

## Renesas Reports Financial Results for the Second Quarter Ended June 30, 2025

**TOKYO, Japan, July 25, 2025** — Renesas Electronics Corporation (TSE:6723) today announced consolidated financial results in accordance with IFRS for the three and six months ended June 30, 2025.

### Summary of Consolidated Financial Results (Note 1)

#### Summary of Consolidated Financial Results (Non-GAAP basis) (Note 2)

	Three months ended June 30, 2025		Six months ended June 30, 2025	
	Billion yen	% of Revenue	Billion yen	% of Revenue
Revenue	324.6	100.0	633.4	100.0
Gross profit	184.4	56.8	359.6	56.8
Operating profit	91.9	28.3	175.7	27.7
Profit attributable to owners of parent	77.8	24.0	151.1	23.9
EBITDA (Note 3)	110.2	33.9	213.7	33.7

#### Summary of Consolidated Financial Results (IFRS basis)

	Three months ended June 30, 2025		Six months ended June 30, 2025	
	Billion yen	% of Revenue	Billion yen	% of Revenue
Revenue	325.5	100.0	634.3	100.0
Gross profit	181.3	55.7	354.2	55.8
Operating profit	39.8	12.2	61.3	9.7
Loss attributable to owners of parent	(201.3)	(61.9)	(175.3)	(27.6)
EBITDA (Note 3)	83.6	25.7	159.3	25.1

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

(Billion yen)

	Three months ended June30, 2025	Six months ended June 30, 2025
Non-GAAP gross profit Non-GAAP gross margin	184.4 56.8%	359.6 56.8%
Reconciliation items in non-recurring revenue (Note 4)	0.9	0.9
Amortization of purchased intangible assets and depreciation of property, plant and equipment	(0.2)	(0.5)
Stock-based compensation	(0.7)	(1.5)
Other reconciliation items in non-recurring expenses and adjustments (Note 5)	(2.9)	(4.3)
IFRS gross profit IFRS gross margin	181.3 55.7%	354.2 55.8%
Non-GAAP operating profit Non-GAAP operating margin	91.9 28.3%	175.7 27.7%
Reconciliation items in non-recurring revenue (Note 4)	0.9	0.9
Amortization of purchased intangible assets and depreciation of property, plant and equipment	(25.5)	(60.0)
Stock-based compensation	(10.3)	(20.0)
Other reconciliation items in non-recurring expenses and adjustments (Note 5)	(17.2)	(35.3)
IFRS operating profit IFRS operating margin	39.8 12.2%	61.3 9.7%

(Note) 1. All figures are rounded to the nearest 100 million yen.

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.

3. Operating profit + Depreciation and amortization.

4. Non-recurring revenue that the Group has determined should be excluded

5. "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.

**RENESAS ELECTRONICS CORPORATION**  
**Consolidated Financial Results for the Second Quarter Ended June 30, 2025**  
English translation from the original Japanese-language document



July 25, 2025

Company name : **Renesas Electronics Corporation**  
Stock exchanges on which the shares are listed : Tokyo Stock Exchange, Prime Market  
Code number : 6723  
URL : <https://www.renesas.com>  
Representative : Hidetoshi Shibata, President and CEO  
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Filing date of Hanki Hokokusho (scheduled) : August 1, 2025

(Amounts are rounded to the nearest million yen)

**1. Consolidated financial results for the six months ended June 30, 2025**

**1.1 Consolidated financial results**

(% of change from corresponding period of 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	%
Six months ended June 30, 2025	634,311	(10.7)	61,301	(58.4)	(169,288)	—	(175,321)	—	(175,342)	—	(475,677)	—
Six months ended June 30, 2024	710,597	(2.4)	147,508	—	165,985	—	139,743	—	139,587	—	496,716	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended June 30, 2025	(97.34)	(97.34)
Six months ended June 30, 2024	78.25	77.20

(Note) 1. The Group finalized the provisional accounting treatment for the business combination at the end of December 31, 2024, and each figure for the six months ended June 30, 2024 reflects the details of the finalization of the provisional accounting treatment.

2. Diluted earnings per share is the same as basic earnings per share as there were no dilutive potential common shares outstanding for the six months ended June 30, 2025.

**1.2 Consolidated financial position**

	Total assets	Total equity	Equity attributable to owners	Ratio of equity attributable to owners
	Million yen	Million yen	Million yen	%
June 30, 2025	3,872,164	2,036,305	2,031,527	52.5
December 31, 2024	4,490,436	2,542,298	2,537,382	56.5

## 2. Cash dividends

	Cash dividends per share				
	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
Year ending December 31, 2025	0.00	0.00			
Year ending December 31, 2025 (forecast)			---	---	---

(Note) Change in forecast of cash dividends since the most recently announced forecast: No

## 3. Forecast of consolidated results for the nine months ending September 30, 2025

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

	Non-GAAP Revenue		Non-GAAP Gross Margin		Non-GAAP Operating Margin	
	Million yen	%	%	%pts	%	%pts
Nine months ending September 30, 2025	955,914 to 970,914	(9.5) to (8.0)	56.7	0.3	27.5	(3.1)

(Note) 1. The Group reports its consolidated forecast on a quarterly basis (cumulative quarters) 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 six months ended June 30, 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.12 "(Changes in Accounting Estimates)" in the "Condensed Interim Consolidated Financial Statements, (5) Notes to Condensed Interim 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 June 30, 2025: 1,870,614,885 shares

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

2. Number of treasury stock

As of June 30, 2025: 61,430,002 shares

As of December 31, 2024: 75,848,895 shares

3. Average number of shares issued and outstanding

Six months ended June 30, 2025: 1,801,305,034 shares

Six months ended June 30, 2024: 1,783,808,662 shares

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

Cautionary Statement

The Group will hold an earnings conference for institutional investors and analysts on July 25, 2025. 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.

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## Condensed Interim Consolidated Financial Statements

### (1) Condensed Interim Consolidated Statement of Financial Position

(In millions of yen)

	As of December 31, 2024	As of June 30, 2025
<b>Assets</b>		
Current assets		
Cash and cash equivalents	229,249	211,111
Trade and other receivables	167,113	173,922
Inventories	176,544	165,666
Other current financial assets	9,236	2,228
Income taxes receivable	12,454	13,118
Other current assets	22,730	21,155
Total current assets	<u>617,326</u>	<u>587,200</u>
Non-current assets		
Property, plant and equipment	341,447	335,436
Goodwill	2,256,169	2,067,884
Intangible assets	724,768	610,780
Investments accounted for using the equity method	328	413
Other non-current financial assets	450,702	182,446
Deferred tax assets	47,107	45,506
Other non-current assets	52,589	42,499
Total non-current assets	<u>3,873,110</u>	<u>3,284,964</u>
Total assets	<u>4,490,436</u>	<u>3,872,164</u>

(In millions of yen)

	As of December 31, 2024	As of June 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	231,029	210,434
Bonds and borrowings	144,137	153,313
Other current financial liabilities	8,071	8,599
Income taxes payable	5,930	18,548
Provisions	11,273	7,059
Other current liabilities	90,998	99,976
Total current liabilities	491,438	497,929
Non-current liabilities		
Trade and other payables	22,938	14,015
Bonds and borrowings	1,256,535	1,173,060
Other non-current financial liabilities	15,616	14,299
Income taxes payable	6,537	4,988
Retirement benefit liability	23,564	22,875
Provisions	3,066	3,198
Deferred tax liabilities	117,151	94,272
Other non-current liabilities	11,293	11,223
Total non-current liabilities	1,456,700	1,337,930
Total liabilities	1,948,138	1,835,859
Equity		
Share capital	153,209	153,209
Capital surplus	289,377	289,285
Retained earnings	1,308,948	1,087,124
Treasury shares	(92,120)	(74,962)
Other components of equity	877,968	576,871
Total equity attributable to owners of parent	2,537,382	2,031,527
Non-controlling interests	4,916	4,778
Total equity	2,542,298	2,036,305
Total liabilities and equity	4,490,436	3,872,164



**(2) Condensed Interim Consolidated Statement of Profit or Loss and Condensed Interim Consolidated Statement of Comprehensive Income**

Condensed Interim Consolidated Statement of Profit or Loss  
(Six months ended June 30, 2024 and June 30, 2025)

	(In millions of yen)	
	Six months ended June 30, 2024	Six months ended June 30, 2025
Revenue	710,597	634,311
Cost of sales	(312,203)	(280,107)
Gross profit	398,394	354,204
Selling, general and administrative expenses	(251,040)	(263,687)
Other income	8,275	2,283
Other expenses	(8,121)	(31,499)
Operating profit	147,508	61,301
Finance income	25,003	6,829
Finance costs	(6,526)	(237,180)
Share of loss of investments accounted for using equity method	—	(238)
Profit (loss) before tax	165,985	(169,288)
Income tax expense	(26,242)	(6,033)
Profit (loss)	139,743	(175,321)
Profit (loss) attributable to		
Owners of parent	139,587	(175,342)
Non-controlling interests	156	21
Profit (loss)	139,743	(175,321)
Earnings (losses) per share		
Basic earnings (losses) per share (yen)	78.25	(97.34)
Diluted earnings (losses) per share (yen)	77.20	(97.34)

Condensed Interim Consolidated Statement of Comprehensive Income  
(Six months ended June 30, 2024 and June 30, 2025)

	(In millions of yen)	
	Six months ended June 30, 2024	Six months ended June 30, 2025
Profit (loss)	139,743	(175,321)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(223)	(42)
Equity instruments measured at fair value through other comprehensive income	(3,215)	414
Total of items that will not be reclassified to profit or loss	(3,438)	372
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	350,806	(302,250)
Cash flow hedges	15,106	1,570
Cost of hedges	(5,501)	(48)
Total of items that may be reclassified subsequently to profit or loss	360,411	(300,728)
Total other comprehensive income	356,973	(300,356)
Total comprehensive income	496,716	(475,677)
Comprehensive income attributable to		
Owners of parent	496,165	(475,547)
Non-controlling interests	551	(130)
Total comprehensive income	496,716	(475,677)

Condensed Interim Consolidated Statement of Profit or Loss  
(Three months ended June 30, 2024 and June 30, 2025)

	(In millions of yen)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Revenue	358,807	325,534
Cost of sales	(157,876)	(144,192)
Gross profit	200,931	181,342
Selling, general and administrative expenses	(131,171)	(128,369)
Other income	5,751	1,732
Other expenses	(5,839)	(14,929)
Operating profit	69,672	39,776
Finance income	7,713	4,005
Finance costs	(3,152)	(239,678)
Share of loss of investments accounted for using equity method	—	(160)
Profit (loss) before tax	74,233	(196,057)
Income tax expense	(14,528)	(5,326)
Profit (loss)	59,705	(201,383)
Profit (loss) attributable to		
Owners of parent	59,721	(201,348)
Non-controlling interests	(16)	(35)
Profit (loss)	59,705	(201,383)
Earnings (losses) per share		
Basic earnings (losses) per share (yen)	33.38	(111.46)
Diluted earnings (losses) per share (yen)	33.01	(111.46)

Condensed Interim Consolidated Statement of Comprehensive Income  
(Three months ended June 30, 2024 and June 30, 2025)

	(In millions of yen)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit (loss)	59,705	(201,383)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(145)	(56)
Equity instruments measured at fair value through other comprehensive income	(1,101)	281
Total of items that will not be reclassified to profit or loss	(1,246)	225
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	178,764	(95,161)
Cash flow hedges	23,563	235
Cost of hedges	(4,999)	(258)
Total of items that may be reclassified subsequently to profit or loss	197,328	(95,184)
Total other comprehensive income	196,082	(94,959)
Total comprehensive income	255,787	(296,342)
Comprehensive income attributable to		
Owners of parent	255,547	(296,375)
Non-controlling interests	240	33
Total comprehensive income	255,787	(296,342)

**(3) Condensed Interim Consolidated Statement of Changes in Equity**  
(Six months ended June 30, 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)	—	—	139,587	—	—	—	—
Other comprehensive income	—	—	—	—	—	(223)	(3,215)
Total comprehensive income	—	—	139,587	—	—	(223)	(3,215)
Purchase and disposal of treasury shares	—	15,036	—	16,091	—	—	—
Cancellation of treasury shares	—	(104,529)	—	104,529	—	—	—
Dividends of surplus	—	—	(49,758)	—	—	—	—
Share-based payment transactions	—	(14,544)	—	—	(1,379)	—	—
Transfer to retained earnings	—	13,531	(14,376)	—	(30)	223	652
Total transactions with owners	—	(90,506)	(64,134)	120,620	(1,409)	223	652
Balance as of June 30, 2024	153,209	268,892	1,232,689	(97,071)	1,697	—	(4,874)

	Equity attributable to owners of parent					Non-controlling interests	Total equity
	Other components of equity				Total equity attributable to owners of parent		
	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)	—	—	—	—	139,587	156	139,743
Other comprehensive income	350,411	15,106	(5,501)	356,578	356,578	395	356,973
Total comprehensive income	350,411	15,106	(5,501)	356,578	496,165	551	496,716
Purchase and disposal of treasury shares	—	—	—	—	31,127	—	31,127
Cancellation of treasury shares	—	—	—	—	—	—	—
Dividends of surplus	—	—	—	—	(49,758)	(8)	(49,766)
Share-based payment transactions	—	—	—	(1,379)	(15,923)	—	(15,923)
Transfer to retained earnings	—	—	—	845	—	—	—
Total transactions with owners	—	—	—	(534)	(34,554)	(8)	(34,562)
Balance as of June 30, 2024	914,626	(4,273)	(1,731)	905,445	2,463,164	4,578	2,467,742

(Six months ended June 30, 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)	—	—	(175,342)	—	—	—	—
Other comprehensive income	—	—	—	—	—	(42)	414
Total comprehensive income	—	—	(175,342)	—	—	(42)	414
Purchase and disposal of treasury shares	—	5,888	—	17,158	—	—	—
Dividends of surplus	—	—	(50,320)	—	—	—	—
Share-based payment transactions	—	(2,167)	—	—	(867)	—	—
Transfer to retained earnings	—	(3,813)	3,838	—	(67)	42	—
Total transactions with owners	—	(92)	(46,482)	17,158	(934)	42	—
Balance as of June 30, 2025	153,209	289,285	1,087,124	(74,962)	153	—	(3,075)

	Equity attributable to owners of parent					Non-controlling interests	Total equity
	Other components of equity				Total equity attributable to owners of parent		
	Exchange differences on translation of foreign operations	Cash flow hedges	Cost of hedges	Total			
Balance as of January 1, 2025	884,005	(3,652)	17	877,968	2,537,382	4,916	2,542,298
Profit (loss)	—	—	—	—	(175,342)	21	(175,321)
Other comprehensive income	(302,099)	1,570	(48)	(300,205)	(300,205)	(151)	(300,356)
Total comprehensive income	(302,099)	1,570	(48)	(300,205)	(475,547)	(130)	(475,677)
Purchase and disposal of treasury shares	—	—	—	—	23,046	—	23,046
Dividends of surplus	—	—	—	—	(50,320)	(8)	(50,328)
Share-based payment transactions	—	—	—	(867)	(3,034)	—	(3,034)
Transfer to retained earnings	—	—	—	(25)	—	—	—
Total transactions with owners	—	—	—	(892)	(30,308)	(8)	(30,316)
Balance as of June 30, 2025	581,906	(2,082)	(31)	576,871	2,031,527	4,778	2,036,305

**(4) Condensed Interim Consolidated Statement of Cash Flows**

(In millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Cash flows from operating activities		
Profit (loss) before tax	165,985	(169,288)
Depreciation and amortization	98,830	98,041
Impairment losses	965	13,741
Finance income and finance costs	(8,487)	227,697
Share-based payment expenses	14,818	20,015
Insurance income	(1)	(150)
Foreign exchange loss (gain)	(3,763)	(5,715)
Loss (gain) on sales of property, plant and equipment, and intangible assets	(120)	179
Loss on disposal of fixed assets	498	3,442
Decrease (increase) in inventories	(5,639)	5,445
Decrease (increase) in trade and other receivables	(16,650)	(14,869)
Decrease (increase) in other financial assets	(3,006)	18,393
Increase (decrease) in trade and other payables	(6,280)	(5,330)
Increase (decrease) in retirement benefit liability	(832)	(806)
Increase (decrease) in provisions	(3,016)	(3,379)
Increase (decrease) in other current liabilities	(11,376)	11,356
Increase (decrease) in other financial liabilities	(1,126)	477
Other	2,990	2,713
Subtotal	223,790	201,962
Interest received	18,199	5,081
Dividends received	294	33
Proceeds from insurance income	1	150
Income taxes paid	(40,386)	(9,106)
Net cash flows from operating activities	201,898	198,120
Cash flows from investing activities		
Purchase of property, plant and equipment	(68,839)	(47,822)
Proceeds from sales of property, plant and equipment	702	1,830
Purchase of intangible assets	(18,650)	(25,426)
Purchase of other financial assets	(1,433)	(2,482)
Proceeds from sales of other financial assets	907	1,460
Payments for acquisitions of subsidiaries	(52,697)	(2,823)
Purchase of shares of subsidiaries and associates	—	(352)
Proceeds from subsidy	4,298	3,110
Payments for long-term loans receivable	(155,220)	—
Proceeds from sale of businesses	—	4,728
Other	3,871	3,914
Net cash flows from investing activities	(287,061)	(63,863)

	(In millions of yen)	
	Six months ended June 30, 2024	Six months ended June 30, 2025
Cash flows from financing activities		
Proceeds from short-term borrowings	30,000	38,000
Repayments of short-term borrowings	(30,000)	(28,000)
Proceeds from long-term borrowings	250,000	—
Repayments of long-term borrowings	(329,584)	(71,370)
Dividends paid	(49,702)	(50,300)
Repayments of lease liabilities	(2,977)	(4,966)
Interest paid	(3,959)	(7,900)
Other	(3)	(4)
Net cash flows from financing activities	(136,225)	(124,540)
Effect of exchange rate changes on cash and cash equivalents	75,065	(27,855)
Net increase (decrease) in cash and cash equivalents	(146,323)	(18,138)
Cash and cash equivalents at beginning of the period	434,681	229,249
Cash and cash equivalents at end of the period	288,358	211,111



## **(5) Notes to Condensed Interim Consolidated Financial Statements**

(Notes about Going Concern Assumption)  
Not applicable

### **(Basis for Preparation)**

#### **(1) Statement of the condensed interim consolidated financial statements' compliance with IFRS**

Because the Group meets the requirements for "Specified Companies Complying with Designated International Accounting Standards" stated in Article 1-2-2 of Ordinance on Consolidated Financial Statements, the Group has adopted the provisions of Article 312 of the Ordinance. The condensed interim consolidated financial statements of the Group have been prepared in accordance with International Accounting Standards 34 "Interim Financial Reporting."

The condensed interim consolidated financial statements do not contain all of the information that would be required on consolidated financial statements for a fiscal year. Therefore, the condensed interim consolidated financial statements should be used with the consolidated financial statements for the prior fiscal year.

#### **(2) Basis of measurement**

In the condensed interim consolidated financial statements of the Group, assets and liabilities are measured at a historical cost basis except for items such as financial instruments measured at fair value.

#### **(3) Functional currency and presentation currency**

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

### **(Changes in Accounting Estimates)**

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

During the six months ended June 30, 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 7,439 million yen and loss before tax decreased by 7,439 million yen for the six months ended June 30, 2025,.

### **(Basis of Condensed Interim Consolidated Financial Statements)**

#### **(1) Scope of consolidation**

A. One company has been newly included in the scope of consolidation due to an acquisition for the six months ended June 30, 2025.

B. Four companies have been excluded from the scope of consolidation mainly due to liquidation for the six months ended June 30, 2025.

#### **(2) Scope of Application of equity method**

No change in the scope of application of equity method for the six months ended June 30, 2025.

### **(Material Accounting Policies)**

The material accounting policies for the condensed interim 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.

In addition, income taxes for the six months ended June 30, 2025 are calculated using the estimated annual effective tax rate.

(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 of 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-Chips), 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.

(Six months ended June 30, 2024)

(In millions of yen)

	Reportable Segments		Other	Adjustments 1	Total	Adjustments 2	Consolidation basis
	Automotive	Industrial/ Infrastructure/ IoT					
Revenue from external customers	368,558	337,768	4,271	—	710,597	—	710,597
Segment gross profit	195,799	205,810	1,286	—	402,895	(4,501)	398,394
Segment operating profit	120,018	102,766	1,288	—	224,072	(76,564)	147,508
Finance income							25,003
Finance costs							(6,526)
Profit before tax							165,985
(Other items)							
Depreciation and amortization	24,039	18,440	—	—	42,479	56,351	98,830

(Six months ended June 30, 2025)

(In millions of yen)

	Reportable Segments		Other	Adjustments 1	Total	Adjustments 2	Consolidation basis
	Automotive	Industrial/ Infrastructure/ IoT					
Revenue from external customers	317,136	312,098	4,180	—	633,414	897	634,311
Segment gross profit	165,969	191,898	1,095	618	359,580	(5,376)	354,204
Segment operating profit	84,017	74,029	(181)	17,824	175,689	(114,388)	61,301
Finance income							6,829
Finance costs							(237,180)
Share of loss of investments accounted for using equity method							(238)
Loss before tax							(169,288)
(Other items) Depreciation and amortization	21,949	16,002	89	—	38,040	60,001	98,041

(Three months ended June 30, 2024)

(In millions of yen)

	Reportable Segments		Other	Adjustments 1	Total	Adjustments 2	Consolidation basis
	Automotive	Industrial/ Infrastructure/ IoT					
Revenue from external customers	190,404	166,193	2,210	—	358,807	—	358,807
Segment gross profit	102,434	100,200	925	—	203,559	(2,628)	200,931
Segment operating profit	62,666	46,963	927	—	110,556	(40,884)	69,672
Finance income							7,713
Finance costs							(3,152)
Profit before tax							74,233
(Other items) Depreciation and amortization	12,807	9,391	—	—	22,198	28,778	50,976

(Three months ended June 30, 2025)

(In millions of yen)

	Reportable Segments		Other	Adjustments 1	Total	Adjustments 2	Consolidation basis
	Automotive	Industrial/ Infrastructure/ IoT					
Revenue from external customers	161,839	161,322	1,476	—	324,637	897	325,534
Segment gross profit	84,879	98,597	463	411	184,350	(3,008)	181,342
Segment operating profit	37,862	41,819	299	11,884	91,864	(52,088)	39,776
Finance income							4,005
Finance costs							(239,678)
Share of loss of investments accounted for using equity method							(160)
Loss before tax							(196,057)
(Other items) Depreciation and amortization	10,737	7,588	—	—	18,325	25,452	43,777

## (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 by region is as follows.

(In millions of yen)		
	Six months ended June 30, 2024	Six months ended June 30, 2025
China	184,383	197,629
Asia (Excluding Japan and China)	163,783	139,263
Japan	157,016	130,890
Europe	121,661	98,426
North America	82,536	67,146
Others	1,218	957
Total	710,597	634,311

(In millions of yen)		
	Three months ended June 30, 2024	Three months ended June 30, 2025
China	99,284	102,492
Asia (Excluding Japan and China)	82,014	71,957
Japan	76,252	67,432
Europe	59,890	50,005
North America	40,801	33,137
Others	566	511
Total	358,807	325,534

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

(Business Combinations)

Business combinations that occurred during the six months ended June 30, 2024 and the six months ended June 30, 2025 are as follows. Immaterial business combinations are not included in this disclosure.

Six months ended June 30, 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)
	Six months ended June 30, 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 six months ended June 30, 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

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

Expenses related to the acquisition were 309 million yen, which were recorded in "Selling, general and administrative expenses" for the six months ended June 30, 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	12,068
Goodwill (Note 3)	A-B	41,851

(Note) 1. As of June 30, 2024, the acquisition was accounted for using provisional amounts determined based on reasonable information available at the time of preparing the condensed interim consolidated financial statements. Since the recognition and fair value measurement of the identifiable assets acquired and liabilities assumed at the acquisition date had not been finalized, the purchase price allocation was provisionally accounted for. For the year ended December 31, 2024, the Group has completed the purchase price allocation and revised the goodwill amount as follows:

Fair value of assets acquired, liabilities assumed on the acquisition date (June 20, 2024)  
(In millions of yen)

Adjusted items	Adjustments of goodwill
Goodwill (before adjustment) (Note 3)	55,343
Intangible assets	(6,730)
Deferred tax assets	(6,762)
Deferred tax liabilities	—
Total adjustments	(13,492)
Goodwill (after adjustment) (Note 3)	41,851

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)	52,697

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 fiscal year, the pro forma information is not stated since the impact on the consolidated revenue and profit for six months ended June 30, 2024 would not be material.

f. Revenue and profit / loss of the acquired company

For six months ended June 30, 2024, the revenue and profit of Transform from the acquisition date to June 30, 2024 had no significant impact on the consolidated financial statements.

Six months ended June 30, 2025

(Panthronics AG)

Contingent consideration includes at most \$61 million 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 Panthronics AG (hereinafter "Panthronics").

The fair value of the contingent consideration is calculated as the present value of the amount that may be paid to Panthronics, 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)	
	Six months ended June 30, 2024	Six months ended June 30, 2025
Beginning balance	2,711	1,582
Exchange differences	265	(134)
Ending balance	2,976	1,448

Panthronics changed its company name from Panthronics 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 June 30, 2025
Notes and trade receivables	152,381	160,115
Other receivables	16,311	15,497
Loss allowance	(1,579)	(1,690)
Total	167,113	173,922

(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 June 30, 2025
Trade payables	82,942	83,358
Other payables	86,697	70,282
Electronically recorded obligations	15,092	11,797
Refund liabilities	69,236	59,012
Total	253,967	224,449
Current liabilities	231,029	210,434
Non-current liabilities	22,938	14,015

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

(Bonds and Borrowings)

a. Bonds

Six months ended June 30, 2024  
Not applicable.

Six months ended June 30, 2025  
Not applicable.

b. Borrowings

Six months ended June 30, 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 has been fully repaid in June 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.

Six months ended June 30, 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.

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.

(Equity and Other Equity Items)

Six months ended June 30, 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 13,521,690 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 six months ended June 30, 2024.

As a result, treasury shares decreased by 120,620 million yen. The amount of treasury shares held was 97,071 million yen as of June 30, 2024.

Six months ended June 30, 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 14,418,893 shares of treasury stock for the six months ended June 30, 2025. As a consequence, treasury shares decreased by 17,158 million yen for the six months ended June 30, 2025.

As a result, the amount of treasury shares held was 74,962 million yen as of June 30, 2025.

(Dividends)

(1) Dividend payment amounts

Six months ended June 30, 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

Six months ended June 30, 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 six months ended June 30, 2025, but an effective date is after June 30, 2025, and dividends with a record date within the six months ended June 30, 2024, but an effective date is after June 30, 2024

Six months ended June 30, 2024

Not applicable.

Six months ended June 30, 2025

Not applicable.

(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.

(In millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Research and development expenses	125,944	118,856
Depreciation and amortization	59,548	63,504
Personnel expenses	43,329	55,212
Retirement benefit expenses	2,198	2,526
Other	20,021	23,589
Total	251,040	263,687

(In millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Research and development expenses	65,980	60,174
Depreciation and amortization	30,384	27,114
Personnel expenses	22,555	27,005
Retirement benefit expenses	1,084	1,658
Other	11,168	12,418
Total	131,171	128,369

(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.

	(In millions of yen)	
	Six months ended June 30, 2024	Six months ended June 30, 2025
Gain on sale of fixed assets	150	559
Compensation income	—	413
Government grant income (Note 1)	5,511	365
Insurance claim income	1	150
Reversal of impairment losses	1,077	—
Fair value remeasurements on contingent considerations (Note 2)	606	—
Other	930	796
Total	8,275	2,283

	(In millions of yen)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Gain on sale of fixed assets	51	538
Compensation income	—	413
Government grant income (Note 1)	5,116	99
Other	584	682
Total	5,751	1,732

(Note) 1. Government grant income consists of government subsidies received for the acquisition of property, plant and equipment for the three and six months ended June 30, 2024.

2. For details, please refer to "Business Combinations."

(Other Expenses)

The components of other expenses are as follows.

(In millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Impairment losses (Note 1)	965	13,741
Provision for loss on litigation	—	5,826
Business restructuring expenses (Note 2)	1,093	5,560
Loss on disposal of fixed assets	505	3,442
Loss on reduction of fixed assets	4,755	—
Other	803	2,930
Total	8,121	31,499

(In millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Impairment losses (Note 1)	16	6,528
Provision for loss on litigation	—	3,551
Business restructuring expenses (Note 2)	310	1,517
Loss on disposal of fixed assets	205	965
Loss on reduction of fixed assets	4,755	—
Other	553	2,368
Total	5,839	14,929

(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.

(Additional Information)

(Loss resulting from signing Restructuring Support Agreement with Wolfspeed, Inc.)

On June 23, 2025, the Company entered into a Restructuring Support Agreement with Wolfspeed, Inc. (hereinafter "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 receivable with Wolfspeed into convertible notes, common stock, and warrants of Wolfspeed. The effectiveness of the Restructuring Support Agreement is subject to court approval of Wolfspeed's reorganization plan, which was filed on June 30, 2025, under Chapter 11 of the U.S. Bankruptcy Code, and is expected to be granted by the end of September 2025.

In connection with this Restructuring Support Agreement, the Company recorded a loss of 234,978 million yen for the three and six months ended June 30, 2025. The loss is included in the finance costs in the Condensed Interim Consolidated Financial Statements.

(Subsequent Events)

Not applicable

**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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