

Separate Sheet

Renesas Electronics
GAAP (IFRS) – Non-GAAP Reconciliation

(Billion yen)	Q1 FY2019 Actual (Jan-Mar 2019)	Q4 FY2018 Actual (Oct-Dec 2018)	Q1 FY2018 Actual (Jan-Mar 2018)
Revenue (after PPA adjustments)	150.3	187.7	185.6
PPA Effects	-	-	-
Non-GAAP Revenue	150.3	187.7	185.6
GAAP Gross Profit	57.2	75.9	86.7
GAAP Gross Margin (%)	38.1%	40.5%	46.7%
PPA Effects (Depreciation of Fixed Assets: COGS)	+0.3	+0.3	+0.3
Stock-Based Compensation (COGS)	+0.2	+0.2	+0.1
Other Adjustments ⁽¹⁾ (COGS)	+1.3	-0.5	+0.9
Non-GAAP Gross Profit	59.0	76.0	88.1
Non-GAAP Gross Margin (%)	39.3%	40.5%	47.5%
GAAP Operating Profit	-1.3	-1.1	23.4
Reconciliations in Gross Profit Level	+1.9	+0.0	+1.4
PPA Effects (Amortization of Intangible Assets: SG&A)	+3.8	+3.9	+4.1
PPA Effects (Depreciation of Fixed Assets: R&D)	+0.1	+0.1	+0.1
PPA Effects (Depreciation of Fixed Assets: SG&A)	+0.0	+0.0	+0.0
Stock-Based Compensation (R&D)	+0.4	+0.5	+0.3
Stock-Based Compensation (SG&A)	+1.0	+0.7	+0.8
Other Adjustments ⁽²⁾ (R&D)	+0.1	-0.0	+0.1
Other Adjustments (SG&A)	+0.8	+2.7	-0.7
Other Non-Recurring Adjustments ⁽³⁾ (SG&A, Others)	+0.4	+12.6	+0.7
Non-GAAP Operating Profit	7.2	19.4	30.1
Non-GAAP Operating Margin (%)	4.8%	10.4%	16.9%

GAAP Net Profit	-1.8	-10.9	18.6
Reconciliations in Operating Profit Level	+8.5	+20.5	+6.7
Reconciliations in Net Profit (PPA Effects)	-	-	-
Reconciliations in Net Profit (Tax Impacts from Non-GAAP Adjustments)	0.0	-2.4	-0.1
Non-GAAP Net Profit	6.6	7.2	25.2

- (1) Including adjustments to equalize period expenses such as taxes
- (2) Including adjustments to equalize period expenses such as taxes, in addition to acquisition related costs and costs related to offering
- (3) Including non-recurring profit or losses above a certain amount

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