

**RENESAS ELECTRONICS CORPORATION**  
**Consolidated Financial Results for the Year Ended December 31, 2025**  
 English translation from the original Japanese-language document



February 5, 2026

Company name	: Renesas Electronics Corporation	
Stock exchanges on which the shares are listed	: Tokyo Stock Exchange, Prime Market	
Code number	: 6723	
URL	: <a href="https://www.renesas.com">https://www.renesas.com</a>	
Representative	: Hidetoshi Shibata, President and CEO	
Contact person	: Tomohiko Sato, Vice President, Investor Relations Tel. +81 (0)3-6773-3002	
Filing date of Yukashoken Hokokusho (scheduled)	: March 19, 2026	
Date of starting payment of dividend (scheduled)	: March 31, 2026	

(Amounts are rounded to the nearest million yen, unless otherwise noted)

**1. Consolidated financial results for the year ended December 31, 2025**

**1.1 Consolidated financial results**

(% of change from the previous year)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended December 31, 2025	1,321,212	(2.0)	201,166	(9.8)	(30,275)	—	(51,658)	—	(51,763)	—	(80,598)	—
Year ended December 31, 2024	1,348,479	(8.2)	222,977	(42.9)	263,833	(37.5)	219,422	(34.9)	219,084	(35.0)	529,209	6.9

	Basic earnings per share	Diluted earnings per share	Net income per equity attributable to owners	Profit before tax ratio per net assets	Operating profit ratio per revenue
Year ended December 31, 2025	Yen (28.65)	Yen (28.65)	% (2.1)	% (0.7)	% 15.2
Year ended December 31, 2024	122.51	120.85	9.7	6.9	16.5

(Note) Diluted losses per share are the same as basic losses per share as there were no dilutive potential common shares outstanding for the year ended December 31, 2025.

## 1.2 Consolidated financial position

	Total assets	Total equity	Equity attributable to owners	Ratio of equity attributable to owners	Equity attributable to owners per share
December 31, 2025	Million yen 4,177,163	Million yen 2,448,451	Million yen 2,443,034	% 58.5	Yen 1,347.26
December 31, 2024	Million yen 4,490,436	Million yen 2,542,298	Million yen 2,537,382	% 56.5	Yen 1,413.77

## 1.3 Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the year
Year ended December 31, 2025	Million yen 452,857	Million yen (124,686)	Million yen (269,673)	Million yen 295,897
Year ended December 31, 2024	Million yen 340,484	Million yen (1,284,105)	Million yen 677,345	Million yen 229,249

## 2. Cash dividends

	Cash dividends per share					Total dividend during the year	Dividends payout ratio (consolidated)	Dividends ratio per assets (consolidated)
	At the end of first quarter	At the end of second quarter	At the end of third quarter	At the end of year	Total			
Year ended December 31, 2024	Yen 0.00	Yen 0.00	Yen 0.00	Yen 28.00	Yen 28.00	Million yen 50,320	% 22.9	% 2.2
Year ended December 31, 2025	Yen 0.00	Yen 0.00	Yen 0.00	Yen 28.00	Yen 28.00	Million yen 50,814	% ---	% 2.0
Year ending December 31, 2026 (forecast)	---	---	---	---	---			

(Note) 1. The amount of the dividend for the year ended December 31, 2025, will be approved by the Group's Annual General Meeting of Shareholders scheduled for March 2026.

2. For the year ending December 31, 2026, whether the Group provides dividend payments remains undecided.

## 3. Forecast of consolidated results for the three months ending March 31, 2026

(% of change from corresponding period of the previous year)

	Non-GAAP revenue		Non-GAAP gross margin		Non-GAAP operating margin	
Three months ending March 31, 2026	Million yen 367,500 to 382,500	% 19.0 to 23.9	% 58.5	%pts 1.8	% 32.0	%pts 4.9

(Note) 1. The Group reports its consolidated forecast on a quarterly basis as substitute for a yearly forecast in a range format. The Non-GAAP gross margin and the Non-GAAP operating margin forecasts are provided assuming the midpoint in the Non-GAAP revenue forecast.

2. 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. The Group believes Non-GAAP measures provide useful information in understanding and evaluating the Group's constant business results, and therefore forecasts are provided on a Non-GAAP basis.

#### 4. Others

4.1 Changes in significant subsidiaries for the full year ended December 31, 2025: No

4.2 Changes in Accounting Policies, Changes in Accounting Estimates and Corrections of Prior Period Errors

1. Changes in accounting policies with revision of accounting standard: No
2. Changes in accounting policies except for 4.2.1: No
3. Changes in accounting estimates: Yes

(Note) For details, please refer to P.15 "(Changes in Accounting Estimates)" in the "3. Consolidated Financial Statements, 3.5 Notes to Consolidated Financial Statements."

4.3 Number of shares issued and outstanding (common stock)

1. Number of shares issued and outstanding (including treasury stock)
 

As of December 31, 2025:	1,870,614,885 shares
As of December 31, 2024:	1,870,614,885 shares

2. Number of treasury stock
 

As of December 31, 2025:	57,280,173 shares
As of December 31, 2024:	75,848,895 shares

3. Average number of shares issued and outstanding
 

Year ended December 31, 2025:	1,806,796,150 shares
Year ended December 31, 2024:	1,788,230,332 shares

#### (Reference) Non-consolidated results for the year ended December 31, 2025

##### Non-consolidated financial results

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended December 31, 2025	926,986	(4.8)	224,642	(7.2)	209,492	(1.6)	158,654	(16.5)
Year ended December 31, 2024	973,959	(8.6)	242,001	(23.1)	212,892	(28.3)	189,972	(24.6)

	Net income per share: basic	Net income per share: diluted
December 31, 2025	Yen 87.72	Yen 86.45
December 31, 2024	Yen 106.19	Yen 104.75

## Non-consolidated financial position

	<b>Total assets</b>	<b>Net assets</b>	<b>Equity ratio</b>	<b>Net assets per share</b>
December 31, 2025	Million yen 3,536,139	Million yen 1,482,949	% 41.9	Yen 817.14
December 31, 2024	3,500,965	1,347,822	38.5	758.78

Reference: Equity at the end of the year ended December 31, 2025: 1,482,933 million yen  
 Equity at the end of the year ended December 31, 2024: 1,346,735 million yen

(Note) Information regarding the implementation of audit procedures: These financial results are not subject to audit procedures by the independent auditor.

### Cautionary Statement

The Group will hold an earnings conference for institutional investors and analysts on February 5, 2026. The Group plans to post the materials which are provided at the meeting, on the Group's website on that day.

The statements with respect to the financial outlook of Renesas Electronics Corporation (hereinafter "the Company") and its consolidated subsidiaries (hereinafter "the Group") are forward-looking statements involving risks and uncertainties. We caution you in advance that actual results may differ materially from such forward-looking statements due to changes in several important factors.

The allocation of the acquisition costs for the business combination with Transphorm, Inc. (hereinafter "Transphorm") and Altium Limited (hereinafter "Altium") has been revised during the three months ended December 31, 2024. These revisions have been reflected in the consolidated financial results for the three months ended June 30 and September 30, 2024. On December 12, 2024, Altium changed its corporate name to Altium Pty Ltd. For details, please refer to Appendix 3.5, "Notes to Consolidated Financial Statements (Business Combinations)" on page 19.

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## 1. Business Results

### 1.1 Analysis of Business Results

The Group discloses consolidated business results in terms of both its internal measures which the management relies upon in making decisions (hereinafter "Non-GAAP") and those under IFRS.

Non-GAAP revenue, Non-GAAP gross profit and Non-GAAP operating profit are revenue, gross profit and operating profit under IFRS (hereinafter "IFRS revenue," "IFRS gross profit" and "IFRS operating profit") after excluding or adjusting non-recurring items and other adjustments following a certain set of rules. The Group believes providing Non-GAAP forecasts will help to better understand the Group's constant business results. Non-recurring items include depreciation of intangible assets recognized from acquisitions, other purchase price allocation (hereinafter "PPA") adjustments and stock-based compensation as well as other non-recurring expenses and income the Group believes to be applicable.

The Group consists of "Automotive Business" and "Industrial/Infrastructure/IoT Business" and those are the Group's reportable segments. For details, please refer to Appendix 3 "Consolidated Financial Statements, 3.5 Notes to Consolidated Financial Statements (Business Segments)."

(Note) For Non-GAAP disclosure, the Group refers to the rules specified by the U.S. Securities and Exchange Commission but does not fully comply with such rules.

#### 1) Summary of Consolidated Financial Results for the Year ended December 31, 2025 (Non-GAAP basis)

	Year ended December 31, 2024 (Jan 1 – Dec 31, 2024)	Year ended December 31, 2025 (Jan 1 – Dec 31, 2025)	Increase (Decrease)	
	Billion yen	Billion yen	Billion yen	% Change
Non-GAAP revenue	1,348.5	1,318.5	(30.0)	(2.2%)
Automotive	702.8	639.7	(63.1)	(9.0%)
Industrial/Infrastructure/IoT	636.8	671.8	35.0	5.5%
Non-GAAP gross profit	756.3	759.9	3.7	0.5%
Non-GAAP gross margin	56.1%	57.6%	1.6pts	—
Automotive	367.8	346.3	(21.4)	(5.8%)
Industrial/Infrastructure/IoT	385.8	410.9	25.1	6.5%
Non-GAAP operating profit	397.9	386.9	(11.0)	(2.8%)
Non-GAAP operating margin	29.5%	29.3%	(0.2pt)	—
Automotive	222.5	196.6	(25.9)	(11.6%)
Industrial/Infrastructure/IoT	173.4	169.4	(4.0)	(2.3%)
			(2.0pts)	—

(Note) For details on the above table, please refer to Appendix 3 "Consolidated Financial Statements, 3.5. Notes to Consolidated Financial Statements (Business Segments)."

The financial results for the year ended December 31, 2025 are as follows:

##### <Non-GAAP revenue>

Consolidated Non-GAAP revenue for the year ended December 31, 2025 was 1,318.5 billion yen, a 30.0 billion yen (2.2%) decrease year on year. This was mainly attributable to a decrease in revenue from the Automotive Business due to market softening, although revenue from the Industrial, Infrastructure, and IoT Business increased driven by stronger demand in the infrastructure business.

##### <Non-GAAP gross profit (margin)>

Non-GAAP gross profit for the year ended December 31, 2025 was 759.9 billion yen, a 3.7 billion yen (0.5%) increase year on year. This was due to lower manufacturing costs, despite the above-mentioned decrease in revenue from the Automotive Business and the resulting decrease in utilization rate. As a result, Non-GAAP gross margin for the year ended December 31, 2025 was 57.6%, an increase by 1.6 points year on year.

**<Non-GAAP operating profit (margin)>**

Non-GAAP operating profit for the year ended December 31, 2025 was 386.9 billion yen, a 11.0 billion yen (2.8%) decrease year on year. This was mainly due to an increase in SG&A expenses, despite the above-mentioned increase in gross profit. As a result, Non-GAAP operating margin for the year ended December 31, 2025 was 29.3%, a decrease by 0.2 point year on year.

The revenue breakdown of the business segments for the year ended December 31, 2025 are as follows:

**Automotive Business**

The Automotive Business includes the product categories "Automotive Control," comprising of semiconductor devices for controlling automobile engines and bodies, and "Automotive Information," comprising of semiconductor devices used in sensing systems for detecting environments inside and outside the vehicle as well as Automotive Information devices such as in-vehicle infotainment (IVI) and instrument panels used to give various information to the driver of the vehicle. The Group mainly supplies microcontrollers (MCUs), system-on-chip (SoC), analog semiconductor devices and power semiconductor devices in each of these categories.

Non-GAAP revenue of the Automotive Business for the year ended December 31, 2025 was 639.7 billion yen, a 63.1 billion yen (9.0%) decrease year on year. As mentioned above, this was mainly due to market softening.

Non-GAAP gross profit of the Automotive Business for the year ended December 31, 2025 was 346.3 billion yen, a 21.4 billion yen (5.8%) decrease year on year. This was mainly due to a decrease in revenue.

Non-GAAP operating profit of the Automotive Business for the year ended December 31, 2025 was 196.6 billion yen, a 25.9 billion yen (11.6%) decrease year on year. This was mainly due to a decrease in gross profit.

**Industrial/Infrastructure/IoT Business**

The Industrial/Infrastructure/IoT Business includes the categories "Industrial," "Infrastructure" and "IoT" which support a smart society. The Group mainly supplies MCUs, SoC, analog semiconductor devices and power semiconductor devices in each of these categories.

Non-GAAP revenue of the Industrial/Infrastructure/IoT Business for the year ended December 31, 2025 was 671.8 billion yen, a 35.0 billion yen (5.5%) increase year on year. This was due to an increase in revenue driven by stronger demand in the infrastructure business.

Non-GAAP gross profit of the Industrial/Infrastructure/IoT Business for the year ended December 31, 2025 was 410.9 billion yen, a 25.1 billion yen (6.5%) increase year on year. This was mainly due to increase in revenue.

Non-GAAP operating profit of the Industrial/Infrastructure/IoT Business for the year ended December 31, 2025 was 169.4 billion yen, a 4.0 billion yen (2.3%) decrease year on year. This was mainly due to an increase in SG&A expenses, despite higher gross profit mentioned above.

2) Reconciliation of Non-GAAP gross profit to IFRS gross profit and Non-GAAP operating profit to IFRS operating profit

(Billion yen)

	Year ended December 31, 2024 (Jan 1 – Dec 31, 2024)	Year ended December 31, 2025 (Jan 1 – Dec 31, 2025)
Non-GAAP gross profit	756.3	759.9
Non-GAAP gross margin	56.1%	57.6%
Reconciliation items in non-recurring revenue (Note 1)	—	2.7
Amortization of purchased intangible assets and depreciation of property, plant and equipment	(1.0)	(0.8)
Stock-based compensation	(2.8)	(2.7)
Other reconciliation items in non-recurring expenses and adjustments (Note 2)	(2.6)	(5.4)
IFRS gross profit	749.8	753.8
IFRS gross margin	55.6%	57.1%
Non-GAAP operating profit	397.9	386.9
Non-GAAP operating margin	29.5%	29.3%
Reconciliation items in non-recurring revenue (Note 1)	—	2.7
Amortization of purchased intangible assets and depreciation of property, plant and equipment	(122.4)	(111.4)
Stock-based compensation	(36.3)	(37.1)
Other reconciliation items in non-recurring expenses and adjustments (Note 2)	(16.2)	(39.9)
IFRS operating profit	223.0	201.2
IFRS operating margin	16.5%	15.2%

(Note) 1. Non-recurring revenue that the Group has determined should be excluded.

2. "Other reconciliation items in non-recurring expenses and adjustments" includes the non-recurring items related to acquisitions and other adjustments as well as non-recurring profits or losses the Group believes to be applicable.

3) Summary of Consolidated Financial Results for the year ended December 31, 2025 (IFRS basis)

	Year ended December 31, 2024 (Jan 1 – Dec 31, 2024)	Year ended December 31, 2025 (Jan 1 – Dec 31, 2025)	Increase (Decrease)	
	Billion yen	Billion yen	Billion yen	% Change
Revenue	1,348.5	1,321.2	(27.3)	(2.0%)
Gross profit	749.8	753.8	4.0	0.5%
Gross margin	55.6%	57.1%	1.4 pts	—
Operating profit	223.0	201.2	(21.8)	(9.8%)
Operating margin	16.5%	15.2%	(1.3 pts)	—

## 1.2 Consolidated Financial Condition

### Assets, Liabilities and Shareholders' Equity

(Billion yen)

	As of December 31, 2024	As of December 31, 2025	Increase (Decrease)
Total assets	4,490.4	4,177.2	(313.2)
Total equity	2,542.3	2,448.5	(93.8)
Equity attributable to owners of parent	2,537.4	2,443.0	(94.4)
Equity ratio attributable to owners of parent (%)	56.5	58.5	2.0
Interest-bearing liabilities	1,422.8	1,226.8	(196.0)
Debt to equity ratio	0.56	0.50	(0.06)

Total assets as of December 31, 2025 amounted to 4,177.2 billion yen, a 313.2 billion yen decrease from December 31, 2024. This was mainly due to the amortization of intangible assets arising from past acquisitions, as well as a decrease resulting from the recognition of valuation losses on other financial assets related to Wolfspeed, Inc.(hereinafter "Wolfspeed"), following its filing for protection under the U. S. Bankruptcy Code and its restructuring plan.

Total equity as of December 31, 2025 amounted to 2,448.5 billion yen, a 93.8 billion yen decrease from December 31, 2024. This was mainly due to a decrease in components of other equity, such as exchange differences on translation of foreign operations due to fluctuations in foreign exchange rates, as well as a reduction in retained earnings due to the net loss for the year ended December 31, 2025.

Equity attributable to owners of the parent as of December 31, 2025 amounted to 2,443.0 billion yen, a 94.4 billion yen decrease from December 31, 2024, and the equity ratio attributable to owners of the parent was 58.5% as of December 31, 2025. In addition, interest-bearing liabilities as of December 31, 2025 amounted to 1,226.8 billion yen, a 196.0 billion yen decrease from December 31, 2024, mainly due to a decrease in borrowings. Consequently, the Debt to equity ratio was 0.50 as of December 31, 2025.

## 1.3 Cash Flows

(Billion yen)

	Year ended December 31, 2024 (Jan 1 – Dec 31, 2024)	Year ended December 31, 2025 (Jan 1 – Dec 31, 2025)
Net cash provided by (used in) operating activities	340.5	452.9
Net cash provided by (used in) investing activities	(1,284.1)	(124.7)
Free cash flows (Note)	(943.6)	328.2
Net cash provided by (used in) financing activities	677.3	(269.7)
Cash and cash equivalents at the beginning of period	434.7	229.2
Cash and cash equivalents at the end of period	229.2	295.9

(Note) As defined as a total of net cash flows provided by (used in) operating and investing activities.

#### (Net cash provided by (used in) operating activities)

Net cash provided by operating activities for the year ended December 31, 2025 was 452.9 billion yen. This was mainly due to adjustments for non-cash items such as depreciation and the valuation loss on other financial assets related to Wolfspeed, though a recording of 30.3 billion yen in loss before tax.

#### (Net cash provided by (used in) investing activities)

Net cash used in investing activities for the year ended December 31, 2025 was 124.7 billion yen. This was mainly due to the purchase of property, plant, and equipment as well as intangible assets.

The foregoing resulted in positive free cash flows of 328.2 billion yen for the year ended December 31, 2025.

#### (Net cash provided by (used in) financing activities)

Net cash used in financing activities for the year ended December 31, 2025 was 269.7 billion yen. This was mainly due to the repayment of borrowings to major financial institutions and the payment of dividends.

## 1.4 Consolidated Forecasts

The Group reports its consolidated forecasts on a quarterly basis as a range because of the difficulty of forecasting full-year results with high accuracy due to the short-term volatility of the semiconductor market.

Additionally, in order to provide useful information to better understand the Group's constant business results, figures such as gross margin and operating margin are presented in the Non-GAAP format, which excludes or adjusts the non-recurring items related to acquisitions and other adjustments including non-recurring expenses or income from the figures based on GAAP (IFRS) following a certain set of rules.

The gross margin and operating margin forecasts are given assuming the midpoint in the revenue forecast.

### (For the three months ending March 31, 2026)

	Non-GAAP revenue	Non-GAAP gross margin	Non-GAAP operating margin
Previous forecasts	---	---	---
Forecasts as of February 5, 2026	Million yen 367,500 to 382,500	% 58.5	% 32.0
Increase (decrease)	---	---	---
Percentage change	---	---	---
Reference: The first quarter results of the three months ended March 31, 2025	308,777	56.7	27.1

(Note) 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. The Group believes Non-GAAP measures provide useful information in understanding and evaluating the Group's constant business results, and therefore, forecasts are provided on a Non-GAAP basis. This adjustment and exclusion include step-up depreciation of property, plant and equipment, amortization of intangible assets recognized from acquisitions, other PPA adjustments and stock-based compensation, as well as other non-recurring expenses and income the Group believes to be applicable.

The consolidated forecasts for the three months ending March 31, 2026 are calculated at the rate of 154 yen per USD and 182 yen per Euro.

The statements with respect to the financial outlook of the Group are forward-looking statements involving risks and uncertainties. The Company cautions you in advance that actual results may vary materially from such forward-looking statements due to several important factors.

## 1.5 Dividend Payments

From the perspective of maximizing enterprise value, in order to respond to rapid changes in the business environment and thrive in the global marketplace, the Group aims to maintain a strong financial structure by using retained earnings for strategic investments such as research and development of new products and technologies as well as capital expenditures and to continuously and stably distribute part of its earnings to shareholders. For each dividend period, consideration of declaring a dividend is made with consideration of consolidated and non-consolidated retained earnings, consolidated profits, outlook for profits for the next and future periods, and cash flows status.

Following the above policy, for the fiscal year ended December 31, 2025, the Group plans to distribute a year-end dividend of 28 yen per share. This matter is planned to be proposed at Renesas' Annual General Meeting of Shareholders scheduled for March 2026.

Dividends for the next fiscal year are undecided at this time and will be disclosed as soon as they are determined. The Group will continue to work toward continuous and stable dividends.

## 2. Primary policy for selection of accounting standards

The Group has adopted International Financial Reporting Standards (IFRS) for its consolidated financial statements from annual securities report for the fiscal year ended December 31, 2018 to increase the international comparability of financial information considering that the Group drives its business globally further.

### 3. Consolidated Financial Statements

#### 3.1 Consolidated Statement of Financial Position

(In millions of yen)

	As of December 31, 2024	As of December 31, 2025
<b>Assets</b>		
Current assets		
Cash and cash equivalents	229,249	295,897
Trade and other receivables	167,113	169,124
Inventories	176,544	185,903
Other current financial assets	9,236	38,601
Income taxes receivable	12,454	10,757
Other current assets	22,730	23,277
Total current assets	<u>617,326</u>	<u>723,559</u>
Non-current assets		
Property, plant and equipment	341,447	355,835
Goodwill	2,256,169	2,239,337
Intangible assets	724,768	593,324
Investments accounted for using the equity method	328	825
Other non-current financial assets	450,702	168,363
Deferred tax assets	47,107	51,414
Other non-current assets	52,589	44,506
Total non-current assets	<u>3,873,110</u>	<u>3,453,604</u>
Total assets	<u>4,490,436</u>	<u>4,177,163</u>

	(In millions of yen)	
	As of December 31, 2024	As of December 31, 2025
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	231,029	219,167
Bonds and borrowings	144,137	242,478
Other current financial liabilities	8,071	9,477
Income taxes payable	5,930	24,377
Provisions	11,273	4,099
Other current liabilities	90,998	116,782
<b>Total current liabilities</b>	<u>491,438</u>	<u>616,380</u>
<b>Non-current liabilities</b>		
Trade and other payables	22,938	7,070
Borrowings	1,122,281	964,089
Other non-current financial liabilities	15,616	14,598
Income taxes payable	6,537	4,393
Retirement benefit liability	23,564	22,516
Provisions	3,066	3,551
Deferred tax liabilities	117,151	83,479
Other non-current liabilities	145,547	12,636
<b>Total non-current liabilities</b>	<u>1,456,700</u>	<u>1,112,332</u>
<b>Total liabilities</b>	<u>1,948,138</u>	<u>1,728,712</u>
<b>Equity</b>		
Share capital	153,209	153,209
Capital surplus	289,377	299,286
Retained earnings	1,308,948	1,213,791
Treasury shares	(92,120)	(70,012)
Other components of equity	877,968	846,760
<b>Total equity attributable to owners of parent</b>	<u>2,537,382</u>	<u>2,443,034</u>
Non-controlling interests	4,916	5,417
<b>Total equity</b>	<u>2,542,298</u>	<u>2,448,451</u>
<b>Total liabilities and equity</b>	<u>4,490,436</u>	<u>4,177,163</u>

### 3.2 Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income

#### Consolidated Statement of Profit or Loss

	(In millions of yen)	
	The year ended December 31, 2024	The year ended December 31, 2025
Revenue	1,348,479	1,321,212
Cost of sales	(598,683)	(567,420)
Gross profit	749,796	753,792
 Selling, general and administrative expenses	 (527,475)	 (521,249)
Other income	19,961	6,244
Other expenses	(19,305)	(37,621)
Operating profit	222,977	201,166
 Finance income	 52,100	 14,652
Finance costs	(10,972)	(245,641)
Share of loss of investments accounted for using equity method	(272)	(452)
Profit (loss) before tax	263,833	(30,275)
Income tax expense	(44,411)	(21,383)
Profit (loss)	<u>219,422</u>	<u>(51,658)</u>
 Profit (loss) attributable to		
Owners of parent	219,084	(51,763)
Non-controlling interests	338	105
Profit (loss)	<u>219,422</u>	<u>(51,658)</u>
 Earnings (losses) per share		
Basic earnings (losses) per share (yen)	122.51	(28.65)
Diluted earnings (losses) per share (yen)	120.85	(28.65)

Consolidated Statement of Comprehensive Income

	The year ended December 31, 2024	The year ended December 31, 2025	(In millions of yen)
Profit (loss)	219,422	(51,658)	
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans	(81)	534	
Equity instruments measured at fair value through other comprehensive income	(2,972)	105	
Total of items that will not be reclassified to profit or loss	(3,053)	639	
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations	320,341	(31,349)	
Cash flow hedges	(3,748)	2,384	
Cost of hedges	(3,753)	(614)	
Total of items that may be reclassified subsequently to profit or loss	312,840	(29,579)	
Total other comprehensive income	309,787	(28,940)	
Total comprehensive income	<u>529,209</u>	<u>(80,598)</u>	
Comprehensive income attributable to			
Owners of parent	528,320	(81,108)	
Non-controlling interests	889	510	
Total comprehensive income	<u>529,209</u>	<u>(80,598)</u>	

### 3.3 Consolidated Statement of Changes in Equity

(The year ended December 31, 2024)

(In millions of yen)

	Equity attributable to owners of parent						
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity		
					Share acquisition rights	Remeasurements of defined benefit plans	Equity instruments measured at fair value through other comprehensive income
Balance as of January 1, 2024	153,209	359,398	1,157,236	(217,691)	3,106	—	(2,311)
Profit (loss)	—	—	219,084	—	—	—	—
Other comprehensive income	—	—	—	—	—	(81)	(2,972)
Total comprehensive income	—	—	219,084	—	—	(81)	(2,972)
Purchase and disposal of treasury shares	—	18,463	—	21,042	—	—	—
Cancelation of treasury shares	—	(104,529)	—	104,529	—	—	—
Dividends of surplus	—	—	(49,758)	—	—	—	—
Share-based payment transactions	—	196	—	—	(1,909)	—	—
Transfer to retained earnings	—	15,849	(17,614)	—	(110)	81	1,794
Transfer to non-financial assets	—	—	—	—	—	—	—
Total transactions with owners	—	(70,021)	(67,372)	125,571	(2,019)	81	1,794
Balance as of December 31, 2024	153,209	289,377	1,308,948	(92,120)	1,087	—	(3,489)

	Equity attributable to owners of parent				Total equity attributable to owners of parent	Non-controlling interests	Total equity			
	Other components of equity									
	Exchange differences on translation of foreign operations	Cash flow hedges	Cost of hedges	Total						
Balance as of January 1, 2024	564,215	(19,379)	3,770	549,401	2,001,553	4,035	2,005,588			
Profit (loss)	—	—	—	—	219,084	338	219,422			
Other comprehensive income	319,790	(3,748)	(3,753)	309,236	309,236	551	309,787			
Total comprehensive income	319,790	(3,748)	(3,753)	309,236	528,320	889	529,209			
Purchase and disposal of treasury shares	—	—	—	—	39,505	—	39,505			
Cancelation of treasury shares	—	—	—	—	—	—	—			
Dividends of surplus	—	—	—	—	(49,758)	(8)	(49,766)			
Share-based payment transactions	—	—	—	(1,909)	(1,713)	—	(1,713)			
Transfer to retained earnings	—	—	—	1,765	—	—	—			
Transfer to non-financial assets	—	19,475	—	19,475	19,475	—	19,475			
Total transactions with owners	—	19,475	—	19,331	7,509	(8)	7,501			
Balance as of December 31, 2024	884,005	(3,652)	17	877,968	2,537,382	4,916	2,542,298			

(The year ended December 31, 2025)

(In millions of yen)

	Equity attributable to owners of parent						
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity		
					Share acquisition rights	Remeasurements of defined benefit plans	Equity instruments measured at fair value through other comprehensive income
Balance as of January 1, 2025	153,209	289,377	1,308,948	(92,120)	1,087	—	(3,489)
Profit (loss)	—	—	(51,763)	—	—	—	—
Other comprehensive income	—	—	—	—	—	534	105
Total comprehensive income	—	—	(51,763)	—	—	534	105
Purchase and disposal of treasury shares	—	8,538	—	22,108	—	—	—
Dividends of surplus	—	—	(50,320)	—	—	—	—
Share-based payment transactions	—	7,421	—	—	(987)	—	—
Transfer to retained earnings	—	(6,050)	6,926	—	(84)	(534)	(258)
Total transactions with owners	—	9,909	(43,394)	22,108	(1,071)	(534)	(258)
Balance as of December 31, 2025	153,209	299,286	1,213,791	(70,012)	16	—	(3,642)

	Equity attributable to owners of parent				Total equity attributable to owners of parent	Non-controlling interests	Total equity			
	Other components of equity			Total						
	Exchange differences on translation of foreign operations	Cash flow hedges	Cost of hedges							
Balance as of January 1, 2025	884,005	(3,652)	17	877,968	2,537,382	4,916	2,542,298			
Profit (loss)	—	—	—	—	(51,763)	105	(51,658)			
Other comprehensive income	(31,754)	2,384	(614)	(29,345)	(29,345)	405	(28,940)			
Total comprehensive income	(31,754)	2,384	(614)	(29,345)	(81,108)	510	(80,598)			
Purchase and disposal of treasury shares	—	—	—	—	30,646	—	30,646			
Dividends of surplus	—	—	—	—	(50,320)	(9)	(50,329)			
Share-based payment transactions	—	—	—	(987)	6,434	—	6,434			
Transfer to retained earnings	—	—	—	(876)	—	—	—			
Total transactions with owners	—	—	—	(1,863)	(13,240)	(9)	(13,249)			
Balance as of December 31, 2025	852,251	(1,268)	(597)	846,760	2,443,034	5,417	2,448,451			

### 3.4 Consolidated Statement of Cash Flows

	(In millions of yen)	
	The year ended December 31, 2024	The year ended December 31, 2025
<b>Cash flows from operating activities</b>		
Profit (loss) before tax	263,833	(30,275)
Depreciation and amortization	210,728	188,597
Impairment losses	3,015	18,430
Finance income and finance costs	(26,053)	230,979
Share-based payment expenses	36,299	37,085
Insurance income	(587)	(169)
Foreign exchange loss (gain)	(292)	2,927
Loss (gain) on sales of property, plant and equipment, and intangible assets	(293)	(1,625)
Loss on disposal of fixed assets	1,665	4,127
Decrease (increase) in inventories	(5,070)	(8,605)
Decrease (increase) in trade and other receivables	25,918	887
Decrease (increase) in other financial assets	1,166	19,885
Decrease (increase) in long term prepaid expenses	(28,154)	—
Increase (decrease) in trade and other payables	(35,562)	(208)
Increase (decrease) in retirement benefit liability	(1,821)	(2,100)
Increase (decrease) in provisions	(749)	(6,747)
Increase (decrease) in other current liabilities	(23,898)	21,947
Increase (decrease) in other financial liabilities	(2,405)	501
Other	(5,852)	669
Subtotal	411,888	476,305
Interest received	27,752	10,449
Dividends received	866	1,544
Proceeds from insurance income	587	169
Income taxes paid	(108,506)	(35,610)
Income taxes refund	7,897	—
Net cash flows from operating activities	<u>340,484</u>	<u>452,857</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(129,889)	(89,151)
Proceeds from sales of property, plant and equipment	878	5,238
Purchase of intangible assets	(39,946)	(44,619)
Purchase of other financial assets	(3,964)	(5,219)
Proceeds from sales of other financial assets	2,422	4,449
Payments for acquisitions of subsidiaries	(962,825)	(6,663)
Purchase of shares of subsidiaries and associates	(284)	(975)
Subsidies received	9,791	4,143
Payments for long-term loans receivable	(155,220)	—
Proceeds from sale of businesses	—	4,728
Other	(5,068)	3,383
Net cash flows from investing activities	<u>(1,284,105)</u>	<u>(124,686)</u>

	(In millions of yen)	
	The year ended December 31, 2024	The year ended December 31, 2025
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	180,000	38,000
Repayments of short-term borrowings	(180,316)	(38,000)
Proceeds from long-term borrowings	1,187,000	—
Repayments of long-term borrowings	(377,529)	(192,738)
Redemption of bonds	(57,170)	—
Dividends paid	(49,702)	(50,311)
Repayments of lease liabilities	(9,931)	(10,784)
Interest paid	(15,001)	(15,834)
Other	(6)	(6)
<b>Net cash flows from financing activities</b>	<b>677,345</b>	<b>(269,673)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		
	60,844	8,150
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(205,432)</b>	<b>66,648</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>434,681</b>	<b>229,249</b>
<b>Cash and cash equivalents at end of the period</b>	<b>229,249</b>	<b>295,897</b>

### 3.5 Notes to Consolidated Financial Statements

(Notes about Going Concern Assumption)

Not applicable

(Basis for Preparation)

(1) Statement of the consolidated financial statements' compliance with IFRS

The Group meets the requirements of "specified company complying with designated international accounting standards" as stipulated in Article 1-2, Item 1 of the Consolidated Financial Statements Regulations. Therefore, the provisions of Article 312 of the same regulations are applied, and the Group's consolidated financial statements are prepared in accordance with IFRS.

(2) Basis of measurement

The Group's consolidated financial statements are prepared based on the accounting policies outlined in the "(Material Accounting Policies)." The balances of assets and liabilities are measured at cost, unless otherwise specified.

(3) Functional currency and presentation currency

The consolidated financial statements are presented in Japanese yen (rounded to the nearest million yen), which is the functional currency of the Company.

(4) Change in presentation

(Consolidated Statement of Financial Position)

"Borrowings" which was included in "Bonds and borrowings" under non-current liabilities for the year ended December 31, 2024, has been presented as a separate line item to enhance clarity of presentation. In order to reflect this change in presentation, reclassification was made in the consolidated statement of financial position as of December 31, 2024.

As a result, in the consolidated statement of financial position as of December 31, 2024, the amount of 1,256,535 million yen previously presented as "Bonds and borrowings" under non-current liabilities has been reclassified and is now presented as "Borrowings" of 1,122,281 million yen, and "Other non-current liabilities" has been changed from 11,293 million yen to 145,547 million yen.

(Basis of Consolidated Financial Statements)

(1) Scope of consolidation

This consolidated financial statement includes all subsidiaries within the scope of consolidation.

The number of consolidated subsidiaries: 108 companies

(17 companies decreased due to liquidation or mergers)

iWatt HK Limited and 16 other companies

(3 companies increased due to acquisitions, etc.)

Part Analytics, Inc. and 2 other companies

(2) Scope of Application of equity method

The number of associates accounted for using the equity method: 1 company

(Material Accounting Policies)

The material accounting policies for the condensed consolidated financial statements of the Group are the same as the accounting policies applied in preparing the Group's consolidated financial statements for the year ended December 31, 2024.

(Changes in Accounting Estimates)

(Change in the useful life of property, plant and equipment)

For the year ended December 31, 2025, the Group revised the useful lives of certain machinery and equipment to better reflect actual usage conditions, taking into account changes in the product lifecycle and other factors. This change is applied prospectively.

As a result, compared to the previous method, operating profit increased by 14,669 million yen and loss before tax decreased by 14,669 million yen for the year ended December 31, 2025.

(Business Segments)

(1) Overview of reportable segments

The Group's reportable segments are components of the Group for which separate financial information is available that is evaluated regularly by the Board of Directors to determine the allocation of management resources and assess performance.

The Group mainly consists of "Automotive Business" and "Industrial/Infrastructure/IoT Business" and those are the Group's reportable segments. The Automotive Business includes the product categories "Automotive control," comprising semiconductor devices for controlling automobile engines and bodies, and "Automotive information," comprising semiconductor devices used in sensing systems for detecting environments inside and outside the vehicle as well as automotive information devices such as IVI (In-Vehicle Infotainment) and instrument panels used to give various information to the driver of the vehicle. The Group mainly supplies MCUs (microcontrollers), SoC (System-On-Chip), analog semiconductor devices and power semiconductor devices in each of these categories. The Industrial/Infrastructure/IoT Business includes the product categories "Industrial," "Infrastructure" and "IoT" which support the smart society. The Group mainly supplies MCUs, SoC, analog semiconductor devices and power semiconductor devices in each of these categories. Additionally, commissioned development and manufacturing from the Group's design and manufacturing subsidiaries are categorized as "Other."

(2) Information on reportable segments

The accounting treatment for the reportable segments is the same as described in "Material Accounting Policies." As for information on the reportable segments, the Group discloses revenue from external customers, segment gross profit, and operating profit.

Segment gross profit and segment operating profit are internal key performance indicators which are used by management when making decisions and are calculated by excluding the following items from IFRS revenue, gross profit and operating profit (Adjustments 2): amortization of certain tangible and intangible assets related to business combinations; certain share-based payment expenses; and other non-recurring items. Other non-recurring items include costs related to acquisitions and gains and losses the Group believes to be appropriate for deduction. However, certain other non-recurring items the Group believes to be covered by each reportable segment are included in segment gross profit and segment operating profit of each reportable segment (Adjustments 1). The Group's Executive Officers assess the performance after eliminating intragroup transactions, and therefore, there are no transfers between the reportable segments included within the segment results.

Information on reportable segments is as follows.

(The year ended December 31, 2024)

(In millions of yen)

	Reportable Segments		Other	Adjustments 1	Total	Adjustments 2	Consolidation basis
	Automotive	Industrial/ Infrastructure/ IoT					
Revenue from external customers	702,812	636,760	8,907	—	1,348,479	—	1,348,479
Segment gross profit	367,771	385,823	2,675	—	756,269	(6,473)	749,796
Segment operating profit	222,486	173,379	1,417	630	397,912	(174,935)	222,977
Finance income							52,100
Finance costs							(10,972)
Share of loss of investments accounted for using equity method							(272)
Profit before tax							263,833
(Other items) Depreciation and amortization	50,677	37,525	109	—	88,311	122,417	210,728

(The year ended December 31, 2025)

(In millions of yen)

	Reportable Segments		Other	Adjustments 1	Total	Adjustments 2	Consolidation basis
	Automotive	Industrial/ Infrastructure/ IoT					
Revenue from external customers	639,690	671,760	7,032	—	1,318,482	2,730	1,321,212
Segment gross profit	346,336	410,915	1,906	785	759,942	(6,150)	753,792
Segment operating profit	196,576	169,404	603	20,289	386,872	(185,706)	201,166
Finance income							14,652
Finance costs							(245,641)
Share of loss of investments accounted for using equity method							(452)
Loss before tax							(30,275)
(Other items) Depreciation and amortization	43,577	33,522	89	—	77,188	111,409	188,597

## (3) Information on products and services

Information on products and services is the same as information on the reportable segments and therefore, omitted from this section.

(4) Information on regions and countries

The breakdown of revenue from external customers and non-current assets by region is as follows.

(i) Revenue from external customers

	(In millions of yen)	
	The year ended December 31, 2024	The year ended December 31, 2025
China	375,214	409,471
Asia (Excluding Japan and China)	300,786	301,865
Japan	283,663	269,104
Europe	230,627	202,781
North America	155,628	135,731
Others	2,561	2,260
<b>Total</b>	<b>1,348,479</b>	<b>1,321,212</b>

(Note) Revenues are categorized into the region based on the location of the customers.

(ii) Non-current assets

Non-current assets include property, plant and equipment, goodwill and intangible assets.

	(In millions of yen)	
	The year ended December 31, 2024	The year ended December 31, 2025
Japan	1,991,797	1,934,428
The United States of America	1,077,190	1,048,038
Asia (Excluding Japan)	200,593	162,874
Europe	48,860	39,570
Others	3,944	3,586
<b>Total</b>	<b>3,322,384</b>	<b>3,188,496</b>

(5) Major customers

Revenue from a single external customer accounting for 10% or more of revenue is as follows.

(In millions of yen)

	Name of related reportable segment	The year ended December 31, 2024	The year ended December 31, 2025
WT Microelectronics Co.,Ltd.	Automotive, Industrial/Infrastructure /IoT	170,954	225,419
HAGIWARA ELECTRONICS CO., LTD.	Automotive, Industrial/Infrastructure /IoT	171,375	—

(Note) For the year ended December 31, 2025, revenue from Hagiwara Electronics Co., Ltd. was less than 10% of total revenue; therefore, the related amount has been omitted.

(Business Combinations)

Business combinations that occurred during the year ended December 31, 2024 and the year ended December 31, 2025 are as follows. Immaterial business combinations are not included in this disclosure.

The year ended December 31, 2024

(Steradian Semiconductors Private Limited)

Contingent consideration includes at most 11 million USD which will be paid based on the contract when several certain conditions (milestones) are met such as future product development and mass production progress of Steradian Semiconductors Private Limited (hereinafter "Steradian").

The fair value of the contingent consideration is calculated as the present value of the amount that may be paid to Steradian, with consideration of the probability of occurrence.

The level of the fair value hierarchy for the contingent consideration is Level 3. The reconciliation table of the change for the contingent consideration classified in Level 3 from the beginning balance to the ending balance is as described below.

	(In millions of yen)
	The year ended December 31, 2024
Beginning balance	586
Changes in fair value	(606)
Exchange differences	20
Ending balance	—

Of the amount of change in fair value related to contingent consideration, the fluctuated amount due to the time value of money is recorded in "Finance costs," and the fluctuated amount due to factors other than the time value of money is recorded in "Other income" or "Other expenses." For the year ended December 31, 2024, "Other income" of 606 million yen was recorded for the change of fair value.

Steradian changed its company name from Steradian Semiconductors Private Limited to Renesas Design India Private Limited on March 26, 2024.

(Transphorm, Inc.)

a. Overview of business combination

On June 20, 2024, the Company completed the acquisition of Transphorm, Inc. (hereinafter "Transphorm"), a semiconductor company headquartered in Goleta, California, USA through the wholly-owned subsidiary of the Company. Following the completion of the acquisition, Transphorm has become a wholly-owned subsidiary of the Company.

1) Name and overview of the acquiree

Name of the acquiree: Transphorm, Inc.

Business overview: Development and sales of gallium nitride ("GaN") power semiconductors

2) Date of the acquisition

June 20, 2024

3) Purpose of the acquisition

The Company now aims to further expand its wide bandgap portfolio with Transphorm's expertise in GaN, an emerging material that enables higher switching frequency, lower power losses, and smaller form factors. These benefits empower customers' systems with greater efficiency, smaller and lighter composition, and lower overall cost. As such, demand for GaN is predicted to grow by more than 50 percent annually, according to an industry study. The Company will implement Transphorm's auto-qualified GaN technology to develop new enhanced power solution offerings, such as X-in-1 powertrain solutions for EVs, along with computing, energy, industrial and consumer applications.

4) Acquisition Method

Acquisition of shares for cash consideration through the wholly-owned subsidiary of the Company.

b. Consideration for the acquisition and its breakdown

Consideration	(In millions of yen)
	Amount
Cash	53,533
Acquisition consideration from Restricted Stock Unit	386
Total	A <u>53,919</u>

Expenses related to the acquisition were 916 million yen, which were recorded in "Selling, general and administrative expenses" for the year ended December 31, 2024.

c. Fair value of assets acquired, liabilities assumed and goodwill

(In millions of yen)

Date of acquisition  
(June 20, 2024)

Current assets	
Cash and cash equivalents	836
Trade and other receivables (Note 2)	478
Inventories	1,555
Other	63
Total current assets	2,932
Non-current assets	
Property, plant and equipment	1,543
Intangible assets	6,730
Investments accounted for using the equity method	49
Other financial assets	25
Deferred tax assets	6,762
Other	56
Total non-current assets	15,165
Total assets	18,097
Current liabilities	
Trade and other payables	1,909
Bonds and borrowings	332
Other financial liabilities	59
Other	1,018
Total current liabilities	3,318
Non-current liabilities	
Bonds and borrowings	2,423
Other	288
Total non-current liabilities	2,711
Total liabilities	6,029
Net assets	B
Goodwill (Note 3)	A-B

(Note) 1. For the year ended December 31, 2024, the Group completed the purchase price allocation to identifiable intangible assets following the completion of the fair value assessment and revised the goodwill amount accordingly.

2. There are no significant receivables from acquired debts that are estimated to be uncollectible.

3. Goodwill reflects expected synergies with existing business and future excess earning power arising from the acquisition of Transphorm. No amount of goodwill is expected to be deductible for tax purposes.

d. Payments for acquisition of subsidiaries

(In millions of yen)

Item	Amount
Consideration for acquisition in cash	53,533
Cash and cash equivalents held by the acquiree at the time of obtaining control	(836)
Amount of cash paid for the acquisition of subsidiaries (net amount)	<u>52,697</u>

e. Impact on revenue and profit as though the date of the acquisition had been as of the beginning of the fiscal year (unaudited information)

Assuming that the date of the acquisition of Transphorm was at the beginning of the year ended December 31, 2024, the pro forma information is not stated since the impact on the consolidated revenue and profit for the year ended December 31, 2024 would not be material.

f. Revenue and profit / loss of the acquired company

For the year ended December 31, 2024, the revenue and profit of Transphorm from the acquisition date to December 31, 2024 had no significant impact on the consolidated financial statements.

(Altium Limited)

a. Overview of business combination

On August 1, 2024, the Company completed the acquisition of Altium Limited (hereinafter "Altium"), a global leader in electronics design systems headquartered in San Diego, California, USA, through a wholly-owned subsidiary, thereby making Altium a wholly-owned subsidiary.

Additionally, on December 12, 2024, Altium changed its company name to Altium Pty Ltd.

1) Name and overview of the acquiree

Name of the acquiree: Altium Limited

Business overview: Development and sales of software tools for PCB design, etc.

2) Date of the acquisition

August 1, 2024

3) Purpose of the acquisition

Under its Purpose, "To Make Our Lives Easier", the Company has been expanding its product portfolio of embedded processors, analog, power, and connectivity with an aim to becoming a global leader in embedded semiconductor solutions. Furthermore, the Company has been advancing its digitalization strategy that enables enhanced user experience (UX) through cloud-based development.

Altium's history began in 1985 from Australia as the world's first printed-circuit board (PCB) design tool provider. The company has grown into a global market leader with the most well-known PCB software tools in use today.

The acquisition enables two industry leaders to join forces and establish an integrated and open "electronics system design and lifecycle management platform" that allows for collaboration across component, subsystem, and system-level design. The transaction strongly aligns with the Company's digitalization strategy and represents the Company's first material step in bringing enhanced user experience and innovation at the system level for electronics system designers.

As technology advances, the design and integration of electronic systems become increasingly complex. The current electronics system design flow is a complicated and iterative process that involves multiple stakeholders and design steps, from component selection and evaluation to simulation and PCB physical design. Engineers must be able to design systems that are not only functional but also efficient and cost-effective under shortened development cycles.

Together, the Company and Altium, under a shared vision, aim to build an integrated and open electronics system design and lifecycle management platform that unifies these steps at a system level. The acquisition brings together Altium's sophisticated cloud platform capabilities with Renesas' strong portfolio of embedded solutions, combining high-performance processors, analog, power and connectivity. The combination will also enable integration with third-party vendors across the ecosystem to execute all electronic design steps seamlessly on the cloud. The electronics system design and lifecycle management platform will deliver integration and standardization of various electronic design data and functions and enhanced component lifecycle management, while enabling seamless digital iteration of design processes to increase overall productivity. This brings significantly faster innovation and lowers barriers to entry for system designers by reducing development resources and inefficiencies.

4) Acquisition Method

Acquisition of shares for cash consideration through the wholly-owned subsidiary of the Company.

b. Consideration for the acquisition and its breakdown

Consideration	(In millions of yen)
	Amount
Cash	917,399
Acquisition consideration from Restricted Stock Unit and Performance Share Unit	1,110
Other assets recognized prior to the acquisition date	355
Total	A 918,864

Expenses related to the acquisition were 2,277 million yen, which were recorded in "Selling, general and administrative expenses" for the year ended December 31, 2024.

c. Fair value of assets acquired, liabilities assumed and goodwill

(In millions of yen)

Date of acquisition  
(August 1, 2024)

Current assets		
Cash and cash equivalents	26,746	
Trade and other receivables (Note 2)	11,976	
Other	1,617	
Total current assets	40,339	
Non-current assets		
Property, plant and equipment	2,418	
Intangible assets (Note 3)	312,855	
Other financial assets	607	
Deferred tax assets	657	
Other	31	
Total non-current assets	316,568	
Total assets	356,907	
Current liabilities		
Trade and other payables	654	
Other current financial liabilities	579	
Income taxes payable	7,326	
Other	21,005	
Total current liabilities	29,564	
Non-current liabilities		
Trade and other payables	285	
Other non-current financial liabilities	2,190	
Income taxes payable	3,469	
Retirement benefit liability	134	
Deferred tax liabilities	66,041	
Other	8	
Total non-current liabilities	72,127	
Total liabilities	101,691	
Net assets	B	255,216
Basis adjustment (Note 4)	C	19,475
Goodwill (Note 5)	A-B+C	683,123

(Note) 1. For the year ended December 31, 2024, the Group completed the purchase price allocation to identifiable intangible assets following the completion of the fair value assessment and revised the goodwill amount accordingly.

2. There are no significant receivables from acquired debts that are estimated to be uncollectible.

3. The amount allocated to intangible assets is mainly composed of developed technology, and the fair value of such intangible assets (284,278 million yen) is measured using the excess earnings method based on assumptions such as future business plans, growth rates beyond the business plan period, and discount rate.

4. The Company enters into currency options and forward exchange contracts to hedge against exchange rate risks associated with the payment of acquisition consideration denominated in Australian dollars, and applies hedge accounting. These hedging instruments are settled in cash at fair value on the acquisition date. The basis adjustment represents the change in fair value of the hedging instruments recognized in other comprehensive income on the acquisition date, and is added to the carrying amount of goodwill.

5. Goodwill reflects expected synergies with existing business and future excess earning power arising from the acquisition of Altium. No amount of goodwill is expected to be deductible for tax purposes.

d. Payments for acquisition of subsidiaries

(In millions of yen)

Item	Amount
Consideration for acquisition in cash	917,399
Cash and cash equivalents held by the acquiree at the time of obtaining control	(26,746)
Amount of cash paid for the acquisition of subsidiaries	890,653
Basis adjustment	19,475
Amount of cash paid for the acquisition of subsidiaries (net amount)	910,128

e. Impact on revenue and profit as though the date of the acquisition had been as of the beginning of the fiscal year (unaudited information)

Assuming that the date of the acquisition of Altium was at the beginning of the year ended December 31, 2024, the pro forma information is not stated since the impact on the consolidated revenue and profit for the year ended December 31, 2024 would not be material.

f. Revenue and profit / loss of the acquired company

For the year ended December 31, 2024, the revenue and profit of Altium from the acquisition date to December 31, 2024 had no significant impact on the consolidated financial statements.

The year ended December 31, 2025

(Pantronics AG)

Contingent consideration includes at most 61 million USD which will be paid based on the contract when several certain conditions (milestones) are met such as future product development and mass production progress of Pantronics AG (hereinafter "Pantronics").

The fair value of the contingent consideration is calculated as the present value of the amount that may be paid to Pantronics, with consideration of the probability of occurrence.

The level of the fair value hierarchy for the contingent consideration is Level 3. The reconciliation table of the change for the contingent consideration classified in Level 3 from the beginning balance to the ending balance is as described below.

	(In millions of yen)	
	The year ended December 31, 2024	The year ended December 31, 2025
Beginning balance	2,711	1,582
Changes in fair value	(1,278)	—
Exchange differences	149	(16)
Ending balance	1,582	1,566

Pantronics changed its company name from Pantronics AG to Renesas Design Austria GmbH on October 12, 2023.

(Trade and Other Receivables)

The components of trade and other receivables are as follows.

	(In millions of yen)	
	As of December 31, 2024	As of December 31, 2025
Notes and trade receivables	152,381	156,172
Other receivables	16,311	13,752
Loss allowance	(1,579)	(800)
<b>Total</b>	<b>167,113</b>	<b>169,124</b>

(Note) Trade and other receivables are classified as financial assets measured at amortized cost.

(Trade and Other Payables)

The components of trade and other payables are as follows.

	(In millions of yen)	
	As of December 31, 2024	As of December 31, 2025
Trade payables	82,942	98,999
Other payables	86,697	61,509
Electronically recorded obligations	15,092	9,620
Refund liabilities	69,236	56,109
<b>Total</b>	<b>253,967</b>	<b>226,237</b>
Current liabilities	231,029	219,167
Non-current liabilities	22,938	7,070

(Note) Trade and other payables are classified as financial liabilities measured at amortized cost.

(Bonds and Borrowings)

a. Bonds

The year ended December 31, 2024

In November 2024, the Company redeemed the U.S. dollar-denominated unsecured ordinary bonds (Green Bonds) issued on November 26, 2021, with a total issuance amount of 500 million USD, an interest rate of 1.543%, and a maturity date of November 26, 2024.

The year ended December 31, 2025

Not applicable.

b. Borrowings

The year ended December 31, 2024

In March 2024, the Company executed a short-term borrowing of 30,000 million yen from MUFG Bank, Ltd., Mizuho Bank, Ltd., and Sumitomo Mitsui Trust Bank, Limited. under a commitment line agreement dated January 15, 2019. The borrowing was fully repaid in June 2024. In addition, in July 2024, the Company executed a short-term borrowing of 150,000 million yen for financing the acquisition of Altium from MUFG Bank, Ltd., and Mizuho Bank, Ltd., under a loan agreement dated May 30, 2024. The borrowing was fully repaid in September 2024.

The Company has entered into a term loan agreement dated June 25, 2024 (Loan amount: 250,000 million yen, Borrowing date: June 28, 2024, Repayment date: June 29, 2029, Participating financial institutions: MUFG Bank, Ltd., Mizuho Bank, Ltd., and Sumitomo Mitsui Trust Bank, Limited.) and has borrowed 250,000 million yen. In July 24, 2024, the Company executed a term loan of 788,000 million yen in total, under the loan agreement dated May 30, 2024 (Borrowing date: July 24, 2024, Repayment date: July 24, 2029, Participating financial institutions: MUFG Bank, Ltd., Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited and five other financial institutions. In addition, in September 30, 2024, the Company executed a JBIC loan agreement (Loan amount: 149,000 million yen; Borrowing date: September 30, 2024; Repayment date: July 24, 2029; Participating financial institutions: Japan Bank for International Cooperation (JBIC)) and executed borrowing of 149,000 million yen.

The year ended December 31, 2025

In April 2025, the Company executed a short-term borrowing of 38,000 million yen from MUFG Bank, Ltd., Mizuho Bank, Ltd., and Sumitomo Mitsui Trust Bank, Limited. under a commitment line agreement dated June 25, 2024. The Company repaid 28,000 million yen of the borrowed amount in June 2025, and the entire amount was fully repaid by July 2025.

The Company made an early repayment on December 30, 2025, of borrowings totaling 240,000 million yen that had been executed on December 30, 2021, pursuant to a syndicated loan agreement entered into on December 23, 2021 (Loan amount: 96,000 million yen, Borrowing date: December 30, 2021, Repayment date: December 31, 2026, Participating financial institution: MUFG Bank, Ltd., Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, Resona Bank, Ltd., Aozora Bank, Ltd., Shinkin Central Bank, The Norinchukin Bank, and Bank of America, N.A., Tokyo Branch), and a JBIC loan agreement (Loan amount: 144,000 million yen, Borrowing date: December 30, 2021, Repayment date: December 31, 2026, Participating financial institution: Japan Bank for International Cooperation (JBIC)).

Additionally, the Company has breached certain financial covenants related to loan agreements for the six months ended June 30, 2025. However, the Company has obtained consent from the financial institutions not to exercise their right to demand immediate repayment due to this breach. For the six months ended December 31, 2025, no events occurred that would constitute a breach of financial covenants.

(Share Capital and Other Equity Items)

The year ended December 31, 2024

Based on the resolution at the Board of Directors' meeting held on February 8, 2024, the Company conducted a retirement of 87,839,138 shares on February 29, 2024. In addition, the number of treasury shares decreased by 17,681,849 shares, due to disposals of treasury shares and other related transactions based on the exercise of stock options, the vesting of Restricted Stock Unit (RSU) and Performance Share Unit (PSU) for the year ended December 31, 2024.

As a result, treasury shares decreased by 125,571 million yen. The amount of treasury shares held was 92,120 million yen as of December 31, 2024.

The year ended December 31, 2025

The Company conducted transactions involving the disposal of treasury shares, including the exercise of stock options and the vesting of Restricted Stock Unit (RSU) and Performance Share Unit (PSU), resulting in a decrease of 18,568,722 shares of treasury stock for the year ended December 31, 2025. As a consequence, treasury shares decreased by 22,108 million yen for the year ended December 31, 2025.

As a result, the amount of treasury shares held was 70,012 million yen as of December 31, 2025.

(Dividends)

(1) Dividend payment amounts

The year ended December 31, 2024

Resolution	Class of shares	Total amount of dividends (million yen)	Dividend per share (yen)	Record date	Effective date	Source of dividend
March 26, 2024 Annual general meeting of shareholders	Ordinary shares	49,758	28	December 31, 2023	March 29, 2024	Retained earnings

The year ended December 31, 2025

Resolution	Class of shares	Total amount of dividends (million yen)	Dividend per share (yen)	Record date	Effective date	Source of dividend
March 26, 2025 Annual general meeting of shareholders	Ordinary shares	50,320	28	December 31, 2024	March 31, 2025	Retained earnings

(2) Dividends with a record date within the year ended December 31, 2024, but an effective date is after December 31, 2024, and dividends with a record date within the year ended December 31, 2025, but an effective date is after December 31, 2025

The year ended December 31, 2024

Resolution	Class of shares	Total amount of dividends (million yen)	Dividend per share (yen)	Record date	Effective date	Source of dividend
March 26, 2025 Annual general meeting of shareholders	Ordinary shares	50,320	28	December 31, 2024	March 31, 2025	Retained earnings

The year ended December 31, 2025

Resolution	Class of shares	Total amount of dividends (million yen)	Dividend per share (yen)	Record date	Effective date	Source of dividend
March 25, 2026 Annual general meeting of shareholders	Ordinary shares	50,814	28	December 31, 2025	March 31, 2026	Retained earnings

(Revenue)

All the revenue arises from contracts with customers. In addition, disaggregation of revenue recognized from contracts with customers are stated in "Business segments, (2) Information on reportable segments and (4) Information on regions and countries."

(Selling, General and Administrative Expenses)

The components of selling, general and administrative expenses are as follows.

	The year ended December 31, 2024	The year ended December 31, 2025	(In millions of yen)
Research and development expenses (Note)	249,649	238,056	
Depreciation and amortization	128,886	117,572	
Personnel expenses	97,106	109,392	
Retirement benefit expenses	4,439	4,941	
Other	47,395	51,288	
<b>Total</b>	<b>527,475</b>	<b>521,249</b>	

(Note) Research and development expenses are included in selling, general and administrative expenses. Related expenses such as outsourcing costs, personnel expenses, depreciation and amortization costs and material costs are mainly included in research and development expenses.

(Other Income)

The components of other income are as follows.

	The year ended December 31, 2024	The year ended December 31, 2025	(In millions of yen)
Gain on sale of fixed assets	339	2,940	
Compensation income (Note 1)	7,840	719	
Reversal of allowance for doubtful accounts	—	713	
Government grant income (Note 2)	6,007	655	
Fair value remeasurements on contingent considerations (Note 3)	1,884	—	
Other	3,891	1,217	
<b>Total</b>	<b>19,961</b>	<b>6,244</b>	

(Note) 1. Compensation income for the year ended December 31, 2024 is compensation for the damages resulting from the discontinuation of development.  
 2. Government grant income consists of government subsidies received for the acquisition of property, plant and equipment for the year ended December 31, 2024.  
 3. For details, please refer to "Business Combinations."

(Other Expenses)

The components of other expenses are as follows.

	The year ended December 31, 2024	The year ended December 31, 2025	(In millions of yen)
Impairment losses (Note 1)	3,015	18,430	
Business restructuring expenses (Note 2)	7,852	7,401	
Loss on disposal of fixed assets	1,665	4,127	
Provision for loss on litigation	—	2,510	
Loss on reduction of fixed assets	4,879	—	
Other	1,894	5,153	
<b>Total</b>	<b>19,305</b>	<b>37,621</b>	

(Note) 1. The main component of impairment losses pertains to the recognition of impairment on assets scheduled for disposal that are not expected to be utilized.  
 2. Business restructuring expenses consist of personnel-related expenses, such as premium retirement payments and other related costs.

(Earnings Per Share)

Basic earnings (losses) per share attributable to owners of parent and diluted earnings (losses) per share are as follows.

(1) Basic earnings (losses) per share

	The year ended December 31, 2024	The year ended December 31, 2025
Profit (loss) attributable to owners of parent used for the calculation of basic earnings (losses) per share (million yen)	219,084	(51,763)
Weighted average number of ordinary shares during the year (thousands of shares)	1,788,230	1,806,796
Basic earnings (losses) per share (yen)	122.51	(28.65)
<b>(2) Diluted earnings (losses) per share</b>		
	The year ended December 31, 2024	The year ended December 31, 2025
Profit (loss) attributable to owners of parent used for the calculation of basic earnings (losses) per share (million yen)	219,084	(51,763)
Adjustments on earnings (losses) (million yen)	—	—
Profit (loss) used for the calculation of diluted earnings (losses) per share (million yen)	219,084	(51,763)
Weighted average number of ordinary shares during the year before dilution (thousands of shares)	1,788,230	1,806,796
Increase in common stock		
Share acquisition rights (thousands of shares)	2,943	514
Restricted Stock Unit (thousands of shares)	21,649	26,022
Weighted average number of ordinary shares during the year after dilution (thousands of shares)	1,812,822	1,833,332
Diluted earnings (losses) per share (yen)	120.85	(28.65)

(Note) 1. Diluted losses per share are the same as basic losses per share as there were no dilutive potential common shares outstanding for the year ended December 31, 2025

2. For the year ended December 31, 2025, the share acquisition rights and restricted stock unit issued by the Company were not dilutive and were thus excluded from the calculation of diluted losses per share.

3. For the year ended December 31, 2025, the Company had 26,536 thousand potentially dilutive ordinary shares. Since these shares were not dilutive, they were excluded from the calculation of diluted losses per share.

(Additional Information)

(Loss resulting from signing Restructuring Support Agreement with Wolfspeed)

On June 23, 2025, the Company entered into a Restructuring Support Agreement with Wolfspeed and its principal creditors outlining the terms of Wolfspeed's financial restructuring.

Under the Restructuring Support Agreement, the Company agreed to convert its deposit with Wolfspeed (hereinafter "the Deposit") into Wolfspeed's convertible notes, common stock, and warrants. Wolfspeed filed a reorganization plan (hereinafter "the Plan") with a U.S. court on June 30, 2025, under Chapter 11 of the U.S. Bankruptcy Code. The Plan was approved by the court on September 18, 2025, and successfully completed its financial restructuring process and emergence from Chapter 11 protection on September 29, 2025. Following this, the Deposit was converted into other financial assets. The other financial assets include convertible notes subject to restrictions on conversion, as well as rights that are expected to be converted into common stock and warrants in the future.

Additionally, in connection with this Restructuring Support Agreement, the Company recorded a loss of 236,600 million yen, including the impact of foreign exchange fluctuations for the year ended December 31, 2025. The loss is included under "Finance costs" in the Consolidated Statement of Profit or Loss.

(Subsequent Events)

(Acquisition of shares and other securities in the Company's U.S. subsidiaries in connection with CFIUS approval of the share issuance by Wolfspeed)

On January 29, 2026 (U.S. time), the issuance of shares by Wolfspeed to the Company's U.S. subsidiary was approved by the Committee on Foreign Investment in the United States (CFIUS). Following this approval, Wolfspeed issued 16,852,372 shares of common stock which were received by the Company's U.S. subsidiary.

In addition, the subsidiary now has the ability to exercise warrants for 4,943,555 additional shares of common stock. The subsidiary also received 2.5% Second Lien Senior Secured Notes due 2031, and now has the ability to exercise conversion rights.

The shares and other securities acquired by the Company's U.S. subsidiary are subject to holding limitations (exercise of warrants or conversion of convertible notes exceeding 39.9% is invalid) and voting rights limitations (limited to 9.9%). Accordingly, neither the Company nor its U.S. subsidiary has control over, or significant influence on, Wolfspeed. Therefore, Wolfspeed is not included in the scope of consolidation of the Group, nor does the equity method of accounting applies.

The financial impact of this transaction on the Group is currently being assessed.

(Business Transfer of Timing business)

The Company, a premier supplier of advanced semiconductor solutions, announced that the Company's U.S. subsidiary, and SiTime Corporation (hereinafter "SiTime") signed a definitive agreement to transfer the Company' timing business (hereinafter the "Transferred Business") (Note 1) to SiTime (hereinafter "the Transfer"). The Transfer was approved by the Company' Board of Directors on February 5, 2026, and is expected to be completed by the end of 2026, subject to satisfaction of customary closing conditions, including approval from relevant regulatory authorities.

(Note 1) The "Transferred Business" includes the Company's U.S. timing business and assets of other subsidiaries of the Company related to such timing business.

(1) Background and Purpose of the Transfer

This decision to transfer the business was made with a view to achieving sustainable mid- to long-term growth by refining our business priorities and directing maximum resources to strategic initiatives.

The timing products offered by the Transferred Business have long been highly regarded in the market. After a comprehensive review of future growth opportunities, the Company has determined that transferring the Transferred Business to a company with cutting-edge technology, high growth ambition, and investment capability is the best course of action.

SiTime, the transferee, is a leader in MEMS (Note 2) timing devices. The Transfer will ensure the Company customers have access to SiTime's cutting-edge MEMS timing technology.

In addition to the Transfer, the Company and SiTime have also signed an MoU today to explore a partnership to integrate SiTime's MEMS resonator in the Company' MCUs and SoCs. SiTime's MEMS resonator technology enables bare-die co-packaging with MCUs or SoCs, eliminating the need for a discrete resonator on the board, which simplifies design and saves space. By combining the Company' core embedded compute technologies with SiTime's high-precision MEMS timing technologies at the silicon level, both companies will explore collaboration on the development of new solutions. Through this effort, the companies aim to deliver integrated solutions that power the next generation of intelligent devices that demand performance and efficiency.

(Note 2) MEMS stands for Micro Electro Mechanical Systems, a category of devices created through microfabrication technologies by forming miniature mechanical structures (such as resonators and sensors) on a silicon substrate.

(2) Overview of the Transfer

a. Description of the Transferred Business

The Company' timing business, which originated from the acquisition of Integrated Device Technology, Inc. in 2019, consists of the Company' timing product portfolio and the related technologies, assets, and personnel.

b. Operating Results of the Transferred Business (Note 3)

	FY2024/12 Transferred Businesses (a)	FY2024/12 Consolidated Financials (b)	Ratio (a/b)
Revenue	201.4 million USD (30,414 million yen)	8,930.3 million USD (1,348,479 million yen)	2.26%
Gross Profit	150.0 million USD (22,654 million yen)	4,965.5 million USD (749,796 million yen)	3.02%
Operating Profit	104.9 million USD (15,841 million yen)	1,476.7 million USD (222,977 million yen)	7.10%

(Note 3) The figures of the Transferred Businesses are unaudited pro forma financials based on certain assumptions, such as allocated indirect costs, since the operating results of the Transferred Business do not exist as figures for an independent business entity. Furthermore, the balance sheet linked solely to book values is currently unavailable and not included in this announcement, since most of the assets and liabilities to be transferred have been estimated based on certain assumptions and allocations. Note that the exchange rate used is 151 yen per USD (the average exchange rate for the year ended December 31, 2024).

c. Transfer price and method of payment

- Transfer price: 3,000 million USD (approximately 468,000 million yen) (Note 4)

- Method of payment: 1,500 million USD in cash and 4.13 million SiTime common stock (Note 5)

(Note 4) The actual transfer price is subject to certain price adjustments defined in the definitive agreement, and may fluctuate depending on the price adjustment. For reference, the amount above is calculated using the exchange rate as of February 3, 2026: 156 yen per USD.

(Note 5) Under the terms of the acquisition agreement, SiTime will acquire the Transferred Business for 1,500 million USD in cash and 4.13 million shares of common stock, 0.0001 USD par value per share of SiTime, subject to a potential adjustment and a collar determined by the 10-day volume weighted average price ("VWAP") as of three trading days prior to the execution of the asset purchase agreement. The stock consideration will be paid in the form of newly issued SiTime common stock based on SiTime's 10-day VWAP as of three trading days prior to closing, subject to a floor price of 308.6686 USD and a ceiling price of 417.6104 USD.

(3) Overview of the Company' Consolidated Subsidiary

(a) Company

SiTime Corporation

(b) Address

5451 Patrick Henry Drive Santa Clara, CA 95054, U.S.A.

(c) Title and name of the representative person

Chairman and CEO: Rajesh Vashist

(d) Business description

Precision timing solutions (MEMS technology, advanced

analog circuitry, and systems expertise)

(e) Capital amount

881.7 million USD as of December 31, 2024

(f) Date of foundation / incorporation

December 2003

(4) Schedule

The Company is expected to be completed by the end of 2026, subject to satisfaction of customary closing conditions, including approval from relevant regulatory authorities.

(5) Future Outlook

With the Transfer, the Company expects to record a non-recurring gain in its consolidated financial statements. Although the exact timing and amount of this gain are yet to be determined, the Company believes this non-recurring gain could total approximately 1,500 million USD (approximately 234,000 million yen) (Note 6), and it may be recorded in the consolidated financial statements for the year ending December 31, 2026. Please note that this amount is an estimate calculated by the Company' internal analysis based on the currently available information and may increase or decrease due to various factors. The definitive timing and amount of the non-recurring gain will be determined in consultation with the Company' auditor.

(Note 6) The amount above is calculated using the exchange rate as of February 3, 2026: 156 yen per USD.

## About Renesas Electronics Corporation

Renesas Electronics Corporation ([TSE: 6723](#)) empowers a safer, smarter and more sustainable future where technology helps make our lives easier. A leading [global](#) provider of microcontrollers, Renesas combines our expertise in embedded processing, analog, power and connectivity to deliver complete semiconductor solutions. These Winning Combinations accelerate time to market for automotive, industrial, infrastructure and IoT applications, enabling billions of connected, intelligent devices that enhance the way people work and live. Learn more at [renesas.com](#). Follow us on [LinkedIn](#), [Facebook](#), [Twitter](#), [YouTube](#), and [Instagram](#).

## (FORWARD-LOOKING STATEMENTS)

The statements in this press release with respect to the plans, strategies and financial outlook of Renesas 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, products and services in the marketplace; ability to continue to win acceptance of products and services in these highly competitive markets; and fluctuations in currency exchange rates, particularly between the yen and the U.S. dollar. Among other factors, downturn of the world economy; deteriorating financial conditions in world markets, or deterioration in domestic and overseas stock markets, may cause actual results to differ from the projected results forecast.

This press release 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.

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### Media Contact

Corporate Communications Office  
+81 3-6773-3001  
pr@renesas.com

### Investor Contact

Investor Relations  
+81 3-6773-3002  
ir@renesas.com