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**Renesas Electronics Reports Financial Results
 for the First Quarter Ended June 30, 2011**

Tokyo, Japan, August 2, 2011 — Renesas Electronics Corporation (TSE:6723) today announced consolidated financial results for the three months ended June 30, 2011.

Summary of Consolidated Financial Results

	Three months ended June 30, 2011	
	Billion Yen	% of Net Sales
Net sales	207.2	100.0
Sales from semiconductors	184.0	
Sales from others	23.2	
Operating income (loss)	(19.1)	(9.2)
Ordinary income (loss)	(20.3)	(9.8)
Net income (loss)	(33.2)	(16.0)
Capital expenditures	13.9	
Depreciation and others	27.7	
R&D expenses	47.1	
	Yen	
Exchange rate (USD)	82	
Exchange rate (Euro)	117	

	As of June 30, 2011	
	Billion Yen	
Total assets	937.4	
Net assets	255.8	
Equity ratio (%)	26.5	
Interest-bearing debt	266.5	

Note 1: All figures are rounded to the nearest 100 million yen.

Note 2: Consolidated financial results for the three months ended June 30, 2011 have not been reviewed by the auditors. The figures are subject to change based on subsequent events or the auditors' review. Renesas Electronics Corporation will promptly notify the correction by issuing a press release.

Note 3: Capital expenditures refer to the amount of order placed for property, plant and equipment (manufacturing equipment).

Note 4: Depreciation and others includes depreciation and amortization of intangible assets and amortization of long-term prepaid expenses in quarterly consolidated statements of cash flows.



Consolidated Financial Results for the First Quarter Ended June 30, 2011

English translation from the original Japanese-language document

August 2, 2011

Company name : **Renesas Electronics Corporation**
 Stock exchanges on which the shares are listed : Tokyo Stock Exchange, First Section
 Code number : 6723
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 Filing date of Shihanki Hokokusho (scheduled) : August 11, 2011

(Amounts are rounded to the nearest million yen)

1. Consolidated financial results for the three months ended June 30, 2011

1.1 Consolidated operating results

(% of change from corresponding period of the previous year)

	Net sales		Operating income (loss)		Ordinary income (loss)		Net income (loss)	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2011	207,234	(29.0)	(19,099)	---	(20,269)	---	(33,218)	---
Three months ended June 30, 2010	292,035	---	(339)	---	(3,527)	---	(33,066)	---

Reference: Comprehensive income for the three months ended June 30, 2011: (35,238) million yen
 Comprehensive income for the three months ended June 30, 2010: (40,187) million yen

	Net income (loss) per share basic	Net income (loss) per share diluted
	Yen	Yen
Three months ended June 30, 2011	(79.64)	---
Three months ended June 30, 2010	(79.27)	---

1.2 Consolidated financial condition

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
June 30, 2011	937,442	255,798	26.5
March 31, 2011	1,145,048	291,058	24.8

Reference: Equity as of June 30, 2011: 248,132 million yen
 Equity as of March 31, 2011: 283,757 million yen

Note: Equity is equal to "Net assets" excluding "Share subscription rights" and "Minority interests"

2. Cash dividends

	Cash dividends per share				
	At the end of first quarter	At the end of second quarter	At the end of third quarter	At the end of year	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2011	---	0.00	---	0.00	0.00
Year ending March 31, 2012	---				
Year ending March 31, 2012 (forecast)		0.00	---	0.00	0.00

Note: Change in forecast of cash dividends since the most recently announced forecast: Yes
Please refer to Appendix 1.4., "Forecasts of Cash Dividends" on page 7.

3. Forecast of consolidated results for the year ending March 31, 2012

(% of change from corresponding period of the previous year)

	Net sales		Operating income (loss)		Ordinary income (loss)		Net income (loss)		Net income (loss) per share	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen	%
Six months ending September 30, 2011	462,000	(21.4)	(35,000)	--	(40,000)	--	(43,000)	--	(103.09)	--
Year ending March 31, 2012	1,019,000	(10.4)	(28,000)	--	(37,000)	--	(40,000)	--	(95.89)	--

Note: Change in forecast of consolidated results since the most recently announced forecast: Yes
Please refer to Appendix 1.3., "Consolidated Forecasts" on page 5.

4. Others

4.1 Changes in significant subsidiaries for the three months ended June 30, 2011

(Changes in specified subsidiaries resulting in changes in scope of consolidation): No

4.2 Adoption of special accounting policies for quarterly financial statements: Yes

(Note) For details, please refer to page 8.

4.3 Changes in Accounting Policies, Changes in Accounting Estimates and Corrections of Prior Period Errors

1. Changes in accounting policies with revision of accounting standard: No

2. Changes in accounting policies except for 4.3.1: No

3. Changes in accounting estimates: No

4. Corrections of prior period errors: No

4.4 Number of shares issued and outstanding (common stock)

1. Number of shares issued and outstanding (including treasury stock)

As of June 30, 2011: 417,124,490 shares

As of March 31, 2011: 417,124,490 shares

2. Number of treasury stock

As of June 30, 2011: 2,548 shares

As of March 31, 2011: 2,548 shares

3. Average number of shares issued and outstanding

For the three months ended June 30, 2010: 417,121,942 shares

For the three months ended June 30, 2011: 417,121,942 shares

(Note) Information regarding the implementation of quarterly review procedures

These quarterly financial results are not subject to quarterly review procedures based upon the Financial Instruments and Exchange Act. These are under the review procedures for the quarterly financial report at the time of issuance of this report.

Cautionary Statement

The statements with respect to the financial outlook of Renesas Electronics Corporation and its consolidated subsidiaries are forward-looking statements involving risks and uncertainties. We caution you in advance that actual results may differ materially from such forward-looking statements due to changes in several important factors.

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1. First Quarter Consolidated Financial Results

1.1 Consolidated Operating Results

1.1.1 Summary of Consolidated Operating Results Three Months Ended June 30, 2011

	Three months ended June 30, 2010	Three months ended June 30, 2011	Increase (Decrease)	
	Billion yen	Billion yen	Billion yen	% Change
Net sales	292.0	207.2	(84.8)	(29.0)
Sales from semiconductors	261.5	184.0	(77.4)	(29.6)
Sales from others	30.6	23.2	(7.4)	(24.1)
Operating income (loss)	(0.3)	(19.1)	(18.8)	-
Ordinary income (loss)	(3.5)	(20.3)	(16.7)	-
Net income (loss)	(33.1)	(33.2)	(0.2)	-
	Yen	Yen		
Exchange rate (USD)	92	82	-	-
Exchange rate (EUR)	121	117	-	-

Despite the global economy continued to improve underpinned by strong economic growth of emerging and developing countries such as BRICs, several concerns including continuously high unemployment rate in advanced countries, financial risks in euro-zone economy, increasing oil and raw material price, and tight monetary policy in emerging countries were seen. Whereas in Japan, economic slowdown continued owing to strong Yen trend and the Great East Japan Earthquake occurred in March 11, 2011 which depressed production level as well as consumer spending and stagnated economic activities especially in northeastern area.

As for the semiconductor market in which Renesas Electronics Group ("the Group") operates amid these economic conditions, market demand in Japan substantially dropped associated with declining trend of electronic devices market overall affected by production adjustment and weak consumer spending after the earthquake. On the other hand, as for oversea market, the impact of the earthquake was limited to the certain electronic devices and semiconductor demand continued to show a steady growth in the emerging countries.

In addition to this market situation, the Group's 8 factories were forced to suspend production temporarily due to the earthquake. Especially, Naka factory which is a major manufacturing site producing approximately 15% of the Group production capacity suffered a serious damage having a great impact on the operating results of the Group.

[Net sales]

Consolidated net sales for the three months ended June 30, 2011 were 207.2 billion yen, a decrease by 29.0% year on year. This decrease was due to a declining market demand and production activities in the domestic market after the earthquake and the stronger yen compared to the three months ended June 30, 2010.

[Sales from Semiconductors]

Sales from semiconductors for the three months ended June 30, 2011 were 184.0 billion yen, 29.6% decrease year on year.

The business segment of the Group comprises three product groups; "MCUs", "Analog & Power

Devices” and “SoC (System on Chip) solutions”, and “the other semiconductors” that fit to neither of above three product categories. Sales of respective product groups are as follows:

MCUs: 77.2 billion yen

MCUs mainly include automotive microcontrollers, microcontrollers for industrial systems, microcontrollers used in digital home appliances, white goods, and consumer electronics including game consoles, and microcontrollers for PC and PC peripherals such as hard disc drives.

Sales of MCUs for the three months ended June 30, 2011 were 77.2 billion yen, 22.2% decrease year on year. This drop was mainly due to a decline in sales of automotive microcontrollers.

Analog and Power Devices: 62.9 billion yen

Analog and power devices consist mainly of power MOSFETs, mixed signal ICs, IGBTs (Insulated Gate Bipolar Transistors), diodes, small signal transistors, display driver ICs, compound semiconductor devices such as optical and microwave devices, employed in automobiles, industrial systems, PC and PC peripherals and consumer electronics.

Sales of analog and power devices for the three months ended June 30, 2011 were 62.9 billion yen, 23.9% decrease year on year, owing to a decrease in the sales of display driver ICs for PC/LCD TVs, analog IC and discrete for consumer electronics.

SoC solutions: 41.8 billion yen

SoC solutions mainly include semiconductors for mobile handsets, ICs for network equipment, semiconductors for industrial systems, semiconductors for PC and PC peripherals including hard disc drives and USB devices, semiconductors for consumer electronics such as digital home appliances and game consoles, and semiconductors used in automobiles including car navigation systems.

Sales of SoC solutions for the three months ended June 30, 2011 were 41.8 billion yen, 46.2% decrease year on year. This decrease was mainly due to a decline in the semiconductor sales for consumer electronics and mobile handsets.

Other Semiconductors: 2.2 billion yen

Sales of other semiconductors include production by commissioning and royalties.

Sales of other semiconductors for the three months ended June 30, 2011 were 2.2 billion yen, 19.4% increase year on year.

[Sales from others]

Sales from others for the three months ended June 30, 2011 were 23.2 billion yen, 24.1% decrease year on year.

Sales from others include non-semiconductor products sold on a resale basis by the Group's sales subsidiaries and development and production by commissioning conducted at the Group's design and manufacturing subsidiaries.

[Operating income (loss)]

Operating loss for the three months ended June 30, 2011 was 19.1 billion, 18.8 billion yen worse year on year, mainly owing to a significant decrease in sales.

[Ordinary income (loss)]

Ordinary loss for the three months ended June 30, 2011 was 20.3 billion yen, due to 1.2 billion yen non-operating loss after recording 2.2 billion yen non-operating expenses including interest expenses.

[Net income (loss)]

Net loss for the three months ended June 30, 2011 was 33.2 billion yen. This loss was due to recording 11.9 billion yen special losses, which is a loss on disaster from the earthquake such as fixed costs during the temporary shutdown of operations.

1.2 Consolidated Financial Condition

1.2.1 Total Assets, Liabilities and Net assets

	March 31, 2011	June 30, 2011	Increase (Decrease)
	Billion yen	Billion yen	Billion yen
Total assets	1,145.0	937.4	(207.6)
Net assets	291.1	255.8	(35.3)
Equity	283.8	248.1	(35.6)
Equity ratio (%)	24.8	26.5	1.7
Interest-bearing debt	378.2	266.5	(111.7)
Debt / Equity ratio	1.33	1.07	(0.26)

Total assets at June 30, 2011 were 937.4 billion yen, 207.6 billion yen decrease from March 31, 2011, due to the decrease in the amount of cash and cash equivalents owing to the redemption of bonds with share subscription rights and the decrease of accounts receivable associated with sales decrease. Net assets were 255.8 billion yen, a 35.3 billion yen decrease from March 31, 2011. This was due to posting quarterly net loss of 33.2 billion yen for the three months ended June 30, 2011.

Mainly due to posting quarterly net loss, equity decreased by 35.6 billion yen from March 31, 2011 and equity ratio was 26.5%. Interest-bearing debt decreased by 111.7 billion yen from March 31, 2011 owing to the redemption of bonds with share subscription rights. Consequently, debt to equity ratio was 1.07 times.

1.2.2 Cash Flows

	Three Months ended June 30, 2010	Three Months ended June 30, 2011
	Billion yen	Billion yen
Net cash provided by (used in) operating activities	(2.0)	(29.2)
Net cash provided by (used in) investing activities	(14.4)	(14.8)
Free cash flows	(16.4)	(44.0)
Net cash provided by (used in) financing activities	136.4	(115.1)
Cash and cash equivalents at the beginning of period	203.1	337.3
Cash and cash equivalents at the end of period	318.6	177.0

Note: Cash and cash equivalents at the beginning of three months ended June 30, 2010 includes the cash and cash equivalents increased as a result of the merger.

(Net cash provided by (used in) operating activities)

Despite recording 25.0 billion yen depreciation and amortization, net cash used in operating activities for the three months ended June 30, 2011 was 29.2 billion yen, mainly owing to recording a quarterly net loss before income taxes and 20.3 billion yen payments for extra retirement benefits.

(Net cash provided by (used in) investing activities)

Net cash used in investing activities for the three months ended June 30, 2011 was 14.8 billion yen, mainly owing to the purchase of property, plant and equipment in the amount of 30.1 billion yen, partially offset by 17.0 billion yen proceeds from sales of property, plant and equipment.

The foregoing resulted in negative free cash flows of 44.0 billion yen for the three months ended June 30, 2011.

(Net cash provided by (used in) financing activities)

Net cash used in financing activities for the three months ended June 30, 2011 was 115.1 billion yen mainly arising from the cash payment for the redemption of bonds with share subscription rights.

Consequently, cash and cash equivalents decreased by 160.3 billion yen and cash and cash equivalents at the end of the period were 177.0 billion yen.

1.3 Consolidated Forecasts

Due to the impact of the Great East Japan Earthquake, the Group was unable to report the forecasts for the fiscal year ending March 31, 2012 at the timing of the announcement of financial results for the fiscal year ended March 31, 2011. The Group has completed the estimation of above forecasts to announce as follows.

1.3.1 Consolidated Forecasts for the six months ending September 30, 2011

As for the forecasts for the six months ending September 30, 2011: consolidated net sales are expected to be 462.0 billion yen and sales from semiconductors are expected to account 408.0 billion yen. Operating loss and ordinary loss is expected to be 35.0 billion yen and 40.0 billion yen respectively, and net loss is expected to amount 43.0 billion yen.

Sales from semiconductors for the three months ended June 30, 2011 decreased by approximately 30% year on year due to the impact of the earthquake, as explained in 1.1.1 Summary of Consolidated Operating Results in this report. Although the Group expects recovery in sales on and after the second quarter of the fiscal year ending March 31, 2012 due to early restoration and market turnaround, sales from semiconductors for the six months ending September 30, 2011 are expected to be approximately 20% decrease year on year, and operating loss is expected to be 35.0 billion yen, a 35.7 billion yen drop year on year.

1.3.2 Consolidated Forecasts for the fiscal year ending March 31, 2012

As for the forecasts for the fiscal year ending March 31, 2012: net sales are expected to be 1,019.0 billion yen and sales from semiconductors are expected to be 908.0 billion yen. Operating loss is expected to be 28.0 billion yen, ordinary loss is expected to be 37.0 billion yen and net loss is expected to be 40.0 billion yen.

Sales from semiconductors for the fiscal year ending March 31, 2012 are expected to be approximately 10% decrease year on year. Although its sales for the first half of the fiscal year ending March 31, 2012 are expected to show substantial decrease owing to the impact of the earthquake as mentioned above, we

expect its sales to recover to 500.0 billion yen as for the second half of the fiscal year ending March 31, 2012 exceeding the sales level of the second half of the previous fiscal year. This forecast of sales increase is based on our assumptions that production and supply system of the Group is expected to restore to almost pre-earthquake level, in addition, semiconductors market demand is expected to rebound for the second half of the fiscal year ending March 31, 2012 due to a turnaround from the production adjustment phase during the first half of the same fiscal year.

As for the sales of respective product groups, sales of analog and power devices and SoC solutions are expected to decrease year on year, due to the contraction of none-core businesses in addition to the sales decrease affected by the earthquake. Whereas, sales of MCUs are expected to remain on the same level year on year, since the recovery from the production adjustment and demand increase as mentioned above are expected for the second half of the fiscal year ending March 31, 2012 especially for automotive microcontroller.

Operating income (loss) for the first half of the fiscal year ending March 31, 2012 is expected to be huge losses, whereas it is expected to turn into positive 7.0 billion yen associated with sales increase as mentioned above for the second half of the same fiscal year. In addition, the Group will continuously focus on cost reduction such as restraining capital investment and streamlining R&D cost, as well as endeavor to improve profitability by enhancing structural reform measure and realizing integration synergies.

As well as operating income (loss), net income (loss) for the second half of the fiscal year ending March 31, 2012 is also expected to turn into positive from huge losses in previous six months due to expected sales growth. For the fiscal year ending March 31, 2012, net loss is expected to be 40.0 billion yen, improved by 75.0 billion yen year on year, as special losses such as losses on disaster from the Great East Japan Earthquake, impairment losses associated with structural reform measure and business structure improvement expenses were posted in previous fiscal year.

The consolidated financial forecasts for the fiscal year ending March 31, 2012 are based on the rate of 82 yen per USD, and 110 yen per Euro.

(For the six months ending September 30, 2011)

(In millions of yen)

	Net Sales	(Reference) Sales from semiconductors	Operating Income (Loss)	Ordinary Income (Loss)	Net Income (Loss)
Previous forecasts (May 18, 2011)	---	---	---	---	---
Revised forecasts (August 2, 2011)	462,000	408,000	(35,000)	(40,000)	(43,000)
Increase (decrease)	---	---	---	---	---
Percent change	---	---	---	---	---
Reference : Results for the six months ended September 30, 2010	587,468	524,952	729	(7,802)	(41,241)

(For the year ending March 31, 2012)

(In millions of yen)

	Net Sales	(Reference) Sales from semiconductors	Operating Income (Loss)	Ordinary Income (Loss)	Net Income (Loss)
Previous forecasts (May 18, 2011)	---	---	---	---	---
Revised forecasts (August 2, 2011)	1,019,000	908,000	(28,000)	(37,000)	(40,000)
Increase (decrease)	---	---	---	---	---
Percent change	---	---	---	---	---
Reference : Results for the year ended March 31, 2011	1,137,898	1,018,865	14,524	1,033	(115,023)

The statements with respect to the financial outlook of Renesas Electronics Corporation and its consolidated subsidiaries are forward-looking statements involving risks and uncertainties. We caution you in advance that actual results may vary materially from such forward-looking statements due to several important factors.

1.4 Forecasts of Cash Dividends

For the year ending March 31, 2012, the Company expects to post net losses. Therefore the company intends to forgo interim and year-end dividend payments but will work toward improved results that will allow dividends to be reinstated at the earliest possible date.

(For the year ending March 31, 2012)

Interim Dividend	Year-End Dividend	Annual Dividend
0 Yen	0 Yen	0 Yen

2. Others

2.1 Changes in Significant Consolidated Subsidiaries

None

2.2 Adoption of Special Accounting Methods for Quarterly Consolidated Financial Statements

(Calculation of tax expenses)

Tax expenses are calculated by multiplying income before income taxes for the first quarter of the fiscal year ending March 31, 2012 by a reasonably estimated effective tax rate against income before income taxes for the fiscal year including this first quarter, while applying tax effect accounting.

2.3 Changes in Accounting Policies, Changes in Accounting Estimates and Corrections of Prior Period Errors

None

3. Quarterly Consolidated Financial Statements

3.1 Quarterly Consolidated Balance Sheets

(In millions of yen)

	Prior Fiscal Year (As of March 31, 2011)	Current First Quarter (As of June 30, 2011)
Assets		
Current assets		
Cash and deposits	170,691	106,337
Notes and accounts receivable-trade	137,346	102,030
Short-term investment securities	166,998	71,041
Merchandise and finished goods	45,800	51,350
Work in process	61,193	67,074
Raw materials and supplies	16,378	16,089
Accounts receivable-other	37,966	27,620
Other	5,528	12,816
Allowance for doubtful accounts	(237)	(234)
Total current assets	641,663	454,123
Long-term assets		
Property, plant and equipment		
Buildings and structures, net	119,608	117,931
Machinery and equipment, net	135,706	125,577
Vehicles, tools, furniture and fixtures, net	34,152	34,244
Land	35,887	35,204
Construction in progress	20,947	16,051
Total property, plant and equipment	346,300	329,007
Intangible assets		
Goodwill	2,485	2,421
Software	28,742	29,631
Other	52,003	50,224
Total intangible assets	83,230	82,276
Investments and other assets		
Investment securities	10,635	9,828
Long-term prepaid expenses	43,096	42,314
Other	20,124	19,894
Total investments and other assets	73,855	72,036
Total long-term assets	503,385	483,319
Total assets	1,145,048	937,442

(In millions of yen)

	Prior Fiscal Year (As of March 31, 2011)	Current First Quarter (As of June 30, 2011)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	144,944	146,702
Current portion of bonds with share subscription rights	110,000	—
Short-term borrowings	143,467	142,411
Current portion of long-term borrowings	44,321	45,716
Current portion of lease obligations	8,176	8,210
Accounts payable-other	78,250	41,148
Accrued expenses	55,538	44,915
Accrued income taxes	3,962	3,350
Provision for product warranties	590	499
Provision for loss on guarantees	456	453
Provision for business structure improvement	2,239	1,793
Provision for contingent loss	399	388
Provision for loss on disaster	46,042	31,554
Asset retirement obligations	404	426
Other	6,474	11,253
Total current liabilities	645,262	478,818
Long-term liabilities		
Long-term borrowings	58,192	58,268
Lease obligations	14,073	11,894
Accrued retirement benefits	84,831	84,058
Provision for contingent loss	1,163	1,135
Asset retirement obligations	5,426	5,485
Other	45,043	41,986
Total long-term liabilities	208,728	202,826
Total liabilities	853,990	681,644
Net assets		
Shareholders' equity		
Common stock	153,255	153,255
Capital surplus	450,413	450,413
Retained earnings	(297,634)	(330,852)
Treasury stock	(11)	(11)
Total shareholders' equity	306,023	272,805
Accumulated other comprehensive income		
Unrealized gains (losses) on securities	(259)	(447)
Foreign currency translation adjustments	(22,007)	(24,226)
Total accumulated other comprehensive income	(22,266)	(24,673)
Share subscription rights	48	26
Minority interests	7,253	7,640
Total net assets	291,058	255,798
Total liabilities and net assets	1,145,048	937,442

3.2 Quarterly Consolidated Statements of Operations and Comprehensive Income

Quarterly Consolidated Statements of Operations

(The three-month period ended June 30, 2010 and 2011)

(In millions of yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011
Net sales	292,035	207,234
Cost of sales	195,044	142,050
Gross profit	96,991	65,184
Selling, general and administrative expenses	97,330	84,283
Operating income (loss)	(339)	(19,099)
Non-operating income		
Interest income	157	167
Dividends income	24	18
Equity in earnings of affiliates	73	56
Foreign exchange gains	—	342
Other	463	435
Total non-operating income	717	1,018
Non-operating expenses		
Interest expenses	957	997
Foreign exchange losses	1,343	—
Loss on disposal of long-term assets	293	185
Retirement benefit expenses	595	595
Other	717	411
Total non-operating expenses	3,905	2,188
Ordinary income (loss)	(3,527)	(20,269)
Special income		
Gain on sales of property, plant and equipment	159	226
Gain on negative goodwill	2,159	—
Reversal of provision for contingent loss	1,774	—
Gain on transfer of business	1,192	123
Gain on sales of investment securities	134	8
Total special income	5,418	357
Special loss		
Loss on sales of property, plant and equipment	6	11
Impairment loss	33,142	8
Loss on disaster	—	11,857
Business structure improvement expenses	42	—
Effect of adoption of accounting standard for asset retirement obligations	1,488	—
Loss on valuation of investment securities	—	6
Total special losses	34,678	11,882
Income (loss) before income taxes and minority interests	(32,787)	(31,794)
Income taxes	(200)	1,124
Income (loss) before minority interests	(32,587)	(32,918)
Minority interests in income (loss) of consolidated subsidiaries	479	300
Net income (loss)	(33,066)	(33,218)

Quarterly Consolidated Statements of Comprehensive Income

(The three-month period ended June 30, 2010 and 2011)

(In millions of yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011
Income (loss) before minority interests	(32,587)	(32,918)
Other comprehensive income		
Unrealized gains (losses) on securities	(347)	(183)
Foreign currency translation adjustments	(7,247)	(2,128)
Share of other comprehensive income of affiliates accounted for by the equity method	(6)	(9)
Total other comprehensive income	(7,600)	(2,320)
Comprehensive income	(40,187)	(35,238)
Comprehensive income attributable to		
shareholders of parent company	(40,646)	(35,625)
minority interests	459	387

3.3 Quarterly Consolidated Statements of Cash Flows

(In millions of yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	(32,787)	(31,794)
Depreciation and amortization	27,598	24,973
Amortization of long-term prepaid expenses	2,722	2,719
Impairment loss	33,142	8
Gain on negative goodwill	(2,159)	—
Increase (decrease) in accrued retirement benefits	551	(991)
Increase (decrease) in provision for contingent loss	(2,382)	—
Increase (decrease) in provision for loss on disaster	—	(13,057)
Interest and dividends income	(181)	(185)
Interest expenses	957	997
Equity in (earnings) losses of affiliates	(73)	(56)
Loss (gain) on sales and valuation of investment securities	(134)	(2)
Loss (gain) on sales of property, plant and equipment	(153)	(215)
Loss on disposal of long-term assets	293	185
Loss (gain) on transfer of business	(1,192)	(123)
Effect of adoption of accounting standard for asset retirement obligations	1,488	—
Decrease (increase) in notes and accounts receivable-trade	(1,046)	33,489
Decrease (increase) in inventories	(4,249)	(13,808)
Decrease (increase) in accounts receivable-other	(1,847)	4,666
Increase (decrease) in notes and accounts payable-trade	(5,569)	2,846
Increase (decrease) in accounts payable-other and accrued expenses	(10,618)	(19,422)
Other, net	464	(2,040)
Subtotal	4,825	(11,810)
Interest and dividends received	220	235
Proceeds from insurance income	—	6,000
Interest paid	(977)	(941)
Income taxes paid	(2,670)	(827)
Payments for extra retirement benefits	(39)	(20,297)
Payments for loss on litigation and others	(3,386)	—
Payments for loss on disaster	—	(1,535)
Net cash provided by (used in) operating activities	(2,027)	(29,175)

(In millions of yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011
Net cash provided by (used in) investing activities		
Net decrease (increase) in time deposits	(224)	—
Purchase of property, plant and equipment	(16,652)	(30,137)
Proceeds from sales of property, plant and equipment	801	17,011
Purchase of intangible assets	(1,077)	(3,387)
Purchase of long-term prepaid expenses	(404)	(483)
Purchase of investment securities	—	(26)
Proceeds from sales of investment securities	134	132
Proceeds from transfer of business	3,285	2,032
Other, net	(235)	55
Net cash provided by (used in) investing activities	(14,372)	(14,803)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term borrowings	7,218	(1,000)
Proceeds from long-term borrowings	—	2,932
Repayment of long-term borrowings	(1,417)	(1,457)
Redemption of bonds with share subscription rights	—	(110,000)
Proceeds from issuance of common stock	134,600	—
Repayments of finance lease obligations	(2,355)	(2,492)
Repayments of installment payables	(1,302)	(3,045)
Other, net	(357)	—
Net cash provided by (used in) financing activities	136,387	(115,062)
Effect of exchange rate change on cash and cash equivalents	(4,559)	(1,268)
Net increase (decrease) in cash and cash equivalents	115,429	(160,308)
Cash and cash equivalents at the beginning of the period	91,234	337,289
Increase in cash and cash equivalents resulting from merger	111,892	—
Cash and cash equivalents at the end of the period	318,555	176,981

3.4 Notes on Assumption for Going Concern

None

3.5 Notes on Significant Changes in the Amount of Shareholders' Equity

None

Forward-Looking Statements

The statements in this press release with respect to the plans, strategies and financial outlook of Renesas Electronics Corporation and its consolidated subsidiaries (collectively “we”) are forward-looking statements involving risks and uncertainties. We caution you in advance that actual results may differ materially from such forward-looking statements due to several important factors 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, products and services in the marketplace; ability to continue to win acceptance of products and services in these highly competitive markets; and fluctuations in currency exchange rates, particularly between the yen and the U.S. dollar. Among other factors, downturn of the world economy; deteriorating financial conditions in world markets, or deterioration in domestic and overseas stock markets, may cause actual results to differ from the projected results forecast.

About Renesas Electronics Corporation

Renesas Electronics Corporation (TSE: 6723), the world’s number one supplier of microcontrollers, is a premiere supplier of advanced semiconductor solutions including microcontrollers, SoC solutions and a broad-range of analog and power devices. Business operations began as Renesas Electronics Corporation in April 2010 through the integration of NEC Electronics Corporation (TSE:6723) and Renesas Technology Corp., with operations spanning research, development, design and manufacturing for a wide range of applications. Headquartered in Japan, Renesas Electronics Corporation has subsidiaries in 20 countries worldwide. More information can be found at www.renesas.com.

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