

Separate Sheet

Renesas Electronics
Japan GAAP – Non-GAAP Reconciliation

(Billion yen)	Q4 FY2018 Forecast (Oct-Dec 2018)	Q3 FY2018 Actual (Jul-Sep 2018)	Q2 FY2018 Actual (Apr-Jun 2018)	Q3 FY2017 Actual (Jul-Sep 2017)
Net Sales (after PPA adjustment)	185.0	180.2	203.5	195.5
PPA Effects	-	-	-	-0.0
Non-GAAP Net Sales	185.0	180.2	203.5	195.5
GAAP Gross Profit	73.5	79.5	91.9	93.0
GAAP Gross Margin (%)	39.7%	44.1%	45.2%	47.6%
PPA Effects (COGS)	+0.3	+0.3	+0.3	+0.3
Stock-Based Compensation (COGS)	+0.1	+0.2	+0.1	+0.0
Non-GAAP Gross Profit	74.0	80.0	92.4	93.3
Non-GAAP Gross Margin (%)	40.0%	44.4%	45.4%	47.7%
GAAP Operating Profit	2.5	13.1	23.0	25.0
PPA Effects (Net Sales/COGS)	+0.3	+0.3	+0.3	+0.3
PPA Effects (R&D, SG&A) Increase in Depreciation of Fixed Assets, etc.	+0.1	+0.1	+0.1	+0.2
Stock-Based Compensation (COGS)	+0.2	+0.2	+0.1	+0.0
Amortization of Goodwill (SG&A)	+5.2	+5.2	+5.2	+5.2
Costs Related to the Acquisition of Intersil (SG&A)	+0.2	+0.2	+0.2	+0.4
Costs Related to the Acquisition of Intersil (R&D)	+0.1	+0.1	+0.1	-
Amortization of Purchased Intangible Assets (SG&A)	+3.8	+3.8	+3.7	+4.4
Stock-Based Compensation (R&D)	+0.4	+0.4	+0.5	+0.3
Stock-Based Compensation (SG&A)	+0.5	+0.5	+0.6	+0.3
Costs Related to the Offering and Others (SG&A)	+0.2	+0.4	+0.2	+0.0
Non-GAAP Operating Profit	13.5	24.1	33.9	35.9
Non-GAAP Operating Margin (%)	7.3%	13.4%	16.7%	18.4%

GAAP Net Profit Attributable to Shareholders of Parent Company	1.6	7.6	26.1	22.3
Reconciliations in Operating Profit Level	+10.9	+11.1	+10.9	+10.9
Reconciliations in Ordinary Profit (PPA Effects)	-	-	-	-
Reconciliations in Net Profit (PPA Effects)	-	-	-	-0.6
Reconciliations in Net Profit (Impact from Intersil Acquisition)	-	-	-6.7	-
Non-GAAP Net Profit Attributable to Shareholders of Parent Company	12.5	18.6	30.4	32.7