

3Q 2024 PRESENTATION

RENESAS ELECTRONICS CORPORATION
OCTOBER 31, 2024

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. 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 for the next quarter as a range. The forecast for the full year is calculated by adding the forecast as a range of the three months ending December 31, 2024 to the results of the nine months ended September 30, 2024.

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 combinations with Pantronics AG (“Pantronics”) has been revised at the end of three months ended December 31, 2023. These revisions to the allocation of the acquisition costs have been reflected in the consolidated financial results for the three months ended June 30, 2023 and for the three months ended September 30, 2023.
- **Change of the method for aggregating Reportable Segment:** Due to the Group’s organizational changes in the three months ended March 31, 2024, the methodology for aggregating revenue for reportable segments changed from the use of product axis to the use of customer axis. Accordingly, previously reported segment information for the year ended December 31, 2023, has been revised using the new methodology in order to be comparable with the segment information for the year ending December 31, 2024.
- **Start of consolidation of Altium:** The Group completed acquisition of Altium Limited (“Altium”) on August 1 (JST), 2024. The Group has since begun the consolidation of their financial figures.

3Q 2024 FINANCIAL SNAPSHOT

NON-GAAP

(B yen)	2023		2024								
	3Q (Jul-Sep)	9 months (Jan-Sep)	2Q (Apr-Jun)	3Q (Jul-Sep) Forecast	3Q (Jul-Sep) Actual	YoY	QoQ	Change from Jul 25 FCT*1	9 months (Jan-Sep) Actual	YoY	Change from Jul 25 FCT*1
Revenue	379.4	1,107.8	358.8	348.0 (±7.5)	345.3	-9.0%	-3.8%	-0.8%	1,055.9	-4.7%	-0.3%
Revenue (Excluding Foreign Exchange Impact)	-	-	-	-	-	-12.0%	-3.4%	+0.5%	-	-9.6%	+0.2%
Gross Margin	57.9%	57.2%	56.7%	55.5%	55.9%	-2.1pts	-0.9pt	+0.4pt	56.4%	-0.7pt	+0.1pt
Operating Profit (Margin)	132.3 (34.9%)	386.1 (34.9%)	110.6 (30.8%)	27.5%	98.4 (28.5%)	-33.9 (-6.4pts)	-12.2 (-2.3pts)	(+1.0pt)	322.5 (30.5%)	-63.7 (-4.3pts)	(+0.3pt)
Profit Attributable to Owners of Parent	108.3	334.8	96.7	-	86.0	-22.3	-10.7	-	288.5	-46.2	-
EBITDA*2	152.6	445.8	132.8	-	121.4	-31.1	-11.3	-	388.0	-57.9	-
1 US\$=	142 yen	137 yen	153 yen	157 yen	154 yen	12 yen depreciation	1 yen depreciation	3 yen appreciation	151 yen	15 yen depreciation	1 yen appreciation
1 Euro=	156 yen	148 yen	165 yen	170 yen	168 yen	12 yen depreciation	2 yen depreciation	2 yen appreciation	164 yen	16 yen depreciation	1 yen appreciation

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

*2: Operating profit + Depreciation and amortization

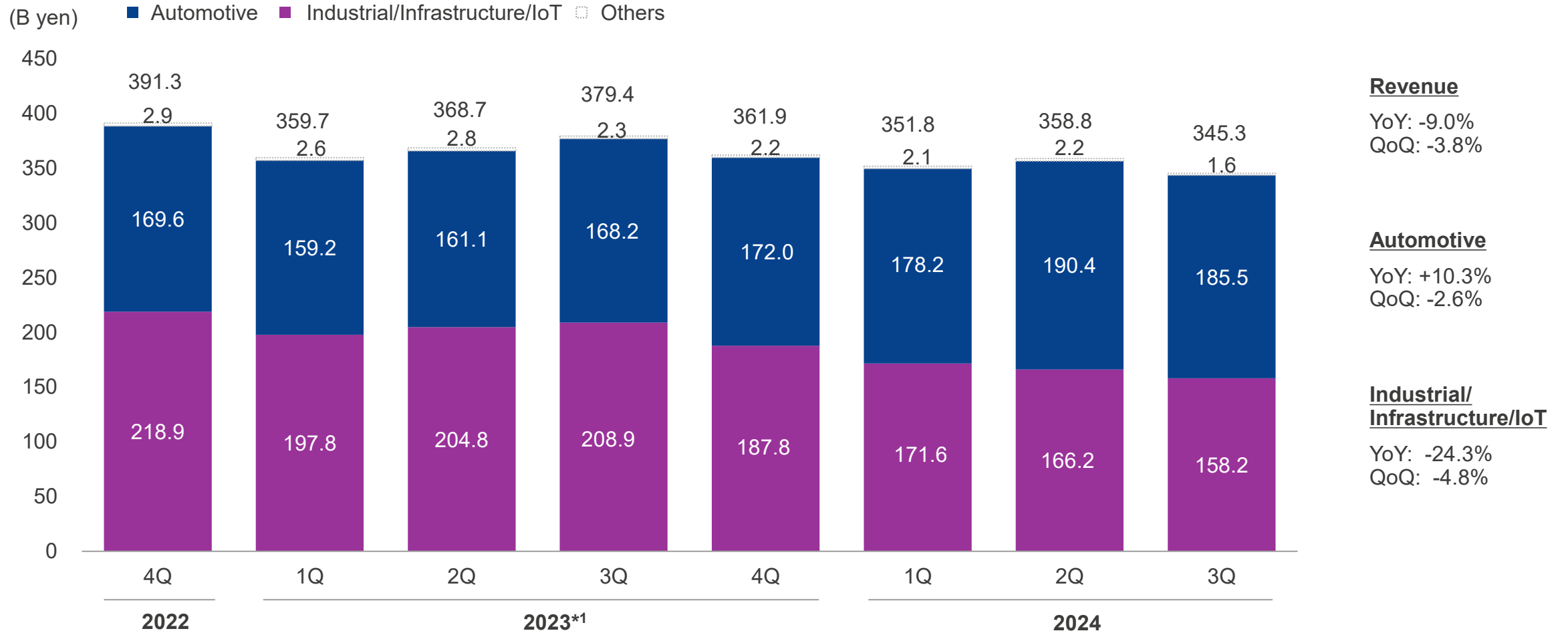
3Q 2024 REVENUE AND GROSS / OPERATING MARGIN

NON-GAAP

	Company Total	Automotive	Industrial / Infrastructure / IoT	vs FCT
Revenue	345.3 B yen vs FCT: -0.8% QoQ: -3.8% Excl. Altium 337.4 B yen	185.5 B yen vs FCT: + QoQ: -2.6%	158.2 B yen vs FCT: - QoQ: -4.8%	✓ Revenue: — (+) Altium, (-) Foreign Exchange Impact ✓ Gross Margin: + (+) Decreased production cost, Altium (-) Decreased utilization, Worsen product mix ✓ Operating Margin: + (+) Decreased operating cost
Gross Margin	55.9% vs FCT: +0.4pt QoQ: -0.9pt Excl. Altium 54.9%	52.1% QoQ: -1.7pts	60.6% QoQ: +0.3pt	QoQ ✓ Revenue: — ✓ Gross Margin: — (+) Decreased production cost, Altium (-) Decreased utilization ✓ Operating Margin: — (-) Decreased gross profit
Operating Margin	28.5% vs FCT: +1.0pt QoQ: -2.3pts Excl. Altium 28.6%	30.6% QoQ: -2.3pts	26.6% QoQ: -1.7pts	

QUARTERLY REVENUE TRENDS

NON-GAAP

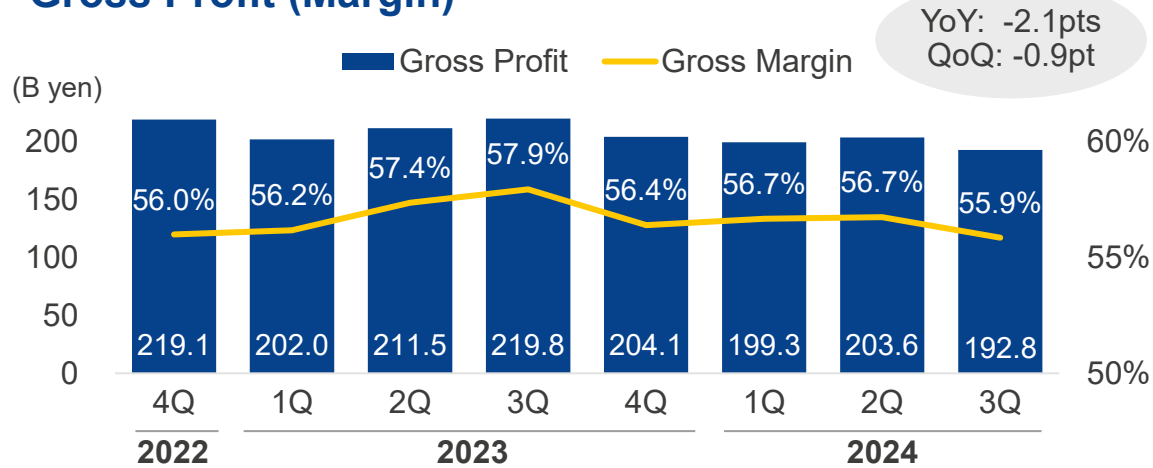


*1: 2023 segment revenue: revised based on the new aggregation method

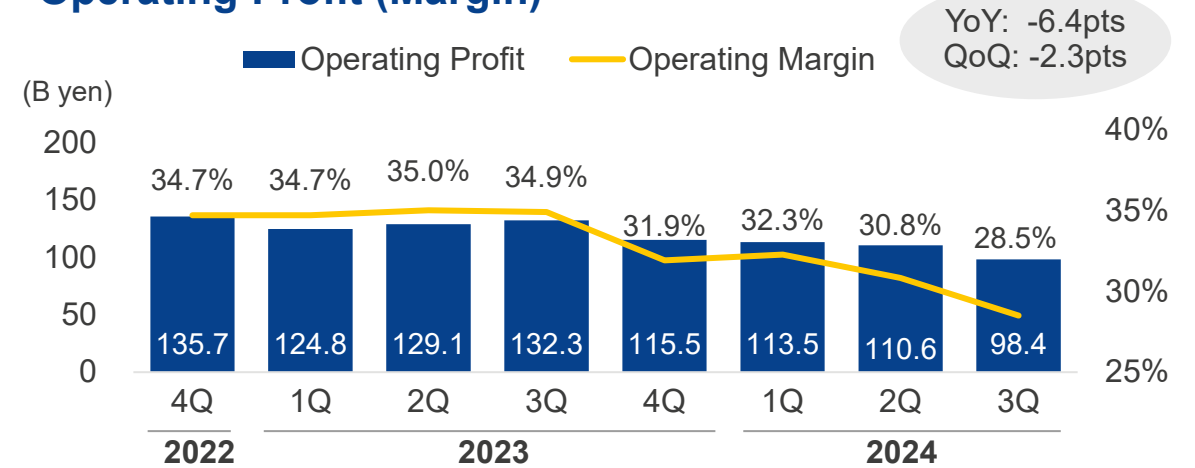
QUARTERLY BUSINESS TRENDS

NON-GAAP

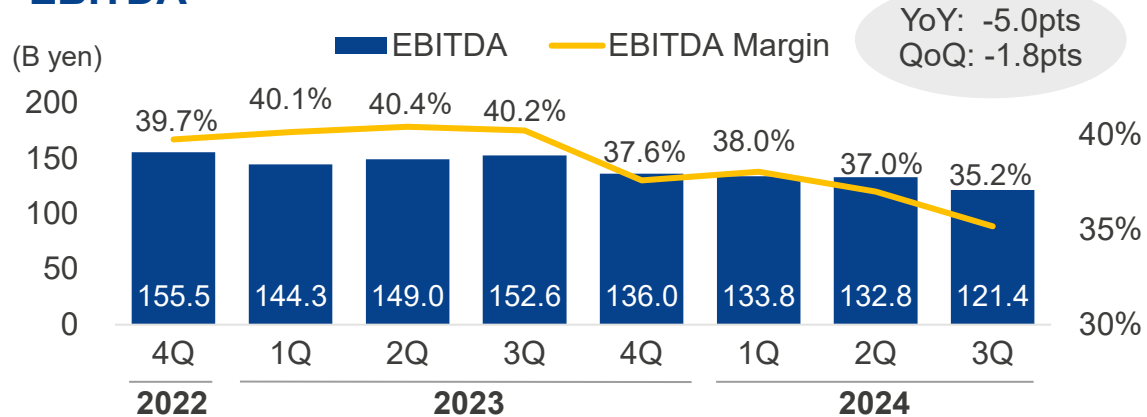
Gross Profit (Margin)



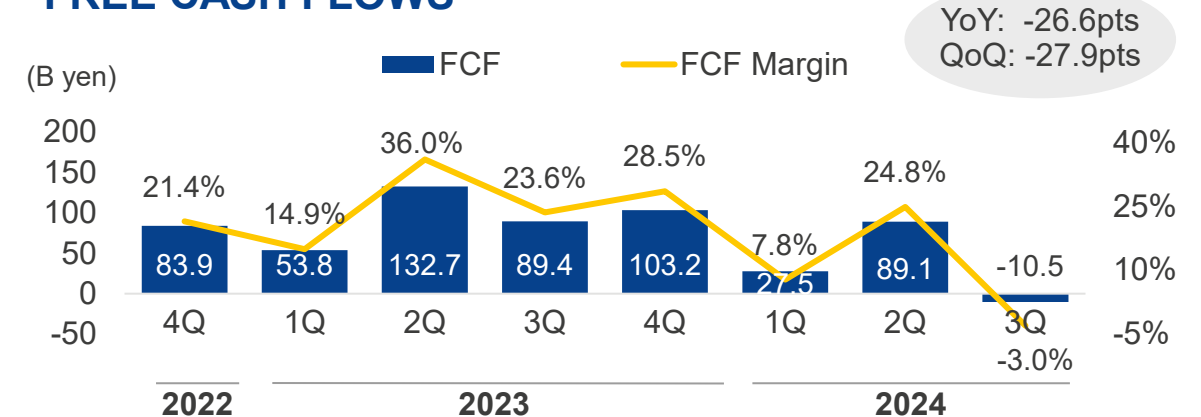
Operating Profit (Margin)



EBITDA*1



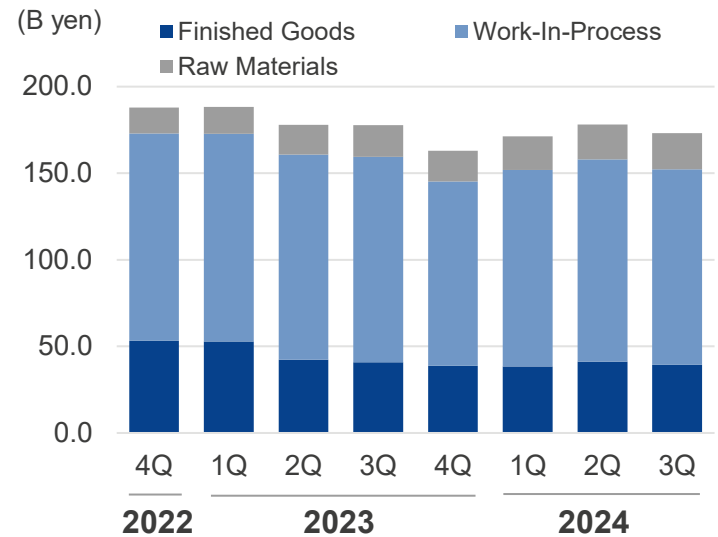
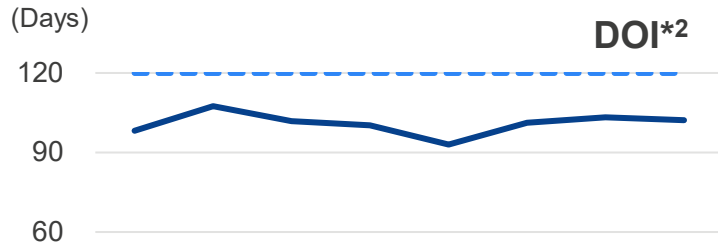
FREE CASH FLOWS*2



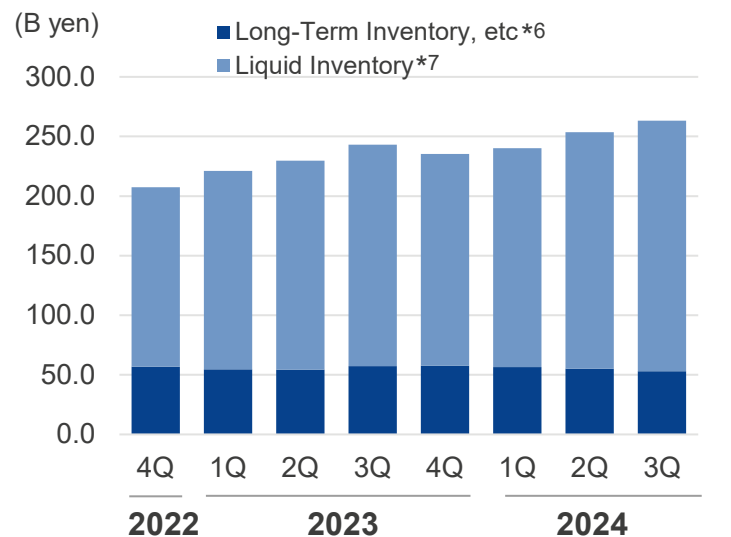
*1: Operating profit + Depreciation and amortization *2: Cash flows from operating activities + Cash flows from investing activities; The cash flows from investing activities do not include: (1) acquisition-related payments; (2) payment of contingent consideration for acquisition of subsidiaries; (3) purchase of shares of subsidiaries and associates, and (4) deposits provided to Wolfspeed

INVENTORY

In-House Inventory*1 (Financial Accounting Basis)



Sales Channel Inventory*3 (Management Accounting Basis*4)



In-House Inventory/DOI

- ✓ **3Q Results: Decreased**
WIP: Production based on demand, Increased die bank
FG/RM: Shipment and input based on demand
- ✓ **4Q Forecast: Decrease (Increase in DOI)**
WIP: Production based on demand (Incl. die bank)
FG/RM: Shipment and input based on demand

Sales Channel Inventory/WOI

- ✓ **3Q Results: Increased**
Automotive: Increased
Industrial/Infrastructure/IoT: Decreased (Increased in WOI)
- ✓ **4Q Forecast: Decrease (Increase in WOI)**
Automotive: Decrease
Industrial/ Infrastructure/IoT: Flattish

*1: The figures include Transphorm's inventories from 2Q24.

*2: DOI: Days of Inventory = Inventory valuation balance at the end of the quarter / cost of sales of the quarter (Non-GAAP) × 90

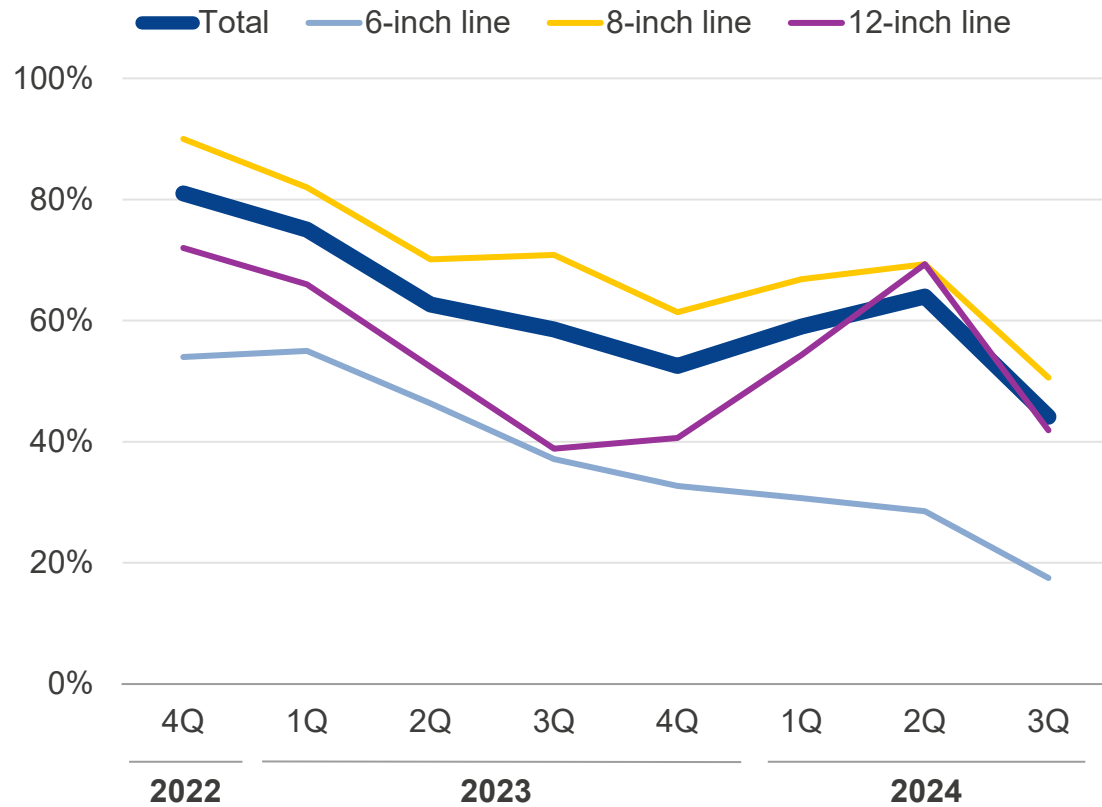
*3: Channel Inventory: Total inventory amount for Tokuyakutens for Japanese customers and overseas distributors, note that the channel inventories of Transphorm are not included.

*4: Management accounting Basis: Exchange rates for the FY2022 and FY2023 have been adjusted (and are calculated based on the FY2024 exchange rate) in accordance with the change in exchange rate for the FY2024 budget

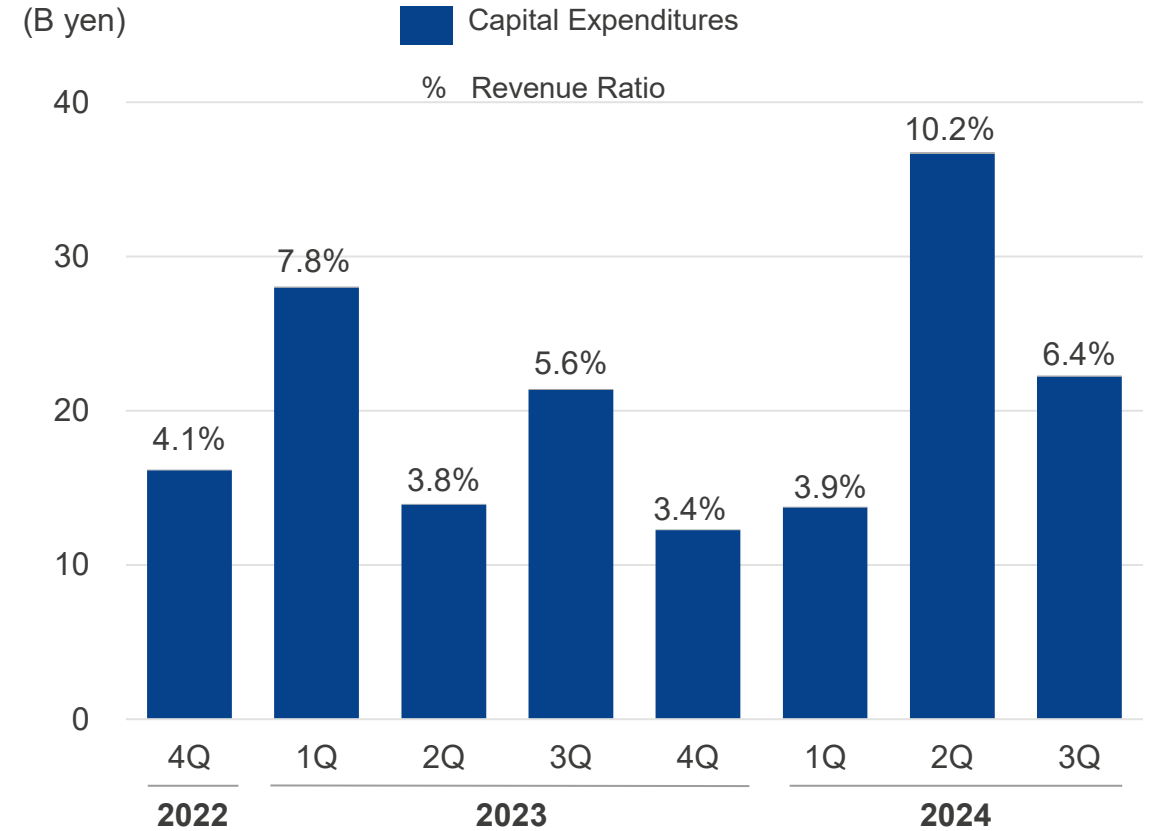
*5: WOI: Weeks of Inventory = Channel inventory at the end of the quarter / (cost of channel sales in the quarter / 13 weeks). It should be noted that from the inventory management perspective, to calculate appropriate WOI, certain Long-Term Inventory is excluded from Channel Inventory *6: Long-Term Inventory: Inventory with unique holding periods (End of Life or "EOL" products, e-commerce inventory etc.) *7: Liquid Inventory: Channel Inventory – Long-Term Inventory, etc.

FRONT-END UTILIZATION RATE*1 AND CAPITAL EXPENDITURES*2

FRONT-END UTILIZATION RATE (WAFER INPUT BASIS)



CAPITAL EXPENDITURES



*1: The figures exclude Intersil and Transphorm.

*2: 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 is based on equipment delivery

4Q AND FULL YEAR 2024 FORECAST

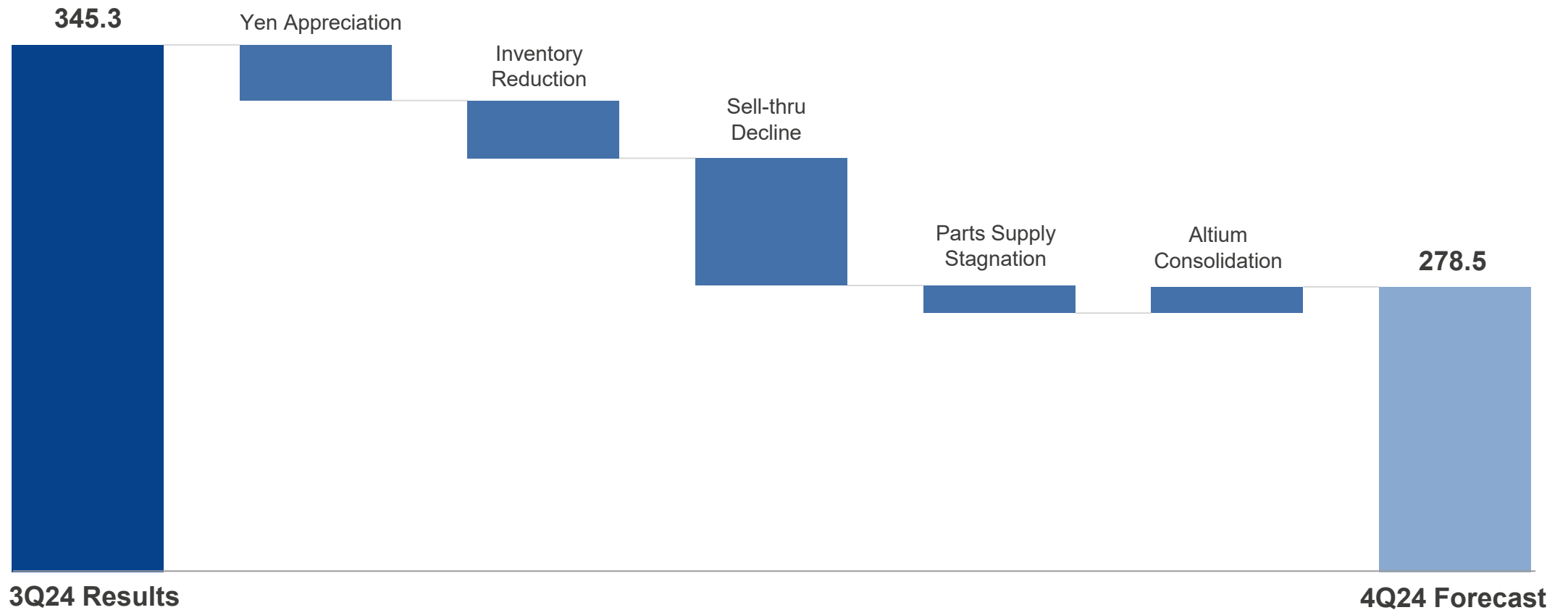
NON-GAAP

(B yen)	2023		2024					
	4Q (Oct-Dec)	Full year (Jan-Dec)	3Q (Jul-Sep)	4Q (Oct-Dec) Midpoint Forecast (Range) ^{*1}	YoY	QoQ	Full year (Jan-Dec) Forecast	YoY
Revenue	361.9	1,469.7	345.3	278.5 (±7.5)	-23.1% (±2.1pts)	-19.3% (±2.2pts)	1,334.4 (±7.5)	-9.2% (±0.5pt)
Revenue (Excluding Foreign Exchange Impact)	-	-	-	-	-19.8%	-14.9%	-	-12.0%
Gross Margin	56.4%	57.0%	55.9%	52.5%	-3.9pts	-3.4pts	55.6%	-1.4pts
Operating Margin	31.9%	34.1%	28.5%	22.5%	-9.4pts	-6.0pts	28.9%	-5.3pts
1 US\$ =	149 yen	140 yen	154 yen	145 yen	4 yen appreciation	9 yen appreciation	150 yen	10 yen depreciation
1 Euro=	159 yen	151 yen	168 yen	160 yen	1 yen depreciation	8 yen appreciation	163 yen	12 yen depreciation

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

4Q 2024 REVENUE FORECAST BREAKDOWN

(B-yen)



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*1

NON-GAAP

(B yen)	2023					2024						
	1Q (Jan-Mar)	2Q (Apr-Jun)	3Q (Jul-Sep)	4Q (Oct-Dec)	Full-Year (Jan-Dec)	1Q (Jan-Mar)	2Q (Apr-Jun)	3Q (Jul-Sep)	YoY	QoQ	9 months (Jan-Sep)	YoY
Revenue	359.7	368.7	379.4	361.9	1,469.7	351.8	358.8	345.3	-9.0%	-3.8%	1,055.9	-4.7%
Automotive	159.2	161.1	168.2	172.0	660.4	178.2	190.4	185.5	+10.3%	-2.6%	554.0	+13.4%
Industrial, Infrastructure, IoT	197.8	204.8	208.9	187.8	799.3	171.6	166.2	158.2	-24.3%	-4.8%	496.0	-18.9%
Others	2.6	2.8	2.3	2.2	10.0	2.1	2.2	1.6	-30.8%	-26.7%	5.9	-24.3%
Gross Profit (Margin)	202.0 (56.2%)	211.5 (57.4%)	219.8 (57.9%)	204.1 (56.4%)	837.4 (57.0%)	199.3 (56.7%)	203.6 (56.7%)	192.8 (55.9%)	-27.0 (-2.1pts)	-10.7 (-0.9pt)	595.7 (56.4%)	-37.6 (-0.7pt)
Automotive	84.7 (53.2%)	83.9 (52.1%)	89.8 (53.4%)	90.0 (52.3%)	348.5 (52.8%)	93.4 (52.4%)	102.4 (53.8%)	96.6 (52.1%)	+6.8 (-1.3pts)	-5.8 (-1.7pts)	292.4 (52.8%)	+34.0 (-0.1pt)
Industrial, Infrastructure, IoT	116.3 (58.8%)	126.3 (61.7%)	129.6 (62.0%)	113.3 (60.3%)	485.5 (60.7%)	105.6 (61.6%)	100.2 (60.3%)	95.8 (60.6%)	-33.8 (-1.5pts)	-4.4 (+0.3pt)	301.6 (60.8%)	-70.6 (-0.0pt)
Others	1.0 (39.5%)	1.3 (44.6%)	0.5 (23.4%)	0.6 (29.4%)	3.5 (35.0%)	0.4 (17.5%)	0.9 (41.9%)	0.4 (24.8%)	-0.1 (+1.4pts)	-0.5 (-17.0pts)	1.7 (28.7%)	-1.2 (-7.8pts)
Adjustments*2	-0.0	-0.0	-0.2	0.2	0.0	0.0	0.0	0.0	+0.2	0.0	0.0	+0.2

*1: 2023 segment financial statements: revised based on the new aggregation method

*2: 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*2

NON-GAAP

(B yen)	2023					2024						
	1Q (Jan-Mar)	2Q (Apr-Jun)	3Q (Jul-Sep)	4Q (Oct-Dec)	Full-Year (Jan-Dec)	1Q (Jan-Mar)	2Q (Apr-Jun)	3Q (Jul-Sep)	YoY	QoQ	9 months (Jan-Sep)	YoY
Operating Profit (Margin)	124.8 (34.7%)	129.1 (35.0%)	132.3 (34.9%)	115.5 (31.9%)	501.6 (34.1%)	113.5 (32.3%)	110.6 (30.8%)	98.4 (28.5%)	-33.9 (-6.4pts)	-12.2 (-2.3pts)	322.5 (30.5%)	-63.7 (-4.3pts)
Automotive	57.7 (36.2%)	56.7 (35.2%)	58.1 (34.6%)	56.9 (33.1%)	229.4 (34.7%)	57.4 (32.2%)	62.7 (32.9%)	56.7 (30.6%)	-1.4 (-4.0pts)	-5.9 (-2.3pts)	176.7 (31.9%)	+4.3 (-3.4pts)
Industrial, Infrastructure, IoT	66.2 (33.5%)	71.9 (35.1%)	73.7 (35.3%)	56.5 (30.1%)	268.4 (33.6%)	55.8 (32.5%)	47.0 (28.3%)	42.0 (26.6%)	-31.6 (-8.7pts)	-4.9 (-1.7pts)	144.8 (29.2%)	-67.1 (-5.4pts)
Others	1.0 (39.5%)	1.3 (44.6%)	0.5 (23.4%)	0.6 (29.4%)	3.5 (35.0%)	0.4 (17.5%)	0.9 (41.9%)	0.4 (24.8%)	-0.1 (+1.4pts)	-0.5 (-17.1pts)	1.7 (28.7%)	-1.2 (-7.8pts)
Adjustments*3	-0.2	-0.8	-0.0	1.4	0.4	0.0	0.0	-0.8	-0.7	-0.8	-0.8	+0.3
EBITDA	144.3	149.0	152.6	136.0	581.9	133.8	132.8	121.4	-31.1	-11.3	388.0	-57.9
Automotive	66.9	65.9	67.8	67.1	267.7	68.6	75.5	70.3	+2.4	-5.2	214.3	+13.7
Industrial, Infrastructure, IoT	76.6	82.6	84.2	66.8	310.3	64.9	56.4	51.5	-32.7	-4.8	172.7	-70.7
Others	1.0	1.3	0.5	0.6	3.5	0.4	0.9	0.4	-0.1	-0.5	1.7	-1.2
Adjustments*3	-0.2	-0.8	-0.0	1.4	0.4	0.0	0.0	-0.8	-0.7	-0.8	-0.8	+0.3

*1: Operating profit + Depreciation and amortization

*2: 2023 segment financial statements: revised based on the new aggregation method

*3: Adjustments include deductions or adjustments of non-recurring items or other specified adjustments, allocated in the reportable segments

STATEMENT OF FINANCIAL POSITION

GAAP

(B yen)	23/3	23/6	23/9	23/12	24/3	24/6	24/9
Total Assets	2,840.8	3,123.5	3,292.2	3,167.0	3,233.7	3,661.6	4,138.9
Cash and Cash Equivalents* ¹	361.4	458.1	392.5	434.7	231.8	288.4	239.1
Inventories	188.2	177.9	177.8	163.1	171.4	178.1	173.1
Goodwill	1,272.3	1,392.4	1,436.0	1,362.1	1,453.8	1,602.8	2,272.4
Intangible Assets	466.9	483.0	467.6	421.8	417.9	456.2	386.3
Total Liabilities	1,179.7	1,228.0	1,235.9	1,161.4	1,031.4	1,193.9	1,991.8
Interest-Bearing Liabilities* ²	741.4	733.7	710.3	667.7	532.9	619.4	1,511.6
Total Equity	1,661.1	1,895.5	2,056.3	2,005.6	2,202.3	2,467.8	2,147.1
D/E Ratio (Gross)*³	0.45	0.39	0.35	0.33	0.24	0.25	0.71
D/E Ratio (Net)*⁴	0.23	0.15	0.15	0.12	0.14	0.13	0.59
Equity Ratio Attributable to Owners of Parent*⁵	58.3%	60.6%	62.3%	63.2%	68.0%	67.3%	51.8%
Leverage Ratio (Gross)*⁶	1.2	1.2	1.2	1.1	0.9	1.1	2.9
Leverage Ratio (Net)*⁷	0.6	0.5	0.5	0.4	0.5	0.6	2.4
Average number of shares during the period (excluding treasury stock) (in million shares)	1,799	1,763	1,769	1,775	1,779	1,789	1,792

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

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

GAAP / NON-GAAP RECONCILIATION

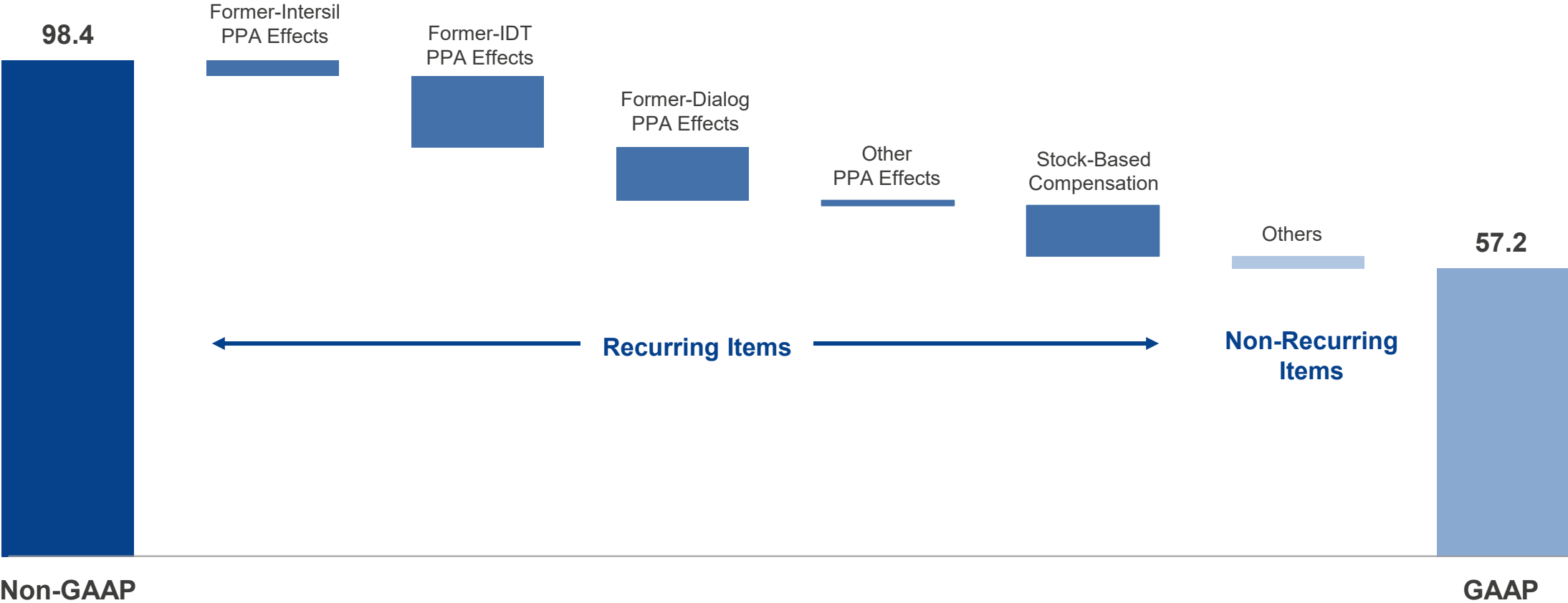
(B yen)	2023								2024			
	3Q (Jul-Sep)				Full-Year (Jan-Dec)				3Q (Jul-Sep)			
	Gross Profit	Operating Profit	Net Profit*1	EBITDA	Gross Profit	Operating Profit	Net Profit*1	EBITDA	Gross Profit	Operating Profit	Net Profit*1	EBITDA
Non-GAAP (vs Revenue)	219.8 (57.9%)	132.3 (34.9%)	108.3 (28.5%)	152.6 (40.2%)	837.4 (57.0%)	501.6 (34.1%)	432.9 (29.5%)	581.9 (39.6%)	192.8 (55.9%)	98.4 (28.5%)	86.0 (24.9%)	121.4 (35.2%)
Recurring Items	-0.6	-33.0	-28.9	-6.3	-2.8	-128.9	-112.2	-23.6	-1.1	-38.7	-34.4	-10.0
Former-Intersil PPA Effects	-0.1	-2.8	-2.2	-	-0.3	-11.7	-9.0	-	-0.1	-3.1	-2.3	-
Former-IDT PPA Effects	-0.1	-13.3	-11.7	-	-0.4	-52.1	-45.9	-	-0.1	-14.1	-12.5	-
Former-Dialog PPA Effects	-0.1	-9.7	-7.9	-	-0.6	-38.4	-30.6	-0.3	-0.1	-10.6	-8.5	-
Former-Celeno PPA Effects	-	-0.8	-0.8	-	-	-3.0	-3.0	-	-	-0.8	-0.8	-
Former-Reality AI PPA Effects	-	-0.0	-0.0	-	-	-0.0	-0.0	-	-	-0.0	-0.0	-
Former-Steradian PPA Effects	-	-0.0	-0.0	-	-	-0.1	-0.1	-	-	-0.0	-0.0	-
Former-Pantronics PPA Effects	-	-0.1	-0.1	-	-	-0.2	-0.2	-	-	-0.1	-0.1	-
Stock-Based Compensation	-0.4	-6.3	-6.3	-6.3	-1.5	-23.3	-23.3	-23.3	-0.8	-10.0	-10.0	-10.0
Non-Recurring Items	0.3	-1.4	-4.2	-1.4	-0.3	18.0	16.4	18.5	0.4	-2.4	9.0	-2.4
Naka Factory Fire Impact	-	-	-	-	-	29.7	29.7	29.7	-	-	-	-
Others	0.3	-1.4	-4.2	-1.4	-0.3	-11.6	-13.3	-11.2	0.4	-2.4	9.0	-2.4
Non-GAAP Adjustments Total	-0.3	-34.4	-33.1	-7.6	-3.1	-110.9	-95.8	-5.1	-0.7	-41.2	-25.4	-12.4
GAAP (vs Revenue)	219.6 (57.9%)	97.9 (25.8%)	75.2 (19.8%)	144.9 (38.2%)	834.3 (56.8%)	390.8 (26.6%)	337.1 (22.9%)	576.8 (39.3%)	192.2 (55.7%)	57.2 (16.6%)	60.6 (17.6%)	109.0 (31.6%)

*1: Profit Attributable to Owners of Parent

3Q 2024 CONSOLIDATED OPERATING PROFIT

BRIDGE FROM NON-GAAP TO GAAP

(B yen)



3Q 2024 FINANCIAL SNAPSHOT

GAAP

(B yen)	2023		2024					
	3Q (Jul-Sep)	9 months (Jan-Sep)	2Q (Apr-Jun)	3Q (Jul-Sep)	YoY	QoQ	9 months (Jan-Sep)	YoY
Revenue	379.4	1,107.5	358.8	345.3	-9.0%	-3.8%	1,055.9	-4.7%
Gross Margin	57.9%	57.0%	56.0%	55.7%	-2.2pts	-0.3pt	55.9%	-1.0pt
Operating Profit (Margin)	97.9 (25.8%)	318.4 (28.8%)	69.7 (19.4%)	57.2 (16.6%)	-40.7 (-9.2pts)	-12.5 (-2.9pts)	204.8 (19.4%)	-113.6 (-9.4pts)
Profit Attributable to Owners of Parent	75.2	271.0	59.8	60.6	-14.6	+0.9	200.3	-70.7
EBITDA*1	144.9	455.9	120.6	109.0	-35.9	-11.7	355.3	-100.5
1 US\$=	142 yen	137 yen	153 yen	154 yen	12 yen depreciation	1 yen depreciation	151 yen	15 yen depreciation
1 Euro=	156 yen	148 yen	165 yen	168 yen	12 yen depreciation	2 yen depreciation	164 yen	16 yen depreciation

*1: Operating profit + Depreciation and amortization

COMPLETION OF ALTIUM*1 ACQUISITION

Financial impact

- ✓ Acquisition Completion: August 1, 2024; consolidation starts from 3Q 2024
- ✓ Purchase price: Approximately AUD 9.1 billion
- ✓ Business overview: Development and sales of software of PCB*2 design
- ✓ Financial impact: Altium's financials have been consolidated from Q3 2024, with most figures recorded under the "Industrial, Infrastructure, and IoT" segment
- ✓ PPA: Expected to be reflected in the Q4 2024 financial results

PMI

PMI Progress

- ✓ Altium CEO, Aram Mirkazemi, has assumed the role of Head of Software & Digitalization at Renesas
- ✓ Cost synergies have begun to materialize since the completion of the acquisition
- ✓ Preparations are underway to generate sales synergies

Arm's Lengths and Integration

- ✓ The Altium brand and customer information retain their independence and impartiality
- ✓ Integration is being actively promoted across R&D, Sales & Marketing, and Operations

*1: Altium Limited

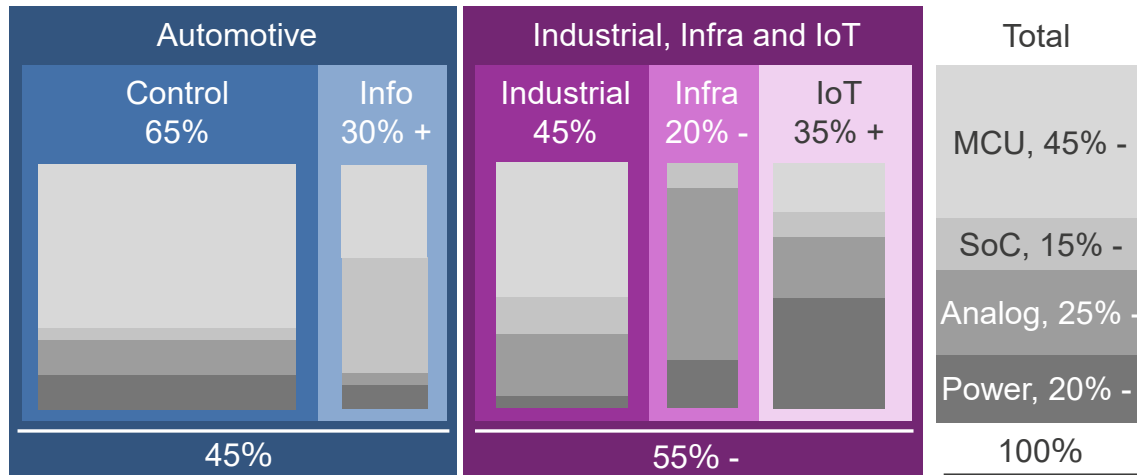
*2: Printed-circuit board

RENESAS AT A GLANCE

2023 Highlight*1

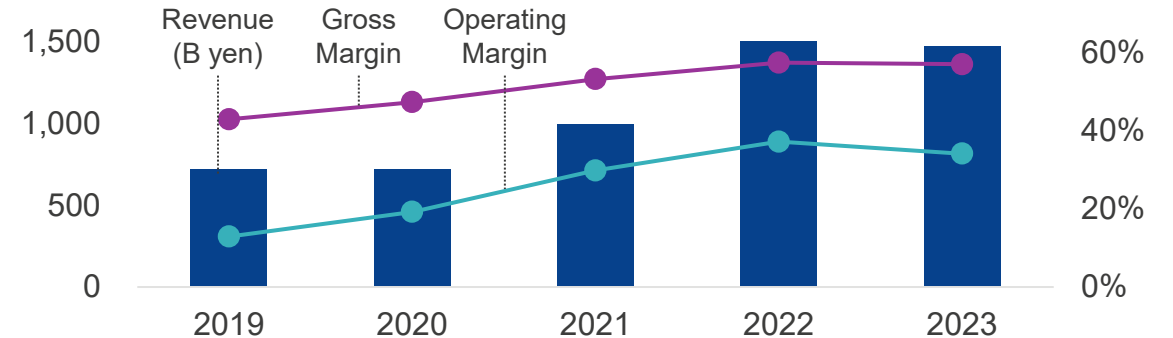
Revenue 1,496.7 B yen	Operating Margin 34.1%	FCF Margin 25.8%
Gross Margin 57.0%	EBIDTA Margin 40.0%	EPS 243.73 yen

Revenue Composition

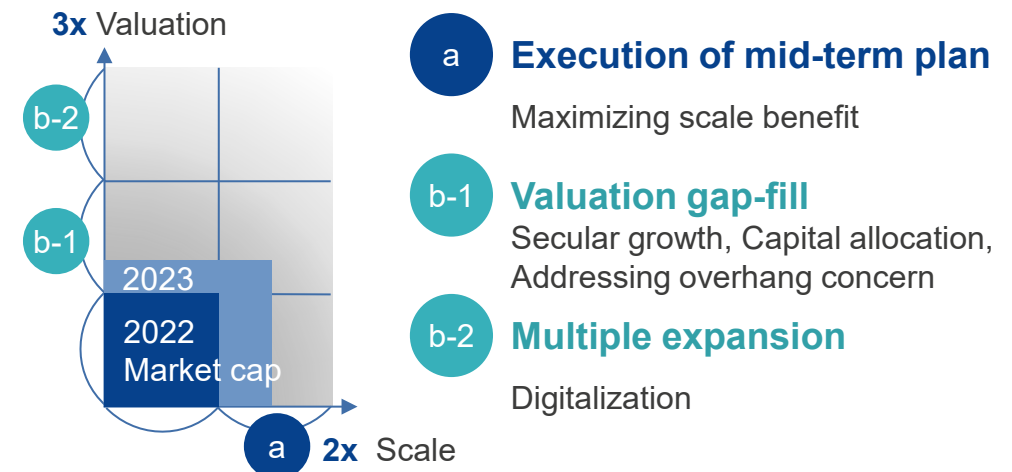


*1: Non-GAAP

Growth Trajectory*1



2030 Aspiration - Market Cap 6x break down



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(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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