FY13/3 Q2 Financial Results

Renesas Electronics Corporation

October 29, 2012

Masahiko Sagawa, Senior Vice President

Executive Summary

I. FY13/3 Q2 Financial Results

- Semiconductor sales increased to 205.3 B yen, an increase by 22% QoQ, due to the end of temporary sales decrease affected by integration of the company's IT systems in Q1, and also driven by large-scale custom projects
- Operating loss improved by 11.9 B yen QoQ owing to higher profit from sales increase, and streamlining R&D and SG&A

II. FY13/3 Financial Forecasts

- Left FY13/3 financial forecasts unchanged from the previous forecasts announced on August 2, 2012

III. Progress of Reduction in Human Resources and Production Structural Reforms

- Recorded special loss of approximately 84 B yen in FY13/3 Q2 due to implementation of the early retirement program in Japan, while expecting to reduce labor cost by approximately 53 B yen a year
- Steady progress in production structural reforms including a decision to transfer Renesas High Components, Inc.

IV. Rebuilding Financial Strength

- Have been improving financial strength steadily, including securing new financing of 97 B yen from major shareholders and main banks, and moving short-term debt of 161.1 B yen to long-term commitment

*)R&D: Research & Development expense, SG&A: Selling, General & Administrative expenses

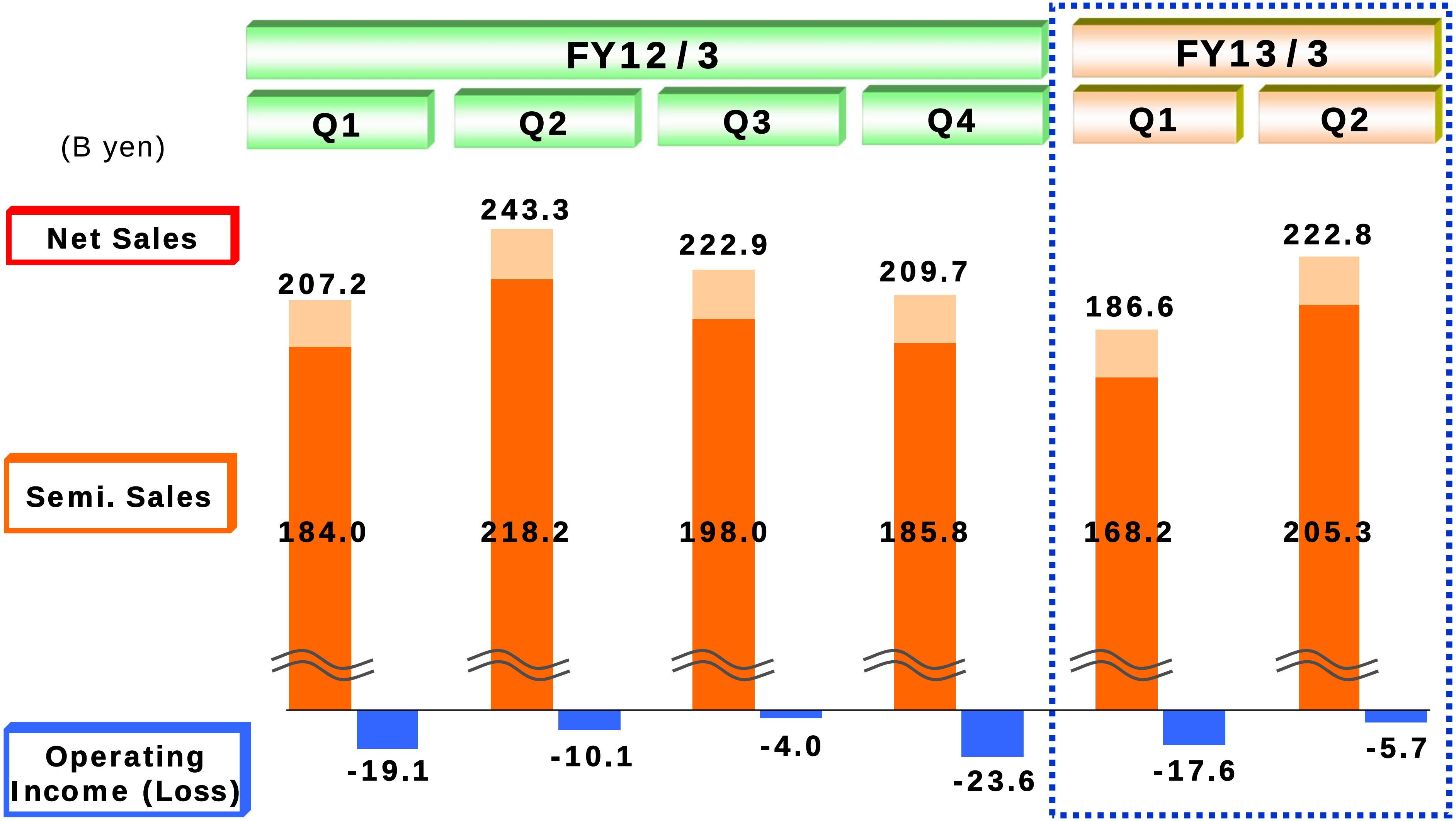
I. FY13/3 Q2 Financial Results

FY13/3 Q2 Financial Snapshot

- Improved both semiconductor sales (by 22%) and operating loss (by 11.9 B yen), due to the end of temporary sales decrease affected by integration of the company's IT systems in Q1, and also driven by large-scale custom projects
- Recorded net loss of 94.3 B yen due to special loss of approximately 84 B yen from implementation of the early retirement program in Japan

	FY12/3	FY13/3			
(B yen)	Q2	Q1	Q2	QoQ	Difference from original forecasts (As of August 2)
Net Sales	243.3	186.6	222.8	+36.2 (+19%)	+3.4 (+2%)
Semiconductor Sales	218.2	168.2	205.3	+37.1 (+22%)	-3.5 (-2%)
Operating Income (Loss)	-10.1	-17.6	-5.7	+11.9	+2.2
Ordinary Income (Loss)	-13.1	-17.6	-6.8	+10.8	+5.1
Net Income (Loss)	-8.8	-20.8	-94.3	-73.6	-12.6
1US$=	79 yen	81 yen	79 yen	2 yen strong	-
1Euro=	113 yen	106 yen	98 yen	8 yen strong	-

Quarterly Financial Results



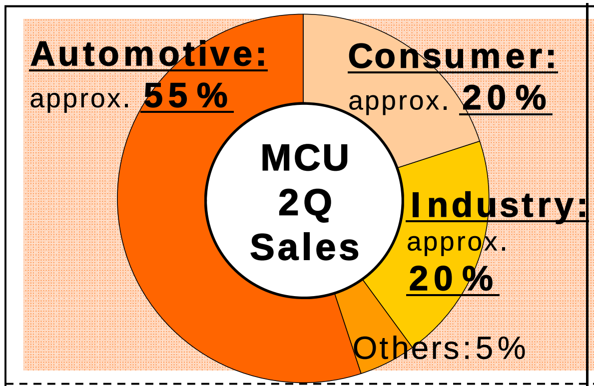
FY13/3 Q2 Semiconductor Sales by Business (1)

- Q2 semiconductor sales improved by 22% QoQ, driven by large-scale custom projects in A&P and SoC businesses

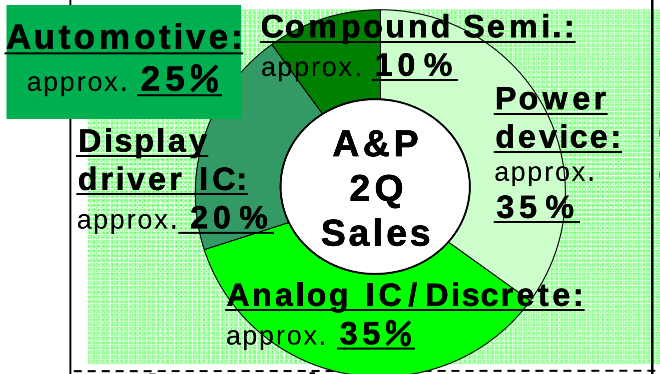
(B yen)	FY12/3 Q2	FY13/3 Q1	FY13/3 Q2	FY13/3 QoQ
Semiconductor Sales (Total)	218.2	168.2	205.3	+37.1 (+22%)
MCU	87.5	75.4	80.9	+5.5 (+7%)
Analog & Power	67.2	54.7	68.1	+13.3 (+24%)
SoC	63.2	34.4	55.0	+20.6 (+60%)
Other Semiconductors	0.3	3.7	1.3	-2.4 (-64%)

RENESAS

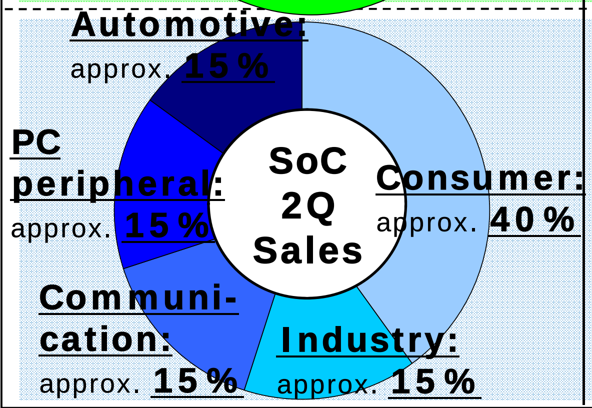
FY13/3 Q2 Semiconductor Sales by Business (2)



- General-purpose MCU sales increased by over 15% QoQ due to increase in all segments including consumer and industry, however, most of increases seemed to come from the end of temporary sales decrease affected by integration of the company's IT systems in Q1
- Automotive MCU sales remained to be flat QoQ with steady demand continued from the previous quarter



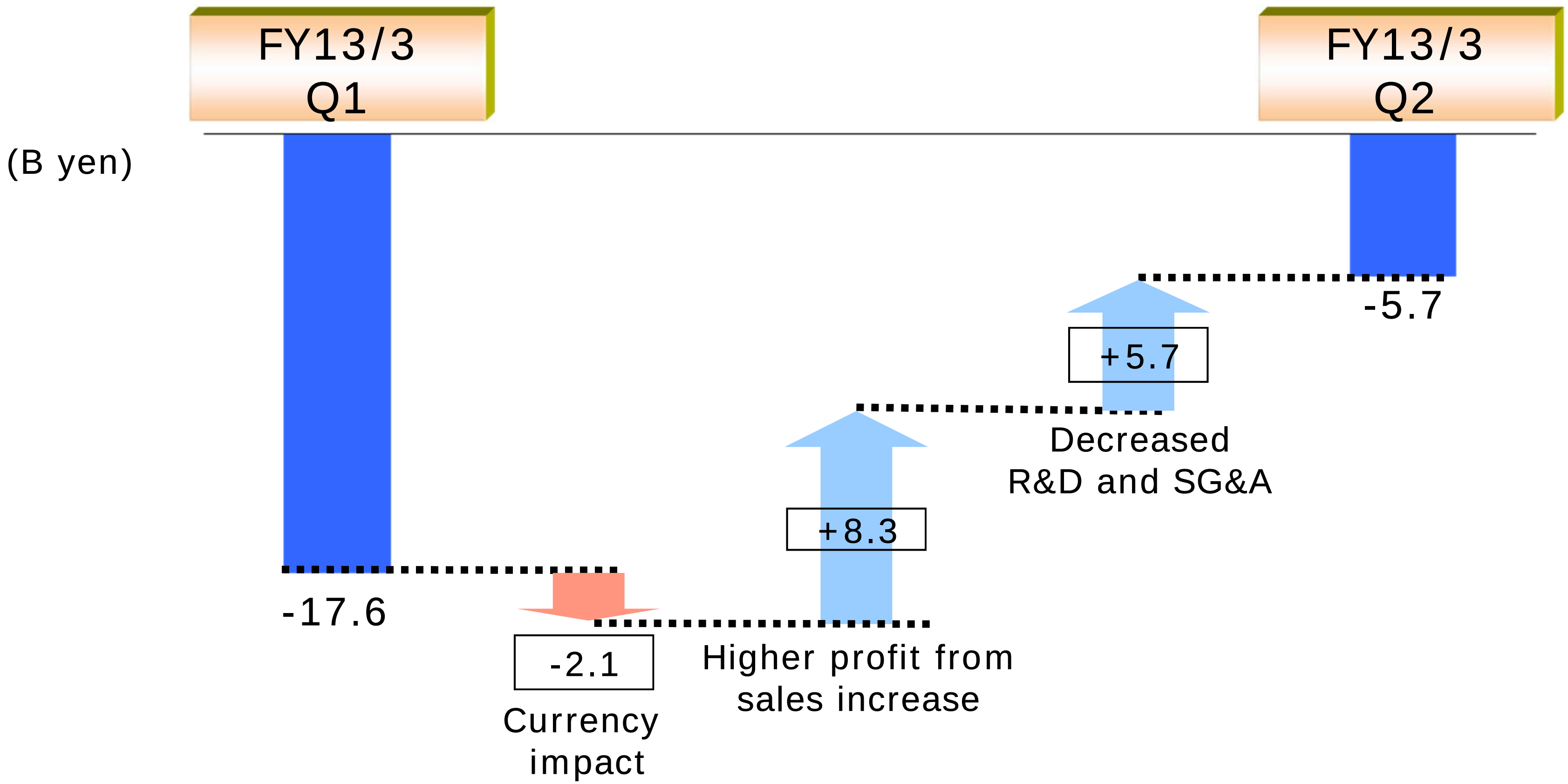
- Analog IC/discrete sales increased by over 25% QoQ due to increase in all segments centering around automotive and consumer. Power device sales increased by approximately 15% QoQ due to steady demand especially for automotive and PC peripherals.
- Display driver IC sales increased by approximately 40% QoQ due to sharp increase in small/mid-sized panels for smartphones



- Consumer SoC sales substantially increased by 180% QoQ, driven by amusement SoC, thus total SoC sales increased by 60% QoQ

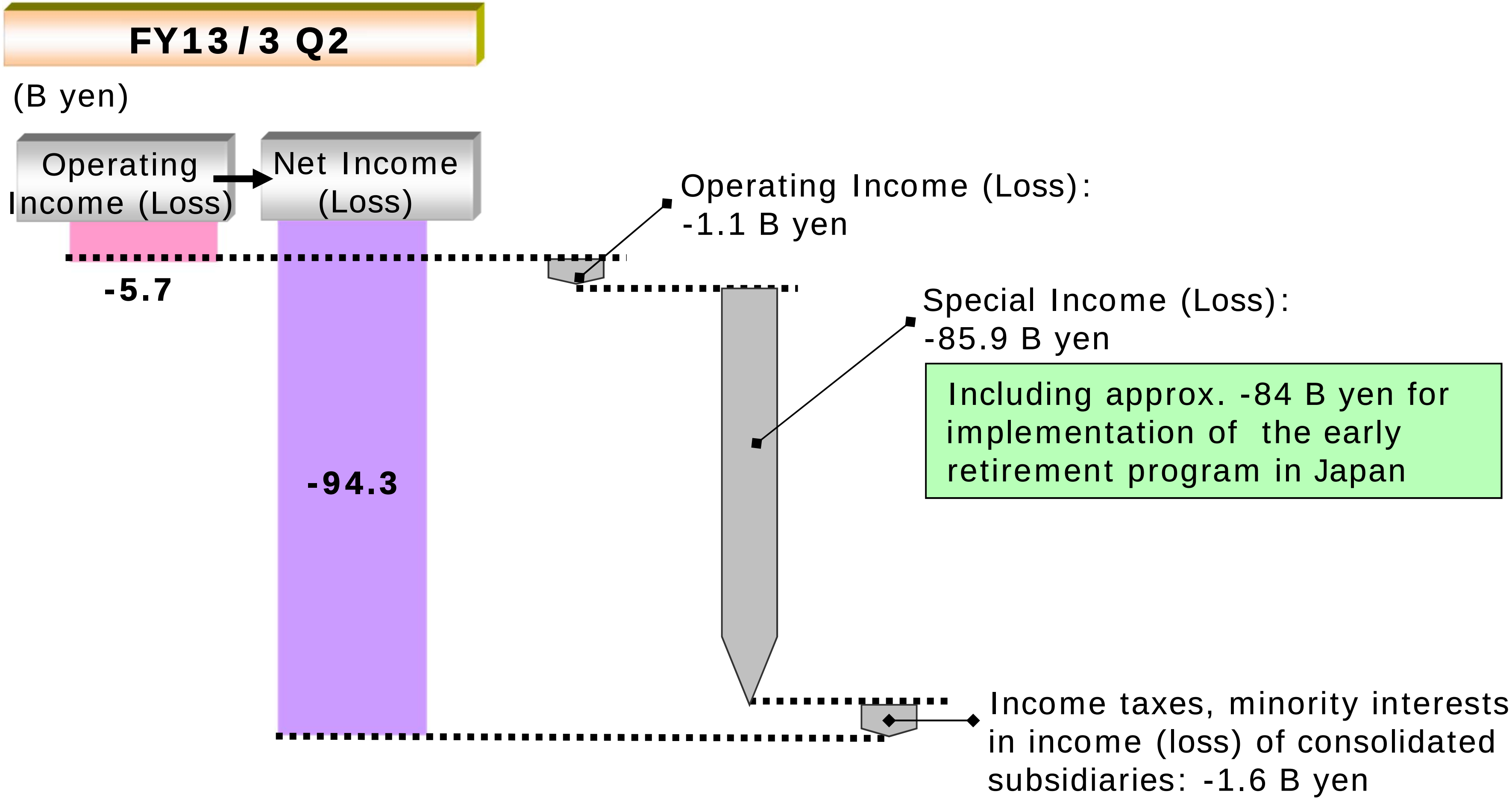
FY13/3 Q2 Operating Income (Loss) QoQ

- Operating loss improved by 11.9 B yen QoQ due to higher profit from sales increase and decreased R&D and SG&A



FY13/3 Q2 Net Income (Loss)

- Recorded net loss of 94.3 B yen due to special loss of 85.9 B yen from implementation of the early retirement program and others despite significantly-improved operating income (loss)



FY13/3 Q2 Balance Sheets

(B yen)	As of Mar. 31, 2012	As of Jun. 30, 2012	As of Sep. 30, 2012
Total Assets	858.2	785.7	748.3
Cash and Cash Equivalents	131.9	87.0	69.6
Inventories	151.8	163.8	147.9
Liabilities	631.7	585.4	641.4
Interest-Bearing Debt	258.3	246.5	239.3
Shareholders' Equity	243.4	222.7	128.3
Net Assets	226.5	200.3	106.8
D/E Ratio (Gross)	1.19	1.29	2.46
D/E Ratio (Net)	0.58	0.83	1.74
Equity Ratio	25.4%	24.4%	13.0%

Note 1) "Cash and Cash Equivalents": Sum of cash and deposits, and short-term investment securities minus the Time deposits with maturities of more than three months
2) "Interest-bearing debt": Short-term borrowings, Current portion of long-term borrowings, lease obligations, Long-term borrowings
3) "Equity": Shareholders' equity, Accumulated other Comprehensive Income
4) "D/E ratio (gross)": Interest-bearing debt / Equity

RENESAS

FY13/3 Q2 Cash Flows

(B yen)	FY12/3 Q2	FY12/3 1H	FY12/3 Full-year	FY13/3 Q1	FY13/3 Q2	FY13/3 1H
Cash Flows from Operating Activities	8.0	-21.1	-9.7	-18.1	4.6	-13.5
Cash Flows from Investing Activities	-17.8	-32.6	-55.1	-10.7	-9.8	-20.5
Free Cash Flows	-9.7	-53.7	-64.8	-28.7	-5.2	-34.0

RENESAS

II. FY13/3 Financial Forecasts

FY13/3 Financial Forecasts

- Left FY13/3 financial forecasts unchanged from the previous forecasts announced on August 2, 2012

Consolidated financial forecasts for the fiscal year ending March 31, 2013

(In millions of yen)

	Net sales	Operating income	Ordinary income (loss)	Net income (loss)
Year ending March 31, 2013	868,000	21,000	10,000	-150,000
YoY	-1.7%	-	-	-

Various risks are becoming obvious, including prolonged debt worries in Europe, further market slowdown in China and other emerging economies as well as concerns for demand decrease due to increased uncertainty of Japan-China relations. Renesas considers it necessary to more closely examine these impacts on its financial results going forward and will announce the changes in the forecasts immediately if needed.

III. Progress of Reduction in Human Resources and Production Structural Reforms

Measures Taken to Date in Order to Establish a Robust and Profitable Business Structure

- Faithfully executed on various measures post Apr. 2010 establishment, aimed at realizing merger synergies and implementing structural reforms

Apr. 2010 — Apr. 2011 — Apr. 2012 — Oct. 2012

Structural Reforms

Reduction in human resources, etc
- Early retirement program (1,487 employees)
- Implemented early retirement program (7,446 employees) and announced structural reforms
- Improved financial strength (Secured new money of 97 B yen and restructured short-term debt to long-term)

Business withdrawal
- Announced withdrawal from display driver IC for large panels
- Transferred Power Amplifier business
- Ceased development for home multimedia SoC

Factory transfer or closure
- Closed Fukuoka factory
- Transferred Roseville factory
- Recovery from the earthquake
- Closed Shiga 5-inch line
- Closed Oume factory
- Transferred Tsugaru factory
- Announced transfer of Renesas High Components

Business Enhancement

Enhance core business
- Launched core-integrated MCU "RL78"
- Acquired wireless modem business
- Launched analog IC-embedded "Smart Analog"
- Introduced SoC integrated platform
- Announced collaboration with TSMC for 40nm MCU
- Announced the 1st product of "RH850" MCU at 40nm
- Announced ARM core -embedded MPU, "RZ"

Leverage merger synergies and enhance sales
- Enhanced local development of MCU for China
- Opened Brazil branch
- Integrated the company's IT systems
- Developed 850 products each for power devices and China-dedicated MCUs
- Enhanced business structure leveraging synergies in procurement, design environment, etc
- Enhanced core business by prioritizing CAPEX and R&D

RENESAS

Reduction in Human Resources: Implementation of the Early Retirement Program

Overview of the Program (Announced on July 3, 2012)

(1)Eligible persons: Employees of Renesas Electronics Corporation and its consolidated subsidiaries in Japan

(2)Application period: September 18 to September 26, 2012

(3)Retirement date: October 31, 2012

(4)Benefits: The special incentive will be added to their normal payment. In addition, outplacement support will be provided through outside agencies for those who request it.

We have not set upper limitation of applicants for the early retirement program, but expect about five thousand and some hundred applicants.

Result of the Program (Announced on October 16, 2012)

(1)Number of applicants: 7,446 employees

(2)Extraordinary Loss: approx. 84 billion yen (Recorded in FY13/3 Q2)

(3)Labor cost to be reduced: approx. 53 billion yen

Although the number of the applicants is more than five thousand and several hundred that was originally expected, the result has little impact on the Renesas Group's business operations including sales and production.

Progress of Production Structural Reforms

- Progress as planned in structural reforms including transfer of a back-end site, Renesas High Components (RHC), which was decided as the first item after announced production structural reforms on July 3, 2012

	Direction	Current Sites/Lines	Sites/Lines after Production Structural Reforms
Front-end	✓ Enlargement and miniaturization of wafers ✓ Outsourcing of leading-edge products ✓ Continuing of in-house production of specialized products	9 Sites / 14 Lines	7 Sites / 9 Lines
Back-end	✓ Acceleration of shift production overseas ✓ Expanded use of sub-contractors inside/outside Japan	9 sites => 8 sites (Jan. 2013)	2 sites

Announced Oct. 12, 2012

- ✓ Plan to transfer RHC to AOI ELECTRONICS on Jan. 1, 2013
- ✓ Positioned RHC, which accounts for 90% of total production in contact manufacturing service, to be transferred within a year at the announcement in July 2012
- ✓ Plan to transfer Renesas Eastern Japan Semiconductor's partial sales business related to RHC's contract manufacturing service also on Jan. 1, 2013
- ✓ Already included the impact in FY13/3 financial forecasts

*1:Renesas High Components, Inc. (Tsuruta, Kitatsugaru-gun, Aomori)
*2:AOI ELECTRONICS CO.,LTD. (Takamatsu, Kagawa)
*3: Renesas Eastern Japan Semiconductor, Inc. (Chuo-ku, Tokyo)

IV.Rebuilding Financial Strength

Steps Toward Long-Term Financial Strength in Parallel with Proceeding Structural Reforms

- Improved current financial strength, securing money required for the structural reforms

Step 1

Secured new money: 97 B yen

Step 2

Restructured short-term debt to long-term: 161 B yen

Step 3

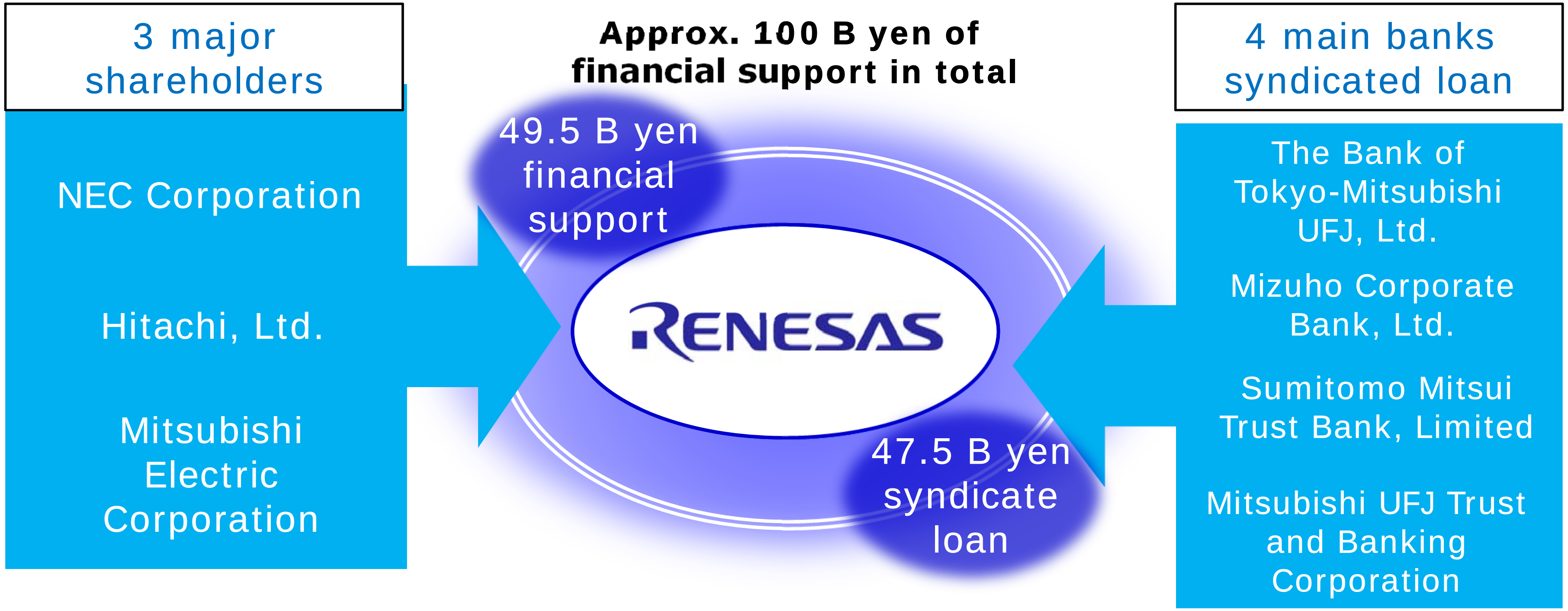
Improve cash flows from operating activities toward long-term financial strength

Toward Long-Term Financial Strength

RENESAS

Step 1: New Money Secured

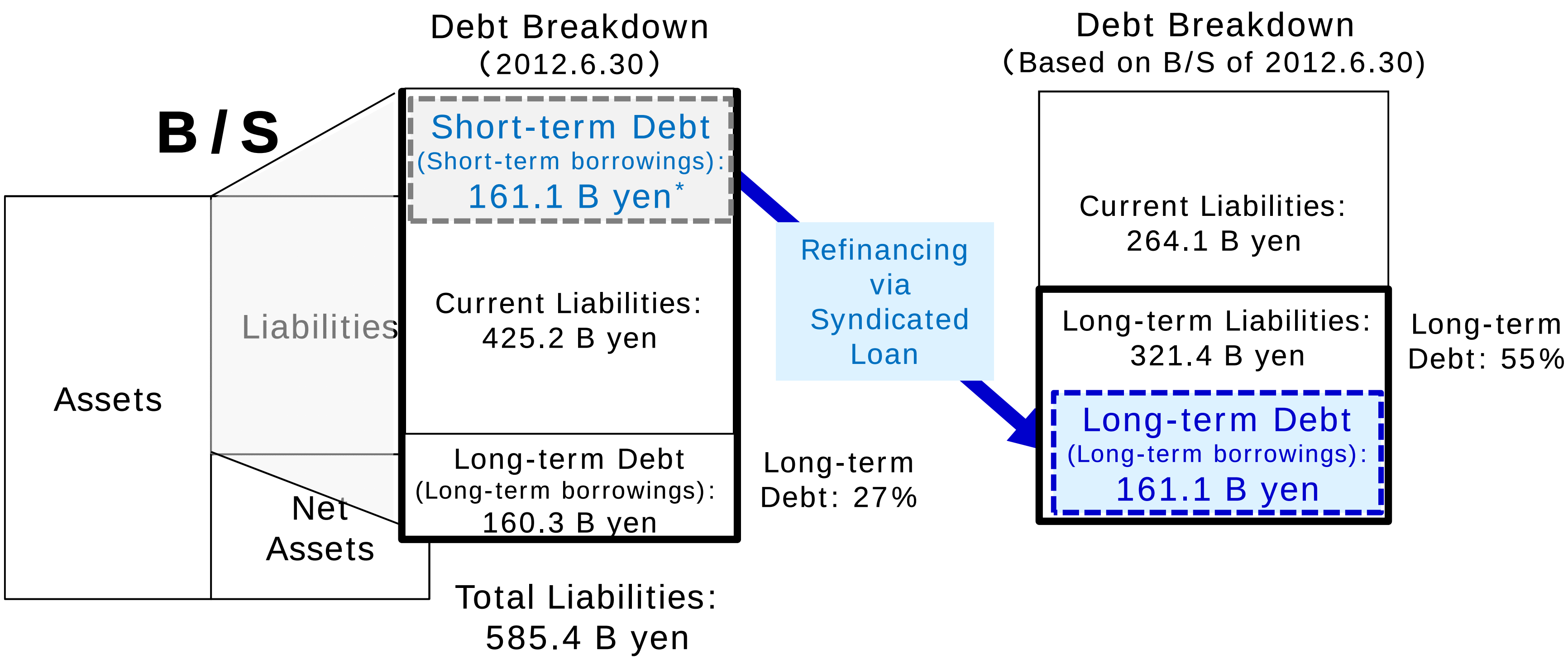
- Financing from major shareholders and main banks
  - ✓ Received total 49.5 B yen from three major shareholders on October 1, 2012
  - ✓ Received total 47.5 B yen from four main banks on October 1, 2012



Secured new money of 97 B yen to steadily implement the structural reforms

Step 2: Restructured Short-term Debt

- Short-term debt was moved to long-term commitment
  - ✓ A syndicated loan package was completed by our main banks on Sep. 28, 2012
  - ✓ Short-term debt of 161.1 B yen was moved to long-term commitment



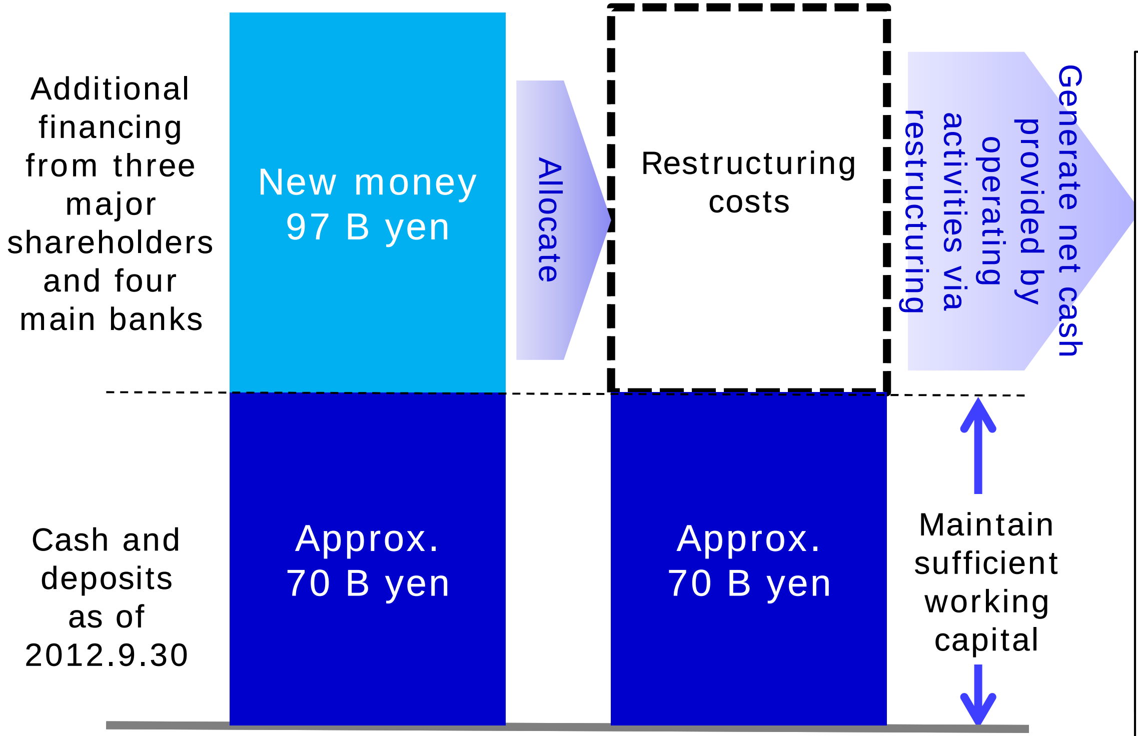
*:Short-term debt as of June 30 was 162.6 B yen

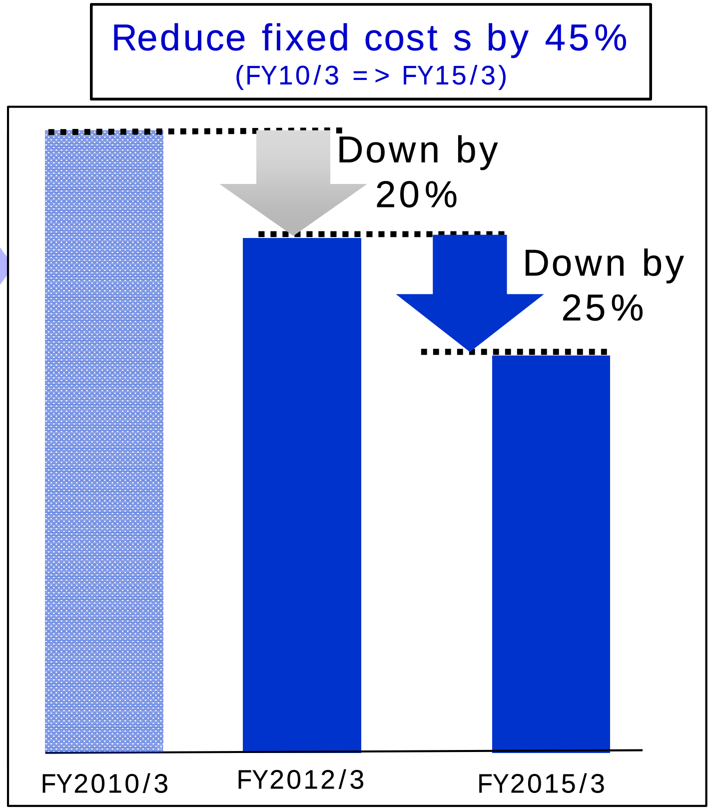
Stabilize financial strength by refinancing of short-term debt to long-term commitment

RENESAS

Step 3: Improve Financial Strength with Better Operating Cash Flows

- Improve financial health through steady process of restructuring
  - ✓ Steadily proceed structural reforms by allocating new money to restructuring costs while maintaining sufficient working capital
  - ✓ Rebuild financial strength by reducing fixed costs by 45% by FY2015/3 and improving operating cash flows





Focus resources on core businesses by improving financial strength from positive free cash flows

RENESAS

Summary

- FY13/3 Q2 net sales and operating income (loss) resulted within the original forecasts
- Recorded special loss of approximately 84 B yen in FY13/3 Q2 due to implementation of the early retirement program in Japan, while expecting to reduce labor costs by approximately 53 B yen a year
- Steady progress in production structural reforms including a decision to transfer Renesas High Components, Inc.
- Have been improving financial strength steadily, including securing financing of 97 B yen from major shareholders and main banks, and moving short-term debt of 161.1 B yen to long-term commitment

(FOREWARD-LOOKING STATEMENTS)
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