

May 10, 2021

FOR IMMEDIATE RELEASE

Media Contact:

*Brand Strategy Division
Corporate PR Department
<https://news.panasonic.com/global/contacts/>*

Investor Relations Contact:

*Yoshinori Nakashima
Corporate Finance & IR Department
(Tel: +81-6-6908-1121)
(Japan)*

Panasonic Reports Fiscal 2021 Annual Results

Osaka, Japan, May 10, 2021 -- Panasonic Corporation (Panasonic [TSE:6752]) today reported its consolidated financial results for the year ended March 31, 2021 (fiscal 2021). The Company also reported its parent-alone financial results for fiscal 2021.

Summary

1. Consolidated Financial Results

Yen (billions)

	Fiscal 2021 ended March 31, 2021	Fiscal 2020 ended March 31, 2020	Percentage 2021/2020
Net sales	6,698.8	7,490.6	89 %
Domestic	3,113.3	3,609.1	86 %
Overseas	3,585.5	3,881.5	92 %
Operating profit	258.6 3.9 %	293.8 3.9 %	88 %
Profit before income taxes	260.8 3.9 %	291.1 3.9 %	90 %
Net profit	183.9 2.7 %	240.0 3.2 %	77 %
Net profit attributable to Panasonic Corporation stockholders	165.1 2.5 %	225.7 3.0 %	73 %
Earnings per share attributable to Panasonic Corporation stockholders			
Basic	70.75 yen	96.76 yen	(26.01) yen
Diluted	70.72 yen	96.70 yen	(25.98) yen

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

2. Number of consolidated companies: 523 (including parent company)

Number of companies under the equity method: 69

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.

2. Parent-Alone Financial Results

Yen (billions)

	Fiscal 2021 ended March 31, 2021	Fiscal 2020 ended March 31, 2020	Percentage 2021/2020
Net sales	3,812.6	4,058.8	94 %
Domestic	2,657.7	2,786.6	95 %
Export	1,154.9	1,272.2	91 %
Operating profit	36.0 0.9 %	85.3 2.1 %	42 %
Recurring profit	137.1 3.6 %	137.3 3.4 %	100 %
Net income	78.8 2.1 %	155.5 3.8 %	51 %
Net income, basic per common share	33.77 yen	66.67 yen	(32.90) yen
Net income, diluted per common share	33.75 yen	66.63 yen	(32.88) yen

Consolidated Financial Results

1. Fiscal 2021 ended March 31, 2021

A. Operating Results

	Yen (billions)		
	Fiscal 2021	Fiscal 2020	Percentage 2021/2020
Net sales	6,698.8	7,490.6	89%
Operating profit	258.6	293.8	88%
Profit before income taxes	260.8	291.1	90%
Net profit attributable to Panasonic Corporation stockholders	165.1	225.7	73%

During the year ended March 31, 2021 (fiscal 2021), the global economy saw a decline in consumption and investment due to the prolonged impact of the novel coronavirus disease (COVID-19). Despite the economic measures taken in various countries and the recovery of share prices, the economic outlook remained difficult to predict, given the growing uncertainties over the political and financial circumstances as well as the risk of trade stagnation. Japan was also affected by these global conditions to no small extent.

Under such a management environment, the Company has been capturing opportunities reflecting changes in society brought about by COVID-19 and promoting measures for solutions. At the same time, initiatives such as reducing fixed costs have been taken in line with business conditions. In addition, based on the Mid-term strategy started from fiscal 2020, the Company continued to execute portfolio management in "Core growth business," "Co-creation business," and "Revitalization business" as well as to enhance its management structure.

More specifically, with regard to the investment for growth in the Gemba Process business, the Company made a strategic equity investment obtaining 20% of the voting rights in Blue Yonder Holding, Inc. ("Blue Yonder"), a U.S.-based specialized supply chain software provider, in July 2020. Furthermore, the Board of Directors of Panasonic resolved on April 23, 2021 the additional acquisition of 80% shares of Blue Yonder and making it as a wholly-owned subsidiary. It would enable Panasonic to integrate capabilities of Blue Yonder in various cyber fields, further accelerating the Gemba Process Innovation.

With regard to the enhancement of competitiveness through collaboration and Co-creation with external partners, 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.

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 in September 2020. Also, in the solar business, for the purpose of optimization in the development and production capability, 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. Additionally, the Company announced in February 2021 to withdraw from its in-house photovoltaic production for residential, public and industrial-usage during fiscal 2022. However, the Company will continue the sales of photovoltaic modules under the Panasonic brand in Japan by subcontracting production to its manufacturing partners. For the global market outside Japan, the Company will also continue to sell outsourced photovoltaic modules as it has been doing in North America and other regions.

Furthermore, in November 2020, the Company resolved to transition to a holding company system scheduled for April 2022. The aim of the transition is to strengthen the competitiveness of its business from a medium- to long-term perspective. As a result, each operating company will work to significantly enhance its business competitiveness through swift decision-making in response to changes in the external environment and flexibly develop systems in accordance with business characteristics. On the other hand, the holding company will continue to support the business growth of each operating company and define growth areas from the perspective of optimizing the group as a whole, thereby striving to enhance the corporate value of the entire group.

The Company's consolidated group sales for fiscal 2021 decreased by 11% to 6,698.8 billion yen from a year ago. Domestic sales decreased due mainly to the impact of the spread of COVID-19 as well as the impact of deconsolidation in 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 in products such as mounting machines at Process Automation, power storage systems for information- and communication-infrastructure as well as industrial-use motors.

Operating profit decreased by 12% to 258.6 billion yen from a year ago. This is due largely to the impact of decreased sales and the impact of gain from business transfer in the previous year, despite fixed cost reductions for management structure enhancement as well as increased sales for business such as air-conditioning and indoor air quality, automotive batteries and information- and communication-infrastructure, which capture business opportunities reflecting changes in society from a medium- to long-term perspective. Profit before income taxes decreased by 10% to 260.8 billion yen from a year ago, and Net profit attributable to Panasonic Corporation stockholders decreased by 27% to 165.1 billion yen from a year ago.

B. Breakdown by Segment

Appliances

	Yen (billions)		
	Fiscal 2021	Fiscal 2020	Percentage 2021/2020
Sales	2,494.4	2,590.3	96%
Operating profit	104.3	55.7	187%

Sales decreased by 4% to 2,494.4 billion yen from a year ago. This is due mainly to the impact of deteriorating market conditions during the first half as well as the impact of streamlining in product lines for TVs and digital cameras, despite continued steady sales in products such as room air-conditioners, refrigerators and washing machines in Japan and China, and other regions saw signs of recovery. Operating profit increased to 104.3 billion yen from a year ago. This is due mainly to the effect of fixed cost reductions and sales promotion expenses, which contributed to offset the impact of decreased sales.

Life Solutions

	Yen (billions)		
	Fiscal 2021	Fiscal 2020	Percentage 2021/2020
Sales	1,507.3	1,918.6	79%
Operating profit	69.2	180.1	38%

Sales decreased by 21% to 1,507.3 billion yen from a year ago. This is due to the impact of deconsolidation of housing related businesses as well as the impact of deteriorating market conditions during the first half, despite favorable sales in air purifiers. Operating profit decreased to 69.2 billion yen from a year ago due mainly to the impact of decreased sales as well as the impact of gain from the business transfer in housing related businesses in the previous year, despite the effect of fixed cost reductions.

Connected Solutions

	Yen (billions)		
	Fiscal 2021	Fiscal 2020	Percentage 2021/2020
Sales	818.2	1,034.7	79%
Operating profit (loss)	(20.0)	92.0	—

Sales decreased by 21% to 818.2 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 from a year ago and

was a loss of 20.0 billion yen. This is due mainly to decreased sales, the impact of gains from a business transfer in the previous year as well as recognition of impairment loss, despite the effect of fixed cost reductions.

Automotive

	Yen (billions)		
	Fiscal 2021	Fiscal 2020	Percentage 2021/2020
Sales	1,339.4	1,482.4	90%
Operating profit (loss)	10.9	(46.6)	—

Sales decreased by 10% to 1,339.4 billion yen from a year ago. This is due mainly to a decline in demand following the temporary closure of customers' factories during the first half. Operating profit increased to 10.9 billion yen from a year ago. This is due mainly to fixed cost reductions in Automotive Solutions, the effect of rationalization in automotive cylindrical battery materials, gain from the establishment of a joint venture in the automotive prismatic battery business as well as the impact of impairment loss on goodwill in the previous year, despite decreased sales and the impact of temporary expenses related to onboard charging systems in Automotive Solutions.

Industrial Solutions

	Yen (billions)		
	Fiscal 2021	Fiscal 2020	Percentage 2021/2020
Sales	1,255.5	1,282.7	98%
Operating profit	66.2	4.6	—

Sales decreased by 2% to 1,255.5 billion yen from a year ago. This is due mainly to sluggish sales of circuit board materials, which were impacted by trade friction between the U.S. and China. Another factor was the impact of deconsolidation of the semiconductor business, despite sales growth in power storage systems and capacitors for information- and communication-infrastructure as well as industrial-use motors. Operating profit increased to 66.2 billion yen from a year ago due mainly to the effect of fixed cost reductions and the impact of restructuring expenses in the previous year.

C. Consolidated Financial Condition

Net cash provided by operating activities for fiscal 2021, amounted to 504.0 billion yen, compared with an inflow of 430.3 billion yen a year ago. This is due mainly to one-off payment a year ago. Net cash provided by investing activities amounted to 176.6 billion yen, compared with an outflow of 206.1 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) improved by 456.4 billion yen from a year ago to an inflow of 680.6 billion yen.

Net cash used in financial activities amounted to 177.7 billion yen, compared with an inflow of 48.2 billion yen a year ago. This is due mainly to a decrease in balance of short-term bonds during fiscal 2021 as well as the issuance of U.S. dollar-denominated senior notes a year ago, despite the issuance of domestic straight bonds during fiscal 2021. Taking factors such as exchange fluctuations into consideration, cash and cash equivalents totaled 1,593.2 billion yen as of March 31, 2021, increased by 576.7 billion yen, compared with March 31, 2020.

The Company's consolidated total assets of March 31, 2021 were 6,847.1 billion yen, an increase of 628.6 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 4,078.6 billion yen, an increase of 15.9 billion yen from March 31, 2020. This is due mainly to an increase of accrued income taxes in Other current liabilities.

Panasonic Corporation stockholders' equity increased by 595.7 billion yen to 2,594.0 billion yen, compared with March 31, 2020. This is due mainly to recording of Net profit attributable to Panasonic Corporation stockholders and Other comprehensive income. With non-controlling interests added to Panasonic Corporation stockholders' equity, total equity was 2,768.5 billion yen.

2. Forecasts for fiscal 2022

For the consolidated financial forecasts for fiscal 2022 as of May 10, 2021, Net sales is expected to increase due mainly to the economic recovery in various countries and increased sales of businesses capturing changes in society. Profit is also expected to increase with increased sales and continued initiatives in the management structure enhancement.

Net sales:	7,000.0 billion yen	(104% vs fiscal 2020)
Operating profit:	330.0 billion yen	(128% vs fiscal 2020)
Profit before income taxes:	330.0 billion yen	(127% vs fiscal 2020)
Net profit attributable to Panasonic Corporation stockholders:	210.0 billion yen	(127% vs fiscal 2020)
(Reference)		
Adjusted operating profit	390.0 billion yen	(127% vs fiscal 2020)

Note: Adjusted operating profit is calculated by subtracting cost of sales and selling, general and administrative expenses from sales.

3. Basic Policy on Appropriation of Retained Earnings

Since its foundation, Panasonic has managed its business, recognizing that returning profits to shareholders is one of its most important policies. From the perspective of return on the capital investment made by shareholders, Panasonic, in principle, distributes profits to shareholders based on its business performance and strives for stable and continuous dividend payments. We target a dividend payout ratio of approximately 30% with respect to consolidated Net profit attributable to Panasonic Corporation stockholders. Regarding the repurchase of treasury stock, the Company fundamentally repurchases its own shares where appropriate, while comprehensively taking into consideration strategic investments and its financial condition to increase shareholder value per share and return on capital.

For fiscal 2021, Net profit attributable to Panasonic Corporation stockholders decreased. Reflecting these operating results, in view of this basic policy as well as its current financial position, Panasonic expects to pay an annual dividend of 20 yen per share for fiscal 2021, which includes the interim dividend of 10 yen per share paid on November 30, 2020 and a year-end dividend of 10 yen per share, payable June 4, 2021. In fiscal 2021, the Company did not repurchase its treasury stock except for acquiring shares of less than one trading unit and other minor transactions.

Basic Policy of Adopting of Financial Reporting Standards

Panasonic has voluntarily adopted International Financial Reporting Standards (IFRS).

Panasonic is striving to increase its corporate value by adapting unified group accounting rules for improvement of management quality and enhancement of corporate governance.

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; 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.

Consolidated Statements of Financial Position

Yen (millions)

	March 31, 2021	March 31, 2020	Difference
Current assets:	3,922,747	3,435,835	486,912
Cash and cash equivalents	1,593,224	1,016,504	576,720
Trade receivables and contract assets	1,194,391	1,051,203	143,188
Other financial assets	149,629	148,436	1,193
Inventories	832,569	793,516	39,053
Other current assets	144,833	162,822	(17,989)
Assets held for sale	8,101	263,354	(255,253)
Non-current assets:	2,924,326	2,782,683	141,643
Investments accounted for using the equity method	455,960	306,864	149,096
Other financial assets	231,024	215,293	15,731
Property, plant and equipment	1,061,614	1,034,632	26,982
Right-of-use assets	249,954	261,075	(11,121)
Other non-current assets	925,774	964,819	(39,045)
Total assets	6,847,073	6,218,518	628,555
Current liabilities:	2,804,328	2,616,108	188,220
Short-term debt, including current portion of long-term debt	309,790	250,620	59,170
Lease liabilities	59,346	64,375	(5,029)
Trade payables	1,045,617	969,695	75,922
Other financial liabilities	220,583	212,674	7,909
Other current liabilities	1,166,108	1,030,139	135,969
Liabilities directly associated with the assets held for sale	2,884	88,605	(85,721)
Non-current liabilities:	1,274,243	1,446,542	(172,299)
Long-term debt	879,728	953,831	(74,103)
Lease liabilities	198,559	202,485	(3,926)
Other non-current liabilities	195,956	290,226	(94,270)
Total liabilities	4,078,571	4,062,650	15,921
Panasonic Corporation stockholders' equity:	2,594,034	1,998,349	595,685
Common stock	258,981	258,867	114
Capital surplus	529,157	531,048	(1,891)
Retained earnings	2,154,023	1,646,403	507,620
Other components of equity	(138,370)	(227,957)	89,587
Treasury stock	(209,757)	(210,012)	255
Non-controlling interests	174,468	157,519	16,949
Total equity	2,768,502	2,155,868	612,634
Total liabilities and equity	6,847,073	6,218,518	628,555

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

2. Other components of equity breakdown:

Yen (millions)

	March 31, 2021	March 31, 2020	Difference
Remeasurements of defined benefit plans*	—	—	—
Financial assets measured at fair value through other comprehensive income	34,832	57,794	(22,962)
Exchange differences on translation of foreign operations	(179,860)	(293,633)	113,773
Net change in fair value of cash flow hedges	6,658	7,882	(1,224)

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

**Consolidated Statements of Profit or Loss and
Consolidated Statements of Comprehensive Income**

Consolidated Statements of Profit or Loss

Yen (millions)

	Fiscal 2021 ended March 31, 2021		Fiscal 2020 ended March 31, 2020		Percentage 2021/2020
		%		%	%
Net sales	6,698,794	100.0	7,490,601	100.0	89
Cost of sales	(4,723,943)	(70.5)	(5,339,557)	(71.3)	
Gross profit	1,974,851	29.5	2,151,044	28.7	92
Selling, general and administrative expenses	(1,667,696)	(24.9)	(1,864,381)	(24.9)	
Share of profit (loss) of investments accounted for using the equity method	(20,753)	(0.3)	5,298	0.1	
Other income (expenses), net	(27,802)	(0.4)	1,790	0.0	
Operating profit	258,600	3.9	293,751	3.9	88
Finance income	20,846	0.3	31,360	0.4	
Finance expenses	(18,626)	(0.3)	(34,061)	(0.4)	
Profit before income taxes	260,820	3.9	291,050	3.9	90
Income taxes	(76,926)	(1.2)	(51,012)	(0.7)	
Net profit	183,894	2.7	240,038	3.2	77
Net profit attributable to:					
Panasonic Corporation stockholders	165,077	2.5	225,707	3.0	73
Non-controlling interests	18,817	0.2	14,331	0.2	131

Notes: 1. Depreciation	179,394	million yen	204,990	million yen
2. Capital investment	231,029	million yen	268,850	million yen
3. R&D expenditures	419,764	million yen	475,005	million yen
4. Number of employees	243,540		259,385	

Consolidated Statements of Comprehensive Income

Yen (millions)

	Fiscal 2021 ended March 31, 2021	Fiscal 2020 ended March 31, 2020	Percentage 2021/2020
Net Profit	183,894	240,038	77
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plans	83,822	5,986	
Financial assets measured at fair value through other comprehensive income	296,241	21,172	
Subtotal	380,063	27,158	
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	124,023	(98,944)	
Net change in fair value of cash flow hedges	(1,381)	8,773	
Subtotal	122,642	(90,171)	
Total other comprehensive income (loss)	502,705	(63,013)	
Comprehensive income	686,599	177,025	388
Comprehensive income attributable to :			
Panasonic Corporation stockholders	655,352	172,443	380
Non-controlling interests	31,247	4,582	682

Consolidated Statements of Changes in Equity

Yen (millions)

Fiscal 2021 ended March 31, 2021	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	—	—	165,077	—	—	165,077	18,817	183,894
Remeasurements of defined benefit plans	—	—	—	82,817	—	82,817	1,005	83,822
Financial assets measured at fair value through other comprehensive income	—	—	—	295,091	—	295,091	1,150	296,241
Exchange differences on translation of foreign operations	—	—	—	113,773	—	113,773	10,250	124,023
Net change in fair value of cash flow hedges	—	—	—	(1,406)	—	(1,406)	25	(1,381)
Total comprehensive income	—	—	165,077	490,275	—	655,352	31,247	686,599
Transfer from other components of equity to retained earning	—	—	400,870	(400,870)	—	—	—	—
Cash dividends	—	—	(58,327)	—	—	(58,327)	(14,615)	(72,942)
Changes in treasury stock	—	(2)	—	—	(39)	(41)	—	(41)
Share-based payment transactions	114	(178)	—	—	294	230	—	230
Transactions with non-controlling interests and other	—	(1,711)	—	182	—	(1,529)	317	(1,212)
Balances as of March 31, 2021	258,981	529,157	2,154,023	(138,370)	(209,757)	2,594,034	174,468	2,768,502

Yen (millions)

Fiscal 2020 ended March 31, 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, 2019	258,740	528,880	1,500,870	(164,417)	(210,560)	1,913,513	171,102	2,084,615
Comprehensive income:								
Net profit	—	—	225,707	—	—	225,707	14,331	240,038
Remeasurements of defined benefit plans	—	—	—	6,209	—	6,209	(223)	5,986
Financial assets measured at fair value through other comprehensive income	—	—	—	21,246	—	21,246	(74)	21,172
Exchange differences on translation of foreign operations	—	—	—	(89,510)	—	(89,510)	(9,434)	(98,944)
Net change in fair value of cash flow hedges	—	—	—	8,791	—	8,791	(18)	8,773
Total comprehensive income	—	—	225,707	(53,264)	—	172,443	4,582	177,025
Transfer from other components of equity to retained earning	—	—	10,595	(10,595)	—	—	—	—
Cash dividends	—	—	(69,979)	—	—	(69,979)	(14,654)	(84,633)
Changes in treasury stock	—	(2)	—	—	(31)	(33)	—	(33)
Share-based payment transactions	127	(477)	—	—	579	229	—	229
Transactions with non-controlling interests and other	—	2,647	—	319	—	2,966	(3,511)	(545)
Cumulative effect of a new accounting standard applied	—	—	(20,790)	—	—	(20,790)	—	(20,790)
Balances as of March 31, 2020	258,867	531,048	1,646,403	(227,957)	(210,012)	1,998,349	157,519	2,155,868

Consolidated Statements of Cash Flows

Yen (millions)

	Fiscal 2021 ended March 31, 2021	Fiscal 2020 ended March 31, 2020
<u>Cash flows from operating activities</u>		
Net profit	183,894	240,038
Adjustments to reconcile net profit to net cash provided by operating activities		
Depreciation and amortization	317,572	372,975
(Increase) decrease in trade receivables and contract assets	(122,797)	62,770
(Increase) decrease in inventories	(21,173)	30,938
Increase (decrease) in trade payables	62,987	(85,896)
Other	83,555	(190,522)
Net cash provided by operating activities	504,038	430,303
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(231,118)	(273,920)
Proceeds from sale of property, plant and equipment	20,370	23,104
Purchase of investments accounted for using the equity method and other financial assets	(115,028)	(18,732)
Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets	429,905	49,132
Other	72,467	14,320
Net cash provided by (used in) investing activities	176,596	(206,096)
<u>Cash flows from financing activities</u>		
Increase (decrease) in short-term debt	(205,401)	105,119
Increase (decrease) in long-term debt	108,963	31,911
Dividends paid to Panasonic Corporation stockholders	(58,327)	(69,979)
Dividends paid to non-controlling interests	(14,615)	(14,654)
(Increase) decrease in treasury stock	(41)	(33)
Other	(8,283)	(4,142)
Net cash provided by (used in) financing activities	(177,704)	48,222
Effect of exchange rate changes on cash and cash equivalents, and other	73,790	(28,189)
Net increase (decrease) in cash and cash equivalents	576,720	244,240
Cash and cash equivalents at beginning of period	1,016,504	772,264
Cash and cash equivalents at the end of the period	1,593,224	1,016,504

Notes to consolidated financial statements:

1. Per share data (Years ended March 31)

	Fiscal 2021	Fiscal 2020
Net profit attributable to Panasonic Corporation stockholders (millions of yen)	165,077	225,707
Average common shares outstanding (number of shares)	2,333,127,719	2,332,621,373
Earnings per share attributable to Panasonic Corporation stockholders:		
Basic	70.75 yen	96.76 yen
Diluted	70.72 yen	96.70 yen

2. 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.
3. The Company resolved to make a strategic equity investment obtaining 20% of the voting rights in Blue Yonder Holding, Inc. ("Blue Yonder") specialized in supply chain software. The investment was concluded on July 20, 2020. As a result, Blue Yonder became an entity accounted for using the equity method by the Company.
4. 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. and cancel the company split as well as the share transfer.
5. The Company issued a total of 200.0 billion yen of domestic unsecured straight bonds on December 24, 2020.
6. Significant subsequent events;
The Board of Directors of Panasonic resolved on April 23, 2021 the additional acquisition of 80% shares of Blue Yonder Holding, Inc. and making it as a wholly-owned subsidiary. In addition, an agreement to acquire the remaining shares of Blue Yonder was reached among Panasonic, Blue Yonder, New Mountain Capital and Blackstone Group Inc., the substantial existing shareholders of Blue Yonder. As mentioned in the above Note. 3, adding to the 20% shares which Panasonic acquired in July 2020, Panasonic will acquire all the shares of Blue Yonder. Acquisition value is estimated to be a total of USD 7.1 billion, including additional share acquisition price of USD 5.6 billion and outstanding debts of Blue Yonder.
7. Assumption for going concern: None
8. Number of consolidated subsidiaries as of March 31, 2021: 522
Number of entities accounted for using the equity method as of March 31, 2021: 69

Information by Segment

Yen (billions)

	Fiscal 2021 ended March 31, 2021					Fiscal 2020 ended March 31, 2020		
	Sales	21/20	Operating Profit (Loss)	% of Sales	21/20	Sales	Operating Profit (Loss)	% of Sales
Reportable Segments:		%		%	%			%
Appliances	2,494.4	96	104.3	4.2	187	2,590.3	55.7	2.1
Life Solutions	1,507.3	79	69.2	4.6	38	1,918.6	180.1	9.4
Connected Solutions	818.2	79	(20.0)	(2.4)	—	1,034.7	92.0	8.9
Automotive	1,339.4	90	10.9	0.8	—	1,482.4	(46.6)	(3.1)
Industrial Solutions	1,255.5	98	66.2	5.3	—	1,282.7	4.6	0.4
Subtotal	7,414.8	89	230.6	3.1	81	8,308.7	285.8	3.4
Other	287.9	97	1.5	0.5	20	295.4	7.6	2.6
Eliminations and adjustments	(1,003.9)	—	26.5	—	—	(1,113.5)	0.4	—
Total	6,698.8	89	258.6	3.9	88	7,490.6	293.8	3.9

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.