

Separate Sheet

Renesas Electronics
Japan GAAP – Non-GAAP Reconciliation

(Billion yen)	Q2 FY2018 Forecast (Apr-Jun 2018)	Q1 FY2018 Actual (Jan-Mar 2018)	Q4 FY2017 Actual (Oct-Dec 2017)	Q1 FY2017 Actual (Jan-Mar 2017)
Net Sales (after PPA adjustment)	196.1	185.9	210.2	177.2
PPA Effects	-	-	+0	+4
Non-GAAP Net Sales	196.1	185.9	210.2	177.6
GAAP Gross Profit	85.8	88.8	100.2	77.7
GAAP Gross Margin (%)	43.8%	47.8%	47.7%	43.8%
PPA Effects (COGS)	+0.3	+0.3	+0.4	-3.1
Stock-Based Compensation (COGS)	+0.1	+0.1	+0.2	+0
Non-GAAP Gross Profit	86.2	89.3	100.8	80.8
Non-GAAP Gross Margin (%)	44.0%	48.0%	47.9%	45.5%
GAAP Operating Profit	14.4	20.6	21.9	22.1
Inventory Buildup	-	-	-	-
PPA Effects (Net Sales/COGS)	+0.3	+0.3	+0.4	+3.1
PPA Effects (R&D, SG&A) Increase in Depreciation of Fixed Assets, etc.	+0.1	+0.1	+0.2	+0.1
Stock-Based Compensation (COGS)	+0.1	+0.1	+0.2	+0
Amortization of Goodwill (SG&A)	+4.9	+5.1	+5.3	+1.8
Costs Related to the Acquisition of Intersil (SG&A)	+0.2	+0.2	+0.2	+0.5
Costs Related to the Acquisition of Intersil (R&D)	+0.1	+0	+0.1	-
Amortization of Purchased Intangible Assets (SG&A)	+3.6	+4.1	+4.5	+1.5
Stock-Based Compensation (R&D)	+0.4	+0.2	+0.5	+0
Stock-Based Compensation (SG&A)	+0.8	+0.6	+0.9	-+0
Costs Related to the Offering and Others (SG&A)	+0.1	+0	-	-
Non-GAAP Operating Profit	25.1	31.4	34.1	29.1
Non-GAAP Operating Margin (%)	12.8%	16.9%	16.2%	16.4%

GAAP Net Profit Attributable to Shareholders of Parent Company	10.7	23.3	18.6	17.2
Reconciliations in Operating Profit Level	+10.7	+10.8	+12.2	+7.0
Reconciliations in Ordinary Profit (PPA Effects)	-	-	+0.1	-
Reconciliations in Net Profit (PPA Effects)	-	-	-0.5	-0.5
Reconciliations in Net Profit (Impact from Intersil Acquisition)	-	-8.2	-	-
Non-GAAP Net Profit Attributable to Shareholders of Parent Company	21.3	25.9	30.3	23.6