



2Q 2025 PRESENTATION

RENESAS ELECTRONICS CORPORATION
JULY 25, 2025

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 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 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.
- **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.
- **Purchase Price Allocation (PPA):** The allocation of the acquisition costs for the business combinations with Transphorm, Inc. ("former Transphorm") and Altium Limited ("former Altium") has been revised at the end of three months ended December 31, 2024. These revisions to the allocation of the acquisition costs have been reflected in the consolidated financial results for the three months ended June 30, 2024 and for the three months ended September 30, 2024.

2Q 2025 FINANCIAL SNAPSHOT

NON-GAAP

(B yen)	2024		2025								
	2Q (Apr-Jun)	1H (Jan-Jun)	1Q (Jan-Mar)	2Q (Apr-Jun) Forecast	2Q (Apr-Jun) Actual	YoY	QoQ	Change from Apr 24 FCT*1	1H (Jan-Jun) Actual	YoY	Change from Apr 24 FCT*1
Revenue	358.8	710.6	308.8	302.0 (±7.5)	324.6	-9.5%	+5.1%	+7.5%	633.4	-10.9%	+3.7%
Revenue (Excluding FX Impact)	-	-	-	-	-	-9.6%	+9.0%	+3.9%	-	-13.2%	+2.0%
Device Revenue*2 (Excluding FX Impact)	-	-	-	-	-	-11.9%	+9.1%	+3.6%	-	-15.5%	+1.9%
Gross Margin	56.7%	56.7%	56.7%	55.0%	56.8%	+0.1pt	+0.0pt	+1.8pts	56.8%	+0.1pt	+0.9pt
Operating Profit (Margin)	110.6 (30.8%)	224.1 (31.5%)	83.8 (27.1%)	25.0%	91.9 (28.3%)	-18.7 (-2.5pts)	+8.0 (+1.2pts)	(+3.3pts)	175.7 (27.7%)	-48.4 (-3.8pts)	(+1.7pts)
Profit Attributable to Owners of Parent	96.7	202.5	73.3	-	77.8	-18.9	+4.5	-	151.1	-51.4	-
EBITDA*3	132.8	266.6	103.5	-	110.2	-22.6	+6.6	-	213.7	-52.8	-
1 US\$=	153 yen	150 yen	154 yen	142 yen	146 yen	7 yen appreciation	8 yen appreciation	4 yen depreciation	150 yen	0 yen depreciation	2 yen depreciation
1 Euro=	165 yen	162 yen	161 yen	156 yen	162 yen	3 yen appreciation	2 yen depreciation	6 yen depreciation	161 yen	1 yen appreciation	3 yen depreciation

*1: Each figure represents comparisons with the midpoint in the sales revenue forecast range *2: Excluding former Altium from reportable segments *3: Operating profit + Depreciation and amortization

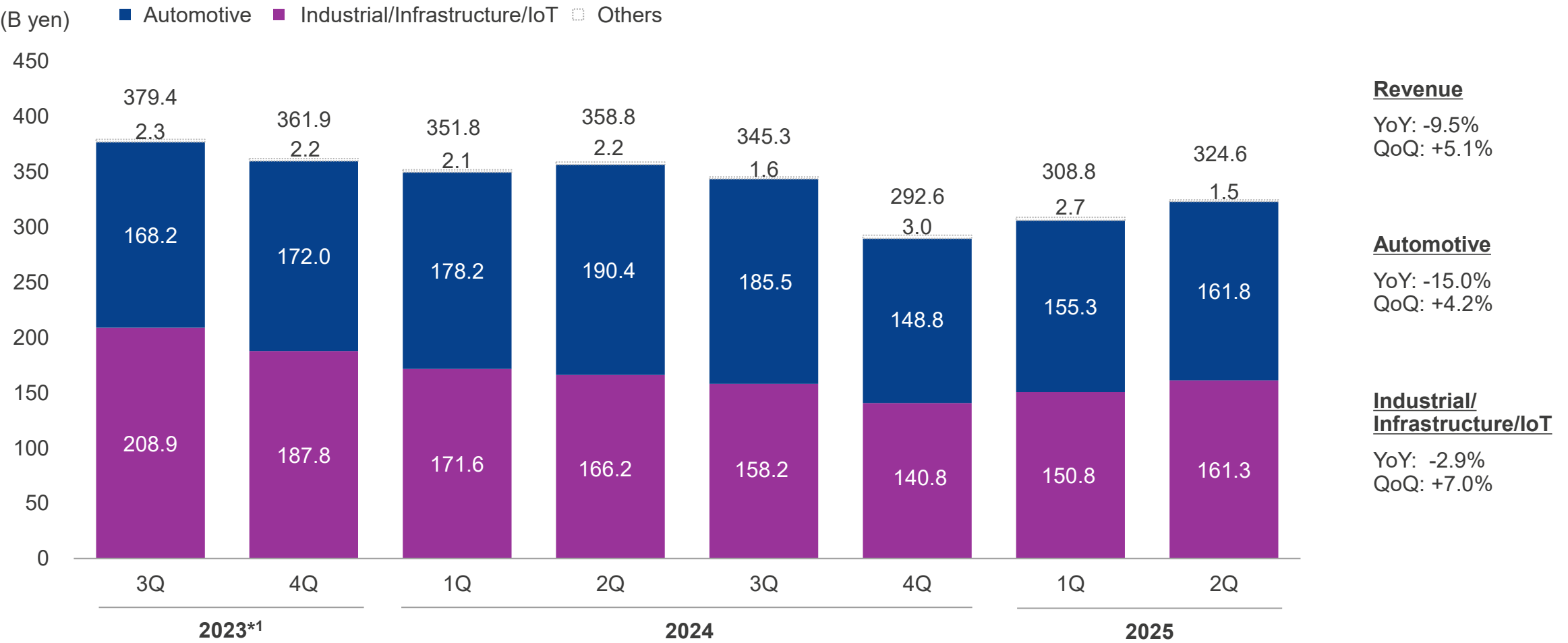
2Q 2025 REVENUE AND GROSS / OPERATING MARGIN

NON-GAAP

	Company Total	Automotive	Industrial / Infrastructure / IoT	vs FCT
Revenue	324.6 B yen vs FCT: +7.5% QoQ: +5.1%	161.8 B yen vs FCT: + QoQ: +4.2%	161.3 B yen vs FCT: + QoQ: +7.0%	✓ Revenue: + ✓ Gross Margin: + (+) Yen depreciation, Increased utilization, Decreased production cost ✓ Operating Margin: + (+) Yen depreciation, Increased gross profit
Gross Margin	56.8% vs FCT: +1.8pts QoQ: +0.0pt	52.4% QoQ: +0.2pt	61.1% QoQ: -0.8pt	QoQ ✓ Revenue: + ✓ Gross Margin: + (+) Increased utilization (-) Yen appreciation ✓ Operating Margin: + (+) Increased gross profit (-) Yen appreciation, Increased operating cost
Operating Margin	28.3% vs FCT: +3.3pts QoQ: +1.2pts	23.4% QoQ: -6.3pts	25.9% QoQ: +4.6pts	

QUARTERLY REVENUE TRENDS

NON-GAAP

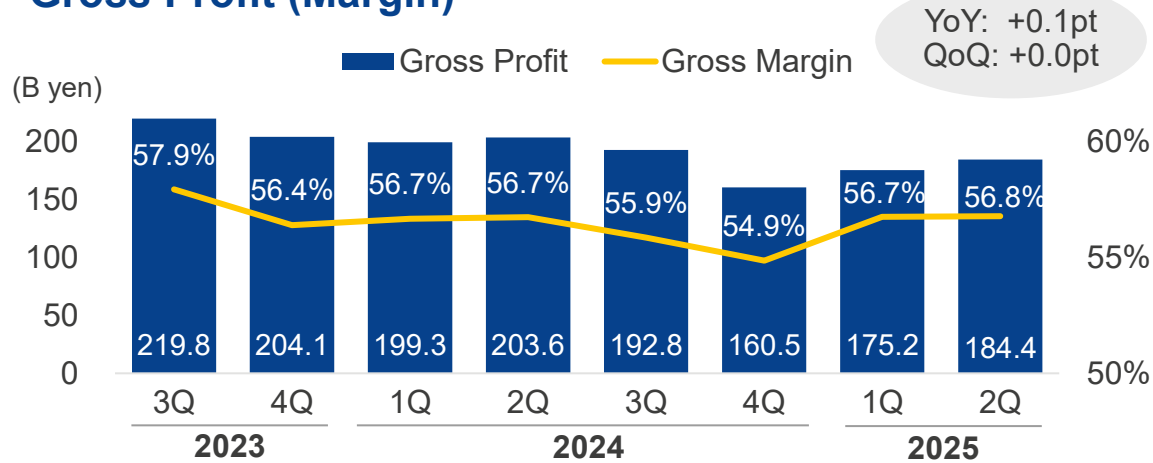


*1: 2023 segment revenue: revised based on the new aggregation method

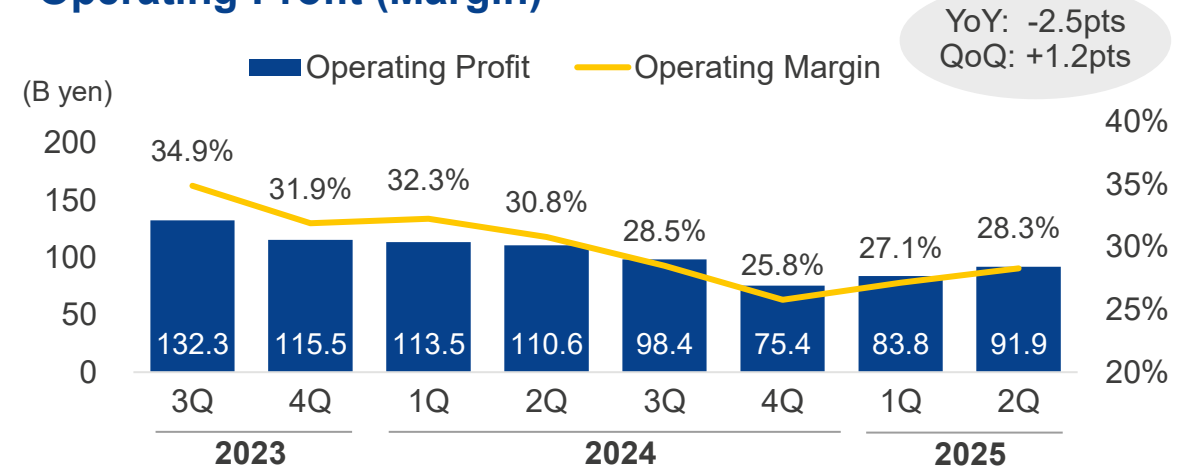
QUARTERLY BUSINESS TRENDS

NON-GAAP

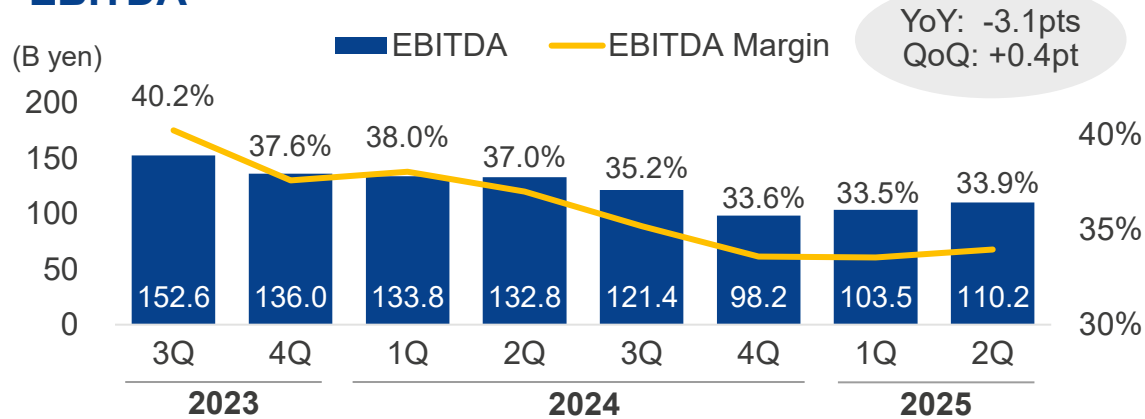
Gross Profit (Margin)



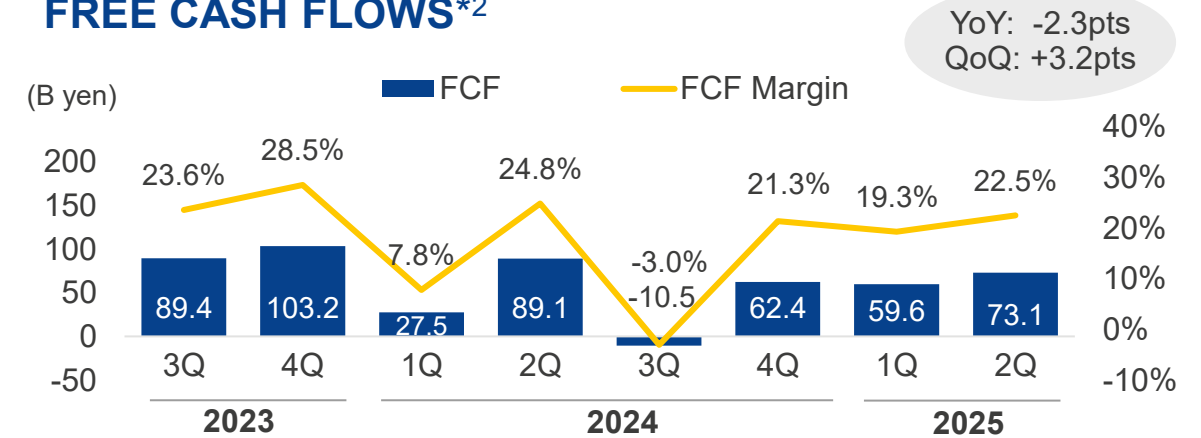
Operating Profit (Margin)



EBITDA*1



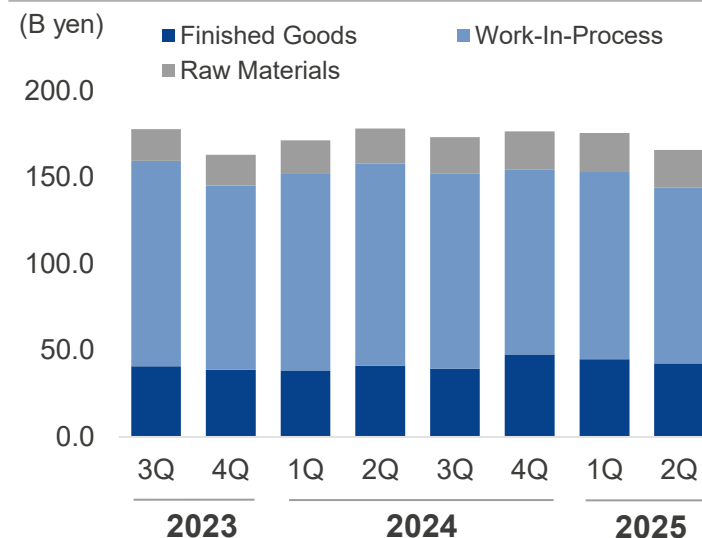
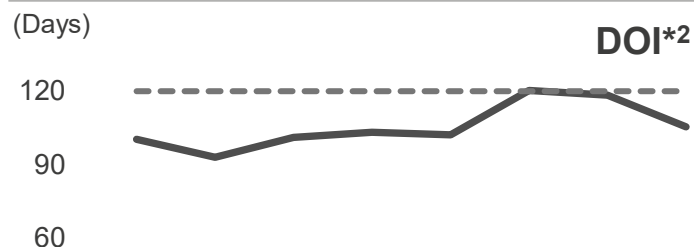
FREE CASH FLOWS*2



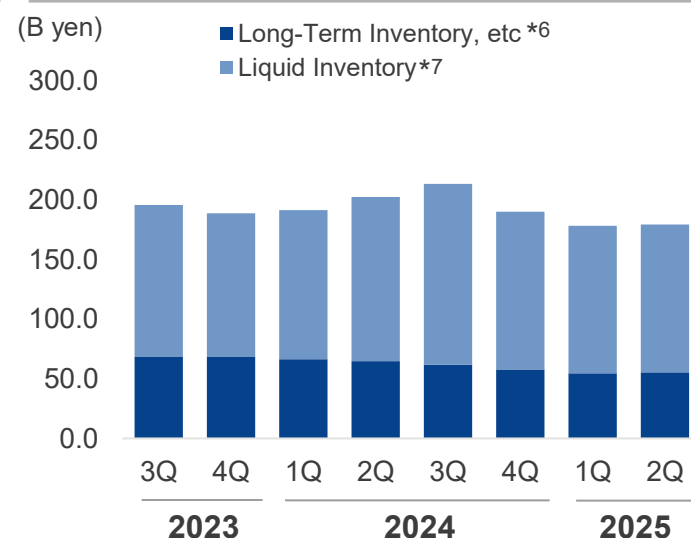
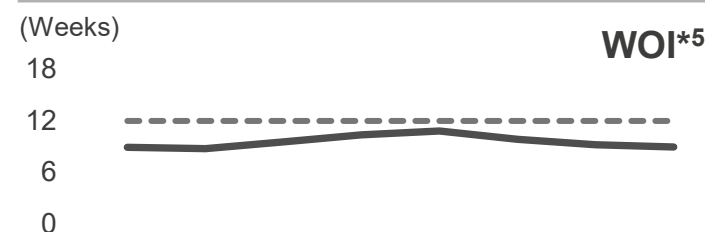
*1: Operating profit + Depreciation and amortization *2: Cash flows from operating activities + Cash flows from investing activities; The cash flows from investing activities do not include: (1) acquisition-related payments; (2) payment of contingent consideration for acquisition of subsidiaries; (3) purchase of shares of subsidiaries and associates, (4) deposits provided to Wolfspeed; and (5) proceeds from sale of businesses

INVENTORY

In-House Inventory*¹ (Financial Accounting Basis)



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



In-House Inventory/DOI

- ✓ **2Q Results: Decreased**
RM / WIP: Decreased due to power outages (disposal) and production based on demand
FG: Shipment based on demand
- ✓ **3Q Forecast: Increase**
WIP: Increase Diebank
FG/RM: Prepare for the demand upturn

Sales Channel Inventory/WOI

- ✓ **2Q Results: Increased (Decreased WOI)**
Automotive: Increased sell-in revenue based on demand
Industrial/Infrastructure/IoT: Decreased due to increased sell-through revenue
- ✓ **3Q Forecast: Slight increase**
Automotive: Shipments are planned with sufficient buffer to accommodate potential upside in sell-through
Industrial/ Infrastructure/IoT: Increase sell-in revenue based on demand

*1: The figures include former 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

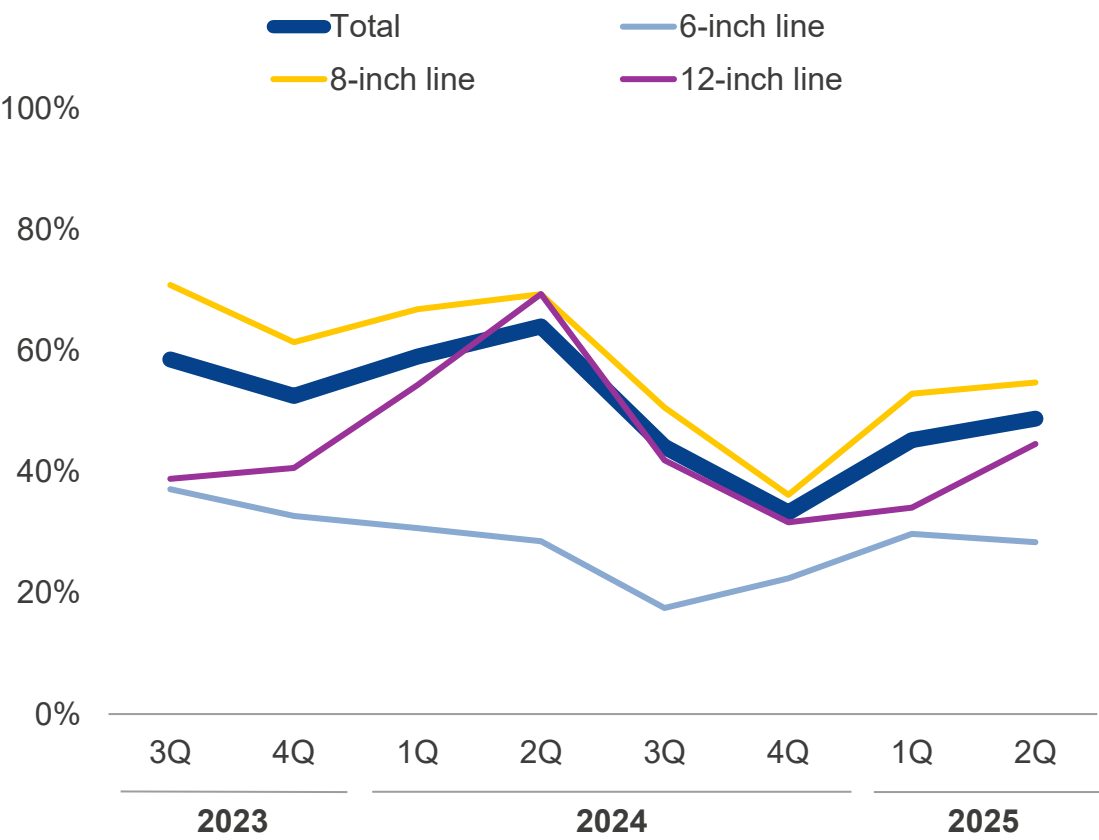
*3: Channel Inventory: Total inventory amount for Tokuyakutens for Japanese customers and overseas distributors, note that the channel inventories of former Transphorm are not included

*4: The definition of inventory pricing was changed from channel booking price basis to the net selling price basis from 4Q2024 (including retroactive updates to past records)

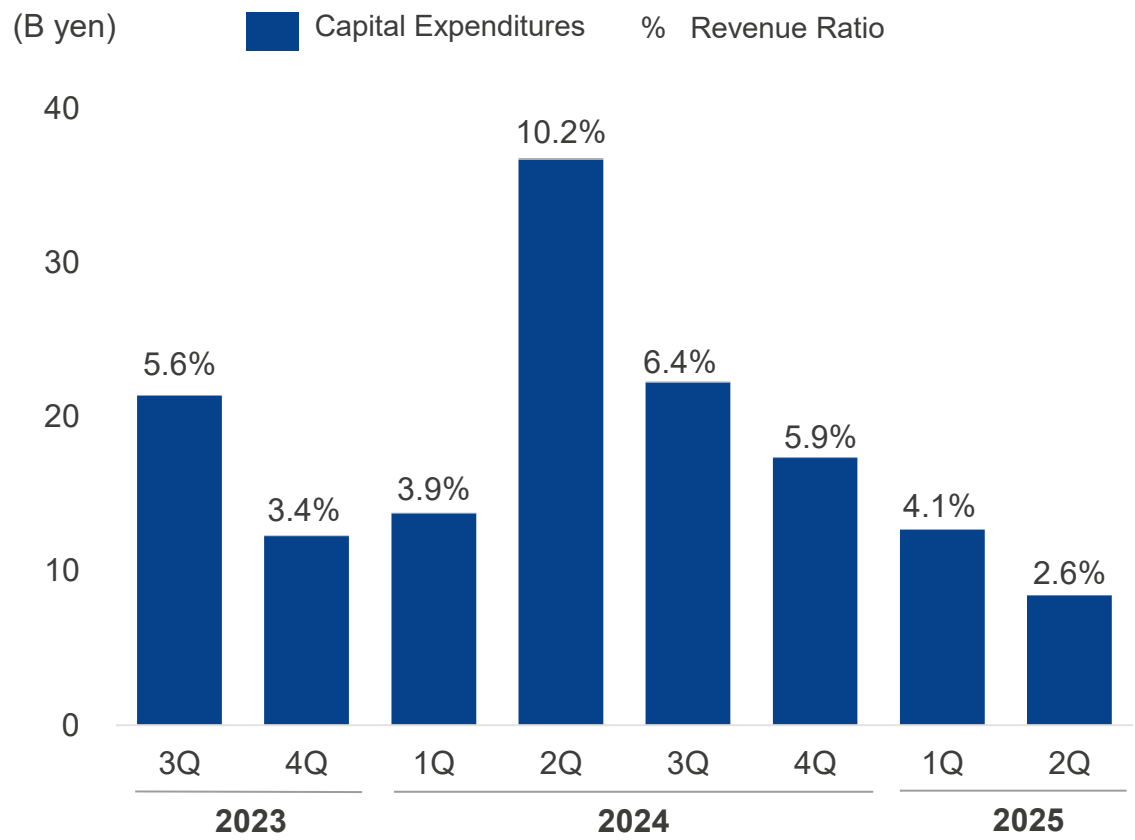
*5: WOI: Weeks of Inventory = Channel inventory at the end of the quarter / (cost of channel sales in the quarter / 13 weeks). It should be noted that from the inventory management perspective, to calculate appropriate WOI, certain Long-Term Inventory is excluded from Channel Inventory *6: Long-Term 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 former Intersil and former 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 and Altium is based on equipment delivery

3Q 2025 FORECAST

NON-GAAP

(B yen)	2024		2025					
	3Q (Jul-Sep)	9 months (Jan-Sep)	2Q (Apr-Jun)	3Q (Jul-Sep) Midpoint Forecast (Range)*1	YoY	QoQ	9 months (Jan-Sep) Forecast	YoY
Revenue	345.3	1,055.9	324.6	330.0 (±7.5)	-4.4% (±2.2pts)	+1.7% (±2.3pts)	963.4 (±7.5)	-8.8% (±0.7pt)
Revenue (Excluding FX Impact)	-	-	-	-	-4.6%	+2.0%	-	-10.4%
Device Revenue*2 (Excluding FX Impact)	-	-	-	-	-4.9%	+2.0%	-	-12.1%
Gross Margin	55.9%	56.4%	56.8%	56.5%	+0.6pt	-0.3pt	56.7%	+0.3pt
Operating Margin	28.5%	30.5%	28.3%	27.0%	-1.5pts	-1.3pts	27.5%	-3.1pts
1 US\$ =	154 yen	151 yen	146 yen	145 yen	9 yen appreciation	1 yen appreciation	148 yen	3 yen appreciation
1 Euro=	168 yen	164 yen	162 yen	169 yen	1 yen depreciation	7 yen depreciation	164 yen	0 yen appreciation

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

*2: Excluding former Altium from reportable segments

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

NON-GAAP

(B yen)	2024					2025					
	1Q (Jan-Mar)	2Q (Apr-Jun)	3Q (Jul-Sep)	4Q (Oct-Dec)	Full-Year (Jan-Dec)	1Q (Jan-Mar)	2Q (Apr-Jun)	YoY	QoQ	1H (Jan-Jun)	YoY
Revenue	351.8	358.8	345.3	292.6	1,348.5	308.8	324.6	-9.5%	+5.1%	633.4	-10.9%
Automotive	178.2	190.4	185.5	148.8	702.8	155.3	161.8	-15.0%	+4.2%	317.1	-14.0%
Industrial, Infrastructure, IoT	171.6	166.2	158.2	140.8	636.8	150.8	161.3	-2.9%	+7.0%	312.1	-7.6%
Others	2.1	2.2	1.6	3.0	8.9	2.7	1.5	-33.2%	-45.4%	4.2	-2.1%
Gross Profit (Margin)	199.3 (56.7%)	203.6 (56.7%)	192.8 (55.9%)	160.5 (54.9%)	756.3 (56.1%)	175.2 (56.7%)	184.4 (56.8%)	-19.2 (+0.1pt)	+9.1 (+0.0pt)	359.6 (56.8%)	-43.3 (+0.1pt)
Automotive	93.4 (52.4%)	102.4 (53.8%)	96.6 (52.1%)	75.4 (50.6%)	367.8 (52.3%)	81.1 (52.2%)	84.9 (52.4%)	-17.6 (-1.4pts)	+3.8 (+0.2pt)	166.0 (52.3%)	-29.8 (-0.8pt)
Industrial, Infrastructure, IoT	105.6 (61.6%)	100.2 (60.3%)	95.8 (60.6%)	84.2 (59.8%)	385.8 (60.6%)	93.3 (61.9%)	98.6 (61.1%)	-1.6 (+0.8pt)	+5.3 (-0.8pt)	191.9 (61.5%)	-13.9 (+0.6pt)
Others	0.4 (17.5%)	0.9 (41.9%)	0.4 (24.8%)	1.0 (32.7%)	2.7 (30.0%)	0.6 (23.4%)	0.5 (31.4%)	-0.5 (-10.5pts)	-0.2 (+8.0pts)	1.1 (26.2%)	-0.2 (-3.9pts)
Adjustments*1	0.0	0.0	0.0	0.0	0.0	0.2	0.4	+0.4	+0.2	0.6	+0.6

*1: 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

NON-GAAP

(B yen)	2024					2025					
	1Q (Jan-Mar)	2Q (Apr-Jun)	3Q (Jul-Sep)	4Q (Oct-Dec)	Full-Year (Jan-Dec)	1Q (Jan-Mar)	2Q (Apr-Jun)	YoY	QoQ	1H (Jan-Jun)	YoY
Operating Profit (Margin)	113.5 (32.3%)	110.6 (30.8%)	98.4 (28.5%)	75.4 (25.8%)	397.9 (29.5%)	83.8 (27.1%)	91.9 (28.3%)	-18.7 (-2.5pts)	+8.0 (+1.2pts)	175.7 (27.7%)	-48.4 (-3.8pts)
Automotive	57.4 (32.2%)	62.7 (32.9%)	56.7 (30.6%)	45.7 (30.7%)	222.5 (31.7%)	46.2 (29.7%)	37.9 (23.4%)	-24.8 (-9.5pts)	-8.3 (-6.3pts)	84.0 (26.5%)	-36.0 (-6.1pts)
Industrial, Infrastructure, IoT	55.8 (32.5%)	47.0 (28.3%)	42.0 (26.6%)	28.6 (20.3%)	173.4 (27.2%)	32.2 (21.4%)	41.8 (25.9%)	-5.1 (-2.3pts)	+9.6 (+4.6pts)	74.0 (23.7%)	-28.7 (-6.7pts)
Others	0.4 (17.5%)	0.9 (41.9%)	0.4 (24.8%)	-0.3 (-9.1%)	1.4 (15.9%)	-0.5 (-17.8%)	0.3 (20.3%)	-0.6 (-21.7pts)	+0.8 (+38.0pts)	-0.2 (-4.3%)	-1.5 (-34.5pts)
Adjustments* ²	0.0	0.0	-0.8	1.4	0.6	5.9	11.9	+11.9	+5.9	17.8	+17.8
EBITDA	133.8	132.8	121.4	98.2	486.2	103.5	110.2	-22.6	+6.6	213.7	-52.8
Automotive	68.6	75.5	70.3	58.8	273.2	57.4	48.6	-26.9	-8.8	106.0	-38.1
Industrial, Infrastructure, IoT	64.9	56.4	51.5	38.2	210.9	40.6	49.4	-6.9	+8.8	90.0	-31.2
Others	0.4	0.9	0.4	-0.2	1.5	-0.4	0.3	-0.6	+0.7	-0.1	-1.4
Adjustments* ²	0.0	0.0	-0.8	1.4	0.6	5.9	11.9	+11.9	+5.9	17.8	+17.8

*1: Operating profit + Depreciation and amortization

*2: 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)	24/3	24/6	24/9	24/12	25/3	25/6
Total Assets	3,233.7	3,663.0	4,201.6	4,490.4	4,195.5	3,872.2
Cash and Cash Equivalents* ¹	231.8	288.4	239.1	229.2	177.6	211.1
Inventories	171.4	178.1	173.1	176.5	175.6	165.7
Goodwill	1,453.8	1,589.1	2,036.7	2,256.2	2,134.5	2,067.9
Intangible Assets	417.9	463.0	685.2	724.8	653.6	610.8
Total Liabilities	1,031.4	1,195.3	2,057.4	1,948.1	1,873.2	1,835.9
Interest-Bearing Liabilities* ²	532.9	619.4	1,511.6	1,422.8	1,377.9	1,346.6
Total Equity	2,202.3	2,467.7	2,144.2	2,542.3	2,322.3	2,036.3
D/E Ratio (Gross)*³	0.24	0.25	0.71	0.56	0.59	0.66
D/E Ratio (Net)*⁴	0.14	0.13	0.59	0.47	0.52	0.56
Equity Ratio Attributable to Owners of Parent*⁵	68.0%	67.2%	50.9%	56.5%	55.2%	52.5%
Leverage Ratio (Gross)*⁶	0.9	1.1	2.9	2.9	3.0	3.1
Leverage Ratio (Net)*⁷	0.5	0.6	2.4	2.5	2.6	2.6
Average number of shares during the period (excluding treasury stock) (in million shares)	1,779	1,789	1,792	1,794	1,796	1,807

*1: This is comprised of cash on hand, demand deposit, and short-term investments that are readily convertible into cash, bearing low risk of changes in value and are redeemable in three months or less from each acquisition date

*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)

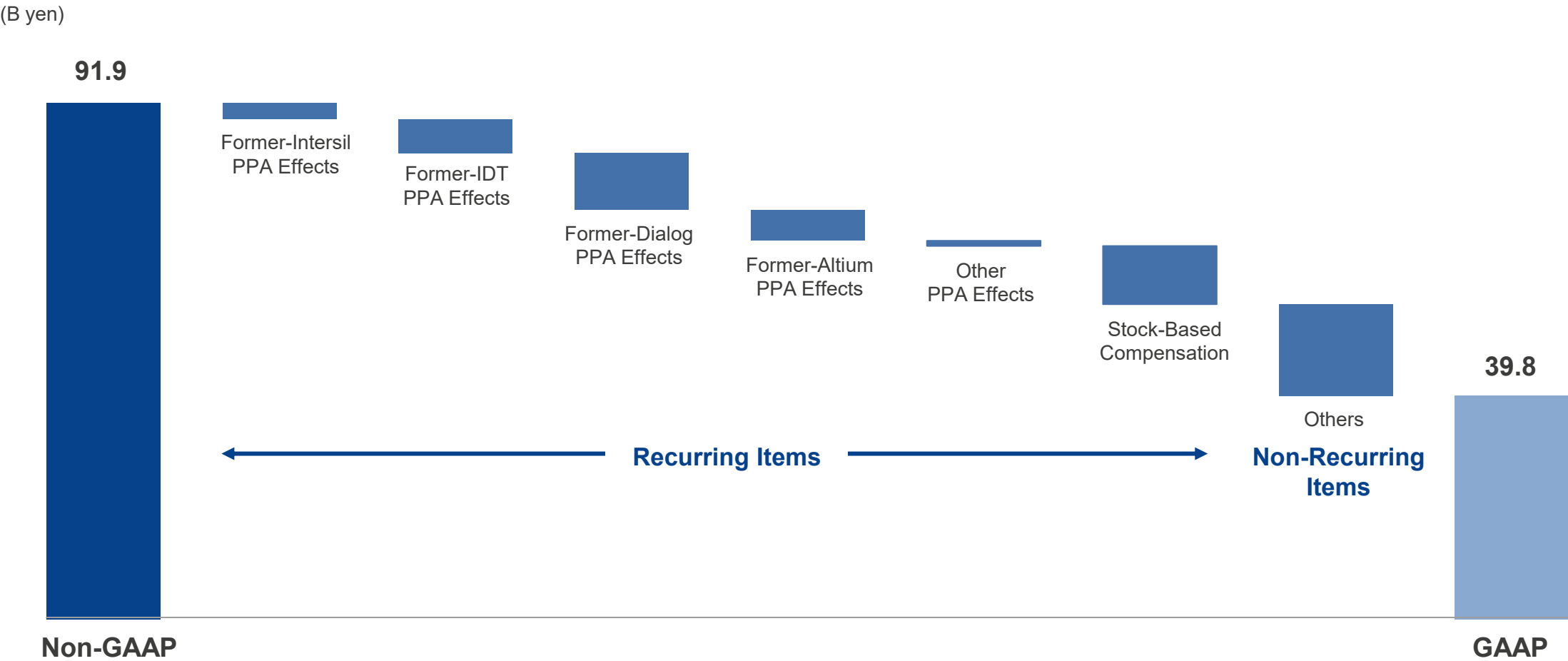
GAAP / NON-GAAP RECONCILIATION

(B yen)	2024								2025			
	2Q (Apr-Jun)				Full Year (Jan-Dec)				2Q (Apr-Jun)			
	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)	203.6 (56.7%)	110.6 (30.8%)	96.7 (26.9%)	132.8 (37.0%)	756.3 (56.1%)	397.9 (29.5%)	360.4 (26.7%)	486.2 (36.1%)	184.4 (56.8%)	91.9 (28.3%)	77.8 (24.0%)	110.2 (33.9%)
Recurring Items	-1.0	-37.9	-33.5	-9.2	-3.9	-158.6	-139.2	-36.3	-1.0	-35.8	-30.7	-10.3
Former-Intersil PPA Effects	-0.1	-3.0	-2.3	-	-0.3	-12.0	-9.2	-	-0.1	-2.9	-2.2	-
Former-IDT PPA Effects	-0.1	-14.0	-12.4	-	-0.4	-55.4	-49.0	-	-0.1	-6.0	-4.9	-
Former-Dialog PPA Effects	-0.1	-10.7	-8.6	-	-0.4	-41.5	-33.5	-	-0.1	-10.1	-8.2	-
Former-Altium PPA Effects	-	-	-	-	-	-9.2	-7.1	-	-	-5.5	-4.2	-
Other PPA Effects	-	-1.0	-1.0	-	-	-4.2	-4.1	-	-	-0.9	-0.9	-
Stock-Based Compensation	-0.8	-9.2	-9.2	-9.2	-2.8	-36.3	-36.3	-36.3	-0.7	-10.3	-10.3	-10.3
Non-Recurring Items	-1.6	-3.0	-3.4	-2.9	-2.6	-16.3	-2.1	-16.2	-2.0	-16.3	-248.4	-16.3
Non-GAAP Adjustments Total	-2.6	-40.9	-37.0	-12.1	-6.5	-174.9	-141.3	-52.5	-3.0	-52.1	-279.2	-26.6
GAAP (vs Revenue)	200.9 (56.0%)	69.7 (19.4%)	59.7 (16.6%)	120.6 (33.6%)	749.8 (55.6%)	223.0 (16.5%)	219.1 (16.2%)	433.7 (32.2%)	181.3 (55.7%)	39.8 (12.2%)	-201.3 (-61.9%)	83.6 (25.7%)

*1: Profit Attributable to Owners of Parent

2Q 2025 CONSOLIDATED OPERATING PROFIT

BRIDGE FROM NON-GAAP TO GAAP



2Q 2025 FINANCIAL SNAPSHOT

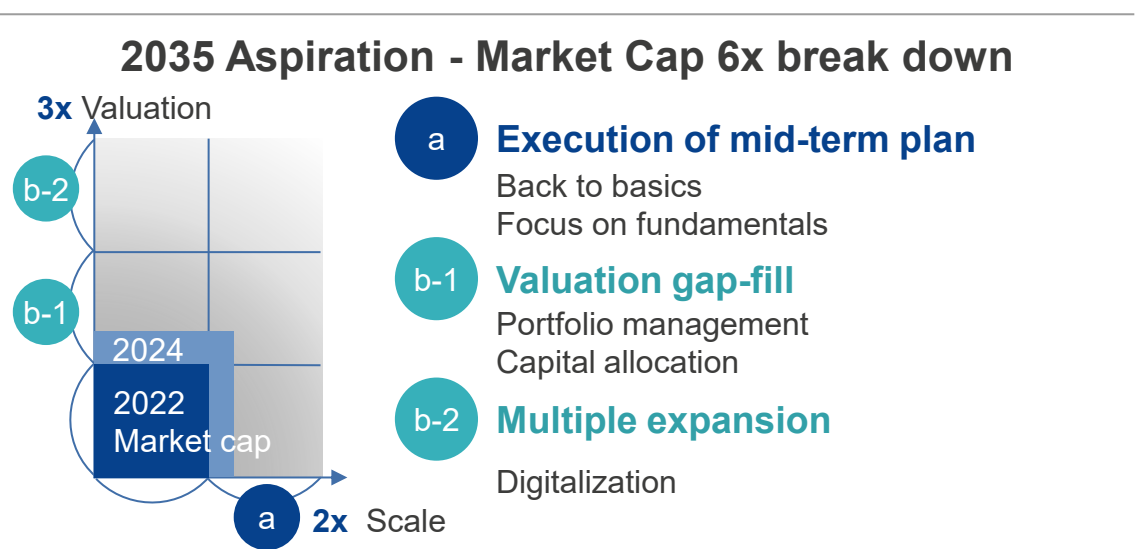
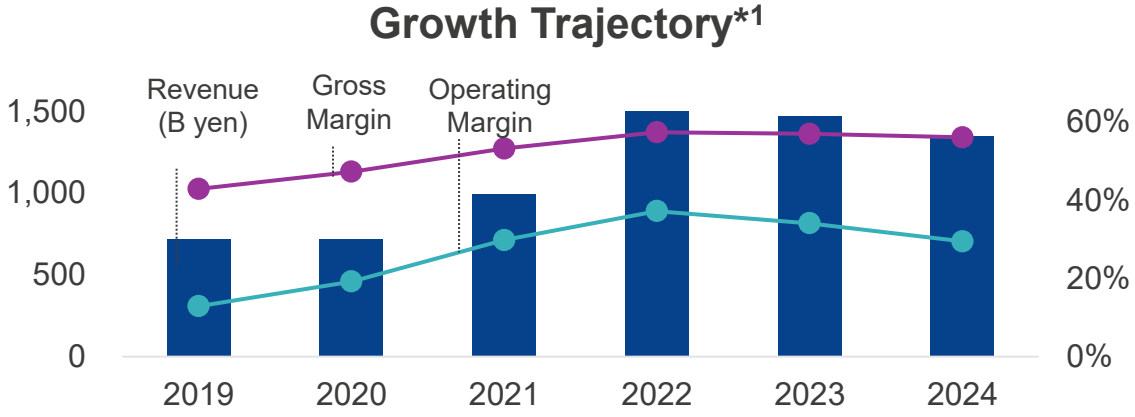
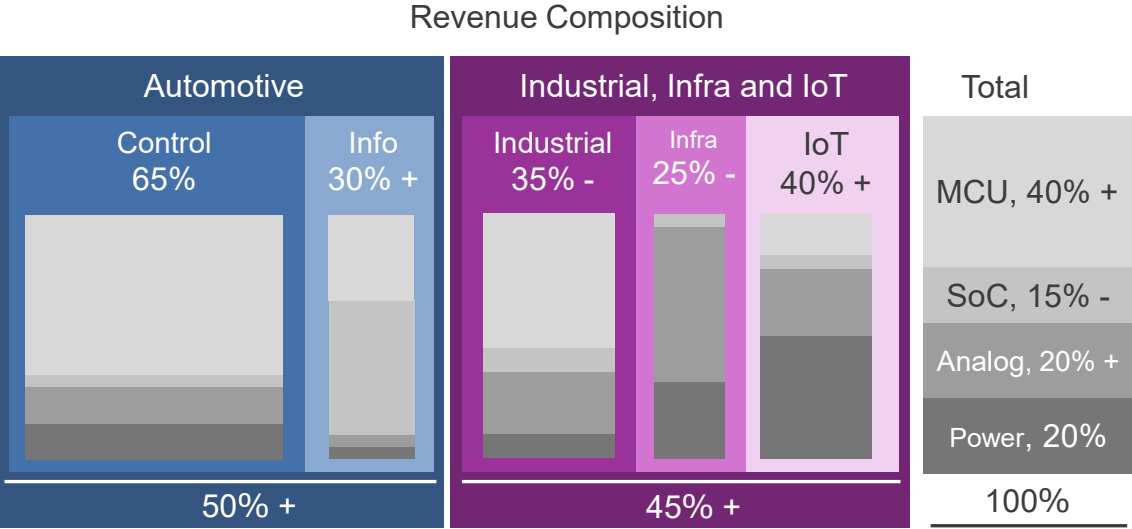
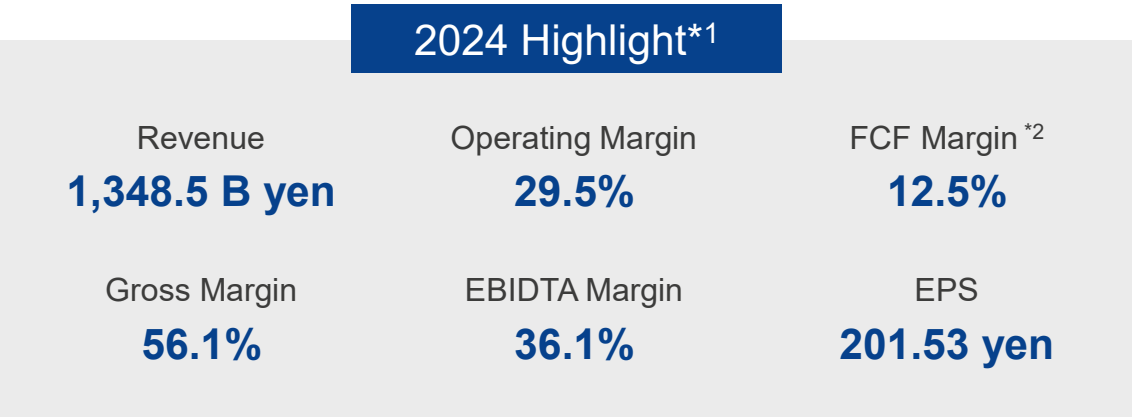
GAAP

(B yen)	2024		2025					
	2Q (Apr-Jun)	1H (Jan-Jun)	1Q (Jan-Mar)	2Q (Apr-Jun)	YoY	QoQ	1H (Jan-Jun)	YoY
Revenue	358.8	710.6	308.8	325.5	-9.3%	+5.4%	634.3	-10.7%
Gross Margin	56.0%	56.1%	56.0%	55.7%	-0.3pt	-0.3pt	55.8%	-0.2pt
Operating Profit (Margin)	69.7 (19.4%)	147.5 (20.8%)	21.5 (7.0%)	39.8 (12.2%)	-29.9 (-7.2pts)	+18.3 (+5.2pts)	61.3 (9.7%)	-86.2 (-11.1pts)
Profit Attributable to Owners of Parent (Loss)	59.7	139.6	26.0	-201.3* ¹	-261.1	-227.4	-175.3	-314.9
EBITDA* ²	120.6	246.3	75.8	83.6	-37.1	+7.8	159.3	-87.0
1 US\$=	153 yen	150 yen	154 yen	146 yen	7 yen appreciation	8 yen appreciation	150 yen	0 yen depreciation
1 Euro=	165 yen	162 yen	161 yen	162 yen	3 yen appreciation	2 yen depreciation	161 yen	1 yen appreciation

*1: In 2Q25, a valuation loss of ¥235.0 billion was recorded on the deposit to Wolfspeed

*2: Operating profit + Depreciation and amortization

RENESAS AT A GLANCE



*1: Non-GAAP *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

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(FORWARD-LOOKING STATEMENTS)

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