

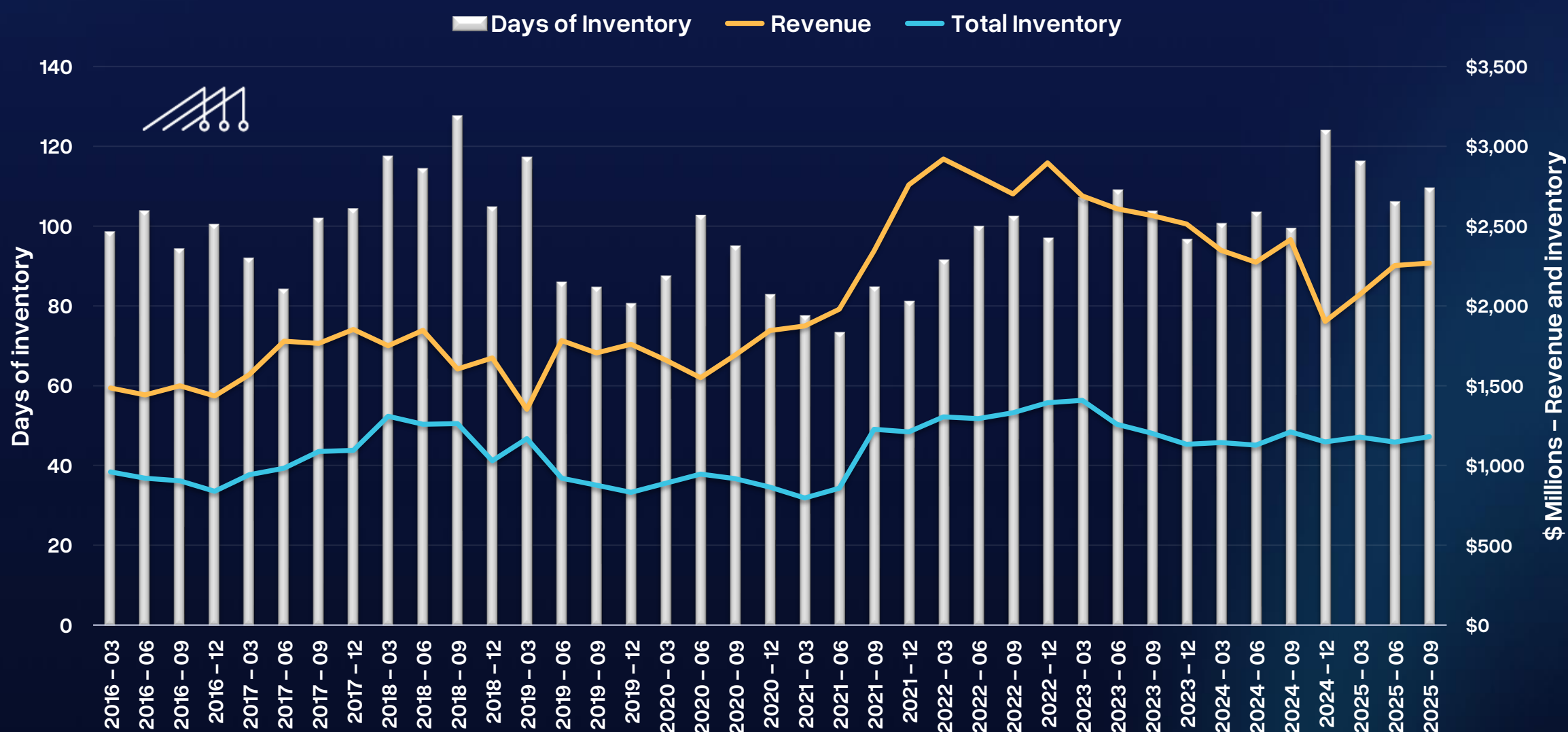
The 1– Minute Brief

Renesas Q3'25 Earnings

Announced on 30, Oct'25

Key Takeaways

- Revenue was ¥334.2 B, down 3.2% YoY and up 3.0% QoQ. Sequential growth aided by AI, Industrial IoT strength, and disciplined cost control
- Channel inventory decreased to 8.1 weeks from 8.9 weeks, reflecting healthy sell-through, despite a slight increase in DOI
- Gross margin improved sequentially due to Yen depreciation, increased utilization, and decreased manufacturing cost
- The Integration of Altium is on track, with subscription growth of +15% YoY

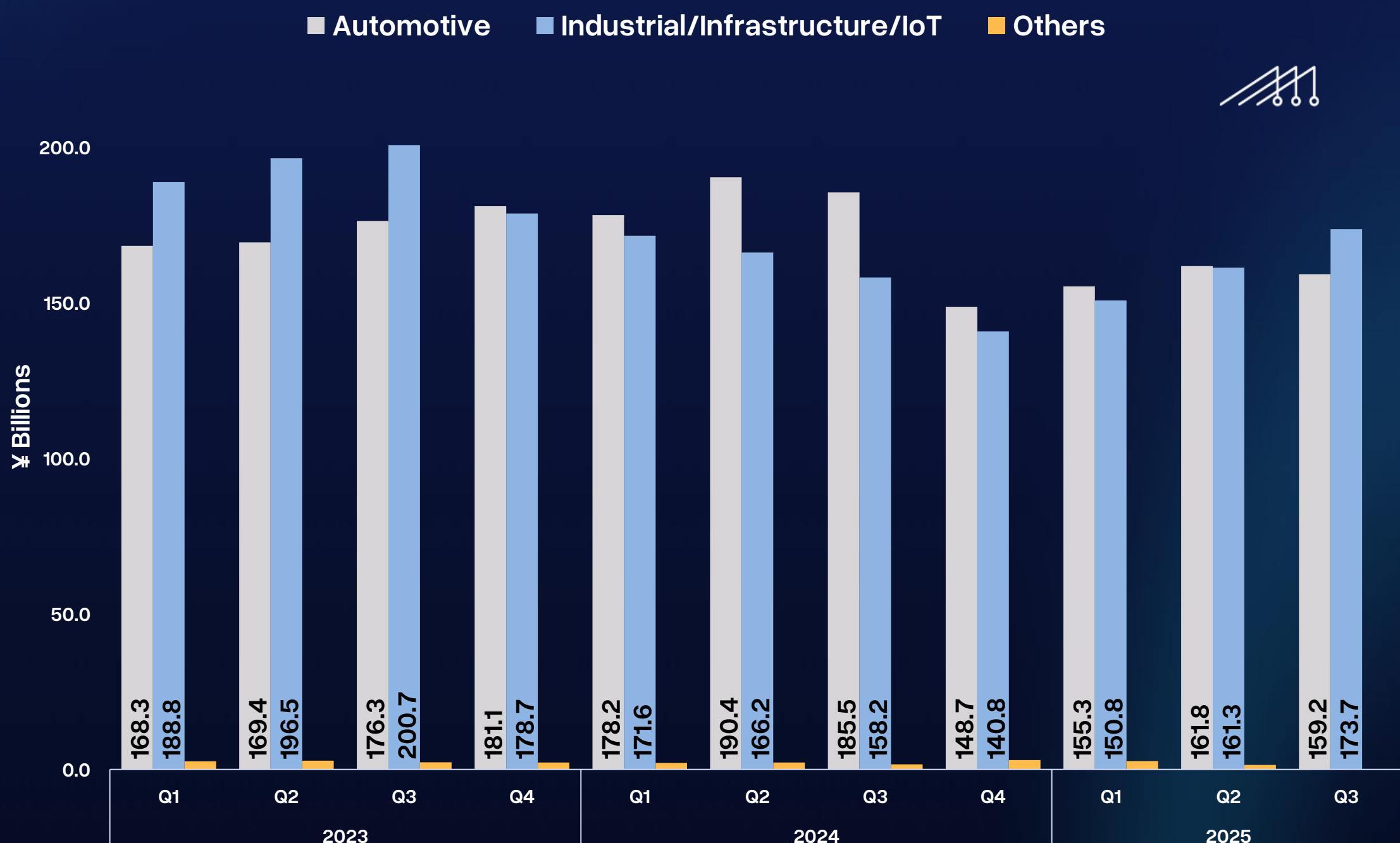


Gross Margin Trend



Performance Breakdown

- **Automotive:** (–14.1% YoY, –1.6% QoQ). Revenue declined due to some weakness in China and certain customers' inventory adjustments
- **IIoT:** (+9.8% YoY, +7.6% QoQ). Outperformed expectations due to AI server, data center, and PC-related strength, as well as memory interface demand
- **Consumer, Mobile, and IoT:** Saw a significant increase in Q3 due to seasonal strength and share gains



Outlook

- **Q4'25 quarter midpoint guidance:**
+16.2% YoY (vs. Q4'24) and +1.7% QoQ (vs. Q3'25)
- **Full-year 2025 guidance** reflects a YoY decline of 3.0%
- **AI Infrastructure:** Strong demand for GPU and custom ASIC-related power and memory interfaces
- Renesas 365 Platform is launching by the end of 2025, prioritizing cloud-based design, seamless usability, and expansion into China and India

Segment		Q4'25 Outlook Details
Automotive		Near-term demand mixed; management expects flattish to slightly weaker trends through Q4, with continued cautious inventory management
Industrial / Infrastructure / IoT		Q4 expected to remain robust , particularly in AI and data center segments
Consumer, Mobile, and IoT		Sequential decline expected in Q4 due to seasonality, but overall trend remains upward



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