



2014/3 Year End Presentation

Note: This document is a translation of the 2014/3 Year End Presentation written in Japanese.
In the event of any discrepancies in words, accounts, figures, or the like between this report and the original, the original Japanese version shall govern.

AGENDA

■ 2014/3 Financial Results

■ 2015/3 Plan

■ ROHM's Strategy

- Analysis
 1. Market Reform
 2. Product Reform
 3. Structural Reform
 4. R&D
 5. Capital Investment

■ Return to Shareholders

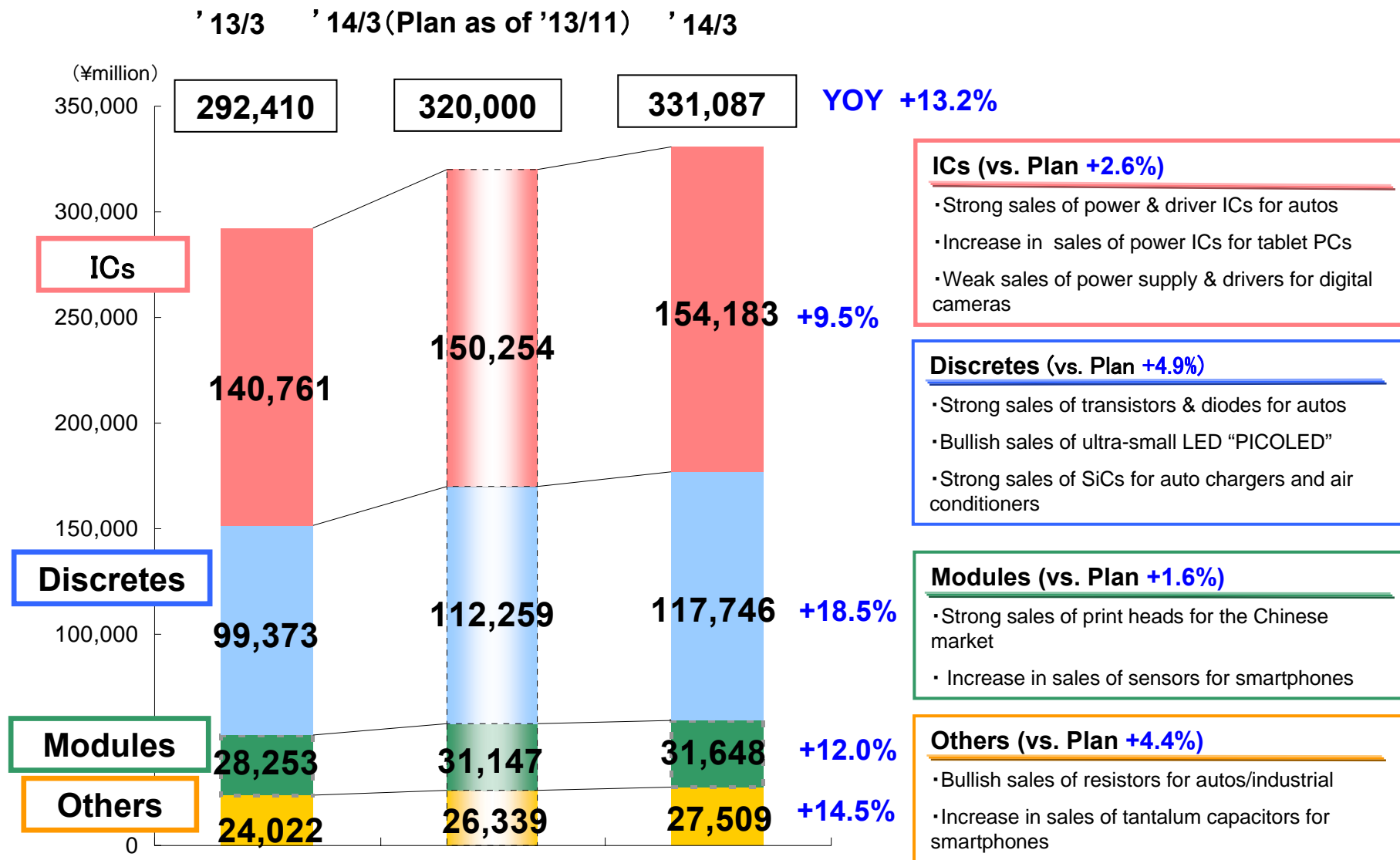
■ ICs Business Strategy

■ Discrete Semiconductors Business Strategy

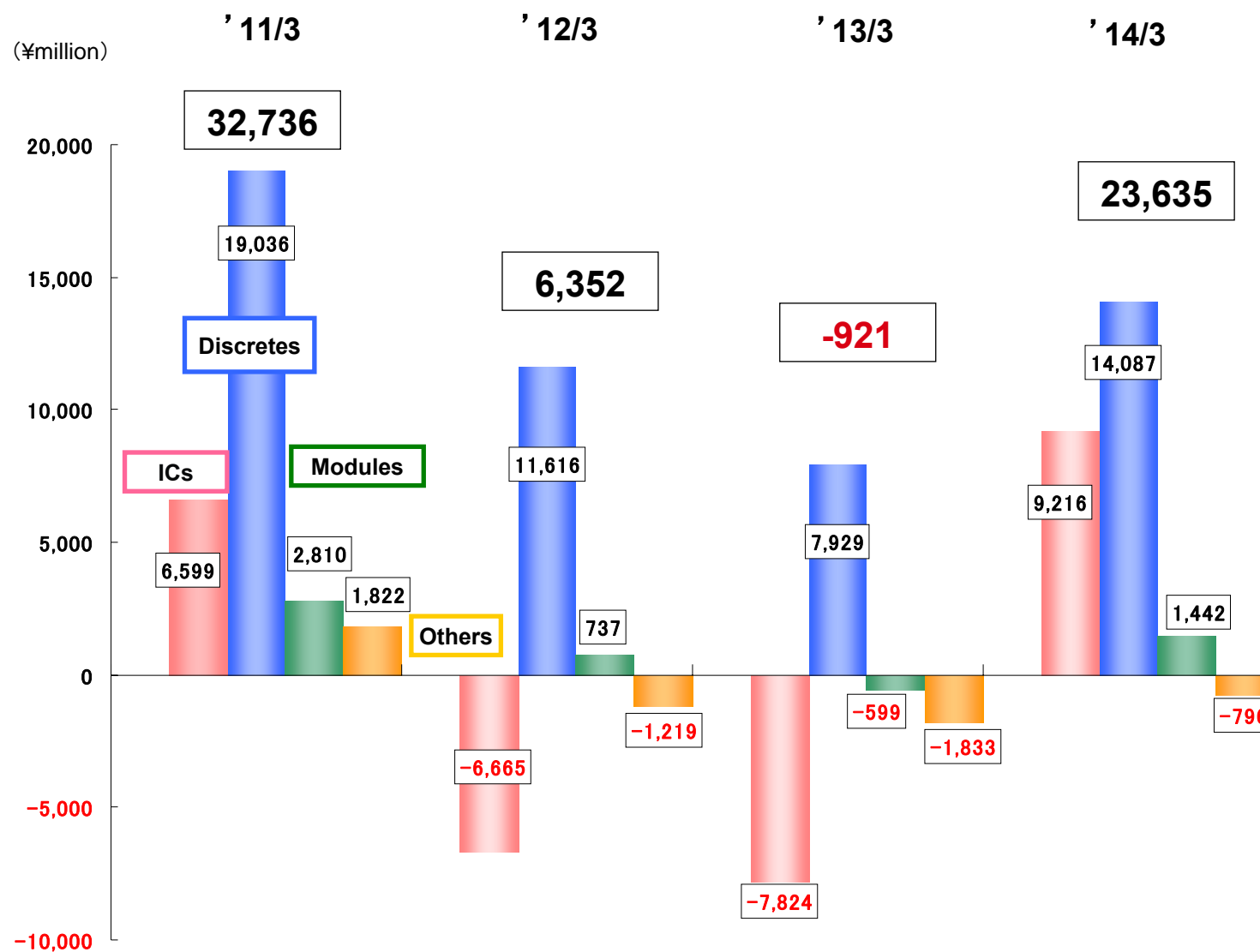
Financial Results for FY2014

	'13/3	'14/3	Amount of Increase	YOY
Sales	292,410	331,087	+38,677	+13.2%
Operating Income	▲ 921	23,635	+24,556	(turnaround)
(Ratio)	(▲ 0.3%)	(7.1%)	—	—
Ordinary Income	11,786	35,915	+24,129	+204.7%
(Ratio)	(4.0%)	(10.8%)	—	—
Net Income	▲ 52,464	32,091	+84,555	(turnaround)
(Ratio)	(▲ 17.9%)	(9.7%)	—	—
EBITDA	37,958	49,194	+11,236	+29.6%
(Ratio)	(13.0%)	(14.9%)	—	—
Average Rate (¥/US\$)	(83.2)	(100.0)		

Sales by Products (YOY)



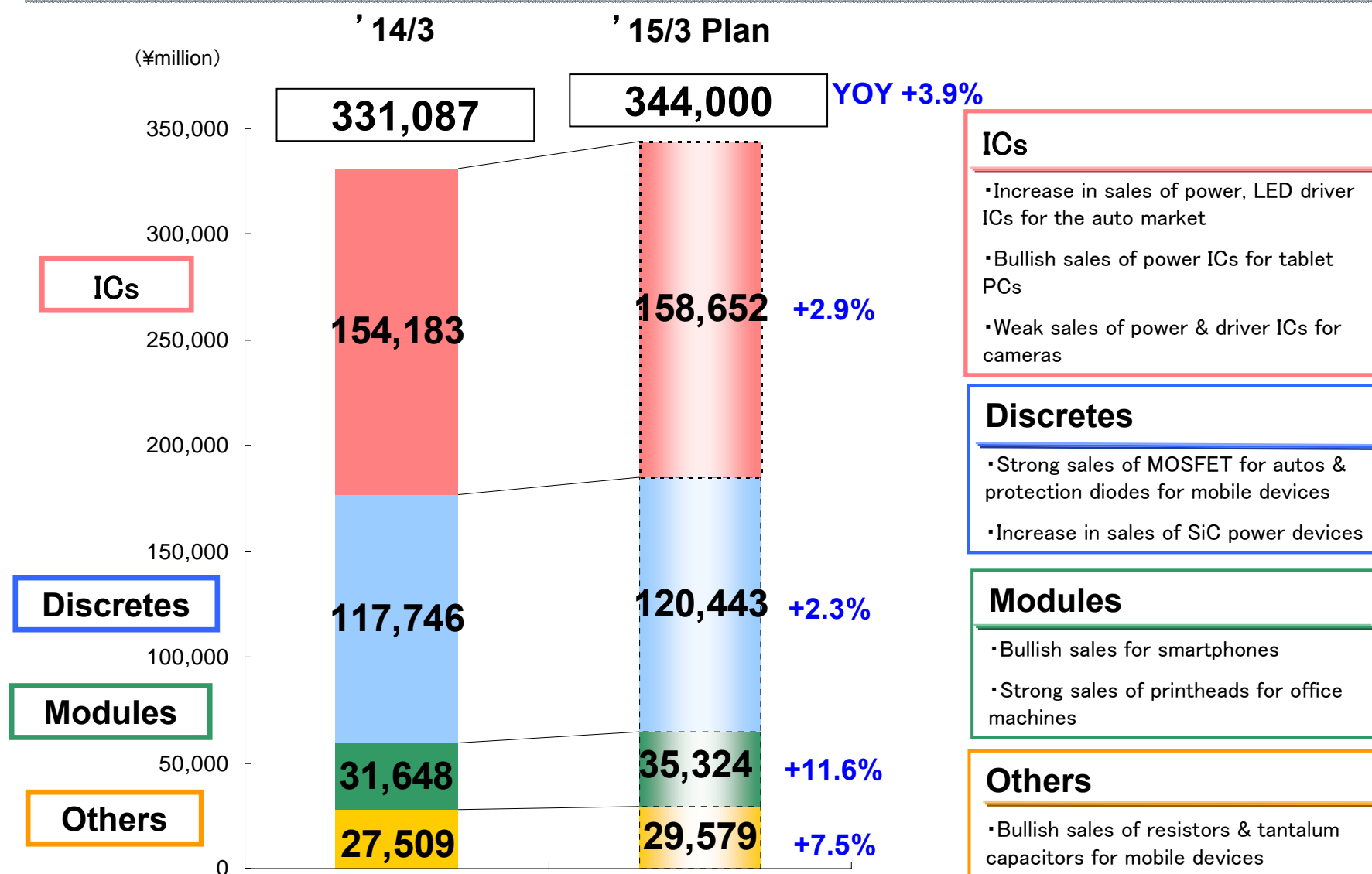
Trend of Profits by Segment



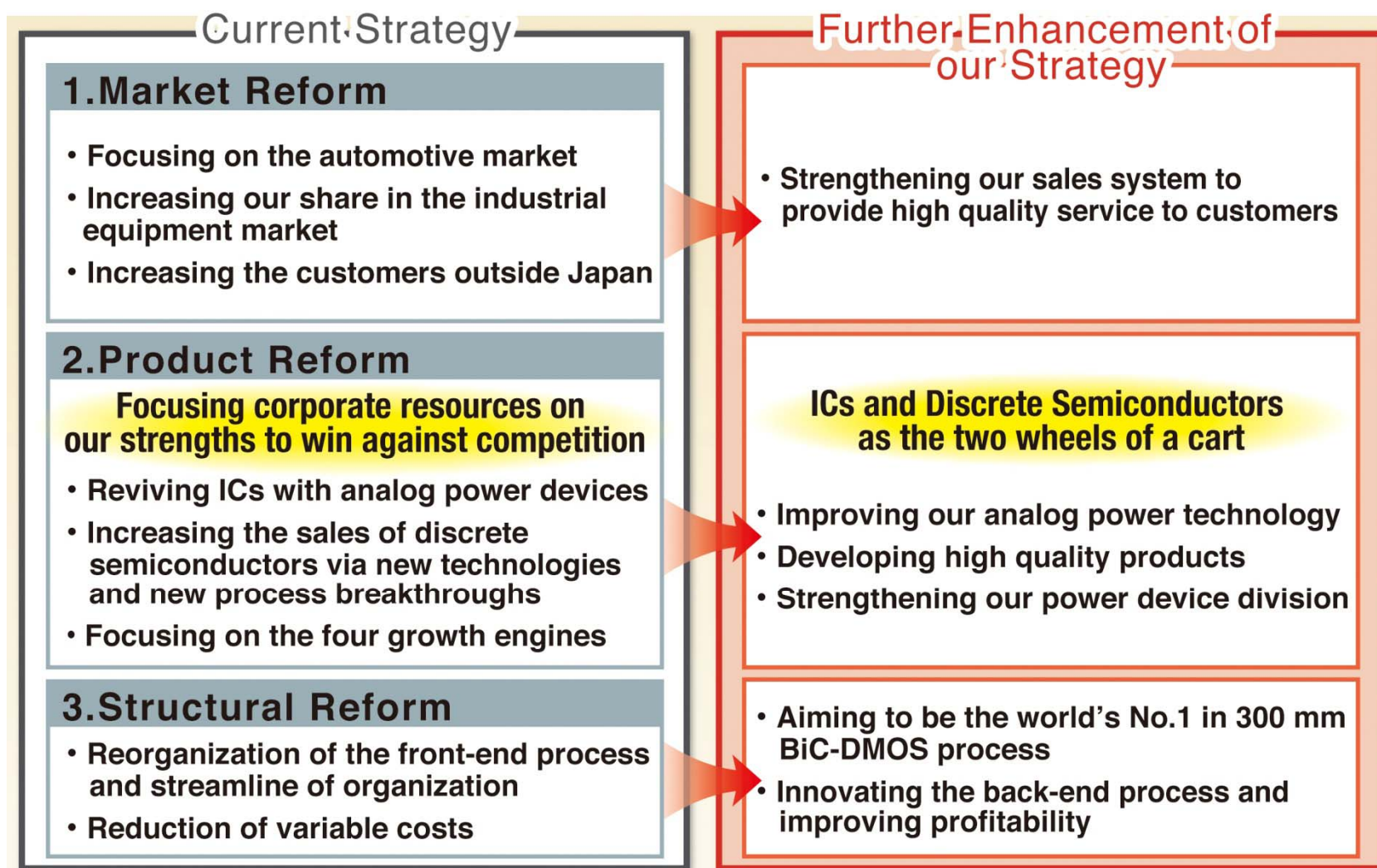
Forecasts for FY2015

(¥million)					
	'14/3		'15/3 (Est.)		
	Amount	YOY	Amount	Amount of Increase	YOY
Sales	331,087	+13.2%	344,000	+12,913	+3.9%
Operating Income	23,635	(turnaround)	25,500	+1,865	+7.9%
(Ratio)	(7.1%)	—	(7.4%)	—	—
Ordinary Income	35,915	+204.7%	25,500	▲ 10,415	▲ 29.0%
(Ratio)	(10.8%)	—	(7.4%)	—	—
Net Income	32,091	(turnaround)	21,000	▲ 11,091	▲ 34.6%
(Ratio)	(9.7%)	—	(6.1%)	—	—
EBITDA	49,194	+29.6%	63,500	+14,306	+29.1%
(Ratio)	(14.9%)	—	(18.5%)	—	—
Average Rate (¥/US\$)	(100.0)		(100.0)		

Plan of Sales by Products (YOY)



ROHM's Strategy

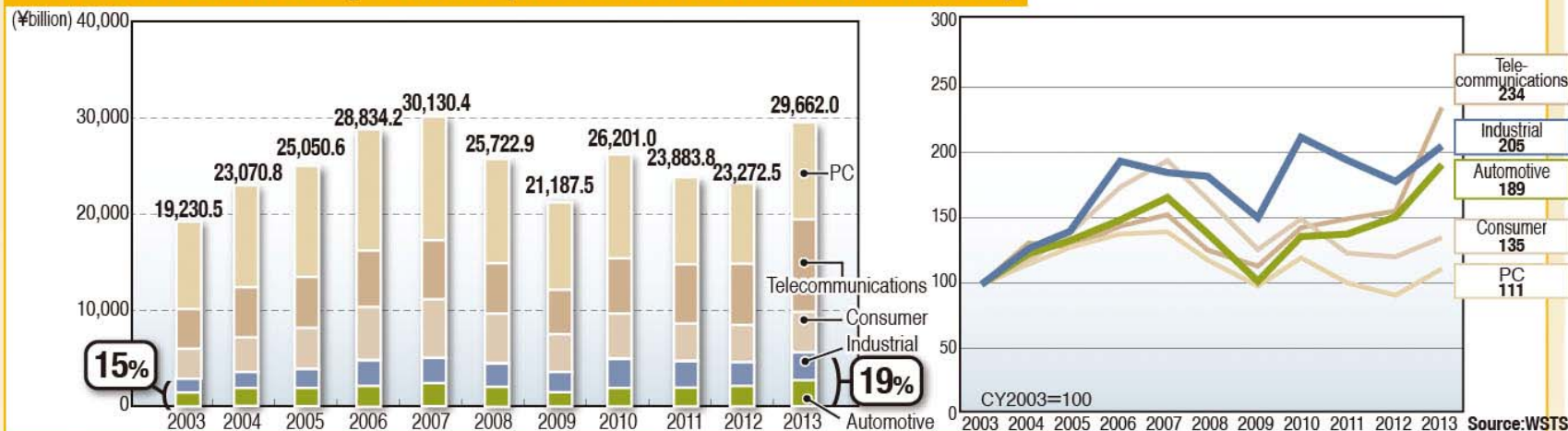


ROHM's Strategy

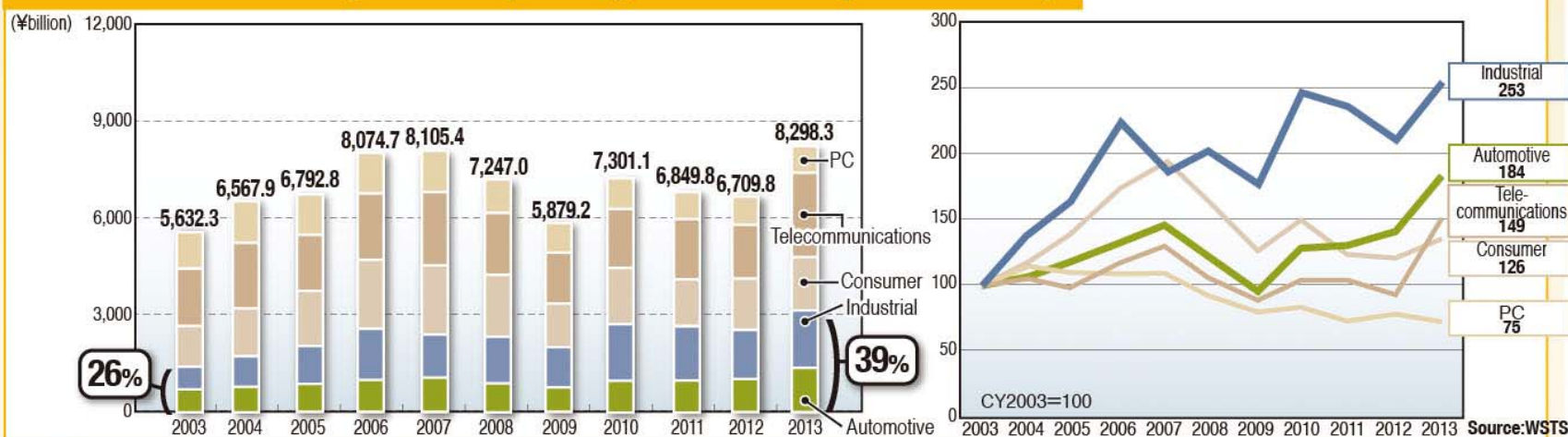
Analysis ① Changes in Demand

(Reasons we are focusing on the auto & industrial markets)

Trends in demand by market (Entire Semiconductor Market)

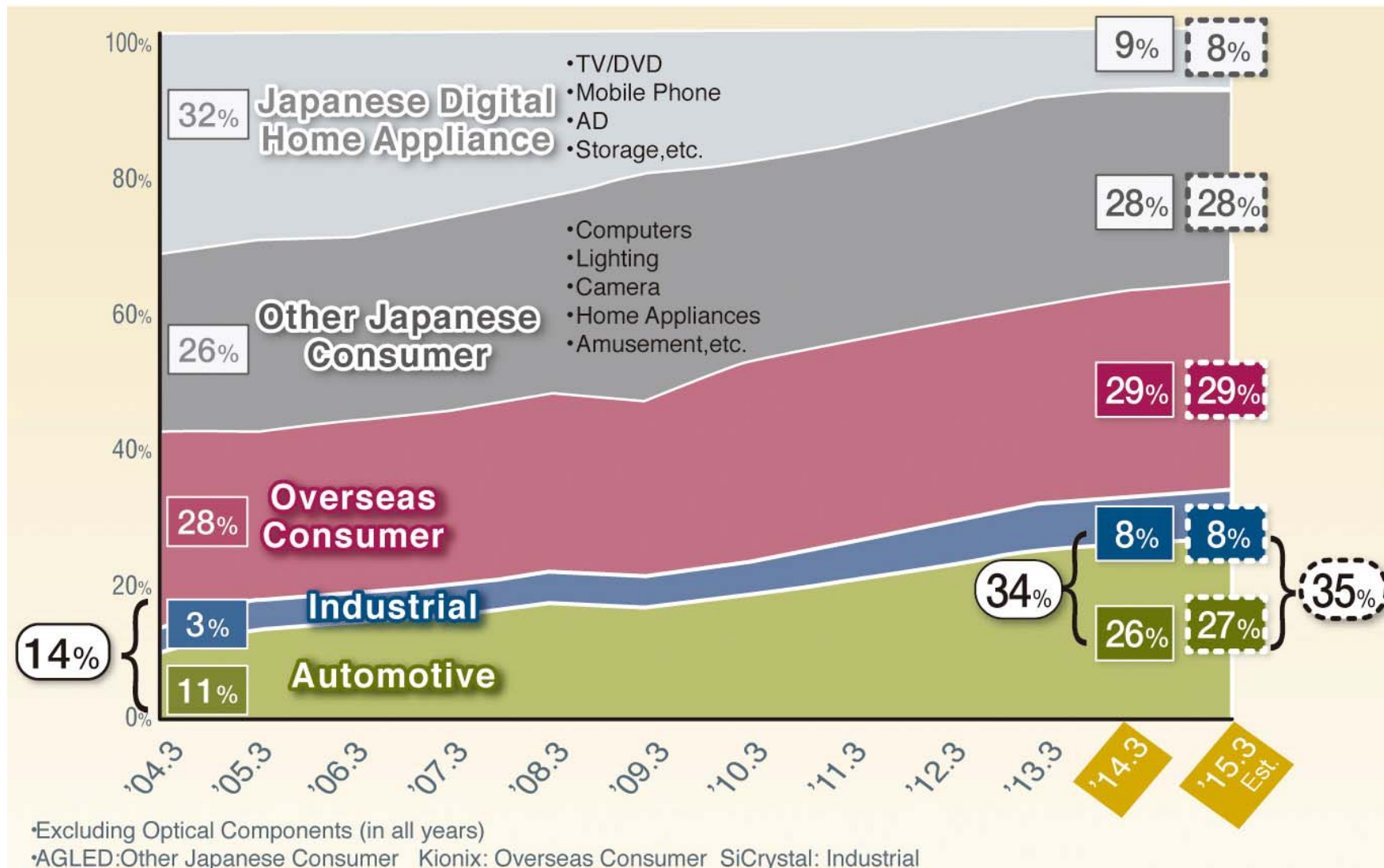


Trends in demand by market (Analog/Discretes/Opto Markets)



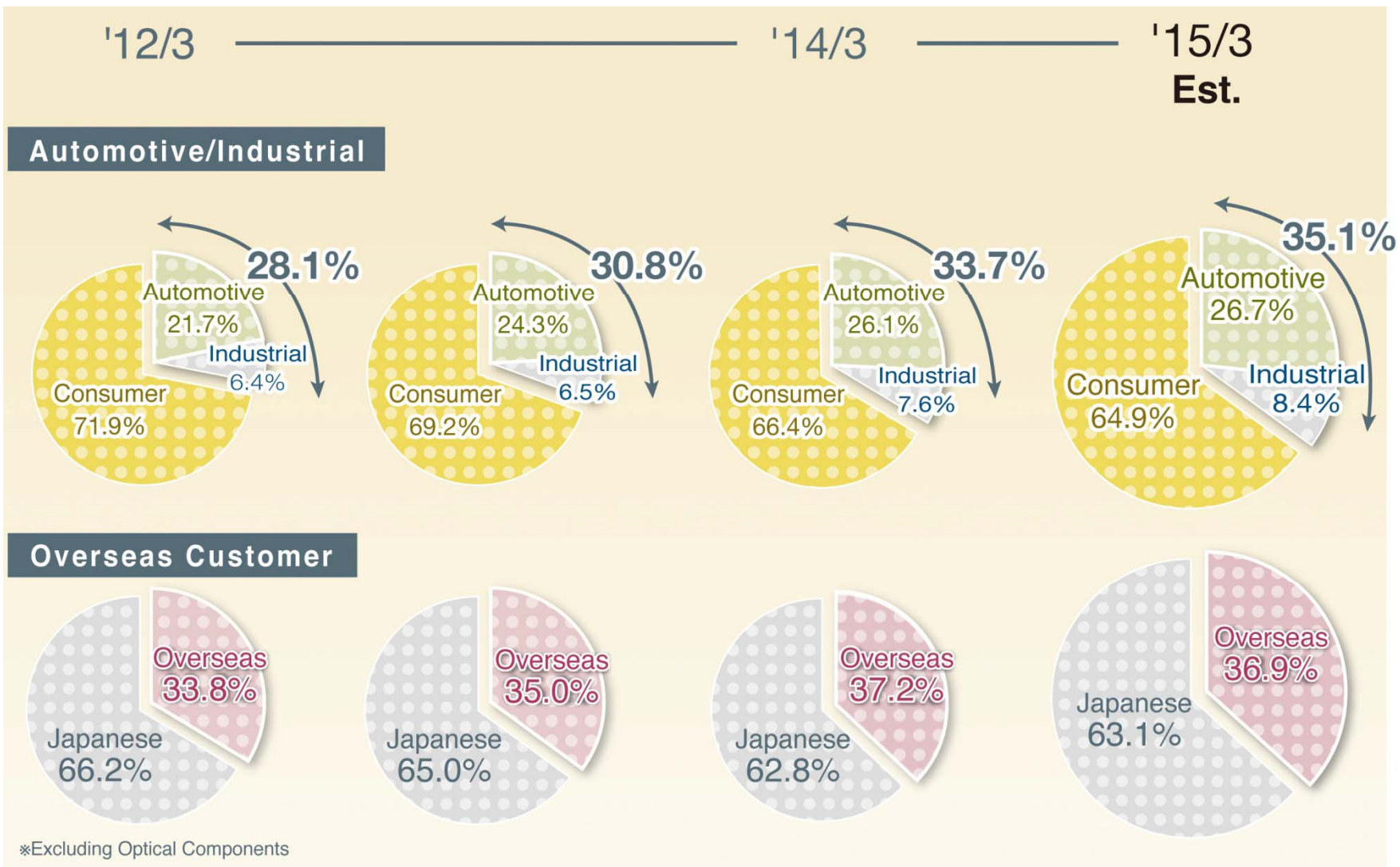
ROHM's Strategy

Analysis ②11 Years Trend of Sales Ratio by Market



ROHM's Strategy

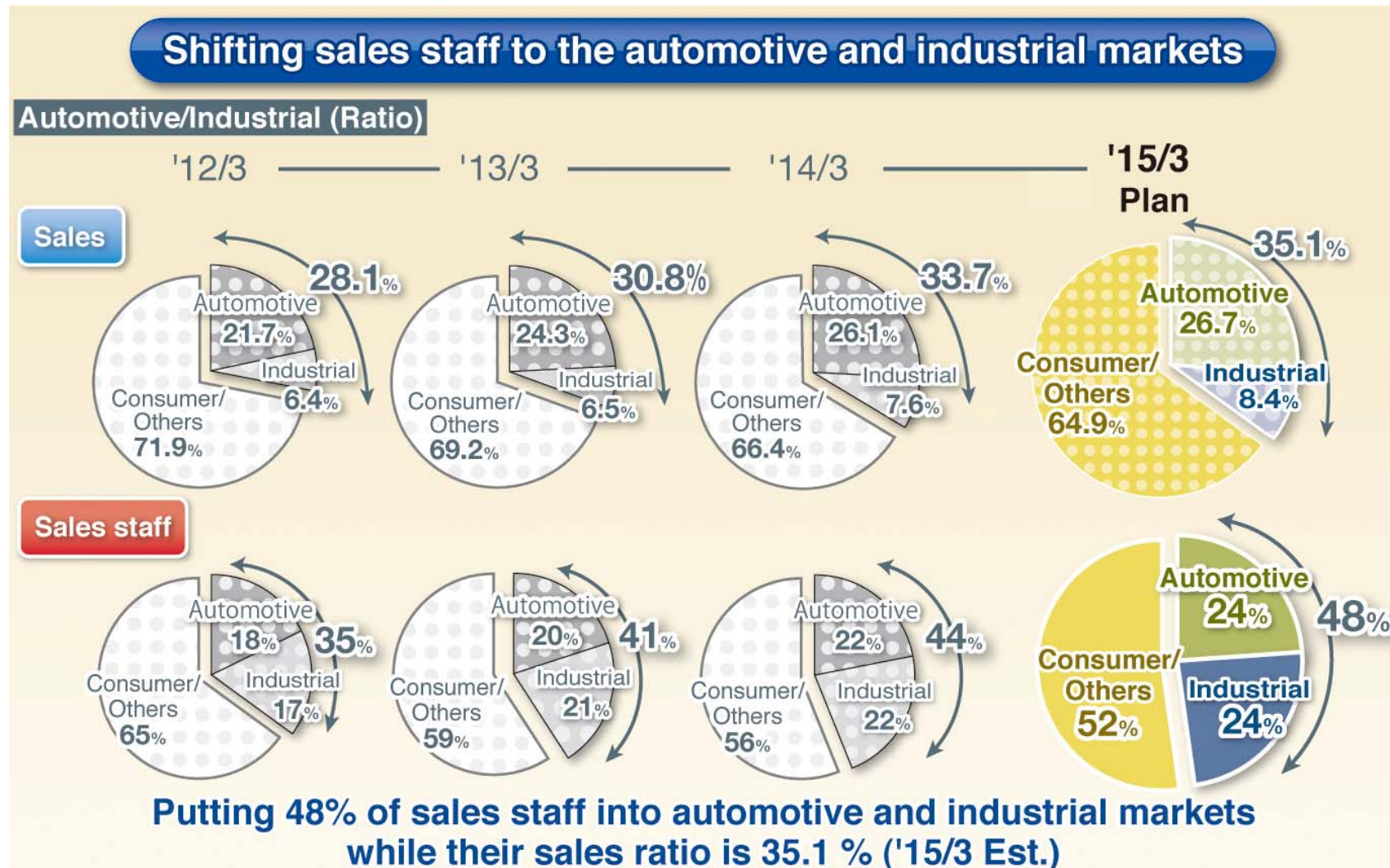
Analysis ③ 4 Years Trend of Sales Ratio by Market



ROHM's Strategy

1. Market Reform

① Shifting our sales support system to automotive and industrial markets



ROHM's Strategy

1. Market Reform

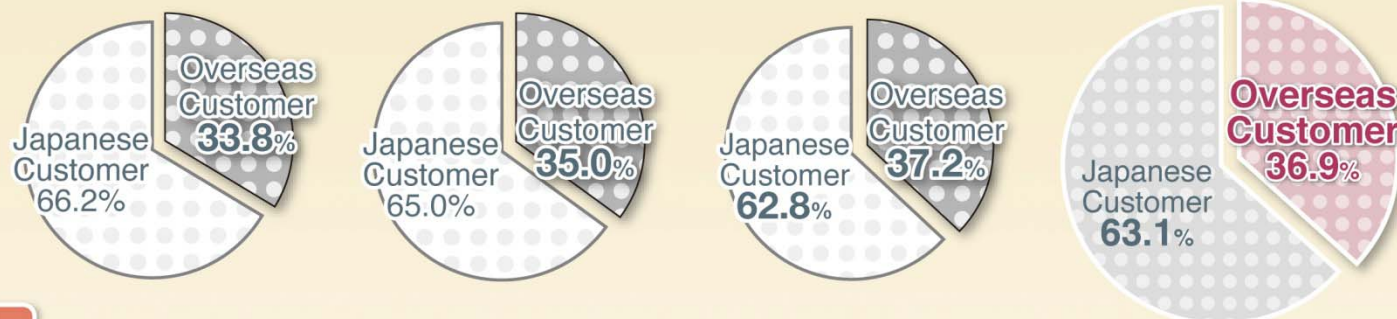
② Shifting our sales support system to overseas customers

Shifting sales staff to overseas customers

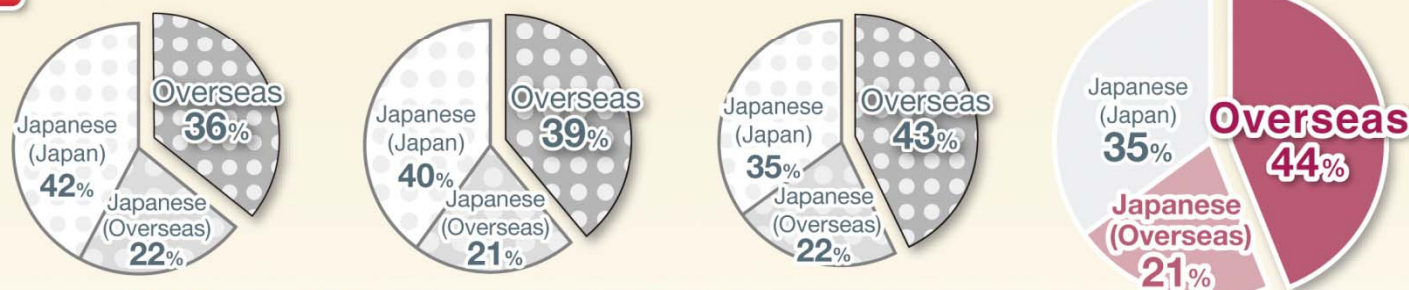
Overseas Customers (Ratio)

'12/3 ————— '13/3 ————— '14/3 ————— '15/3 Plan

Sales



Sales staff



Putting 44% of sales staff into overseas customers while their sales ratio is 36.9% ('15/3 Est.)

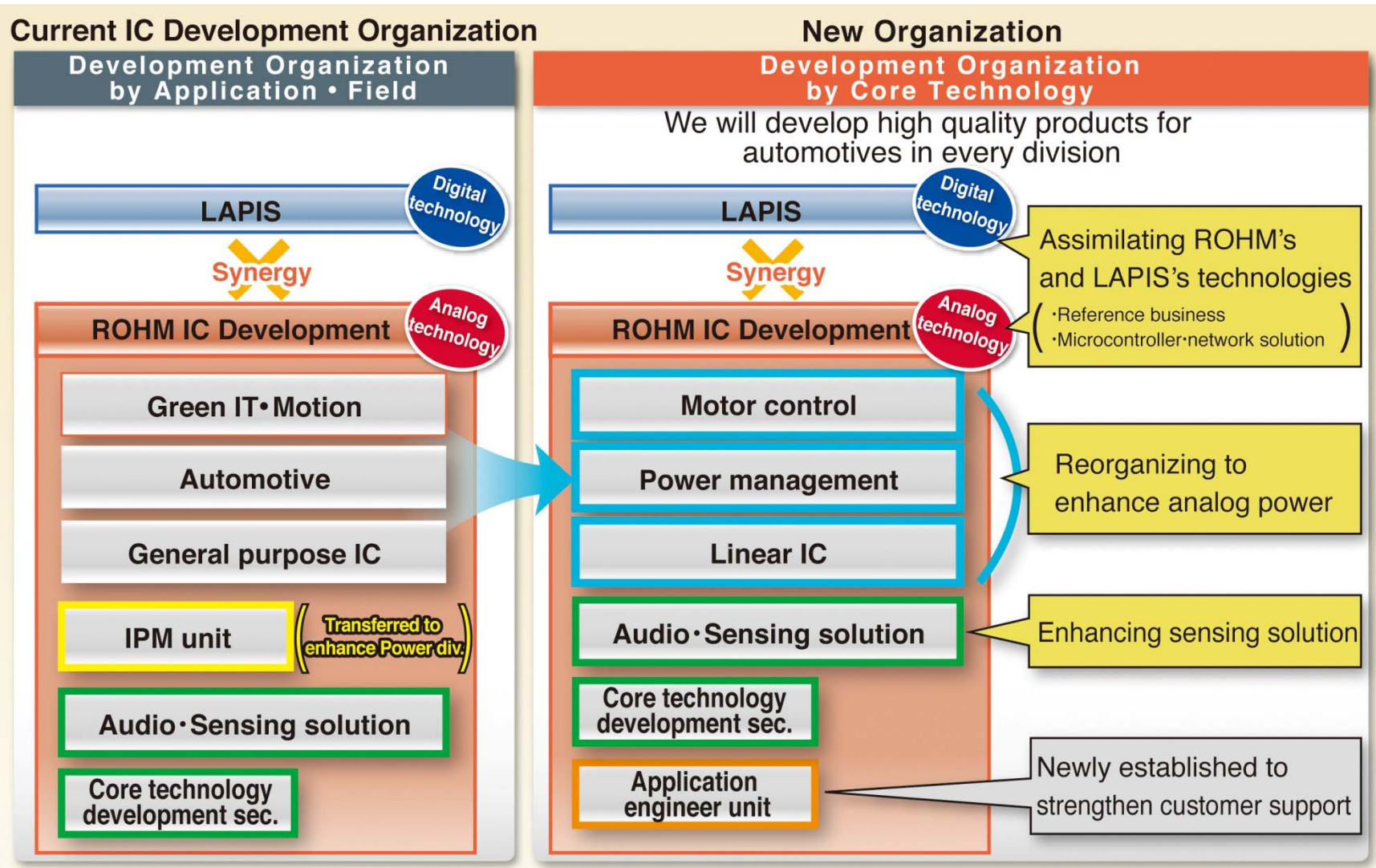
ROHM's Strategy

1. Market Reform ③ Enhancement of Technical Support



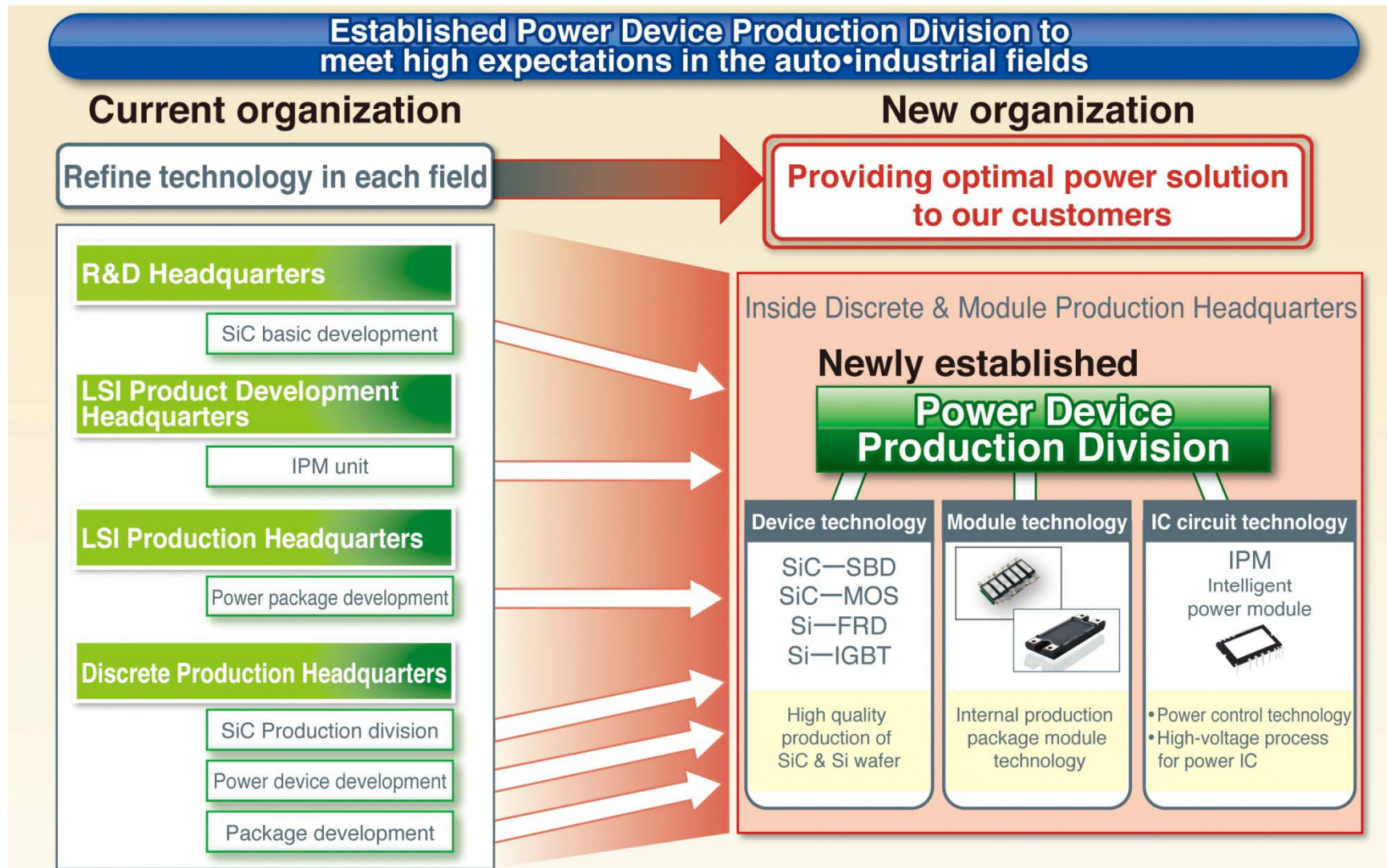
ROHM's Strategy

2. Product Reform ① Improving our Analog Power ICs Technology



ROHM's Strategy

2. Product Reform ②Enhancing our Power Devices



ROHM's Strategy

2. Product Reform ③LED Lighting Business

Focusing on B to B business

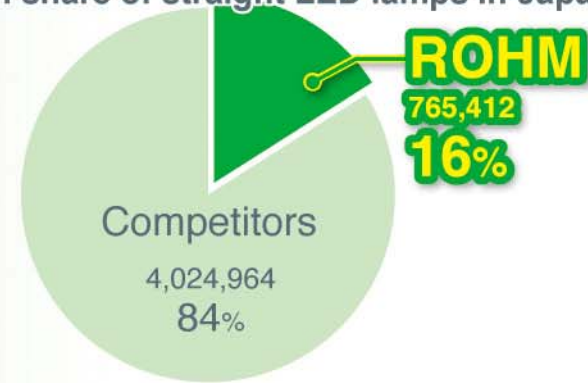
Mass production
launched in March 2014

Industry's highest efficiency
190lm/W

20% more efficient than competitors

**LED × Optical design ×
Power supply technology**

Maintaining high share of straight LED lamps in Japan



■ Domestic shipments (April, 2013 to March, 2014) 4,790,376

April, 2014
**Showroom
in front of
Kyoto station
OPEN**



ROHM's HEMS system

HEMS system using
wireless & sensor
technology



ROHM's Strategy

3. Structural Reform Improving profitability

Reorganization of front-end process finished for now

- ① **ROHM Hamamatsu**
300mm wafer BiC-DMOS 0.13μm process

Mass
production
schedule to
launch in
Sep., 2014

Combining the world's No.1 analog technology & microscopic digital circuit into 1 chip by optimizing process

Cost reduction by production innovation of the back-end process

- ① **Challenging to develop world's smallest devices (RAS MID™)**
- ② **Improving production efficiency by reinforcing technology of the mother factory in Japan**
- ③ **Achieving world's optimum production by reorganizing the back-end process**

ROHM's Strategy

4.R&D

Power

Cultivating new markets with demand of higher voltage & current

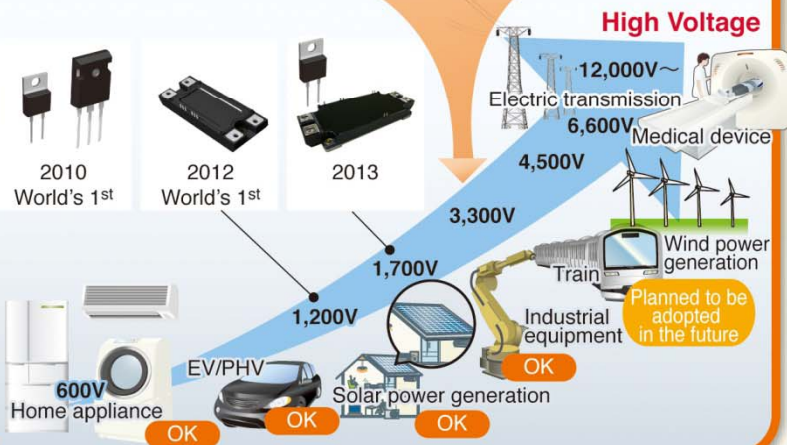
Industry's cutting edge technology
SiC-MOS

Packages
(Under development)

April,
2014

Achieved high
withstanding voltage
(4,200V)

Modules
(Under development)



Sensing

Strengthening medical & sensor network businesses

B-analyst

Blood Analysis System

Won prize by
commissioner
of patents



Under mass production Single item chip

Diabetes
marker

Infection
marker

Arterial
sclerosis
marker

Development of kidney
function marker completed

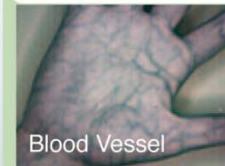
Further development to come!

March,
2014

**CIGS
image sensors**

Detects blood
vessels by infrared
ray & light

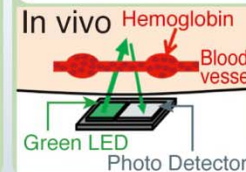
Apr., 2014 started to
collaborate with uni.



**Pulse wave
sensors**

Measures pulse &
HRV by optical
sensing technology

Jun., 2014 prototype
of wearable pulse
monitor completed



EnOcean

wireless systems
requiring no
power supply, battery,
wiring and maintenance

Feb., 2014 adopted in
Nara's Taima temple



ROHM's Strategy

5. Capital Expenditure

Investment to enhance analog power related equipments & improve quality

Analog Power

- Reinforcing ROHM Hamamatsu's 12 inch wafer
- Establishing mass production line of IGBT in LAPIS Miyazaki
- Expansion of IPM in RIST, others

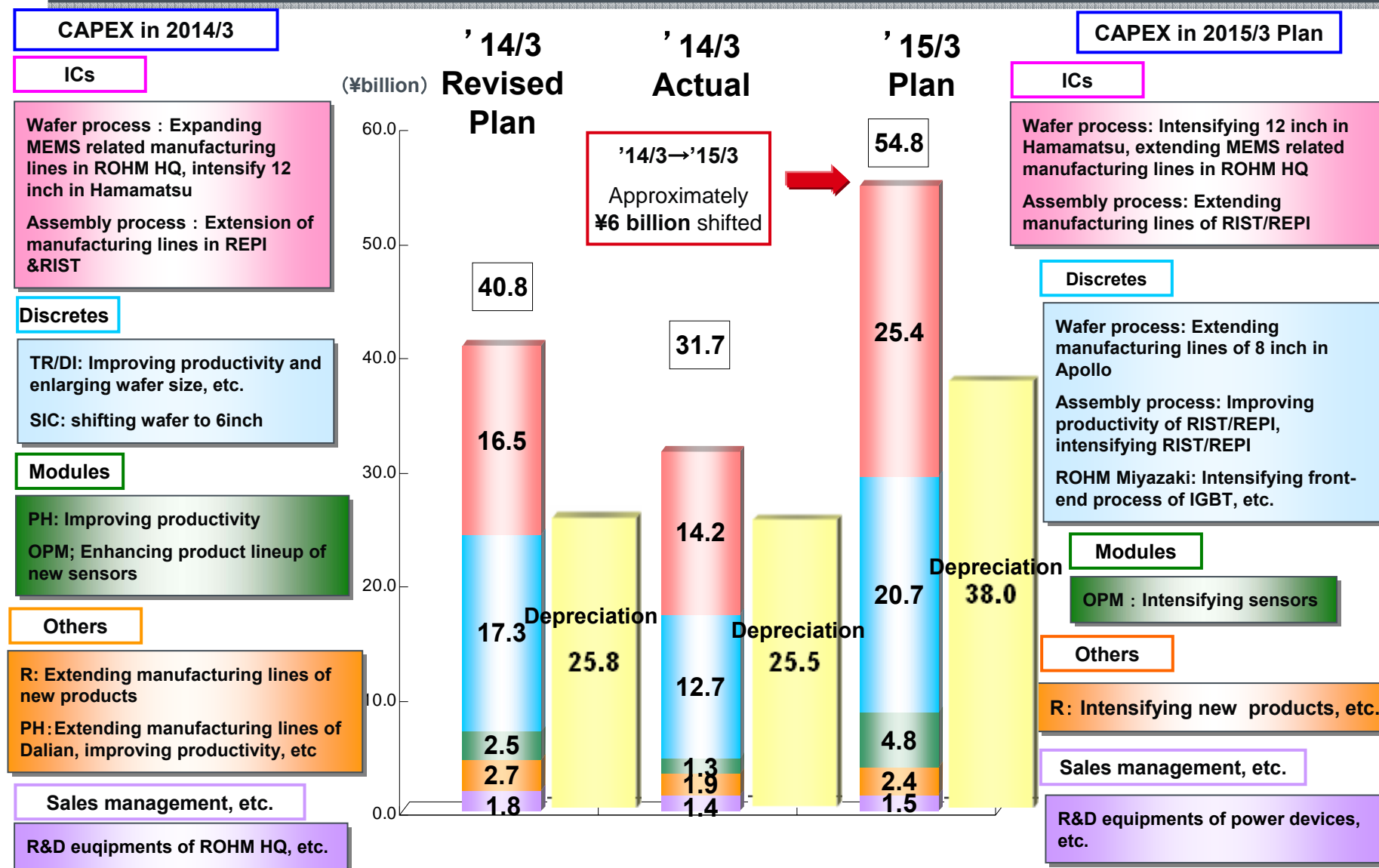
Quality Improvement

- Expansion of analysis, inspection, all quantity measuring equipments
- Expansion of highly-reliable and exclusive manufacturing lines for automotives
- Renewal of building incidental facilities, others

(¥ billion)

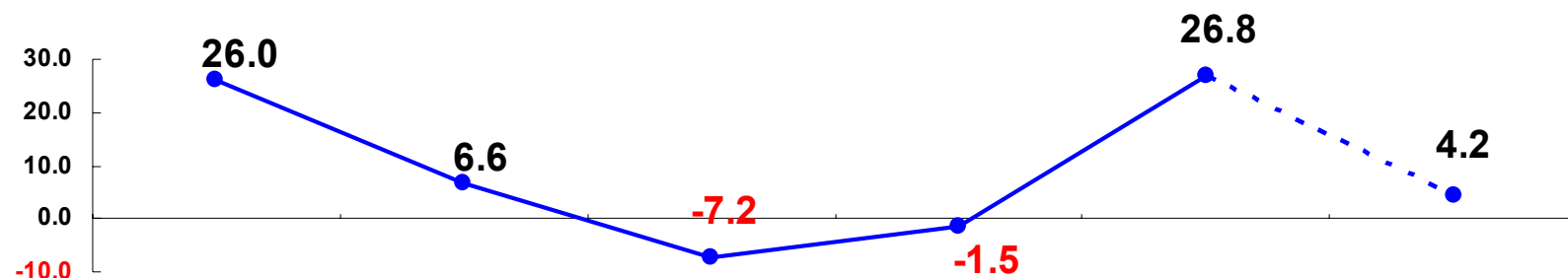
	Total	Improve capacity	New products	Improve quality	Others
'15/3 Plan	54.8	23.2	11.5	7.1	13.0
Ratio	100%	42%	21%	13%	24%

CAPEX

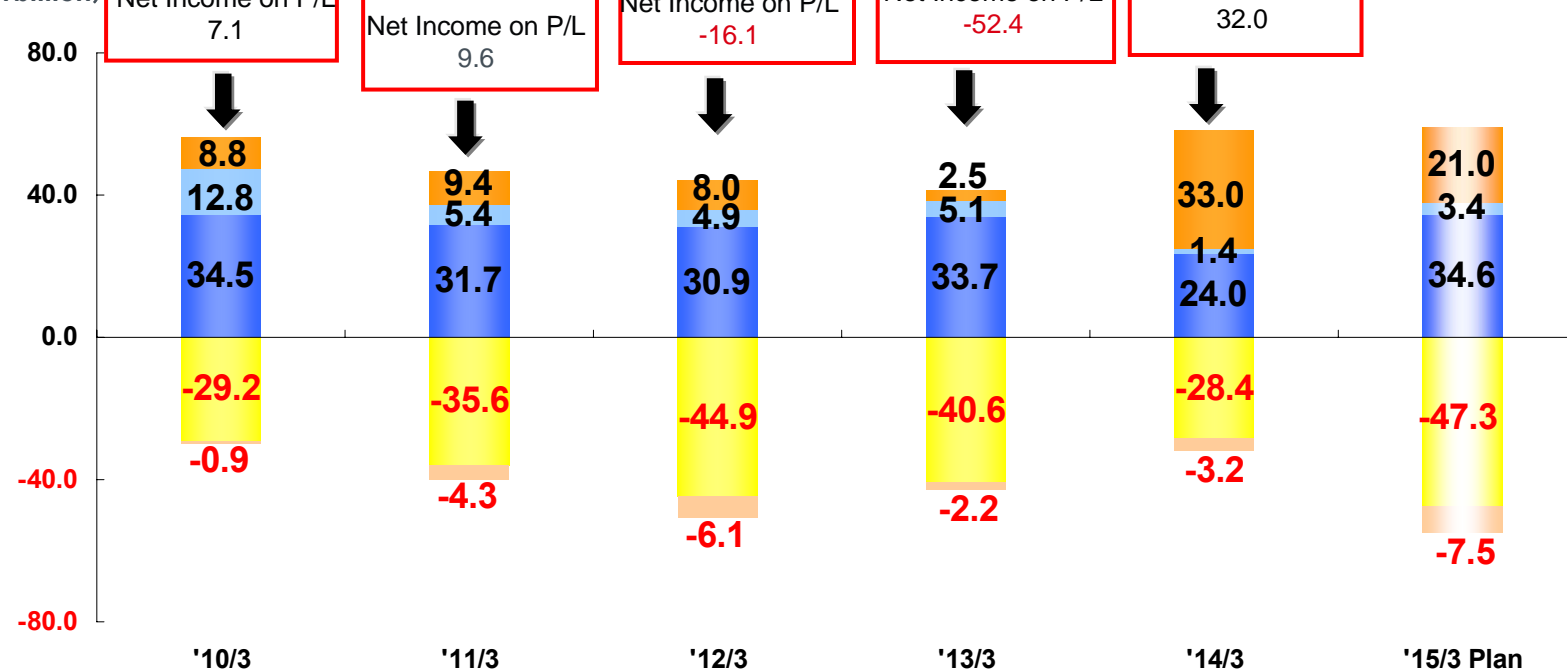


Net Income, Depreciation and CAPEX (Impairment Loss Excluded)

(¥billion)



(¥billion)



Net cash

Net Income

Depreciation
(LAPIS)

Depreciation
(ROHM)

CAPEX
(ROHM)

CAPEX
(LAPIS)

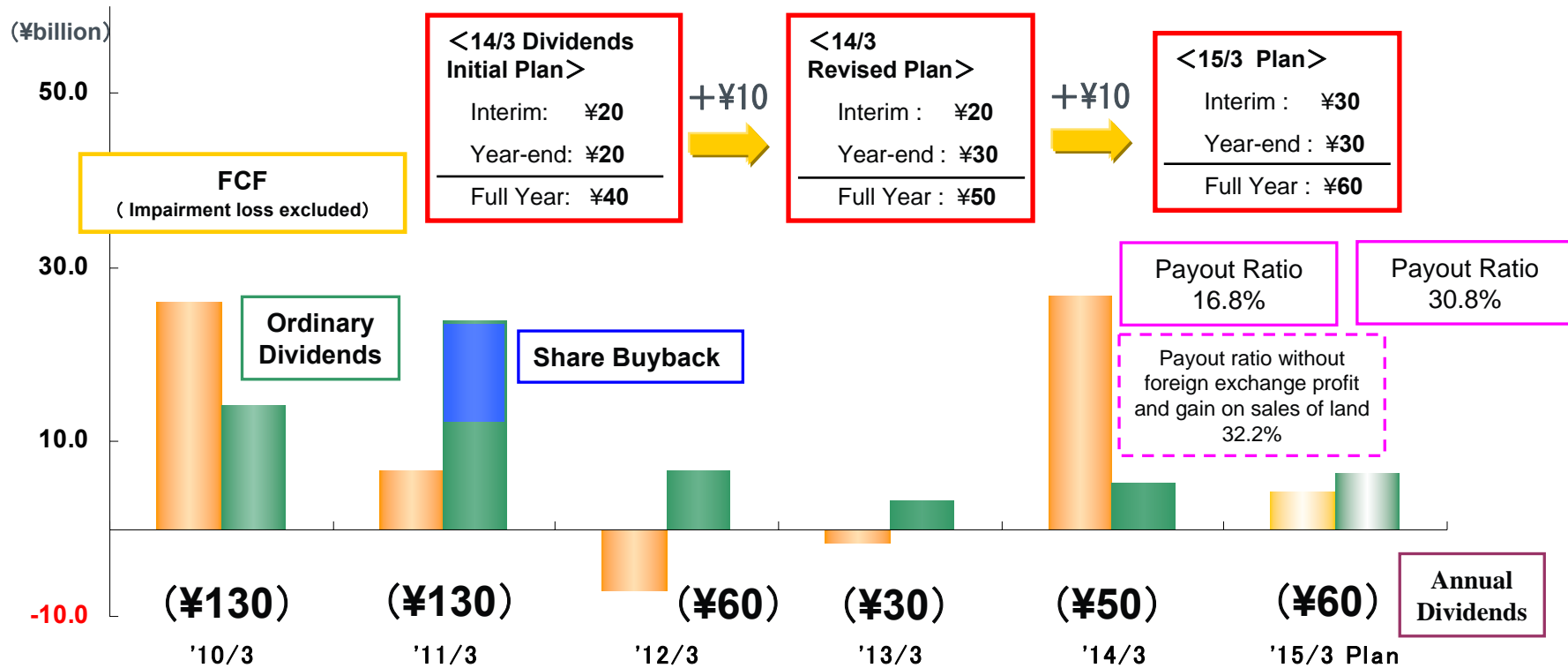
Year End Presentation

21

Return to shareholders

Return to shareholders policy

1. ROHM will make business investment such as CAPEX and M&A the first priority, and endeavor to improve business performance in medium to long term.
2. Our year-end dividend for '14/3 is ¥30, increased by ¥10 than our initial plan.
3. We will try to maintain over 30% of payout ratio from this fiscal year, and enhance our return to shareholders.



ICs Business Strategy

**Established analog IC technology base for auto and industrial,
Sharpened our competitive edge through high quality
and performance enabled by vertical integration**

1. Focusing on the auto market

- ICs for car information system, car body, power train, and safety device are being adopted by Japanese manufacturers
- We have begun customer support of ICs for car information system in overseas
- We have started from Europe, and then will shift to the U.S. and to Asia

2. Strengthening reference business

- Continuing to enhance platform business
- Collaborating development with new partners such as Freescale

3. Sensors

- Targeting autos, wearable, and mobile devices
- Providing total solutions with sensor devices, low power microcontrollers, and wireless communication

Discrete Semiconductors Business Strategy

Focusing ROHM's resources on **our strong technologies to sharpen **competitiveness****

Current strategies

- ① **Focusing on developing products for the power market**
- ② **Developing product lineup of the RASMID™ series by ROHM's innovative microminiaturization and highly precise process**
- ③ **Acquiring the world's No.1 share of small signal discrete semiconductors**

Further improvement

① **Power strategy**

- Developing product lineup of world's cutting edge SiC power devices
- Providing wide range of product lineup than competitors
- Promoting ROHM's IPM to customers

② **Small signal strategy**

- Delivering RASMID™ to customers
- Installing cutting edge manufacturing lines
- Expanding reference business

Note Regarding Future Forecasts

The forecast statements in this report are based on information currently available and deemed by ROHM Group as reasonable, and therefore, are not intended to guarantee to be achieved by ROHM Group, and actual results may differ materially by various factors. ROHM Group does not bear responsibility to update and disclose any future forecasts in this report.

Also, since the purpose of this report is to provide an outline of business performance, many figures are shown in unit of a billion yen, therefore, totals and differences of figures may appear inaccurate. Please refer to our Financial Report for detailed figures.

