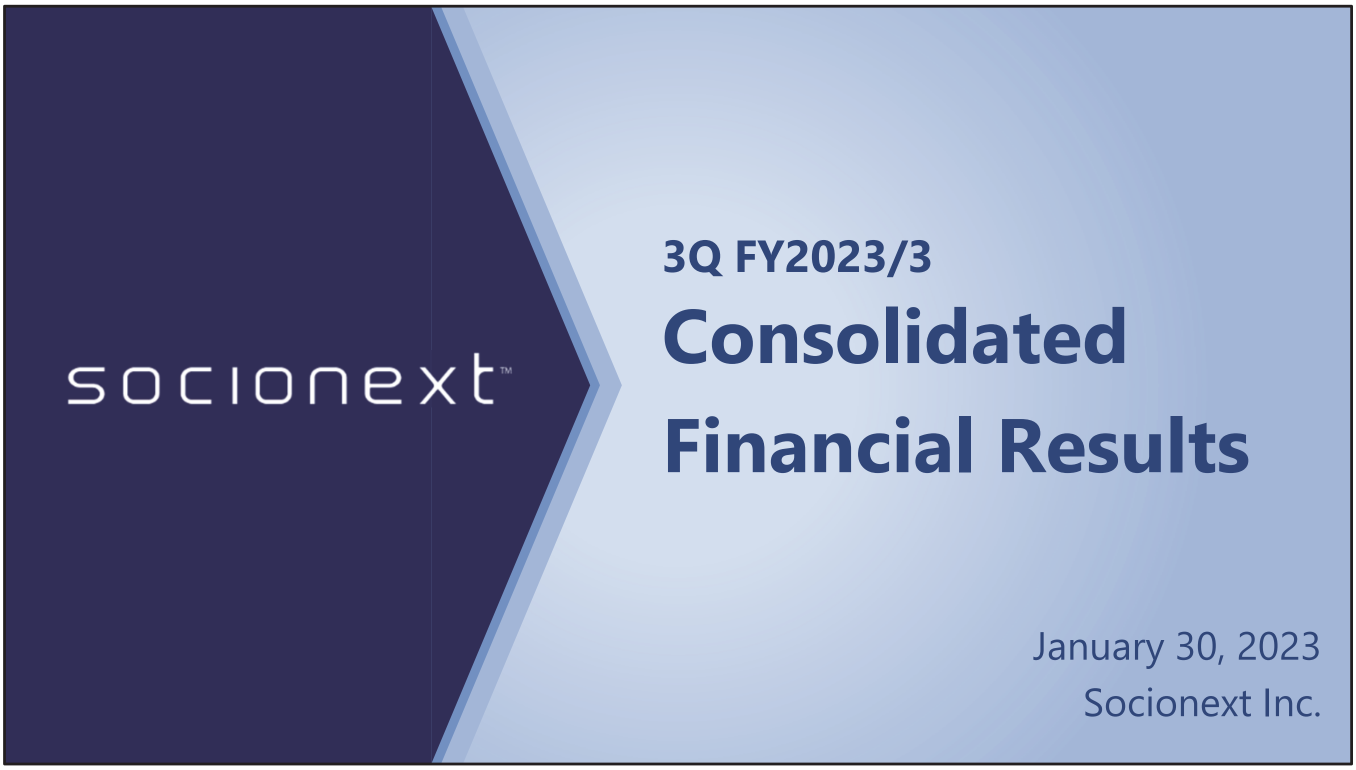


Thank you all for taking time today.
This is Masahiro Koezuka, CEO of Socionext.

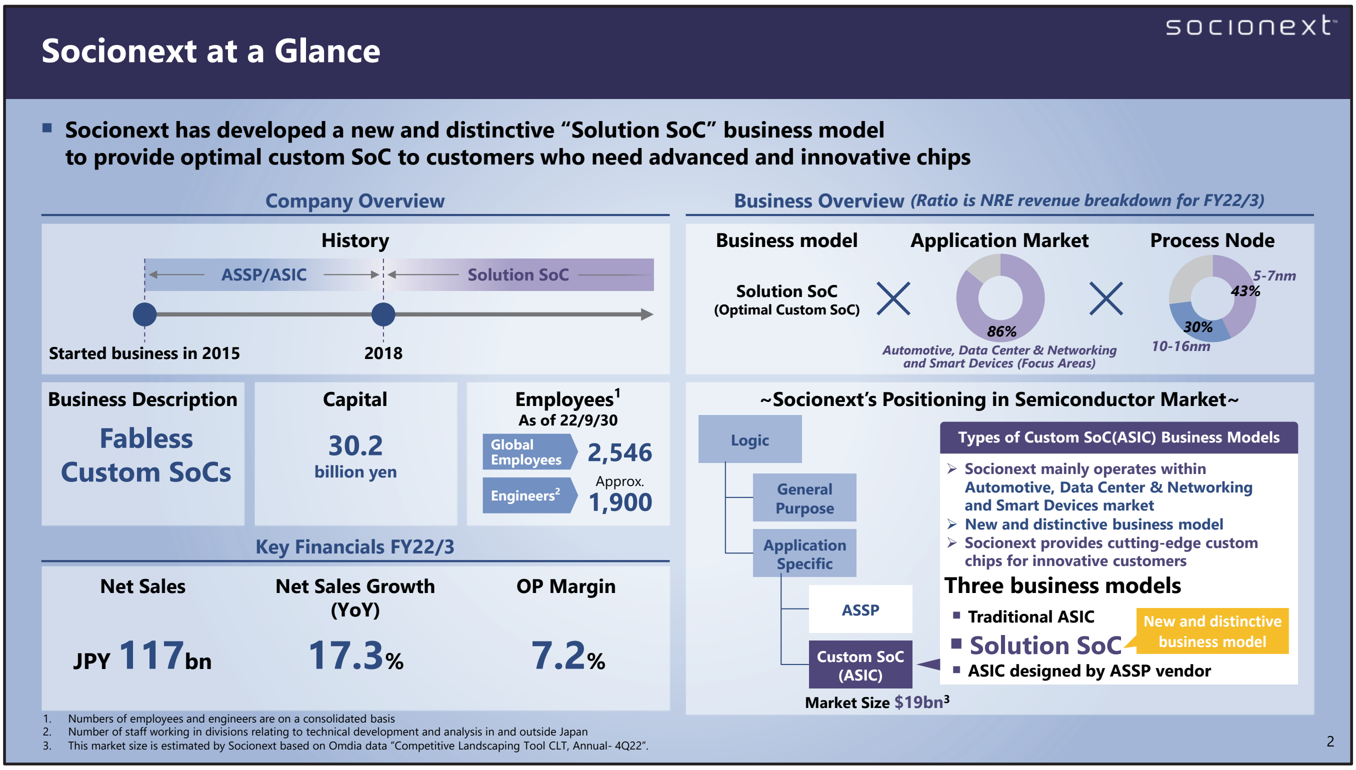
Let me start with a quick overview of the company, followed by the 3rd quarter earnings as well as other additional information.

socionext™

Introduction

- ***Socionext at a Glance***
- ***Solution SoC Business Model***
- ***Transformation***
- ***Market***

Consolidated Financial Results
for the 9 Months Ended December 31, 2022
Mid-Term Financial Model



This slide shows an overview of the company.

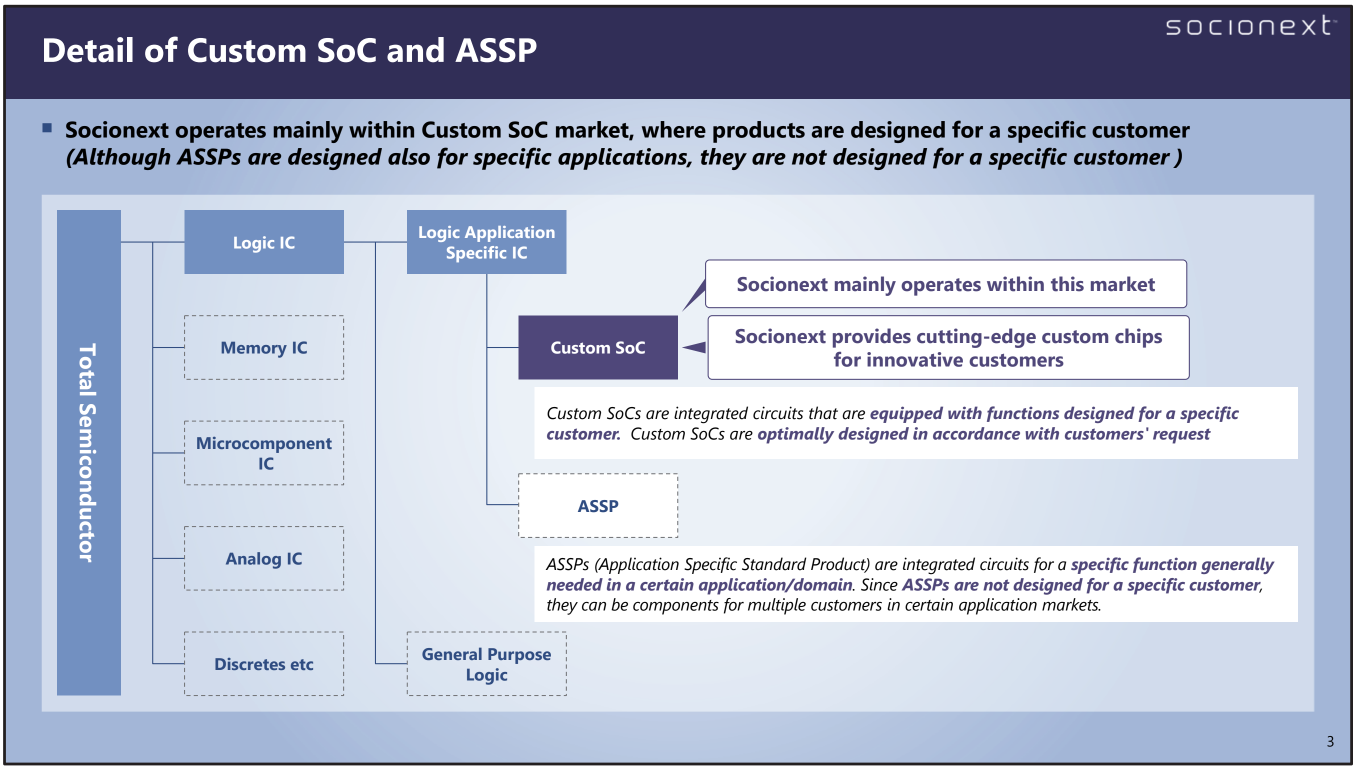
We are a fabless semiconductor company that provides custom SoCs. Within the custom SoC market, we have developed a new and distinctive business model that we refer to as "Solution SoC".

Our market areas of focus include Automotive, Data Center & Networking and Smart Devices.

We believe that our new and distinctive business model "Solution SoC" has better competitive edge over custom SoCs provided by traditional ASIC or by ASSP vendors. In particular, we believe we have a greater advantage, especially in the automotive market.

We focus on such market areas where solid growth is expected.

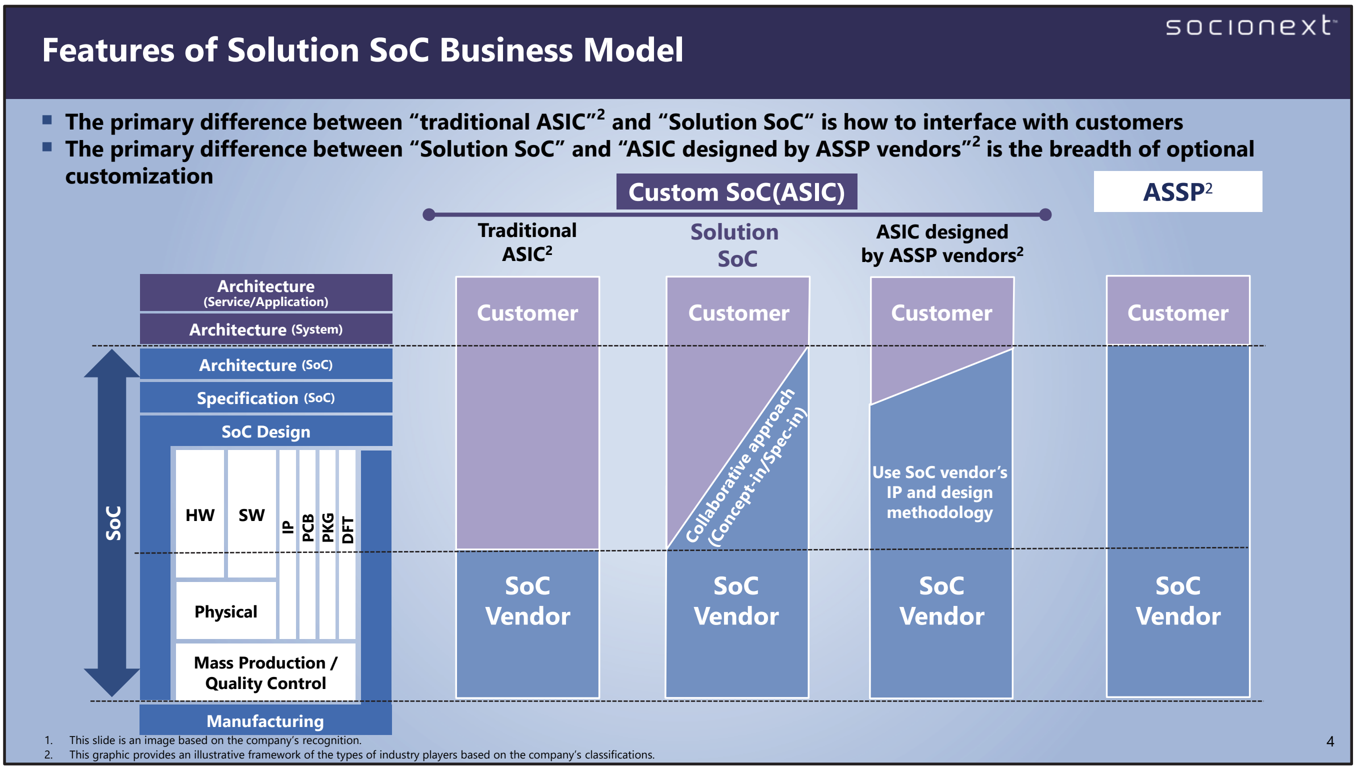
We also believe that our business model is gaining more support from advanced and innovative customers who are not satisfied with custom SoCs provided by traditional ASIC or by ASSP vendors.



This slide shows where custom SoCs and ASSPs are positioned in the larger semiconductor market.

We operate mainly in the custom SoC market, where an SoC is designed for a specific customer. Those who are not satisfied with ASSPs would use custom SoCs.

ASSPs are similar with custom SoCs in a sense that they are designed for a specific application. However, ASSPs are intended for multiple users and are not designed to meet the specific needs or requirements of a particular customer.



This slide shows the features of our Solution SoC business model as compared with other business models. Our solution SoC can be categorized as a type of Custom SoC, but we characterize it as new and distinctive.

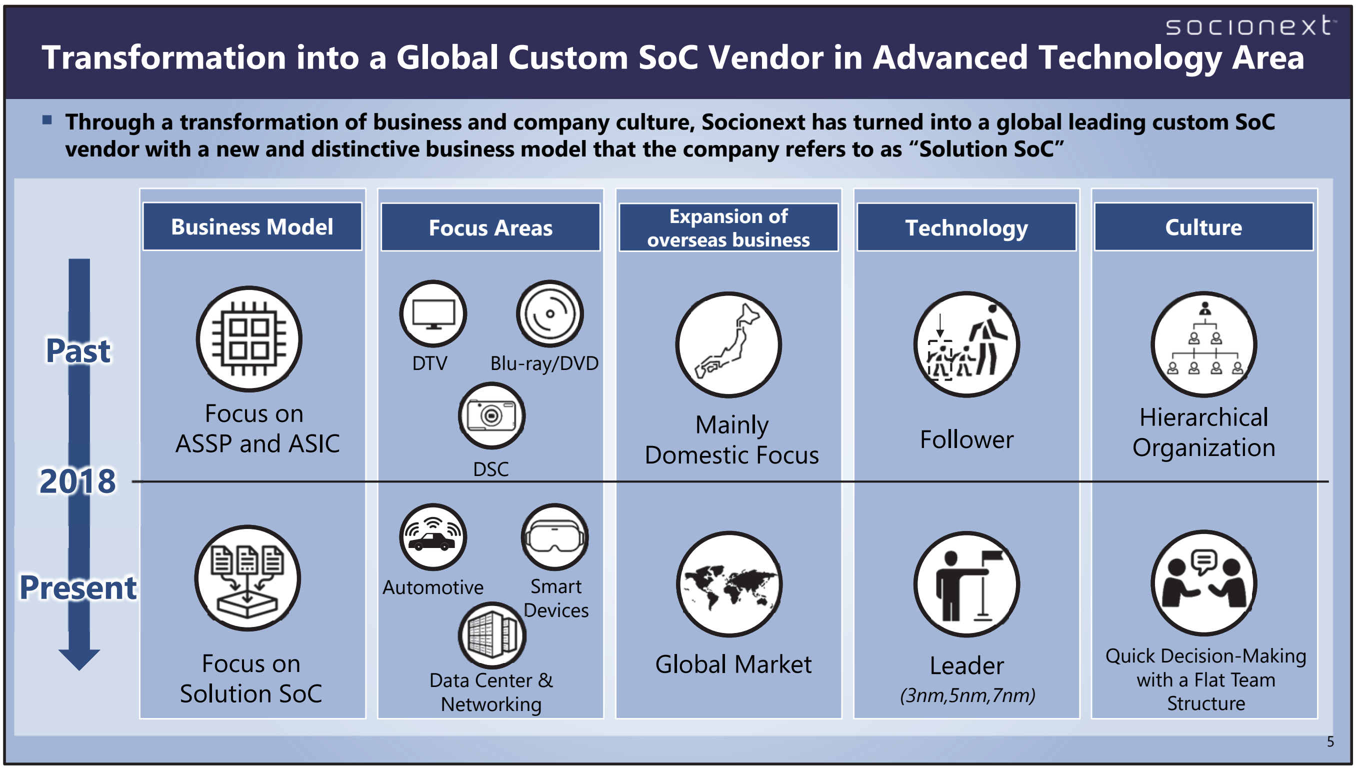
With the Solution SoC business model, we work with customers from the upstream stage of SoC development and define the SoC architecture and specifications.
We call this design and develop method a "collaborative design approach".

The primary difference between traditional ASIC and the Solution SoC model is how to interface with customers.

Traditional ASIC vendors simply receive the specifications from customers and conduct physical design. Customers need to have their own capabilities and resources for the upstream design.

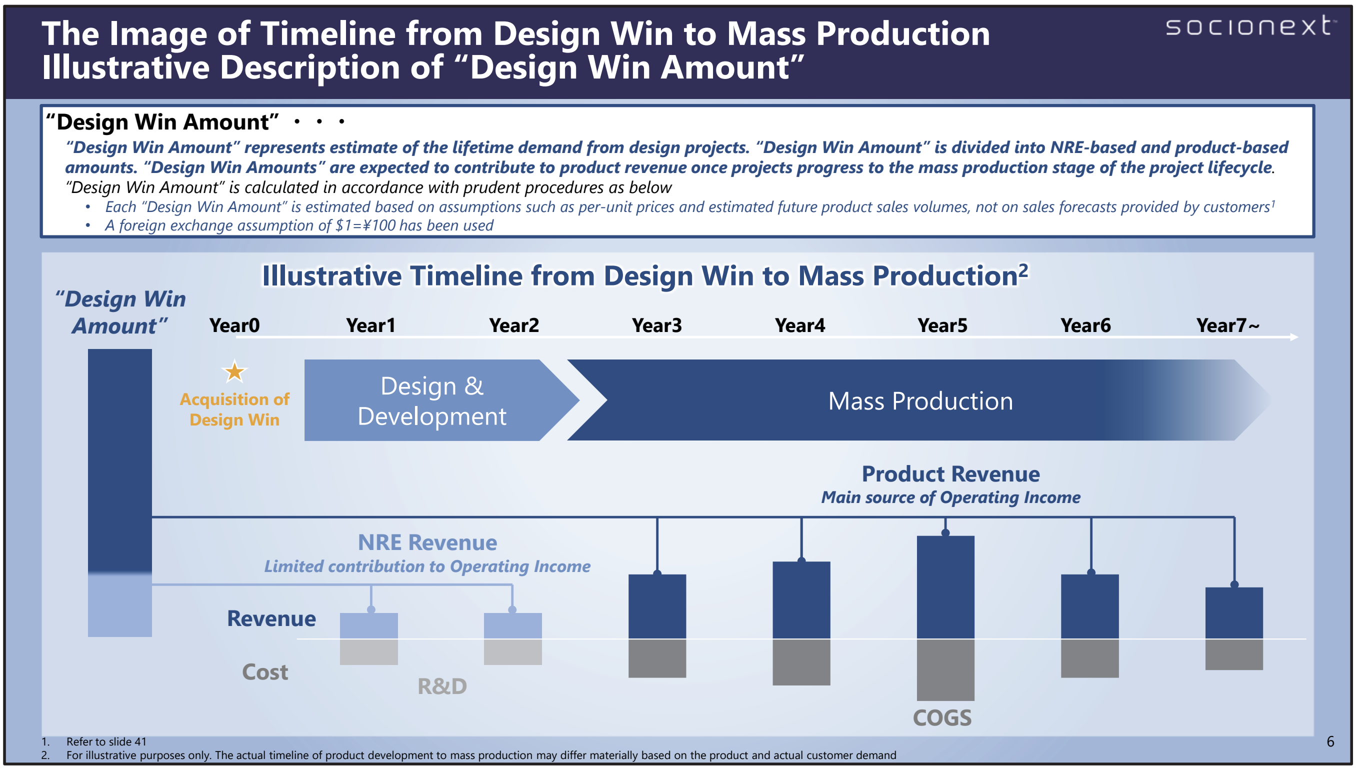
On the other hand, Socionext is able to provide custom SoCs for wider range of customers through its collaborative approach, including emerging companies who cannot perform, or do not have enough resources to perform upstream SoC design.

I would also like to note that we can provide optimized custom SoCs based on the deep understanding of the customers' both software and hardware.



This slide shows how we went through our transformation.

In 2018, I took over as the CEO and implemented a transition from ASSP and traditional ASIC businesses to a new and distinctive business model that we refer to as "Solution SoC".

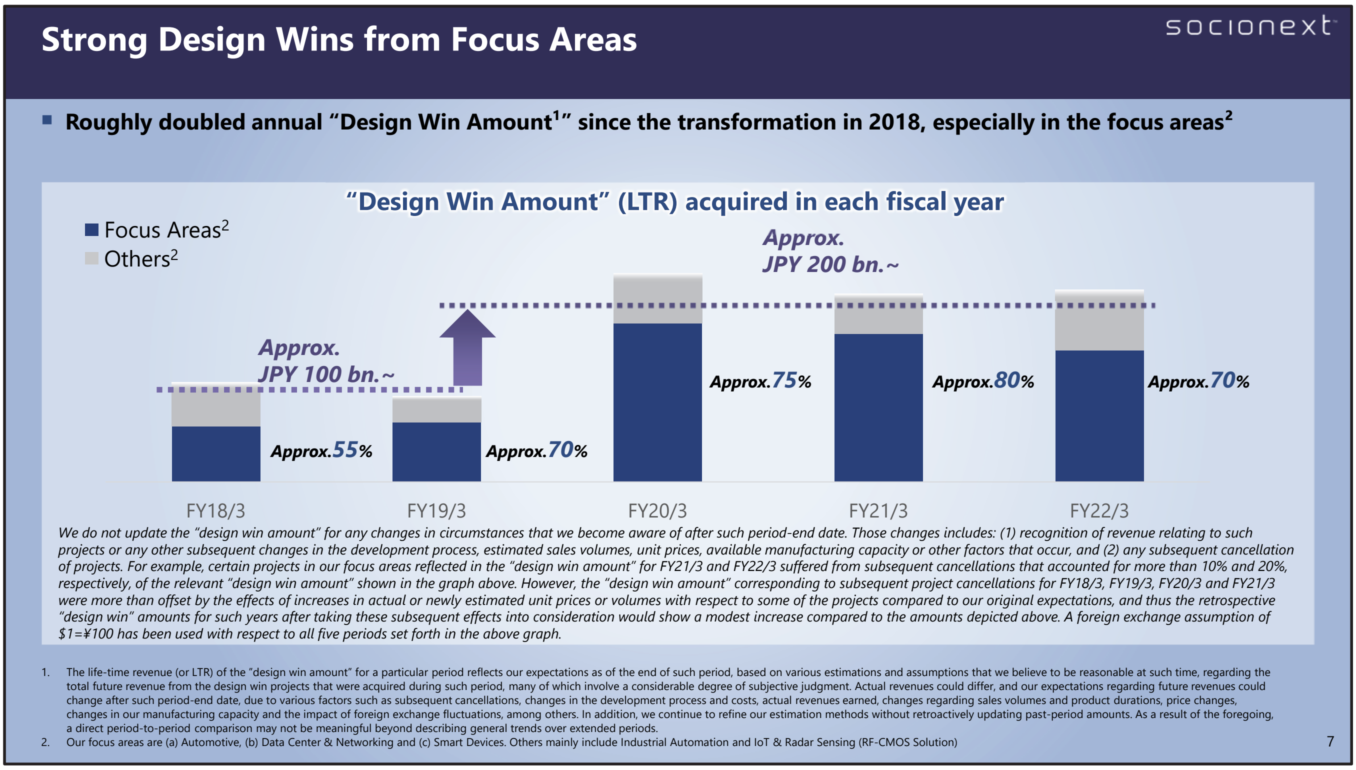


This slide illustrates a general timeline from a design win to mass production.

Our typical business flow is to acquire a design win first, which leads to NRE revenue during the design and development stage, followed by the mass production stage where we generate product revenue.

"Design win amount" represents our estimate of the lifetime demand from a project for which we acquired the design win, at the time when we enter into the contract.

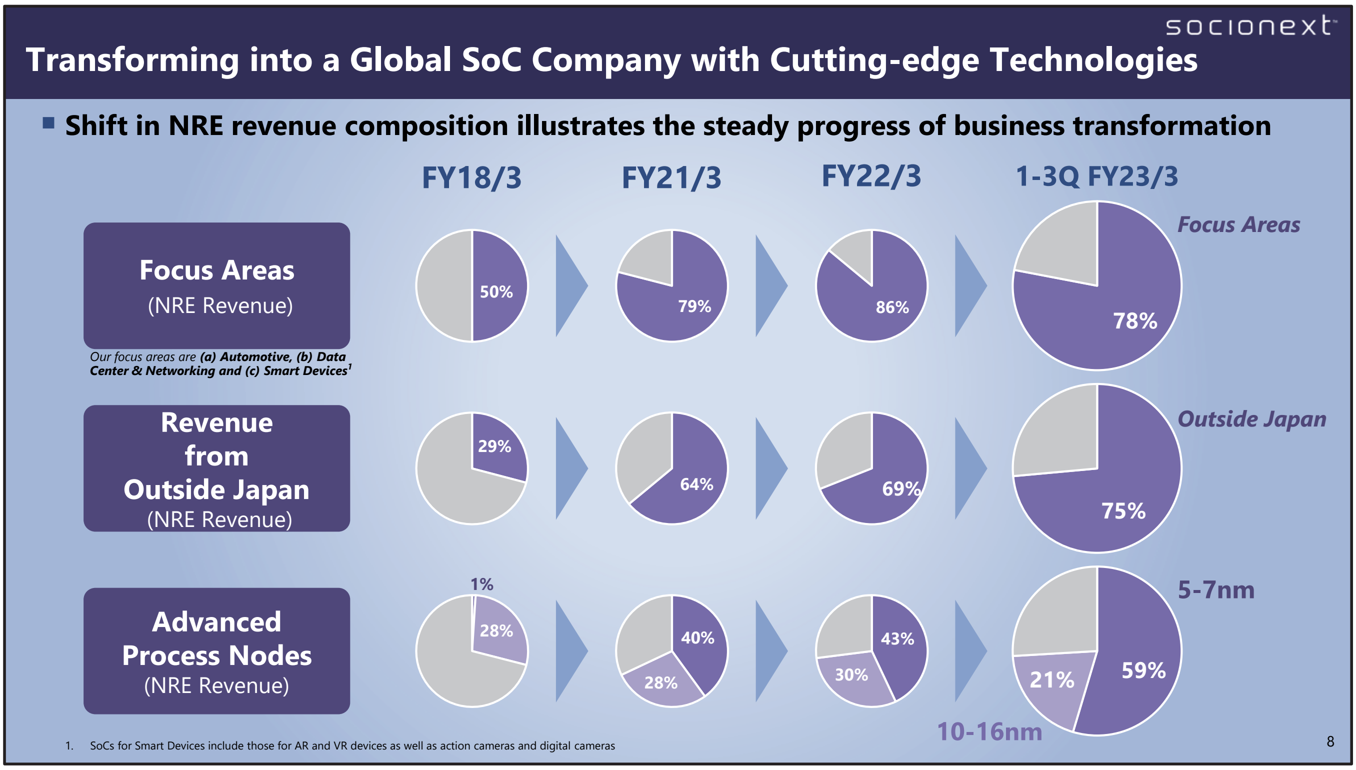
Please note that we estimate Design Win Amount based on various assumptions.



This slide illustrates the recent increase in the design win amount.

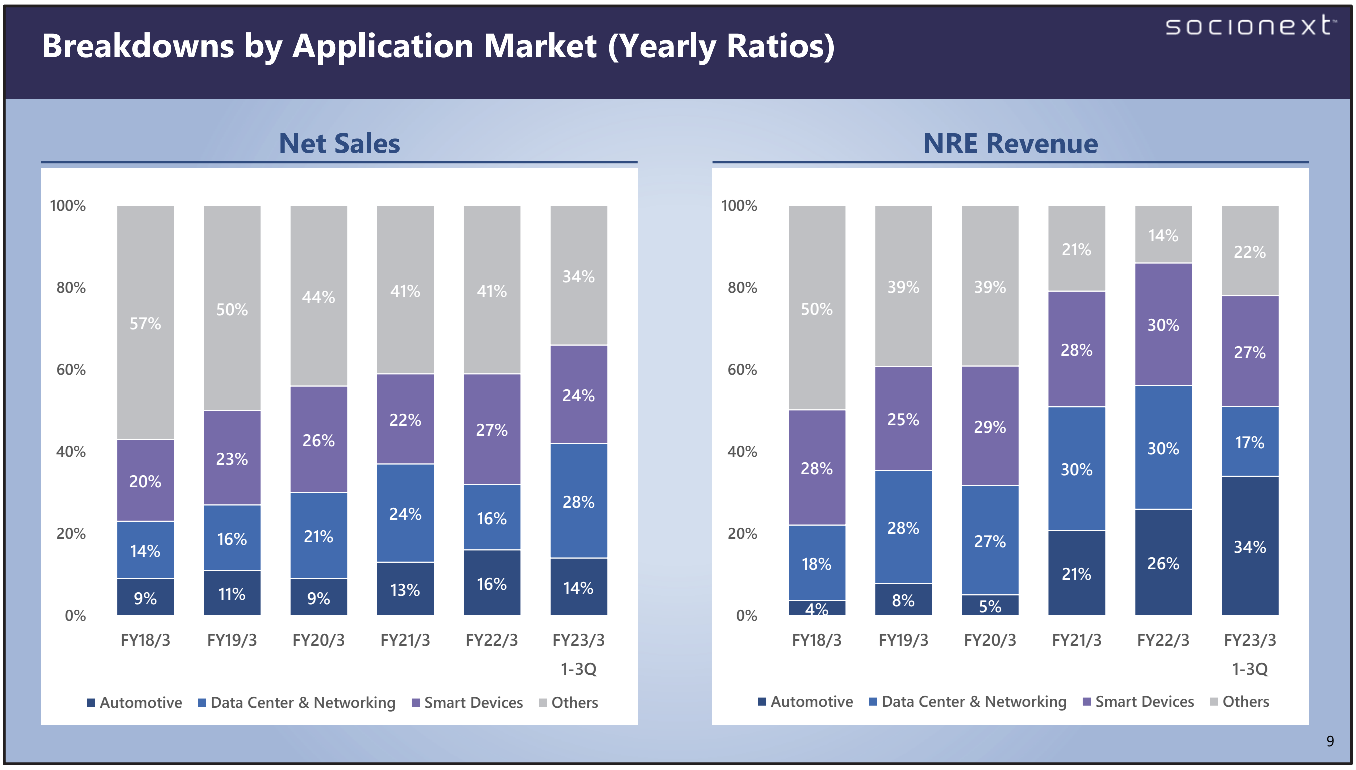
Since we began implementing our business transformation in 2018, we have gained more design wins in global and large-scale projects, especially in our focus areas such as "Automotive", "Data centers & Networking" and "Smart Devices", where high growth is expected.

Particularly in our focus areas, Design Win Amount increased in the fiscal year March 2020, and we have been maintaining high level of design wins amounts since then.



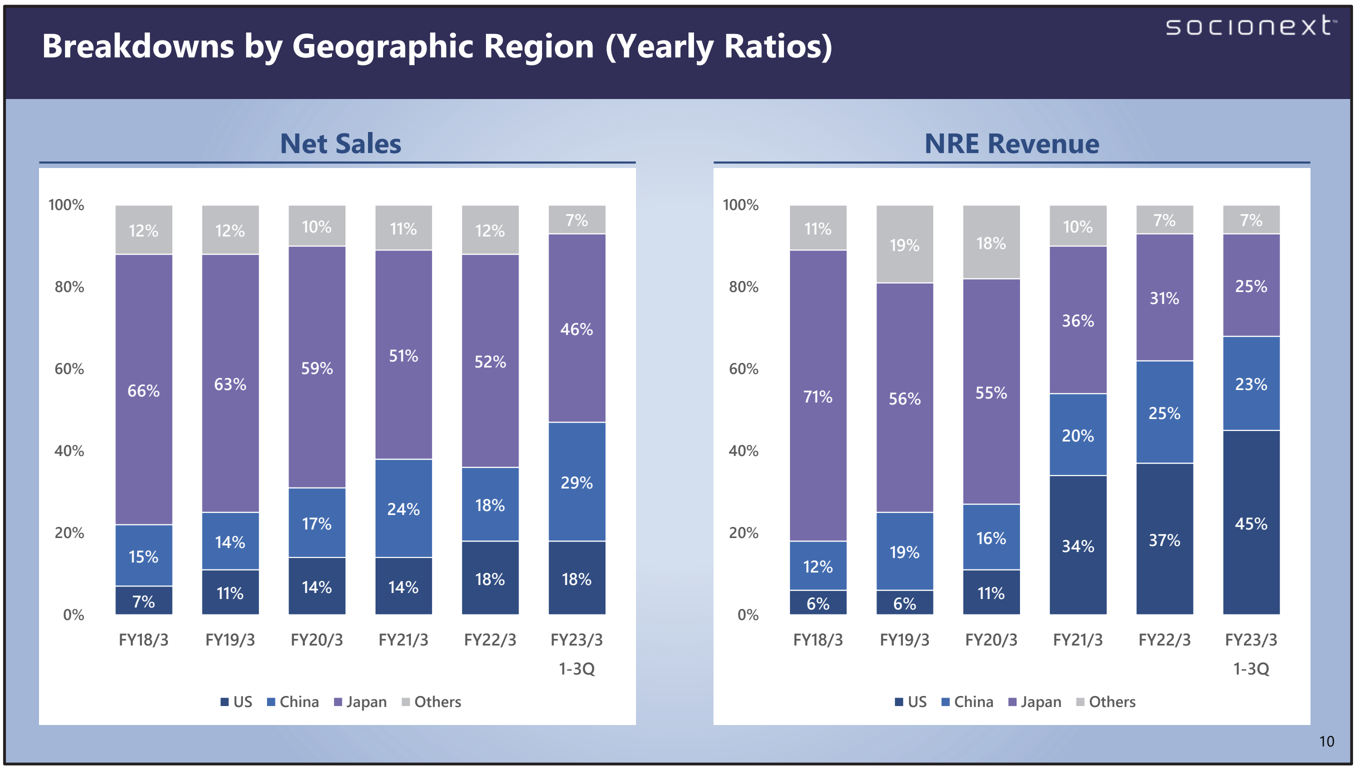
This slide shows the results of our business transformation using the actual figures of our NRE revenues.

You can see increase in our business in our focus areas, with customers from outside of Japan, and with advanced process nodes, all indicating the company's transformation into a global and leading SoC vendor.



The breakdown of net sales and NRE revenue by application markets, for each year since fiscal year March 2018 are presented on this slide.

For both net sales and NRE revenue, we see increase in ratio of our three focus areas, especially in “Data center & Networking” and “Automotive”.

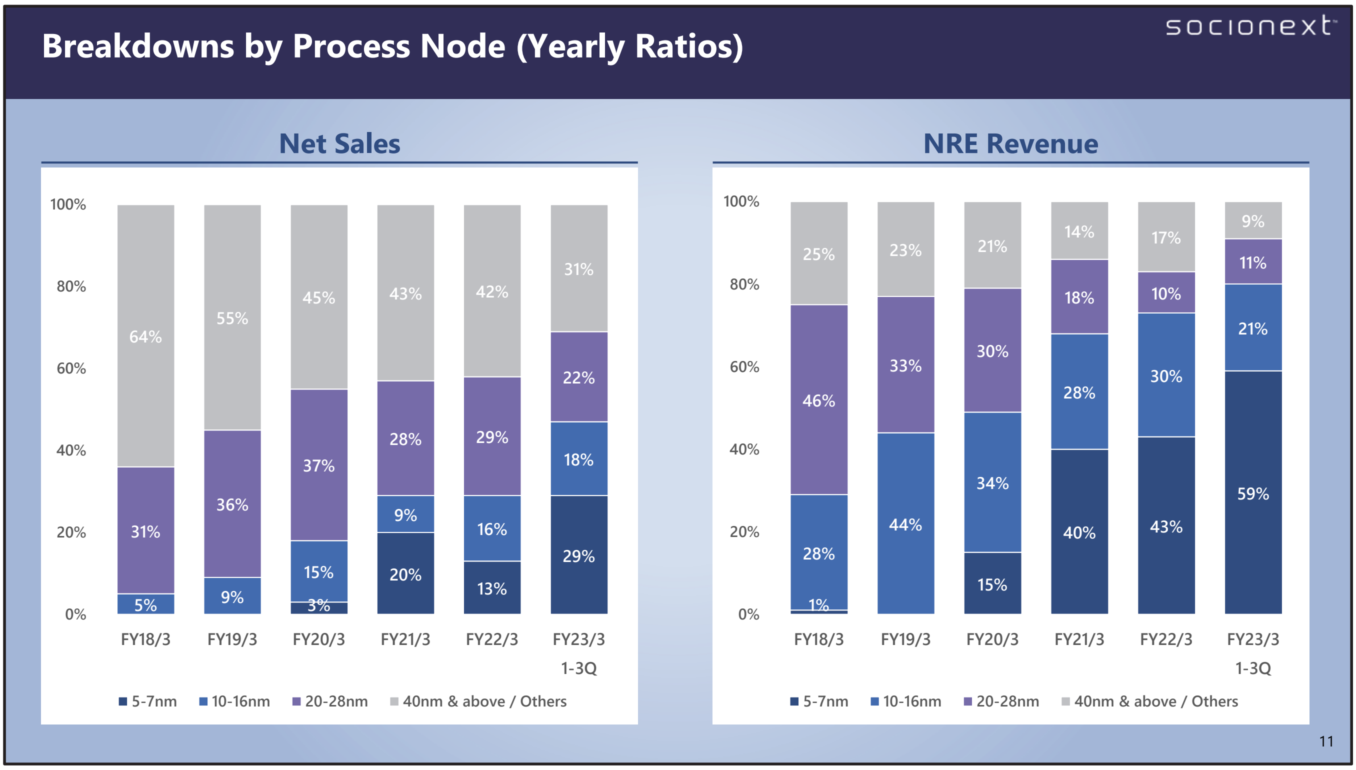


This page shows the breakdown of net sales and NRE revenue by region.

We see a shift in both net sales and NRE revenue that we have more businesses with customers from outside of Japan, especially in the US and China.

As for the actual amounts, both net sales and NRE revenue from Japanese customers are leveling off, and those from customers outside of Japan are increasing.

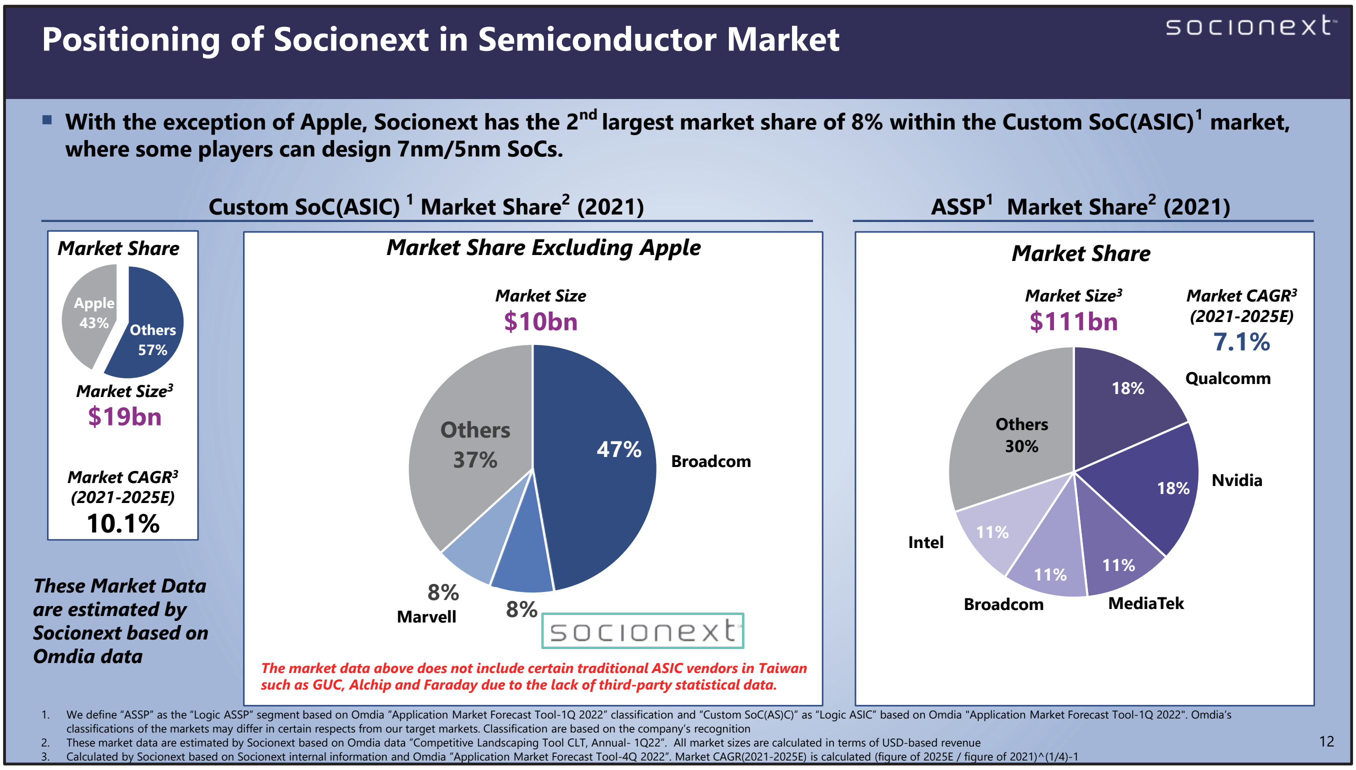
More than 50% of the net sales, and approximately 70% of the NRE revenue, are from overseas customers now.



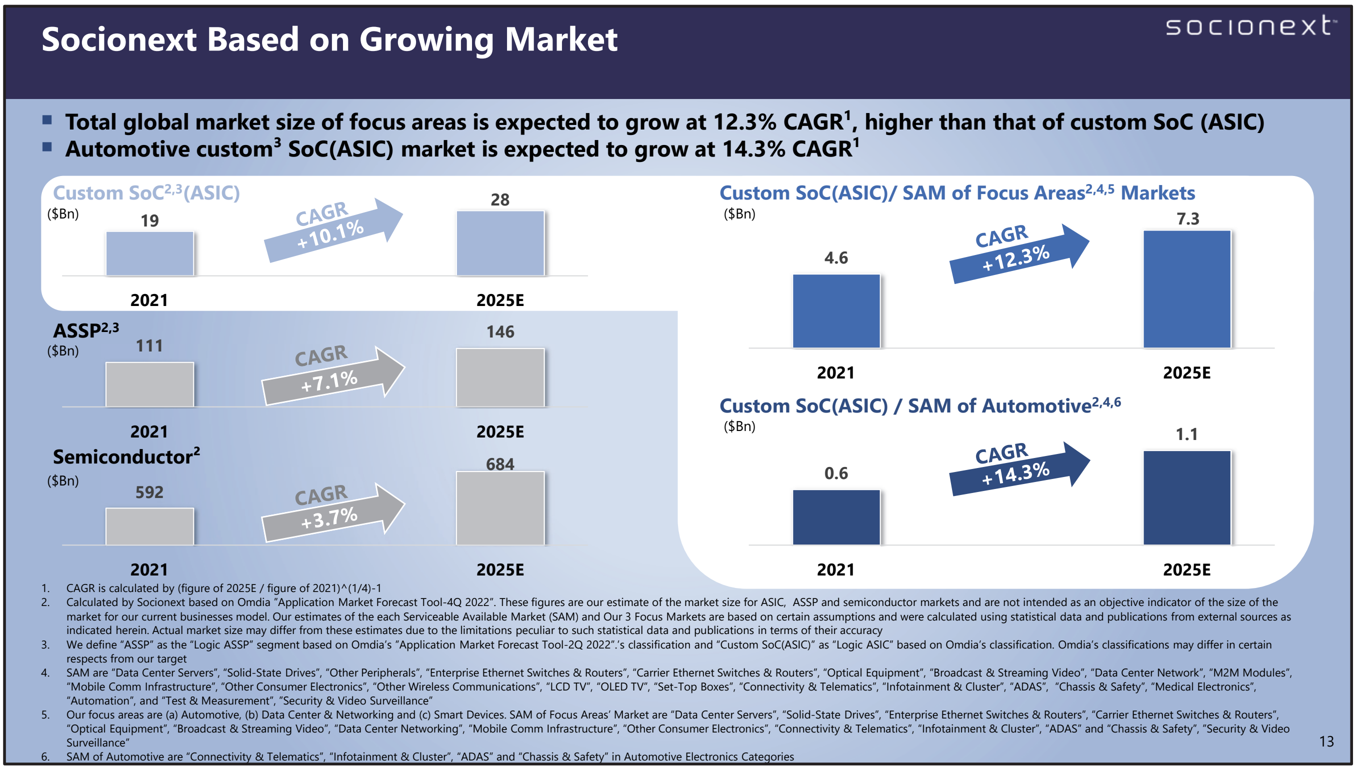
This page shows the breakdown of net sales and NRE revenue by process technology node.

We see a shift in both net sales and NRE revenue, to the projects with more advanced technology nodes.

We have already started shipping of products with 7nm or more advanced technologies.



In the Custom SoC market, Socionext is the second largest player if you exclude Apple, who develops custom SoCs only for its own products.



This slide illustrates the compound average growth rate of our target markets.

According to Omdia, the market for custom SoCs is expected to grow at 10.1% CAGR from 2021 to 2025, and our focus market areas are expected to grow faster than the total custom SoC market.

The CAGR of SAM for our three focus markets is 12.3%, and it is 14.3% for the Automotive.

socionext

Introduction

Consolidated Financial Results
for the 9 Months Ended December 31, 2022

– *Actual Consolidated Financial Results*
– *Forecast Consolidated Earnings*

Mid-Term Financial Model

3Q FY23/3 Consolidated Statements of Income

socionext

(Yen in billions)

	FY22/3 1Q	FY22/3 2Q	FY22/3 3Q	FY22/3 4Q	FY23/3 1Q	FY23/3 2Q	FY23/3 3Q	YoY	YoY %
Net Sales	27.1	28.3	29.8	31.8	39.9	42.8	**56.1**	26.3	88.1%
Product Revenue	19.2	21.2	20.4	23.7	31.0	35.3	**43.9**	23.5	114.9%
NRE Revenue	6.4	6.4	7.7	7.5	8.7	7.4	**11.5**	3.8	48.9%
Others	1.5	0.7	1.6	0.5	0.2	0.2	**0.6**	-1.0	-61.5%
Cost of Goods Sold	11.9	12.2	12.1	13.5	19.9	22.1	**31.8**	19.7	162.3%
Selling, General and Administrative Expenses	14.4	13.6	15.3	15.5	14.5	15.9	**18.0**	2.7	17.4%
R&D	10.4	10.0	11.5	11.3	10.6	11.5	**13.4**	1.9	16.4%
SG&A	4.0	3.7	3.8	4.2	3.9	4.4	**4.6**	0.8	20.7%
Operating Income	0.8	2.5	2.4	2.7	5.6	4.9	**6.3**	3.9	165.0%
Margin	3.0%	8.9%	8.0%	8.7%	14.0%	11.4%	**11.2%**	+3.2%pt	
Profit	0.2	2.4	2.1	2.8	5.1	5.0	**5.2**	3.2	155.0%
Margin	0.6%	8.6%	6.9%	8.9%	12.7%	11.6%	**9.3%**	+2.4%pt	
FX Rate (USD/JPY)	109.5	110.1	113.7	116.2	129.6	138.4	**141.6**		

*Quarterly financial results of FY22/3 are unaudited・unreviewed by external auditors

15

In this and following slides we will talk about our third quarter financial results.

The net sales were 56.1 billion yen in the third quarter (the 3-month period ended Dec.31, 2022), an increase of 88.1% from the same period of the previous fiscal year(the 3-month ended Dec.31, 2021)

The operating income was 6.3 billion yen in the third quarter (the 3-month period ended Dec.31, 2022), an increase of 165.0% from the same period of the previous fiscal year(the 3-month ended Dec.31, 2021)

The increase in both net sales and operating income was due mainly to the start of mass production of the large-scale design wins acquired since 2019.

In this quarter, we saw increase in net sales and operating income as we secured production capacity, which was previously a constraining factor for sales growth.

Due to temporary costs incurred to secure production quotas and changes in product mix, product gross margin rate declined and growth of operating income was somehow limited compared to sales growth. However, these results are mostly in line with our expectations.

Cost of sales ratio increased due to one-time expense for securing production capacity.

In addition, product mix change due to higher sales than our expectation is one of the factors for the increase in cost of sales ratio. While sales and profits have increased, there has been a slight decline in gross margin due to such factors.

As for R&D costs, IP and reticle depreciation were treated as one-time costs. NRE for this portion is recorded.

1-3Q FY23/3 Consolidated Statements of Income

socionext

(Yen in billions)

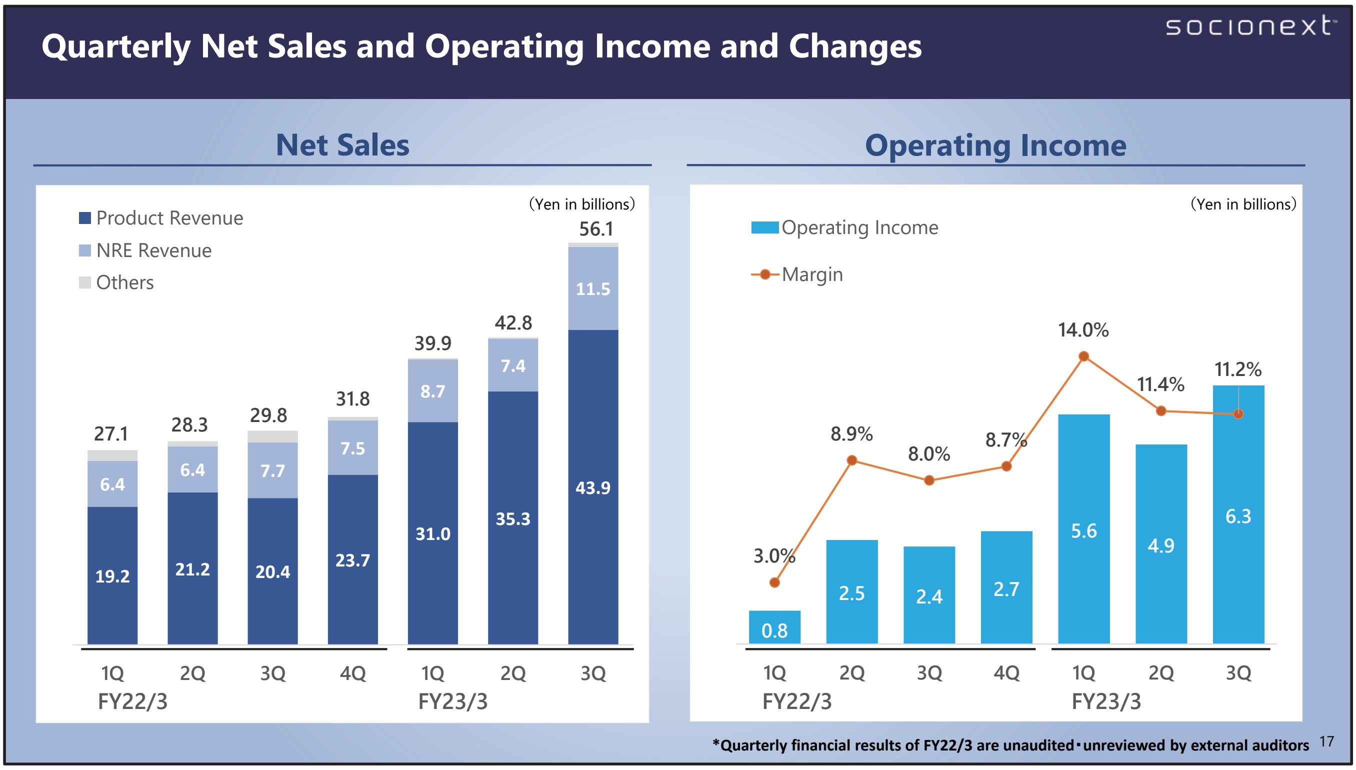
	1-3Q FY22/3	1-3Q FY23/3	YoY	YoY %
Net Sales	85.3	138.8	53.6	62.8%
Product Revenue	60.9	110.2	49.4	81.1%
NRE Revenue	20.6	27.6	7.0	34.3%
Others	3.8	1.0	-2.8	-74.1%
Cost of Goods Sold	36.2	73.8	37.6	103.7%
Selling, General and Administrative Expenses	43.3	48.3	5.0	11.5%
R&D	31.9	35.5	3.6	11.2%
SG&A	11.4	12.8	1.4	12.4%
Operating Income	5.7	16.7	11.0	193.0%
Margin	6.7%	12.1%	+5.4%pt	
Profit	4.7	15.2	10.6	227.8%
Margin	5.5%	11.0%	+5.5%pt	
FX Rate (USD/JPY)	111.1	136.5		

*Quarterly financial results of FY22/3 are unaudited · unreviewed by external auditors

16

From first to third quarter, net sales increased by 53.6 billion yen, 62.8%, and operating income increased by 11.0 billion yen, 193.0%.

The year-to-year variation factors are generally similar to those for the third quarter alone, as described on the previous page.



This slide shows the trend of net sales and operating income from the first quarter ended June 30, 2021 to the latest third quarter ended Dec. 31, 2022.

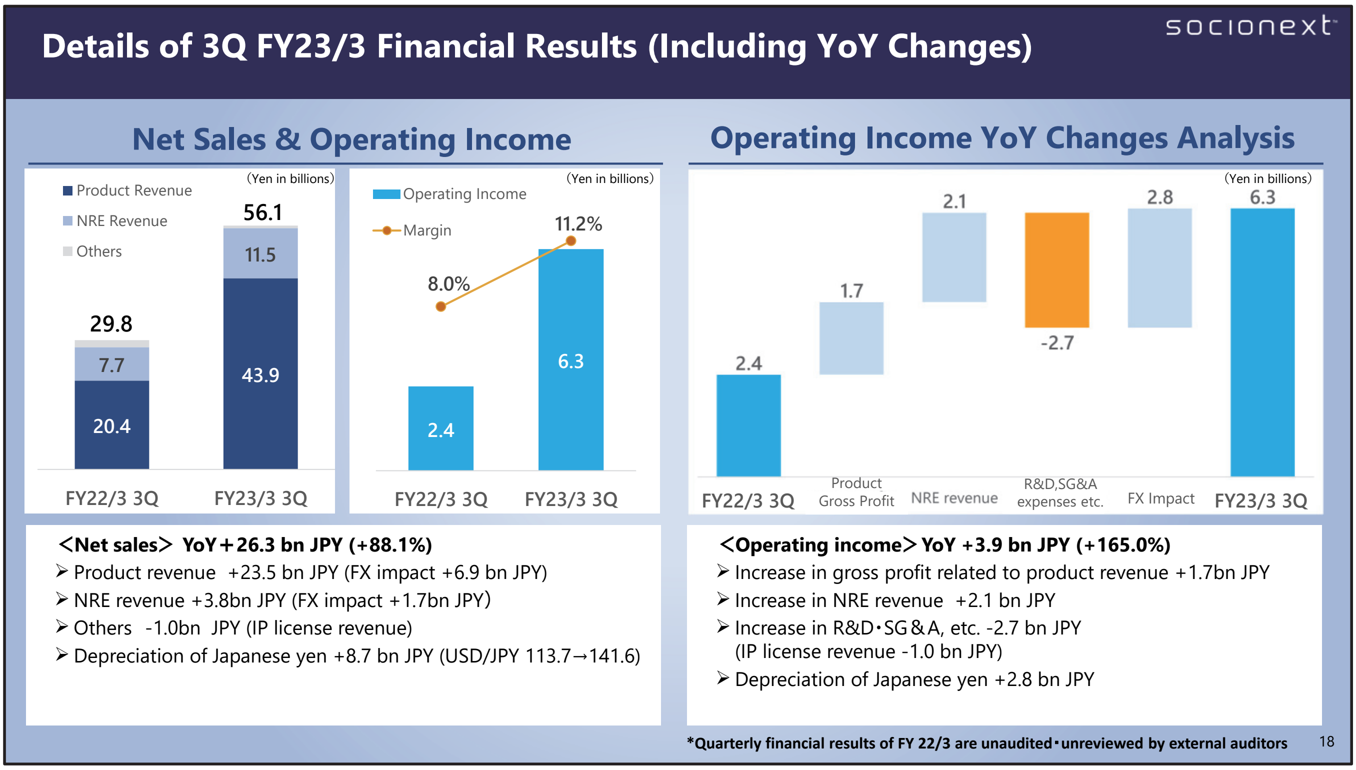
Product revenue increased steadily from the fourth quarter ended March 31, 2022 due to the start of mass production of the large-scale design wins acquired since 2019.

In this quarter, we saw increase in net sales and operating income as we secured production capacity, which was previously a constraining factor for sales growth.

Due to temporary costs incurred to secure production quotas and changes in product mix, product gross margin rate declined and growth of operating income was somehow limited compared to sales growth. However, these results are mostly in line with our expectations.

NRE revenue remains in upward trend though it varied from quarter to quarter due to the timing of deliverables.

Operating income also increased steadily in connection with the increase of net sales.



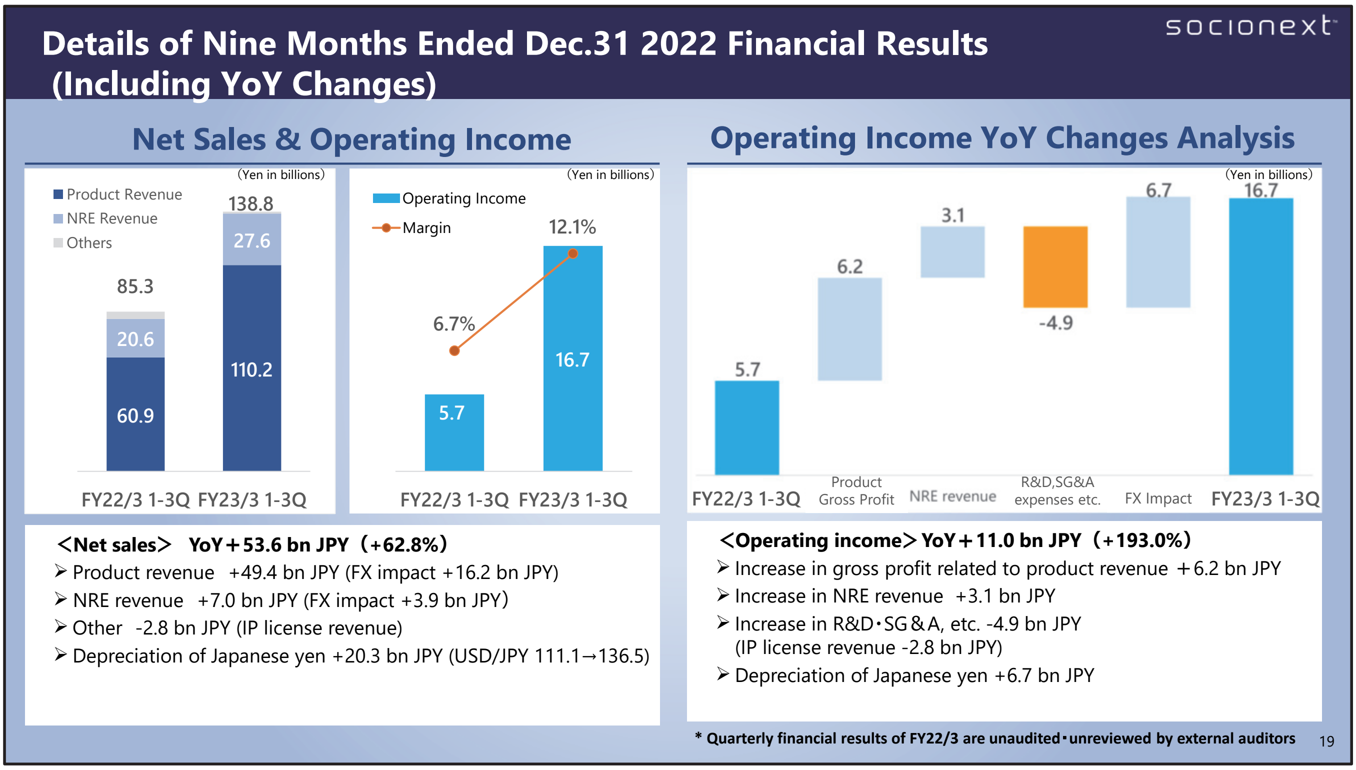
The net sales for the third quarter (3-month period ended Dec. 31, 2022) were 56.1 billion yen, an increase of 26.3 billion yen from the same period of the previous fiscal year (3-month period ended Dec. 31, 2021).

The operating income for 3-month period ended Dec. 31, 2022 was 6.3 billion yen, an increase of 3.9 billion yen from the same period of the previous fiscal year (3-month period ended Dec. 31, 2021).

The increase in net sales was due mainly to the increase in Data center & Networking products. In addition, the positive impact of the depreciation of Japanese yen upon the net sales was 8.7 billion yen (product revenue +6.9 bn, NRE +1.7 bn).

The increase in operating income is due to higher product sales and gross profit, as well as the effect of depreciation of Japanese yen.

Operating income increased by 3.9 billion yen to 6.3 billion yen. Factors include reactionary fall in IP income (JPY 1.0bn), which was generated as a special factor in last fiscal year, and a temporary increase in cost fo sales and R&D expenses in the third quarter.



The net sales for the 9-month period ended Dec. 31, 2022 were 138.8 billion yen, an increase of 53.6 billion yen from the same period of the previous fiscal year (9-month period ended Dec. 31, 2021).

The operating income for the 9-month period ended Dec. 31, 2022 was 16.7 billion yen, an increase of 11.0 billion yen from the same period of the previous fiscal year (9-month period ended Dec. 31, 2021).

The increase in operating income, as with the third quarter alone, was due to higher product sales and gross profit, as well as the effect of depreciation of Japanese yen.

The increase in net sales was mainly driven by the significant increase in Data Center & Networking products and the increase in Smart Devices products.

There was a positive impact on net sales of 20.3 billion yen (product revenue +16.2 bn, NRE +3.9 bn) from the depreciation of Japanese yen.

Consolidated Earnings Forecast

socionext

(Yen in billions)

	FY2022/3 Full Year Results	FY2023/3 Full Year Forecast as of Sept. 2022	FY2023/3 Full Year Forecast as of Jan. 2023	YoY	YoY %
Net Sales	117.0	170.0	**190.0**	73.0	62.4 %
Operating Income	8.5	17.0	**19.5**	11.0	130.4%
Margin	7.2%	10.0%	**10.3%**	+3.1%pt	
Profit	7.5	13.0	**16.2**	8.7	116.6%
Margin	6.4%	7.6%	**8.5%**	+2.1%pt	
Basic Earnings per Share	222.18yen	386.14yen	**481.19yen**		
Dividends per Share	-	160.00yen	**190.00yen**		
FX Rate (USD/JPY)	112yen	125yen	**132yen**		

- **A foreign exchange assumption of $1=¥120 has been used for 4Q of FY23/3.**
- **FX sensitivity analysis: Appreciation or depreciation of 1 yen against the dollar would have impact of approximately 1 bn yen on Net Sales and 0.35 bn yen on Operating Income annually. The exchange rate sensitivity of Japanese yen to other currencies would be minor.**

20

Today we announced a revision to our full-year earnings forecast which was prepared in September.

The net sales of the fiscal year ending March 31, 2023 are expected to be 190 billion yen, increase of 62.4% from the previous fiscal year.

The operating income of the fiscal year ending March 31, 2023 are expected to be 19.5 billion yen, an increase of 130.4% from the previous fiscal year.

Basic earnings per share based on the forecast is 481.19 yen.

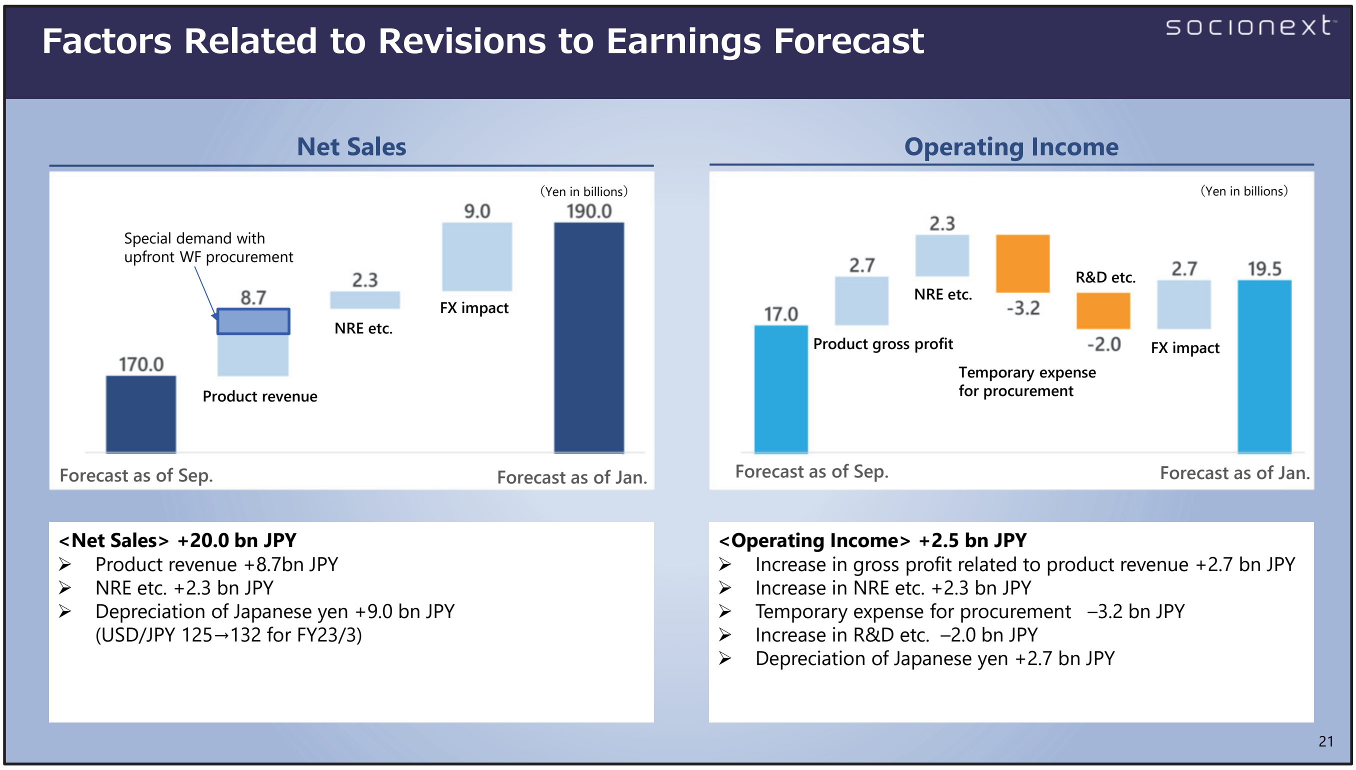
The company's basic policy is to pay stable dividends with a target consolidated payout ratio at approximately 40%.

For the fiscal year ending March 2023, the company did not pay an interim dividend, and will pay a year-end dividend in accordance with the basic policy.

Based on the upward revision of the consolidated financial forecast, the company plans to pay a yearend dividend of 190 yen per share, an increase of 30 yen from the previous forecast.

Assumption for the exchange rate for the fourth quarter is 120 yen per 1 dollar and has not been revised.

Appreciation or depreciation of 1 yen against the dollar would have impact of approximately 1 bn yen on Net Sales and 0.35 bn yen on Operating Income annually. The exchange rate sensitivity of Japanese yen to other currencies would be minor.



This slide shows factors behind the revisions to earnings forecast.

We expect to increase revenue by 8.7 billion yen due to the easing of tight capacity in production lines.

In addition to the substantial sales growth, “special demand” (「Tokuju/特需」) of approximately 3 billion yen is expected, due to the strong demand from large-scale 7 nm projects. This trend is expected to continue in the first half of next fiscal year (March 2024).

Due to the increase in production volume of these products, which have slightly higher cost ratio, the product gross margin is expected to decline by some percentage points from 40%. This is consistent with the original expectation.

We originally expected the change in product mix would lower gross margin by 2 to 3 percentage points. However, if sales of the products mentioned here increase again in the next fiscal year, it could cause gross margin in the next fiscal year to be approximately 4 to 5 percentage points lower than 40%, depending on the product mix. Gross profit will increase in this case so we expect a positive contribution to operating income.

One-time factors in the current fiscal year include the cost of securing wafer production quota of 3.2 billion yen for the calendar year 2022, at the request of customer, which would increase the cost of sales by 2 percent points. But this increase in procurement costs is expected to be passed on from the end of the fiscal year through the next fiscal year.

Due to these one-time charges (3.2 billion yen), we expect the increase in operating income to be moderate compared to the increase in net sales this fiscal year.

NRE and R&D costs are expected to increase respectively behind new business opportunities, but they will offset each other in revenue and cost.

As for R&D costs, the increase is generally in line with the increase in business opportunities and NRE revenues, but it includes one-time costs such as IP and reticle depreciation expenses. We receive some NRE income for such expenses.

As for the impact of foreign exchange rate, if we assume 120 yen per 1 dollar in the fourth quarter, the assumption for annual average exchange rate will change from 125 to 132 yen per dollar, which will lead to an increase of about 9 billion yen in sales, and about 2.7 billion yen in operating income, from the forecast as of September.

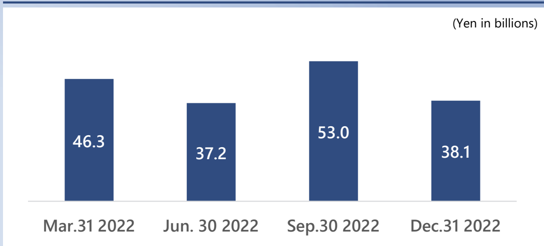
Consolidated Balance Sheets（As of December 31, 2022）

socionext

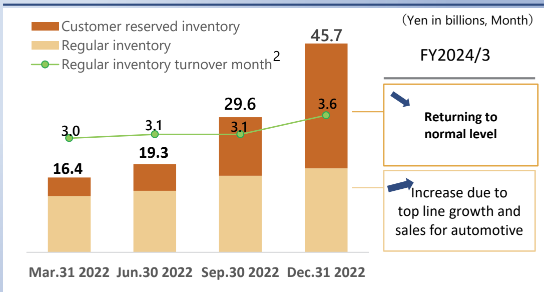
(Yen in billions)

	As of Mar.31,2022	As of Dec.31,2022	Change
Total Assets	118.4	**191.7**	+73.3
Total Current Assets	90.6	**154.6**	+64.0
Cash on-hand and in banks	46.3	**38.1**	-8.1
Accounts receivable-trade	25.1	**40.3**	+15.3
Inventories [1]	16.4	**45.7**	+29.3
Accounts receivable-other	0.9	**25.2**	+24.3
Total non-Current Assets	27.8	**37.1**	+9.3
Total Liabilities	28.8	**86.5**	+57.6
Total Current Liabilities	27.4	**84.8**	+57.4
Accounts payable-trade	16.6	**30.4**	+13.8
Accounts payable-other	2.1	**14.9**	+12.9
Liabilities related to changeable subcontracting	0	**28.5**	+28.5
Total Net Assets	89.6	**105.2**	+15.6
Shareholders' Equity Ratio	76%	55%	

Cash on Hand and in Banks



Inventories



1. Inventories consist of finished goods and work in process
2. The holding days of ordinary inventories = ordinary inventories balance/COGS in 3-month average

22

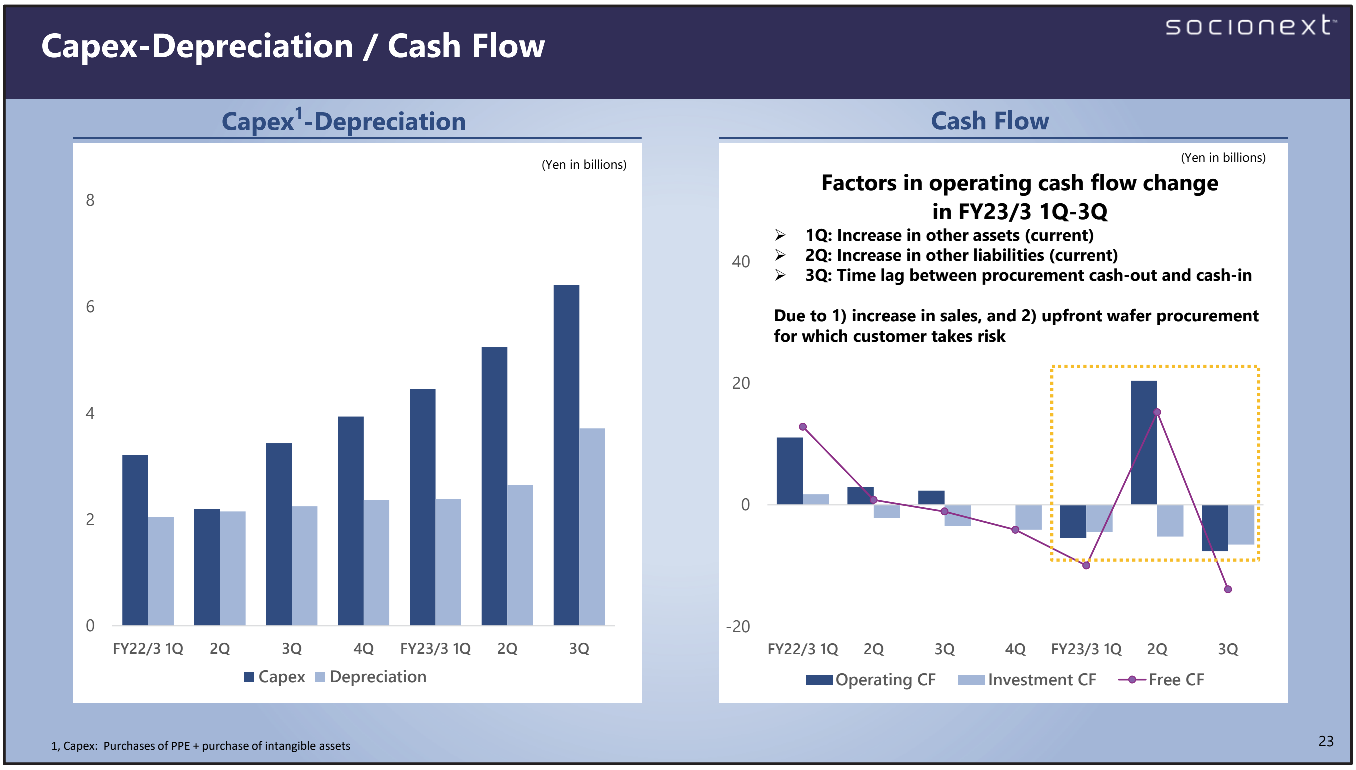
For the balance sheet,
total assets were 191.7 billion yen, an increase of 73.3 billion yen,
total liabilities were 86.5 billion yen, an increase of 57.6 billion yen, and
total net assets were 105.2 billion yen, an increase of 15.6 billion yen,
from the end of the previous fiscal year, respectively.

The increase in total asset is due mainly to customer-requested wafer inventories. Socionext does not cover the cost of such wafers, so there is almost no impact on “Cash on Hand and in Banks”. As a result of such transactions, we had 40 billion yen increases in both assets and liabilities.

On the asset side, "Inventories" and "Accounts receivable“, on the liability side, the balance of “Accounts Payable-Trade”, “Accounts Payable-Other” “Liabilities Related to Changeable Subcontracting” increased.

As shown in the chart at the top right, “Cash on Hand and in Banks” decreased by 14.9 billion yen compared to the previous quarter.
This was due to an increase in working capital as product sales expanded, with accounts receivable of approximately 10 billion yen and inventories of approximately 6 billion yen.
The increase in accounts receivable was due to an increase in sales in the latter half of the third quarter, which will be collected as cash in the fourth quarter.
As a result, we expect a large cash inflow in the fourth quarter. The balance of “cash on-hand in banks” is expected to recover to around 50 billion yen at the end of the fiscal year.

For the inventories, as seen in the chart at the lower right, we manage upfront procurement by customers’ expense separately from ordinary inventories.
The inventory turnover month of regular products temporarily increased to 3.6 months. The amount will increase slightly in line with future sales growth, but the number of months is expected to fall to less than three months, from middle through the end of next fiscal year.
Shareholders' equity ratio will temporarily decline due to the upfront procurement of wafers, but is expected to recover in the next fiscal year.



The amount of investment is gradually increasing as we work on new business opportunities for advanced technology products, and is expected to remain at a high level. Depreciation expenses are gradually increasing as investment expands.

The increase in depreciation expenses in the third quarter included one-time expense for depreciation of IP and reticles, as discussed in the R&D expenses.

The decrease in “cash on hand and in banks” was due to the negative cash flow in the third quarter. The negative cash flow was caused by an increase in working capital associated with increased product sales, which will be collected in the fourth quarter onward. On an annual basis, we do not expect any impact on cash flow from the upfront procurement.

socionext

Introduction

Consolidated Financial Results

for the 9 Months Ended December 31, 2022

Mid-Term Financial Model

Mid-Term Financial Targets

socionext

	FY21/3	FY22/3	Mid-Term Target
Net Sales Growth	JPY 99.7 bn	JPY 117.0 bn	+ High teen% CAGR
OP Margin	1.6%	7.2%	Low-to-Mid teen %

The mid-term targets presented herein represent our plans and expectations as of September, 2022. These mid-term targets are forward-looking statements, are subject to significant business, economic, regulatory and competitive uncertainties and contingencies, many of which are beyond the control of the Company, and are based upon assumptions with respect to future decisions, which are subject to change. Actual results may vary and those variations may be material due to a number of factors. Nothing in this presentation should be regarded as a representation by any person that these targets will be achieved, and the Company undertakes no duty to update these targets as circumstances change.

25

This slide shows our Mid-Term Financial Targets.

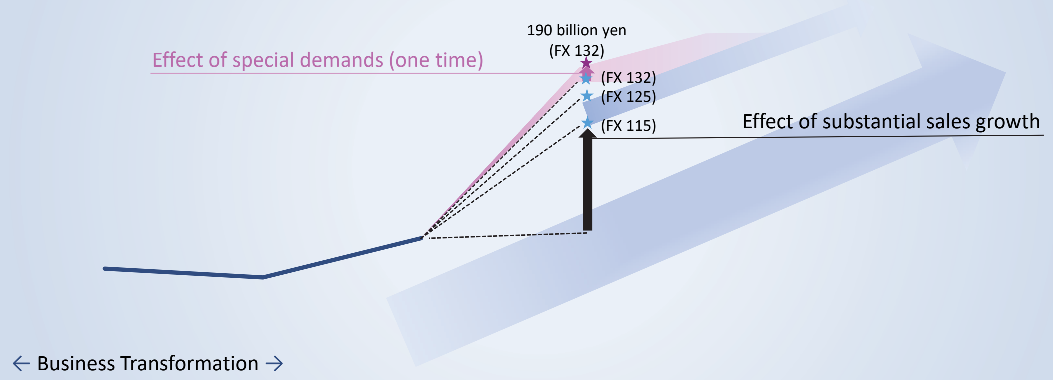
Driven by growing demand for custom SoCs and with our new and distinctive business model, we have been achieving large-scale design wins in our three focus areas.

Over the mid-term, we aim to steadily increase net sales while also acquiring new design wins, with total net sales growth of high teen % CAGR and low-to-mid teen operating margin.

Mid-Term Financial Target
-Top Line Growth

socionext

- 1) Product sales from accumulated design wins and 2) Acquiring new design wins are drivers of sales growth



	FY20/3	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3	FY26/3
FX Rate (USD/JPY)	109	106	112	**132**	**115**	**115**	**115**

26

Our target is to achieve high-teen% growth over the mid-term from sales of 117 billion yen in fiscal year March 2022.

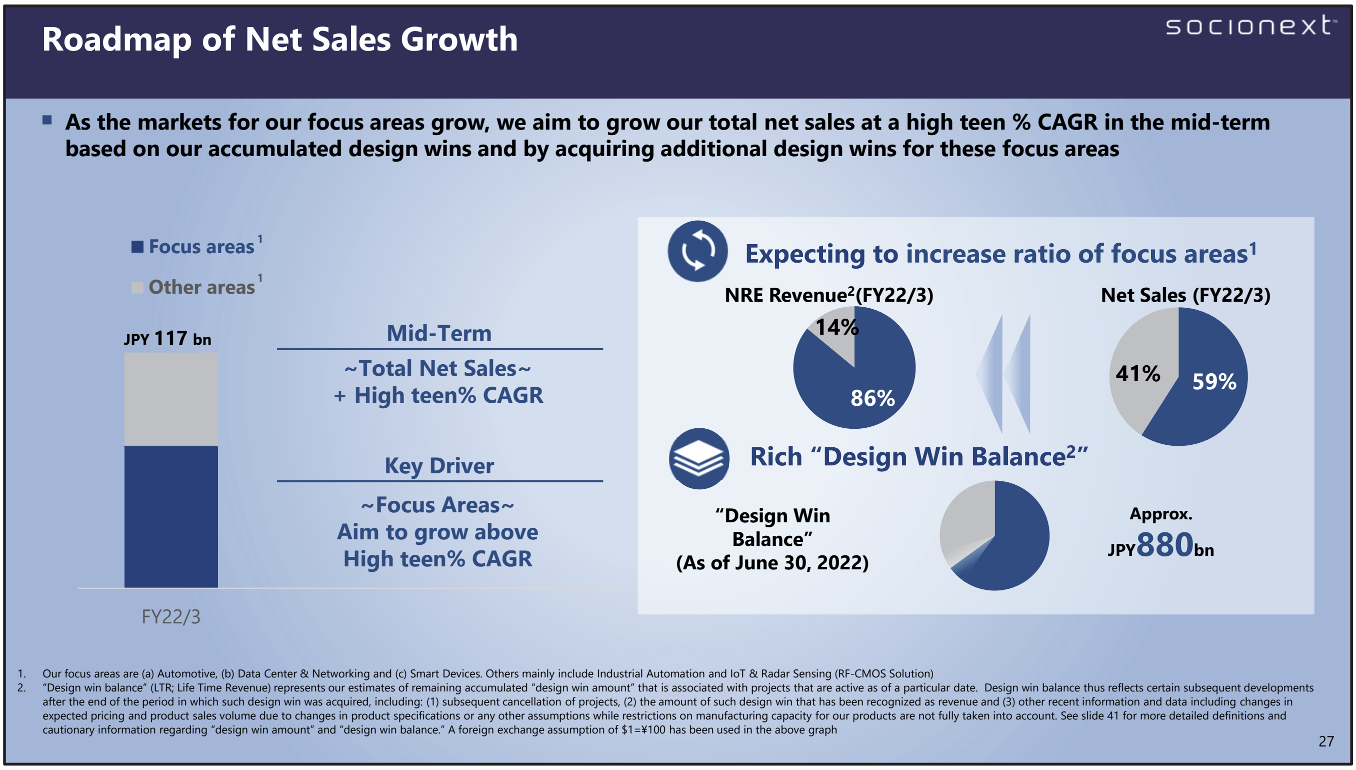
The results of business transformation which we started in 2018 are starting to show up in our actual earnings.

The forecast for fiscal year March 2023 includes the impact of foreign exchange rate and a temporary sales increase due to “special demand”(「Tokuju/特需」), in addition to the actual growth of sales.

Our current mid-term outlook is based on the exchange rate in fiscal year march 2024 as 115 yen per dollar. We expect the actual sales growth to be in the high-teen % from fiscal year march 23 to 24, assuming a flat exchange rate of, for example, 115 yen.

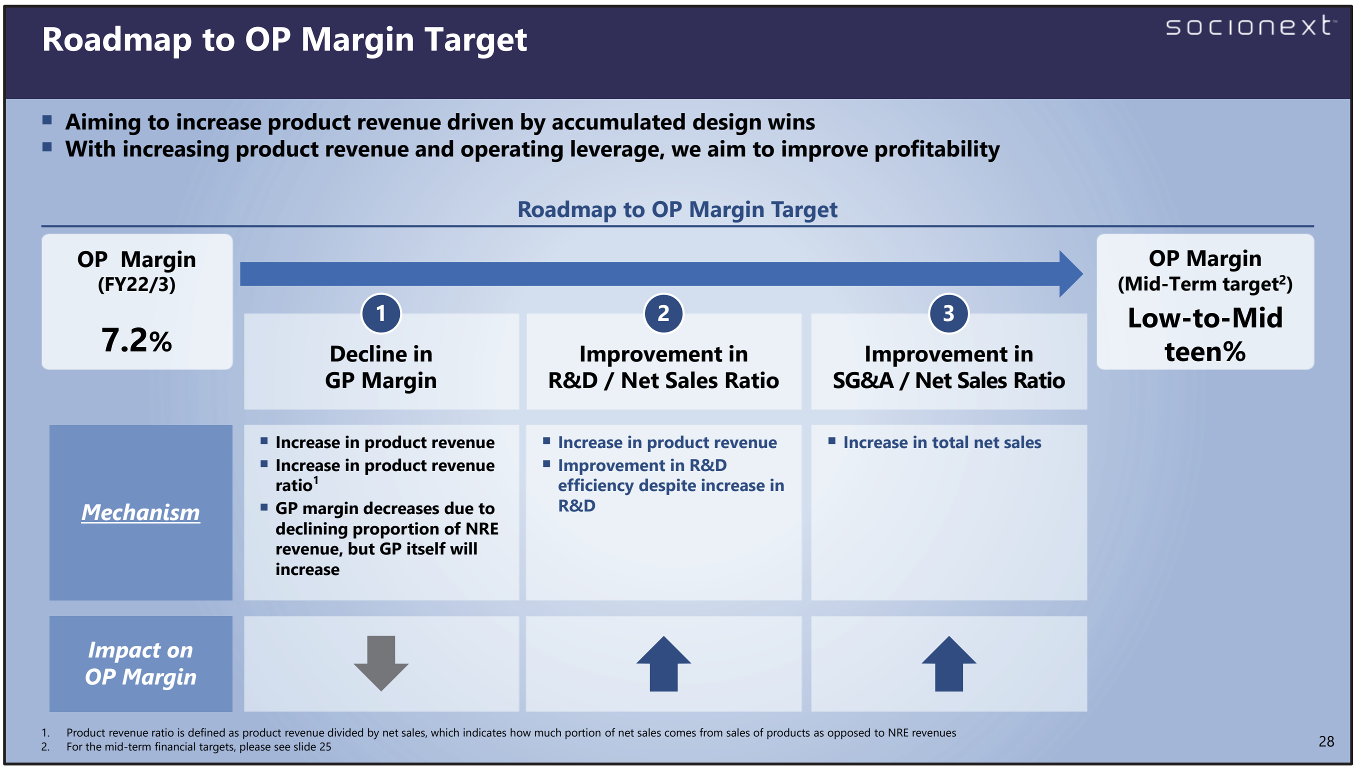
The amount will vary depending on how we assume the exchange rate, as well as on how much we estimate the “special demand”(「Tokuju/特需」).

In any case, we believe that we are on track with the mid-term outlook which we have presented so far.



We believe that net sales growth in our focus areas will be the primary driver in achieving the mid-term target of high-teen % net sales growth.

NRE revenue and Design Win Balance for projects in the focus areas will support our growth.



This slide illustrates our roadmap to operating margin improvement.
Going forward, we aim to improve profitability to low-to-mid teen%.

Further Growth "Phase 2 Transformation"

socionext

- **Maintain top line growth and solid profitability achieved through "Phase 1 Transformation"**
- **Aim for further growth and development through new and distinctive "Solution SoC" business model and "Phase 2 Transformation"**

"Phase 1 Transformation"

More design wins by "outside-in change"

- Transformation of business model and focus business area
  => Expand design wins => Expand "Design Win Balance"
  => Expand product revenue
  => Expand profit by operating leverage

Mid-Term Financial Targets

	FY21/3	FY22/3	Mid-Term Target
Net Sales Growth	JPY 99.7bn	JPY 117.0bn	+ High teen % CAGR
OP Margin	1.6%	7.2%	Low-to-Mid teen %

Further Growth and Development through "Phase 2 Transformation"

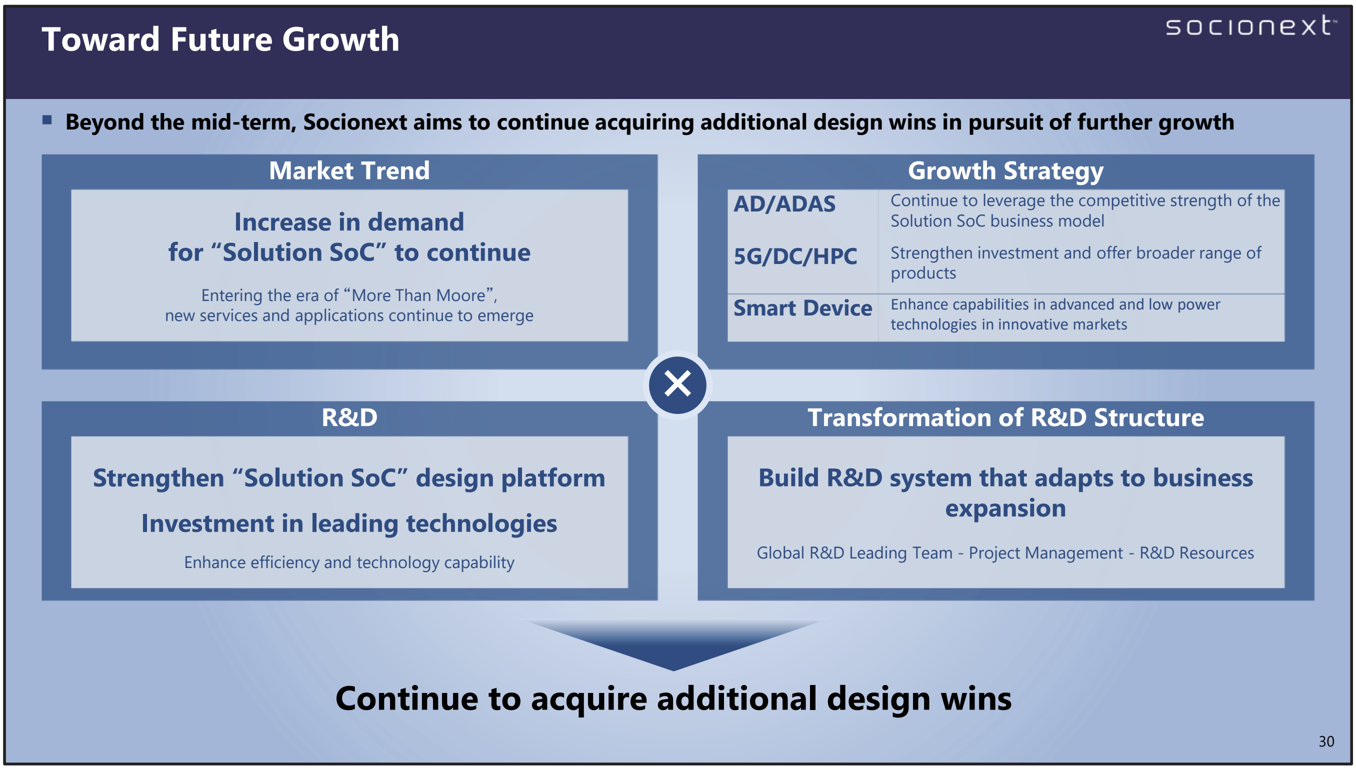
- Building competitive R&D structure / active investment
- Strengthening ties to SoC ecosystem
- Maintain high level of design wins

"Aiming for Growth beyond Mid-Term"

29

We are now carrying out the "second phase" of our transformation, to achieve further growth.

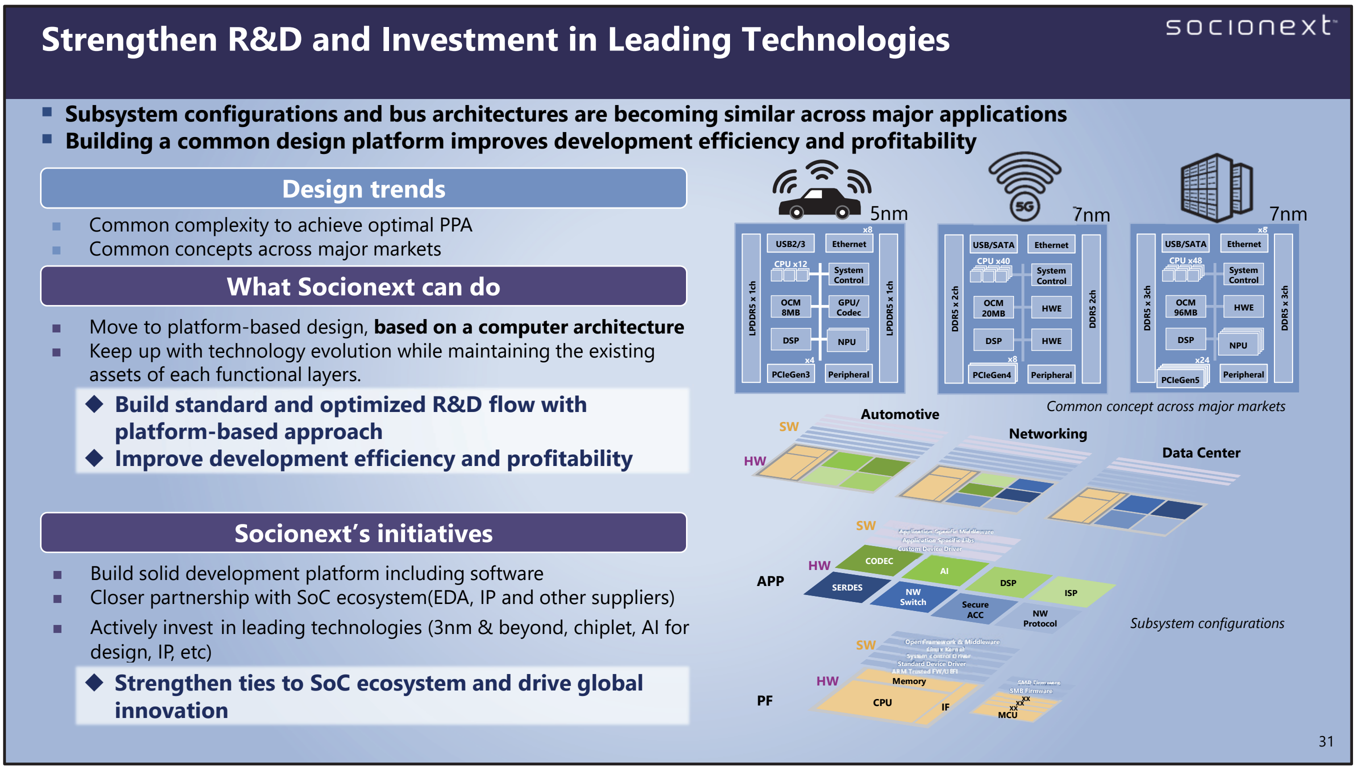
The "phase 1" transformation enabled us to achieve top line growth and solid profitability. We will achieve further growth and development through our new and distinctive Solution SoC business model and the "phase 2" transformation.



I would like to explain how we are aiming for future growth beyond the mid-term.

We think demand for custom SoCs will grow more as we enter the era of "More Than Moore" and new services and applications continue to emerge.

To address the increasing demand, we have started transforming our R&D structure, and are investing in advanced technologies.

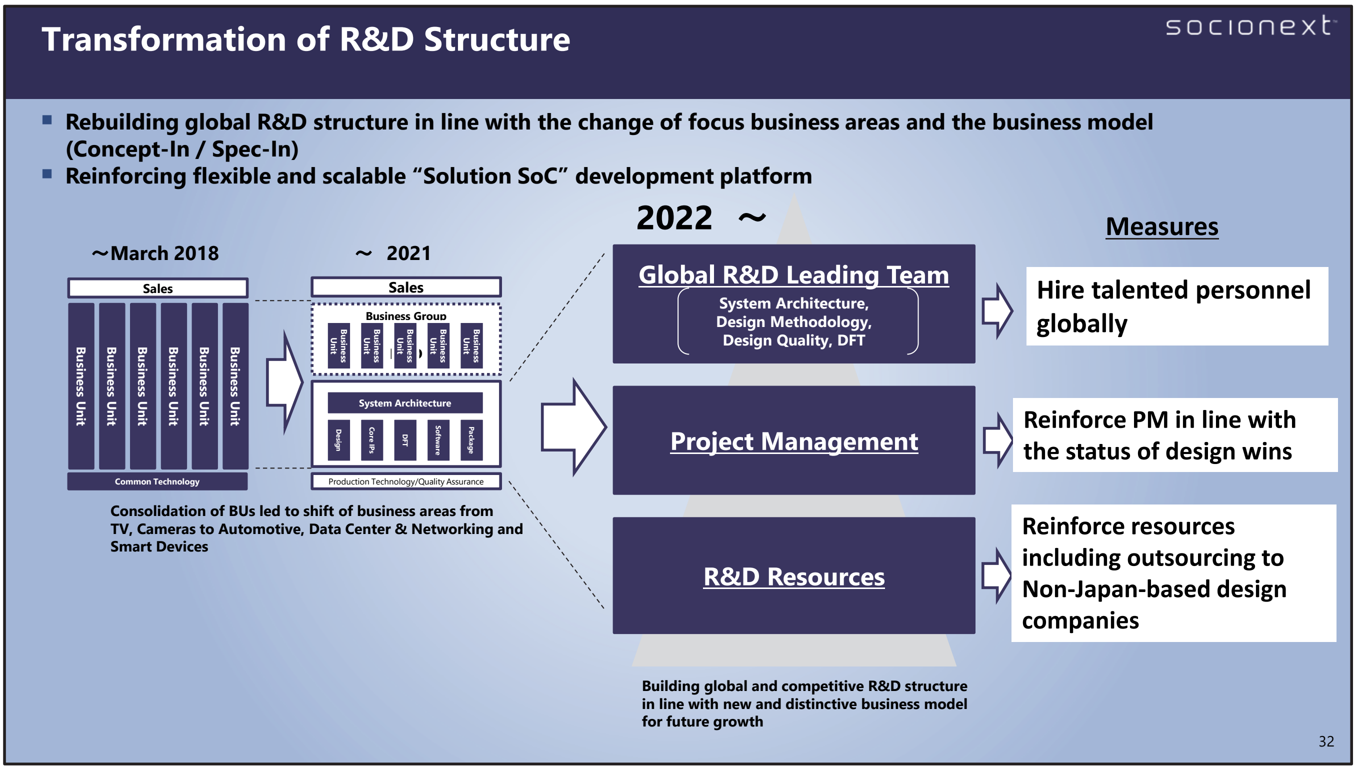


In this slide, let me describe that subsystem configurations and bus architectures are becoming similar across major applications.

We have been transitioning to a platform-based design approach based on a computer architecture. We plan to continue to stay up-to-date with the evolution of technologies while maintaining the existing assets of each functional layer.

We believe we can improve efficiency and profitability of our design and development, through this platform-based approach. We are transitioning to such platform, and are supporting our customers to establish their software development environment at the early stage of SoC development. We believe this is one of the main advantages of our Solution SoC business model, from customers' perspective.

We also plan to continue investing in advanced technologies including 3 nm process node and beyond, as well as chiplets. Through these investments we are going to accelerate the efficiency improvement and the strengthening of our design and development platform. We believe this platform strategy will further enhance our efficiency and profitability of our design and development.

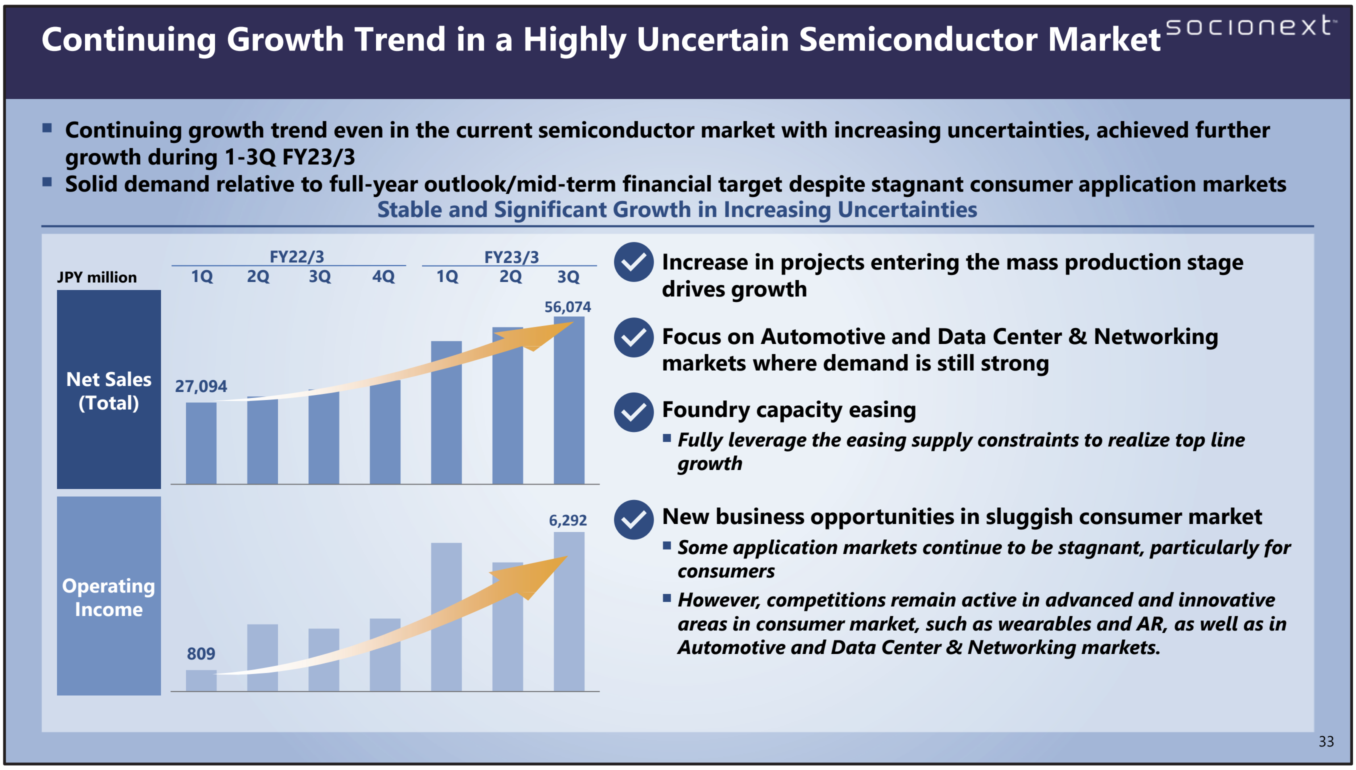


This slide shows the transformation of our R&D structure.

We are rebuilding our R&D structure on a global level, with the aim of making the most appropriate organization to conduct our Solution SoC business model.

We have made a major overhaul of our development structure. By introducing a three-tiered organizational structure, we are strengthening our human resources and development team structure in order to address the business expansion.

With the second phase of our transformation, we are preparing for the further growth in the mid-term and beyond.



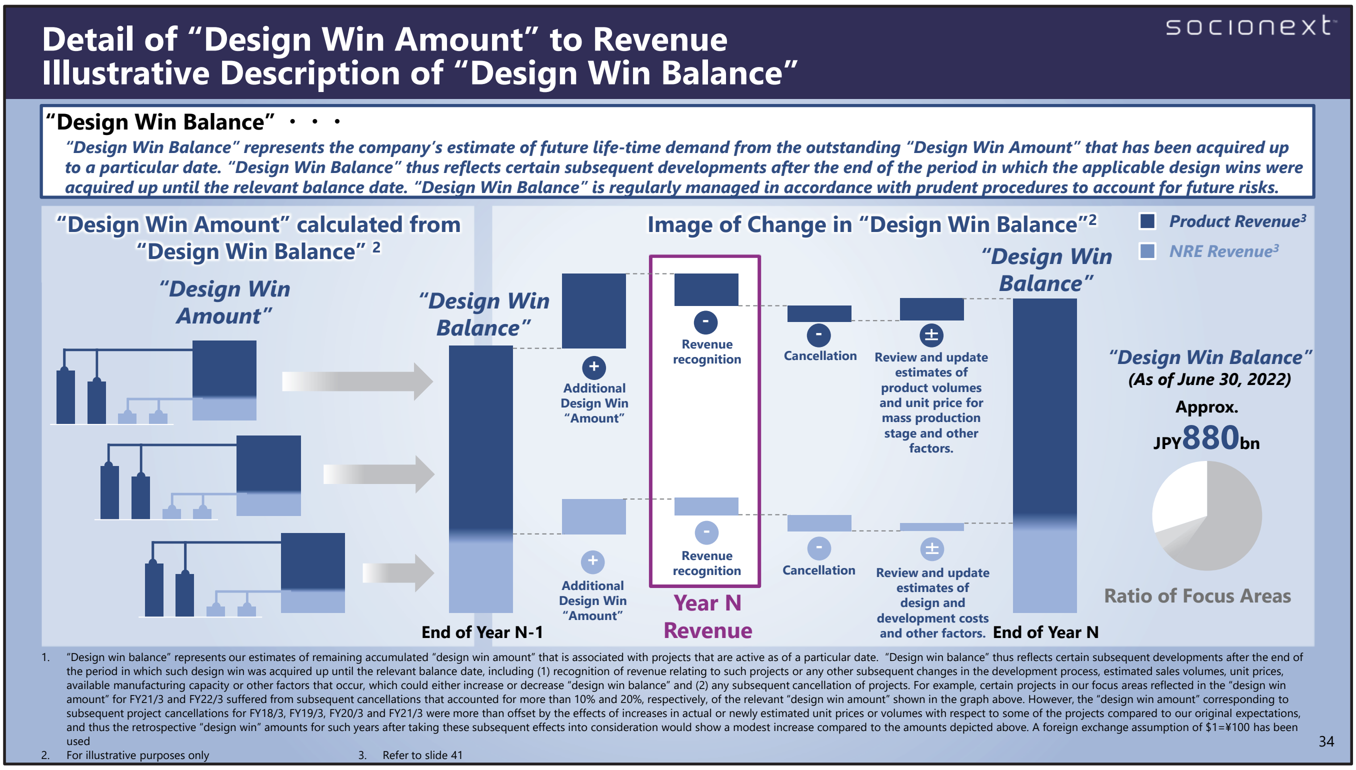
This slide shows our business trend under the current semiconductor market condition.

As it is well known, the overall semiconductor market is still under uncertainty. But Socionext is making solid growth under such circumstances, supported by the expanding sales of products that have entered volume production stage. We started seeing growth in net sales in each quarter since April 2021 (first quarter of fiscal year March 2022), and have achieved significant growth in the last nine months.

We believe there are multiple factors for our growth:
(1) One is that we focus on the advanced SoC businesses in the Automotive and Data Center & Networking markets, where demands remain strong, and (2) another is that the tightness of manufacturing capacity has been somewhat relaxed.

While some of the application markets are still stagnant, we continue to see solid demand, which is consistent with our full-year outlook and mid-term target.

Furthermore, even in an allegedly sluggish consumer market, there is intense competition for innovation. We will certainly take advantage of these business opportunities and aim for further business expansion and sustainable growth.



This slide explains the terms "Design Win Amount" and "Design Win Balance", and how the figure of "Design Win Balance" is changing.

After acquiring design win for a certain project, the expected amount for the future demand from the project, which we define as "Design Win Amount" may vary depending on factors including cancellation of the project or other changes in the circumstances.

We call the updated amount based on such conditions "Design Win Balance", and are keeping track of the accumulated amount of such "Design Win Balance" of all the active projects at a given time.

Our management team analyzes and forecasts the future product sales by closely monitoring this Design Win Balance.

We add figures when a new design win is acquired, subtract an amount when sales are recognized or a project is canceled. We also adjust the figures according to the updated forecast on the production volume and unit price.

Total "Design Win Balance" as of end of June 2022 was about 880 billion yen, and substantial portion of the amount was from the businesses in our focus areas. We see this "Design Win Balance" as an index for our future growth potential and the basis for future sales analysis.

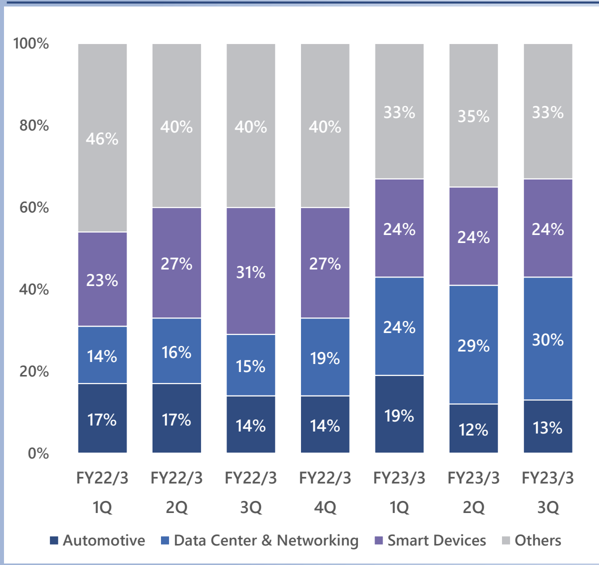
socionext

Appendix:

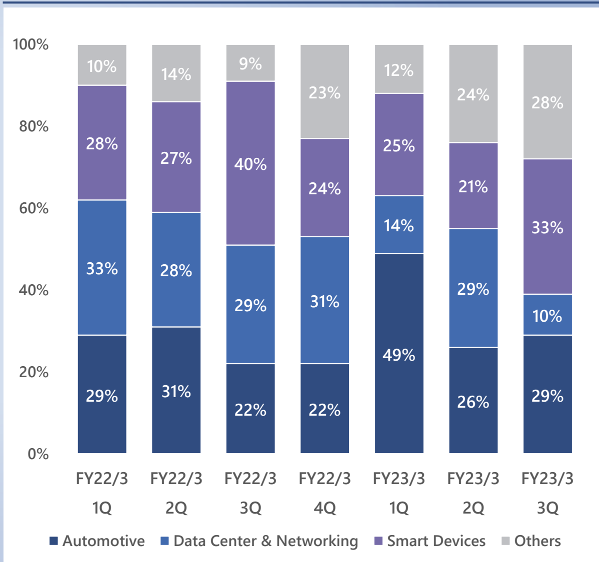
Breakdowns of Net Sales and Operating Income (Quarterly Ratios)

Breakdowns by Application Market (Quarterly Ratios)

Net Sales



NRE Revenue

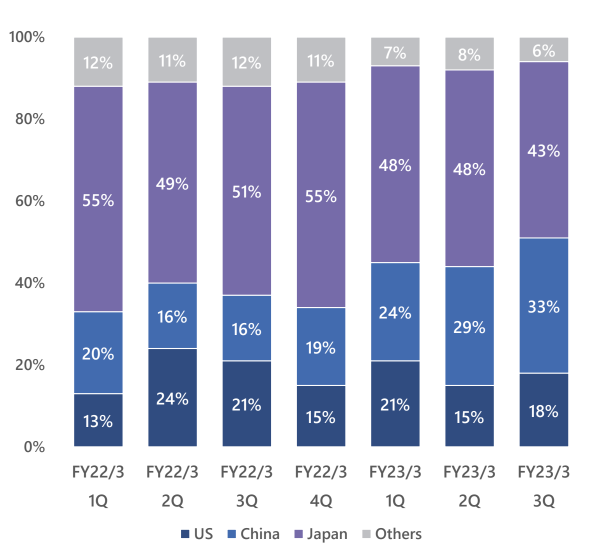


1. The quarterly ratios are highly volatile and may fluctuate significantly from quarter to quarter as they are greatly affected by the development status of individual projects.

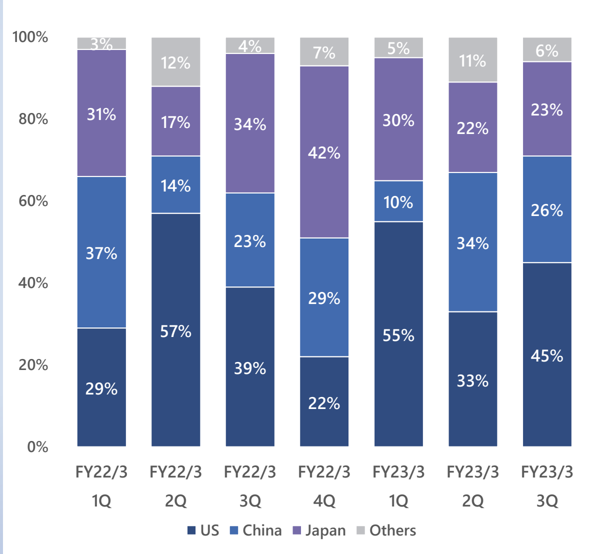
Breakdowns by Geographic Region(Quarterly Ratios)

socionext

Net Sales



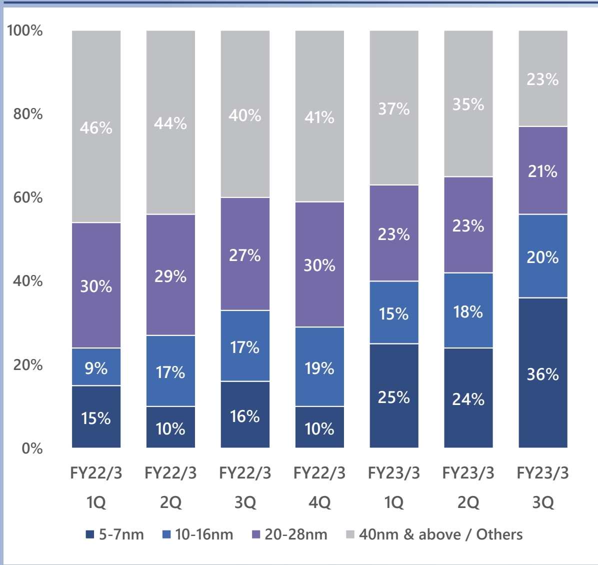
NRE Revenue

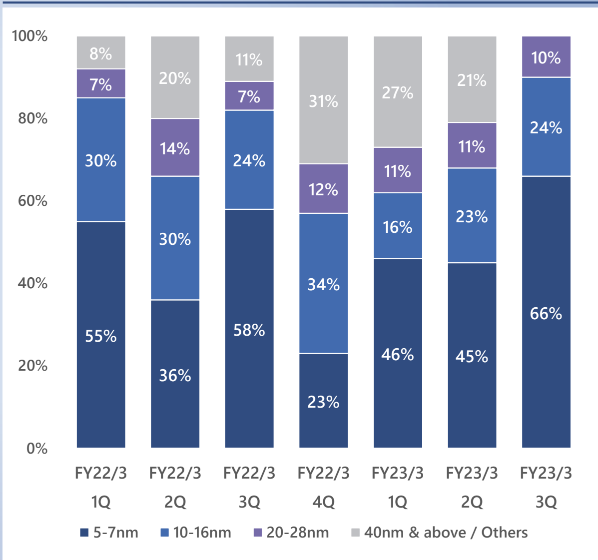


1. The quarterly ratios are highly volatile and may fluctuate significantly from quarter to quarter as they are greatly affected by the development status of individual projects.

Quarterly Breakdowns by Process Node(Quarterly Ratios)

socionext





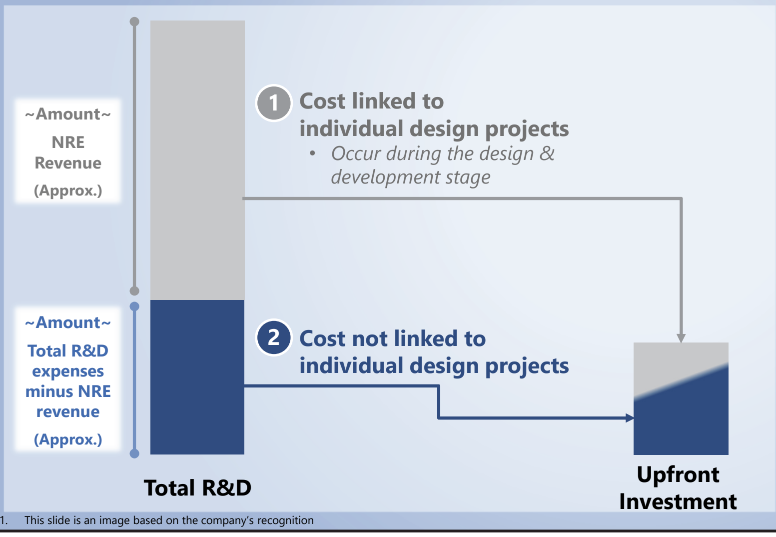
1. The quarterly ratios are highly volatile and may fluctuate significantly from quarter to quarter as they are greatly affected by the development status of individual projects.

Upfront Investment toward Future Growth

socionext

- **Aiming to increase upfront investment gradually under "Sufficient & Efficient investment" policy (upfront investment accounts for the larger part of 2 R&D not linked to individual design projects)**

Image of Socionext's R&D Structure



Upfront investment

- *Meet customer requests and acquire new design wins*
- *Strengthen skills of integration and efficiency*
- *3nm & beyond, chiplet, AI for design, IP, etc*

1. This slide is an image based on the company's recognition

Disclaimer

socionext

This presentation has been prepared solely for the purpose of presenting relevant information regarding Socionext Inc. ("Socionext"). This presentation and the information contained herein does not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for shares of our common stock (the "securities") in any jurisdiction in which such offer, solicitation or invitation would be unlawful. This presentation and the information contained herein is being furnished to you solely for your information and may not be reproduced, disclosed to or redistributed to any other person, in whole or in part without our prior written consent.

This presentation is based on the economic, regulatory, market and other conditions as in effect on the date hereof, and neither Socionext nor its advisors or representatives guarantees that the information contained in this presentation is true, accurate or complete. It should be understood that subsequent developments may affect the information contained in this presentation, which neither Socionext nor its advisors or representatives are under an obligation to update, revise or affirm. The information in this presentation is subject to change without prior notice and such information may change materially. Neither this presentation nor any of its contents may be disclosed to or used by any other person for any purpose without the prior written consent of Socionext.

This presentation contains statements that constitute forward-looking statements, including estimations, forecasts, targets and plans. Such forward-looking statements do not represent any guarantee by management of future performance. Any forward-looking statements in this presentation are based on the current assumptions and beliefs of Socionext in light of the information currently available to it, and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause Socionext's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by such forward-looking information.

Except as otherwise indicated, the views, statements and outlook indicated herein are those of Socionext. The information related to or prepared by companies or third parties other than Socionext is based on publicly available and other information as cited, and Socionext has not independently verified the accuracy and appropriateness of, nor makes any warranties regarding, such information.

Cautionary Note Regarding "Design Win Amount"

The calculation of "design win amount" involves a considerable degree of future estimation and subjective judgment, including assumptions regarding development plans, development costs, NRE revenues, per-unit prices and estimated future product sales volumes as well as the estimated lifespan and likelihood of cancellation of particular products. Product sales volumes are estimated based on preliminary customer indications of volume as well as our own projections made using historical customer transaction data, third-party market data and other factors while restrictions on the available manufacturing capacity for our products are not fully taken into account. We may change our calculation method for "design win amount" and have done so in the past, and thus a direct period-to-period comparison may not be meaningful beyond describing general trends over an extended period. Design win information is calculated on a management accounting basis and is formulated and used internally for management's assessment of business performance and strategic initiative planning. Due to our relatively short operating history under our new business model and the extended period of time before a design win contributes to our product revenue, we have limited financial data that can be used to evaluate our business and future prospects, and our management believes that our operating results in resent fiscal years may not be indicative of our future performance. We present design win information for reference purposes only. You should not place undue reliance on design win information presented herein. Please refer to slide 40 of this presentation regarding certain risks associated with forward-looking statements.