Renesas Reports Financial Results
for the Second Quarter Ended June 30, 2026

TOKYO, Japan, July 31, 2026 — Renesas Electronics Corporation (TSE:6723) today announced consolidated financial results in accordance with IFRS for the three and six months ended June 30, 2026.

Summary of Consolidated Financial Results (Note 1)

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

	Three months ended June 30, 2026		**Six months ended June 30, 2026**	
	Billion yen	% of Revenue	Billion yen	% of Revenue
Revenue	405.3	100.0	777.6	100.0
Gross profit	235.3	58.1	455.6	58.6
Operating profit	132.7	32.7	258.2	33.2
Profit attributable to owners of parent	113.3	28.0	216.2	27.8
EBITDA (Note 3)	154.3	38.1	300.5	38.6

Summary of Consolidated Financial Results (IFRS basis)

	Three months ended June 30, 2026		**Six months ended June 30, 2026**	
	Billion yen	% of Revenue	Billion yen	% of Revenue
Revenue	418.4	100.0	798.7	100.0
Gross profit	245.1	58.6	468.4	58.6
Operating profit	102.1	24.4	192.7	24.1
Profit attributable to owners of parent	149.2	35.7	217.3	27.2
EBITDA (Note 3)	148.9	35.6	286.9	35.9

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

(Billion yen)

	Three months ended June 30, 2026	**Six months ended June 30, 2026**
Non-GAAP gross profit Non-GAAP gross margin	235.3 58.1%	455.6 58.6%
Reconciliation items in non-recurring revenue (Note 4)	13.2	21.1
Amortization of purchased intangible assets and depreciation of property, plant and equipment	(0.2)	(0.3)
Stock-based compensation and related expenses	(0.8)	(1.4)
Other reconciliation items in non-recurring expenses and adjustments (Note 5)	(2.4)	(6.6)
IFRS gross profit IFRS gross margin	245.1 58.6%	468.4 58.6%
Non-GAAP operating profit Non-GAAP operating margin	132.7 32.7%	258.2 33.2%
Reconciliation items in non-recurring revenue (Note 4)	13.2	21.1
Amortization of purchased intangible assets and depreciation of property, plant and equipment	(25.2)	(51.9)
Stock-based compensation and related expenses	(11.9)	(20.2)
Other reconciliation items in non-recurring expenses and adjustments (Note 5)	(6.7)	(14.6)
IFRS operating profit IFRS operating margin	102.1 24.4%	192.7 24.1%

(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, 2026
English translation from the original Japanese-language document

July 31, 2026

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
Contact person	: Tomohiko Sato, Vice President, Investor Relations Tel. +81 (0)3-6773-3002
Filing date of Hanki Hokokusho (scheduled)	: August 6, 2026

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

1. Consolidated financial results for the six months ended June 30, 2026

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, 2026	798,742	25.9	192,680	214.3	254,785	―	217,629	―	217,333	―	438,910	―
Six months ended June 30, 2025	634,311	(10.7)	61,301	(58.4)	(169,288)	―	(175,321)	―	(175,342)	―	(475,677)	―

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended June 30, 2026	119.51	117.47
Six months ended June 30, 2025	(97.34)	(97.34)

(Note) 1. 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, 2026	4,562,527	2,855,550	2,849,646	62.5
December 31, 2025	4,177,163	2,448,451	2,443,034	58.5

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
	Yen	Yen	Yen	Yen	Yen
Year ended December 31, 2025	0.00	0.00	0.00	28.00	28.00
Year ended December 31, 2026	0.00	0.00			
Year ending December 31, 2026 (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, 2026

(% 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, 2026	1,200,113 to 1,215,113	24.0 to 25.6	58.2	1.1	33.0	4.1

(Note) 1. The Group reports its consolidated forecast on a quarterly basis as a 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, 2026: 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: No

4.3 Number of shares issued and outstanding (common stock)

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

As of June 30, 2026:	1,870,614,885 shares
As of December 31, 2025:	1,870,614,885 shares

2. Number of treasury stock

As of June 30, 2026:	43,125,646 shares
As of December 31, 2025:	57,280,173 shares

3. Average number of shares issued and outstanding

Six months ended June 30, 2026:	1,818,577,257 shares
Six months ended June 30, 2025:	1,801,305,034 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 31, 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.

[APPENDIX]

Condensed Interim Consolidated Financial Statements

(1) Condensed Interim Consolidated Statement of Financial Position

(In millions of yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and cash equivalents	295,897	376,017
Trade and other receivables	169,124	207,210
Inventories	185,903	212,133
Other current financial assets	38,601	45,772
Income taxes receivable	10,757	15,990
Other current assets	23,277	33,535
Subtotal	723,559	890,657
Assets held for sale	—	315,803
Total current assets	723,559	1,206,460
Non-current assets		
Property, plant and equipment	355,835	367,107
Goodwill	2,239,337	2,016,301
Intangible assets	593,324	549,186
Investments accounted for using the equity method	825	1,018
Other non-current financial assets	168,363	322,639
Deferred tax assets	51,414	52,762
Other non-current assets	44,506	47,054
Total non-current assets	3,453,604	3,356,067
Total assets	4,177,163	4,562,527

(In millions of yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	219,167	233,182
Bonds and borrowings	242,478	247,818
Other current financial liabilities	9,477	7,351
Income taxes payable	24,377	40,517
Provisions	4,099	4,478
Other current liabilities	116,782	119,838
Subtotal	616,380	653,184
Liabilities directly associated with assets held for sale	—	226
Total current liabilities	616,380	653,410
Non-current liabilities		
Trade and other payables	7,070	1,578
Borrowings	964,089	910,092
Other non-current financial liabilities	14,598	15,608
Income taxes payable	4,393	4,350
Retirement benefit liability	22,516	22,058
Provisions	3,551	3,560
Deferred tax liabilities	83,479	81,473
Other non-current liabilities	12,636	14,848
Total non-current liabilities	1,112,332	1,053,567
Total liabilities	1,728,712	1,706,977
Equity		
Share capital	153,209	153,209
Capital surplus	299,286	310,810
Retained earnings	1,213,791	1,370,809
Treasury shares	(70,012)	(53,168)
Other components of equity	846,760	1,067,986
Total equity attributable to owners of parent	2,443,034	2,849,646
Non-controlling interests	5,417	5,904
Total equity	2,448,451	2,855,550
Total liabilities and equity	4,177,163	4,562,527

(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, 2025 and June 30, 2026)

(In millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Revenue	634,311	798,742
Cost of sales	(280,107)	(330,331)
Gross profit	354,204	468,411
Selling, general and administrative expenses	(263,687)	(272,057)
Other income	2,283	4,159
Other expenses	(31,499)	(7,833)
Operating profit	61,301	192,680
Finance income	6,829	73,021
Finance costs	(237,180)	(10,664)
Share of loss of investments accounted for using equity method	(238)	(252)
Profit (loss) before tax	(169,288)	254,785
Income tax expense	(6,033)	(37,156)
Profit (loss)	(175,321)	217,629
Profit (loss) attributable to		
Owners of parent	(175,342)	217,333
Non-controlling interests	21	296
Profit (loss)	(175,321)	217,629
Earnings (losses) per share		
Basic earnings (losses) per share (yen)	(97.34)	119.51
Diluted earnings (losses) per share (yen)	(97.34)	117.47

Condensed Interim Consolidated Statement of Comprehensive Income
(Six months ended June 30, 2025 and June 30, 2026)

(In millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Profit (loss)	(175,321)	217,629
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(42)	(154)
Equity instruments measured at fair value through other comprehensive income	414	85,028
Total of items that will not be reclassified to profit or loss	372	84,874
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	(302,250)	135,289
Cash flow hedges	1,570	381
Cost of hedges	(48)	737
Total of items that may be reclassified subsequently to profit or loss	(300,728)	136,407
Total other comprehensive income	(300,356)	221,281
Total comprehensive income	(475,677)	438,910
Comprehensive income attributable to		
Owners of parent	(475,547)	438,413
Non-controlling interests	(130)	497
Total comprehensive income	(475,677)	438,910

Condensed Interim Consolidated Statement of Profit or Loss
(Three months ended June 30, 2025 and June 30, 2026)

(In millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Revenue	325,534	418,449
Cost of sales	(144,192)	(173,337)
Gross profit	181,342	245,112
Selling, general and administrative expenses	(128,369)	(140,223)
Other income	1,732	668
Other expenses	(14,929)	(3,441)
Operating profit	39,776	102,116
Finance income	4,005	73,802
Finance costs	(239,678)	(5,529)
Share of loss of investments accounted for using equity method	(160)	(122)
Profit (loss) before tax	(196,057)	170,267
Income tax expense	(5,326)	(20,885)
Profit (loss)	(201,383)	149,382
Profit (loss) attributable to		
Owners of parent	(201,348)	149,184
Non-controlling interests	(35)	198
Profit (loss)	(201,383)	149,382
Earnings (losses) per share		
Basic earnings (losses) per share (yen)	(111.46)	81.83
Diluted earnings (losses) per share (yen)	(111.46)	80.50

Condensed Interim Consolidated Statement of Comprehensive Income
(Three months ended June 30, 2025 and June 30, 2026)

(In millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit (loss)	(201,383)	149,382
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(56)	(55)
Equity instruments measured at fair value through other comprehensive income	281	87,978
Total of items that will not be reclassified to profit or loss	225	87,923
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	(95,161)	61,192
Cash flow hedges	235	(292)
Cost of hedges	(258)	69
Total of items that may be reclassified subsequently to profit or loss	(95,184)	60,969
Total other comprehensive income	(94,959)	148,892
Total comprehensive income	(296,342)	298,274
Comprehensive income attributable to		
Owners of parent	(296,375)	298,007
Non-controlling interests	33	267
Total comprehensive income	(296,342)	298,274

(3) Condensed Interim Consolidated Statement of Changes in Equity
(Six months ended June 30, 2025)

(In millions of yen)

	Equity attributable to owners of parent						
					Other components of equity		
	Share capital	Capital surplus	Retained earnings	Treasury shares	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

(Six months ended June 30, 2026)

(In millions of yen)

	Equity attributable to owners of parent						
					Other components of equity		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Share acquisition rights	Remeasurements of defined benefit plans	Equity instruments measured at fair value through other comprehensive income
Balance as of January 1, 2026	153,209	299,286	1,213,791	(70,012)	16	—	(3,642)
Profit (loss)	—	—	217,333	—	—	—	—
Other comprehensive income	—	—	—	—	—	(154)	85,028
Total comprehensive income	—	—	217,333	—	—	(154)	85,028
Purchase and disposal of treasury shares	—	19,834	—	16,844	—	—	—
Dividends of surplus	—	—	(50,814)	—	—	—	—
Share-based payment transactions	—	(17,657)	—	—	(8)	—	—
Transfer to retained earnings	—	9,347	(9,501)	—	—	154	—
Total transactions with owners	—	11,524	(60,315)	16,844	(8)	154	—
Balance as of June 30, 2026	153,209	310,810	1,370,809	(53,168)	8	—	81,386

	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, 2026	852,251	(1,268)	(597)	846,760	2,443,034	5,417	2,448,451
Profit (loss)	—	—	—	—	217,333	296	217,629
Other comprehensive income (loss)	135,088	381	737	221,080	221,080	201	221,281
Total comprehensive income	135,088	381	737	221,080	438,413	497	438,910
Purchase and disposal of treasury shares	—	—	—	—	36,678	—	36,678
Dividends of surplus	—	—	—	—	(50,814)	(10)	(50,824)
Share-based payment transactions	—	—	—	(8)	(17,665)	—	(17,665)
Transfer to retained earnings	—	—	—	154	—	—	—
Total transactions with owners	—	—	—	146	(31,801)	(10)	(31,811)
Balance as of June 30, 2026	987,339	(887)	140	1,067,986	2,849,646	5,904	2,855,550

(4) Condensed Interim Consolidated Statement of Cash Flows

(In millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Cash flows from operating activities		
Profit (loss) before tax	(169,288)	254,785
Depreciation and amortization	98,041	94,183
Impairment losses	13,741	2,420
Finance income and finance costs	227,697	(60,574)
Share-based payment expenses	20,015	19,019
Insurance income	(150)	(69)
Foreign exchange loss (gain)	(5,715)	4,519
Loss (gain) on sales of property, plant and equipment, and intangible assets	179	(293)
Loss on disposal of fixed assets	3,442	514
Decrease (increase) in inventories	5,445	(22,836)
Decrease (increase) in trade and other receivables	(14,869)	(33,860)
Decrease (increase) in other current assets	1,108	(9,413)
Decrease (increase) in other financial assets	18,393	1,845
Increase (decrease) in trade and other payables	(5,330)	25,535
Increase (decrease) in retirement benefit liability	(806)	(606)
Increase (decrease) in provisions	(3,379)	241
Increase (decrease) in other current liabilities	11,356	2,536
Increase (decrease) in other financial liabilities	477	251
Other	1,605	3,732
Subtotal	201,962	281,929
Interest received	5,081	5,201
Dividends received	33	562
Proceeds from insurance income	150	69
Income taxes paid	(9,106)	(30,813)
Net cash flows from operating activities	198,120	256,948
Cash flows from investing activities		
Purchase of property, plant and equipment	(47,822)	(42,815)
Proceeds from sales of property, plant and equipment	1,830	434
Purchase of intangible assets	(25,426)	(26,382)
Purchase of other financial assets	(2,482)	(1,680)
Proceeds from sales of other financial assets	1,460	1,451
Payments for acquisitions of subsidiaries	(2,823)	(3,651)
Payments for settlement of contingent consideration of subsidiary shares	—	(1,328)
Purchase of shares of subsidiaries and associates	(352)	(445)
Proceeds from subsidy	3,110	577
Proceeds from sale of businesses	4,728	—
Other	3,914	(1,841)
Net cash flows from investing activities	(63,863)	(75,680)

	Six months ended June 30, 2025	Six months ended June 30, 2026
		(In millions of yen)
Cash flows from financing activities		
Proceeds from short-term borrowings	38,000	—
Repayments of short-term borrowings	(28,000)	—
Repayments of long-term borrowings	(71,370)	(54,099)
Dividends paid	(50,300)	(50,802)
Repayments of lease liabilities	(4,966)	(5,392)
Interest paid	(7,900)	(9,228)
Other	(4)	(3)
Net cash flows from financing activities	(124,540)	(119,524)
Effect of exchange rate changes on cash and cash equivalents	(27,855)	18,376
Net increase (decrease) in cash and cash equivalents	(18,138)	80,120
Cash and cash equivalents at beginning of the period	229,249	295,897
Cash and cash equivalents at end of the period	211,111	376,017

(5) Notes to Condensed Interim Consolidated Financial Statements

(Notes about Going Concern Assumption)
Not applicable.

(Basis for Preparation)
(1) Basis of measurement
The condensed interim consolidated financial statements of the Group are measured at an acquisition cost except for items such as financial instruments measured at fair value.

(2) 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.

(3) Change in Presentation
(Condensed Interim Consolidated Statement of Cash Flows)
Within cash flows from operating activities category, “Decrease (increase) in other current assets,” which was disclosed in “Other” for the six months ended June 30, 2025, has been presented separately for the six months ended June 30, 2026 due to the increase in its materiality.
As a result, in the consolidated statement of cash flows for the six months ended June 30, 2025, “Decrease (increase) in other current assets” of 1,108 million yen is separately presented under cash flows from operating activities. Consequently, “Other” of cash flows from operating activities has been revised from 2,713 million yen to 1,605 million yen.

(Basis of Condensed Interim Consolidated Financial Statements)
(1) Scope of consolidation
A. Three companies have been excluded from the scope of consolidation due to mergers.
B. Two companies have been newly included in the scope of consolidation due to acquisitions.
C. Two companies have been excluded from the scope of consolidation due to liquidation.

(2) Scope of Application of equity method
No change in the scope of application of equity method.

(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, 2025.
In addition, income taxes for the six months ended June 30, 2026 are calculated using the estimated annual effective tax rate.

(Significant Accounting Estimates and Judgments)
In preparing the condensed interim consolidated financial statements, management of the Group makes judgements, accounting estimates and assumptions that could have an impact on the application of accounting policies and the reporting amounts of assets, liabilities, revenue and expenses. These estimates and assumptions are based on the best judgment of management, taking into account various factors that are deemed reasonable on the closing date in light of past experience and available information. However, figures based on these estimates and assumptions may differ from the actual results due to their nature.
Estimates and underlying assumptions are reviewed continuously. The results of the review of these estimates are reflected in the period when the estimates are revised and for the future periods.
Except as described below, the significant accounting estimates and judgments for the condensed interim consolidated financial statements for the six months ended June 30, 2026 are the same as those applied in the consolidated financial statements for the year ended December 31, 2025.

Basis of consolidation

The Company’s U.S. subsidiary holds 16,852,372 shares of common stock, warrants for 4,943,555 additional shares of common stock and convertible notes of Wolfspeed, Inc (hereinafter “Wolfspeed”). However, these shares 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 apply.

(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 Company's 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."

(Changes in Reportable Segments)

The Company announced that the Company's U.S. subsidiary and SiTime Corporation (hereinafter "SiTime") signed a definitive agreement to transfer the Company's Timing Business to SiTime. The transfer was approved by the Company's Board of Directors on February 5, 2026. Following this change, the reportable segment classification for the relevant business has been reclassified from "Automotive Business" and "Industrial/Infrastructure/IoT Business" to "Other" beginning with the six months ended June 30, 2026.

Note that segment information for the six months ended June 30, 2025, has been prepared based on the categorization method following the change.

(2) Information on reportable segments

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

Revenue from external customers, 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 purchased intangible assets and depreciation of property, plant and equipment related to business combinations; certain share-based payment expenses; non-recurring revenue that the Group has determined should be excluded; 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, non-recurring revenue that the Group has determined should be excluded; and certain other non-recurring items the Group believes to be covered by each reportable segment and other segment are included in revenue from external customers, segment gross profit, and segment operating profit (Adjustments 1). The Company's Board of Directors assesses 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, 2025) (In millions of yen)

	Reportable Segments		Other	Adjustments 1	Total	Adjustments 2	Consolidation basis
	Automotive	Industrial/ Infrastructure/ IoT					
Revenue from external customers	316,306	298,383	18,725	—	633,414	897	634,311
Segment gross profit	165,342	181,548	12,072	618	359,580	(5,376)	354,204
Segment operating profit	83,598	67,130	7,137	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	21,929	15,667	444	—	38,040	60,001	98,041

(Six months ended June 30, 2026) (In millions of yen)

	Reportable Segments		Other	Adjustments 1	Total	Adjustments 2	Consolidation basis
	Automotive	Industrial/ Infrastructure/ IoT					
Revenue from external customers	358,679	412,206	27,458	(20,730)	777,613	21,129	798,742
Segment gross profit	199,777	252,548	19,653	(16,415)	455,563	12,848	468,411
Segment operating profit	126,061	131,827	14,431	(14,155)	258,164	(65,484)	192,680
Finance income							73,021
Finance costs							(10,664)
Share of loss of investments accounted for using equity method							(252)
Profit before tax							254,785
(Other items) Depreciation and amortization	23,463	18,411	509	(54)	42,329	51,854	94,183

(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	161,377	154,481	8,779	—	324,637	897	325,534
Segment gross profit	84,524	93,340	6,075	411	184,350	(3,008)	181,342
Segment operating profit	37,623	38,287	4,070	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	10,727	7,438	160	—	18,325	25,452	43,777

(Three months ended June 30, 2026) (In millions of yen)

	Reportable Segments		Other	Adjustments 1	Total	Adjustments 2	Consolidation basis
	Automotive	Industrial/ Infrastructure/ IoT					
Revenue from external customers	187,095	216,299	15,055	(13,178)	405,271	13,178	418,449
Segment gross profit	103,385	131,270	10,976	(10,336)	235,295	9,817	245,112
Segment operating profit	64,381	68,984	8,265	(8,907)	132,723	(30,607)	102,116
Finance income							73,802
Finance costs							(5,529)
Share of loss of investments accounted for using equity method							(122)
Profit before tax							170,267
(Other items) Depreciation and amortization	11,947	9,367	307	(54)	21,567	25,184	46,751

(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, 2025	Six months ended June 30, 2026
China	197,629	241,738
Asia (Excluding Japan and China)	139,263	186,250
Japan	130,890	166,927
Europe	98,426	121,550
North America	67,146	80,641
Others	957	1,636
Total	634,311	798,742

(In millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
China	102,492	126,116
Asia (Excluding Japan and China)	71,957	99,909
Japan	67,432	87,653
Europe	50,005	60,188
North America	33,137	43,731
Others	511	852
Total	325,534	418,449

(Note) Revenue is categorized into the countries and regions based on the location of the customers.

(Business Combinations)
(1) Significant business combinations
Six months ended June 30, 2025
There were no significant business combinations during the six months ended June 30, 2025.

Six months ended June 30, 2026
There were no significant business combinations during the six months ended June 30, 2026.

(2) The contingent consideration
The contingent consideration resulted from the business combination with Panthronics AG (hereinafter “Panthronics”)
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 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, 2025	Six months ended June 30, 2026
Beginning balance	1,582	1,566
Settlement of amount during the period	—	(1,328)
Exchange differences	(134)	22
Ending balance	1,448	260

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, 2025	As of June 30, 2026
Notes and trade receivables	156,172	196,355
Other receivables	13,752	11,699
Loss allowance	(800)	(844)
Total	169,124	207,210

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

(Assets Held for Sale)
On May 8, 2026 (U.S. time), approval under the U.S. antitrust laws was obtained for the transfer of the Company's Timing Business to SiTime Corporation.

As a result, the relevant assets and liabilities (Note) have been reclassified as assets held for sale and liabilities directly associated with assets held for sale as of June 30, 2026. For the segments in which the business belongs, please refer to "(Business Segments) (1) Overview of reportable segments." Regarding "Other components of equity" in the Condensed Interim Consolidated Statement of Financial Position for the six months ended June 30, 2026, the cumulative amount of other comprehensive income related to the transfer includes 99,520 million yen.

The transfer was completed on July 1, 2026. For details, please refer to "(Subsequent Events)."

Since the fair value (planned sale price) less costs to sell exceeds the carrying amount, the assets are measured at their carrying amount.

(Note) The transferred business includes not only the Timing Business of the Company's U.S. subsidiary but also assets and liabilities related to the Timing Business held by the Company's other subsidiaries.

The components of assets held for sale and liabilities directly associated with assets held for sale are as follows.

(In millions of yen)

	As of December 31, 2025	As of June 30, 2026
Assets held for sale		
Inventories	—	227
Property, plant and equipment	—	1,157
Goodwill	—	308,021
Intangible assets	—	6,398
Total	—	315,803
Liabilities directly associated with assets held for sale		
Other financial liabilities (current)	—	36
Provision (current)	—	2
Other financial liabilities (non-current)	—	188
Total	—	226

(Trade and Other Payables)

The components of trade and other payables are as follows.

(In millions of yen)

	As of December 31, 2025	As of June 30, 2026
Trade payables	98,999	120,000
Other payables	61,509	41,716
Electronically recorded obligations	9,620	7,192
Refund liabilities	56,109	65,852
Total	226,237	234,760
Current liabilities	219,167	233,182
Non-current liabilities	7,070	1,578

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

(Bonds and Borrowings)

(1) Bonds

Six months ended June 30, 2025

Not applicable.

Six months ended June 30, 2026

Not applicable.

(2) Borrowings

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.

Six months ended June 30, 2026

Not applicable.

(Share Capital and Other Equity Items)

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.

Six months ended June 30, 2026

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 14,154,527 shares of treasury stock for the six months ended June 30, 2026. As a consequence, treasury shares decreased by 16,844 million yen for the six months ended June 30, 2026.

As a result, the amount of treasury shares held was 53,168 million yen as of June 30, 2026.

(Dividends)

(1) Dividend payment amounts

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

Six months ended June 30, 2026

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 30, 2026	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, 2026, but an effective date is after June 30, 2026

Six months ended June 30, 2025

Not applicable.

Six months ended June 30, 2026

Not applicable.

(Revenue)

All the revenue arises from contracts with customers. In addition, disaggregation of revenue recognized from contracts with customers is 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, 2025	Six months ended June 30, 2026
Research and development expenses	118,856	124,584
Personnel expenses	55,212	59,228
Depreciation and amortization	63,504	55,662
Retirement benefit expenses	2,526	3,090
Other	23,589	29,493
Total	263,687	272,057

(In millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Research and development expenses	60,174	65,149
Personnel expenses	27,005	31,125
Depreciation and amortization	27,114	26,899
Retirement benefit expenses	1,658	1,882
Other	12,418	15,168
Total	128,369	140,223

(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, 2025	Six months ended June 30, 2026
Litigation-related income	—	1,969
Damage compensation income	—	847
Gain on sale of fixed assets	559	305
Compensation income	413	139
Government grant income	365	89
Insurance claim income	150	69
Other	796	741
Total	2,283	4,159

(In millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Insurance claim income	150	69
Gain on sale of fixed assets	538	67
Compensation income	413	19
Government grant income	99	7
Other	532	506
Total	1,732	668

(Other Expenses)
The components of other expenses are as follows.

(In millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Business restructuring expenses (Note 1)	5,560	3,021
Impairment losses (Note 2)	13,741	2,420
Loss on disposal of fixed assets	3,442	514
Provision for loss on litigation	5,826	—
Other	2,930	1,878
Total	31,499	7,833

(In millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Business restructuring expenses (Note 1)	1,517	1,672
Loss on disposal of fixed assets	965	261
Impairment losses (Note 2)	6,528	49
Provision for loss on litigation	3,551	—
Other	2,368	1,459
Total	14,929	3,441

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

(Subsequent Events)

(The completion of transfer of the Timing Business)

As described in “(Assets Held for Sale),” the assets and liabilities related to the Company's Timing Business have been classified as assets held for sale and liabilities directly associated with assets held for sale as of the six months ended June 30, 2026.

The transaction to transfer the business to SiTime Corporation (hereinafter “the Transfer”) was completed on July 1, 2026. As the Transfer occurred after the end of the current interim consolidated accounting period, it has not been reflected in the condensed interim consolidated financial statements for the six months ended June 30, 2026.

With the Transfer, the Group expects to recognize gain on sale of the business of approximately 443.3 billion yen based on estimates as of the completion date of the Transfer. However, the final impact on profit or loss, including related tax expenses and other transaction-related expenses, may change as the related calculations are further reviewed and finalized.

(Impact of the Earthquake in Kumamoto Prefecture)

Due to the Kumamoto Earthquake that occurred on July 28, 2026 (JST), the Company’s Nishiki Factory (Nishiki Town, Kuma District, Kumamoto Prefecture) and the Kawashiri Factory (Kumamoto City, Kumamoto Prefecture) of Renesas Semiconductor Manufacturing Co., Ltd., a wholly-owned subsidiary of the Company, have been affected. The details of the impact and the amount of damage caused by the earthquake are currently under investigation at both factories.

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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