

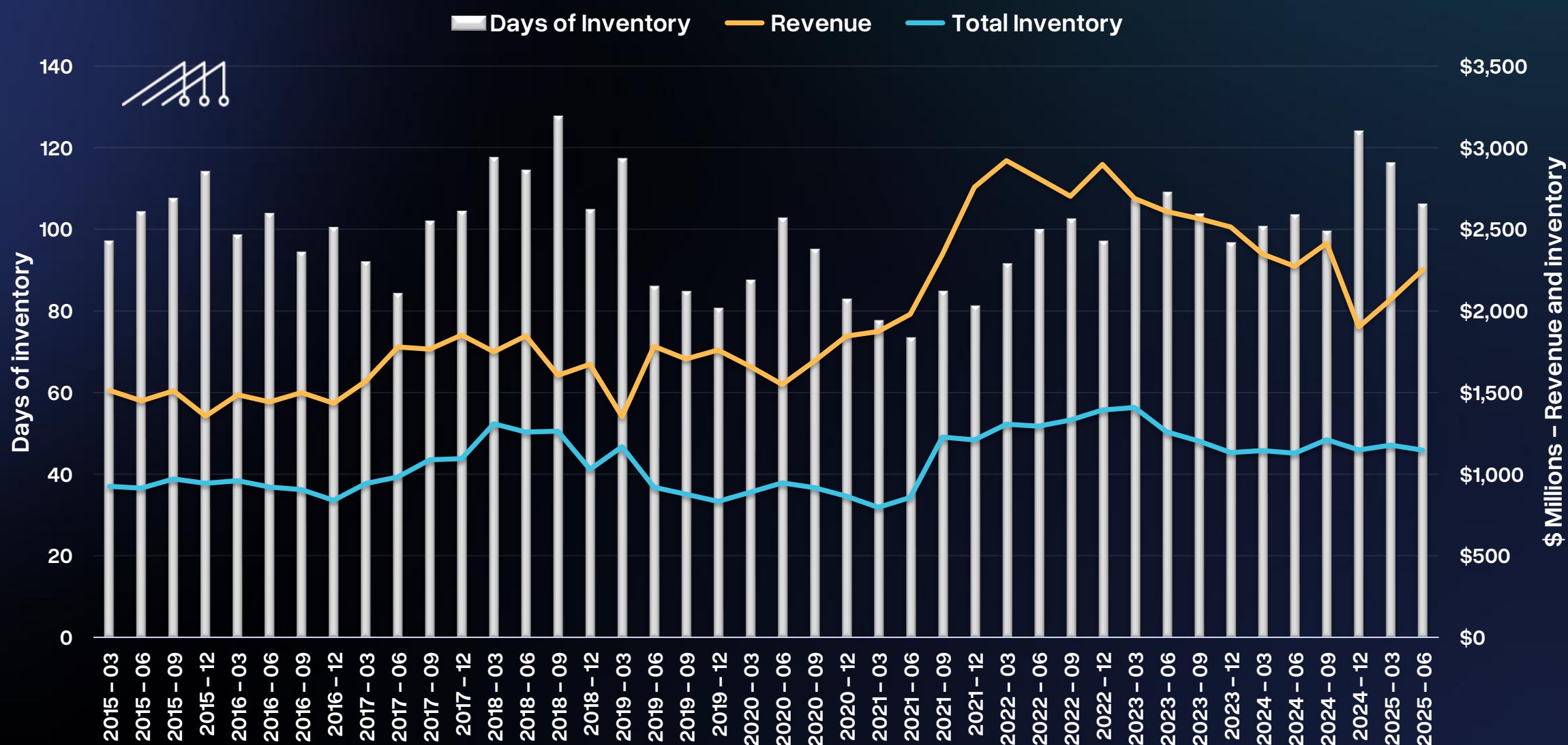
The 1–Minute Brief

Renesas Electronics Q2'25 Earnings

Announced on 25, Jul'25

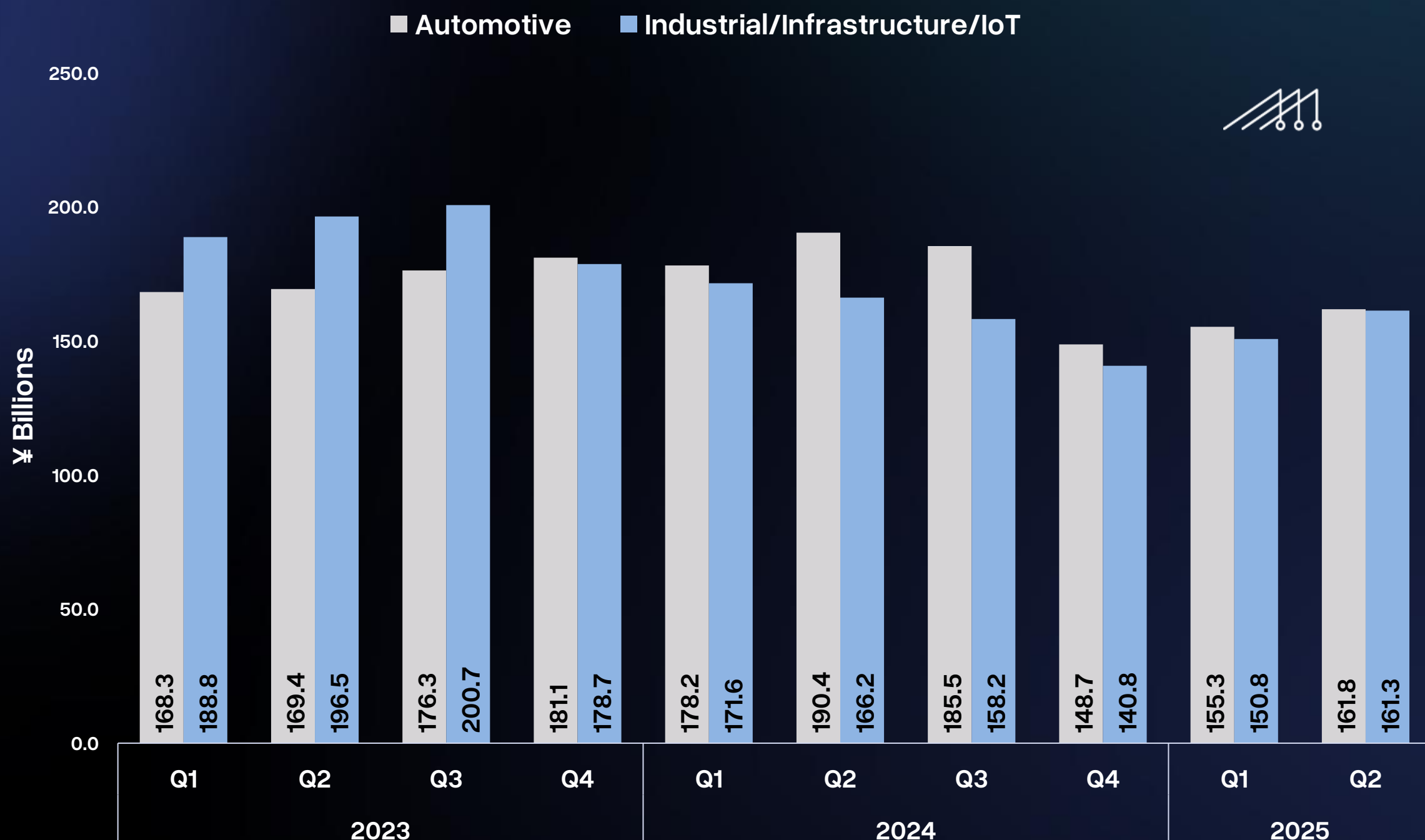
Key Takeaways

- Revenue faced a 11% YoY dip in **H1'25**; however, **Q2'25** showed signs of recovery with a 5.1% sequential growth
- Gross margin was 1.8% higher than the median value, due to the weaker yen appreciation , increased utilization & improved production costs
- Inventory days reduced sequentially due to stronger sales, and increased production amid power outage impact




Performance by Segment

- **Automotive:** (–15.0% YoY, +4.2% QoQ), YoY declined due to strategic shipment cuts to manage inventory & one-time SiC-related losses; sequential growth driven by strong performance in China
- **IIoT:** (–2.9% YoY, +7.0% QoQ), sequential growth driven by industrial automation and mobile



Outlook

- Q3'25 quarter midpoint guidance:
-4% YoY (vs. Q3'24) and +2% QoQ (vs. Q2'25)

Segments 	Q3'25 Outlook	Q4'25 & FY26 Outlook
Automotive	<div>Flat</div> <div>Impacted by China EV subsidy roll-off</div>	<div>Modest growth</div> <div>Driven by ADAS SoC and 28nm MCU ramp-up</div>
IIoT	<div>Solid growth</div> <div>Driven by data center and mobile demand</div>	<div>Modest growth</div> <div>Driven by data center and AI trends</div>



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