

Separate Sheet

Renesas Electronics
Japan GAAP – Non-GAAP Reconciliation

(Billion yen)	Q4 FY2018 Actual (Dec-Oct 2018)	Q3 FY2018 Actual (Jul-Sep 2018)	Q4 FY2017 Actual (Dec-Oct 2017)
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Net Sales (after PPA adjustment)	187.7	180.2	210.2
PPA Effects	-	-	+0.0
Non-GAAP Net Sales	187.7	180.2	210.2

GAAP Gross Profit	76.3	79.5	100.2
GAAP Gross Margin (%)	40.7%	44.1%	47.7%
PPA Effects (COGS)	+0.3	+0.3	+0.4
Stock-Based Compensation (COGS)	+0.2	+0.2	+0.2
Non-GAAP Gross Profit	76.8	80.0	100.8
Non-GAAP Gross Margin (%)	40.9%	44.4%	47.9%

GAAP Operating Profit	10.1	13.1	21.9
PPA Effects (Net Sales/COGS)	+0.3	+0.3	+0.4
PPA Effects (R&D, SG&A) Increase in Depreciation of Fixed Assets, etc.	+0.1	+0.1	+0.2
Stock-Based Compensation (COGS)	+0.2	+0.2	+0.2
Amortization of Goodwill (SG&A)	+5.3	+5.2	+5.3
Costs Related to the Acquisition of Intersil (SG&A)	+0.2	+0.2	+0.2
Costs Related to the Acquisition of Intersil (R&D)	+0.1	+0.1	+0.1
Amortization of Purchased Intangible Assets (SG&A)	+3.9	+3.8	+4.5
Stock-Based Compensation (R&D)	+0.5	+0.4	+0.5
Stock-Based Compensation (SG&A)	+0.5	+0.5	+0.9
Costs Related to the Offering and Others (SG&A)	+0.1	+0.4	-
Non-GAAP Operating Profit	21.2	24.1	34.1
Non-GAAP Operating Margin (%)	11.3%	13.4%	16.2%

GAAP Net Profit Attributable to Shareholders of Parent Company	-2.4	7.6	18.6
Reconciliations in Operating Profit Level	+11.1	+11.1	+12.2
Reconciliations in Ordinary Profit (PPA Effects)	-	-	+0.1
Reconciliations in Net Profit (PPA Effects)	-	-	-0.5
Reconciliations in Net Profit (Impact from Intersil Acquisition)	-	-	-
Reconciliations in Net Profit (Other Non-Ordinary Income)	+8.7	-	-
Non-GAAP Net Profit Attributable to Shareholders of Parent Company	17.4	18.6	30.3

Renesas Electronics
Japan GAAP – Non-GAAP Reconciliation

(Billion yen)	Full Year 2018 (Jan-Dec 2018)	Full Year 2017 (Jan-Dec 2017)
Net Sales (after PPA adjustments)	757.4	780.3
PPA Effects	-	+1.2
Non-GAAP Net Sales	757.4	781.5
GAAP Gross Profit	336.6	352.8
GAAP Gross Margin (%)	44.4%	45.2%
PPA Effects (COGS)	+1.3	+12.4
Stock-Based Compensation (COGS)	+0.6	+0.2
Non-GAAP Gross Profit	338.5	365.3
Non-GAAP Gross Margin (%)	44.7%	46.7%
GAAP Operating Profit	66.8	78.4
PPA Effects (Net Sales/COGS)	+1.3	+12.4
PPA Effects (R&D, SG&A)	+0.3	+0.7
Increase in Depreciation of Fixed Assets, etc.		
Stock-Based Compensation (COGS)	+0.6	+0.2
Amortization of Goodwill (SG&A)	+20.7	+17.4
Costs Related to the Acquisition of Intersil (SG&A)	+0.8	+1.5
Costs Related to the Acquisition of Intersil (R&D)	+0.2	+0.1
Amortization of Purchased Intangible Assets (SG&A)	+15.5	+14.7
Stock-Based Compensation (R&D)	+1.7	+1.1
Stock-Based Compensation	+2.2	+1.5

(SG&A)		
Costs Related to the Offering (SG&A)	+0.6	+0.2
Non-GAAP Operating Profit	110.6	128.1
Non-GAAP Operating Margin (%)	14.6%	16.4%

GAAP Net Profit Attributable to Shareholders of Parent Company	54.6	77.2
Reconciliations in Operating Profit Level	+43.8	+49.7
Reconciliations in Ordinary Profit (PPA Effects)	-	+0.1
Reconciliations in Net Profit (PPA Effects)	-	-3.0
Reconciliations in Net Profit (Impact from Intersil Acquisition and Non-Recurring Expense)	-6.1	-
Non-GAAP Net Profit Attributable to Shareholders of Parent Company	92.3	123.9

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