

Renesas announces review of mobile device chip business

The Associated Press

TOKYO, March 12 (Kyodo) — Struggling Japanese chipmaker Renesas Electronics Corp. said Tuesday it will start reviewing its money-losing mobile device chip operation as part of efforts to streamline its business.

Sources familiar with the matter told Kyodo News that Renesas is considering selling its subsidiary Renesas Mobile Corp. -- a unit that develops semiconductors for smartphones -- to a new company that Fujitsu Ltd. and Panasonic Corp. will set up by integrating their system LSI chip operations.

Renesas said in a statement it will seek "divestiture" of Renesas Mobile or "alternative business models" for the mobile unit, and the review will cover all mobile business operations around the world.

Business operations related to car information systems and the industrial equipment business will be exempted from the review, said Renesas, which commands 40 percent of the global market for automobile microcontrollers.

According to the sources, Renesas, Fujitsu and Panasonic are mulling incorporating Renesas Mobile into the new company Fujitsu and Panasonic are aiming to set up in fiscal 2013.

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