

FY18/12 Q1 PRESENTATION

RENESAS ELECTRONICS CORPORATION
MAY 11, 2018

BIG IDEAS
FOR EVERY SPACE

FINANCIAL TARGETS AND STRATEGY

Long-term Financial Targets*1 (Starting from CY16)

Topline growth

High Single-Digit CAGR

Margin Improvement

Adj. GM *2 : **44%*4** → **50%**

Adj. OM *3 : **12%*4** → **over 20%**

Clear Path to Gross Margin Expansion

Topline Growth

Manufacturing Optimization

Better Product Mix

Intersil Consolidation



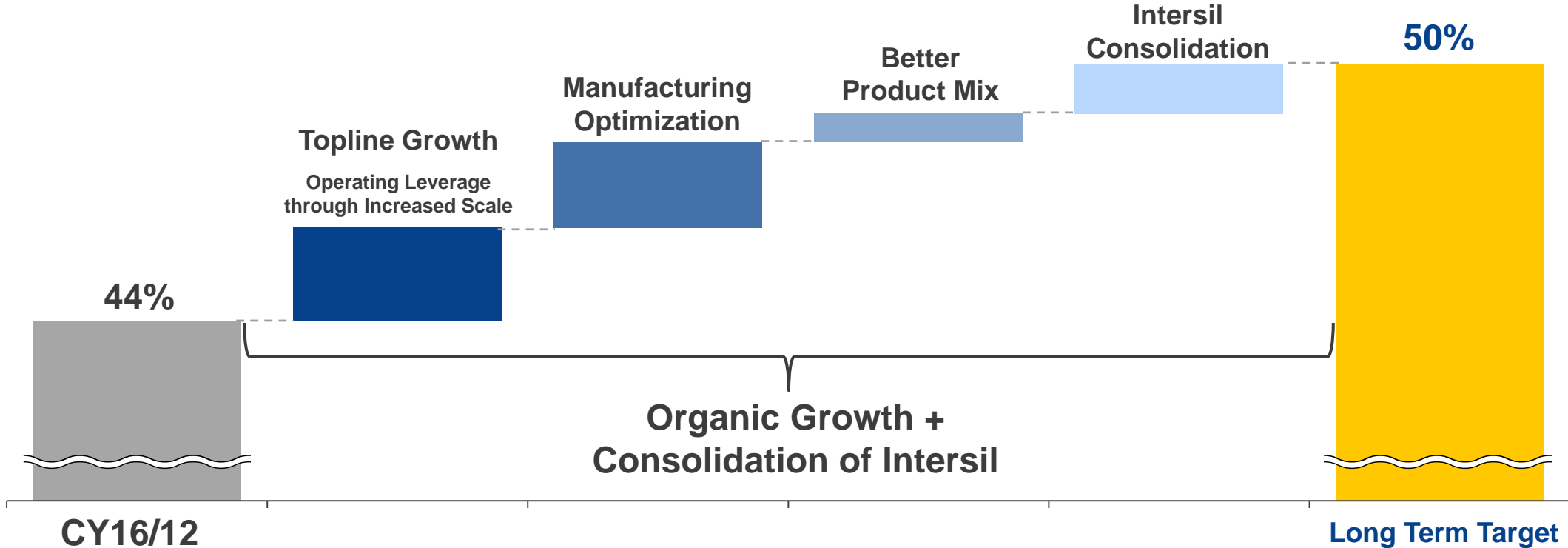
Further Acquisitions

*1: Long-term targets reflect non-GAAP adjustments and exclude amortization of goodwill and intangible assets, noncash expenses such as stock based compensation expenses and one-time expenses. For a detailed reconciliation of the GAAP / non-GAAP items, please see pages 6-8 in the appendix to these materials. *2: Adjusted Gross Margin: The calculation of adjusted gross profit margin excludes the effects of inventory buildup, Purchased Price Allocation ("PPA") effects and expenses related to stock-based compensation

*3: Adjusted Operating Margin: The calculation of adjusted operating income margin excludes the effect of inventory buildup, PPA effects, amortization of goodwill, costs related to the acquisition of Intersil, amortization of purchased intangible assets, expenses related to stock-based compensation and costs related to the offering. *4: Calculated on a calendar-year basis (Jan-Dec 2016) by adding FY2016/3 4Q (3 months) to FY2016/12 (9 months)

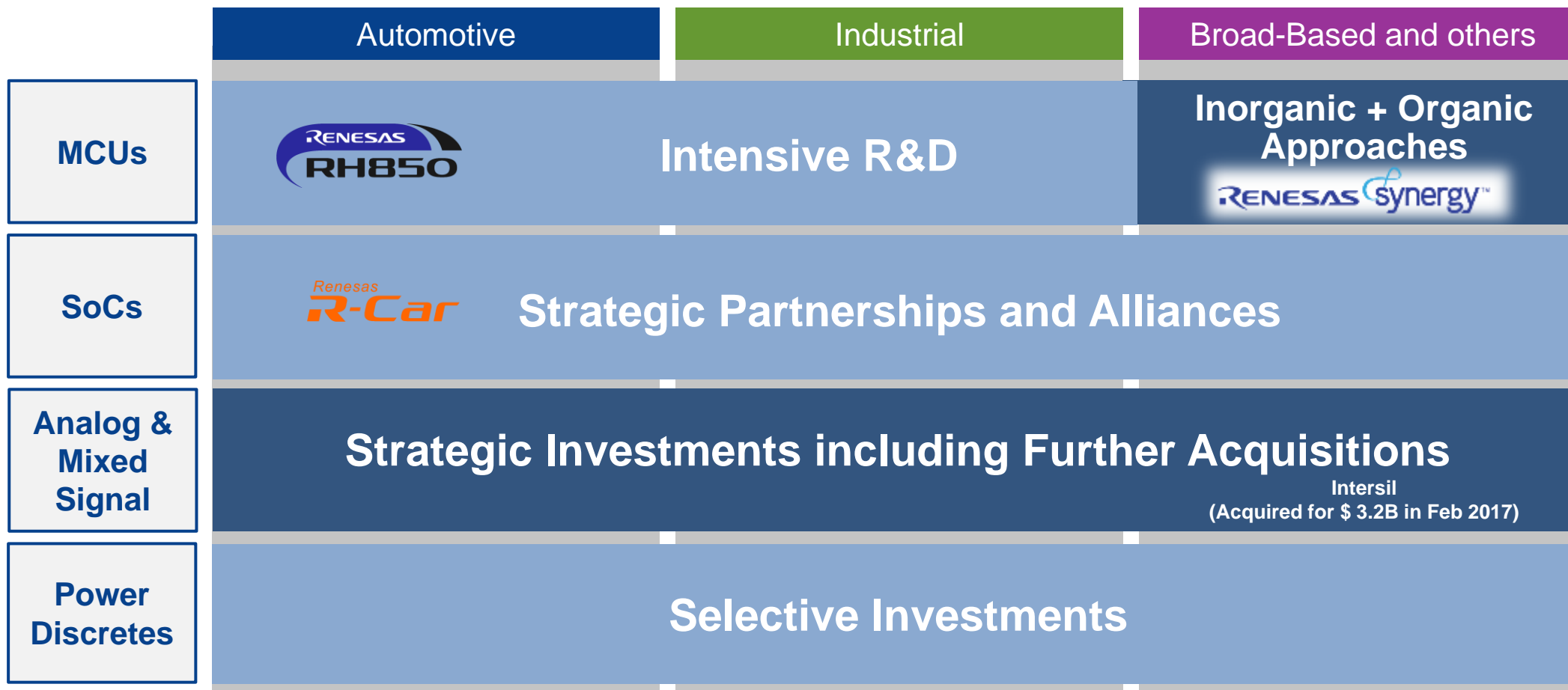
STEPS TO IMPROVE GROSS MARGIN

Adjusted Gross Margin*1
(Illustrative)



*1: Non-GAAP figure, Gross Margin: The calculation of adjusted gross profit margin excludes the effects of inventory buildup, Purchased Price Allocation (“PPA”) effects following the purchase of Intersil and expenses related to stock-based compensation. For a detailed reconciliation of the GAAP / non GAAP items, please see pages 6-8 in the appendix to these materials

CUSTOM APPROACHES FOR FOCUSED INDUSTRIES



NON-GAAP BASIS INFORMATION

In this section, Renesas Electronics Group (hereinafter “the Group”) applies Non-GAAP financial measures (hereinafter “Non-GAAP basis”) used for management’s decision making. The Group defines the Non-GAAP consolidated financial results as financial accounting figures (hereinafter “GAAP”) excluding non-recurring and other items. The Group believes Non-GAAP operating income is useful information to understand its recurring operating performance.

The Group reports its consolidated forecast on a quarterly basis (cumulative quarter total) as a substitute for a yearly forecast.

REVISED GAAP/NON-GAAP RECONCILIATION (FY17/12-)

- Non-GAAP Basis: Results excluding non-recurring and certain other items. Following the completion of the purchase of Intersil in February 2017, Non-GAAP figures exclude amortization of goodwill, amortization of purchased intangible assets, costs related to the Intersil acquisition, stock-based compensation cost, costs related to the offering, and PPA (purchase price allocation) effects associated with the acquisition. See page 5 for reconciliation of Japan GAAP and Non-GAAP.
- PPA effects include market valuations of inventories and fixed assets, etc.
- The consolidated financial statements for the year ended December 31, 2017 reflected a significant revision in allocation of the acquisition cost following the provisional accounting treatment finalized on December 31, 2017 for a business combination of Intersil which Renesas acquired on February 24, 2017. For details, please refer to the earnings report, "Renesas Electronics Reports Financial Results for the First Quarter Ended March 31, 2018".

(B yen)	FY17/12				FY18/12	
	Q1	Q2	Q3	Q4	Q1	Q2 (Forecast)
Net Sales (After PPA)	177.2	197.3	195.5	210.2	185.9	196.1
PPA Effects (Net Sales)	+0.4	+0.8	-0	+0	-	-
Net Sales (Non-GAAP)	177.6	198.1	195.5	210.2	185.9	196.1
Gross Margin (GAAP/After PPA)	77.7	81.9	93.0	100.2	88.8	85.8
PPA Effects (Net Sales/COGS*1)	+3.1	+8.5	+0.3	+0.4	+0.3	+0.3
Stock-Based Compensation (COGS)	+0	+0	+0	+0.2	+0.1	+0.1
Gross Profit (Non-GAAP)	80.8	90.5	93.3	100.8	89.3	86.2
Gross Margin (Non-GAAP) (%)	45.5%	45.7%	47.7%	47.9%	48.0%	44.0%

*1:Cost of goods sold

GAAP/NON-GAAP*1 RECONCILIATION (FY17/12-)

(B yen)	FY17/12				FY18/12	
	Q1	Q2	Q3	Q4	Q1	Q2 (Forecast)
Operating Profit (GAAP/After PPA)	22.1	9.4	25.0	21.9	20.6	14.4
PPA Effects*2 (Net Sales/COGS*3)	+3.1	+8.5	+0.3	+0.4	+0.3	+0.3
PPA Effects (R&D*4, SG&A*5) Increase in depreciation of fixed assets, etc.	+0.1	+0.2	+0.2	+0.2	+0.1	+0.1
Stock-Based Compensation (COGS)	+0	+0	+0	+0.2	+0.1	+0.1
Amortization of Goodwill (SG&A)	+1.8	+5.2	+5.2	+5.3	+5.1	+4.9
Costs Related to the Acquisition of Intersil (SG&A)	+0.5	+0.4	+0.4	+0.2	+0.2	+0.2
Costs Related to the Acquisition of Intersil (R&D)	-	-	-	+0.1	+0	+0.1
Amortization of Purchased Intangible Assets (SG&A)	+1.5	+4.4	+4.4	+4.5	+4.1	+3.6
Stock-Based Compensation (R&D)	+0	+0.3	+0.3	+0.5	+0.2	+0.4
Stock-Based Compensation (SG&A)	+0	+0.3	+0.3	+0.9	+0.6	+0.8
Costs Related to the Offering and Others (SG&A)	-	+0.2	+0	-	+0	+0.1
Operating Profit (Non-GAAP)	29.1	29.0	35.9	34.1	31.4	25.1
Operating Margin (Non-GAAP) (%)	16.4%	14.6%	18.4%	16.2%	16.9%	12.8%

*1: Non-GAAP Basis: Results excluding non-recurring and certain other items. Following the completion of the purchase of Intersil in February 2017, Non-GAAP figures exclude amortization of goodwill, amortization of purchased intangible assets, costs related to the Intersil acquisition, stock-based compensation cost, costs related to the offering, and PPA (purchase price allocation) effects associated with the acquisition. See page 5 for reconciliation of Japan GAAP and Non-GAAP. *2: PPA effects include market valuations of inventories and fixed assets. *3: Cost of goods sold *4: Research & development expenses *5: Selling, general and administrative expenses

GAAP/NON-GAAP*1 RECONCILIATION (FY17/12-)

(B yen)	FY17/12				FY18/12	
	Q1	Q2	Q3	Q4	Q1	Q2 (Forecast)
Net Profit Attributable to Shareholders of Parent Company (GAAP/After PPA)	17.2	19.1	22.3	18.6	23.3	10.7
Reconciliations in Operating Profit Level	+7.0	+19.6	+10.9	+12.2	+10.8	+10.7
Reconciliations in Ordinary Profit (PPA Effects*2)	-	-	-	+0.1	-	-
Reconciliations in Net Profit (PPA Effects)	-0.5	-1.4	-0.6	-0.5	-	-
Reconciliations in Net Profit (Impact from Intersil Acquisition)	-	-	-	-	-8.2	-
Net Profit Attributable to Shareholders of Parent Company (Non-GAAP)	23.6	37.3	32.7	30.3	25.9	21.3

*1: Non-GAAP Basis: Results excluding non-recurring and certain other items. Following the completion of the purchase of Intersil in February 2017, Non-GAAP figures exclude amortization of goodwill, amortization of purchased intangible assets, costs related to the Intersil acquisition, stock-based compensation cost, costs related to the offering, and PPA (purchase price allocation) effects associated with the acquisition. See page 5 for reconciliation of Japan GAAP and Non-GAAP.

*2: PPA effects include market valuations of inventories and fixed assets.

FY18/12 Q1 FINANCIAL SNAPSHOT (NON-GAAP BASIS*1)

YoY and QoQ results as well as the changes from February 9 FCTs of the Net Sales and Semi Sales are rounded off to one decimal place.

(B yen)	FY17/12		FY18/12				
	Q1 (Jan-Mar)	Q4 (Oct-Dec)	Q1 (Jan-Mar) Forecast	Q1 (Jan-Mar) Actual	YoY	QoQ	Change from Feb 9 FCT
Net Sales	177.6	210.2	182.0	185.9	+4.7%	-11.6%	+2.1%
Semi Sales	172.6	206.4	178.7	182.0	+5.5%	-11.8%	+1.9%
Gross Margin	45.5%	47.9%	43.9%	48.0%	+2.6pts	+0.1pts	+4.2pts
Operating Income (Margin)	29.1 (16.4%)	34.1 (16.2%)	20.6 (11.3%)	31.4 (16.9%)	+2.3 (+0.5pts)	-2.7 (+0.7pts)	+10.8 (+5.6pts)
Net Income Attributable to Shareholders of Parent Company	23.6	30.3	18.4	25.9	+2.3	-4.4	+7.5
EBITDA*2	46.2	54.5	42.9	53.5	+7.3	-1.0	+10.6
1 US\$=	114 yen	113 yen	107 yen	108 yen	5 yen appreciation	5 yen appreciation	1 yen depreciation
1 Euro=	121 yen	133 yen	132 yen	133 yen	12 yen depreciation	-	1 yen depreciation

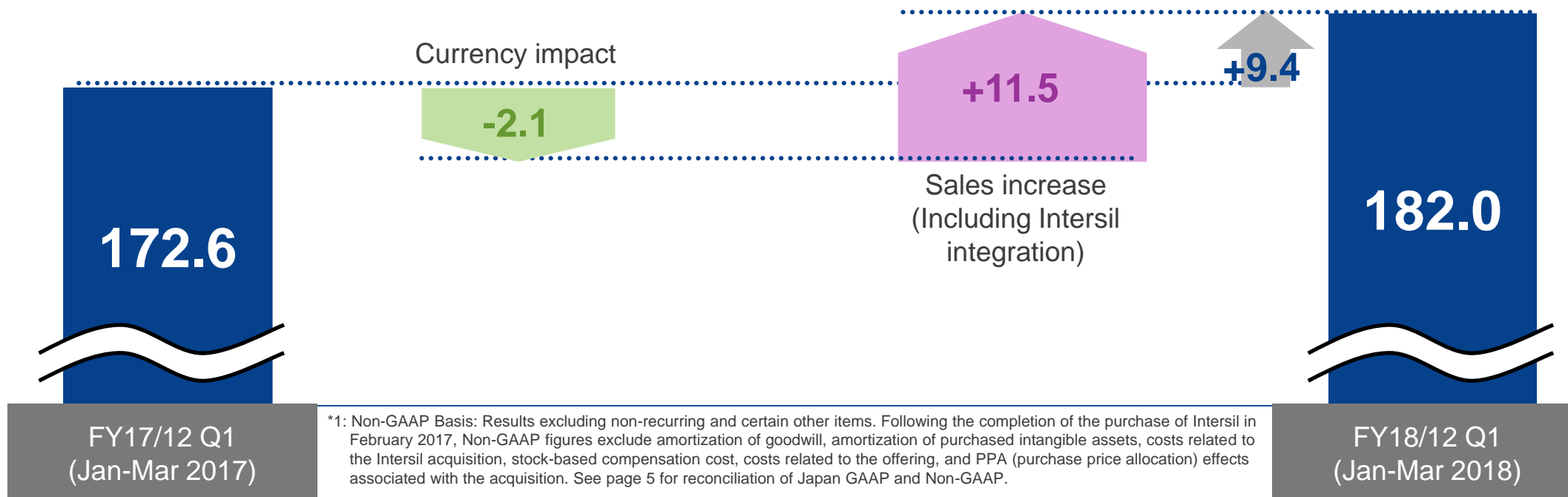
*1: Non-GAAP Basis: Results excluding non-recurring and certain other items. Following the completion of the purchase of Intersil in February 2017, Non-GAAP figures exclude amortization of goodwill, amortization of purchased intangible assets, costs related to the Intersil acquisition, stock-based compensation cost, costs related to the offering, and PPA (purchase price allocation) effects associated with the acquisition. See page 5 for reconciliation of Japan GAAP and Non-GAAP.

*2: Operating income + Depreciation and amortization + Amortization of long-term prepaid expenses

FY18/12 Q1 SEMICONDUCTOR SALES (NON-GAAP BASIS*1)

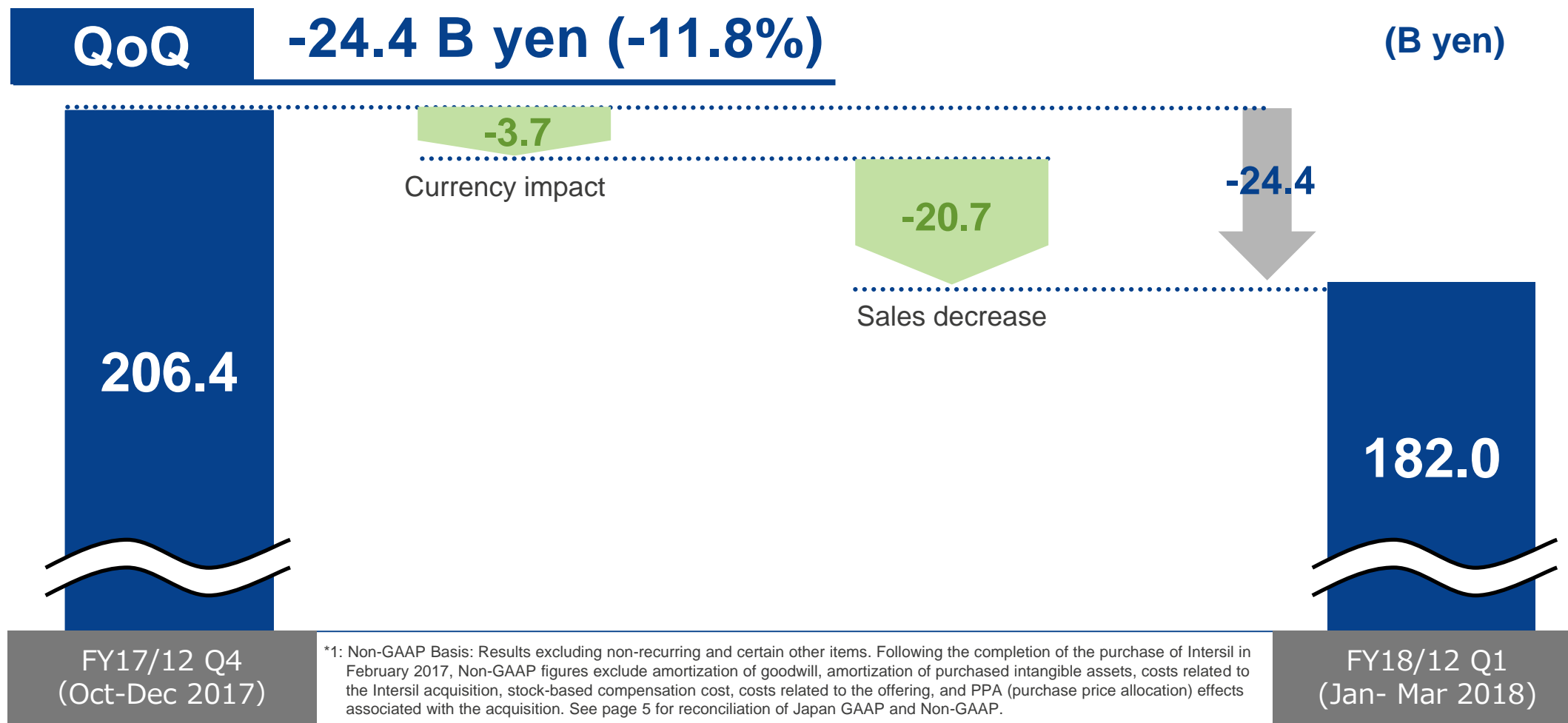
YoY +9.4 B yen (+5.5%)

(B yen)



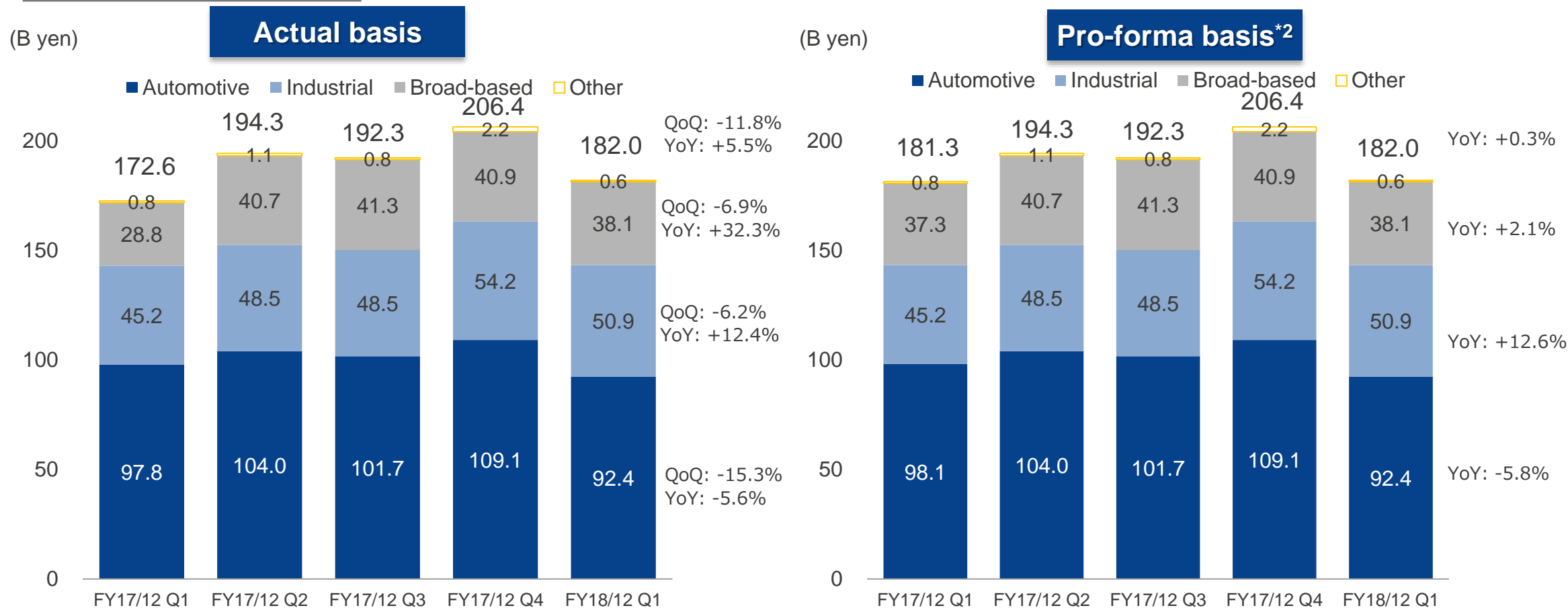
*1: Non-GAAP Basis: Results excluding non-recurring and certain other items. Following the completion of the purchase of Intersil in February 2017, Non-GAAP figures exclude amortization of goodwill, amortization of purchased intangible assets, costs related to the Intersil acquisition, stock-based compensation cost, costs related to the offering, and PPA (purchase price allocation) effects associated with the acquisition. See page 5 for reconciliation of Japan GAAP and Non-GAAP.

FY18/12 Q1 SEMICONDUCTOR SALES (NON-GAAP BASIS*1)



QUARTERLY SEMICONDUCTOR SALES TRENDS

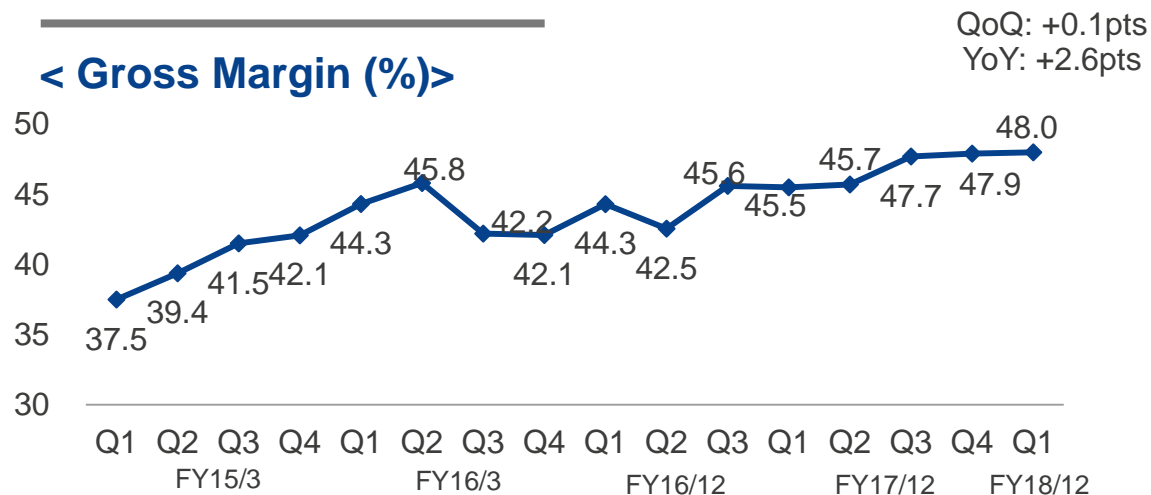
(NON-GAAP BASIS*1)



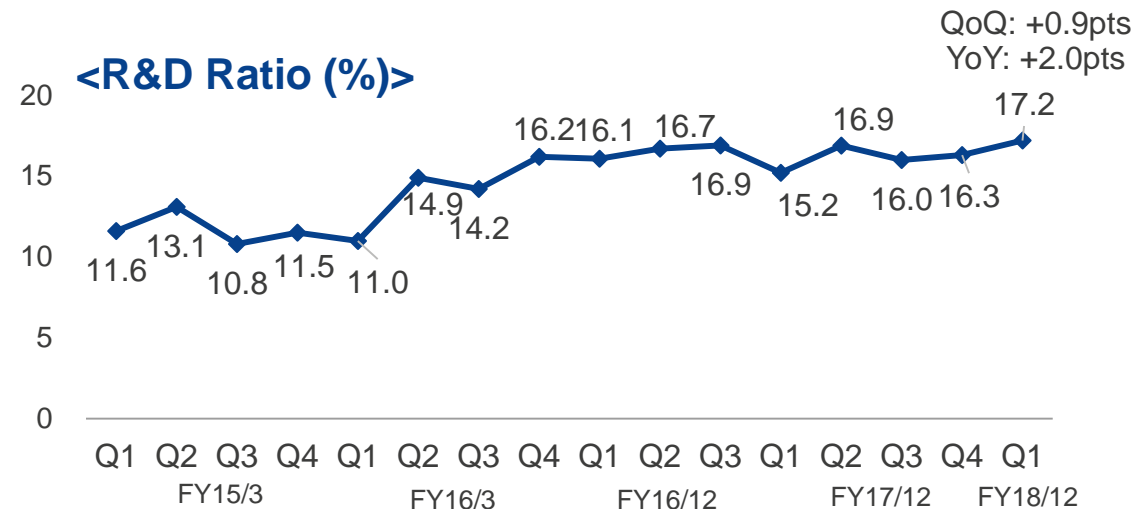
*1: Non-GAAP Basis: Results excluding non-recurring and certain other items. Following the completion of the purchase of Intersil in February 2017, Non-GAAP figures exclude amortization of goodwill, amortization of purchased intangible assets, costs related to the Intersil acquisition, stock-based compensation cost, costs related to the offering, and PPA (purchase price allocation) effects associated with the acquisition. See page 5 for reconciliation of Japan GAAP and Non-GAAP. *2: Renesas Net Sales including Intersil's historical revenue prior to the close of the acquisition on February 24, 2017

GROSS MARGIN, OPERATING MARGIN AND OPEX TRAJECTORIES (NON-GAAP BASIS*1)

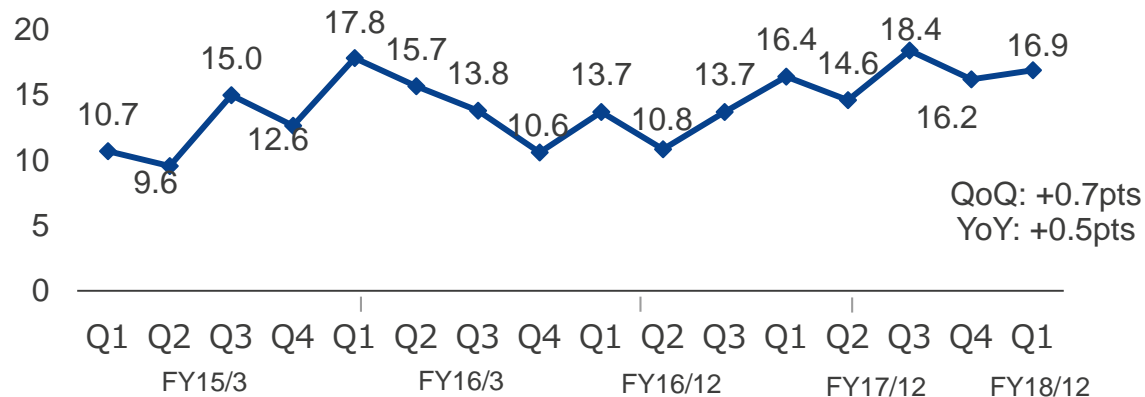
< Gross Margin (%)>



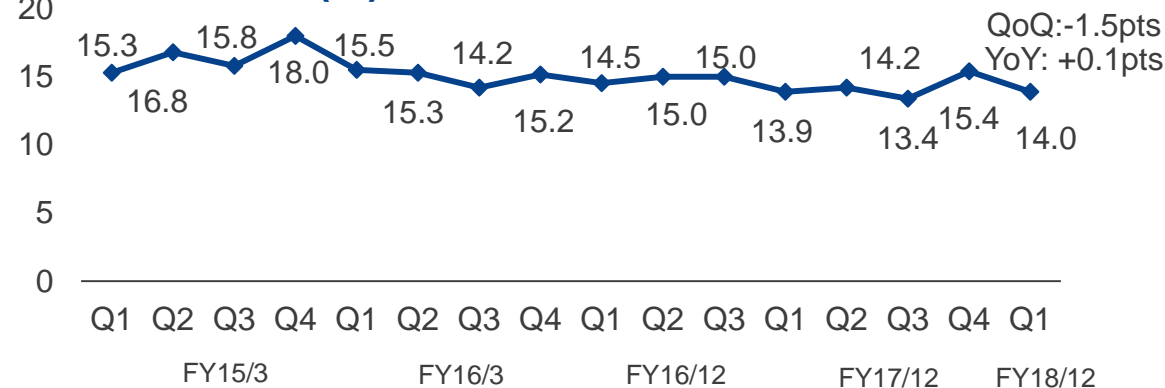
<R&D Ratio (%)>



< Operating Margin (%)>



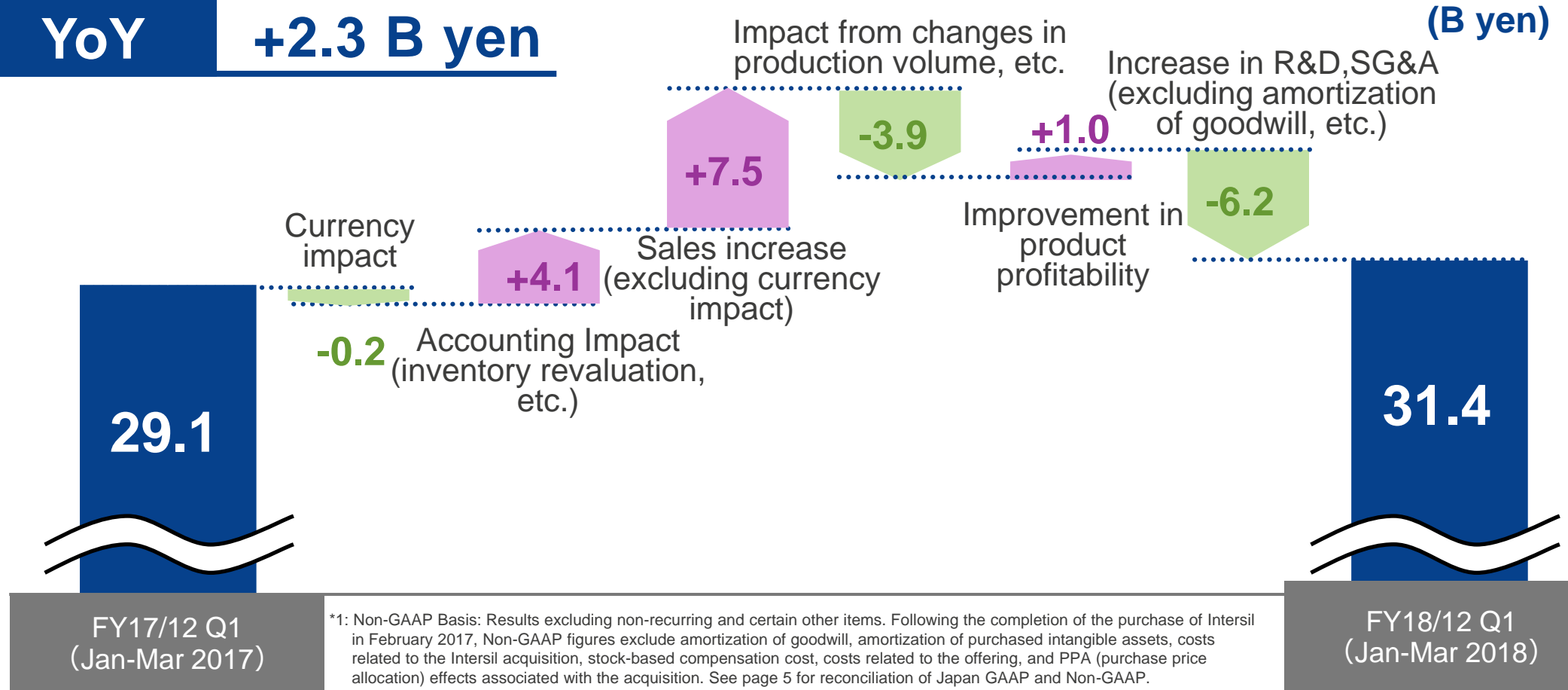
<SG&A Ratio (%)>



*1: Non-GAAP Basis: Results excluding non-recurring and certain other items. Following the completion of the purchase of Intersil in February 2017, Non-GAAP figures exclude amortization of goodwill, amortization of purchased intangible assets, costs related to the Intersil acquisition, stock-based compensation cost, costs related to the offering, and PPA (purchase price allocation) effects associated with the acquisition. See page 5 for reconciliation of Japan GAAP and Non-GAAP.

FY18/12 Q1 OPERATING INCOME (NON-GAAP BASIS*1)

YoY +2.3 B yen



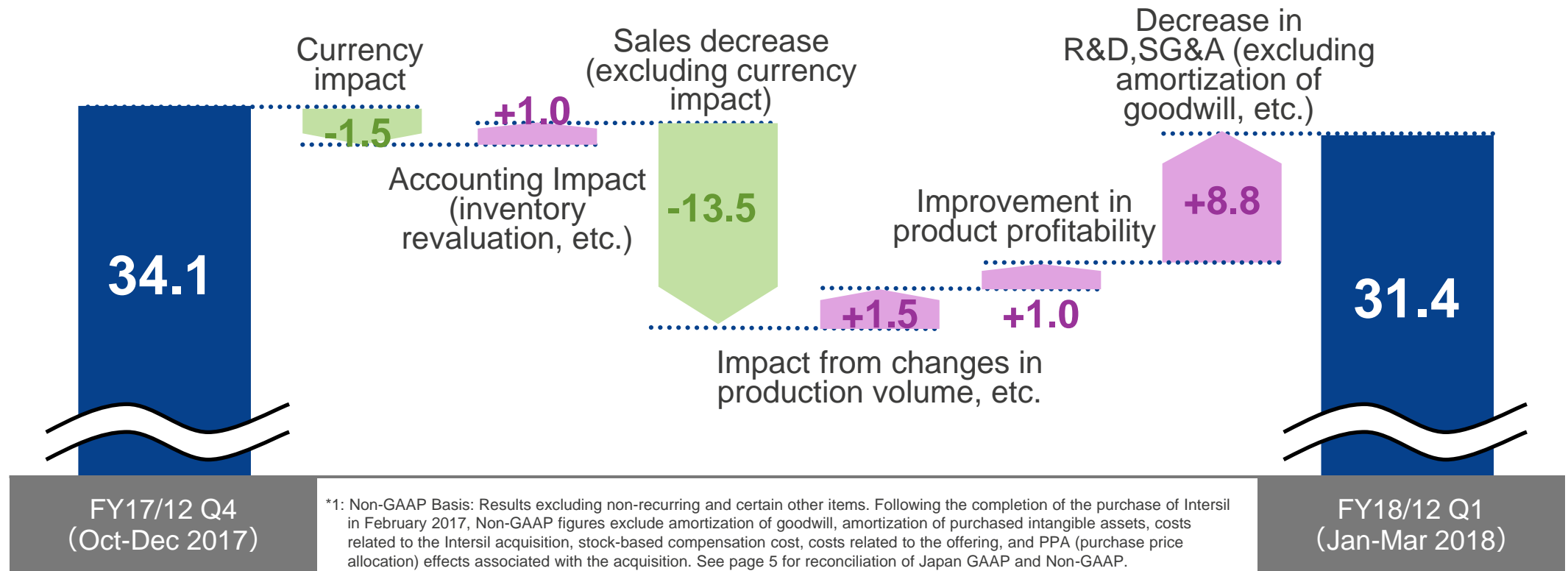
*1: Non-GAAP Basis: Results excluding non-recurring and certain other items. Following the completion of the purchase of Intersil in February 2017, Non-GAAP figures exclude amortization of goodwill, amortization of purchased intangible assets, costs related to the Intersil acquisition, stock-based compensation cost, costs related to the offering, and PPA (purchase price allocation) effects associated with the acquisition. See page 5 for reconciliation of Japan GAAP and Non-GAAP.

FY18/12 Q1 OPERATING INCOME

(NON-GAAP BASIS*1)

QoQ **-2.7 B yen**

(B yen)



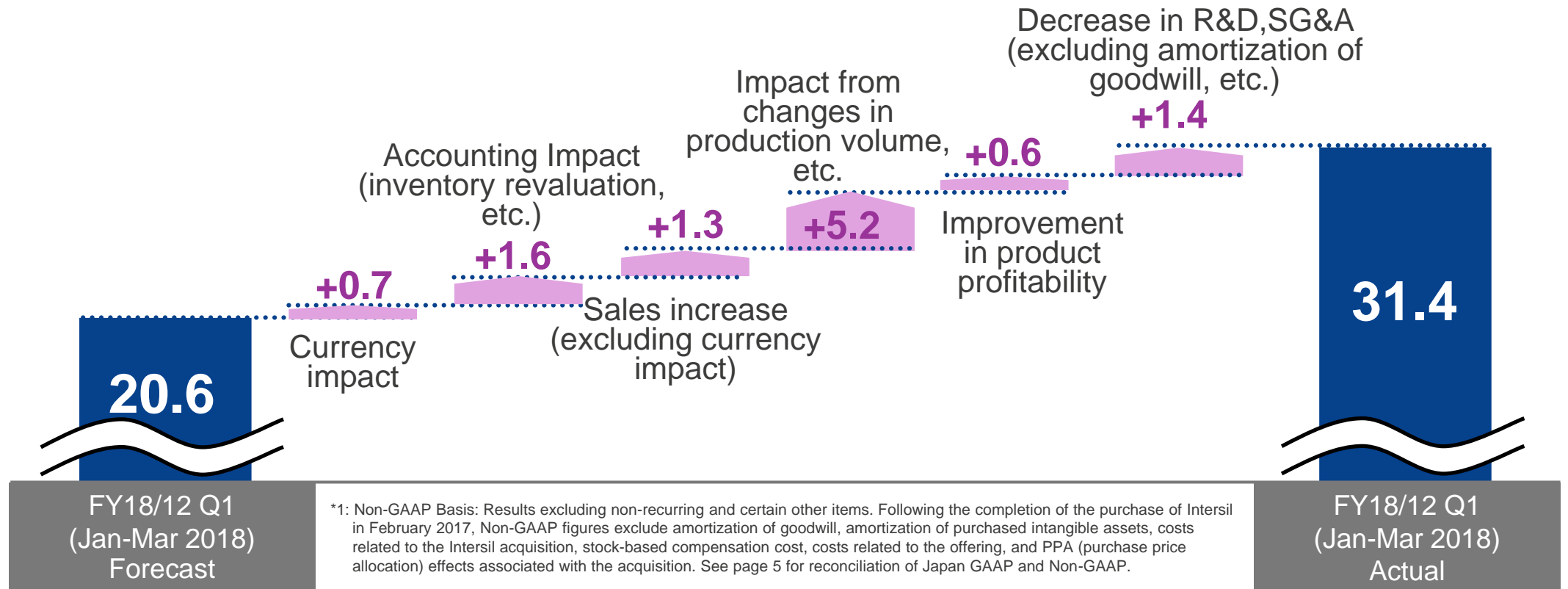
*1: Non-GAAP Basis: Results excluding non-recurring and certain other items. Following the completion of the purchase of Intersil in February 2017, Non-GAAP figures exclude amortization of goodwill, amortization of purchased intangible assets, costs related to the Intersil acquisition, stock-based compensation cost, costs related to the offering, and PPA (purchase price allocation) effects associated with the acquisition. See page 5 for reconciliation of Japan GAAP and Non-GAAP.

FY18/12 Q1 OPERATING INCOME

(NON-GAAP BASIS*1)

vs FCT +10.8 B yen

(B yen)



*1: Non-GAAP Basis: Results excluding non-recurring and certain other items. Following the completion of the purchase of Intersil in February 2017, Non-GAAP figures exclude amortization of goodwill, amortization of purchased intangible assets, costs related to the Intersil acquisition, stock-based compensation cost, costs related to the offering, and PPA (purchase price allocation) effects associated with the acquisition. See page 5 for reconciliation of Japan GAAP and Non-GAAP.

FY18/12 Q2 FINANCIAL FORECASTS

(NON-GAAP BASIS*1)

YoY and QoQ forecasts of the Net Sales and Semi Sales are rounded off to one decimal place.

(B yen)	FY17/12		FY18/12					YoY
	Q2 (Apr-Jun)	1H (Jan-Jun)	Q1 (Jan-Mar)	Q2 Forecast (Apr-Jun)	YoY	QoQ	1H Forecast (Jan-Jun)	
Net Sales	198.1	375.8	185.9	196.1	-1.0%	+5.5%	382.0	+1.7%
Semi Sales	194.3	366.9	182.0	192.7	-0.8%	+5.9%	374.7	+2.1%
Gross Margin	45.8%	45.6%	48.0%	44.0%	-1.8pts	-4.0pts	45.9%	+0.3pts
Operating Income (Margin)	29.0 (14.6%)	58.1 (15.5%)	31.4 (16.9%)	25.1 (12.8%)	-4.0 (-1.9pts)	-6.3 (-4.1pts)	56.4 (14.8%)	-1.6 (-0.7pts)
Net Income Attributable to Shareholders of Parent Company	37.3	60.9	25.9	21.3	-16.0	-4.6	47.2	-13.7
EBITDA*2	47.1	93.4	53.5	48.1	+1.0	-5.4	101.6	+8.2
1 US\$=	111 yen	112 yen	108 yen	105 yen	6 yen appreciation	3 yen appreciation	107 yen	6 yen appreciation
1 Euro=	122 yen	122 yen	133 yen	129 yen	7 yen depreciation	4 yen appreciation	131 yen	10 yen depreciation

*1: Non-GAAP Basis: Results excluding non-recurring and certain other items. Following the completion of the purchase of Intersil in February 2017, Non-GAAP figures exclude amortization of goodwill, amortization of purchased intangible assets, costs related to the Intersil acquisition, stock-based compensation cost, costs related to the offering, and PPA (purchase price allocation) effects associated with the acquisition. See page 5 for reconciliation of Japan GAAP and Non-GAAP.

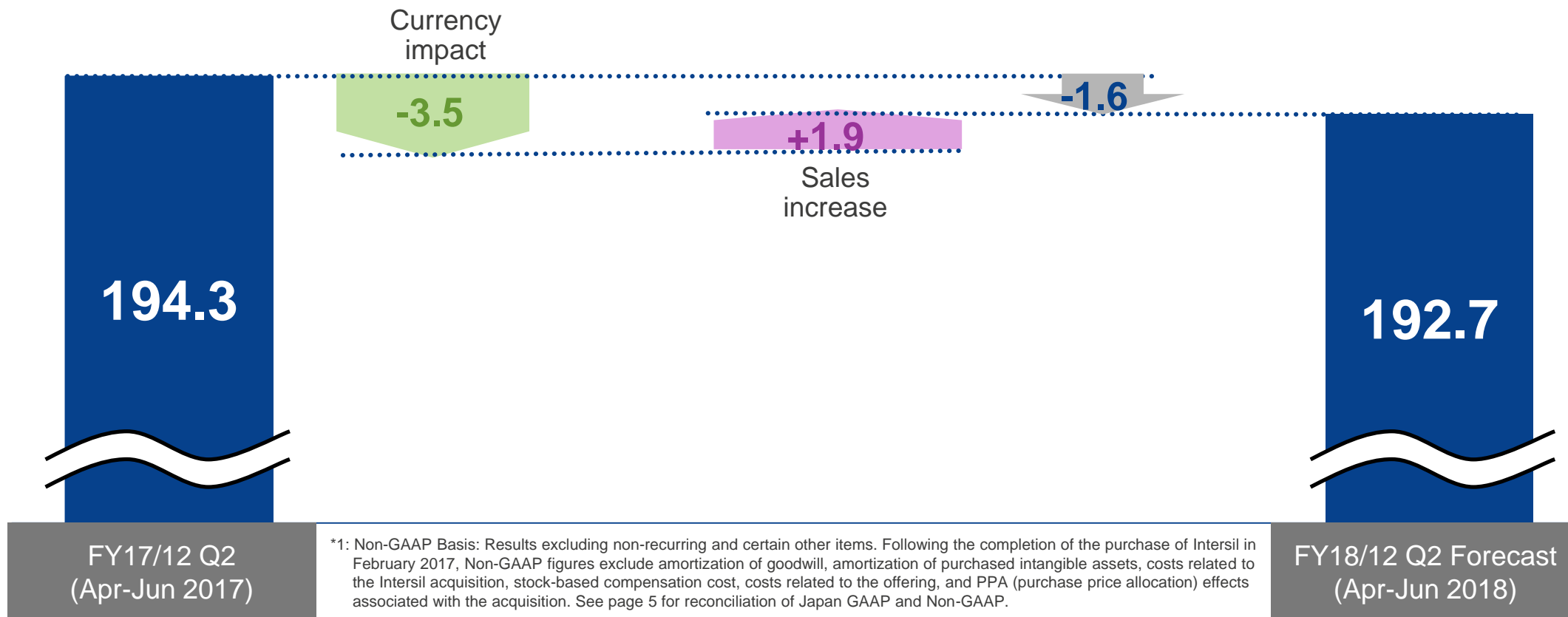
*2: Operating income + Depreciation and amortization + Amortization of long-term prepaid expenses

FY18/12 Q2 SEMICONDUCTOR SALES FORECAST

(NON-GAAP BASIS*1)

YoY -1.6 B yen (-0.8%)

(B yen)



*1: Non-GAAP Basis: Results excluding non-recurring and certain other items. Following the completion of the purchase of Intersil in February 2017, Non-GAAP figures exclude amortization of goodwill, amortization of purchased intangible assets, costs related to the Intersil acquisition, stock-based compensation cost, costs related to the offering, and PPA (purchase price allocation) effects associated with the acquisition. See page 5 for reconciliation of Japan GAAP and Non-GAAP.

FY18/12 Q2 SEMICONDUCTOR SALES FORECAST

(NON-GAAP BASIS*1)

QoQ

+10.7 B yen (+5.9%)

(B yen)



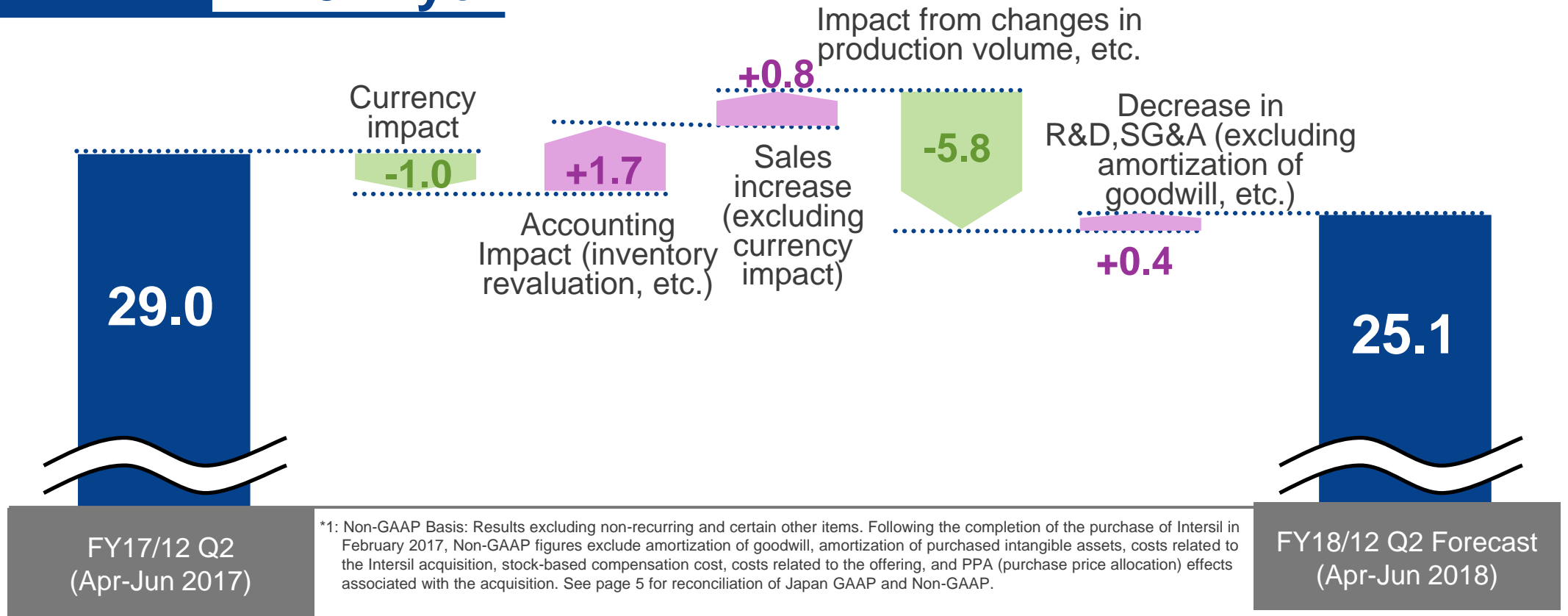
*1: Non-GAAP Basis: Results excluding non-recurring and certain other items. Following the completion of the purchase of Intersil in February 2017, Non-GAAP figures exclude amortization of goodwill, amortization of purchased intangible assets, costs related to the Intersil acquisition, stock-based compensation cost, costs related to the offering, and PPA (purchase price allocation) effects associated with the acquisition. See page 5 for reconciliation of Japan GAAP and Non-GAAP.

FY18/12 Q2 OPERATING INCOME FORECAST

(NON-GAAP BASIS*1)

YoY -4.0 B yen

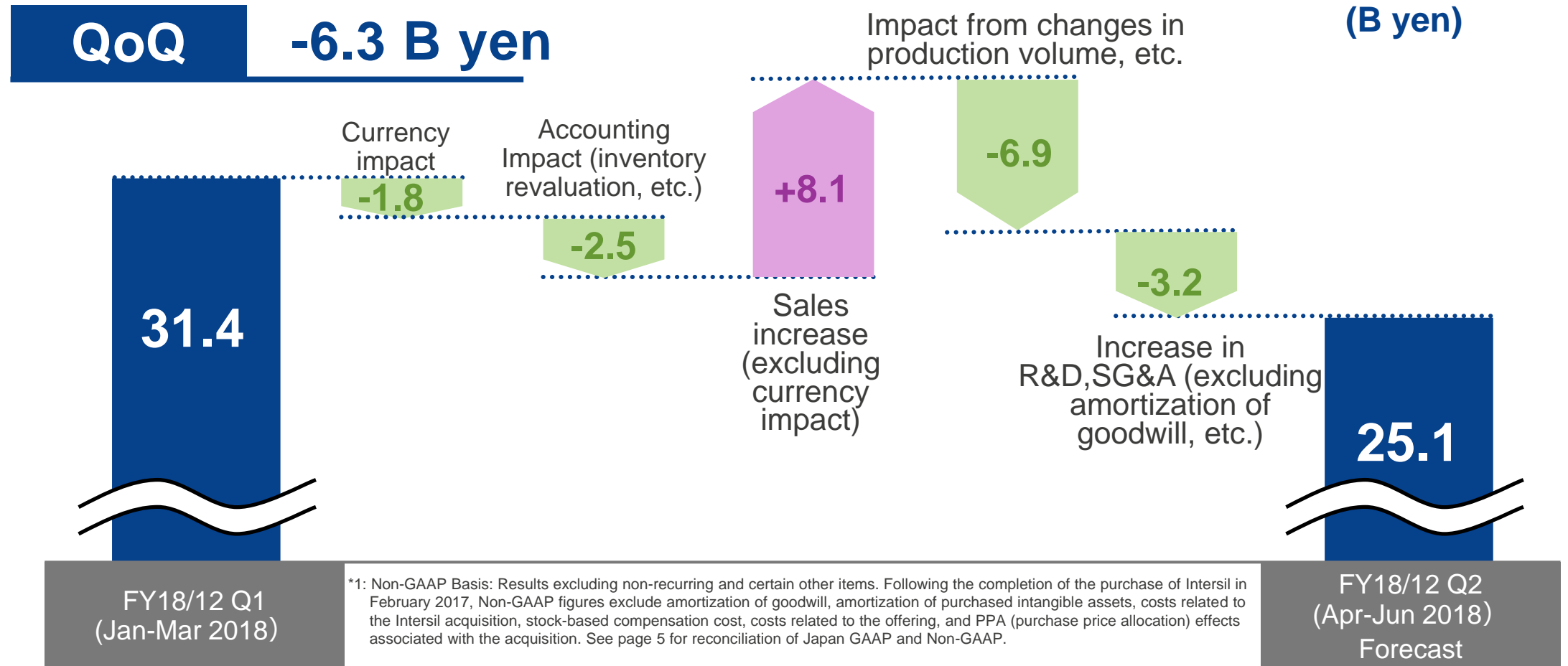
(B yen)



*1: Non-GAAP Basis: Results excluding non-recurring and certain other items. Following the completion of the purchase of Intersil in February 2017, Non-GAAP figures exclude amortization of goodwill, amortization of purchased intangible assets, costs related to the Intersil acquisition, stock-based compensation cost, costs related to the offering, and PPA (purchase price allocation) effects associated with the acquisition. See page 5 for reconciliation of Japan GAAP and Non-GAAP.

FY18/12 Q2 OPERATING INCOME FORECAST

(NON-GAAP BASIS*1)



GAAP BASIS INFORMATION

The figures in this section are mainly based on GAAP (Generally Accepted Accounting Principles) stated on a financial reporting basis and are provided as additional information.

FORMER GAAP/NON-GAAP RECONCILIATION (UNTIL FY16/12)

(B Yen)	FY15/3				FY16/3				FY16/12		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Semiconductor Sales (GAAP) ①	201.2	199.6	177.4	175.1	174.5	177.0	160.9	163.2	147.5	148.3	161.4
Renesas SP Drivers*1 ②	-17.6	-21.0	-	-	-	-	-	-	-	-	-
Semiconductor Sales (Non-GAAP*) ①+②	183.6	178.6	177.4	175.1	174.5	177.0	160.9	163.2	147.5	148.3	161.4
Gross Profit (GAAP) ①	80.5	81.6	78.6	78.1	79.8	85.5	71.8	68.5	65.1	62.9	74.7
Renesas SP Drivers ②	-6.0	-6.4	-	-	-	-	-	-	-	-	-
Inventory Buildup*3 ③	-2.6	-1.7	-1.7	-1.4	-0.4	-2.3	-2.3	+2.1	+2.3	+2.0	+1.2
Gross Profit (Non-GAAP) ①+②+③	71.9	73.5	76.9	76.7	79.4	83.2	69.5	70.6	67.4	64.9	75.9
Operating Income (GAAP) ①	27.0	23.5	29.5	24.4	32.4	30.7	25.0	15.7	18.6	14.6	21.6
Renesas SP Drivers ②	-3.9	-4.0	-	-	-	-	-	-	-	-	-
Inventory Buildup ③	-2.6	-1.7	-1.7	-1.4	-0.4	-2.3	-2.3	+2.1	+2.3	+2.0	+1.2
Operating Income (Non-GAAP) ①+②+③	20.5	17.9	27.8	23.0	32.0	28.4	22.7	17.8	20.9	16.6	22.8
R&D (Renesas SP Drivers)	1.8	1.9	-	-	-	-	-	-	-	-	-
SG&A (Renesas SP Drivers)	0.3	0.5	-	-	-	-	-	-	-	-	-

*1: Sales and operating income (loss) of the former Renesas SP Drivers, which was transferred on October 1, 2014

*2: Results excluding non-recurring and certain other items. Non-GAAP basis excludes the impact of sales and profit/loss of Renesas SP Drivers, impact of profit/loss of LTE modem business and profit/loss from inventory buildup until the end of FY2016 ended December 2016.

*3: Amount of income (loss) from inventory buildup of the EOL products resulting from the realignment of the factories

FY18/12 Q1 FINANCIAL SNAPSHOT

YoY and QoQ results as well as the changes from February 9 FCTs of the Net Sales and Semi Sales are rounded off to one decimal place.

(B yen)	FY17/12		FY18/12				
	Q1 (Jan-Mar)	Q4 (Oct-Dec)	Q1 (Jan-Mar) Forecast	Q1 (Jan-Mar) Actual	YoY	QoQ	Change from Feb 9 FCT
Net Sales	177.2	210.2	182.0	185.9	+4.9%	-11.6%	+2.1%
Semi Sales	172.2	206.4	178.7	182.0	+5.7%	-11.8%	+1.9%
Gross Margin	43.8%	47.7%	43.6%	47.8%	+3.9pts	+0.1pt	+4.1pts
Operating Income (Margin)	22.1 (12.5%)	21.9 (10.4%)	10.0 (5.5%)	20.6 (11.1%)	-1.5 (-1.4pts)	-1.3 (+0.7pts)	+10.6 (+5.6pts)
Net Income Attributable to Shareholders of Parent Company	17.2	18.6	16.0	23.3	+6.2	+4.8	+7.3
EBITDA*2	42.7	52.6	41.6	52.3	+9.6	-0.3	+10.7
1 US\$=	114 yen	113 yen	107 yen	108 yen	5 yen appreciation	5 yen appreciation	1 yen depreciation
1 Euro=	121 yen	133 yen	132 yen	133 yen	12 yen depreciation	-	1 yen depreciation

*1: The consolidated financial statements for the year ended December 31, 2017 reflect a significant revision in allocation of the acquisition cost following the provisional accounting treatment finalized on December 31, 2017 for a business combination of Intersil which Renesas acquired on February 24, 2017.

*2: Operating income + Depreciation and amortization + Amortization of long-term prepaid expenses + Amortization of goodwill

BALANCE SHEETS*1

(B yen)	As of Mar. 31, 2017	As of Jun. 30, 2017	As of Sept. 30, 2017	As of Dec. 31, 2017	As of Mar. 31, 2018
Total Assets	995.3	1,018.5	1,023.7	1,062.7	1,016.2
Cash and Cash Equivalents*2	101.0	126.6	124.4	139.5	124.3
Inventories	113.9	109.0	120.6	126.6	138.8
Liabilities	565.3	566.7	544.0	550.8	505.0
Interest-Bearing Debt*3	252.7	249.8	232.1	229.5	227.0
Shareholders' Equity	425.4	444.6	466.9	485.5	510.1
Net Assets	430.0	451.7	479.7	511.9	511.2
D/E Ratio (Gross)*4	0.59	0.56	0.49	0.45	0.45
D/E Ratio (Net)*5	0.35	0.27	0.23	0.18	0.20
Equity*6 Ratio	43.0%	44.1%	46.5%	47.7%	49.8%

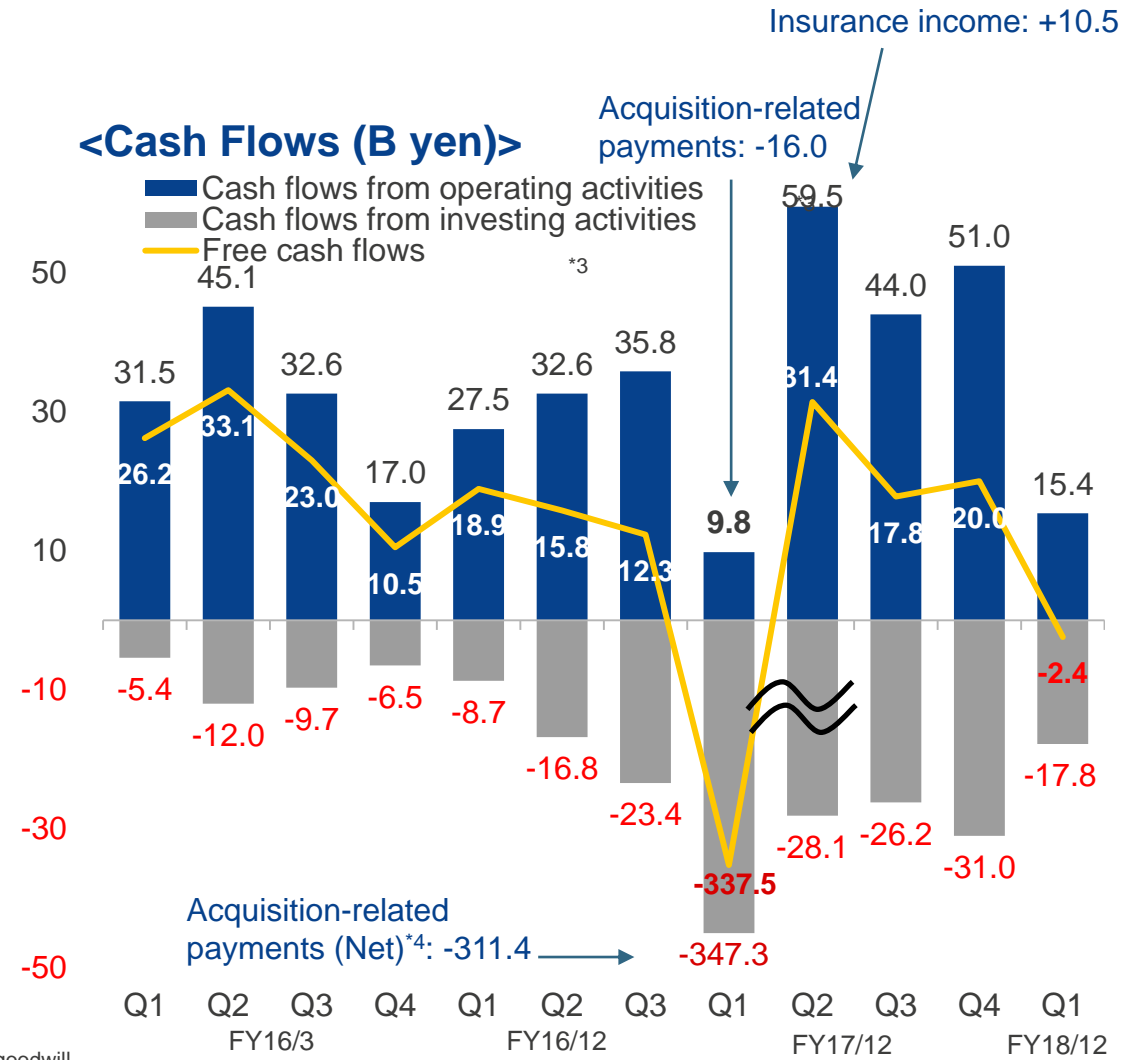
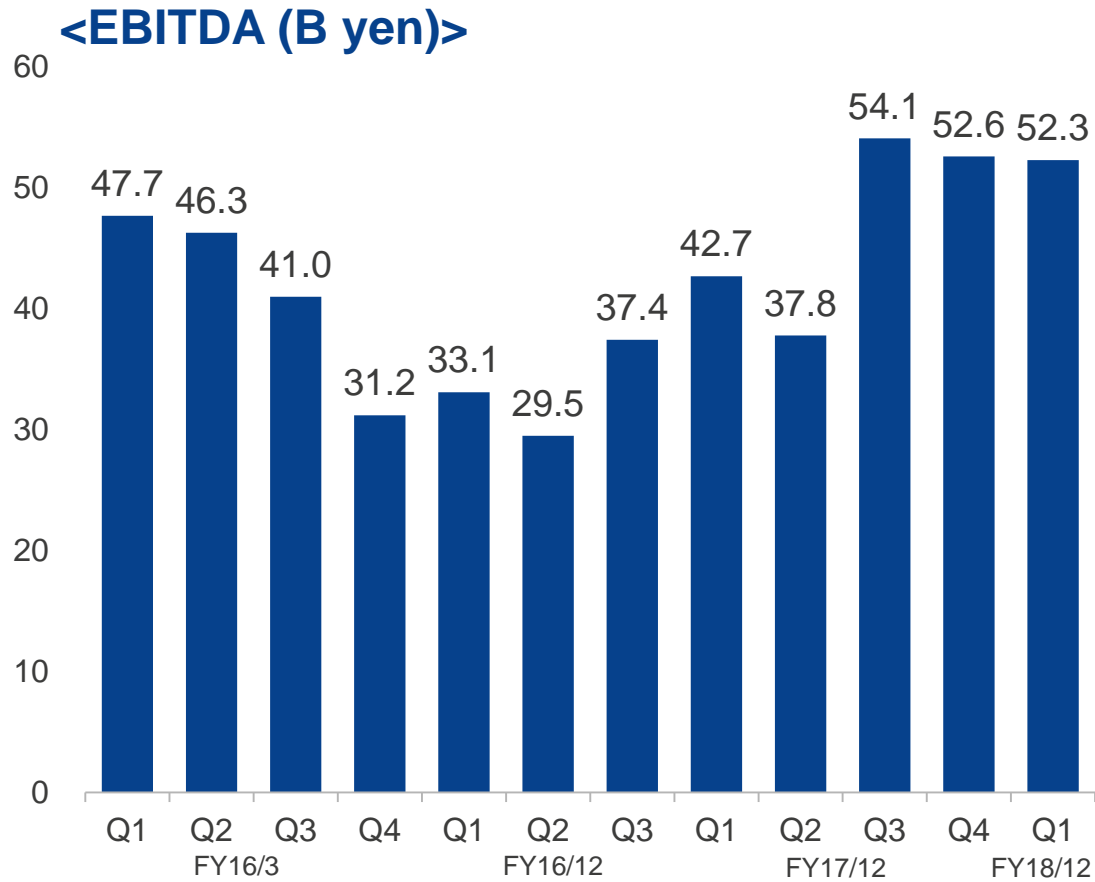
*1: The consolidated financial statements for the year ended December 31, 2017 reflect a significant revision in allocation of the acquisition cost following the provisional accounting treatment finalized on December 31, 2017 for a business combination of Intersil which Renesas acquired on February 24, 2017.

*2: Sum of Cash and deposits and Short-term investment securities minus the Time deposits with maturities of more than three months and Securities with maturities of more than three months

*3: Short-term borrowings + Current portion of long-term borrowings + Lease obligations + Long-term borrowings

*4: Interest-Bearing Debt / Equity *5: (Interest-Bearing Debt - Cash and Cash Equivalents) / Equity *6: Shareholders' Equity + Other Comprehensive Income

EBITDA*1 AND CASH FLOWS*2



*1: Operating income + Depreciation and amortization + Amortization of long-term prepaid expenses + Amortization of goodwill

*2: The consolidated financial statements for the year ended December 31, 2017 reflected a significant revision in allocation of the acquisition cost following the provisional accounting treatment finalized on December 31, 2017 for a business combination of Intersil which Renesas acquired on February 24, 2017.

*3: Cash flows from operating activities + Cash flows from investing activities

*4: Sum of payments for purchase of Intersil stocks and Intersil's cash and deposits as of Feb 24, 2017

FY18/12 Q2 FINANCIAL FORECASTS

YoY and QoQ forecasts of the Net Sales and Semi Sales are rounded off to one decimal place.

(B yen)	FY17/12 ^{*1}		FY18/12					
	Q2 (Apr-Jun)	H1 (Jan-Jun)	Q1 (Jan-Mar)	Q2 Forecast (Apr-Jun)	YoY	QoQ	1H (Jan-Jun) Forecast	YoY
Net Sales	197.3	374.5	185.9	196.1	-0.6%	+5.5%	382.0	+2.0%
Semi Sales	193.5	365.7	182.0	192.7	-0.4%	+5.9%	374.7	+2.5%
Gross Margin	41.5%	42.6%	47.8%	43.8%	+2.2pts	-4.0pts	45.7%	+3.1pts
Operating Income (Margin)	9.4 (4.8%)	31.6 (8.4%)	20.6 (11.1%)	14.4 (7.3%)	+5.0 (+2.6pts)	-6.2 (-3.7pts)	35.0 (9.2%)	+3.4 (+0.7pts)
Net Income Attributable to Shareholders of Parent Company	19.1	36.3	23.3	10.7	-8.5	-12.7	34.0	-2.3
EBITDA ^{*2}	37.8	80.5	52.3	46.3	+8.5	-6.0	98.6	+18.1
1 US\$=	111 yen	112 yen	108 yen	105 yen	6 yen appreciation	3 yen appreciation	107 yen	6 yen appreciation
1 Euro=	122 yen	122 yen	133 yen	129 yen	7 yen depreciation	4 yen appreciation	131 yen	10 yen depreciation

*1: The consolidated financial statements for the year ended December 31, 2017 reflected a significant revision in allocation of the acquisition cost following the provisional accounting treatment finalized on December 31, 2017 for a business combination of Intersil which Renesas acquired on February 24, 2017.

*2: Operating income + Depreciation and amortization + Amortization of long-term prepaid expenses + Amortization of goodwill

BIG IDEAS FOR EVERY SPACE

(FORWARD-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. Such forward-looking statements do not represent any guarantee by management of future performance. In many cases, but not all, we use such words as “aim,” “anticipate,” “believe,” “continue,” “endeavor,” “estimate,” “expect,” “initiative,” “intend,” “may,” “plan,” “potential,” “probability,” “project,” “risk,” “seek,” “should,” “strive,” “target,” “will” and similar expressions to identify forward-looking statements. You can also identify forward-looking statements by discussions of strategy, plans or intentions. These statements discuss future expectations, identify strategies, contain projections of our results of operations or financial condition, or state other forward-looking information based on our current expectations, assumptions, estimates and projections about our business and industry, our future business strategies and the environment in which we will operate in the future. Known and unknown risks, uncertainties and other factors could cause our actual results, performance or achievements to differ materially from those contained or implied in any forward-looking statement, including, but not limited to: general economic conditions in our markets, which are primarily Japan, North America, Asia and Europe; demand for, and competitive pricing pressure on, 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.

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