2. Others

2.1 Changes in Significant Consolidated Subsidiaries
Due to the restructuring of wholly owned subsidiaries of the Company: Renesas Semiconductor Manufacturing Co., Ltd. (Engaged in the semiconductor front-end production business) and Renesas Semiconductor Package & Test Solutions Co., Ltd. (Engaged in the semiconductor back-end production business), Renesas Yamagata Semiconductor Co., Ltd. and other eight companies are excluded from the Group by means of absorption-type merger in the first quarter of the fiscal year ending March 31, 2015. Through sale of common stocks or absorption-type merger, Renesas SP Drivers and other two companies were also excluded from the Group’s consolidated companies.

2.2 Adoption of Special Accounting Methods for Quarterly Consolidated Financial Statements
(Calculation of tax expenses)
Tax expenses are calculated by multiplying income before income taxes for the third quarter of the fiscal year ending March 31, 2015 by a reasonably estimated effective tax rate against income before income taxes for the fiscal year including the third quarter, while applying tax effect accounting.

2.3 Changes in Accounting Principles, Changes in Accounting Estimates and Corrections of Prior Period Errors
(Changes in accounting principles)
From the first quarter of the fiscal year ending March 31, 2015, the Group has adopted the provisions set forth in Clause 35 of the “Accounting Standard for Retirement Benefits” and in Clause 67 of the “Guidance on Accounting Standard for Retirement Benefits” for “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26, issued on May 17, 2012) and “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, issued on May 17, 2012). As a result of this adoption, the calculation method of retirement benefit obligations and current service costs has been reviewed, and the method of attributing expected benefit to periods has been changed from mainly a point-based or straight-line method to a benefit formula basis. Furthermore, the calculation method of the discount rate has also been changed.

The adoption of the accounting standards is subject to the transition treatment set forth in Clause 37 of the “Accounting Standard for Retirement Benefits”, and effects of the change in the accounting standard for the calculation method of retirement benefit obligations and current service costs are adjusted on the “Retained earnings” of the net asset section. Consequently, the beginning balance of the “Net defined benefit liability” for the nine months ended December 31, 2014 was increased by 25,275 million yen, while that of the “Retained earning” was decreased by 25,074 million yen. Furthermore, the impact on operating income, ordinary income and Income before income taxes and minority interests for the nine months ended December 31, 2014 is negligible.