

FY20/12 Q2 PRESENTATION

RENESAS ELECTRONICS CORPORATION
JULY 30, 2020

FY2020 Q2 EARNINGS PRESENTATION

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 (IFRS based)”) excluding or adjusting non-recurring and other items following a certain set of rules. The Group believes Non-GAAP operating profit is useful information to understand its recurring operating performance.

The Group reports its consolidated forecast 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 its business globally and to provide financial information that can be compared on a global scale, the Group discloses its consolidated financial statements in accordance with the International Financial Reporting Standards (“IFRS”) starting from the annual securities report for FY2018/12.
- **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. In order to provide useful information to better understand the Group’s constant business results, figures such as revenue, gross margin and operating margin will be presented in the non-GAAP format, which excludes or adjusts the non-recurring items related to acquisitions and other adjustments removed as non-recurring expenses or income. The revenue, gross margin and operating margin forecasts are given assuming the midpoint in the sales revenue forecast.
- **Segment disclosure:** Although the Group designs and manufactures semiconductors, the financial figures disclosed have been reformed to two segments: “Automotive Business” and “Industrial/Infrastructure/IoT Business” since Q3 FY2019/12 in order to more appropriately disclose financial figures.
- **Cost Segment Reclassification:** Following the acquisition of Integrated Device Technology, Inc. (hereinafter “IDT”) and the absorption type merger of IDT with Renesas Electronics America Inc., since January 1, 2020, the Group has begun the integration of business processes and IT systems, etc. as part of the “One Renesas” promotion. With these processes as a momentum, expense classifications have been revised in order to appropriately display the Group’s financial status and business performance. Changes in classifications have been applied retroactively; therefore, the consolidated financial results of the year ended December 31, 2019 have been reclassified.

FY20/12 Q2 FINANCIAL SNAPSHOT

IFRS, NON-GAAP ^{*1*2}

YoY and QoQ revenue as well as the changes from FCTs of the revenue are rounded off to one decimal place.

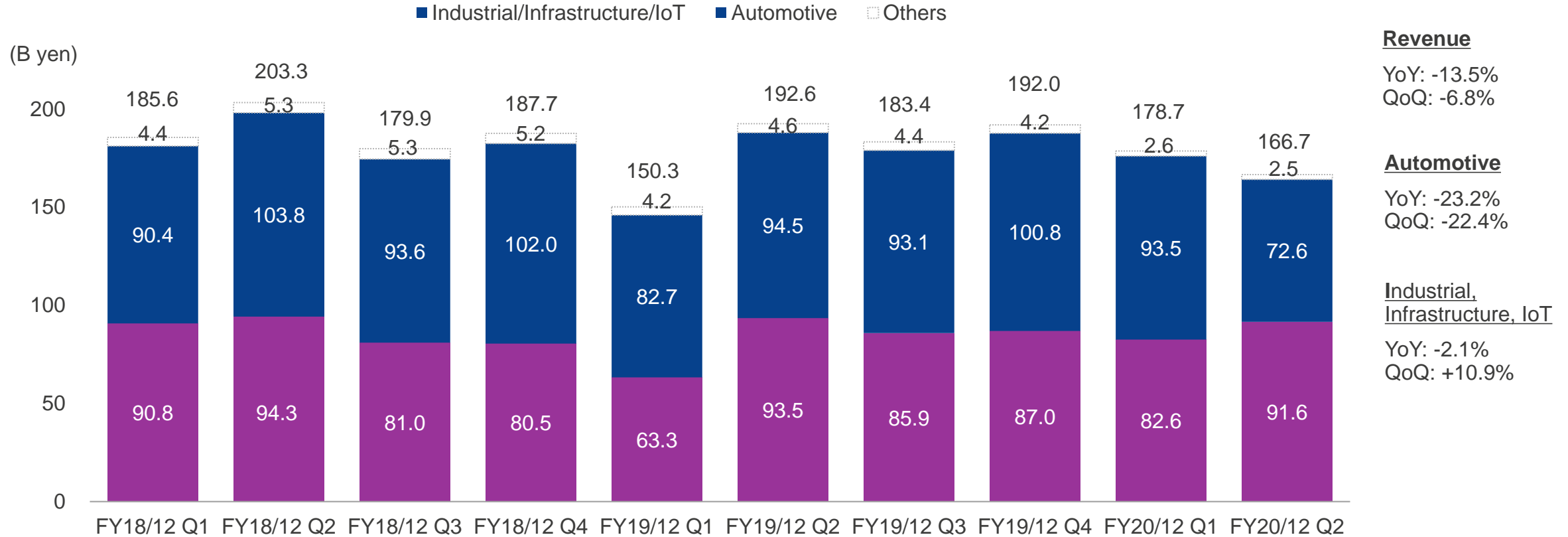
(B yen)	FY19/12		FY20/12								
	Q2 (Apr-Jun)	1H (Jan-Jun)	Q1 (Jan-Mar)	Q2 (Apr-Jun) Forecast	Q2 (Apr-Jun) Actual	YoY	QoQ	Change from May 29 FCT ^{*3}	1H (Jan-Jun) Actual	YoY	Change from May 29 FCT ^{*3}
Revenue	192.6	342.9	178.7	152.5 to 160.5	166.7	-13.5%	-6.8%	+6.5%	345.4	+0.7%	+3.0%
Gross Margin	43.6%	41.2%	47.3%	46.5%	47.5%	+3.9pts	+0.3pt	+1.0pt	47.4%	+6.2pts	+0.5pt
Operating Profit/loss (Margin)	27.2 (14.1%)	34.2 (10.0%)	33.7 (18.8%)	21.9 (14.0%)	30.2 (18.1%)	+3.1 (+4.0pts)	-3.4 (-0.7pt)	+8.3 (+4.1pts)	63.9 (18.5%)	+29.6 (+8.5pts)	+8.3 (+1.9pts)
Profit/loss attributable to owners of the parent	25.6	32.2	29.9	-	23.7	-1.9	-6.2	-	53.6	+21.5	-
EBITDA ^{*4}	53.0	85.2	57.6	-	50.8	-2.1	-6.8	-	108.5	+23.3	-
1 US\$=	111 yen	111 yen	110 yen	108 yen	108 yen	3 yen appreciation	2 yen appreciation	0 yen depreciation	109 yen	2 yen appreciation	0 yen depreciation
1 Euro=	125 yen	125 yen	121 yen	118 yen	118 yen	7 yen appreciation	3 yen appreciation	0 yen depreciation	119 yen	6 yen appreciation	0 yen depreciation

*1: Non-GAAP figures are calculated by removing or adjusting non-recurring items and other adjustments from GAAP (IFRS based) figures following a certain set of rules. The Group believes non-GAAP measures provide useful information in understanding and evaluating the Group's constant business results, and therefore results are provided in non-GAAP base. This adjustment and exclusion include the amortization of intangible assets recognized from acquisitions, other PPA (purchase price allocation) adjustments and costs relating to acquisitions, stock-based compensation, as well as other non-recurring expenses and income the Group believes to be applicable.

*2: Following the acquisition of IDT and the absorption type merger of IDT with Renesas Electronics America Inc., since January 1, 2020, the Group has begun the integration of business processes and IT systems, etc. as part of the "One Renesas" promotion. With these processes as a momentum, expense classifications have been revised in order to appropriately display the Group's financial status and business performance. Changes in classifications have been applied retroactively; therefore, the consolidated financial results of the year ended December 31, 2019 have been reclassified. *3: Each figure represents comparisons of the midpoint in the sales revenue forecast range. *4: Operating Income + Depreciation and Amortization.

QUARTERLY REVENUE TRENDS

IFRS, NON-GAAP *1*2



*1: Non-GAAP figures are calculated by removing or adjusting non-recurring items and other adjustments from GAAP (IFRS based) figures following a certain set of rules. The Group believes non-GAAP measures provide useful information in understanding and evaluating the Group's constant business results, and therefore results are provided in non-GAAP base. This adjustment and exclusion include the amortization of intangible assets recognized from acquisitions, other PPA (purchase price allocation) adjustments and costs relating to acquisitions, stock-based compensation, as well as other non-recurring expenses and income the Group believes to be applicable.

*2: As of the first quarter ended March 31, 2019, there has been a change in the Group's auditor, and therefore quarterly figures of the year ended December 31, 2018 provided under IFRS are not reviewed by the previous auditor. However, each of the quarterly figures of the year ended December 31, 2018 provided under the generally accepted accounting principal in Japan (J-GAAP) have been reviewed by the Group's previous auditor.

FY2020/12 Q2 GROSS/OPERATING MARGIN

IFRS, NON-GAAP*1*2

	FY2020/12 Q1 Actual (Jan-Mar 2020)	FY2020/12 Q2 Forecast (Apr-Jun 2020)	FY2020/12 Q2 Actual (Apr-Jun 2020)
Gross Margin QoQ: +0.3pt vs FCST: +1.0pt	47.3%	46.5%	47.5%
Operating Margin QoQ: -0.7pt vs FCST: +4.1pts	18.8%	14.0%	18.1%

Operating Margin vs FCST +4.1pts



Operating Margin QoQ -0.7pt



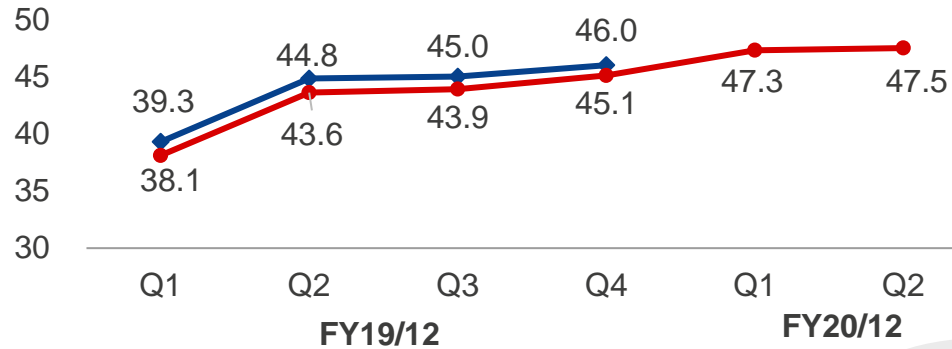
*1: Non-GAAP figures are calculated by removing or adjusting non-recurring items and other adjustments from GAAP (IFRS based) figures following a certain set of rules. The Group believes non-GAAP measures provide useful information in understanding and evaluating the Group's constant business results, and therefore results are provided in non-GAAP base. This adjustment and exclusion include the amortization of intangible assets recognized from acquisitions, other PPA (purchase price allocation) adjustments and costs relating to acquisitions, stock-based compensation, as well as other non-recurring expenses and income the Group believes to be applicable.

*2: Following the acquisition of IDT and the absorption type merger of IDT with Renesas Electronics America Inc., since January 1, 2020, the Group has begun the integration of business processes and IT systems, etc. as part of the "One Renesas" promotion. With these processes as a momentum, expense classifications have been revised in order to appropriately display the Group's financial status and business performance. Changes in classifications have been applied retroactively; therefore, the consolidated financial results of the year ended December 31, 2019 have been reclassified.

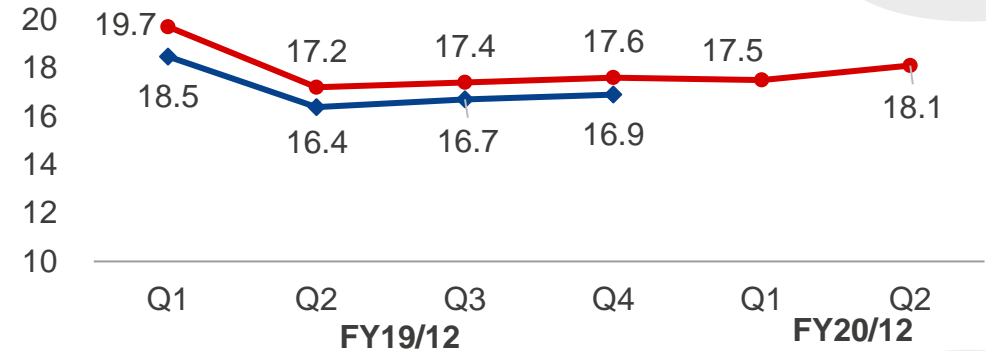
GROSS MARGIN, OPERATING MARGIN AND OPEX TRAJECTORY

IFRS, NON-GAAP *1*2

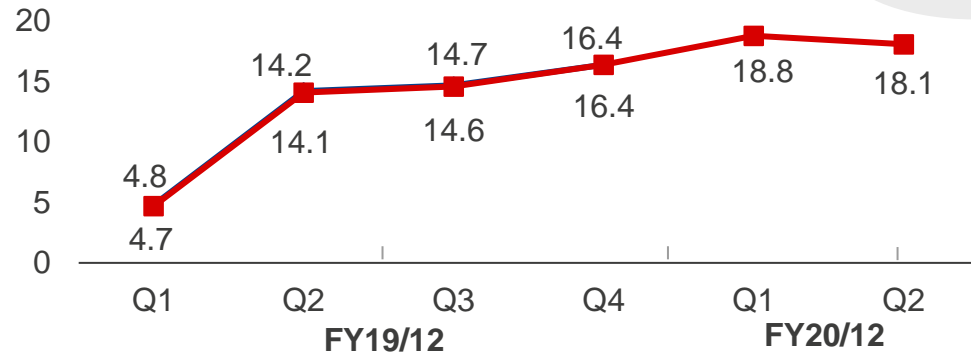
Gross Margin (%)



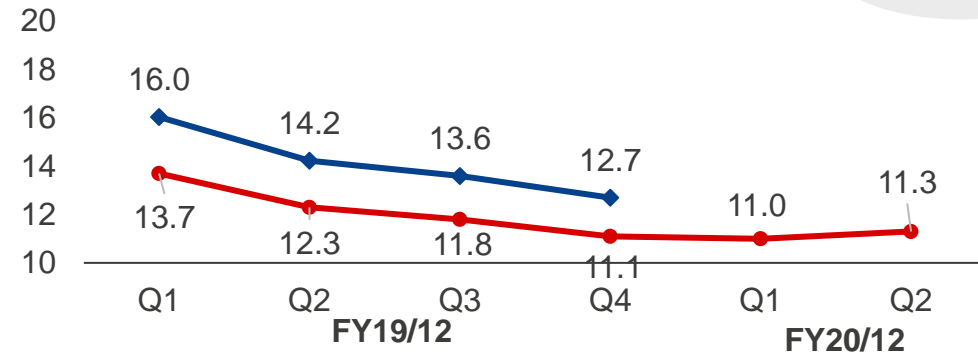
R&D Ratio (%)



Operating Margin (%)



SG&A/Other Ratio (%)

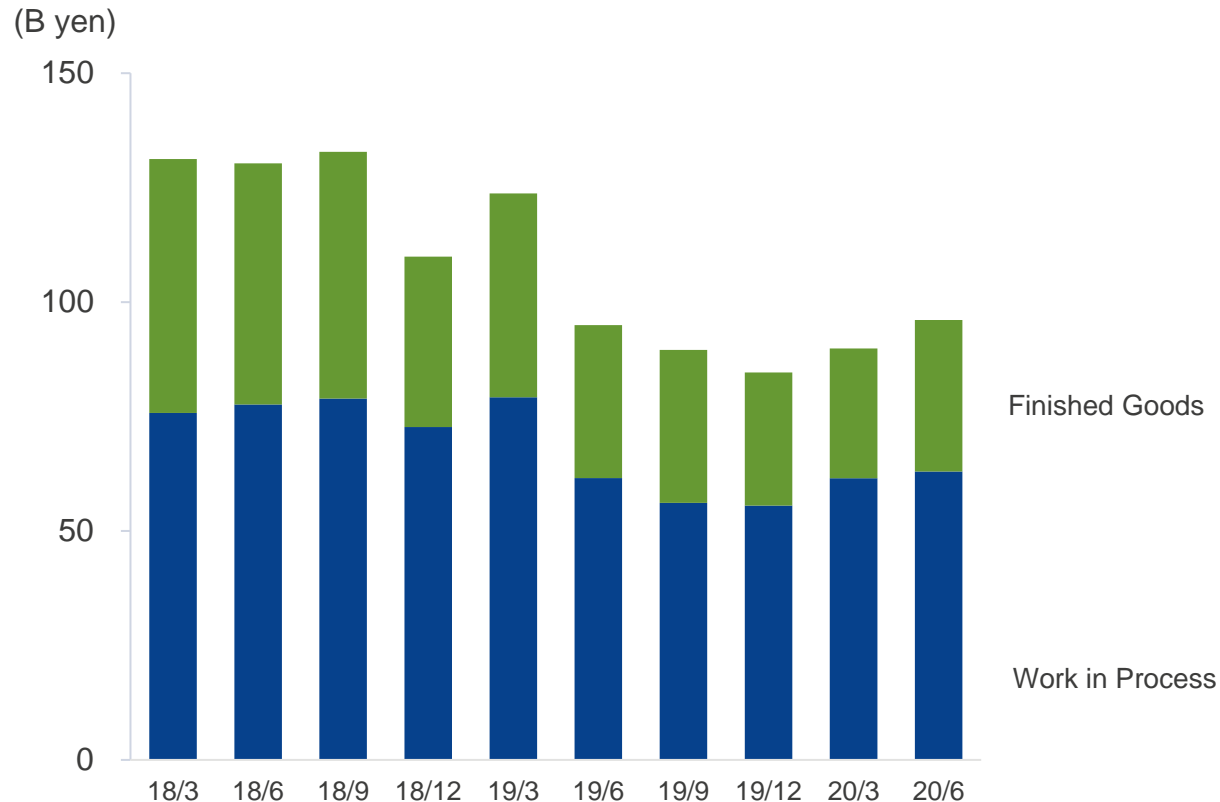


*1: Non-GAAP figures are calculated by removing or adjusting non-recurring items and other adjustments from GAAP (IFRS based) figures following a certain set of rules. The Group believes non-GAAP measures provide useful information in understanding and evaluating the Group's constant business results, and therefore results are provided in non-GAAP base. This adjustment and exclusion include the amortization of intangible assets recognized from acquisitions, other PPA (purchase price allocation) adjustments and costs relating to acquisitions, stock-based compensation, as well as other non-recurring expenses and income the Group believes to be applicable.

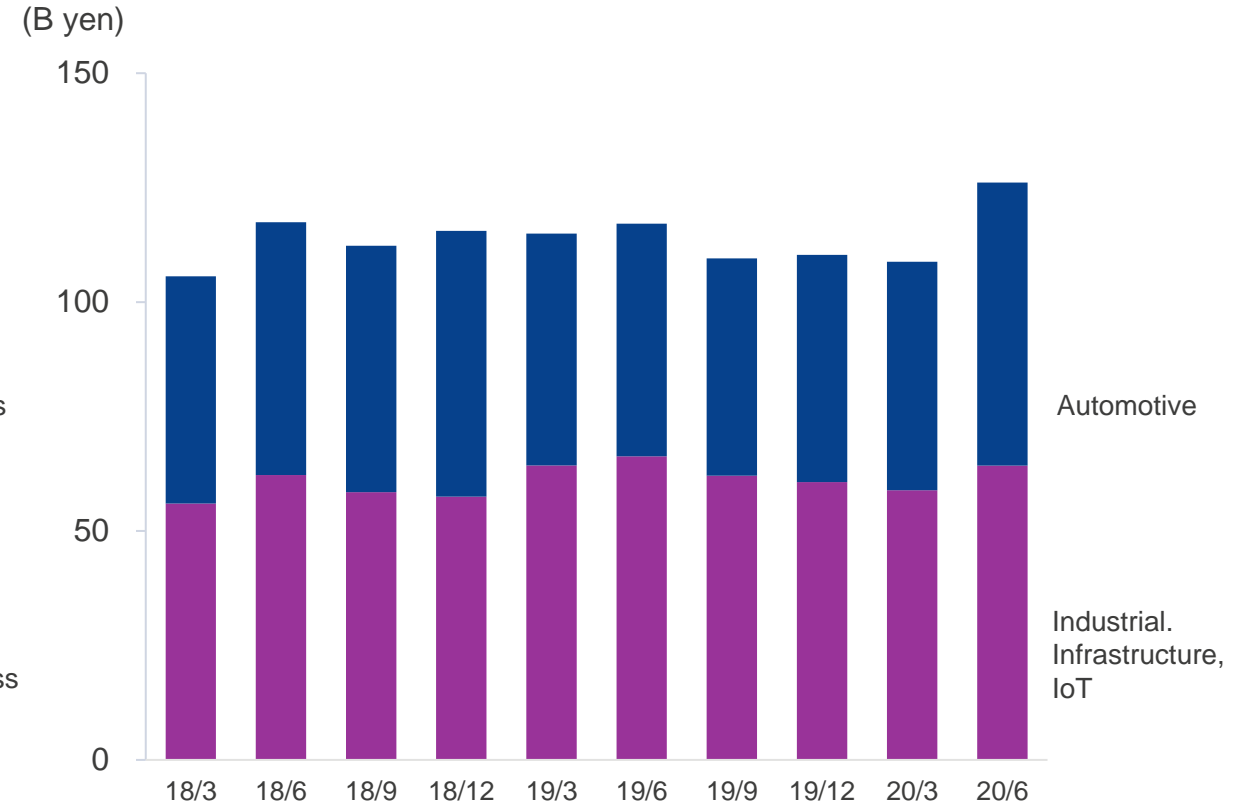
*2: Following the acquisition of IDT and the absorption type merger of IDT with Renesas Electronics America Inc., since January 1, 2020, the Group has begun the integration of business processes and IT systems, etc. as part of the "One Renesas" promotion. With these processes as a momentum, expense classifications have been revised in order to appropriately display the Group's financial status and business performance. Changes in classifications have been applied retroactively; therefore, the consolidated financial results of the year ended December 31, 2019 have been reclassified.

INVENTORY*1

In-house Inventory*2 (Settlement basis)



Sales Channel Inventory*3 (Managerial basis)



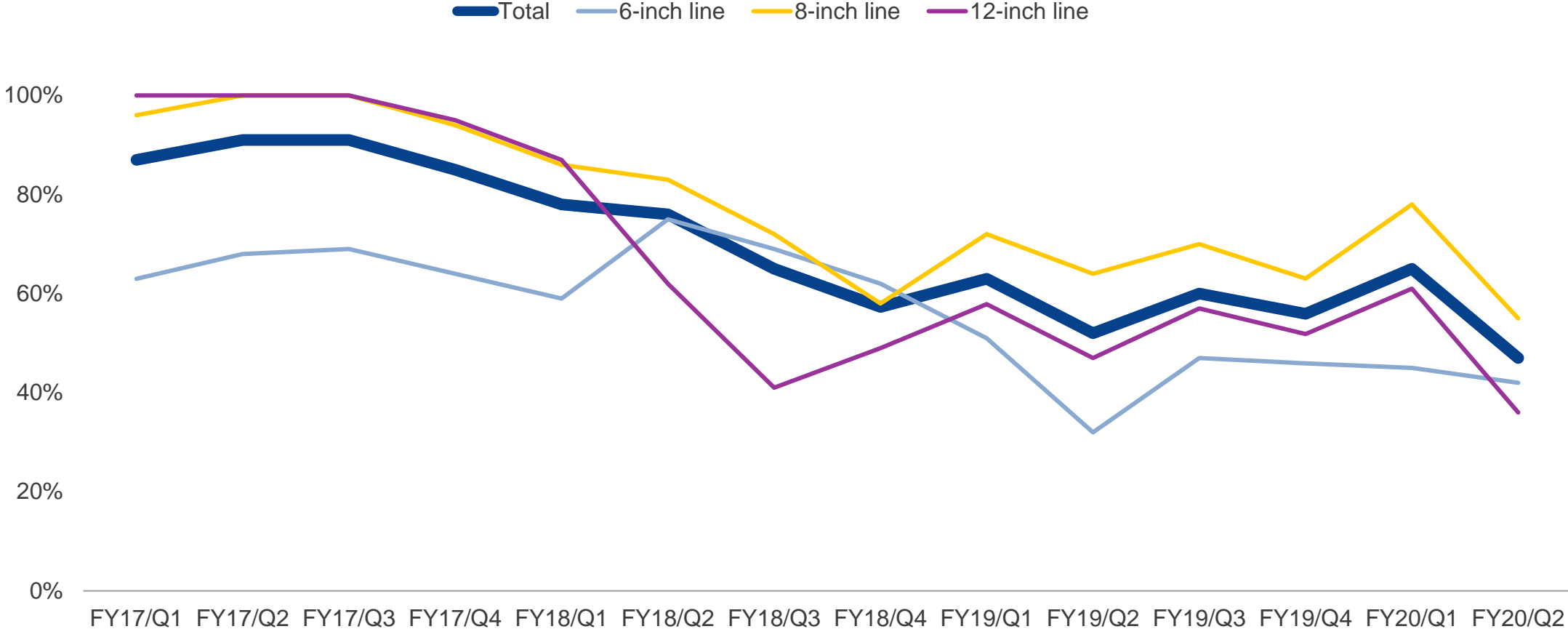
*1: Figures after consolidation of IDT, as of the three months ended March 31, 2019.

*2: Following the acquisition of IDT and the absorption type merger of IDT with Renesas Electronics America Inc., since January 1, 2020, the Group has begun the integration of business processes and IT systems, etc. as part of the "One Renesas" promotion. With these processes as a momentum, expense classifications have been revised in order to appropriately display the Group's financial status and business performance. Changes in classifications have been applied retroactively; therefore, the consolidated financial results of the year ended December 31, 2019 have been reclassified.

*3: Total inventory of the 16 exclusive sales distributors for Japanese customers and overseas distributors (including distributors for former Intersil and IDT).

QUARTERLY TRENDS IN FRONT-END UTILIZATION RATE

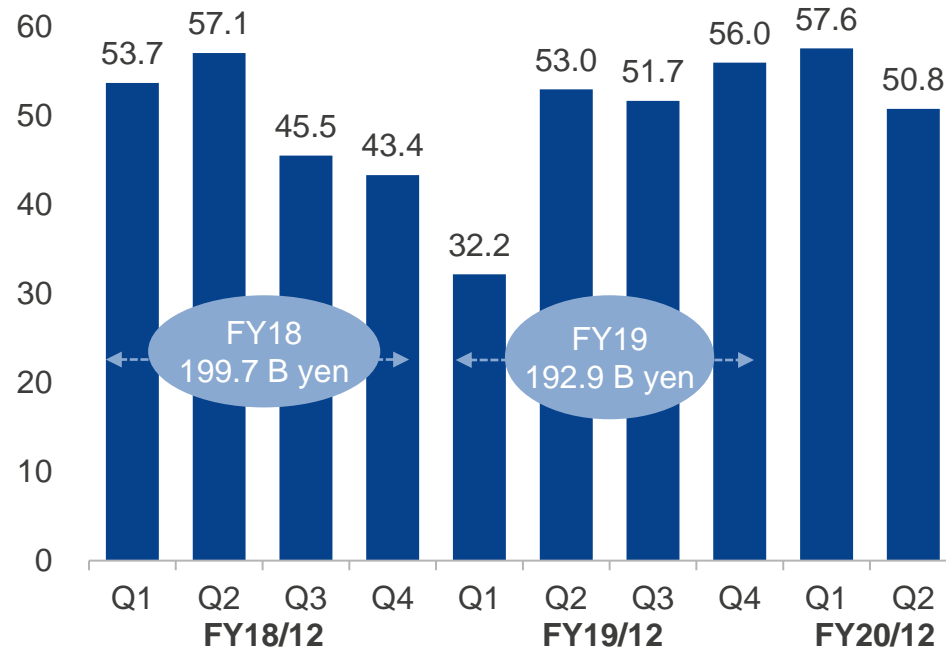
WAFER INPUT BASIS



NON-GAAP*¹ EBITDA*^{2*3} AND GAAP*⁴ CASH FLOWS

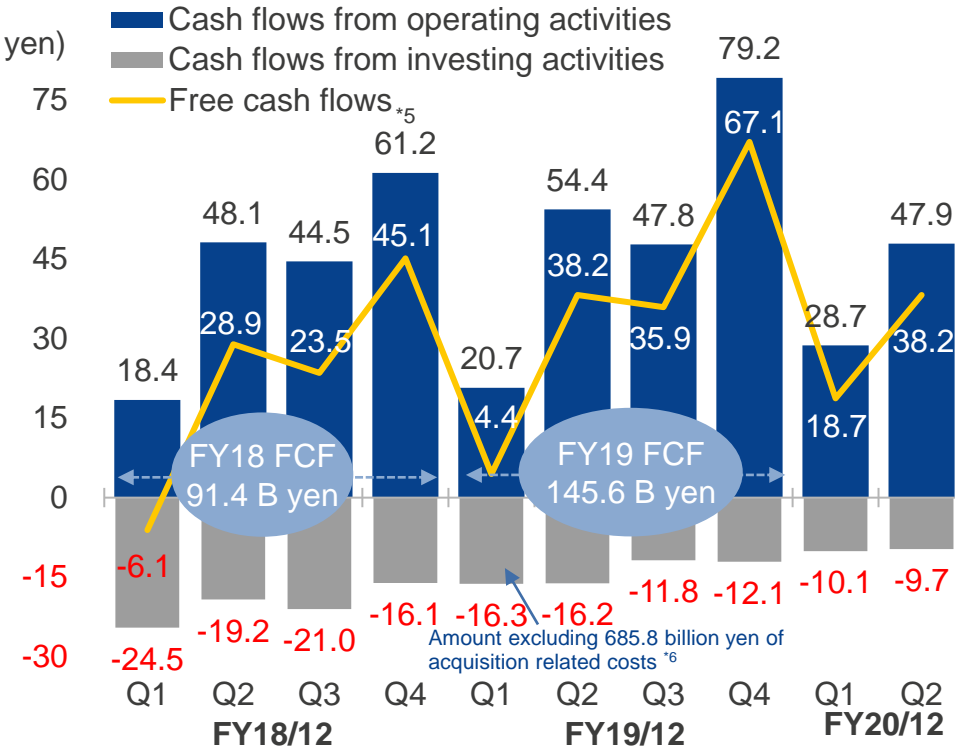
Non-GAAP EBITDA

(B yen)



GAAP Cash Flows

(B yen)



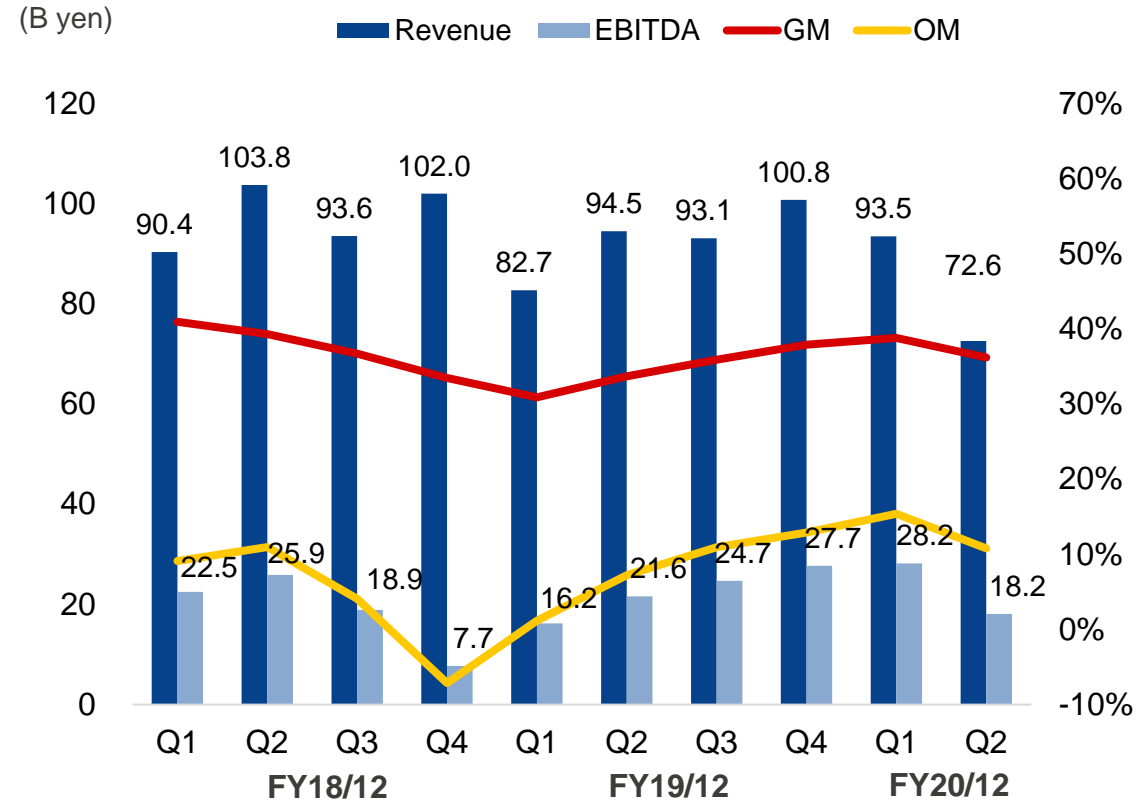
*1: Non-GAAP figures are calculated by removing or adjusting non-recurring items and other adjustments from GAAP (IFRS based) figures following a certain set of rules. The Group believes non-GAAP measures provide useful information in understanding and evaluating the Group's constant business results, and therefore results are provided in non-GAAP base. This adjustment and exclusion include the amortization of intangible assets recognized from acquisitions, other PPA (purchase price allocation) adjustments and costs relating to acquisitions, stock-based compensation, as well as other non-recurring expenses and income the Group believes to be applicable.

*2: Following the acquisition of IDT and the absorption type merger of IDT with Renesas Electronics America Inc., since January 1, 2020, the Group has begun the integration of business processes and IT systems, etc. as part of the "One Renesas" promotion. With these processes as a momentum, expense classifications have been revised in order to appropriately display the Group's financial status and business performance. Changes in classifications have been applied retroactively; therefore, the consolidated financial results of the year ended December 31, 2019 have been reclassified. *3: Operating profit + Depreciation and amortization. *4: As of the first quarter ended March 31, 2019, there has been a change in the Group's auditor, and therefore quarterly figures of the year ended December 31, 2018, provided under IFRS are not reviewed by the previous auditor. However, each of the quarterly figures of the year ended December 31, 2018 provided under the generally accepted accounting principal in Japan (J-GAAP) have been reviewed by the Group's previous auditor. *5: Cash flows from operating activities + Cash flows from investing activities. *6: Acquisition-related payments of IDT.

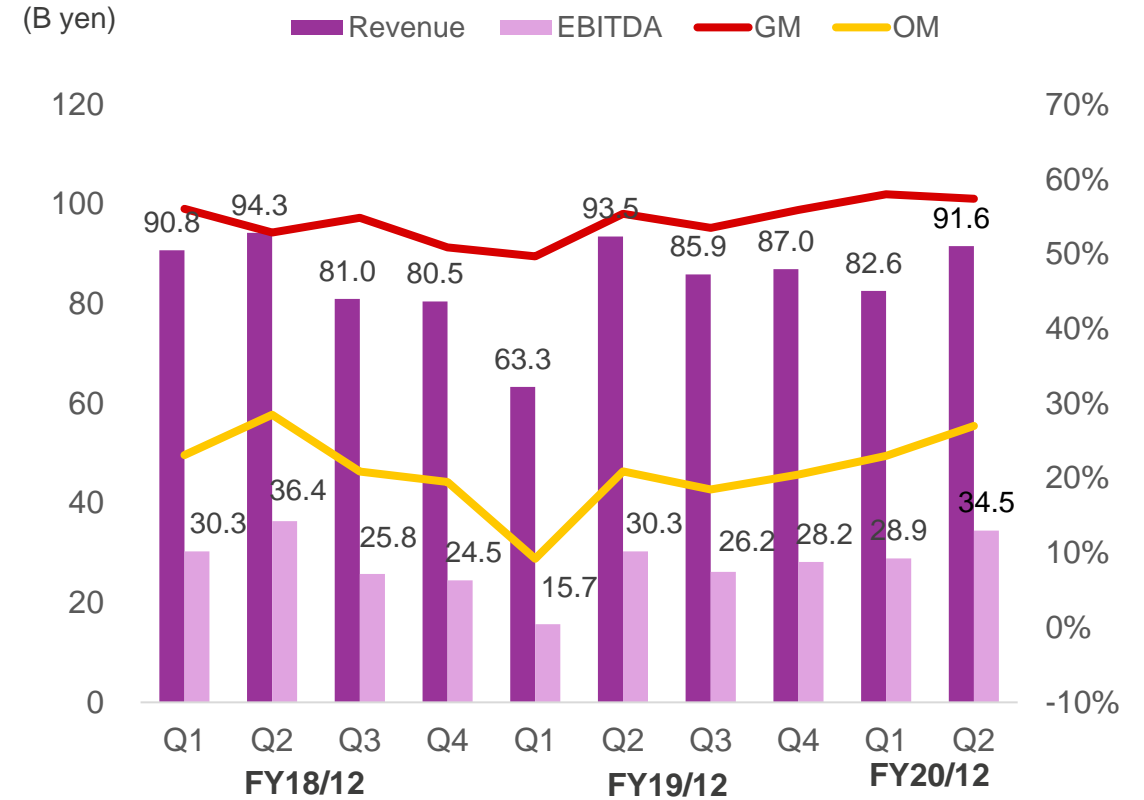
QUARTERLY REVENUE, PROFIT, AND EBITDA*1 TRENDS BY SEGMENT

IFRS, NON-GAAP *2*3*4

Automotive



Industrial, Infrastructure, IoT



*1: Operating profit + Depreciation and amortization *2: Non-GAAP figures are calculated by removing or adjusting non-recurring items and other adjustments from GAAP (IFRS based) figures following a certain set of rules. The Group believes non-GAAP measures provide useful information in understanding and evaluating the Group's constant business results, and therefore results are provided in non-GAAP base. This adjustment and exclusion include the amortization of intangible assets recognized from acquisitions, other PPA (purchase price allocation) adjustments and costs relating to acquisitions, stock-based compensation, as well as other non-recurring expenses and income the Group believes to be applicable. *3: As of the first quarter ended March 31, 2019, there has been a change in the Group's auditor, and therefore quarterly figures of the year ended December 31, 2018, provided under IFRS are not reviewed by the previous auditor. However, each of the quarterly figures of the year ended December 31, 2018 provided under the generally accepted accounting principal in Japan (J-GAAP) have been reviewed by the Group's previous auditor. *4: Following the acquisition of IDT and the absorption type merger of IDT with Renesas Electronics America Inc., since January 1, 2020, the Group has begun the integration of business processes and IT systems, etc. as part of the "One Renesas" promotion. With these processes as a momentum, expense classifications have been revised in order to appropriately display the Group's financial status and business performance. Changes in classifications have been applied retroactively; therefore, the consolidated financial results of the year ended December 31, 2019 have been reclassified.

FY20/12 Q3 FORECAST

IFRS, NON-GAAP ^{*1*2}

YoY and QoQ results of the revenue are rounded off to one decimal place.

(B yen)	FY19/12		FY20/12					
	Q3 (Jul-Sep)	9 months (Jan-Sep)	Q2 (Apr-Jun)	Q3 (Jul-Sep) Forecast	YoY	QoQ	9 months (Jan-Sep) Forecast	YoY
Revenue	183.4	526.2	166.7	163.0 ~171.0	-11.1% ~-6.7%	-2.2% ~+2.6%	508.4 ~516.4	-3.4% ~-1.9%
Gross Margin ^{*3}	43.9%	42.1%	47.5%	45.5%	+1.6pts	-2.0pts	46.8%	+4.7pts
Operating Margin ^{*3}	14.6%	11.6%	18.1%	14.5%	-0.1pt	-3.6pts	17.2%	+5.6pts
1 US\$=	108 yen	110 yen	108 yen	106 yen	2 yen appreciation	2 yen appreciation	108 yen	2 yen appreciation
1 Euro=	121 yen	124 yen	118 yen	118 yen	3 yen appreciation	0 yen depreciation	119 yen	5 yen appreciation

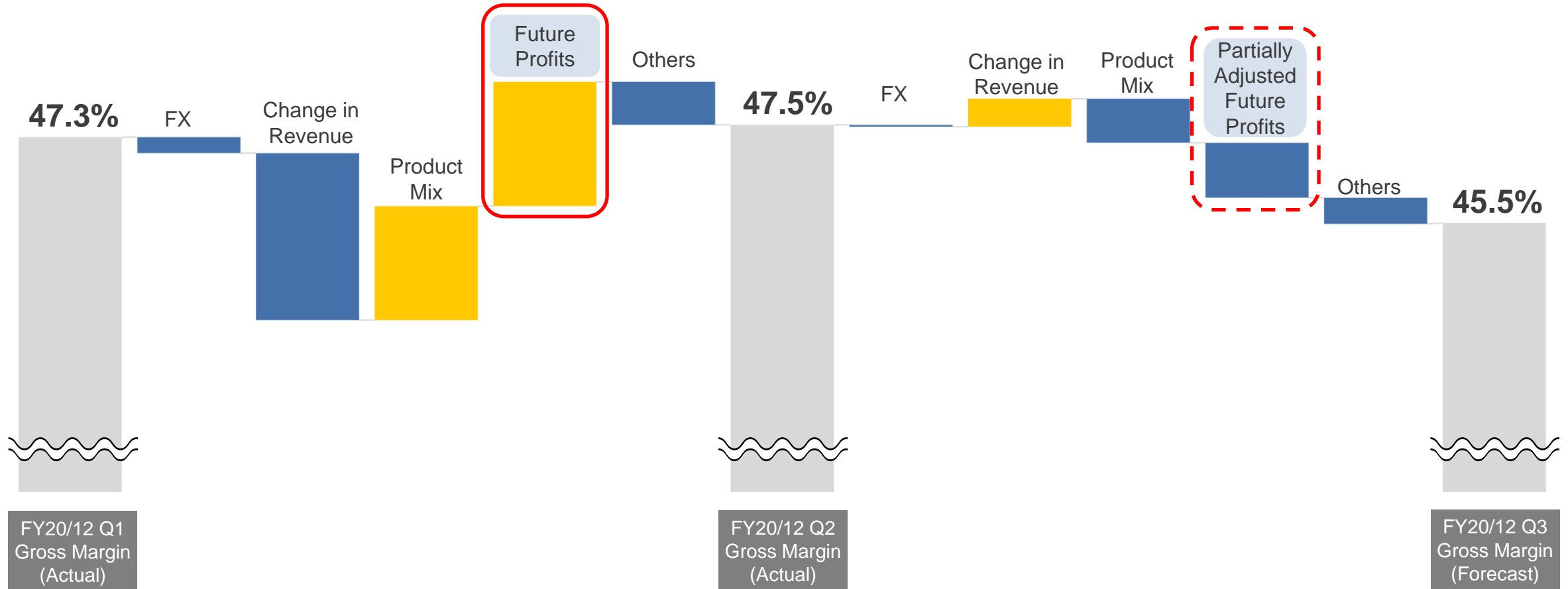
*1: Non-GAAP figures are calculated by removing or adjusting non-recurring items and other adjustments from GAAP (IFRS based) figures following a certain set of rules. The Group believes non-GAAP measures provide useful information in understanding and evaluating the Group's constant business results, and therefore results are provided in non-GAAP base. This adjustment and exclusion include the amortization of intangible assets recognized from acquisitions, other PPA (purchase price allocation) adjustments and costs relating to acquisitions, stock-based compensation, as well as other non-recurring expenses and income the Group believes to be applicable.

*2: Following the acquisition of IDT and the absorption type merger of IDT with Renesas Electronics America Inc., since January 1, 2020, the Group has begun the integration of business processes and IT systems, etc. as part of the "One Renesas" promotion. With these processes as a momentum, expense classifications have been revised in order to appropriately display the Group's financial status and business performance. Changes in classifications have been applied retroactively; therefore, the consolidated financial results of the year ended December 31, 2019 have been reclassified.

*3: Each figure represents comparisons of the midpoint in the sales revenue forecast range.

FY20/12 Q2 CHANGES IN GROSS MARGIN

IFRS, NON-GAAP*1



*1: Non-GAAP figures are calculated by removing or adjusting non-recurring items and other adjustments from GAAP (IFRS based) figures following a certain set of rules. The Group believes non-GAAP measures provide useful information in understanding and evaluating the Group's constant business results, and therefore results are provided in non-GAAP base. This adjustment and exclusion include the amortization of intangible assets recognized from acquisitions, other PPA (purchase price allocation) adjustments and costs relating to acquisitions, stock-based compensation, as well as other non-recurring expenses and income the Group believes to be applicable.

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 OPERATING PROFIT BY SEGMENT

NON-GAAP BASIS *1*2

(B yen)	FY19/12					FY20/12			
	Q1 (Jan-Mar)	Q2 (Apr-Jun)	Q3 (Jul-Sep)	Q4 (Oct-Dec)	Full year (Jan-Dec)	Q1 (Jan-Mar)	Q2 (Apr-Jun)	YoY	QoQ
Revenue	150.3	192.6	183.4	192.0	718.2	178.7	166.7	-13.5%	-6.8%
Automotive	82.7	94.5	93.1	100.8	371.1	93.5	72.6	-23.2%	-22.4%
Industrial, Infra, IoT	63.3	93.5	85.9	87.0	329.7	82.6	91.6	-2.1%	10.9%
Others	4.2	4.6	4.4	4.2	17.4	2.6	2.5	-45.8%	-6.1%
Operating Profit (loss) (margin)	7.1 (4.7%)	27.2 (14.1%)	26.8 (14.6%)	31.4 (16.4%)	92.5 (12.9%)	33.7 (18.8%)	30.2 (18.1%)	+3.1 (+4.0pts)	-3.4 (-0.7pt)
Automotive	1.0 (1.2%)	6.8 (7.2%)	10.2 (10.9%)	13.0 (12.9%)	31.0 (8.3%)	14/4 (15.4%)	7.9 (10.8%)	+1.0 (+3.6pts)	-6.5 (-4.6pts)
Industrial, Infra, IoT	5.8 (9.2%)	19.6 (20.9%)	15.9 (18.5%)	17.8 (20.5%)	59.1 (17.9%)	19.0 (23.0%)	24.2 (26.5%)	+4.7 (+5.5pts)	+5.3 (+3.5pts)
Others	0.3 (6.5%)	0.3 (6.4%)	0.8 (18.3%)	-0.3 (-7.6%)	1.0 (6.0%)	0.3 (11.4%)	0.4 (17.7%)	+0.1 (+11.4pts)	+0.1 (+6.3pts)
Adjustments*3	-	0.5	-	0.9	1.4	-	-2.3	-2.8	-2.3

*1: Non-GAAP figures are calculated by removing or adjusting non-recurring items and other adjustments from GAAP (IFRS based) figures following a certain set of rules. The Group believes non-GAAP measures provide useful information in understanding and evaluating the Group's constant business results, and therefore results are provided in non-GAAP base. This adjustment and exclusion include the amortization of intangible assets recognized from acquisitions, other PPA (purchase price allocation) adjustments and costs relating to acquisitions, stock-based compensation, as well as other non-recurring expenses and income the Group believes to be applicable.

*2: Following the acquisition of IDT and the absorption type merger of IDT with Renesas Electronics America Inc., since January 1, 2020, the Group has begun the integration of business processes and IT systems, etc. as part of the "One Renesas" promotion. With these processes as a momentum, expense classifications have been revised in order to appropriately display the Group's financial status and business performance. Changes in classifications have been applied retroactively; therefore, the consolidated financial results of the year ended December 31, 2019 have been reclassified. *3: Adjustments include deductions or adjustments of non-recurring items or other specified adjustments, allocated in the reportable segments.

GAAP (IFRS) / NON-GAAP RECONCILIATION

FY19/12-

- Non-GAAP Basis: Non-GAAP figures are calculated by adjusting or removing non-recurring items and other adjustments from GAAP figures following a certain set of rules. The Group believe non-GAAP measures provide useful information in understanding and evaluating the Group's constant business results, and therefore results are provided in non-GAAP base. This adjustment and exclusion include the amortization of intangible assets recognized from acquisitions, other PPA (purchase price allocation) adjustments and costs relating to acquisitions, stock-based compensation, as well as other non-recurring expenses and income the Group believes to be applicable.
- PPA effects include market valuations of inventories and fixed assets, etc.
- Following the acquisition of IDT and the absorption type merger of IDT with Renesas Electronics America Inc., since January 1, 2020, the Group has begun the integration of business processes and IT systems, etc. as part of the "One Renesas" promotion. With these processes as a momentum, expense classifications have been revised in order to appropriately display the Group's financial status and business performance. Changes in classifications have been applied retroactively; therefore, the consolidated financial results of the year ended December 31, 2019 have been reclassified.

(B yen)	FY19/12				FY20/12	
	Q1	Q2	Q3	Q4	Q1	Q2
Revenue (After PPA)	150.3	192.6	183.4	192.0	178.7	166.7
PPA Effects (Revenue)	-	-	-	-	-	-
Revenue (Non-GAAP)	150.3	192.6	183.4	192.0	178.7	166.7
Gross Profit (GAAP/After PPA)	55.4	73.1	79.5	86.7	82.3	79.1
PPA Effects (Depreciation of Fixed Assets: COGS*1)	+0.3	+0.4	+0.4	+0.5	+0.6	+0.3
PPA Effects (Amortization of Intangible Assets: COGS)	-	-	-	-	-	-
PPA Effects (Market Valuation of Inventories: COGS)	-	+11.3	-	-	-	-
PPA Effects (Others: COGS)	-	+0.2	-	-	-	-
Stock-Based Compensation (COGS)	+0.2	+0.1	+0.2	+0.3	+0.3	+0.1
Other Adjustments*2 (COGS)	+1.3	-0.5	+0.2	-1.1	+1.3	-0.4
Other Non-recurring Adjustments*3 (COGS)	-	-0.8	+0.0	-	-	+0.1
Gross Profit (Non-GAAP)	57.2	83.9	80.4	86.5	84.5	79.2
Gross Margin (Non-GAAP) (%)	38.1%	43.6%	43.9%	45.1%	47.3%	47.5%

*1: Cost of goods sold. *2: Adjustments to equalize period expenses such as taxes. *3: Include non-recurring profit or losses above a certain amount.

GAAP (IFRS) / NON-GAAP*1 RECONCILIATION

FY19/12- *2

(B yen)	FY19/12				FY20/12	
	Q1	Q2	Q3	Q4	Q1	Q2
Operating Profit/Loss (GAAP/After PPA)	-1.4	-10.9	8.1	10.4	13.3	17.3
Reconciliations in Gross Profit Level	+1.9	+10.8	+0.9	-0.2	+2.2	+0.1
PPA Effects*3 (Amortization of Intangible Assets: SG&A*4)	+3.8	+14.2	+13.8	+13.9	+14.2	+13.2
PPA Effects (Depreciation of Fixed Assets: R&D*5)	+0.1	+0.0	+0.0	+0.1	+0.1	+0.1
PPA Effects (Depreciation of Fixed Assets: SG&A)	+0.0	+0.0	+0.0	+0.0	+0.0	+0.0
PPA Effects (Others: R&D)	-	+0.1	-	-	-	-
PPA Effects (Others: SG&A, Others)	-	+0.1	-	-	-	-
Stock-Based Compensation (R&D)	+0.4	+1.2	+1.7	+2.0	+1.9	+0.9
Stock-Based Compensation (SG&A)	+1.0	+1.5	+1.7	+1.6	+1.7	+0.7
Other Adjustments*6 (R&D)	+0.1	-0.0	-0.0	-0.0	+0.1	-0.0
Other Adjustments (SG&A)	-0.7	-0.9	-0.2	+1.8	-0.4	-0.6
Other Non-Recurring Adjustments*7 (R&D)	-	-0.8	+0.0	-	-	+0.0
Other Non-Recurring Adjustments (SG&A, Others)	+2.0	+11.9	+0.9	+1.8	+0.6	-1.5
Operating Profit/Loss (Non-GAAP)	7.1	27.2	26.8	31.4	33.7	30.2
Operating Margin (Non-GAAP) (%)	4.7%	14.1%	14.6%	16.4%	18.8%	18.1%

*1: Non-GAAP figures are calculated by removing or adjusting non-recurring items and other adjustments from GAAP (IFRS based) figures following a certain set of rules. The Group believes non-GAAP measures provide useful information in understanding and evaluating the Group's constant business results, and therefore results are provided in non-GAAP base. This adjustment and exclusion include the amortization of intangible assets recognized from acquisitions, other PPA (purchase price allocation) adjustments and costs relating to acquisitions, stock-based compensation, as well as other non-recurring expenses and income the Group believes to be applicable.

*2: Following the acquisition of IDT and the absorption type merger of IDT with Renesas Electronics America Inc., since January 1, 2020, the Group has begun the integration of business processes and IT systems, etc. as part of the "One Renesas" promotion. With these processes as a momentum, expense classifications have been revised in order to appropriately display the Group's financial status and business performance. Changes in classifications have been applied retroactively; therefore, the consolidated financial results of the year ended December 31, 2019 have been reclassified. *3: PPA effects include market valuations of inventories and fixed assets. The PPA for the business combinations with IDT, which Renesas acquired on March 30, 2019, has been revised at the end of the full year ended December 2019. The revised PPA are reflected in the figures of FY2019/12. *4: Selling, general and administrative expenses. *5: Research & development expenses. *6: Include adjustments to equalize period expenses such as taxes. *7: Include non-recurring profits or losses above a certain amount such as acquisition related costs and costs related to offering.

GAAP (IFRS) / NON-GAAP*1 RECONCILIATION

FY19/12- *2

(B yen)	FY19/12				FY20/12	
	Q1	Q2	Q3	Q4	Q1	Q2
Profit/loss attributable to owners of the parent (GAAP/After PPA*3)	-1.9	-9.1	4.0	0.7	11.3	11.9
Reconciliations in Operating Profit/Loss Level	+8.5	+38.0	+18.8	+21.0	+20.4	+13.0
Reconciliations in Net Profit/Loss (Tax Impacts from Non-GAAP Adjustments)	-	-3.3	-0.5	-0.2	-1.7	-1.2
Profit/loss attributable to owners of the parent (Non-GAAP)	6.5	25.6	22.4	21.4	29.9	23.7
Non-GAAP EPS*4	3.9 yen	15.1 yen	13.1 yen	12.5 yen	17.5 yen	13.8 yen

*1: Non-GAAP figures are calculated by removing or adjusting non-recurring items and other adjustments from GAAP (IFRS based) figures following a certain set of rules. The Group believes non-GAAP measures provide useful information in understanding and evaluating the Group's constant business results, and therefore results are provided in non-GAAP base. This adjustment and exclusion include the amortization of intangible assets recognized from acquisitions, other PPA (purchase price allocation) adjustments and costs relating to acquisitions, stock-based compensation, as well as other non-recurring expenses and income the Group believes to be applicable.

*2: Following the acquisition of IDT and the absorption type merger of IDT with Renesas Electronics America Inc., since January 1, 2020, the Group has begun the integration of business processes and IT systems, etc. as part of the "One Renesas" promotion. With these processes as a momentum, expense classifications have been revised in order to appropriately display the Group's financial status and business performance. Changes in classifications have been applied retroactively; therefore, the consolidated financial results of the year ended December 31, 2019 have been reclassified.

*3: PPA effects include market valuations of inventories and fixed assets. The PPA for the business combinations with IDT, which Renesas acquired on March 30, 2019, has been revised at the end of the full year ended December 2019. The revised PPA are reflected in the figures of FY2019/12.

*4: Earnings per share.

FY20/12 Q2/1H FINANCIAL SNAPSHOT

GAAP (IFRS) *1

YoY and QoQ results of the revenue are rounded off to one decimal place.

(B yen)	FY19/12		FY20/12					
	Q2 (Apr-Jun)	1H (Jan-Jun)	Q1 (Jan-Mar)	Q2 (Apr-Jun) Actual	YoY	QoQ	1H (Jan-Jun) Actual	YoY
Revenue	192.6	342.9	178.7	166.7	-13.5%	-6.8%	345.4	+0.7%
Gross Margin	38.0%	37.5%	46.0%	47.5%	+9.5pts	+1.4pts	46.7%	+9.2pts
Operating Profit/Loss (Margin)	-10.9 (-5.6%)	-12.2 (-3.6%)	13.3 (7.4%)	17.3 (10.4%)	+28.1 (+16.0pts)	+3.9 (+2.9pts)	30.6 (8.8%)	+42.8 (+12.4pts)
Profit/Loss attributable to owners of the parent	-9.1	-11.0	11.3	11.9	+21.0	+0.6	23.2	+34.2
EBITDA*2	29.6	57.5	52.1	51.6	+22.0	-0.5	103.7	+46.2
1 US\$=	111 yen	111 yen	110 yen	108 yen	3 yen appreciation	2 yen appreciation	109 yen	2 yen appreciation
1 Euro=	125 yen	125 yen	121 yen	118 yen	7 yen appreciation	3 yen appreciation	119 yen	6 yen appreciation

*1: Following the acquisition of IDT and the absorption type merger of IDT with Renesas Electronics America Inc., since January 1, 2020, the Group has begun the integration of business processes and IT systems, etc. as part of the "One Renesas" promotion. With these processes as a momentum, expense classifications have been revised in order to appropriately display the Group's financial status and business performance. Changes in classifications have been applied retroactively; therefore, the consolidated financial results of the year ended December 31, 2019 have been reclassified.

*2: Operating profit + Depreciation and amortization.

STATEMENT OF FINANCIAL POSITION

GAAP(IFRS) *1

(B yen)	As of Mar 31, 2019	As of Jun 30, 2019	As of Sep 30, 2019	As of Dec 31, 2019	As of Mar 31, 2020	As of June 30, 2020
Total Assets	1,876.7	1,697.9	1,666.3	1,668.1	1,657.8	1,634.5
Cash and Cash Equivalents*2	196.7	116.5	124.3	146.5	136.9	148.5
Inventories	129.7	100.8	95.5	90.8	95.7	101.8
Goodwill	633.2	614.9	615.7	625.0	620.9	614.6
Intangible Assets	478.0	445.8	427.7	414.6	430.3	409.8
Total Liabilities	1,237.5	1,105.4	1,068.1	1,043.7	1,030.5	1,005.1
Interest-Bearing Debt*3	965.3	852.7	828.8	785.9	764.2	740.2
Total Equity	639.1	592.4	598.2	624.4	627.3	629.4
D/E Ratio (Gross)*4	1.52	1.45	1.39	1.26	1.22	1.18
D/E Ratio (Net)*5	1.21	1.25	1.18	1.03	1.00	0.94
Equity*6 Ratio	33.9%	34.7%	35.7%	37.3%	37.7%	38.3%

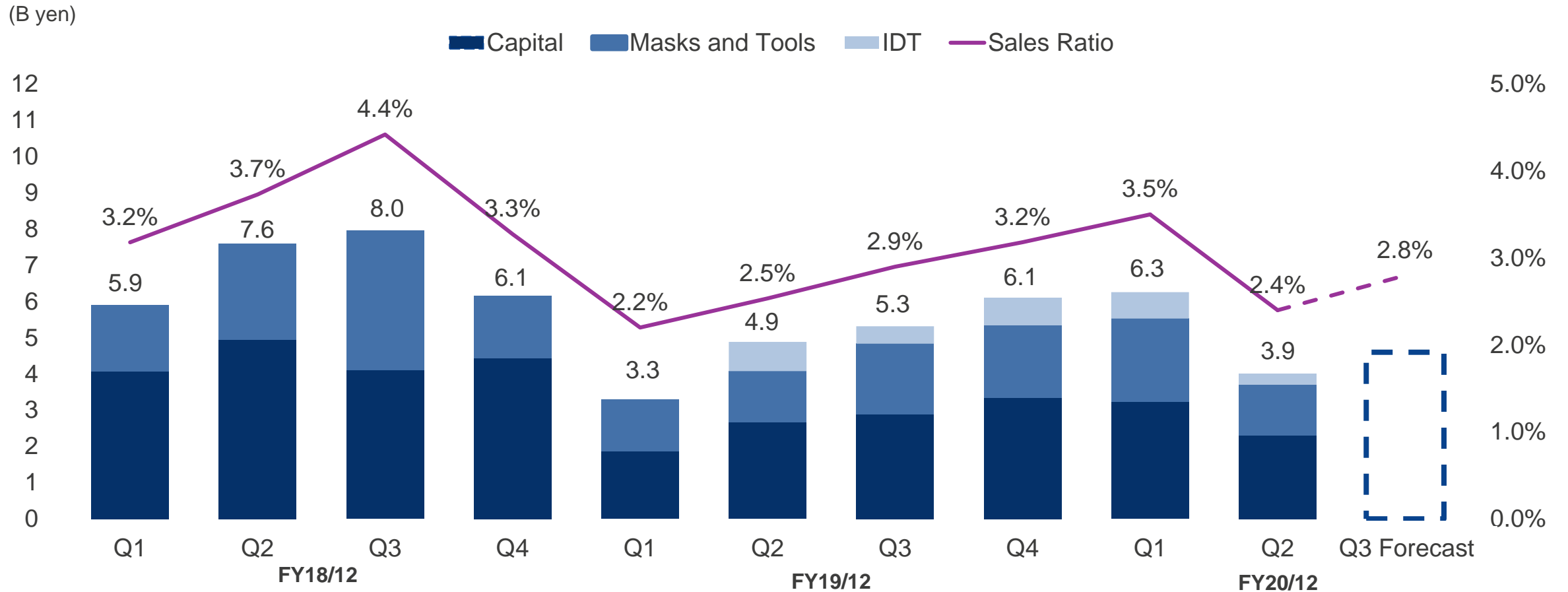
*1: Following the acquisition of IDT and the absorption type merger of IDT with Renesas Electronics America Inc., since January 1, 2020, the Group has begun the integration of business processes and IT systems, etc. as part of the "One Renesas" promotion. With these processes as a momentum, expense classifications have been revised in order to appropriately display the Group's financial status and business performance. Changes in classifications have been applied retroactively; therefore, the consolidated financial results of the year ended December 31, 2019 have been reclassified.

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

*3: Borrowings (current and non-current liabilities) + Lease Obligations (current liabilities) + Lease Obligations (non-current liabilities) + Corporate bonds.

*4: Interest-Bearing Debt / Equity. *5: (Interest-Bearing Debt - Cash and Cash Equivalents) / Equity. *6: Total equity attributable to the parent / Total liabilities and equity.

CAPITAL EXPENDITURES*1*2*3



*1: The figures are investment decision basis of tangible and intangible fixed assets and do not match the sum listed in the cash flow statement.

*2: Figures starting from FY20/12 Q1 includes capital expenditure figures from IDT as well as fixed costs of masks and tools.

*3: Figures from past years are also based on the aforementioned criteria. However, figures representing investments made by IDT are based on equipment delivery.

RENESAS' CONTRIBUTIONS AGAINST COVID-19

Renesas' response to the COVID-19 crisis and how Renesas is committed to developing the solutions to make a sustainable, new normal possible.



Lidar System Solution

Used in LeddarTech's Leddar Pixell, the jointly developed SoC accurately detects obstacles and is ideal for use in perception platforms that ensure the safety and protection of vulnerable road users.



In-Car Ventilation System Solution

Renesas' HVAC solution for heating, ventilation and AC system includes an extensive lineup of CAN/LIN MCUs as well as an array of analog and power devices ideal for use in motor units.



Automated Guided Vehicle Solution

In a post-COVID-19 world of mobility, AGCs are expected to be a solution to decrease dependency on human contact.



e-BIKE System Solution

Renesas offers a complete, e-bike system solution with high reliability and innovative battery management and electronic locks.



Cellular Base station Solution (5G)

Renesas offers cutting-edge analog, power and mixed signal RF products that manage the increased amount of data and video being transmitted via the cloud.



Enterprise Server

Renesas' high performance, specialized functionality for timing fluctuations and broad portfolio for power products address the needs of modern enterprise server systems.



Indoor Air Quality Control Solution

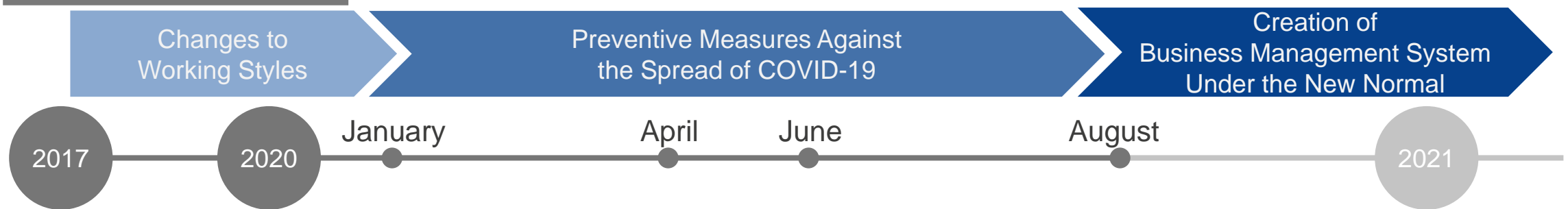
Renesas offers reference designs for a solution to improve indoor air quality for homes, office buildings and factories to sense the environment for gases to measure and improve air quality.



Building Entry Detector

Renesas offers a reference system which incorporates a ToF IC that provides accurate wide range distance measurement with MCUs.

MEASURES TO PREVENT SPREAD OF COVID-19 AND MEASURES FOR “NEW NORMAL”



Working-from-Home System

- **Introduction of System**
Twice a week, available to selected employees
- **Wider Adoption**
Abolition of limits to number of days; available to all indirect workers
- **Became a Principle Policy**
- **Became a Recommended Policy**
- **Changes in the Personnel System**
Working-from-Home became the basic working style for all employees to choose without limitations
- **Optimization of Office Space & Location**



Preventive Measures Against the Spread of COVID-19

- Introduced a once-a-week office shutdown system from an infection reduction perspective
- Introduced online medical support

Voluntary Stock Option Program for Employees

- Offered employees opportunity to support the company to secure further liquidity

MAJOR ANNOUNCEMENTS FROM FY2020/12 Q2

Microcontrollers (MCUs)

- Launched the RX72N and RX66N MCUs, new additions to the 32-bit RX Family for industrial automation, expanding product portfolio combining equipment control and networking functions
- Released major update of flexible software package supporting RA Family of 32-bit Arm Cortex-M MCUs
- Introduced the RA4W1, an Arm Cortex-M based 32-bit RA MCU supporting Bluetooth 5 connectivity

Analog & Power

- Launched ZSSC3240 advanced sensor signal conditional IC for use with a wide variety of sensor-based devices for industrial, medical and IoT markets
- Introduced new I3C multiplexer and IO expanders as I3C extension products for data centers and server applications
- Unveiled the innovative high accuracy inductive position sensor IC IPS2200 for industrial motor communication
- Released the HIP2211 and HIP2210, rugged and high performance 110V half-bridge MOSFET drivers for industrial applications

System-on-Chips

- Unveiled RZ/V MPU series with vision-optimized artificial intelligence accelerator that realizes real-time AI inference and low-power consumption in embedded devices



Renesas.com

(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.