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FOR IMMEDIATE RELEASE

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**Panasonic Reports its Consolidated Financial Results
for the Nine-month ended December 31, 2019**

Osaka, Japan, February 3, 2020 -- Panasonic Corporation (Panasonic [TSE:6752]) today reported its consolidated financial results for the nine months ended December 31, 2019, of the current fiscal year ending March 31, 2020 (fiscal 2020).

Summary

Yen (billions)

	Fiscal 2020 Nine Months ended December 31, 2019	Fiscal 2019 Nine Months ended December 31, 2018	Percentage 2020/2019
Net sales	5,755.6	6,083.0	95%
Domestic	2,755.6	2,804.2	98%
Overseas	3,000.0	3,278.8	91%
Operating profit	240.7 4.2%	292.8 4.8%	82%
Profit before income taxes	238.1 4.1%	294.3 4.8%	81%
Net profit	190.6 3.3%	187.4 3.1%	102%
Net profit attributable to Panasonic Corporation stockholders	178.1 3.1%	173.7 2.9%	103%
Earnings per share attributable to Panasonic Corporation stockholders			
Basic	76.37 yen	74.48 yen	1.89 yen
Diluted	76.33 yen	74.43 yen	1.90 yen

Notes: 1. The Company's consolidated financial statements are prepared in conformity with International Financial Reporting Standards (IFRS).

2. Number of consolidated companies: 569 (including parent company)
Number of companies under the equity method: 90

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**

Condensed Quarterly Consolidated Statements of Profit or Loss

Yen (millions)

	Fiscal 2020 Nine Months ended December 31, 2019		Fiscal 2019 Nine Months ended December 31, 2018		Percentage 2020/2019
		%		%	
Net sales	5,755,634	100.0	6,082,985	100.0	95
Cost of sales	(4,109,756)	(71.4)	(4,382,673)	(72.0)	
Gross profit	1,645,878	28.6	1,700,312	28.0	97
Selling, general and administrative expenses	(1,394,095)	(24.2)	(1,429,817)	(23.6)	
Share of profit of investments accounted for using the equity method	3,547	0.1	6,284	0.1	
Other income (expenses), net	(14,657)	(0.3)	16,010	0.3	
Operating profit	240,673	4.2	292,789	4.8	82
Finance income	24,672	0.4	19,241	0.3	
Finance expenses	(27,283)	(0.5)	(17,707)	(0.3)	
Profit before income taxes	238,062	4.1	294,323	4.8	81
Income taxes	(47,470)	(0.8)	(106,961)	(1.7)	
Net profit	190,592	3.3	187,362	3.1	102
Net profit attributable to:					
Panasonic Corporation stockholders	178,148	3.1	173,715	2.9	103
Non-controlling interests	12,444	0.2	13,647	0.2	91

Notes: 1. Depreciation	154,349	million yen	167,781	million yen
2. Capital investment	189,004	million yen	194,988	million yen
3. R&D expenditures	352,794	million yen	364,558	million yen
4. Number of employees	269,435		273,858	

Condensed Quarterly Consolidated Statements of Comprehensive Income

Yen (millions)

	Fiscal 2020 Nine Months ended December 31, 2019	Fiscal 2019 Nine Months ended December 31, 2018	Percentage 2020/2019
			%
Net Profit	190,592	187,362	102
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plans	(981)	2,015	
Financial assets measured at fair value through other comprehensive income	16,620	1,230	
Subtotal	15,639	3,245	
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	(45,574)	(2,216)	
Net change in fair value of cash flow hedges	1,796	(1,991)	
Subtotal	(43,778)	(4,207)	
Total other comprehensive income	(28,139)	(962)	
Comprehensive income	162,453	186,400	87
Comprehensive income attributable to :			
Panasonic Corporation stockholders	154,856	177,100	87
Non-controlling interests	7,597	9,300	82

Information by Segment

Yen (billions)

	Fiscal 2020 Nine Months ended December 31, 2019					Fiscal 2019 Nine Months ended December 31, 2018		
	Sales	20/19	Operating Profit (Loss)	% of Sales	20/19	Sales	Operating Profit (Loss)	% of Sales
Reportable Segments:		%		%	%			%
Appliances	2,059.0	96	82.7	4.0	93	2,139.0	88.6	4.1
Life Solutions	1,505.2	103	70.9	4.7	142	1,468.4	50.1	3.4
Connected Solutions	770.3	94	76.6	9.9	104	815.8	73.5	9.0
Automotive	1,113.4	99	(29.2)	(2.6)	–	1,121.4	(9.2)	(0.8)
Industrial Solutions	984.1	90	9.8	1.0	15	1,093.5	64.5	5.9
Subtotal	6,432.0	97	210.8	3.3	79	6,638.1	267.5	4.0
Other	170.3	98	3.4	2.0	173	173.3	1.9	1.1
Eliminations and adjustments	(846.7)	–	26.5	–	–	(728.4)	23.4	–
Total	5,755.6	95	240.7	4.2	82	6,083.0	292.8	4.8

- 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)

	December 31, 2019	March 31, 2019	Difference
Current assets:	3,997,091	3,274,093	722,998
Cash and cash equivalents	864,303	772,264	92,039
Trade receivables and contract assets	1,125,572	1,190,620	(65,048)
Other financial assets	140,110	131,305	8,805
Inventories	877,913	1,016,437	(138,524)
Other current assets	989,193	163,467	825,726
Non-current assets:	2,713,594	2,739,838	(26,244)
Investments accounted for using the equity method	132,971	136,486	(3,515)
Other financial assets	206,512	216,225	(9,713)
Property, plant and equipment	1,090,049	1,324,374	(234,325)
Right-of-use assets	260,018	–	260,018
Other non-current assets	1,024,044	1,062,753	(38,709)
Total assets	6,710,685	6,013,931	696,754
Current liabilities:	3,208,791	2,989,450	219,341
Short-term debt, including current portion of long-term debt	269,307	382,301	(112,994)
Lease liabilities	63,212	7,654	55,558
Trade payables	1,021,436	1,151,174	(129,738)
Other financial liabilities	212,278	273,817	(61,539)
Other current liabilities	1,642,558	1,174,504	468,054
Non-current liabilities:	1,357,557	939,866	417,691
Long-term debt	855,919	600,750	255,169
Lease liabilities	200,825	8,016	192,809
Other non-current liabilities	300,813	331,100	(30,287)
Total liabilities	4,566,348	3,929,316	637,032
Panasonic Corporation stockholders' equity:	1,977,052	1,913,513	63,539
Common stock	258,867	258,740	127
Capital surplus	527,685	528,880	(1,195)
Retained earnings	1,589,706	1,500,870	88,836
Other components of equity	(189,010)	(164,417)	(24,593)
Treasury stock	(210,196)	(210,560)	364
Non-controlling interests	167,285	171,102	(3,817)
Total equity	2,144,337	2,084,615	59,722
Total liabilities and equity	6,710,685	6,013,931	696,754

Notes: 1. Common stock increased resulting from issuance of new shares as restricted stock compensation.

2. Other components of equity breakdown:

Yen (millions)

	December 31, 2019	March 31, 2019	Difference
Remeasurements of defined benefit plans*	–	–	–
Financial assets measured at fair value through other comprehensive income	54,984	40,934	14,050
Exchange differences on translation of foreign operations	(244,700)	(204,123)	(40,577)
Net change in fair value of cash flow hedges	706	(1,228)	1,934

* 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 Nine Months ended December 31, 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	—	—	178,148	—	—	178,148	12,444	190,592
Remeasurements of defined benefit plans	—	—	—	(1,108)	—	(1,108)	127	(981)
Financial assets measured at fair value through other comprehensive income	—	—	—	16,615	—	16,615	5	16,620
Exchange differences on translation of foreign operations	—	—	—	(40,577)	—	(40,577)	(4,997)	(45,574)
Net change in fair value of cash flow hedges	—	—	—	1,778	—	1,778	18	1,796
Total comprehensive income	—	—	178,148	(23,292)	—	154,856	7,597	162,453
Transfer from other components of equity to retained earnings	—	—	1,457	(1,457)	—	—	—	—
Cash dividends	—	—	(69,979)	—	—	(69,979)	(11,186)	(81,165)
Changes in treasury stock	—	(2)	—	—	(22)	(24)	—	(24)
Share-based payment transactions	127	(346)	—	—	386	167	—	167
Transactions with non-controlling interests and other	—	(847)	—	156	—	(691)	(228)	(919)
Cumulative effects of a new accounting standards applied	—	—	(20,790)	—	—	(20,790)	—	(20,790)
Balances as of December 31, 2019	258,867	527,685	1,589,706	(189,010)	(210,196)	1,977,052	167,285	2,144,337

Yen (millions)

Fiscal 2019 Nine Months ended December 31, 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	—	—	173,715	—	—	173,715	13,647	187,362
Remeasurements of defined benefit plans	—	—	—	1,892	—	1,892	123	2,015
Financial assets measured at fair value through other comprehensive income	—	—	—	1,218	—	1,218	12	1,230
Exchange differences on translation of foreign operations	—	—	—	2,265	—	2,265	(4,481)	(2,216)
Net change in fair value of cash flow hedges	—	—	—	(1,990)	—	(1,990)	(1)	(1,991)
Total comprehensive income	—	—	173,715	3,385	—	177,100	9,300	186,400
Transfer from other components of equity to retained earnings	—	—	5,112	(5,112)	—	—	—	—
Cash dividends	—	—	(81,633)	—	—	(81,633)	(12,974)	(94,607)
Changes in treasury stock	—	(42)	—	—	61	19	—	19
Transactions with non-controlling interests and other	—	(927)	—	136	—	(791)	(896)	(1,687)
Cumulative effects of a new accounting standards applied	—	—	7,150	—	—	7,150	—	7,150
Balances as of December 31, 2018	258,740	526,439	1,404,680	(169,850)	(210,613)	1,809,396	170,164	1,979,560

Condensed Quarterly Consolidated Statements of Cash Flows

Yen (millions)

	Fiscal 2020 Nine Months ended December 31, 2019	Fiscal 2019 Nine Months ended December 31, 2018
<u>Cash flows from operating activities</u>		
Net profit	190,592	187,362
Adjustments to reconcile net profit to net cash provided by operating activities		
Depreciation and amortization	283,137	218,733
(Increase) decrease in trade receivables and contract assets	6,971	(106,552)
(Increase) decrease in inventories	(15,865)	(119,505)
Increase (decrease) in trade payables	(50,606)	64,175
Other	(126,399)	(166,166)
Net cash provided by operating activities	287,830	78,047
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(198,779)	(235,003)
Proceeds from sale of property, plant and equipment	13,844	32,575
Purchase of investments accounted for using the equity method and other financial assets	(9,963)	(23,163)
Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets	32,959	24,792
Other	2,659	58,140
Net cash used in investing activities	(159,280)	(142,659)
<u>Cash flows from financing activities</u>		
Increase (decrease) in short-term debt	(95,932)	(75,768)
Increase (decrease) in long-term debt	169,124	(5,888)
Dividends paid to Panasonic Corporation stockholders	(69,979)	(81,633)
Dividends paid to non-controlling interests	(11,186)	(12,974)
(Increase) decrease in treasury stock	(24)	19
Other	956	9,763
Net cash used in financing activities	(7,041)	(166,481)
Effect of exchange rate changes on cash and cash equivalents, and other	(29,470)	10,390
Net increase (decrease) in cash and cash equivalents	92,039	(220,703)
Cash and cash equivalents at beginning of period	772,264	1,089,585
Cash and cash equivalents at the end of the period	864,303	868,882

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 (these are mostly classified as assets held for sale in "Other current assets" as of the third quarter ended December 31, 2019) and 636.3 billion yen, respectively, and retained earnings decreased by 20.8 billion yen. Accordingly, "right-of-use assets" 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 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 succeed its R&D department related to solar business by way of an absorption-type company split to a newly established corporation.
5. 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, through an absorption-type company split, of its security systems business to a SPC (Special Purpose Company) which would be established by Polaris. This transfer would take place on the basis that the security system business would be transferred to a newly established entity by Panasonic. On November 20, 2019, the Company transferred the shares of the newly established entity, Panasonic i-PRO Sensing Solutions Co., Ltd., to the SPC, PSP Holdings Co., Ltd.
6. 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.
7. The Board of Directors of the Company resolved on November 28, 2019, to transfer the semiconductor business-related intellectual property rights and certain business contracts, and others held by the Company, to Panasonic Semiconductor Solutions, Co., Ltd., a subsidiary of the Company, through an absorption-type company split. The company split is related to the transfer of the semiconductor business of Panasonic Group to Nuvoton Technology Corporation, a Taiwan-based semiconductor company under the umbrella of Winbond Electronics Corporation group.

8. Significant subsequent events;

- (1) 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. On January 7, 2020, Panasonic Homes Co., Ltd. became a wholly owned subsidiary of the joint venture, Prime Life Technologies Corporation ("PLT") by way of a joint transfer share method, and is no longer a subsidiary of the Company.

Assets and liabilities which are transferred from the Group to the PLT group, are classified as assets held for sale and liabilities directly associated with assets held for sale, respectively. On the Condensed Quarterly Consolidated Statements of Financial Position, the figures are presented in "Other current assets" and "Other current liabilities."

- (2) The Board of Directors of the Company resolved on February 3, 2020, to organize Prime Planet Energy & Solutions, Inc. ("PPES"), a subsidiary of Panasonic, into a joint venture. This is in accordance to the agreement with Toyota Motor Corporation to establish a joint venture related to automotive prismatic batteries. PPES will be no longer a subsidiary of the Company, resulting from the share transfer through forming a joint venture.

Assets and liabilities, which are transferred from the Group to PPES and companies under the umbrella of PPES, will be categorized as assets held for sale and liabilities directly associated with assets held for sale, respectively. On the Condensed Quarterly Consolidated Statements of Financial Position, the figures will be presented in "Other current assets" and "Other current liabilities."

- (3) The Board of Directors of the Company resolved on February 3, 2020, to issue a total of 100.0 billion of domestic unsecured straight bonds as the upper limit. The details of the issuance of bonds, including the aggregate principal amount of bonds, issue price, coupon rate, maturity and date of issue, will be determined in the later stage.

9. Assumption for going concern: None

10. Number of consolidated subsidiaries as of December 31, 2019: 568

Number of companies under the equity method as of December 31, 2019: 90

Consolidated Financial Results

1. Fiscal 2020 3Q ended December 31, 2019

A. Operating Results

	Yen (billions)		
	Fiscal 2020 Nine Months ended Dec. 31, 2019	Fiscal 2019 Nine Months ended Dec. 31, 2018	Percentage 2020/2019
Net sales	5,755.6	6,083.0	95%
Operating profit	240.7	292.8	82%
Profit before income taxes	238.1	294.3	81%
Net profit attributable to Panasonic Corporation stockholders	178.1	173.7	103%

During the nine months ended December 31, 2019 (fiscal 2020), the global economy continued to grow moderately as a whole, due mainly to favorable personal spending in the U.S. and to the Japanese economy supported by favorable employment conditions. On the other hand, the Chinese economy saw a slowdown in spending and investment. Regarding the outlook for the global economy, various risk factors can be seen, such as the politics and financial circumstances in each country, 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 Group executes business portfolio reform, and aims at both profit growth and profitability improvement.

In May, 2019, the Company came to an agreement with Toyota Motor Corporation to establish a joint venture related to town development business, and accordingly, Prime Life Technologies Corporation was established in January, 2020. 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. in May, 2019. Through this collaboration, the Company will optimize the development and production capability. In November, 2019, the Company announced it will end LCD panel production by 2021 and transfer the semiconductor business to Nuvoton Technology Corporation, under the umbrella of Winbond Electronics Corporation in Taiwan.

Furthermore, from October 1, 2019, business execution under the new business management structure was started. In order to clarify the management roles and responsibilities, the management structure was reorganized into a group of executive

officers, who will lead the reform of the Panasonic Group's business structure for the group-wide optimization, and a business execution layer, which will lead the transformation of individual businesses for strengthening respective businesses. This reorganization is aimed to improve profitability and secure advantages of future competitiveness for the Group and its respective businesses.

For the nine months ended December 31, 2019, the Company's consolidated group sales decreased by 5% to 5,755.6 billion yen from a year ago. Domestic sales decreased due mainly to sluggish sales in Electromechanical Control resulting from the deteriorating market conditions in China, despite stable sales of housing-related businesses. Overseas sales decreased due mainly to factors such as sluggish TV sales, sales declines in automotive-related products and electronic-component-mounting-equipment, which were impacted by the deteriorating market conditions in China and the effect of exchange rates, despite sales growth in Automotive Batteries.

Operating profit decreased by 18% to 240.7 billion yen from a year ago. This is due mainly to lower sales in China, sluggish overseas TV sales, increased costs related to development expenses in Automotive Solutions in Europe, impact of gains from the sale of land in the previous year and recording of restructuring expenses, despite stable sales of domestic housing-related businesses. Profit before income taxes decreased by 19% to 238.1 billion yen, and net profit attributable to Panasonic Corporation stockholders increased by 3% to 178.1 billion yen from a year ago, contributed by improvements in income taxes.

B. Breakdown by Reportable Segment

Appliances

	Yen (billions)		
	Fiscal 2020 Third quarter	Fiscal 2019 Third quarter	Percentage 2020/2019
Sales	2,059.0	2,139.0	96%
Operating profit	82.7	88.6	93%

Sales decreased by 4% to 2,059.0 billion yen from a year ago. Despite increased sales such as room air-conditioners in Asia and Europe as well as refrigerators, overall sales decreased due to sluggish overseas sales of TVs, in addition to the effect of exchange rates. Operating profit decreased to 82.7 billion yen from a year ago, since initiatives such as rationalization efforts were unable to offset the lower sales.

Life Solutions

Yen (billions)

	Fiscal 2020 Third quarter	Fiscal 2019 Third quarter	Percentage 2020/2019
Sales	1,505.2	1,468.4	103%
Operating profit	70.9	50.1	142%

Sales increased by 3% to 1,505.2 billion yen from a year ago. This increase was driven by favorable sales including air purifiers at Panasonic Ecology Systems Co., Ltd., and Panasonic Homes Co., Ltd. Operating profit increased to 70.9 billion yen from a year ago due mainly to increased sales and rationalization efforts.

Connected Solutions

Yen (billions)

	Fiscal 2020 Third quarter	Fiscal 2019 Third quarter	Percentage 2020/2019
Sales	770.3	815.8	94%
Operating profit	76.6	73.5	104%

Sales decreased by 6% to 770.3 billion yen from a year ago. This is due to sales declines at Process Automation which was impacted by postponed investment resulting from weak market conditions in China, despite increased sales of PCs in Japan. Operating profit increased to 76.6 billion yen from a year ago. This is due mainly to gains from the transfer of security systems business despite impact of lower sales mainly at Process Automation.

Automotive

Yen (billions)

	Fiscal 2020 Third quarter	Fiscal 2019 Third quarter	Percentage 2020/2019
Sales	1,113.4	1,121.4	99%
Operating profit	(29.2)	(9.2)	—

Sales decreased by 1% to 1,113.4 billion yen from a year ago. Despite sales increase at Automotive Batteries, resulting from the effect of investments in capacity expansion, overall sales slightly decreased due to lower sales at Automotive Solutions which were impacted by deteriorating market conditions in China as well as the effect of exchange rates. Operating profit was a loss of 29.2 billion yen due mainly to an increase in costs related to development expenses at Automotive Solutions despite profit increases at Automotive Batteries.

Industrial Solutions

	Yen (billions)		
	Fiscal 2020 Third quarter	Fiscal 2019 Third quarter	Percentage 2020/2019
Sales	984.1	1,093.5	90%
Operating profit	9.8	64.5	15%

Sales decreased by 10% to 984.1 billion yen from a year ago. This was due mainly to sluggish sales of Electromechanical Control, decreased sales of portable rechargeable batteries resulting from strategically reducing ICT-usage and sales declines mainly in capacitors, which were impacted by deteriorating overseas market conditions. Operating profit decreased to 9.8 billion yen from a year ago due to impact of lower sales as well as recording of an impairment loss related to semiconductor business, despite fixed cost reductions and materials rationalization efforts.

C. Consolidated Financial Condition

Net cash provided by operating activities for the third quarter ended December 31, 2019, amounted to 287.8 billion yen, compared with an inflow of 78.0 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 159.2 billion yen, compared with an outflow of 142.6 billion yen a year ago. This was due mainly to decreased collection of lease receivables, despite an increase of account payable-facility and gains from business transfers. Accordingly, free cash flow (net cash provided by operating activities and investing activities) improved by 193.2 billion yen from a year ago to an inflow of 128.6 billion yen. Net cash used in financing activities amounted to 7.0 billion yen, compared with an outflow of 166.5 billion yen a year ago. This was due mainly to the issuance of U.S. dollar-denominated senior notes totaling approximately 270.0 billion yen despite a reimbursement of bonds, a decreased balance of short-term bonds and the impact of applying IFRS 16. Taking factors such as exchange fluctuations into consideration, cash and cash equivalents totaled 864.3 billion yen as of December 31, 2019, increased by 92.0 billion yen, compared with March 31, 2019.

The Company's consolidated total assets as of December 31, 2019 were 6,710.7 billion yen, an increase of 696.8 billion yen from March 31, 2019. The Company's consolidated total liabilities were 4,566.3 billion yen, an increase of 637.0 billion yen from March 31, 2019. These were due mainly to an increase of right-of-use-assets, investment properties (disclosed in "Other current assets" as of the third quarter ended December 31, 2019. For further details, please refer to Note 1. of "Notes" section) and lease liabilities, by applying IFRS 16. Panasonic Corporation stockholders' equity increased by 63.5 billion yen to 1,977.1 billion yen, compared to March 31, 2019. This was due mainly to recording of

"Net profit attributable to Panasonic Corporation stockholders." With non-controlling interests added to Panasonic Corporation stockholders' equity, total equity was 2,144.3 billion yen.

2. Forecasts for fiscal 2020

The consolidated financial forecast for fiscal 2020 remains unchanged from previous forecast announced on October 31, 2019.

Disclaimer Regarding Forward-Looking Statements

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Supplemental Financial Data for Fiscal 2020 Third Quarter, ended December 31, 2019
[IFRS] (Consolidated)

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

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

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: Adjusted operating profit = sales - cost of sales - SG&A

Note 6: Other income/loss = Other income (expenses) + Share of profit of investments accounted for using the equity method.

Note 7: Fiscal 2020 refers to the year ending March 31, 2020.

1. Fiscal 2020 Third 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 (as of Feb. 3, 2020)
AP	Sales	720.2	688.6	730.2	611.6	2,750.6	689.0	686.8	683.2		2,690.0
	Adjusted operating profit	39.9	21.9	26.0	-4.2	83.6	30.5	23.1	29.7		84.0
	Other income/loss	-0.8	0.6	1.0	1.2	2.0	-0.5	-0.2	0.1		-7.5
	Operating profit	39.1	22.5	27.0	-3.0	85.6	30.0	22.9	29.8		76.5
LS	Sales	444.4	506.7	517.3	567.7	2,036.1	462.1	531.1	512.0		1,960.0
	Adjusted operating profit	0.7	22.4	27.9	38.9	89.9	12.4	33.4	33.4		100.0
	Other income/loss	-0.8	0.5	-0.6	-24.4	-25.3	0.3	-5.0	-3.6		74.5
	Operating profit	-0.1	22.9	27.3	14.5	64.6	12.7	28.4	29.8		174.5
CNS	Sales	274.3	274.8	266.7	311.9	1,127.7	255.2	263.4	251.7		1,110.0
	Adjusted operating profit	21.9	27.8	20.5	29.7	99.9	14.2	22.6	17.7		81.0
	Other income/loss	0.5	1.6	1.2	-8.8	-5.5	-0.5	0.0	22.6		18.0
	Operating profit	22.4	29.4	21.7	20.9	94.4	13.7	22.6	40.3		99.0
AM	Sales	356.4	369.4	395.6	401.8	1,523.2	377.4	369.8	366.2		1,510.0
	Adjusted operating profit	-1.7	-7.1	2.2	-5.2	-11.8	-9.8	-12.6	-6.7		-39.5
	Other income/loss	0.2	0.0	-2.8	2.3	-0.3	-0.2	-0.1	0.2		-4.5
	Operating profit	-1.5	-7.1	-0.6	-2.9	-12.1	-10.0	-12.7	-6.5		-44.0
IS	Sales	371.6	360.2	361.7	328.8	1,422.3	327.1	330.8	326.2		1,300.0
	Adjusted operating profit	15.9	21.0	21.4	5.2	63.5	6.8	14.3	10.0		40.0
	Other income/loss	0.9	-0.3	5.6	-1.1	5.1	-1.6	-3.1	-16.6		-27.0
	Operating profit	16.8	20.7	27.0	4.1	68.6	5.2	11.2	-6.6		13.0
Subtotal	Sales	2,166.9	2,199.7	2,271.5	2,221.8	8,859.9	2,110.8	2,181.9	2,139.3		8,570.0
	Adjusted operating profit	76.7	86.0	98.0	64.4	325.1	54.1	80.8	84.1		265.5
	Other income/loss	0.0	2.4	4.4	-30.8	-24.0	-2.5	-8.4	2.7		53.5
	Operating profit	76.7	88.4	102.4	33.6	301.1	51.6	72.4	86.8		319.0
Other	Sales	71.4	46.2	55.7	133.3	306.6	58.5	57.1	54.7		300.0
	Adjusted operating profit	0.5	1.0	1.0	1.5	4.0	1.1	1.5	1.5		2.0
	Other income/loss	-0.4	0.5	-0.7	-1.7	-2.3	0.4	-0.5	-0.6		-2.0
	Operating profit	0.1	1.5	0.3	-0.2	1.7	1.5	1.0	0.9		0.0
Eliminations and Adjustments	Sales	-229.6	-246.4	-252.4	-435.4	-1,163.8	-278.2	-285.7	-282.8		-1,170.0
	Adjusted operating profit	4.4	5.2	-2.3	-9.4	-2.1	7.2	11.8	9.7		32.5
	Other income/loss	18.8	0.1	-2.8	94.7	110.8	-3.9	-1.3	3.0		-51.5
	Operating profit	23.2	5.3	-5.1	85.3	108.7	3.3	10.5	12.7		-19.0
Total	Sales	2,008.7	1,999.5	2,074.8	1,919.7	8,002.7	1,891.1	1,953.3	1,911.2		7,700.0
	Adjusted operating profit	81.6	92.2	96.7	56.5	327.0	62.4	94.1	95.3		300.0
	Other income/loss	18.4	3.0	0.9	62.2	84.5	-6.0	-10.2	5.1		0.0
	Operating profit	100.0	95.2	97.6	118.7	411.5	56.4	83.9	100.4		300.0
AP (production and sales consolidated)	Sales	741.4	695.3	756.1	625.0	2,817.8	704.6	696.7	704.5		2,760.0
	Adjusted operating profit	38.6	19.7	25.7	-2.8	81.2	28.6	21.0	29.4		84.0
	Other income/loss	-0.8	0.6	0.9	1.3	2.0	-0.6	-0.2	0.1		-7.5
	Operating profit	37.8	20.3	26.6	-1.5	83.2	28.0	20.8	29.5		76.5

(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	123.9	100.2		
	Home Appliances	228.9	235.3	244.5	203.7	912.4	224.3	240.6	243.8		
	Smart Life Network	165.7	152.1	200.9	129.2	647.9	134.4	144.5	170.1		
	Commercial Refrigeration & Food Equipment	72.8	77.2	79.8	68.8	298.6	69.8	77.0	69.6		
LS	Lighting	70.8	76.0	88.1	78.7	313.6	66.7	75.0	82.4		
	Energy Systems	81.6	88.1	92.4	93.9	356.0	84.7	90.2	88.4		
	Panasonic Ecology Systems	41.7	42.6	45.2	48.3	177.9	41.6	43.1	46.5		
	Housing Systems	82.6	85.8	96.8	89.0	354.2	87.4	95.4	91.7		
CNS	Panasonic Homes	69.6	101.0	81.9	122.5	375.0	79.7	102.0	91.5		
	Avionics	63.2	66.2	63.0	68.5	260.9	58.6	60.8	62.1		
	Process Automation	58.8	53.8	47.7	44.0	204.3	48.5	44.0	39.0		
	Media Entertainment	30.5	32.8	30.2	30.6	124.2	27.9	29.3	27.5		
	Mobile Solutions	62.3	54.5	55.3	68.8	240.9	61.2	60.4	60.1		
AM	PSSJ	64.4	67.5	70.5	119.1	321.5	67.1	80.0	74.6		
	Automotive Solutions	244.0	237.2	247.8	262.8	991.7	239.8	225.0	210.4		
IS	Automotive Batteries	87.4	106.1	118.3	110.9	422.7	109.2	115.9	125.8		
	Systems	158.2	150.4	142.8	139.5	591.0	134.5	135.6	125.6		
	Devices	123.4	126.2	137.8	113.5	500.9	115.2	118.8	120.3		

* Each business consists of the following major BDs.

	Businesses	Major Business Divisions
AP	<ul style="list-style-type: none"> • Heating and Cooling Solutions • Home Appliances • Smart Life Network • Commercial Refrigeration & Food Equipment 	<ul style="list-style-type: none"> : Heating and Cooling Solutions BD : Kitchen Appliances BD, Laundry Systems and Vacuum Cleaner BD, Beauty and Personal Care BD : Smart Life Network BD : Cold Chain BD, Hussmann Corporation
LS	<ul style="list-style-type: none"> • Lighting • Energy Systems • Panasonic Ecology Systems • Housing Systems • Panasonic Homes 	<ul style="list-style-type: none"> : Lighting BD : Energy Systems BD : Panasonic Ecology Systems Co., Ltd. : Housing Systems BD : Panasonic Homes Co., Ltd.
CNS	<ul style="list-style-type: none"> • Avionics • Process Automation • Media Entertainment • Mobile Solutions • PSSJ 	<ul style="list-style-type: none"> : Panasonic Avionics Corporation, Avionics BU : Process Automation BD : Media Entertainment BD : Mobile Solutions BD : Panasonic System Solutions Japan Co., Ltd.
AM	<ul style="list-style-type: none"> • Automotive Solutions • Automotive Batteries 	<ul style="list-style-type: none"> : Automotive Infotainment Systems BD, HMI Systems BD, Automotive Systems BD, Ficosa International, S.A. : Automotive Energy BD, Tesla Energy BD
IS	<ul style="list-style-type: none"> • Systems • Devices 	<ul style="list-style-type: none"> : Electromechanical Control BD, Industrial Device BD, Energy Solutions BD : 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 (as of Feb. 3, 2020)
AP	7.4	10.8	10.2	17.0	45.4	8.7	10.2	8.7		45.0
LS	10.2	11.5	10.6	9.9	42.2	6.7	9.9	9.5		41.0
CNS	2.9	6.0	4.8	8.9	22.6	4.0	4.4	4.2		22.0
AM	21.1	25.4	24.4	37.9	108.8	20.7	36.6	20.7		125.0
IS	11.6	14.3	13.2	24.3	63.4	10.8	13.2	11.2		56.0
Other & Corporate	3.6	0.5	6.5	7.5	18.1	5.1	2.7	1.7		11.0
Total	56.8	68.5	69.7	105.5	300.5	56.0	77.0	56.0		300.0

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 (as of Feb. 3, 2020)
AP	12.3	12.2	12.3	12.6	49.4	12.1	11.6	11.5		47.0
LS	10.5	10.6	10.8	10.5	42.4	9.5	8.9	9.5		37.0
CNS	4.7	4.8	4.9	5.1	19.5	4.4	4.7	4.5		19.0
AM	10.2	9.7	9.9	10.6	40.4	10.3	10.7	8.3		39.0
IS	16.2	16.5	16.7	16.5	65.9	16.2	16.2	15.8		65.0
Other & Corporate	2.2	1.7	1.6	3.7	9.2	0.1	0.1	-0.1		3.0
Total	56.1	55.5	56.2	59.0	226.8	52.6	52.2	49.5		210.0

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	975.8	904.3		
Local currency basis YoY	104%	104%	106%	88%	100%	99%	104%	92%		
North and South America	364.7	390.2	401.7	373.2	1,529.8	360.8	362.2	368.1		
Local currency basis YoY	117%	115%	111%	107%	112%	99%	97%	95%		
Europe	206.3	185.8	206.4	208.8	807.3	181.5	172.8	194.6		
Local currency basis YoY	106%	98%	95%	102%	100%	93%	101%	101%		
Asia	281.2	242.9	245.0	245.9	1,015.0	261.1	232.3	244.6		
Local currency basis YoY	103%	85%	94%	99%	95%	95%	99%	102%		
China	275.7	242.5	236.4	179.4	934.0	212.2	210.2	199.6		
Local currency basis YoY	110%	94%	93%	86%	96%	81%	92%	89%		
Total	2,008.7	1,999.5	2,074.8	1,919.7	8,002.7	1,891.1	1,953.3	1,911.2		
Local currency basis YoY	107%	101%	102%	94%	101%	95%	100%	94%		

(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	120.6	113.6		480.0

* Full year forecasts for fiscal 2020 are unchanged.

(3) Foreign Currency Exchange Rates

	Fiscal 2019					Fiscal 2020				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts (as of Feb. 3, 2020)
U.S. Dollars	¥109	¥111	¥113	¥110	¥111	¥110	¥107	¥109		¥108
Euro	¥130	¥130	¥129	¥125	¥128	¥123	¥119	¥120		¥120
Renminbi	¥17.1	¥16.4	¥16.3	¥16.3	¥16.5	¥16.1	¥15.3	¥15.5		¥15.6

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	106,713	105,442	
Overseas	168,678	165,948	166,539	167,553	166,344	166,558	164,965	163,993	
Total	274,143	273,520	273,461	273,858	271,869	273,775	271,678	269,435	

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