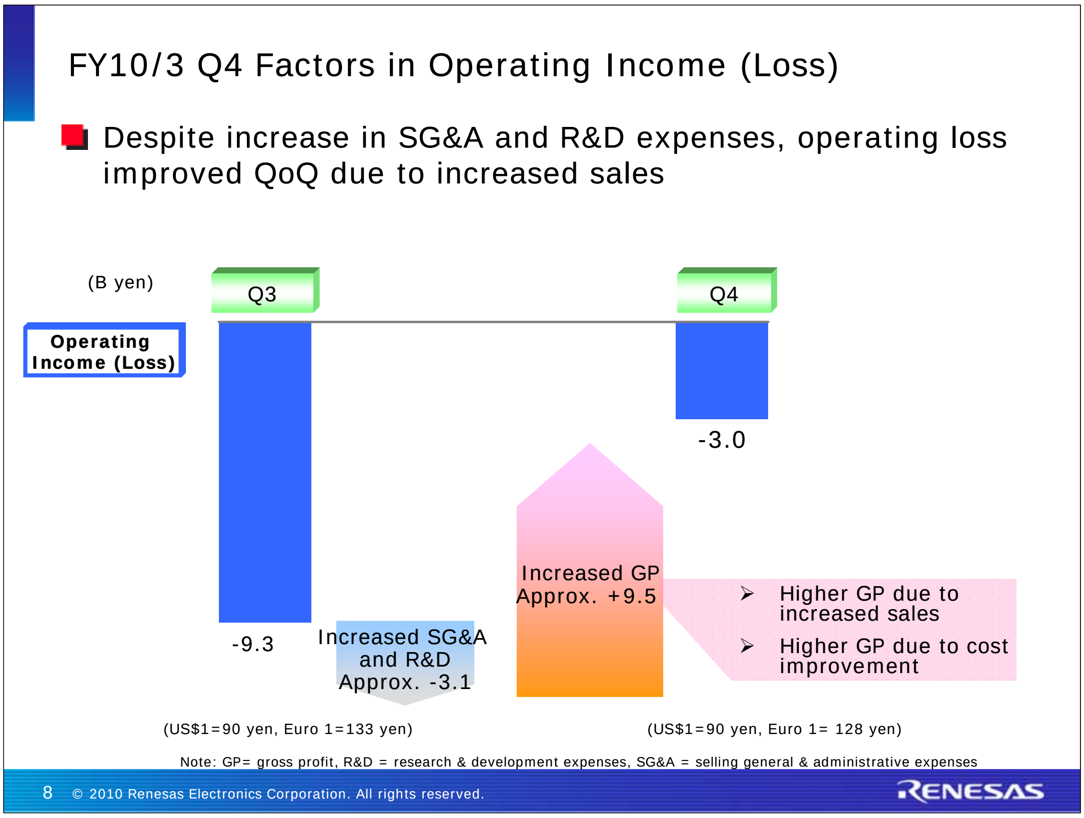
Slide 7 shows the breakdown of the fourth quarter sales by platform.

Semiconductor sales increased by 11% quarter on quarter and semiconductor sales in all areas increased.

Especially the SoCs, sales increased by 22% quarter on quarter due to the strong demand of LSIs, particularly the EMMA products, for digital AV.

Sales of both automotive MCU and general-purpose MCU showed steady performance.

Discrete & IC sales showed strong results as well, due to strong demand for products such as discrete devices and display driver ICs.



Slide 8 shows the factors affecting operating income and loss in the fourth quarter compared with the previous quarter.

Despite an increase in expenses such as SG&A, operating loss improved by 6.3 billion yen to 3 billion yen, resulting from higher GP due to increased sales and cost improvement.

I. FY10/3 Financial Results
-Former NEC Electronics

[Full-Year]

In the next section, we will discuss the financial results for the full-year of fiscal year ended March 2010.

FY10/3 Semiconductor Sales by Platform

- MCU sales improved dramatically due to rapid rise in demand for automotive MCU
- Sales of SoC and Discrete & IC decreased significantly affected by market conditions

(B yen)	FY10/3 Full-year	FY10/3 YoY (%)
Semiconductor Sales	451.9	-14%
SoC	161.4	-28%
MCU	149.1	+4%
Discrete & IC	141.4	-11%

Sales Overview by Platform

SoC
[↓] Significant drop especially in LSIs for consumer electronics

MCU
[↑] Sales of automotive products and general-purpose ICs

Discrete & IC
[↓] Overall decrease

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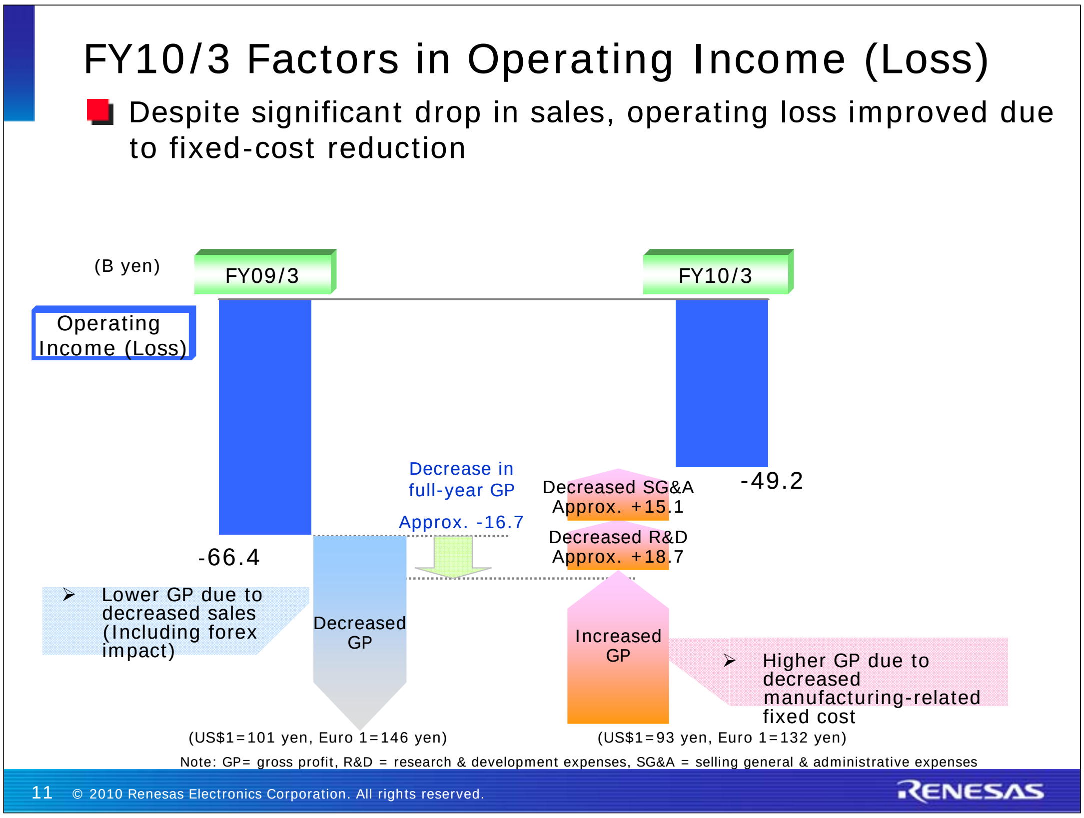
Slide 10 shows the breakdown of the full-year semiconductor sales by platform for the fiscal year ended March 2010.

Semiconductor sales decreased by 14% year on year.

Although MCU sales improved dramatically year on year due to rapid rise in demand for automotive MCUs, sales of both SoC and Discrete & IC decreased affected by the market conditions.



Slide 11 shows the factors affecting operating income and loss in the fiscal year ended March 2010.

Despite significant drop in sales year on year, operating loss was 49.2 billion yen, a 17.2 billion yen improvement year on year by accomplishing its goals to reduce fixed-costs from the previous fiscal year.

Balance Sheet

(B yen)	As of Mar. 31, 2009	As of Dec. 31, 2009	As of Mar. 31, 2010
Total Assets	488.2	469.9	459.9
Cash and Cash Equivalents	101.3	95.6	91.2
Inventories	63.2	57.1	57.0
Liabilities	293.5	331.9	323.6
Interest-bearing Debt	111.3	141.8	140.9
Shareholders' Equity	202.4	148.3	145.9
Net Assets	194.7	138.0	136.3
D/E Ratio (Gross)	0.59	1.06	1.07
Equity Ratio	39%	29%	29%

Note 1) Cash and Cash Equivalents: Cash and deposits, Short-term investment securities
Note 2) Inventories: Merchandise and finished goods, Work in process, Raw materials and supplies
Note 3) Interest-bearing debt: Short-term borrowings, Current portion of long-term borrowings, Current portion of lease obligations, Bonds with share subscription rights, Long-term borrowings
Note 4) Equity: Shareholders' equity, Valuation and Translation Adjustments Note 5) D/E ratio (gross): Interest-bearing debt / Equity

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Slide 12 shows the former NEC Electronics' balance sheets.

There was no major change from December 31, 2009.

Debt to Equity ratio was 1.07, and equity ratio was 29%.

Cash Flows

- Achieved positive free cash flows in FY10/3 2H

(B yen)	FY09/3		FY10/3	
	2H	Full-year	2H	Full-year
Cash Flows from Operating Activities	-26.5	-8.2	20.1	6.3
Cash Flows from Investing Activities	-25.7	-49.1	-17.5	-42.2
Free Cash Flows	-52.3	-57.2	2.6	-36.0

Slide 13 shows cash flows.

We achieved positive free cash flows in the second-half of the fiscal year ended March 2010 due to improved cash flows from operating activities.

This concludes the report on the former NEC Electronics' financial results ended March 2010.

From the next slide, we will explain the former Renesas Technology's financial results for the same period.

I. FY10/3 Financial Results
-Former Renesas Technology

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Let us move on to the presentation for the former Renesas Technology' financial results.

FY10/3 Financial Snapshot

- Significant decrease in sales YoY due to sharp drop in demand from the latter half of FY09/3
- Profitability improved due to recovery in fab utilization rates from the latter half of FY10/3 and effective fixed-cost reduction measures

(B yen)	FY09/3	FY10/3	YoY
Net Sales	702.7	599.8	-102.9
Semiconductor Sales	564.0	497.4	-66.6
Operating Income (Loss)	-96.6	-64.0	+32.6
Ordinary Income (Loss)	-102.8	-70.9	+31.9
Net Income (Loss)	-203.3	-81.3	+121.9
1 US$=1	101 yen	93 yen	8 yen strong
1 Euro=	143 yen	131 yen	12 yen strong

Slide 15 shows the summary of the financial results for the fiscal year ended March 2010.

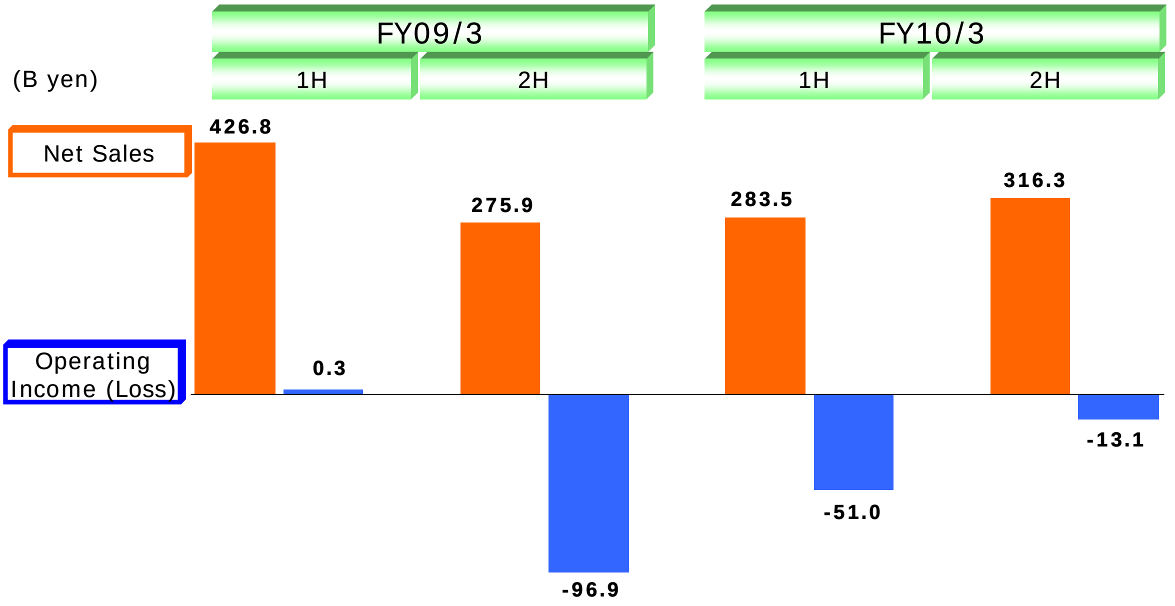
Net sales decreased by 102.9 billion yen year on year, down to 599.8 billion yen.

On the other hand, operating loss was 64 billion yen, a 32.6 billion yen improvement year on year. This is due to the completion of fixed-cost reduction measures in the latter half of the fiscal year.

Ordinary loss was 70.9 billion yen and net loss was 81.3 billion yen.

Trends in Semiannual Results

- Sales bottomed out in the latter half of FY09/3 and sustained continuous recovery in sales
- Operating loss also back on recovery track from various effective structural reform measures and rise in fab utilization rates due to recovery in demand



Slide 16 shows trends in semiannual results.

As shown in the chart, sales bottomed out in the latter half of the fiscal year ended March 2009 and we achieved continuous recovery in sales.

Operating loss is also back on recovery track with various effective structural reform measures and rise in fab utilization rates due to recovery in demand.

Balance Sheet

(B yen)	As of Mar. 31, 2009	As of Mar. 31, 2010
Total Assets	682.9	610.9
Cash and Cash Equivalents	106.6	110.9
Inventories	105.3	80.1
Liabilities	506.0	444.1
Interest-bearing Debt	283.8	231.3
Shareholders' Equity	180.1	170.4
Net Assets	176.9	166.8
D/E Ratio (Gross)	1.60	1.40
Equity Ratio	26%	27%

Note 1) Cash and Cash Equivalents: Cash and deposits, Time deposits due over three months, Short-term investment securities
Note 2) Interest-bearing debt: Short-term borrowings, Current portion of long-term borrowings, Long-term borrowings
Note 3) Equity: Shareholders' equity, Valuation and Translation Adjustments
Note 4) D/E ratio (gross): Interest-bearing debt / Equity

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Slide 17 shows the former Renesas Technology's balance sheets.

Total assets were 610.9 billion yen, a 72 billion yen decrease year on year. This is due to decreased inventories affected from recovery in demand from the latter half of the fiscal year ended March 2010 as well as decreased fixed-assets resulted from lower investments.

Liabilities were 444.1 billion yen, approximately 62.0 billion yen decrease year on year, mainly due to repayment of debt.

Despite recording 81.3 billion yen in net loss, shareholders' equity was 170.4 billion yen, a 9.7 billion yen decrease year on year due to capital injection from Hitachi and Mitsubishi Electric.

Debt to Equity ratio was 1.4 and equity ratio was 27%.

Cash Flows

- Achieved positive free cash flows in FY10/3 2H

(B yen)	FY09/3		FY10/3	
	2H	Full-year	2H	Full-year
Cash Flows from Operating Activities	-17.8	-6.3	27.1	18.3
Cash Flows from Investing Activities	-42.7	-89.2	-19.2	-34.7
Free Cash Flows	-60.6	-95.5	7.9	-16.4

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Slide 18 shows cash flows.

Despite recording significant loss in the fiscal year ended March 2009, we sustained positive free cash flows in the second half of the fiscal year ended March 2010 due to improved cash flows from the operating activities.

I. FY10/3 Financial Results
-Renesas Electronics (Combined)

In the next section, we will discuss Renesas Electronics' financial results for the fiscal year ended March 2010.

The figures shown in the next slide are combined total of the former NEC Electronics' and the former Renesas Technology's results.

FY10/3 Financial Snapshot

Combined total of former NEC Electronics and former Renesas Technology

(B yen)	FY09/3	FY10/3	YoY
Net Sales	1,216.2*	1,062.4*	-153.8
Semiconductor Sales	1,074.6*	940.9*	-133.7
Operating Income (Loss)	-163.0	-113.3	+49.7
Ordinary Income (Loss)	-179.0	-125.3	+53.7
Net Income (Loss)	-288.4	-137.8	+150.6

Note: Due to change in the accounting methods in accordance with the merger, the former Renesas Technology's net sales and semiconductor sales used for above combined figures differ from the figures shown on slide 15.

Slide 20 shows the summary of Renesas Electronics' financial results for the fiscal year ended March 2010.

Net sales were 1 trillion 62.4 billion yen, a 153.8 billion yen decrease year on year. Semiconductor sales were 940.9 billion yen, a 133.7 billion yen lower year on year.

Operating loss was 113.3 billion yen, a 49.7 billion yen improvement year on year.

Ordinary loss was 125.3 billion, a 53.7 billion yen improvement year on year.

Net loss was 137.8 billion yen, a 150.6 billion yen improvement year on year.

II. Renesas Electronics Management Target and Business Approach in FY11/3

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In the next section, we will discuss the new company’s management target and business approach in the fiscal year ending March 2011.

Management Targets

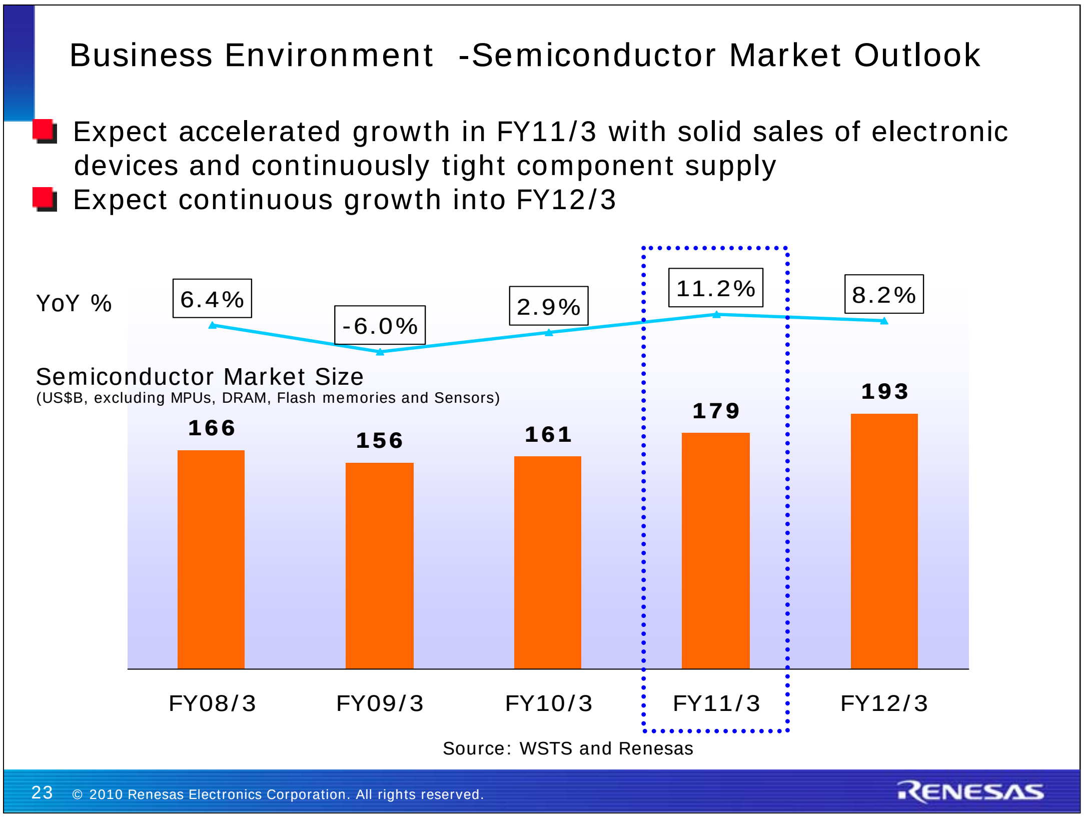
- Aim to attain operating profit in the first fiscal year after the merger
- Aim to attain net profit in the second fiscal year by executing structural reform plans at an early stage of the integration process
- In the medium-term, aim to achieve two-digit operating profit ratio

Next slide shows our management targets.

First, we aim to achieve operating profit in the first fiscal year after the merger by improving our financial results from market recovery and streamlining our business efficiency through merger synergies.

Second, to build a strong business foundation, we aim to attain net profit in the second fiscal year by executing structural reform plans at an early stage of the integration process.

Lastly, we will sustain sales growth and stable profitability, aiming to achieve two-digit operating profit ratio in the medium-term.



Slide 23 shows the outlook for the semiconductor market.

During our first fiscal year ending March 2011, we expect to see a solid growth in industrial equipments, automotives, mobile phones, and consumer electronics.

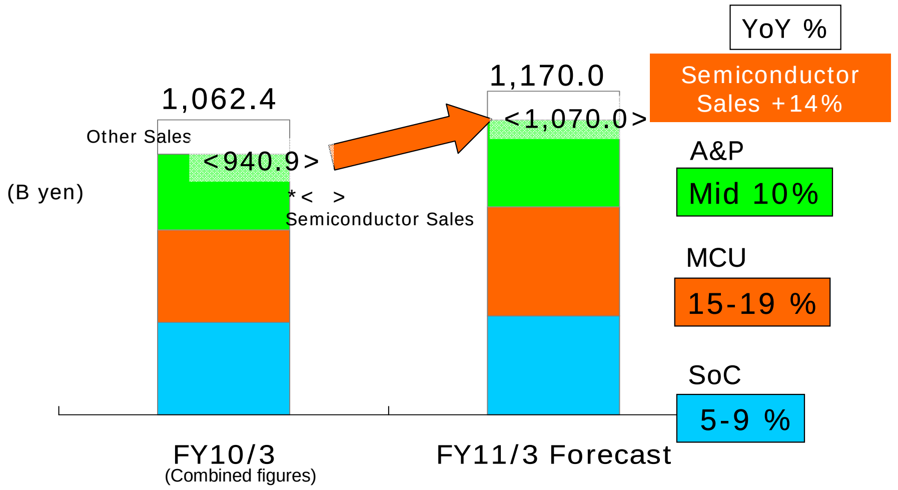
We also expect semiconductor market to expand by approximately 11% from continuously strong demand.

Therefore, we forecast the semiconductor market to continue to show steady movement in the fiscal year ending March 2012.

Semiconductor Sales Exceeding Market Growth

- Expand business opportunities (Explore synergies between the core competent world-leading MCU business and Analog & Power devices)
- Expand sales in the global market

Target Semiconductor sales growth exceeding the market growth



Note: Due to change in the accounting methods in accordance with the merger, the former Renesas Technology's net sales and semiconductor sales used for above combined figures differ from the figures shown on slide 15.

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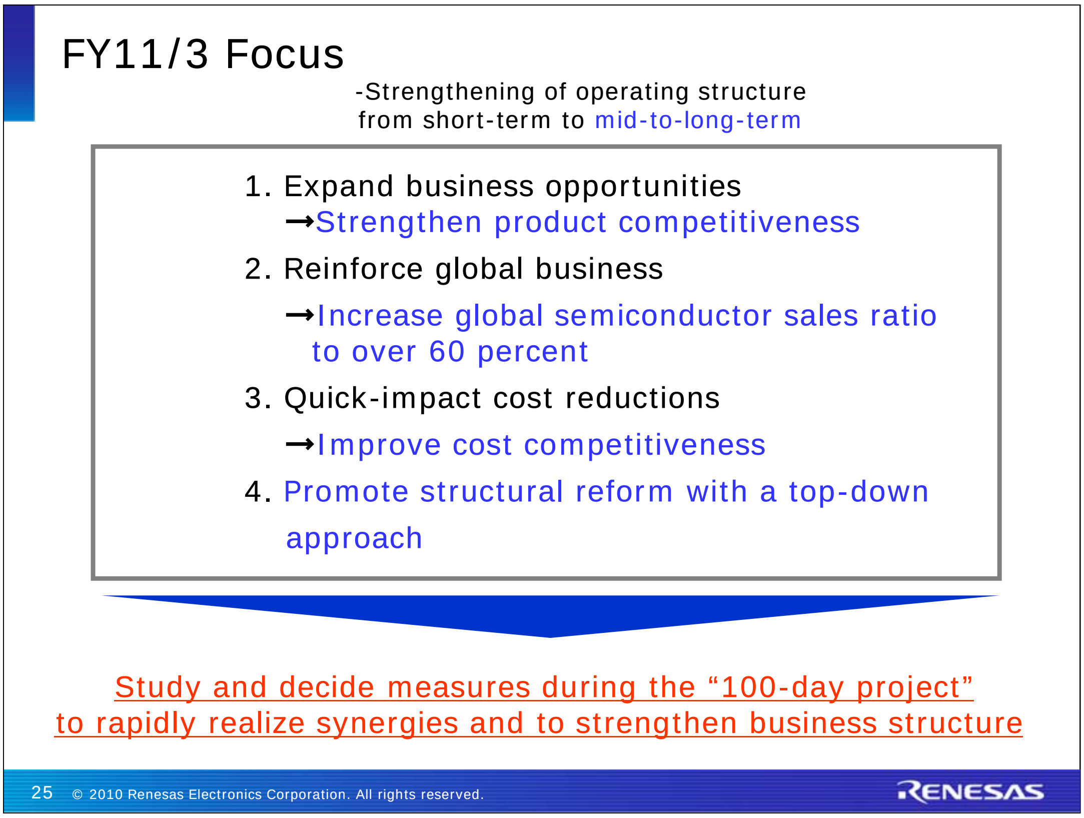
Slide 24 shows the semiconductor sales outlook for the fiscal year ending March 2011.

First, in order to expand our business opportunities, we aim to increase our market share by exploring a great synergy between our core-competent, world-leading MCU and Analog & Power.

In addition, we aim to expand sales in the global market to achieve semiconductor sales of 107.0 billion yen, which is approximately 14% increase year on year, exceeding the market growth.



Slide 25 shows our business focus in the fiscal year ending March 2011.

First, we will strengthen our product competitiveness by expanding business opportunities and market share.

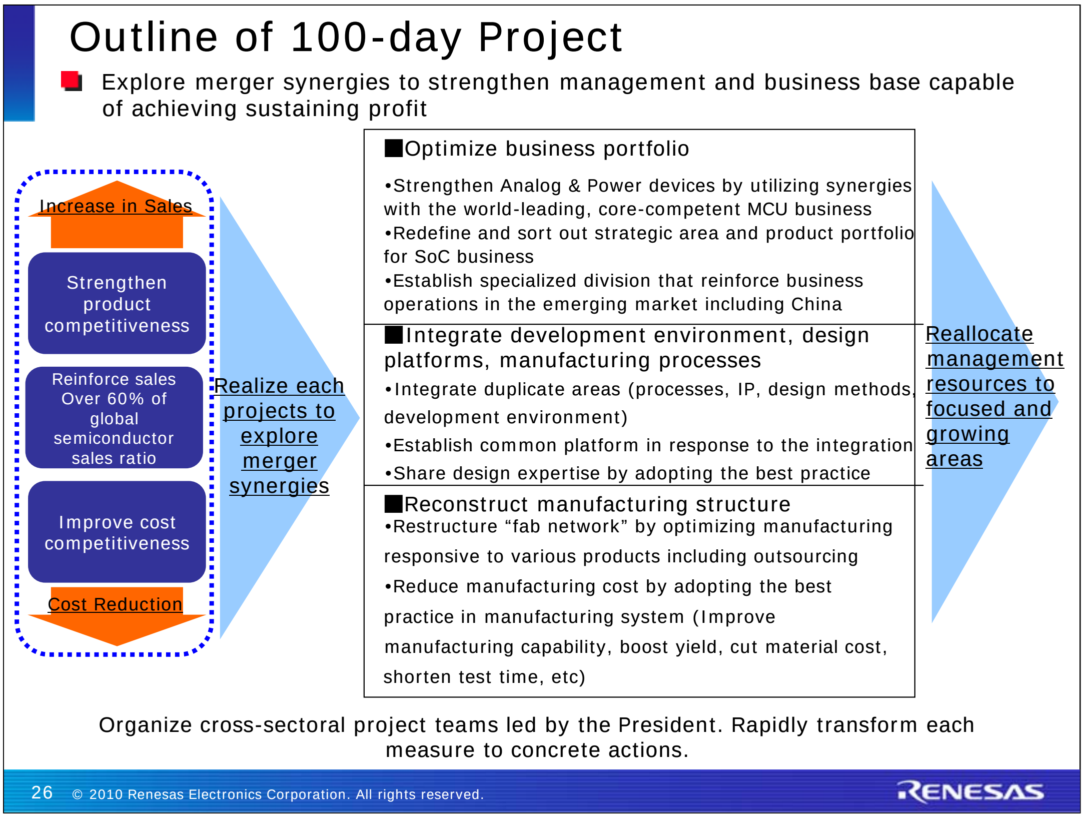
Second, we will raise our global semiconductor sales ratio by constructing business structure to expand our global businesses.

Third, we will improve our cost competitiveness by conducting a thorough review of our cost structure and implementing immediate cost reduction measures.

Lastly, by promoting structural reform with a top-down approach, we aim to study and execute each and every measures necessary for strengthening the company's operating structure.

I will take the role as a leader of the cross-sectoral project teams and rapidly transform each targets to concrete actions.

The next slide shows the outline of our "100-day project".



First, the major issues that are currently being reviewed as part of our "100-day project" include: 1) Optimization of the business portfolio 2) Integration of the development environment, design platform, and manufacturing processes and 3) Reconstruction of the manufacturing structures.

To optimize our business portfolio, we will strengthen our Analog & Power devices by utilizing synergies with our core-competent MCU, sorting out our SoC solution businesses, and establishing divisions that specialize in businesses in high-growth regions including China.

To integrate our development environment, design platforms and manufacturing processes, we are examining action items that lead to drastic improvement of development efficiency and cost reduction of various developments. These action items include integration of duplicate areas, establishment of the company's common platform and sharing of best practice design expertise.

To reconstruct our manufacturing structures, we will restructure our "fab network" that best suit our product portfolio by leveraging various production systems such as effective utilization of respective facilities, and outsourcing. We will also promote reduction of our manufacturing cost by utilizing our best practice manufacturing system.

All kinds of issues including above are currently being reviewed by our cross-sectoral project teams. We will list up action items and will engage in speedy implementation of these tasks.

FY11/3 Financial Forecasts

- Renesas Electronics Corporation is currently implementing a "100-day project" to shape its new policies and plans within the first hundred days after the merger. In the meantime, the mark-to-market estimates of Renesas Technology's (the acquiree company) fair value of assets and liabilities remain undefined as of May 11, 2010.

- For these reasons, due to difficulty in specifying the forecasts, Renesas Electronics today only announced its outlook for consolidated net sales for the fiscal year ending March 31, 2011.

- Renesas Electronics plans to announce its consolidated forecasts for the fiscal year ending March 31, 2011 with the financial results for the three months ending June 30, 2010.

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The last slide shows the financial outlook for the fiscal year ending March 2011.

As we explained in this presentation, we are currently conducting the "100-day project" in which we construct our policies for the new company.

In addition, the mark-to-market estimates of the former Renesas Technology's fair value of assets and liabilities are still undefined as of today.

For these reasons, it is difficult to specify the forecasts, therefore, we only announced our outlook for consolidated net sales for the fiscal year ending March 31, 2011 today and did not disclose our consolidated forecasts for the fiscal year ending March 31, 2011.

We will announce our financial forecasts with the financial results for the three months ending June 30, 2010.

The statements in this presentation with respect to the plans, strategies and forecasts of Renesas Electronics and its consolidated subsidiaries (collectively "we") are forward-looking statements involving risks and uncertainties. We caution you in advance that actual results could differ materially from such forward-looking statements due to several factors. The important factors that could cause actual results to differ materially from such statements include, but are 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, our products and services in the marketplace; our ability to continue to win acceptance of its products and services in these highly competitive markets; and movements in currency exchange rates, particularly the rate between the yen and the U.S. dollar. Among other factors, a worsening of the world economy; a worsening of financial conditions in the world markets, and a deterioration in the domestic and overseas stock markets, would cause actual results to differ from the projected results forecast.

Renesas Electronics Corporation

Thank you very much for your support of Renesas Electronics.
This concludes our presentation today.