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FOR IMMEDIATE RELEASE

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Panasonic Reports its Consolidated Financial Results
for the Three-month ended June 30, 2019

Osaka, Japan, July 31, 2019 -- Panasonic Corporation (Panasonic [TSE:6752]) today reported its consolidated financial results for the three months ended June 30, 2019, of the current fiscal year ending March 31, 2020 (fiscal 2020).

Summary

Yen (billions)

| | Fiscal 2020 Three Months ended June 30, 2019 | Fiscal 2019 Three Months ended June 30, 2018 | Percentage 2020/2019 |
|--|--|--|-------------------------|
| Net sales | 1,891.1 | 2,008.7 | 94 % |
| Domestic | 875.5 | 880.8 | 99 % |
| Overseas | 1,015.6 | 1,127.9 | 90 % |
| Operating profit | 56.4 3.0 % | 100.0 5.0 % | 56 % |
| Profit before income taxes | 56.2 3.0 % | 102.2 5.1 % | 55 % |
| Net profit | 53.8 2.8 % | 61.5 3.1 % | 87 % |
| Net profit attributable to Panasonic Corporation stockholders | 49.8 2.6 % | 57.4 2.9 % | 87 % |
| Earnings per share attributable to Panasonic Corporation stockholders | | | |
| Basic | 21.34 yen | 24.59 yen | (3.25) yen |
| Diluted | 21.33 yen | 24.58 yen | (3.25) yen |

- Notes: 1. The Company's consolidated financial statements are prepared in conformity with International Financial Reporting Standards (IFRS).
2. Number of consolidated companies: 576 (including parent company)
Number of companies under the equity method: 88
3. One ADS represents one share of common share. Earnings per share attributable to Panasonic Corporation stockholders per ADS is same amount as Earnings per share attributable to Panasonic Corporation stockholders.

**Condensed Quarterly Consolidated Statements of Profit or Loss and
Condensed Quarterly Consolidated Statements of Comprehensive Income (Loss)**

Condensed Quarterly Consolidated Statements of Profit or Loss

Yen (millions)

| | Fiscal 2020 Three Months ended June 30, 2019 | | Fiscal 2019 Three Months ended June 30, 2018 | | Percentage 2020/2019 |
|---|--|-------------|--|-------------|-------------------------|
| | | % | | % | |
| Net sales | 1,891,129 | 100.0 | 2,008,735 | 100.0 | 94 |
| Cost of sales | (1,358,209) | (71.8) | (1,447,642) | (72.1) | |
| Gross profit | 532,920 | 28.2 | 561,093 | 27.9 | 95 |
| Selling, general and administrative expenses | (470,554) | (24.9) | (479,511) | (23.8) | |
| Share of profit of investments accounted for using the equity method | 961 | 0.1 | 1,196 | 0.1 | |
| Other income (expenses), net | (6,938) | (0.4) | 17,178 | 0.8 | |
| Operating profit | 56,389 | 3.0 | 99,956 | 5.0 | 56 |
| Finance income | 8,285 | 0.4 | 7,754 | 0.4 | |
| Finance expenses | (8,448) | (0.4) | (5,464) | (0.3) | |
| Profit before income taxes | 56,226 | 3.0 | 102,246 | 5.1 | 55 |
| Income taxes | (2,459) | (0.2) | (40,724) | (2.0) | |
| Net profit | 53,767 | 2.8 | 61,522 | 3.1 | 87 |
| Net profit attributable to: | | | | | |
| Panasonic Corporation stockholders | 49,777 | 2.6 | 57,360 | 2.9 | 87 |
| Non-controlling interests | 3,990 | 0.2 | 4,162 | 0.2 | 96 |

| | | | | |
|------------------------|---------|-------------|---------|-------------|
| Notes: 1. Depreciation | 52,626 | million yen | 56,103 | million yen |
| 2. Capital investment | 56,033 | million yen | 56,791 | million yen |
| 3. R&D expenditures | 118,595 | million yen | 115,824 | million yen |
| 4. Number of employees | 273,775 | | 273,520 | |

Condensed Quarterly Consolidated Statements of Comprehensive Income (Loss)

Yen (millions)

| | Fiscal 2020 Three Months ended June 30, 2019 | Fiscal 2019 Three Months ended June 30, 2018 | Percentage 2020/2019 |
|---|--|--|-------------------------|
| | | | % |
| Net Profit | 53,767 | 61,522 | 87 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss: | | | |
| Remeasurements of defined benefit plans | (249) | 1,874 | |
| Financial assets measured at fair value through other comprehensive income | (8,240) | 10,784 | |
| Subtotal | (8,489) | 12,658 | |
| Items that may be reclassified to profit or loss: | | | |
| Exchange differences on translation of foreign operations | (70,438) | 15,636 | |
| Net changes in cash flow hedges | 318 | (1,451) | |
| Subtotal | (70,120) | 14,185 | |
| Total other comprehensive income (loss) | (78,609) | 26,843 | |
| Comprehensive income (loss) | (24,842) | 88,365 | — |
| Comprehensive income (loss) attributable to : | | | |
| Panasonic Corporation stockholders | (23,668) | 85,884 | — |
| Non-controlling interests | (1,174) | 2,481 | — |

Information by Segment

Yen (billions)

| | Fiscal 2020 Three Months ended June 30, 2019 | | | | | Fiscal 2019 Three Months ended June 30, 2018 | | |
|------------------------------|---|-------|-------------------------------|---------------|-------|--|-------------------------------|---------------|
| | Sales | 20/19 | Operating Profit (Loss) | % of Sales | 20/19 | Sales | Operating Profit (Loss) | % of Sales |
| Reportable Segments: | | % | | % | % | | | % |
| Appliances | 689.0 | 96 | 30.0 | 4.4 | 77 | 720.2 | 39.1 | 5.4 |
| Life Solutions | 462.1 | 104 | 12.7 | 2.7 | – | 444.4 | (0.1) | (0.0) |
| Connected Solutions | 255.2 | 93 | 13.7 | 5.4 | 61 | 274.3 | 22.4 | 8.2 |
| Automotive | 377.4 | 106 | (10.0) | (2.7) | – | 356.4 | (1.5) | (0.4) |
| Industrial Solutions | 327.1 | 88 | 5.2 | 1.6 | 31 | 371.6 | 16.8 | 4.5 |
| Subtotal | 2,110.8 | 97 | 51.6 | 2.4 | 67 | 2,166.9 | 76.7 | 3.5 |
| Other | 58.5 | 82 | 1.5 | 2.6 | – | 71.4 | 0.1 | 0.1 |
| Eliminations and adjustments | (278.2) | – | 3.3 | – | – | (229.6) | 23.2 | – |
| Total | 1,891.1 | 94 | 56.4 | 3.0 | 56 | 2,008.7 | 100.0 | 5.0 |

- Notes:
1. The Panasonic Group is divided into Divisional Companies for business management, and they support the autonomy of each business division and execute businesses in their respective areas on a global scale. The results of their performance are classified and disclosed in the five reportable segments of "Appliances," "Life Solutions," "Connected Solutions," "Automotive" and "Industrial Solutions."
"Other" includes business activities not belonging to the reportable segments, such as sales of raw materials.
 2. The figures in "Eliminations and adjustments" include revenue and expenses which are not attributable to any segments for the purpose of evaluating operating results of each segment, consolidation adjustments and eliminations of intersegment transactions.
 3. On April 1, 2019, "Automotive & Industrial Systems" was reorganized to "Automotive" and "Industrial Solutions." "Eco Solutions" was renamed as "Life Solutions." In addition, certain businesses were transferred among segments. Accordingly, the figures of segment information in fiscal 2019 have been reclassified to conform to the presentation for fiscal 2020.

Condensed Quarterly Consolidated Statements of Financial Position

Yen (millions)

| | June 30, 2019 | March 31, 2019 | Difference |
|--|------------------|------------------|-----------------|
| Current assets: | 3,201,850 | 3,274,093 | (72,243) |
| Cash and cash equivalents | 690,400 | 772,264 | (81,864) |
| Trade receivables and contract assets | 1,153,530 | 1,190,620 | (37,090) |
| Other financial assets | 117,875 | 131,305 | (13,430) |
| Inventories | 1,041,995 | 1,016,437 | 25,558 |
| Other current assets | 198,050 | 163,467 | 34,583 |
| Non-current assets: | 3,301,273 | 2,739,838 | 561,435 |
| Investments accounted for using the equity method | 136,851 | 136,486 | 365 |
| Other financial assets | 229,798 | 216,225 | 13,573 |
| Property, plant and equipment | 1,262,243 | 1,324,374 | (62,131) |
| Right-of-use assets | 307,009 | – | 307,009 |
| Investment property | 294,016 | – | 294,016 |
| Other non-current assets | 1,071,356 | 1,062,753 | 8,603 |
| Total assets | 6,503,123 | 6,013,931 | 489,192 |
| Current liabilities: | 3,024,200 | 2,989,450 | 34,750 |
| Short-term debt, including current portion of long-term debt | 345,005 | 382,301 | (37,296) |
| Lease liabilities | 94,177 | 7,654 | 86,523 |
| Trade payables | 1,108,122 | 1,151,174 | (43,052) |
| Other financial liabilities | 264,637 | 273,817 | (9,180) |
| Other current liabilities | 1,212,259 | 1,174,504 | 37,755 |
| Non-current liabilities: | 1,482,688 | 939,866 | 542,822 |
| Long-term debt | 600,477 | 600,750 | (273) |
| Lease liabilities | 551,370 | 8,016 | 543,354 |
| Other non-current liabilities | 330,841 | 331,100 | (259) |
| Total liabilities | 4,506,888 | 3,929,316 | 577,572 |
| Panasonic Corporation stockholders' equity: | 1,833,400 | 1,913,513 | (80,113) |
| Common stock | 258,740 | 258,740 | – |
| Capital surplus | 528,135 | 528,880 | (745) |
| Retained earnings | 1,494,940 | 1,500,870 | (5,930) |
| Other components of equity | (237,850) | (164,417) | (73,433) |
| Treasury stock | (210,565) | (210,560) | (5) |
| Non-controlling interests | 162,835 | 171,102 | (8,267) |
| Total equity | 1,996,235 | 2,084,615 | (88,380) |
| Total liabilities and equity | 6,503,123 | 6,013,931 | 489,192 |

Note: Other components of equity breakdown:

| | June 30, 2019 | March 31, 2019 | Difference |
|--|---------------|----------------|------------|
| Remeasurements of defined benefit plans* | – | – | – |
| Financial assets measured at fair value through other comprehensive income | 32,328 | 40,934 | (8,606) |
| Exchange differences on translation of foreign operations | (269,353) | (204,123) | (65,230) |
| Net changes in cash flow hedges | (825) | (1,228) | 403 |

* Remeasurements of defined benefit plans is directly transferred to Retained earnings from Other components of equity.

Condensed Quarterly Consolidated Statements of Changes in Equity

Yen (millions)

| Fiscal 2020 Three Months ended June 30, 2019 | Common stock | Capital surplus | Retained earnings | Other components of equity | Treasury stock | Panasonic Corporation stockholders' equity | Non- controlling interests | Total equity |
|--|-----------------|--------------------|----------------------|----------------------------------|-------------------|---|----------------------------------|--------------|
| Balances as of April 1, 2019 | 258,740 | 528,880 | 1,500,870 | (164,417) | (210,560) | 1,913,513 | 171,102 | 2,084,615 |
| Comprehensive income: | | | | | | | | |
| Net profit | - | - | 49,777 | - | - | 49,777 | 3,990 | 53,767 |
| Remeasurements of defined benefit plans | - | - | - | (326) | - | (326) | 77 | (249) |
| Financial assets measured at fair value through other comprehensive income | - | - | - | (8,211) | - | (8,211) | (29) | (8,240) |
| Exchange differences on translation of foreign operations | - | - | - | (65,230) | - | (65,230) | (5,208) | (70,438) |
| Net changes in cash flow hedges | - | - | - | 322 | - | 322 | (4) | 318 |
| Total comprehensive income (loss) | - | - | 49,777 | (73,445) | - | (23,668) | (1,174) | (24,842) |
| Transfer from other components of equity to retained earning | - | - | 69 | (69) | - | - | - | - |
| Cash dividends | - | - | (34,986) | - | - | (34,986) | (8,023) | (43,009) |
| Changes in treasury stock | - | (1) | - | - | (5) | (6) | - | (6) |
| Transactions with non-controlling interests and other | - | (744) | - | 81 | - | (663) | 930 | 267 |
| Cumulative effect of new accounting standards applied | - | - | (20,790) | - | - | (20,790) | - | (20,790) |
| Balances as of June 30, 2019 | 258,740 | 528,135 | 1,494,940 | (237,850) | (210,565) | 1,833,400 | 162,835 | 1,996,235 |

Yen (millions)

| Fiscal 2019 Three Months ended June 30, 2018 | Common stock | Capital surplus | Retained earnings | Other components of equity | Treasury stock | Panasonic Corporation stockholders' equity | Non- controlling interests | Total equity |
|--|-----------------|--------------------|----------------------|----------------------------------|-------------------|---|----------------------------------|--------------|
| Balances as of April 1, 2018 | 258,740 | 527,408 | 1,300,336 | (168,259) | (210,674) | 1,707,551 | 174,734 | 1,882,285 |
| Comprehensive income: | | | | | | | | |
| Net profit | - | - | 57,360 | - | - | 57,360 | 4,162 | 61,522 |
| Remeasurements of defined benefit plans | - | - | - | 1,802 | - | 1,802 | 72 | 1,874 |
| Financial assets measured at fair value through other comprehensive income | - | - | - | 10,707 | - | 10,707 | 77 | 10,784 |
| Exchange differences on translation of foreign operations | - | - | - | 17,451 | - | 17,451 | (1,815) | 15,636 |
| Net changes in cash flow hedges | - | - | - | (1,436) | - | (1,436) | (15) | (1,451) |
| Total comprehensive income (loss) | - | - | 57,360 | 28,524 | - | 85,884 | 2,481 | 88,365 |
| Transfer from other components of equity to retained earning | - | - | 4,166 | (4,166) | - | - | - | - |
| Cash dividends | - | - | (46,647) | - | - | (46,647) | (10,036) | (56,683) |
| Changes in treasury stock | - | (31) | - | - | 58 | 27 | - | 27 |
| Transactions with non-controlling interests and other | - | (303) | - | 13 | - | (290) | (1,460) | (1,750) |
| Cumulative effect of new accounting standards applied | - | - | 7,150 | - | - | 7,150 | - | 7,150 |
| Balances as of June 30, 2018 | 258,740 | 527,074 | 1,322,365 | (143,888) | (210,616) | 1,753,675 | 165,719 | 1,919,394 |

Condensed Quarterly Consolidated Statements of Cash Flows

Yen (millions)

| | Fiscal 2020 Three Months ended June 30, 2019 | Fiscal 2019 Three Months ended June 30, 2018 |
|---|--|--|
| <u>Cash flows from operating activities</u> | | |
| Net profit | 53,767 | 61,522 |
| Adjustments to reconcile net profit to net cash provided by operating activities | | |
| Depreciation and amortization | 97,630 | 71,646 |
| (Increase) decrease in trade receivables and contract assets | 18,751 | (41,549) |
| (Increase) decrease in inventories | (38,806) | (47,533) |
| Increase (decrease) in trade payables | (31,288) | 14,789 |
| Other | 4,854 | (22,245) |
| Net cash provided by operating activities | 104,908 | 36,630 |
| <u>Cash flows from investing activities</u> | | |
| Purchase of property, plant and equipment | (72,531) | (96,272) |
| Proceeds from sale of property, plant and equipment | 5,900 | 24,080 |
| Purchase of investments accounted for using the equity method and other financial assets | (5,075) | (13,024) |
| Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets | 4,062 | 6,069 |
| Other | 3,942 | 2,023 |
| Net cash used in investing activities | (63,702) | (77,124) |
| <u>Cash flows from financing activities</u> | | |
| Increase (decrease) in short-term debt | (4,791) | 50,446 |
| Increase (decrease) in long-term debt | (57,773) | (2,607) |
| Dividends paid to Panasonic Corporation stockholders | (34,986) | (46,647) |
| Dividends paid to non-controlling interests | (8,023) | (10,036) |
| (Increase) decrease in treasury stock | (6) | 27 |
| Other | 6,304 | 4,136 |
| Net cash used in financing activities | (99,275) | (4,681) |
| Effect of exchange rate changes on cash and cash equivalents | (23,795) | 14,199 |
| Net increase (decrease) in cash and cash equivalents | (81,864) | (30,976) |
| Cash and cash equivalents at beginning of period | 772,264 | 1,089,585 |
| Cash and cash equivalents at the end of the period | 690,400 | 1,058,609 |

Notes to consolidated financial statements:

1. The Company applied IFRS 16, "Leases" from April 1, 2019 using the modified retrospective method by recognizing the cumulative effect of applying IFRS 16 at the date of initial application. By applying IFRS 16, as of the date of initial application, right-of-use assets, investment properties and lease liabilities increased by 307.1 billion yen, 281.2 billion yen and 636.3 billion yen, respectively, and retained earnings decreased by 20.8 billion yen. Accordingly, "right-of-use assets," "investment properties" and "lease liabilities (current liabilities and non-current liabilities)" are separately presented in Condensed Quarterly Consolidated Statements of Financial Position, for the year ending March 31, 2020. In addition, in Condensed Quarterly Consolidated Statements of Cash Flows, the majority of lease payments is included in "Increase (decrease) in long-term debt" of cash flows from financing activities for the year ending March 31, 2020, that was previously included in cash flows from operating activities.
2. The Company applied IFRIC 23, "Uncertainty over Income Tax Treatments" from April 1, 2019. The impact of the application of IFRIC 23 on the consolidated financial statement of the Company is not material.
3. The Company resolved at the Board of Directors meeting held on December 21, 2018, to merge Panasonic Precision Devices Co., Ltd. ("PPRD") from Panasonic Equity Management Japan Co.,Ltd., which is a wholly owned consolidated subsidiary of Panasonic, through an absorption-type company split. Through these procedures, the Company absorbed PPRD on April 1, 2019.
4. The Board of Directors of the Company resolved on May 9, 2019, to conclude an integration contract toward the establishment of a new joint venture related to the town development business with Toyota Motor Corporation. Panasonic Homes Co., Ltd. will become a wholly owned subsidiary of the joint venture by way of a joint transfer share method, and be no longer a subsidiary of the Company.
5. The Board of Directors of the Company resolved on May 9, 2019, to succeed its R&D department related to its solar business by way of an absorption-type-company split to a newly established corporation.
6. The Company resolved at the Board of Directors meeting held on May 31, 2019, to sign a share purchase agreement and shareholder agreement with Polaris Capital Group Co., Ltd. ("Polaris") regarding the transfer of its security systems business of Panasonic to a SPC (Special Purpose Company) which will be established by Polaris. This transfer will take place on the basis that the security system business is transferred to a newly established entity by Panasonic.
7. Assumption for going concern: None
8. Significant subsequent events:
Panasonic Corporation issued a total of 2.5 billion of senior notes denominated in U.S. dollars in the overseas markets outside Japan, on July 19, 2019.
9. Number of consolidated subsidiaries as of June 30, 2019: 575
Number of companies under the equity method as of June 30, 2019: 88

Panasonic Group

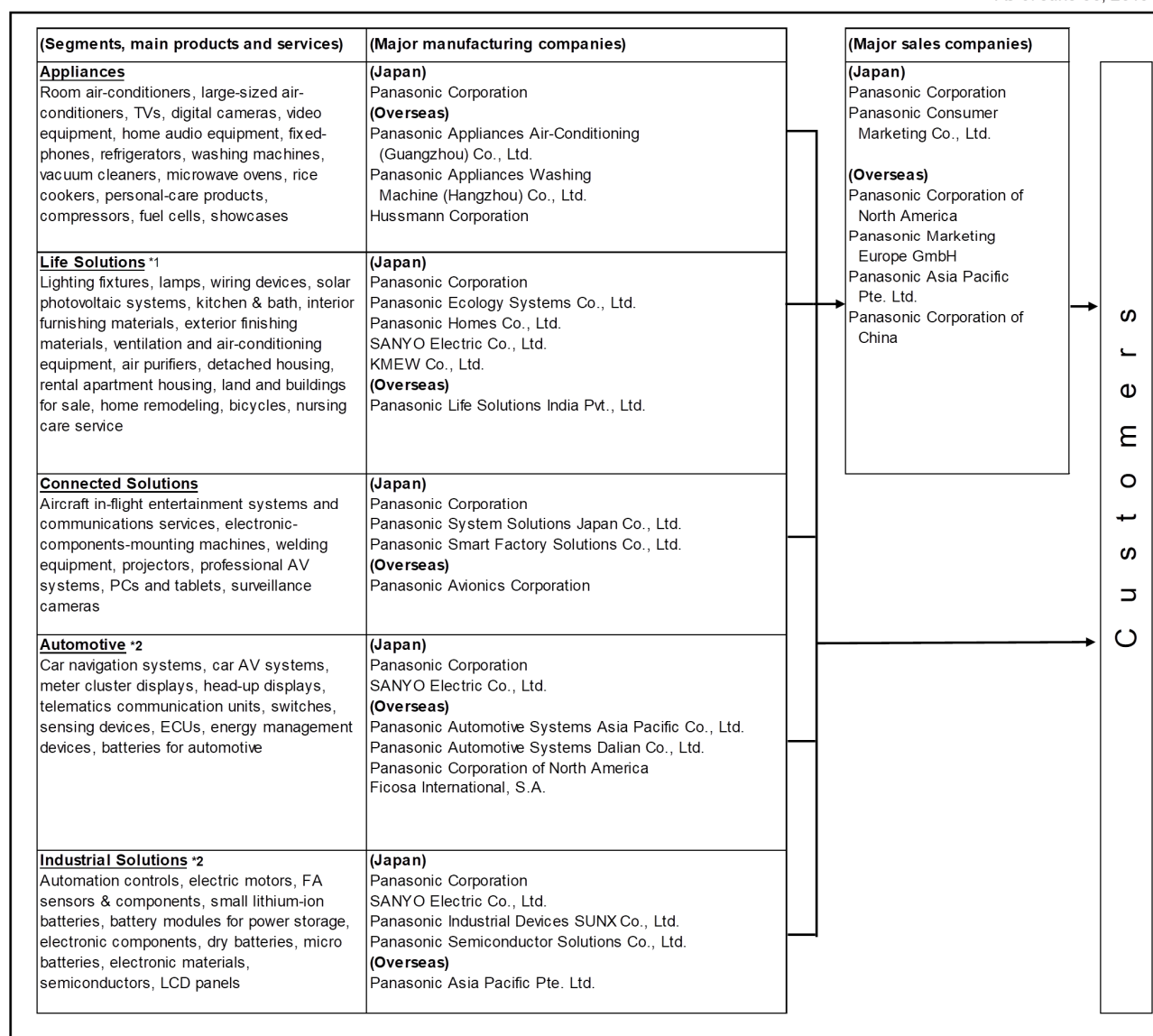
1. Outline of the Panasonic Group

The Panasonic Group is comprised primarily of the parent Panasonic Corporation and 575 consolidated subsidiaries in and outside of Japan, operating in close cooperation with each other. As a comprehensive electronics manufacture, Panasonic is engaged in development, production, sales and service activities in a broad array of business areas.

Panasonic supplies spectrum of electric/electronic equipment and related products, which is categorized into the following five reportable segments, "Appliances," "Life Solutions," "Connected Solutions," "Automotive," "Industrial Solutions," and other business activities which are not included in the reportable segments.

2. Panasonic Group

As of June 30, 2019



*1 "Eco Solutions" was renamed as "Life Solutions" on April 1, 2019.

*2 "Automotive & Industrial Systems" was reorganized to "Automotive" and "Industrial Solutions" on April 1, 2019.

Consolidated Financial Results

1. Fiscal 2020 1Q ended June 30, 2019

A. Operating Results

| | Yen (billions) | | |
|---|--|--|-------------------------|
| | Fiscal 2020 Three Months ended Jun. 30, 2019 | Fiscal 2019 Three Months ended Jun. 30, 2018 | Percentage 2020/2019 |
| Net sales | 1,891.1 | 2,008.7 | 94% |
| Operating profit | 56.4 | 100.0 | 56% |
| Profit before income taxes | 56.2 | 102.2 | 55% |
| Net profit attributable to Panasonic Corporation stockholders | 49.8 | 57.4 | 87% |

During the three months ended June 30, 2019 (fiscal 2020), the global economy saw signs of some slowdown particularly in exports from Japan and China, while the U.S. economy continued to perform favorably with stable personal spending and capital investments. Furthermore, in Japan, capital investments were spurred by employment conditions and demand for labor-saving measures. Regarding the outlook for the global economy, various risk factors can be seen, such as the politics and financial circumstances in each country, increasingly widespread protectionism, and downward economic swings in emerging countries.

Under such a management environment, in fiscal 2020, as the first year of the new Mid-term strategy, the Company will execute portfolio management reform and aim at both profit growth and profitability improvement.

During the three months ended June 30, 2019, the Company came to an agreement with Toyota Motor Corporation to establish a joint venture related to town development business. The integration of respective housing businesses is aimed to reinforce the foundation for such housing business in the face of severe market competition, and to grow business in the field of town development, which is expected to grow in the future. In photovoltaic business, the Company reached an agreement to collaborate with GS-Solar (China) Company Ltd. Through this collaboration, the Company will optimize the development and production capability.

For the three months ended June 30, 2019, both sales and profits decreased.

Consolidated group sales decreased by 6% to 1,891.1 billion yen. Domestic sales was the same level as the previous year. Overseas sales decreased due mainly to sales declines of electronic-component-mounting-equipment and motors, which were impacted

by deteriorating market conditions in China, and the effect of exchange rates despite sales growth in Automotive Batteries.

Operating profit decreased by 44% to 56.4 billion yen from a year ago. This is due mainly to lower sales in China, increased costs related to development expenses in Automotive Solutions and sluggish sales of TVs, in addition to impact of gains from the sale of land in the previous year despite favorable sales of domestic housing-related businesses. Profit before income taxes decreased by 45% to 56.2 billion yen, and net profit attributable to Panasonic Corporation stockholders decreased by 13% to 49.8 billion yen from a year ago.

B. Breakdown by Reportable Segment

Appliances

| | Yen (billions) | | |
|------------------|------------------------------|------------------------------|-------------------------|
| | Fiscal 2020 First quarter | Fiscal 2019 First quarter | Percentage 2020/2019 |
| Sales | 689.0 | 720.2 | 96% |
| Operating profit | 30.0 | 39.1 | 77% |

Sales decreased by 4% to 689.0 billion yen from a year ago. Despite increased sales of room air-conditioners and large-scale air-conditioners, overall sales decreased due to sluggish sales of TVs and digital cameras mainly in Europe. Operating profit decreased to 30.0 billion yen from a year ago due mainly to a sales decrease of TVs, particularly in Europe.

Life Solutions

| | Yen (billions) | | |
|------------------|------------------------------|------------------------------|-------------------------|
| | Fiscal 2020 First quarter | Fiscal 2019 First quarter | Percentage 2020/2019 |
| Sales | 462.1 | 444.4 | 104% |
| Operating profit | 12.7 | (0.1) | — |

Sales increased by 4% to 462.1 billion yen from a year ago. This increase was driven by solid performance in home-use distribution panel boards and wiring devices at Energy Systems, growth of new products for water-related equipment and building materials at Housing Systems, and increased sales of new construction orders and remodeling business at Panasonic Homes Co., Ltd. Operating profit increased to 12.7 billion yen from a year ago due to sales increases and rationalization efforts.

Connected Solutions

Yen (billions)

| | Fiscal 2020 First quarter | Fiscal 2019 First quarter | Percentage 2020/2019 |
|------------------|------------------------------|------------------------------|-------------------------|
| Sales | 255.2 | 274.3 | 93% |
| Operating profit | 13.7 | 22.4 | 61% |

Sales decreased by 7% to 255.2 billion yen from a year ago. This is due to sales declines at Process Automation which was impacted by postponed investments resulting from weak market conditions in China as well as sluggish sales at Avionics which was impacted by held back investments by certain airline companies. Operating profit decreased to 13.7 billion yen from a year ago. This is largely due to lower sales despite profit increases in PC business.

Automotive

Yen (billions)

| | Fiscal 2020 First quarter | Fiscal 2019 First quarter | Percentage 2020/2019 |
|------------------|------------------------------|------------------------------|-------------------------|
| Sales | 377.4 | 356.4 | 106% |
| Operating profit | (10.0) | (1.5) | — |

Sales increased by 6% to 377.4 billion yen from a year ago. Overall sales increased due to the effect of investments for capacity expansion in Automotive Batteries, while sales decreased slightly in Automotive Solutions due to impact of deteriorating market conditions in China. Operating profit turned to a loss of 10.0 billion yen from a year ago due mainly to an increase in costs related to development expenses despite profit increases in Automotive Batteries.

Industrial Solutions

Yen (billions)

| | Fiscal 2020 First quarter | Fiscal 2019 First quarter | Percentage 2020/2019 |
|------------------|------------------------------|------------------------------|-------------------------|
| Sales | 327.1 | 371.6 | 88% |
| Operating profit | 5.2 | 16.8 | 31% |

Sales decreased by 12% to 327.1 billion yen from a year ago. This was due to sluggish sales in motors which was impacted by weakening demand for capital investments in China and sales declines mainly in capacitors, resistors and automotive-equipment; these components were impacted by deteriorating overseas market conditions. Operating profit decreased to 5.2 billion yen from a year ago, since fixed-cost reductions and materials rationalization were unable to offset impact of lower sales.

C. Consolidated Financial Condition

Net cash provided by operating activities for the first quarter ended June 30, 2019 amounted to 104.9 billion yen, compared with an inflow of 36.6 billion yen a year ago. This was due mainly to improved working capital and payment of one-off legal costs a year ago, in addition to impact of applying IFRS 16, "Leases" from April 1, 2019 (for further details, please refer to Note 1. of "Notes" section). Net cash used in investing activities amounted to 63.7 billion yen, compared with an outflow of 77.1 billion yen a year ago. This was due mainly to decreased payments of account payable-facilities in spite of proceeds from the sales of land a year ago. Accordingly, free cash flow (net cash provided by operating activities and investing activities) improved by 81.7 billion yen from a year ago to an inflow of 41.2 billion yen. Net cash used in financing activities amounted to 99.3 billion yen, compared with an outflow of 4.7 billion yen a year ago. This was due mainly to a decreased balance of short-term bonds, the repayment of long-term debt, and the impact of applying IFRS 16. Taking into consideration the exchange fluctuations, cash and cash equivalents totaled 690.4 billion yen as of June 30, 2019, decreased by 81.9 billion yen, compared with March 31, 2019.

The Company's consolidated total assets as of June 30, 2019 were 6,503.1 billion yen, an increase of 489.2 billion yen from March 31, 2019. The Company's consolidated liabilities were 4,506.9 billion yen, an increase of 577.6 billion yen from March 31, 2019. These were due mainly to an increase of right-of-use-assets, investment properties and lease liabilities, by applying IFRS 16. Panasonic Corporation stockholders' equity decreased by 80.1 billion yen to 1,833.4 billion yen, compared to March 31, 2019. This was due to deteriorated quarterly comprehensive income by the appreciation of the yen. With non-controlling interests added to Panasonic Corporation stockholders' equity, total equity was 1,996.2 billion yen.

2. Forecast for fiscal 2020

The consolidated financial forecast for fiscal 2020 remains unchanged from the previous forecast announced on May 9, 2019.

Disclaimer Regarding Forward-Looking Statements

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Supplemental Financial Data for Fiscal 2020 First Quarter, ended June 30, 2019
[IFRS] (Consolidated)

Note 1: Official names and abbreviated names of each reportable segment are the following:

| | |
|---------------------------|---------------------|
| Appliances : AP | Life Solutions : LS |
| Connected Solutions : CNS | Automotive : AM |
| Industrial Solutions : IS | |

Note 2: "Other" includes business activities not belonging to the reportable segments, such as sales of raw materials.

Note 3: The figures in "Eliminations and adjustments" include revenue and expenses which are not attributable to any segments for the purpose of evaluating operating results of each segment, consolidation adjustments and eliminations of intersegment transactions.

Note 4: The figures in "AP (production and sales consolidated)" include the sales and profits of sales division for consumer products, which are included in "Eliminations and Adjustments."

Note 5: Other income/loss = Other income (expenses) + Share of profit of investments accounted for using the equity method.

Note 6: Fiscal 2020 refers to the year ending March 31, 2020.

1. Fiscal 2020 First Quarter Results (by Segment, by Business)

Note: The figures of segment information and sales by business in fiscal 2019 have been reclassified to conform to the presentation for fiscal 2020.

(1) Segment Information

yen (billions)

| | | Fiscal 2019 | | | | | Fiscal 2020 | | | | |
|---|-------------------|-------------|---------|---------|---------|-----------|-------------|----|----|----|---------------------|
| | | Q1 | Q2 | Q3 | Q4 | Full year | Q1 | Q2 | Q3 | Q4 | Full year Forecasts |
| AP | Sales | 720.2 | 688.6 | 730.2 | 611.6 | 2,750.6 | 689.0 | | | | 2,770.0 |
| | Operating Profit | 39.1 | 22.5 | 27.0 | -3.0 | 85.6 | 30.0 | | | | 76.5 |
| | Other income/loss | -0.8 | 0.6 | 1.0 | 1.2 | 2.0 | -0.5 | | | | -7.5 |
| LS | Sales | 444.4 | 506.7 | 517.3 | 567.7 | 2,036.1 | 462.1 | | | | 1,950.0 |
| | Operating Profit | -0.1 | 22.9 | 27.3 | 14.5 | 64.6 | 12.7 | | | | 162.0 |
| | Other income/loss | -0.8 | 0.5 | -0.6 | -24.4 | -25.3 | 0.3 | | | | 74.5 |
| CNS | Sales | 274.3 | 274.8 | 266.7 | 311.9 | 1,127.7 | 255.2 | | | | 1,150.0 |
| | Operating Profit | 22.4 | 29.4 | 21.7 | 20.9 | 94.4 | 13.7 | | | | 87.0 |
| | Other income/loss | 0.5 | 1.6 | 1.2 | -8.8 | -5.5 | -0.5 | | | | -2.0 |
| AM | Sales | 356.4 | 369.4 | 395.6 | 401.8 | 1,523.2 | 377.4 | | | | 1,577.0 |
| | Operating Profit | -1.5 | -7.1 | -0.6 | -2.9 | -12.1 | -10.0 | | | | -15.0 |
| | Other income/loss | 0.2 | 0.0 | -2.8 | 2.3 | -0.3 | -0.2 | | | | -4.5 |
| IS | Sales | 371.6 | 360.2 | 361.7 | 328.8 | 1,422.3 | 327.1 | | | | 1,360.0 |
| | Operating Profit | 16.8 | 20.7 | 27.0 | 4.1 | 68.6 | 5.2 | | | | 70.0 |
| | Other income/loss | 0.9 | -0.3 | 5.6 | -1.1 | 5.1 | -1.6 | | | | -9.0 |
| Subtotal | Sales | 2,166.9 | 2,199.7 | 2,271.5 | 2,221.8 | 8,859.9 | 2,110.8 | | | | 8,807.0 |
| | Operating Profit | 76.7 | 88.4 | 102.4 | 33.6 | 301.1 | 51.6 | | | | 380.5 |
| | Other income/loss | 0.0 | 2.4 | 4.4 | -30.8 | -24.0 | -2.5 | | | | 51.5 |
| Other | Sales | 71.4 | 46.2 | 55.7 | 133.3 | 306.6 | 58.5 | | | | 300.0 |
| | Operating Profit | 0.1 | 1.5 | 0.3 | -0.2 | 1.7 | 1.5 | | | | 0.0 |
| | Other income/loss | -0.4 | 0.5 | -0.7 | -1.7 | -2.3 | 0.4 | | | | -2.0 |
| Eliminations and Adjustments | Sales | -229.6 | -246.4 | -252.4 | -435.4 | -1,163.8 | -278.2 | | | | -1,207.0 |
| | Operating Profit | 23.2 | 5.3 | -5.1 | 85.3 | 108.7 | 3.3 | | | | -80.5 |
| | Other income/loss | 18.8 | 0.1 | -2.8 | 94.7 | 110.8 | -3.9 | | | | -49.5 |
| Total | Sales | 2,008.7 | 1,999.5 | 2,074.8 | 1,919.7 | 8,002.7 | 1,891.1 | | | | 7,900.0 |
| | Operating Profit | 100.0 | 95.2 | 97.6 | 118.7 | 411.5 | 56.4 | | | | 300.0 |
| | Other income/loss | 18.4 | 3.0 | 0.9 | 62.2 | 84.5 | -6.0 | | | | 0.0 |
| AP (production and sales consolidated) | Sales | 741.4 | 695.3 | 756.1 | 625.0 | 2,817.8 | 704.6 | | | | 2,850.0 |
| | Operating Profit | 37.8 | 20.3 | 26.6 | -1.5 | 83.2 | 28.0 | | | | 76.5 |
| | Other income/loss | -0.8 | 0.6 | 0.9 | 1.3 | 2.0 | -0.6 | | | | -7.5 |

(2) Sales by Business*

| | | Fiscal 2019 | | | | | Fiscal 2020 | | | | |
|---|---|-------------|-------|-------|-------|-----------|-------------|----|----|----|-----------|
| | | Q1 | Q2 | Q3 | Q4 | Full year | Q1 | Q2 | Q3 | Q4 | Full year |
| AP (production and sales consolidated) | Heating and Cooling Solutions | 156.7 | 116.9 | 102.0 | 115.0 | 490.6 | 166.6 | | | | |
| | Home Appliances | 228.9 | 235.3 | 244.5 | 203.7 | 912.4 | 224.3 | | | | |
| | Smart Life Network | 165.7 | 152.1 | 200.9 | 129.2 | 647.9 | 134.4 | | | | |
| | Commercial Refrigeration & Food Equipment | 72.8 | 77.2 | 79.8 | 68.8 | 298.6 | 69.8 | | | | |
| LS | Lighting | 70.8 | 76.0 | 88.1 | 78.7 | 313.6 | 66.7 | | | | |
| | Energy Systems | 81.6 | 88.1 | 92.4 | 93.9 | 356.0 | 84.7 | | | | |
| | Panasonic Ecology Systems | 41.7 | 42.6 | 45.2 | 48.3 | 177.9 | 41.6 | | | | |
| | Housing Systems | 82.6 | 85.8 | 96.8 | 89.0 | 354.2 | 87.4 | | | | |
| | Panasonic Homes | 69.6 | 101.0 | 81.9 | 122.5 | 375.0 | 79.7 | | | | |
| CNS | Avionics | 63.2 | 66.2 | 63.0 | 68.5 | 260.9 | 58.6 | | | | |
| | Process Automation | 58.8 | 53.8 | 47.7 | 44.0 | 204.3 | 48.5 | | | | |
| | Media Entertainment | 30.5 | 32.8 | 30.2 | 30.6 | 124.2 | 27.9 | | | | |
| | Mobile Solutions | 62.3 | 54.5 | 55.3 | 68.8 | 240.9 | 61.2 | | | | |
| | PSSJ | 64.4 | 67.5 | 70.5 | 119.1 | 321.5 | 67.1 | | | | |
| AM | Automotive Solutions | 244.0 | 237.2 | 247.8 | 262.8 | 991.7 | 239.8 | | | | |
| | Automotive Batteries | 87.4 | 106.1 | 118.3 | 110.9 | 422.7 | 109.2 | | | | |
| IS | Systems | 158.2 | 150.4 | 142.8 | 139.5 | 591.0 | 134.5 | | | | |
| | Device | 123.4 | 126.2 | 137.8 | 113.5 | 500.9 | 115.2 | | | | |

* Each business consists of the following major BDs.

| Businesses | Major Business Divisions |
|------------|--|
| AP | <ul style="list-style-type: none"> • Heating and Cooling Solutions : Heating and Cooling Solutions BD • Home Appliances : Kitchen Appliances BD, Laundry Systems and Vacuum Cleaner BD, Beauty and Personal Care BD • Smart Life Network : Smart Life Network BD • Commercial Refrigeration & Food Equipment : Cold Chain BD, Hussmann Corporation |
| LS | <ul style="list-style-type: none"> • Lighting : Lighting BD • Energy Systems : Energy Systems BD • Panasonic Ecology Systems : Panasonic Ecology Systems Co., Ltd. • Housing Systems : Housing Systems BD • Panasonic Homes : Panasonic Homes Co., Ltd. |
| CNS | <ul style="list-style-type: none"> • Avionics : Panasonic Avionics Corporation, Avionics BU • Process Automation : Process Automation BD • Media Entertainment : Media Entertainment BD • Mobile Solutions : Mobile Solutions BD • PSSJ : Panasonic System Solutions Japan Co., Ltd. |
| AM | <ul style="list-style-type: none"> • Automotive Solutions : Automotive Infotainment Systems BD, HMI Systems BD, Automotive Systems BD, Ficosa International, S.A. • Automotive Batteries : Automotive Energy BD, Tesla Energy BD |
| IS | <ul style="list-style-type: none"> • Systems : Electromechanical Control BD, Industrial Device BD, Energy Solutions BD • Device : Device Solutions BD, Energy Device BD, Electronic Materials BD |

Note: Sales of China & Northeast Asia Company are mainly included in AP and LS segments. Sales of US Company are mainly included in AP and AM segments.

(3) Capital Investment by Segment

yen (billions)

| | Fiscal 2019 | | | | | Fiscal 2020 | | | | |
|-------------------|-------------|------|------|-------|-----------|-------------|----|----|----|---------------------|
| | Q1 | Q2 | Q3 | Q4 | Full year | Q1 | Q2 | Q3 | Q4 | Full year Forecasts |
| AP | 7.4 | 10.8 | 10.2 | 17.0 | 45.4 | 8.7 | | | | 50.0 |
| LS | 10.2 | 11.5 | 10.6 | 9.9 | 42.2 | 6.7 | | | | 51.0 |
| CNS | 2.9 | 6.0 | 4.8 | 8.9 | 22.6 | 4.0 | | | | 25.0 |
| AM | 21.1 | 25.4 | 24.4 | 37.9 | 108.8 | 20.7 | | | | 160.0 |
| IS | 11.6 | 14.3 | 13.2 | 24.3 | 63.4 | 10.8 | | | | 72.0 |
| Other & Corporate | 3.6 | 0.5 | 6.5 | 7.5 | 18.1 | 5.1 | | | | 7.0 |
| Total | 56.8 | 68.5 | 69.7 | 105.5 | 300.5 | 56.0 | | | | 365.0 |

Note: These figures are calculated on an accrual basis.

(4) Depreciation by Segment

yen (billions)

| | Fiscal 2019 | | | | | Fiscal 2020 | | | | |
|-------------------|-------------|------|------|------|-----------|-------------|----|----|----|---------------------|
| | Q1 | Q2 | Q3 | Q4 | Full year | Q1 | Q2 | Q3 | Q4 | Full year Forecasts |
| AP | 12.3 | 12.2 | 12.3 | 12.6 | 49.4 | 12.1 | | | | 57.0 |
| LS | 10.5 | 10.6 | 10.8 | 10.5 | 42.4 | 9.5 | | | | 42.0 |
| CNS | 4.7 | 4.8 | 4.9 | 5.1 | 19.5 | 4.4 | | | | 22.0 |
| AM | 10.2 | 9.7 | 9.9 | 10.6 | 40.4 | 10.3 | | | | 54.0 |
| IS | 16.2 | 16.5 | 16.7 | 16.5 | 65.9 | 16.2 | | | | 74.0 |
| Other & Corporate | 2.2 | 1.7 | 1.6 | 3.7 | 9.2 | 0.1 | | | | 6.0 |
| Total | 56.1 | 55.5 | 56.2 | 59.0 | 226.8 | 52.6 | | | | 255.0 |

2. Other

(1) Sales by Region

yen (billions)

| | Fiscal 2019 | | | | | Fiscal 2020 | | | | |
|--------------------------|-------------|---------|---------|---------|-----------|-------------|----|----|----|-----------|
| | Q1 | Q2 | Q3 | Q4 | Full year | Q1 | Q2 | Q3 | Q4 | Full year |
| Japan | 880.8 | 938.1 | 985.3 | 912.4 | 3,716.6 | 875.5 | | | | |
| Local currency basis YoY | 104% | 104% | 106% | 88% | 100% | 99% | | | | |
| North and South America | 364.7 | 390.2 | 401.7 | 373.2 | 1,529.8 | 360.8 | | | | |
| Local currency basis YoY | 117% | 115% | 111% | 107% | 112% | 99% | | | | |
| Europe | 206.3 | 185.8 | 206.4 | 208.8 | 807.3 | 181.5 | | | | |
| Local currency basis YoY | 106% | 98% | 95% | 102% | 100% | 93% | | | | |
| Asia | 281.2 | 242.9 | 245.0 | 245.9 | 1,015.0 | 261.1 | | | | |
| Local currency basis YoY | 103% | 85% | 94% | 99% | 95% | 95% | | | | |
| China | 275.7 | 242.5 | 236.4 | 179.4 | 934.0 | 212.2 | | | | |
| Local currency basis YoY | 110% | 94% | 93% | 86% | 96% | 81% | | | | |
| Total | 2,008.7 | 1,999.5 | 2,074.8 | 1,919.7 | 8,002.7 | 1,891.1 | | | | |
| Local currency basis YoY | 107% | 101% | 102% | 94% | 101% | 95% | | | | |

(2) R&D Expenditures

yen (billions)

| | Fiscal 2019 | | | | | Fiscal 2020 | | | | |
|------------------|-------------|-------|-------|-------|-----------|-------------|----|----|----|---------------------|
| | Q1 | Q2 | Q3 | Q4 | Full year | Q1 | Q2 | Q3 | Q4 | Full year Forecasts |
| R&D Expenditures | 115.8 | 120.9 | 127.9 | 124.2 | 488.8 | 118.6 | | | | 480.0 |

(3) Foreign Currency Exchange Rates

| | Fiscal 2019 | | | | | Fiscal 2020 | | | | |
|--------------|-------------|-------|-------|-------|-----------|-------------|----|----|----|---------------------|
| | Q1 | Q2 | Q3 | Q4 | Full year | Q1 | Q2 | Q3 | Q4 | Full year Forecasts |
| U.S. Dollars | ¥109 | ¥111 | ¥113 | ¥110 | ¥111 | ¥110 | | | | ¥110 |
| Euro | ¥130 | ¥130 | ¥129 | ¥125 | ¥128 | ¥123 | | | | ¥125 |
| Renminbi | ¥17.1 | ¥16.4 | ¥16.3 | ¥16.3 | ¥16.5 | ¥16.1 | | | | ¥16.5 |

Note: Average rate

(4) Foreign Exchange Sensitivity

yen (billions)

| | Operating Profit |
|--------------|------------------|
| U.S. Dollars | -2.4 |
| Euro | -0.9 |
| Renminbi | +2.3 |

Note: Impact of exchange rate fluctuation (Fiscal 2020 Forecasts impact by one yen appreciation.)

Figures here represent information voluntarily prepared by the company as of May 9, 2019.

(5) Number of Employees

(persons)

| | 2018 | | | | 2019 | | | | 2020 |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | End of Mar. | End of Jun. | End of Sep. | End of Dec. | End of Mar. | End of Jun. | End of Sep. | End of Dec. | End of Mar. |
| Japan-based | 105,465 | 107,572 | 106,922 | 106,305 | 105,525 | 107,217 | | | |
| Overseas | 168,678 | 165,948 | 166,539 | 167,553 | 166,344 | 166,558 | | | |
| Total | 274,143 | 273,520 | 273,461 | 273,858 | 271,869 | 273,775 | | | |

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