In this section, Renesas Electronics Group (hereinafter “the Group”) applies non-GAAP financial measures (hereinafter “non-GAAP basis”) used for management’s decision making. Non-GAAP figures are calculated by removing or adjusting non-recurring items and other adjustments from GAAP (IFRS: International Financial Reporting Standards) figures following a certain set of rules. The Group believes providing non-GAAP figures will help to better understand the Group’s constant business results.

The Group reports its forecasts on a quarterly basis as a substitute for a yearly forecast.
DISCLAIMER

- **Adoption of IFRS:** With the outlook that the Group will continue to expand globally and to provide financial figures that can be compared on a global scale, the Group discloses its consolidated financial statements in accordance with IFRS starting from the annual securities report for FY2018/12.

- **Non-GAAP figures:** Non-GAAP figures are calculated by removing or adjusting non-recurring items and other adjustments from GAAP (IFRS) figures following a certain set of rules. This adjustment and exclusion include the amortization of intangible assets recognized from acquisitions, other PPA (purchase price allocation) adjustments relating to acquisitions, stock-based compensation, as well as other non-recurring expenses and income the Group believes to be applicable.

- **Presentation of financial forecasts:** Starting from the consolidated forecasts for the three months ended March 31, 2019, the Group presents its financial forecasts as a range, and gross margin and operating margin figures in the non-GAAP format. The gross margin and operating margin forecasts are given assuming the midpoint in the sales revenue forecast.

- **Purchase Price Allocation (PPA):** The allocation of the acquisition costs for the business combination with Steradian Semiconductors Private Limited (“Steradian”), which was completed on October 17, 2022, has been revised during the current fiscal year. This revision to the allocation of the acquisition costs (PPA) has been reflected in the consolidated financial results for the year ended December 31, 2022.
# 1Q 2023 Financial Snapshot

## NON-GAAP

<table>
<thead>
<tr>
<th>(B yen)</th>
<th>2022</th>
<th>2023</th>
<th>Change from Feb 9 FCT*1</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1Q (Jan-Mar)</td>
<td>4Q (Oct-Dec)</td>
<td>1Q (Jan-Mar) Forecast</td>
</tr>
<tr>
<td>Revenue</td>
<td>346.7</td>
<td>391.3</td>
<td>355.0 (+7.5)</td>
</tr>
<tr>
<td>Revenue (Excluding Foreign Exchange Impact)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>58.4%</td>
<td>56.0%</td>
<td>54.5%</td>
</tr>
<tr>
<td>Operating Profit (Margin)</td>
<td>135.5 (39.1%)</td>
<td>135.7 (34.7%)</td>
<td>32.5%</td>
</tr>
<tr>
<td>Profit Attributable to Owners of Parent</td>
<td>90.2</td>
<td>109.3</td>
<td>-</td>
</tr>
<tr>
<td>Profit Attributable to Owners of Parent (Excluding Foreign Exchange Impact) *2</td>
<td>107.8</td>
<td>85.6</td>
<td>-</td>
</tr>
<tr>
<td>EBITDA*3</td>
<td>155.2</td>
<td>155.5</td>
<td>-</td>
</tr>
</tbody>
</table>

1 US$= 115 yen 144 yen 130 yen 133 yen 18 yen depreciation 12 yen appreciation 3 yen depreciation

1 Euro= 130 yen 144 yen 140 yen 142 yen 12 yen depreciation 2 yen appreciation 2 yen depreciation

---

*1: Each figure represents comparisons with the midpoint in the sales revenue forecast range

*2: Profit attributable to owners of parent – foreign exchange gain/loss

*3: Operating profit + Depreciation and amortization
QUARTERLY REVENUE TRENDS
NON-GAAP

Revenue
YoY: +3.7%
QoQ: -8.1%

Automotive
YoY: +9.3%
QoQ: -0.8%

Industrial/Infrastructure/IoT
YoY: -0.6%
QoQ: -13.8%

[Bar chart showing revenue trends for different quarters and years, segmented by Automotive, Industrial/Infrastructure/IoT, and Others.]
### 1Q 2023 REVENUE AND GROSS/OPERATING MARGIN
**NON-GAAP**

<table>
<thead>
<tr>
<th></th>
<th>Automotive</th>
<th>Industrial / Infrastructure / IoT</th>
<th>Company Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>168.3 B yen</td>
<td>188.8 B yen</td>
<td>359.7 B yen</td>
</tr>
<tr>
<td></td>
<td>vs FCT: +</td>
<td>vs FCT: +</td>
<td>vs FCT: +1.3%</td>
</tr>
<tr>
<td></td>
<td>QoQ: -0.8%</td>
<td>QoQ: -13.8%</td>
<td>QoQ: -8.1%</td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td>52.8%</td>
<td>59.4%</td>
<td>56.2%</td>
</tr>
<tr>
<td></td>
<td>QoQ: +4.6pts</td>
<td>QoQ: -3.1pts</td>
<td>vs FCT: +1.7pts</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>QoQ: +0.2pt</td>
</tr>
<tr>
<td><strong>Operating Margin</strong></td>
<td>36.1%</td>
<td>33.5%</td>
<td>34.7%</td>
</tr>
<tr>
<td></td>
<td>QoQ: +5.0pts</td>
<td>QoQ: -3.2pts</td>
<td>vs FCT: +2.2pts</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>QoQ: +0.0pt</td>
</tr>
</tbody>
</table>

**Operating Margin vs FCT:** +2.2pts  
**Operating Margin QoQ:** +0.0pt  

**Gross Margin vs FCT:** +1.7pts  
**Gross Margin QoQ:** +0.2pts  

- Currency Impact
- Product Mix
- Production Recovery
- Production Costs, etc.
IN-HOUSE INVENTORY (FINANCIAL ACCOUNTING BASIS) AND DOI*1*2

*1: DOI: Days of Inventory = Inventory valuation balance at the end of the quarter / cost of sales of the quarter (Non-GAAP) × 90.
*2: The figures include Dialog’s inventories from 3Q21 and Celeno’s inventories from 4Q21. However, note that Dialog’s quarterly cost of sales for 3Q21 is calculated by multiplying Dialog’s September costs by 3.
SALES CHANNEL INVENTORY*1 (MANAGEMENT ACCOUNTING BASIS) AND WOI*2 FY2023 BUDGET RATE BASE

Inventory
- Liquid Inventory*3
- Long-Term Inventory, etc.*4

Target WOI

WOI

Company Total

Automotive

Industrial/Infrastructure/IoT

<table>
<thead>
<tr>
<th>Weeks</th>
<th>(B yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q</td>
<td>50</td>
</tr>
<tr>
<td>2Q</td>
<td>50</td>
</tr>
<tr>
<td>3Q</td>
<td>50</td>
</tr>
<tr>
<td>4Q</td>
<td>50</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Weeks</th>
<th>(B yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q</td>
<td>100</td>
</tr>
<tr>
<td>2Q</td>
<td>100</td>
</tr>
<tr>
<td>3Q</td>
<td>100</td>
</tr>
<tr>
<td>4Q</td>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Weeks</th>
<th>(B yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q</td>
<td>150</td>
</tr>
<tr>
<td>2Q</td>
<td>150</td>
</tr>
<tr>
<td>3Q</td>
<td>150</td>
</tr>
<tr>
<td>4Q</td>
<td>150</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Weeks</th>
<th>(B yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q</td>
<td>200</td>
</tr>
<tr>
<td>2Q</td>
<td>200</td>
</tr>
<tr>
<td>3Q</td>
<td>200</td>
</tr>
<tr>
<td>4Q</td>
<td>200</td>
</tr>
</tbody>
</table>

*1: Channel Inventory: Total inventory amount for Tokuyakuten for Japanese customers and overseas distributors (including channel inventories of Dialog from September 2021 and those of Celeno from March 2022)

*2: WOI: Weeks of Inventory = Channel inventory at the end of the quarter / (cost of channel sales in the quarter / 13 weeks). It should be noted that from the inventory management perspective, to calculate appropriate WOI, certain Long-Term Inventory is excluded from Channel Inventory

*3: Liquid Inventory: Channel Inventory – Long-Term Inventory, etc.

*4: Long-Term Inventory: Inventory with unique holding periods (End of Life or “EOL” products, e-commerce inventory etc.)

*5 Exchange rates for the FY2021 and FY2022 have been adjusted (and are calculated based on the FY2023 exchange rate) in accordance with the change in exchange rate for the FY2023 budget.
**INVENTORY ANALYSIS**

<table>
<thead>
<tr>
<th>In-House Inventory</th>
<th>Sales Channel Inventory</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>4Q22 → 1Q23</strong></td>
<td><strong>4Q22 → 1Q23</strong></td>
</tr>
<tr>
<td></td>
<td><strong>1Q → 2Q Outlook</strong></td>
</tr>
<tr>
<td></td>
<td><strong>1Q → 2Q Outlook</strong></td>
</tr>
<tr>
<td><strong>Raw Materials</strong></td>
<td><strong>Industrial</strong></td>
</tr>
<tr>
<td>Work-In-Process</td>
<td><strong>Infrastructure</strong></td>
</tr>
<tr>
<td>(WIP)</td>
<td><strong>IoT</strong></td>
</tr>
<tr>
<td><strong>Finished Goods</strong></td>
<td><strong>Automotive</strong></td>
</tr>
</tbody>
</table>

- BCM response
- Increased die bank inventory
- Production adjustment in anticipation of softening demand
- Shipments based on demand
- Continuous increase in die bank inventory
- Continuous production adjustment in anticipation of softening demand
- Continuous shipments based on demand
- Maintenance of appropriate inventory level
- Shipment adjustment in anticipation of softening demand
- Increased inventory level
- Inventory restocking
- Increased inventory level
- Increase in inventory level

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QUARTERLY TRENDS IN FRONT-END UTILIZATION RATE*1
WAFER INPUT BASIS

*1: Utilization rates are calculated by excluding the 6-inch line capacity of the Shiga Factory (closed in August 2021) and the Yamaguchi Factory (closed in June 2022) from 1Q21 and 1Q22 onwards, respectively.
GROSS PROFIT AND OPERATING PROFIT QUARTERLY TRENDS
NON-GAAP

**Gross Profit (Margin)**

(B yen)

- **2021**: 102.2 B yen
- **2022**: 113.3 B yen
- **2023**: 142.7 B yen

**Operating Profit (Margin)**

(B yen)

- **2021**: 135.5 B yen
- **2022**: 145.3 B yen
- **2023**: 142.8 B yen

**Year over Year Change**:
- Gross Profit: -2.2pts
- Operating Profit: -4.4pts

**Quarter over Quarter Change**:
- Gross Profit: +0.2pt
- Operating Profit: +0.0pt
## NON-GAAP EBITDA*1 AND GAAP CASH FLOWS

### Non-GAAP EBITDA

<table>
<thead>
<tr>
<th>Year</th>
<th>1Q</th>
<th>2Q</th>
<th>3Q</th>
<th>4Q</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>71.8</td>
<td>80.6</td>
<td>103.6</td>
<td>119.4</td>
</tr>
<tr>
<td>2022</td>
<td>155.2</td>
<td>165.2</td>
<td>163.4</td>
<td>155.5</td>
</tr>
<tr>
<td>2023</td>
<td>144.3</td>
<td>111.2</td>
<td>89.6</td>
<td>138.7</td>
</tr>
</tbody>
</table>

### GAAP Cash Flows

<table>
<thead>
<tr>
<th>Period</th>
<th>Cash flows from operating activities</th>
<th>Cash flows from investing activities</th>
<th>Free cash flows</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q 2021</td>
<td>71.8 B yen</td>
<td>137.4 B yen</td>
<td>65.6 B yen</td>
</tr>
<tr>
<td>2Q 2021</td>
<td>80.6 B yen</td>
<td>137.4 B yen</td>
<td>56.8 B yen</td>
</tr>
<tr>
<td>3Q 2021</td>
<td>103.6 B yen</td>
<td>137.4 B yen</td>
<td>53.8 B yen</td>
</tr>
<tr>
<td>4Q 2021</td>
<td>119.4 B yen</td>
<td>137.4 B yen</td>
<td>58.0 B yen</td>
</tr>
</tbody>
</table>

### Notes

*1: Operating profit + Depreciation and amortization
*2: The figures exclude acquisition-related payments and payments for acquisitions of subsidiaries for the contingent consideration
*3: Cash flows from operating activities + Cash flows from investing activities

---

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# 2Q 2023 FORECAST

**NON-GAAP**

<table>
<thead>
<tr>
<th>(B yen)</th>
<th>2022</th>
<th>2023</th>
<th>2Q (Apr-Jun) Midpoint Forecast (Range)*1</th>
<th>YoY</th>
<th>QoQ</th>
<th>1H (Jan-Jun) Forecast</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>377.1</td>
<td>723.8</td>
<td>359.7</td>
<td>360.0 (±7.5)</td>
<td>-4.5% (±2.0pts)</td>
<td>719.7 (±7.5)</td>
<td>-0.6% (±1.0pt)</td>
</tr>
<tr>
<td>(Excluding Foreign Exchange Impact)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-8.7%</td>
<td>+0.1%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>58.6%</td>
<td>58.5%</td>
<td>56.2%</td>
<td>55.5%</td>
<td>-3.1pts</td>
<td>-0.7pt</td>
<td>+55.8%</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>38.5%</td>
<td>38.8%</td>
<td>34.7%</td>
<td>32.0%</td>
<td>-6.5pts</td>
<td>-2.7pts</td>
<td>33.3%</td>
</tr>
<tr>
<td>1 US$ =</td>
<td>124 yen</td>
<td>120 yen</td>
<td>133 yen</td>
<td>132 yen</td>
<td>8 yen depreciation</td>
<td>1 yen appreciation</td>
<td>132 yen</td>
</tr>
<tr>
<td>1 Euro=</td>
<td>134 yen</td>
<td>132 yen</td>
<td>142 yen</td>
<td>143 yen</td>
<td>9 yen depreciation</td>
<td>1 yen depreciation</td>
<td>142 yen</td>
</tr>
</tbody>
</table>

*1: Each figure represents comparisons with the midpoint in the sales revenue forecast range
APPENDIX

The figures in this section are mainly based on segment disclosure and GAAP (IFRS) stated on a financial reporting basis and are provided as additional information.
## REVENUE AND GROSS PROFIT BY SEGMENT
### NON-GAAP

<table>
<thead>
<tr>
<th>(B yen)</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1Q (Jan-Mar)</td>
<td>2Q (Apr-Jun)</td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>346.7</td>
<td>377.1</td>
</tr>
<tr>
<td>Automotive</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>153.9</td>
<td>163.8</td>
</tr>
<tr>
<td>Industrial, Infrastructure, IoT</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>189.8</td>
<td>210.4</td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.0</td>
<td>2.9</td>
</tr>
<tr>
<td>Gross Profit (Margin)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>202.3 (58.4%)</td>
<td>220.9 (58.6%)</td>
</tr>
<tr>
<td>Automotive</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>79.7 (51.8%)</td>
<td>85.2 (52.0%)</td>
</tr>
<tr>
<td>Industrial, Infrastructure, IoT</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>121.6 (64.1%)</td>
<td>134.7 (64.0%)</td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>0.8 (27.2%)</td>
<td>0.8 (28.3%)</td>
</tr>
<tr>
<td>Adjustments*1</td>
<td>0.2</td>
<td>0.1</td>
</tr>
</tbody>
</table>

*1: Adjustments include deductions or adjustments of non-recurring items or other specified adjustments, allocated in the reportable segments.
# OPERATING PROFIT AND EBITDA*1 BY SEGMENT

## NON-GAAP

<table>
<thead>
<tr>
<th>(B yen)</th>
<th>2022</th>
<th>2023</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1Q (Jan-Mar)</td>
<td>2Q (Apr-Jun)</td>
<td>3Q (Jul-Sep)</td>
</tr>
<tr>
<td>Operating Profit (Margin)</td>
<td>135.5 (39.1%)</td>
<td>145.3 (38.5%)</td>
<td>142.8 (36.8%)</td>
</tr>
<tr>
<td>Automotive</td>
<td>57.5 (37.4%)</td>
<td>59.4 (36.3%)</td>
<td>49.7 (31.5%)</td>
</tr>
<tr>
<td>Industrial, Infrastructure, IoT</td>
<td>75.7 (39.9%)</td>
<td>84.3 (40.1%)</td>
<td>91.4 (40.3%)</td>
</tr>
<tr>
<td>Others</td>
<td>0.8 (27.2%)</td>
<td>0.8 (28.3%)</td>
<td>0.8 (27.9%)</td>
</tr>
<tr>
<td>Adjustments*2</td>
<td>1.5</td>
<td>0.8</td>
<td>0.9</td>
</tr>
<tr>
<td>EBITDA</td>
<td>155.2</td>
<td>165.2</td>
<td>163.4</td>
</tr>
<tr>
<td>Automotive</td>
<td>68.3</td>
<td>70.0</td>
<td>60.2</td>
</tr>
<tr>
<td>Industrial, Infrastructure, IoT</td>
<td>84.7</td>
<td>93.5</td>
<td>101.4</td>
</tr>
<tr>
<td>Others</td>
<td>0.8</td>
<td>0.8</td>
<td>0.8</td>
</tr>
<tr>
<td>Adjustments*2</td>
<td>1.5</td>
<td>0.8</td>
<td>0.9</td>
</tr>
</tbody>
</table>

*1: Operating profit + Depreciation and amortization

*2: Adjustments include deductions or adjustments of non-recurring items or other specified adjustments, allocated in the reportable segments
## STATEMENT OF FINANCIAL POSITION

**GAAP**

<table>
<thead>
<tr>
<th>(B yen)</th>
<th>22/3</th>
<th>22/6</th>
<th>22/9</th>
<th>22/12</th>
<th>23/3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>2,598.7</td>
<td>2,840.3</td>
<td>3,013.3</td>
<td>2,812.5</td>
<td>2,840.8</td>
</tr>
<tr>
<td>Cash and Cash Equivalents*1</td>
<td>267.2</td>
<td>247.9</td>
<td>310.1</td>
<td>336.1</td>
<td>361.4</td>
</tr>
<tr>
<td>Inventories</td>
<td>155.5</td>
<td>173.3</td>
<td>190.7</td>
<td>188.0</td>
<td>188.2</td>
</tr>
<tr>
<td>Goodwill</td>
<td>1,159.3</td>
<td>1,294.6</td>
<td>1,373.6</td>
<td>1,264.3</td>
<td>1,272.3</td>
</tr>
<tr>
<td>Intangible Assets</td>
<td>532.0</td>
<td>559.7</td>
<td>557.4</td>
<td>488.8</td>
<td>466.9</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>1,252.6</td>
<td>1,391.1</td>
<td>1,359.1</td>
<td>1,275.0</td>
<td>1,179.7</td>
</tr>
<tr>
<td>Interest-Bearing Liabilities*2</td>
<td>810.5</td>
<td>886.0</td>
<td>820.4</td>
<td>770.0</td>
<td>741.4</td>
</tr>
<tr>
<td>Total Equity</td>
<td>1,346.1</td>
<td>1,449.2</td>
<td>1,654.2</td>
<td>1,537.5</td>
<td>1,661.1</td>
</tr>
<tr>
<td>D/E Ratio (Gross)*3</td>
<td>0.60</td>
<td>0.61</td>
<td>0.50</td>
<td>0.50</td>
<td>0.45</td>
</tr>
<tr>
<td>D/E Ratio (Net)*4</td>
<td>0.40</td>
<td>0.44</td>
<td>0.31</td>
<td>0.28</td>
<td>0.23</td>
</tr>
<tr>
<td>Equity Ratio Attributable to Owners of Parent*5</td>
<td>51.7%</td>
<td>50.9%</td>
<td>54.8%</td>
<td>54.5%</td>
<td>58.3%</td>
</tr>
<tr>
<td>Leverage Ratio (Gross)*6</td>
<td>1.8</td>
<td>1.6</td>
<td>1.4</td>
<td>1.2</td>
<td>1.2</td>
</tr>
<tr>
<td>Leverage Ratio (Net)*7</td>
<td>1.2</td>
<td>1.2</td>
<td>0.8</td>
<td>0.7</td>
<td>0.6</td>
</tr>
<tr>
<td>Average number of shares during the period (excluding treasury stock) (in million shares)</td>
<td>1,945</td>
<td>1,933</td>
<td>1,788</td>
<td>1,793</td>
<td>1,799</td>
</tr>
</tbody>
</table>

*1: This is comprised of cash on hand, demand deposit, and short-term investments that are readily convertible into cash, bearing low risk of changes in value and are redeemable in three months or less from each acquisition date

*2: Borrowings (current and non-current liabilities) + Lease Liabilities (current liabilities) + Lease Liabilities (non-current liabilities) + Bonds + Interest-Bearing Liabilities

*3: Interest-Bearing Liabilities / Equity attributable to owners of parent

*4: (Interest-Bearing Liabilities / Cash and Cash Equivalents - Interest-Bearing Liabilities) / Equity attributable to owners of parent

*5: Equity attributable to owners of parent / Total liabilities and equity

*6: Interest-Bearing Liabilities / EBITDA (Non-GAAP)

*7: Interest-Bearing Liabilities-Cash and Cash Equivalents / EBIDTA (Non-GAAP)
## GAAP / NON-GAAP RECONCILIATION*1

### (B yen)

<table>
<thead>
<tr>
<th></th>
<th>1Q (Jan-Mar)</th>
<th>Full-Year 2022 (Jan-Dec)</th>
<th>2023</th>
<th>1Q (Jan-Mar)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Gross Profit</td>
<td>Operating Profit</td>
<td>Net Profit</td>
<td>EBITDA</td>
</tr>
<tr>
<td><strong>Non-GAAP</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(vs Revenue)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recurring Items</td>
<td>-1.7</td>
<td>-29.4</td>
<td>-25.2</td>
<td>-5.1</td>
</tr>
<tr>
<td>Former-Intersil PPA Effects</td>
<td>-0.1</td>
<td>-3.7</td>
<td>-2.8</td>
<td>-0.3</td>
</tr>
<tr>
<td>Former-IDT PPA Effects</td>
<td>-0.1</td>
<td>-10.7</td>
<td>-9.4</td>
<td>-0.5</td>
</tr>
<tr>
<td>Former-Dialog PPA Effects</td>
<td>-0.5</td>
<td>-9.5</td>
<td>-7.5</td>
<td>-0.4</td>
</tr>
<tr>
<td>Former-Celeno PPA Effects</td>
<td>-0.7</td>
<td>-1.5</td>
<td>-1.5</td>
<td>-0.7</td>
</tr>
<tr>
<td>Former-Reality AI PPA Effects</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Former-Steradian PPA Effects</td>
<td>-0.5</td>
<td>-9.5</td>
<td>-7.5</td>
<td>-0.4</td>
</tr>
<tr>
<td>Stock-Based Compensation</td>
<td>-0.3</td>
<td>-4.0</td>
<td>-4.0</td>
<td>-4.0</td>
</tr>
<tr>
<td>Non-Recurring Items</td>
<td>-2.7</td>
<td>-6.3</td>
<td>-5.1</td>
<td>-6.3</td>
</tr>
<tr>
<td>Naka Factory Fire Impact</td>
<td>-0.7</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Others</td>
<td>-2.0</td>
<td>-6.6</td>
<td>-5.3</td>
<td>-6.5</td>
</tr>
<tr>
<td><strong>Non-GAAP Adjustments Total</strong></td>
<td>-4.4</td>
<td>-35.7</td>
<td>-30.3</td>
<td>-11.4</td>
</tr>
<tr>
<td><strong>GAAP</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(vs Revenue)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>197.9</td>
<td>99.8</td>
<td>59.9</td>
<td>143.8</td>
</tr>
</tbody>
</table>

*1: From 3Q 2021 onwards, Non-GAAP adjustments have been also applied to the revenue following the implementation of PPA.
1Q 2023 CONSOLIDATED OPERATING PROFIT
BRIDGE FROM NON-GAAP TO GAAP

Non-GAAP

124.8

Former-Intersil PPA Effects
Former-IDT PPA Effects
Former-Dialog PPA Effects
Former-Celono PPA Effects
Former-Reality AI PPA Effects
Former-Steradian PPA Effects

Recurring Items

Non-Recurring Items

GAAP

123.3

Others

Stock-Based Compensation
# 1Q 2023 FINANCIAL SNAPSHOT

## GAAP

<table>
<thead>
<tr>
<th>(B yen)</th>
<th>2022</th>
<th>2023</th>
<th>YoY</th>
<th>QoQ</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1Q (Jan-Mar)</td>
<td>4Q (Oct-Dec)</td>
<td>1Q (Jan-Mar)</td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>346.3</td>
<td>390.8</td>
<td>359.4</td>
<td>+3.8%</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>57.1%</td>
<td>55.8%</td>
<td>55.7%</td>
<td>-1.5pts</td>
</tr>
<tr>
<td>Operating Profit (Margin)</td>
<td>99.8 (28.8%)</td>
<td>96.2 (24.6%)</td>
<td>123.3 (34.3%)</td>
<td>+23.4 (+5.5pts)</td>
</tr>
<tr>
<td>Profit Attributable to Owners of Parent</td>
<td>59.9</td>
<td>71.5</td>
<td>105.2</td>
<td>+45.3</td>
</tr>
<tr>
<td>EBITDA*1</td>
<td>143.8</td>
<td>144.4</td>
<td>168.3</td>
<td>+24.4</td>
</tr>
<tr>
<td>1 US$=</td>
<td>115 yen</td>
<td>144 yen</td>
<td>133 yen</td>
<td>18 yen depreciation</td>
</tr>
<tr>
<td>1 Euro=</td>
<td>130 yen</td>
<td>144 yen</td>
<td>142 yen</td>
<td>12 yen depreciation</td>
</tr>
</tbody>
</table>

*1: Non-GAAP adjustments have been also applied to the revenue following the implementation of PPA. The revenue figures in this page are based on IFRS.

*2: Operating profit + Depreciation and amortization
**CAPITAL EXPENDITURES**

1. The figures represent the investment decision basis tangible and intangible assets and do not match the sum listed in the cash flow statement. However, the investment amount for former Dialog and Celeno is based on equipment delivery.
2. Total amount of the Group’s capital investment, including investments made by former IDT from 2Q 2019, by former Dialog from 3Q 2021 and by former Celeno from 1Q 2022.
3. The fire which occurred at a Renesas consolidated subsidiary on March 19, 2021.
4. METI: Ministry of Economy, Trade and Industry.
# ACQUISITION OF PANTHRONICS

## Overview of Panthronics

<table>
<thead>
<tr>
<th><strong>Company Name</strong></th>
<th>Panthronics AG</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Headquarters</strong></td>
<td>Graz, Austria</td>
</tr>
<tr>
<td><strong>Business</strong></td>
<td>Development and sale of semiconductor for Near-Field Communication (NFC)</td>
</tr>
</tbody>
</table>

## Acquisition Summary

<table>
<thead>
<tr>
<th><strong>Source of Financing</strong></th>
<th>Cash-on-hand</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Closing</strong></td>
<td>By the end of calendar year 2023</td>
</tr>
</tbody>
</table>

## Rationale

### Expand Connectivity Portfolio
- Continue strengthening connectivity portfolio, following Dialog & Celeno acquisitions, to further meet customer needs

### Provide NFC Solutions for the Growing Markets
- Extend reach into growing and emerging NFC applications in Fintech, IoT, asset tracking, wireless charging and automotive

### Strengthen Global Engineering Talent
- Expand R&D capabilities in Austria
(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.

This presentation is based on the economic, regulatory, market and other conditions as in effect on the date hereof. It should be understood that subsequent developments may affect the information contained in this presentation, which neither we nor our advisors or representatives are under an obligation to update, revise or affirm.