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**FOR IMMEDIATE RELEASE**

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**Panasonic Reports its Consolidated Financial Results  
for the Six Months ended September 30, 2020**

Osaka, Japan, October 29, 2020 -- Panasonic Corporation (Panasonic [TSE:6752]) today reported its consolidated financial results for the six months ended September 30, 2020, of the current fiscal year ending March 31, 2021 (fiscal 2021).

**Summary**

Yen (billions)

	Fiscal 2021 Six Months ended September 30, 2020	Fiscal 2020 Six Months ended September 30, 2019	Percentage 2021/2020
Net sales	3,059.2	3,844.4	80 %
Domestic	1,412.1	1,851.3	76 %
Overseas	1,647.1	1,993.1	83 %
Operating profit	96.6 3.2 %	140.3 3.6 %	69 %
Profit before income taxes	93.2 3.0 %	137.9 3.6 %	68 %
Net profit	57.0 1.9 %	109.2 2.8 %	52 %
Net profit attributable to Panasonic Corporation stockholders	48.9 1.6 %	100.9 2.6 %	48 %
Earnings per share attributable to Panasonic Corporation stockholders			
Basic	20.94 yen	43.27 yen	(22.33) yen
Diluted	20.93 yen	43.24 yen	(22.31) yen

- Notes: 1. The Company's consolidated financial statements are prepared in conformity with International Financial Reporting Standards (IFRS).
2. Number of consolidated companies: 521 (including parent company)  
Number of companies under the equity method: 71
3. One American depositary shares (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.

## **Consolidated Financial Results**

### **1. Fiscal 2021 2Q ended September 30, 2020**

#### **A. Operating Results**

	Yen (billions)		
	Fiscal 2021 Six Months ended Sep. 30, 2020	Fiscal 2020 Six Months ended Sep. 30, 2019	Percentage 2021/2020
Net sales	3,059.2	3,844.4	80%
Operating profit	96.6	140.3	69%
Profit before income taxes	93.2	137.9	68%
Net profit attributable to Panasonic Corporation stockholders	48.9	100.9	48%

During the six months ended September 30, 2020 (fiscal 2021), the global economy saw a significant slowdown in consumption and investment, caused by the continuing expansion of the novel coronavirus disease (COVID-19). There was also great uncertainties over the politics and financial circumstances in each country, as well as widespread of protectionism. Japan is also considered to be affected by these uncertainties to no small extent. Therefore, it continues to be difficult to forecast the economic outlook surrounding the management environment in fiscal 2021.

Under such a condition, the Company continues to execute portfolio management and enhance its management structure, based on the Mid-term strategy started from the fiscal 2020, while monitoring the risks and impact on its businesses, as well as deliberating the necessary countermeasures.

For the six months ended September 30, 2020, with regard to the investment for growth, the Company made a strategic equity investment obtaining 20% of the voting rights in Blue Yonder, specialized in supply chain software in July, 2020. The aim of investment is to enhance the Company's solution capability and to accelerate its business model transformation through acquiring innovative solution and business model that Blue Yonder provides globally.

With regard to the enhancement of competitiveness through Co-creation, in the automotive prismatic battery business, Prime Planet Energy & Solutions, Inc. which is a joint venture with Toyota Motor Corporation, has started its operation since April 1, 2020. The joint venture is working to develop highly competitive batteries that have excellent quality, performance and cost effectiveness, and to provide a stable supply of batteries.

Furthermore, with regard to the improvement of profitability, in the semiconductor business, the Company completed the transfer of its semiconductor business to Nuvoton

Technology Corporation, a Taiwan-based semiconductor company under the umbrella of Winbond Electronics Corporation group in September, 2020. Also, in the solar business, the Company ceased its U.S. production of photovoltaic cells and modules at the plant in Buffalo (New York, U.S.) in June, 2020. The withdrawal was completed in September, 2020.

For the six months ended September 30, 2020, the Company's consolidated group sales decreased by 20% to 3,059.2 billion yen from a year ago. Domestic sales decreased due to the impact of the spread of COVID-19 as well as the impact of deconsolidation such as housing related businesses, despite increased sales in products such as air purifiers. Overseas sales decreased due largely to the impact of the spread of COVID-19, despite increased sales such as mounting machines at Process Automation, and power storage systems for information- and communication-infrastructure as well as industrial-use motors.

Operating profit decreased by 31% to 96.6 billion yen from a year ago. This is due largely to the impact of decreased sales, despite fixed cost reductions for management structure enhancement as well as the effect from profitability improvement efforts in automotive business. Profit before income taxes decreased by 32% to 93.2 billion yen from a year ago, and net profit attributable to Panasonic Corporation stockholders decreased by 52% to 48.9 billion yen from a year ago.

## B. Breakdown by Reportable Segment

### Appliances

	Yen (billions)		
	Fiscal 2021 Second quarter	Fiscal 2020 Second quarter	Percentage 2021/2020
Sales	1,191.1	1,374.6	87%
Operating profit	51.0	52.9	96%

Sales decreased by 13% to 1,191.1 billion yen from a year ago. This is due largely to the impact of deteriorating market conditions, while steady sales continued in China and other regions showed signs of recovery in their business trends. Operating profit decreased to 51.0 billion yen from a year ago. This is due largely to the impact of decreased sales, despite the effect of reductions including fixed costs and sales promotion expenses.

### Life Solutions

	Yen (billions)		
	Fiscal 2021 Second quarter	Fiscal 2020 Second quarter	Percentage 2021/2020
Sales	695.5	994.4	70%
Operating profit	21.4	41.2	52%

Sales decreased by 30% to 695.5 billion yen from a year ago. This is due to the impact of the deconsolidation of housing related businesses as well as the impact of deteriorating market conditions, despite favorable sales in air purifiers. Operating profit decreased to 21.4 billion yen from a year ago due largely to the impact of decreased sales, despite the effect of fixed cost reductions.

### Connected Solutions

	Yen (billions)		
	Fiscal 2021 Second quarter	Fiscal 2020 Second quarter	Percentage 2021/2020
Sales	376.6	518.6	73%
Operating profit (loss)	(17.3)	36.3	—

Sales decreased by 27% to 376.6 billion yen from a year ago. This is due largely to decreased sales at Avionics, which was impacted by a sharp decline in flight operations and a significant reduction in aircraft productions, despite favorable sales of mounting machines for servers and others in China. Operating profit decreased to a loss of 17.3 billion yen from a year ago, due largely to decreased sales, despite the effect of fixed cost reductions.

### Automotive

	Yen (billions)		
	Fiscal 2021 Second quarter	Fiscal 2020 Second quarter	Percentage 2021/2020
Sales	569.3	747.2	76%
Operating profit (loss)	(4.4)	(22.7)	—

Sales decreased by 24% to 569.3 billion yen from a year ago. This is due to a decline in demand following the temporary closure of customers' factories. Operating profit improved from a year ago to a loss of 4.4 billion yen. This is due mainly to fixed cost reduction efforts and improvement of productivity in automotive battery at North America factory.

### Industrial Solutions

	Yen (billions)		
	Fiscal 2021 Second quarter	Fiscal 2020 Second quarter	Percentage 2021/2020
Sales	596.5	657.9	91%
Operating profit	27.0	16.4	164%

Sales decreased by 9% to 596.5 billion yen from a year ago. This is due mainly to the impact of deteriorating market conditions for automotive relays, despite sales growth in information- and communication-infrastructure related products such as power storage systems and capacitors. Operating profit increased to 27.0 billion yen from a year ago due mainly to fixed cost reduction efforts, which offset the impact of decreased sales.

### C. Consolidated Financial Condition

Net cash provided by operating activities for the second quarter ended September 30, 2020, amounted to 76.0 billion yen, compared with an inflow of 142.6 billion yen a year ago. This is due mainly to a decrease in quarterly net profit and a decrease in trade payables. Net cash provided by investing activities amounted to 27.9 billion yen, compared with an outflow of 124.0 billion yen a year ago. This is due mainly to capital investment controls, proceeds from the establishment of a joint venture in the automotive prismatic battery business as well as transfer of assets, despite an equity investment in Blue Yonder. Accordingly, free cash flow (net cash provided by operating activities and investment activities) increased by 85.3 billion yen from a year ago to an inflow of 103.9 billion yen.

Net cash provided by financial activities amounted to 116.8 billion, compared with an inflow of 67.0 billion yen a year ago. This is due mainly to an increase in balance of short-term bonds for the second quarter ended September 30, 2020, despite the issuance of U.S. dollar-denominated senior notes totalling approximately 270.0 billion yen a year ago. Taking factors such as exchange fluctuations into consideration, cash and cash equivalents totaled 1,226.3 billion yen as of September 30, 2020, increased by 209.8 billion yen, compared with March 31, 2020.

The Company's consolidated total assets of September 30, 2020 were 6,384.3 billion yen, an increase of 165.8 billion yen from March 31, 2020. This is due mainly to an increase in cash and cash equivalents as well as an equity investment in Blue Yonder, despite decreased assets as a result of the establishment of a joint venture in the automotive prismatic battery business and the transfer of Company's semiconductor business.

The Company's consolidated total liabilities were 4,077.1 billion yen, an increase of 14.5 billion yen from March 31, 2020. This is due mainly to an increase in balance of short-term bonds, despite decreased liabilities in trade payables and others.

Panasonic Corporation stockholders' equity increased by 156.0 billion yen to 2,154.3 billion yen, compared with March 31, 2020. This is due mainly to recording of quarterly net profit attributable to Panasonic Corporation stockholders as well as an increase in financial assets measured at fair value through other comprehensive income. With non-controlling interests added to Panasonic Corporation stockholders' equity, total equity was 2,307.2 billion yen.

## **2. Interim and Year-end Dividends**

In line with the dividends forecasts announced on August 28, 2020, the Board of Directors of the Company resolved today to distribute an interim cash dividend of 10 yen per share to shareholders of record as of September 30, 2020, payable November 30, 2020. The year-end dividend has not yet been decided.

## **3. Forecasts for fiscal 2021**

The consolidated financial forecasts for fiscal 2021 remain unchanged from the initial forecasts announced on July 30, 2020.

With regard to the impact of COVID-19, the Company-wide assumption remains unchanged, while the Company expects some fluctuations depending on businesses, compared with the initial assumption of July 30, 2020.

### **Disclaimer Regarding Forward-Looking Statements**

This press release includes forward-looking statements about Panasonic and its Group companies (the Panasonic Group). To the extent that statements in this press release do not relate to historical or current facts, they constitute forward-looking statements. These forward-looking statements are based on the current assumptions and beliefs of the Panasonic Group 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 the Panasonic Group'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 these forward-looking statements. Panasonic undertakes no obligation to publicly update any forward-looking statements after the date of this press release. Investors are advised to consult any further disclosures by Panasonic in its subsequent filings under the Financial Instrument and Exchange Act of Japan (the FIEA) and other publicly disclosed documents.

The risks, uncertainties and other factors referred to above include, but are not limited to, economic conditions, particularly consumer spending and corporate capital expenditures in the Americas, Europe, Japan, China and other Asian countries; volatility in demand for electronic equipment and components from business and industrial customers, as well as consumers in many product and geographical markets; the possibility that the spread of the novel coronavirus infections may adversely affect business activities of the Panasonic Group; the possibility that excessive currency rate fluctuations of the U.S. dollar, the euro, the Chinese yuan and other currencies against the yen may adversely affect costs and prices of Panasonic's products and services and certain other transactions that are denominated in these foreign currencies; the possibility of the Panasonic Group incurring additional costs of raising funds, because of changes in the fund raising environment; the possibility of the Panasonic Group not being able to respond to rapid technological changes and changing consumer preferences with timely and cost-effective introductions of new products in markets that are highly competitive in terms of both price and technology; the possibility of not achieving expected results or incurring unexpected losses in connection with the alliances or mergers and acquisitions; the possibility of not being able to achieve its business objectives through joint ventures and other collaborative agreements with other companies, including due to the pressure of price reduction exceeding that which can be achieved by its effort and decrease in demand for products from business partners which Panasonic highly depends on in BtoB business areas; the possibility of the Panasonic Group not being able to maintain competitive strength in many product and geographical areas; the possibility of incurring expenses resulting from any defects in products or services of the Panasonic Group; the possibility that the Panasonic Group may face intellectual property infringement claims by third parties; current and potential, direct and indirect restrictions imposed by other countries over trade, manufacturing, labor and operations; restrictions, costs or legal liability relating to laws and regulations or failures in internal controls; fluctuations in market prices of securities and other financial assets in which the Panasonic Group has holdings or changes in valuation of non-financial assets, including property, plant and equipment, goodwill and deferred tax assets; future changes or revisions to accounting policies or accounting rules; the possibility of incurring expenses resulting from a leakage of customers' or confidential information from Panasonic Group systems due to unauthorized access or a detection of vulnerability of network-connected products of the Panasonic Group; as well as natural disasters including earthquakes, prevalence of infectious diseases throughout the world, disruption of supply chain and other events that may negatively impact business activities of the Panasonic Group. The factors listed above are not all-inclusive and further information is contained in the most recent English translated version of Panasonic's securities reports under the FIEA and any other documents which are disclosed on its website.



**Condensed Quarterly Consolidated Statements of Financial Position**

Yen (millions)

	September 30, 2020	March 31, 2020	Difference
<b>Current assets:</b>	<b>3,383,400</b>	<b>3,435,835</b>	<b>(52,435)</b>
Cash and cash equivalents	1,226,315	1,016,504	209,811
Trade receivables and contract assets	1,077,204	1,051,203	26,001
Other financial assets	122,169	148,436	(26,267)
Inventories	793,581	793,516	65
Other current assets	164,131	162,822	1,309
Assets held for sale	—	263,354	(263,354)
<b>Non-current assets:</b>	<b>3,000,930</b>	<b>2,782,683</b>	<b>218,247</b>
Investments accounted for using the equity method	463,860	306,864	156,996
Other financial assets	341,651	215,293	126,358
Property, plant and equipment	995,772	1,034,632	(38,860)
Right-of-use assets	262,291	261,075	1,216
Other non-current assets	937,356	964,819	(27,463)
<b>Total assets</b>	<b>6,384,330</b>	<b>6,218,518</b>	<b>165,812</b>
<b>Current liabilities:</b>	<b>2,810,838</b>	<b>2,616,108</b>	<b>194,730</b>
Short-term debt, including current portion of long-term debt	655,080	250,620	404,460
Lease liabilities	64,460	64,375	85
Trade payables	876,972	969,695	(92,723)
Other financial liabilities	161,789	212,674	(50,885)
Other current liabilities	1,052,537	1,030,139	22,398
Liabilities directly associated with the assets held for sale	—	88,605	(88,605)
<b>Non-current liabilities:</b>	<b>1,266,305</b>	<b>1,446,542</b>	<b>(180,237)</b>
Long-term debt	748,700	953,831	(205,131)
Lease liabilities	200,931	202,485	(1,554)
Other non-current liabilities	316,674	290,226	26,448
<b>Total liabilities</b>	<b>4,077,143</b>	<b>4,062,650</b>	<b>14,493</b>
<b>Panasonic Corporation stockholders' equity:</b>	<b>2,154,325</b>	<b>1,998,349</b>	<b>155,976</b>
Common stock	258,981	258,867	114
Capital surplus	530,157	531,048	(891)
Retained earnings	1,743,769	1,646,403	97,366
Other components of equity	(168,722)	(227,957)	59,235
Treasury stock	(209,860)	(210,012)	152
<b>Non-controlling interests</b>	<b>152,862</b>	<b>157,519</b>	<b>(4,657)</b>
<b>Total equity</b>	<b>2,307,187</b>	<b>2,155,868</b>	<b>151,319</b>
<b>Total liabilities and equity</b>	<b>6,384,330</b>	<b>6,218,518</b>	<b>165,812</b>

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

2. Other components of equity breakdown:

	September 30, 2020	March 31, 2020	Difference
Remeasurements of defined benefit plans*	—	—	—
Financial assets measured at fair value through other comprehensive income	135,224	57,794	77,430
Exchange differences on translation of foreign operations	(314,537)	(293,633)	(20,904)
Net changes in fair value of cash flow hedges	10,591	7,882	2,709

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

**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 2021 Six Months ended September 30, 2020		Fiscal 2020 Six Months ended September 30, 2019		Percentage 2021/2020
		%		%	
Net sales	3,059,155	100.0	3,844,424	100.0	80
Cost of sales	(2,190,412)	(71.6)	(2,759,006)	(71.8)	
<b>Gross profit</b>	<b>868,743</b>	<b>28.4</b>	<b>1,085,418</b>	<b>28.2</b>	<b>80</b>
Selling, general and administrative expenses	(779,598)	(25.5)	(928,964)	(24.1)	
Share of profit (loss) of investments accounted for using the equity method	(14,920)	(0.5)	2,332	0.0	
Other income (expenses), net	22,402	0.8	(18,494)	(0.5)	
<b>Operating profit</b>	<b>96,627</b>	<b>3.2</b>	<b>140,292</b>	<b>3.6</b>	<b>69</b>
Finance income	8,194	0.2	15,473	0.4	
Finance expenses	(11,646)	(0.4)	(17,861)	(0.4)	
<b>Profit before income taxes</b>	<b>93,175</b>	<b>3.0</b>	<b>137,904</b>	<b>3.6</b>	<b>68</b>
Income taxes	(36,200)	(1.1)	(28,705)	(0.8)	
<b>Net profit</b>	<b>56,975</b>	<b>1.9</b>	<b>109,199</b>	<b>2.8</b>	<b>52</b>
Net profit attributable to:					
<b>Panasonic Corporation stockholders</b>	<b>48,864</b>	<b>1.6</b>	<b>100,919</b>	<b>2.6</b>	<b>48</b>
Non-controlling interests	8,111	0.3	8,280	0.2	98

Notes: 1. Depreciation	88,022	million yen	104,795	million yen
2. Capital investment	69,796	million yen	132,999	million yen
3. R&D expenditures	209,861	million yen	239,217	million yen
4. Number of employees	246,512		271,678	

**Condensed Quarterly Consolidated Statements of Comprehensive Income**

Yen (millions)

	Fiscal 2021 Six Months ended September 30, 2020	Fiscal 2020 Six Months ended September 30, 2019	Percentage 2021/2020
			%
<b>Net Profit</b>	<b>56,975</b>	<b>109,199</b>	<b>52</b>
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plans	(2,066)	(541)	
Financial assets measured at fair value through other comprehensive income	163,440	(4,947)	
Subtotal	161,374	(5,488)	
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	(19,708)	(98,831)	
Net changes in fair value of cash flow hedges	2,142	2,802	
Subtotal	(17,566)	(96,029)	
Total other comprehensive income (loss)	143,808	(101,517)	
<b>Comprehensive income</b>	<b>200,783</b>	<b>7,682</b>	<b>2,614</b>
Comprehensive income attributable to :			
<b>Panasonic Corporation stockholders</b>	<b>191,084</b>	<b>8,419</b>	<b>2,270</b>
Non-controlling interests	9,699	(737)	-

**Condensed Quarterly Consolidated Statements of Changes in Equity**

Yen (millions)

Fiscal 2021 Six Months ended September 30, 2020	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, 2020	258,867	531,048	1,646,403	(227,957)	(210,012)	1,998,349	157,519	2,155,868
Comprehensive income:								
Net profit	-	-	48,864	-	-	48,864	8,111	56,975
Remeasurements of defined benefit plans	-	-	-	(2,442)	-	(2,442)	376	(2,066)
Financial assets measured at fair value through other comprehensive income	-	-	-	163,368	-	163,368	72	163,440
Exchange differences on translation of foreign operations	-	-	-	(20,904)	-	(20,904)	1,196	(19,708)
Net changes in fair value of cash flow hedges	-	-	-	2,198	-	2,198	(56)	2,142
Total comprehensive income	-	-	48,864	142,220	-	191,084	9,699	200,783
Transfer from other components of equity to retained earnings	-	-	83,496	(83,496)	-	-	-	-
Cash dividends	-	-	(34,994)	-	-	(34,994)	(9,530)	(44,524)
Changes in treasury stock	-	(1)	-	-	(11)	(12)	-	(12)
Share-based payment transactions	114	(162)	-	-	163	115	-	115
Transactions with non-controlling interests and other	-	(728)	-	511	-	(217)	(4,826)	(5,043)
Balances as of September 30, 2020	258,981	530,157	1,743,769	(168,722)	(209,860)	2,154,325	152,862	2,307,187

Yen (millions)

Fiscal 2020 Six Months ended September 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	-	-	100,919	-	-	100,919	8,280	109,199
Remeasurements of defined benefit plans	-	-	-	(643)	-	(643)	102	(541)
Financial assets measured at fair value through other comprehensive income	-	-	-	(4,935)	-	(4,935)	(12)	(4,947)
Exchange differences on translation of foreign operations	-	-	-	(89,717)	-	(89,717)	(9,114)	(98,831)
Net change in fair value of cash flow hedges	-	-	-	2,795	-	2,795	7	2,802
Total comprehensive income	-	-	100,919	(92,500)	-	8,419	(737)	7,682
Transfer from other components of equity to retained earnings	-	-	246	(246)	-	-	-	-
Cash dividends	-	-	(34,986)	-	-	(34,986)	(11,043)	(46,029)
Changes in treasury stock	-	(2)	-	-	(11)	(13)	-	(13)
Share-based payment transactions	127	(380)	-	-	355	102	-	102
Transactions with non-controlling interests and other	-	(152)	-	283	-	131	(284)	(153)
Cumulative effects of a new accounting standards applied	-	-	(20,790)	-	-	(20,790)	-	(20,790)
Balances as of September 30, 2019	258,867	528,346	1,546,259	(256,880)	(210,216)	1,866,376	159,038	2,025,414

**Condensed Quarterly Consolidated Statements of Cash Flows**

Yen (millions)

	Fiscal 2021 Six Months ended September 30, 2020	Fiscal 2020 Six Months ended September 30, 2019
<b><u>Cash flows from operating activities</u></b>		
Net profit	56,975	109,199
Adjustments to reconcile net profit to net cash provided by operating activities		
Depreciation and amortization	156,347	192,645
(Increase) decrease in trade receivables and contract assets	(37,342)	(22,175)
(Increase) decrease in inventories	(7,218)	(28,637)
Increase (decrease) in trade payables	(90,806)	(48,192)
Other	(1,949)	(60,247)
<b>Net cash provided by operating activities</b>	<b>76,007</b>	<b>142,593</b>
<b><u>Cash flows from investing activities</u></b>		
Purchase of property, plant and equipment	(90,908)	(141,296)
Proceeds from sale of property, plant and equipment	9,718	9,782
Purchase of investments accounted for using the equity method and other financial assets	(100,931)	(7,698)
Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets	111,842	26,317
Other	98,125	(11,103)
<b>Net cash provided by (used in) investing activities</b>	<b>27,846</b>	<b>(123,998)</b>
<b><u>Cash flows from financing activities</u></b>		
Increase (decrease) in short-term debt	229,647	(82,134)
Increase (decrease) in long-term debt	(58,789)	190,962
Dividends paid to Panasonic Corporation stockholders	(34,994)	(34,986)
Dividends paid to non-controlling interests	(9,530)	(11,043)
(Increase) decrease in treasury stock	(12)	(13)
Other	(9,541)	4,170
<b>Net cash provided by financing activities</b>	<b>116,781</b>	<b>66,956</b>
Effect of exchange rate changes on cash and cash equivalents, and other	(10,823)	(35,849)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>209,811</b>	<b>49,702</b>
Cash and cash equivalents at beginning of period	1,016,504	772,264
<b>Cash and cash equivalents at the end of the period</b>	<b>1,226,315</b>	<b>821,966</b>

**Notes to consolidated financial statements:**

1. On April 1, 2020, the Company transferred the automotive prismatic battery business and other businesses of SANYO Electric Co., Ltd., which is a subsidiary of Panasonic, to Prime Planet Energy & Solutions, Inc. ("PPES"), which was also a subsidiary of Panasonic. On the same day, the Company transferred part of its outstanding shares of PPES to Toyota Motor Corporation and established a joint venture. After the share transfer, PPES became no longer a subsidiary of Panasonic.
2. The Company resolved to make a strategic equity investment obtaining 20% of the voting rights in Blue Yonder, specialized in supply chain software. The investment was concluded on July 20, 2020. As a result, Blue Yonder became a company under the equity method of the Company.
3. The Company resolved at the Board of Directors meeting held on July 30, 2020, to end the business partnership with GS-Solar (China) Company Ltd. ("GS-Solar") and cancel the company split as well as the share transfer. This became necessary after GS-Solar failed to fulfil the requirement necessitated to launch by the deadline agreed to in the contract. In addition, GS-Solar could not comply with the requirement by the extended deadline, which the Company gave an extension to GS-Solar, considering the ongoing COVID-19 impacts on the scheduled procedures.
4. Significant subsequent events: None
5. Assumption for going concern: None
6. Number of consolidated subsidiaries as of September 30, 2020: 520  
Number of companies under the equity method as of September 30, 2020: 71

**Information by Segment**

Yen (billions)

	Fiscal 2021 Six Months ended September 30, 2020					Fiscal 2020 Six Months ended September 30, 2019		
	Sales	21/20	Operating Profit (Loss)	% of Sales	21/20	Sales	Operating Profit (Loss)	% of Sales
Reportable Segments:		%		%	%			%
Appliances	1,191.1	87	51.0	4.3	96	1,374.6	52.9	3.8
Life Solutions	695.5	70	21.4	3.1	52	994.4	41.2	4.1
Connected Solutions	376.6	73	(17.3)	(4.6)	–	518.6	36.3	7.0
Automotive	569.3	76	(4.4)	(0.8)	–	747.2	(22.7)	(3.0)
Industrial Solutions	596.5	91	27.0	4.5	164	657.9	16.4	2.5
Subtotal	3,429.0	80	77.7	2.3	63	4,292.7	124.1	2.9
Other	105.8	92	0.8	0.8	32	115.6	2.5	2.2
Eliminations and adjustments	(475.6)	–	18.1	–	–	(563.9)	13.7	–
Total	3,059.2	80	96.6	3.2	69	3,844.4	140.3	3.6

- 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, evaluated 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, 2020, certain businesses were transferred among segments. Accordingly, the figures of segment information in fiscal 2020 have been reclassified to conform to the presentation for fiscal 2021.

**Supplemental Financial Data for Fiscal 2021 Second Quarter, ended September 30, 2020**  
**[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 2021 refers to the year ending March 31, 2021.

**1. Fiscal 2021 Second Quarter Results ( by Segment, by Sub-segment )**

Note 1: The figures of segment information and sales by Sub-segment in fiscal 2020 have been reclassified to conform to the presentation for fiscal 2021.

Note 2: "Eliminations and adjustments" of the fiscal year 2021 forecast are included in "Other".

**( 1 ) Segment Information**

yen (billions)

		Fiscal 2020					Fiscal 2021				
		Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts
AP	Sales	688.4	686.2	682.6	533.1	2,590.3	554.7	636.4			2,370.0
	Adjusted operating profit	30.5	23.0	29.7	-12.1	71.1	15.8	35.7			73.0
	Other income/loss	-0.5	-0.1	0.0	-14.8	-15.4	-0.6	0.1			-18.0
	Operating profit	30.0	22.9	29.7	-26.9	55.7	15.2	35.8			55.0
LS	Sales	462.7	531.7	514.3	409.9	1,918.6	325.1	370.4			1,480.0
	Adjusted operating profit	12.5	33.4	33.4	19.1	98.4	7.3	20.4			75.0
	Other income/loss	0.2	-4.9	-3.5	89.9	81.7	-1.7	-4.6			-30.0
	Operating profit	12.7	28.5	29.9	109.0	180.1	5.6	15.8			45.0
CNS	Sales	255.2	263.4	251.3	264.8	1,034.7	185.3	191.3			900.0
	Adjusted operating profit	14.2	22.6	17.6	21.6	76.0	-16.6	-1.5			15.0
	Other income/loss	-0.5	0.0	22.7	-6.2	16.0	0.6	0.2			-2.0
	Operating profit	13.7	22.6	40.3	15.4	92.0	-16.0	-1.3			13.0
AM	Sales	377.4	369.8	366.2	369.0	1,482.4	210.8	358.5			1,250.0
	Adjusted operating profit	-9.8	-12.6	-6.7	-1.4	-30.5	-29.5	9.8			-30.0
	Other income/loss	-0.2	-0.1	0.2	-16.0	-16.1	20.0	-4.7			-4.0
	Operating profit	-10.0	-12.7	-6.5	-17.4	-46.6	-9.5	5.1			-34.0
IS	Sales	327.1	330.8	326.2	298.6	1,282.7	288.6	307.9			1,200.0
	Adjusted operating profit	6.8	14.3	10.0	6.5	37.6	10.7	17.0			55.0
	Other income/loss	-1.6	-3.1	-16.6	-11.7	-33.0	-1.5	0.8			-12.0
	Operating profit	5.2	11.2	-6.6	-5.2	4.6	9.2	17.8			43.0
Subtotal	Sales	2,110.8	2,181.9	2,140.6	1,875.4	8,308.7	1,564.5	1,864.5			7,200.0
	Adjusted operating profit	54.2	80.7	84.0	33.7	252.6	-12.3	81.4			188.0
	Other income/loss	-2.6	-8.2	2.8	41.2	33.2	16.8	-8.2			-66.0
	Operating profit	51.6	72.5	86.8	74.9	285.8	4.5	73.2			122.0
Other	Sales	58.5	57.1	54.7	125.1	295.4	52.3	53.5			-700.0
	Adjusted operating profit	1.1	1.5	1.5	5.6	9.7	0.8	1.1			32.0
	Other income/loss	0.4	-0.5	-0.6	-1.4	-2.1	-0.5	-0.6			-4.0
	Operating profit	1.5	1.0	0.9	4.2	7.6	0.3	0.5			28.0
Eliminations and Adjustments	Sales	-278.2	-285.7	-284.1	-265.5	-1,113.5	-224.9	-250.7			
	Adjusted operating profit	7.1	11.9	9.8	-4.4	24.4	5.6	12.5			
	Other income/loss	-3.8	-1.5	2.9	-21.6	-24.0	-6.6	6.6			
	Operating profit	3.3	10.4	12.7	-26.0	0.4	-1.0	19.1			
Total	Sales	1,891.1	1,953.3	1,911.2	1,735.0	7,490.6	1,391.9	1,667.3			6,500.0
	Adjusted operating profit	62.4	94.1	95.3	34.9	286.7	-5.9	95.0			220.0
	Other income/loss	-6.0	-10.2	5.1	18.2	7.1	9.7	-2.2			-70.0
	Operating profit	56.4	83.9	100.4	53.1	293.8	3.8	92.8			150.0
AP (production and sales consolidated)	Sales	707.9	699.0	707.9	546.5	2,661.3	563.1	646.4			2,410.0
	Adjusted operating profit	28.8	21.0	29.5	-10.8	68.5	14.3	35.1			71.0
	Other income/loss	-0.6	-0.2	0.1	-14.7	-15.4	-0.6	0.0			-19.0
	Operating profit	28.2	20.8	29.6	-25.5	53.1	13.7	35.1			52.0



**(2) Sales by Sub-segment\***

		Fiscal 2020					Fiscal 2021				
		Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
AP (production and sales consolidated)	Heating and Cooling Solutions	166.4	123.6	100.0	102.2	492.2	144.4	119.1			
	Home Appliances	224.2	240.4	243.6	169.7	877.9	197.8	238.1			
	Smart Life Network	134.4	144.5	170.1	112.9	561.9	72.3	122.0			
	Commercial Refrigeration & Food Equipment	70.3	77.8	70.5	65.8	284.4	55.0	67.0			
LS	Lighting	66.8	75.2	82.6	72.1	296.7	53.7	61.8			
	Energy Systems	83.0	89.0	87.0	82.2	341.2	66.2	78.5			
	Panasonic Ecology Systems	43.3	44.1	47.7	42.4	177.5	38.9	46.2			
	Housing Systems	114.1	129.5	121.4	112.6	477.6	99.5	106.8			
CNS	Avionics	58.6	60.8	62.1	62.7	244.2	27.3	24.5			
	Process Automation	48.5	44.0	39.0	37.8	169.3	43.3	46.4			
	Media Entertainment	27.9	29.3	27.5	25.6	110.3	17.9	21.3			
	Mobile Solutions	61.2	60.4	60.1	50.3	232.0	49.3	47.7			
AM	PSSJ	66.9	79.8	74.0	106.9	327.6	59.5	62.1			
	Automotive Solutions	239.8	225.0	210.4	218.2	893.5	119.1	215.1			
IS	Automotive Batteries	109.2	115.9	125.8	122.6	473.5	75.9	118.3			
	Systems	132.8	134.0	124.0	116.9	507.7	113.7	130.9			
IS	Devices	115.2	118.8	120.3	110.3	464.6	105.4	108.1			

\* Each sub-segment consists of the following major BDs.

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

Note 1: 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.

Note 2: Panasonic Homes Co., Ltd. was deconsolidated from January 2020, and Automotive Energy BD was deconsolidated from April 2020. Automotive Batteries includes some sales produced and sold by Prime Planet Energy & Solutions, Inc. and sold by the Company.

**(3) Capital Investment by Segment**

yen (billions)

	Fiscal 2020					Fiscal 2021				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts
AP	8.7	10.2	8.7	15.2	42.8	5.7	8.5			45.0
LS	6.7	9.9	9.5	12.8	38.9	7.9	7.4			33.0
CNS	4.0	4.4	4.2	6.4	19.0	3.8	3.1			13.0
AM	20.7	36.6	20.7	25.5	103.5	4.9	6.1			56.0
IS	10.8	13.2	11.2	18.9	54.1	7.4	8.2			45.0
Subtotal	50.9	74.3	54.3	78.8	258.3	29.7	33.3			192.0
Other, Eliminations and Adjustments	5.1	2.7	1.7	1.1	10.6	2.4	4.4			1.0
Total	56.0	77.0	56.0	79.9	268.9	32.1	37.7			193.0

Note: These figures are calculated on an accrual basis.

**(4) Depreciation by Segment**

yen (billions)

	Fiscal 2020					Fiscal 2021				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts
AP	12.1	11.6	11.5	11.7	46.9	10.2	10.1			45.0
LS	9.4	8.6	9.4	8.0	35.4	7.7	7.7			33.0
CNS	4.4	4.7	4.5	4.8	18.4	4.2	4.2			17.0
AM	10.3	10.7	8.3	8.7	38.0	7.5	7.8			33.0
IS	16.2	16.2	15.8	16.1	64.3	14.4	14.2			59.0
Subtotal	52.4	51.8	49.5	49.3	203.0	44.0	44.0			187.0
Other, Eliminations and Adjustments	0.2	0.4	0.0	1.4	2.0	0.2	-0.2			3.0
Total	52.6	52.2	49.5	50.7	205.0	44.2	43.8			190.0

## 2. Other

### (1) Sales by Region

yen (billions)

	Fiscal 2020					Fiscal 2021				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Japan	875.5	975.8	904.3	853.5	3,609.1	659.3	752.8			
Local currency basis YoY	99%	104%	92%	94%	97%	75%	77%			
North and South America	360.8	362.2	368.1	351.2	1,442.3	212.6	304.3			
Local currency basis YoY	99%	97%	95%	96%	97%	61%	86%			
Europe	181.5	172.8	194.6	171.7	720.6	111.0	164.5			
Local currency basis YoY	93%	101%	101%	86%	95%	64%	92%			
Asia	261.1	232.3	244.6	225.8	963.8	198.9	230.7			
Local currency basis YoY	95%	99%	102%	93%	97%	78%	100%			
China	212.2	210.2	199.6	132.8	754.8	210.1	215.0			
Local currency basis YoY	81%	92%	89%	77%	85%	104%	102%			
Total	1,891.1	1,953.3	1,911.2	1,735.0	7,490.6	1,391.9	1,667.3			
Local currency basis YoY	95%	100%	94%	91%	95%	75%	85%			

### (2) R&D Expenditures

yen (billions)

	Fiscal 2020					Fiscal 2021				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts
R&D Expenditures	118.6	120.6	113.6	122.2	475.0	103.9	106.0			440.0

### (3) Foreign Currency Exchange Rates

	Fiscal 2020					Fiscal 2021				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts
U.S. Dollars	¥110	¥107	¥109	¥109	¥109	¥108	¥106			¥106
Euro	¥123	¥119	¥120	¥120	¥121	¥118	¥124			¥116
Renminbi	¥16.1	¥15.3	¥15.5	¥15.6	¥15.6	¥15.2	¥15.4			¥15.4

Note: Average rate

### (4) Foreign Exchange Sensitivity

yen (billions)

	Operating profit
U.S. Dollars	-1.5
Euro	-0.6
Renminbi	+2.2

Note: Impact of exchange rate fluctuation (Fiscal 2021 Forecasts impact by one yen appreciation.)

Figures here represent information voluntarily prepared by the company as of July 30, 2020.

### (5) Number of Employees

(persons)

	2019				2020				2021
	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	105,525	107,217	106,713	105,442	98,064	96,875	94,299		
Overseas	166,344	166,558	164,965	163,993	161,321	152,474	152,213		
Total	271,869	273,775	271,678	269,435	259,385	249,349	246,512		

### Disclaimer Regarding Forward-Looking Statements

This document includes forward-looking statements about Panasonic and its Group companies (the Panasonic Group). To the extent that statements in this document do not relate to historical or current facts, they constitute forward-looking statements. These forward-looking statements are based on the current assumptions and beliefs of the Panasonic Group 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 the Panasonic Group'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 these forward-looking statements. Panasonic undertakes no obligation to publicly update any forward-looking statements after the date of this document. Investors are advised to consult any further disclosures by Panasonic in its subsequent filings under the Financial Instrument and Exchange Act of Japan (the FIEA) and other publicly disclosed documents.

The risks, uncertainties and other factors referred to above include, but are not limited to, economic conditions, particularly consumer spending and corporate capital expenditures in the Americas, Europe, Japan, China and other Asian countries; volatility in demand for electronic equipment and components from business and industrial customers, as well as consumers in many product and geographical markets; the possibility that the spread of the novel coronavirus infections may adversely affect business activities of the Panasonic Group; the possibility that excessive currency rate fluctuations of the U.S. dollar, the euro, the Chinese yuan and other currencies against the yen may adversely affect costs and prices of Panasonic's products and services and certain other transactions that are denominated in these foreign currencies; the possibility of the Panasonic Group incurring additional costs of raising funds, because of changes in the fund raising environment; the possibility of the Panasonic Group not being able to respond to rapid technological changes and changing consumer preferences with timely and cost-effective introductions of new products in markets that are highly competitive in terms of both price and technology; the possibility of not achieving expected results or incurring unexpected losses in connection with the alliances or mergers and acquisitions; the possibility of not being able to achieve its business objectives through joint ventures and other collaborative agreements with other companies, including due to the pressure of price reduction exceeding that which can be achieved by its effort and decrease in demand for products from business partners which Panasonic highly depends on in BtoB business areas; the possibility of the Panasonic Group not being able to maintain competitive strength in many product and geographical areas; the possibility of incurring expenses resulting from any defects in products or services of the Panasonic Group; the possibility that the Panasonic Group may face intellectual property infringement claims by third parties; current and potential, direct and indirect restrictions imposed by other countries over trade, manufacturing, labor and operations; restrictions, costs or legal liability relating to laws and regulations or failures in internal controls; fluctuations in market prices of securities and other financial assets in which the Panasonic Group has holdings or changes in valuation of non-financial assets, including property, plant and equipment, goodwill and deferred tax assets; future changes or revisions to accounting policies or accounting rules; the possibility of incurring expenses resulting from a leakage of customers' or confidential information from Panasonic Group systems due to unauthorized access or a detection of vulnerability of network-connected products of the Company; as well as natural disasters including earthquakes, prevalence of infectious diseases throughout the world, disruption of supply chain and other events that may negatively impact business activities of the Panasonic Group. The factors listed above are not all-inclusive and further information is contained in the most recent English translated version of Panasonic's securities reports under the FIEA and any other documents which are disclosed on its website.