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Media Contact:

Corporate PR Center

<https://news.panasonic.com/global/contacts/>

Investor Relations Contact:

Akira Waniko

Corporate Finance & IR Department

(Tel: +81-6-6908-1121)

(Japan)

Panasonic Reports its Consolidated Financial Results
for the Nine Months ended December 31, 2021

Osaka, Japan, February 2, 2022 -- Panasonic Corporation (Panasonic [TSE:6752]) today reported its consolidated financial results for the nine months ended December 31, 2021, of the current fiscal year ending March 31, 2022 (fiscal 2022). The Company also provided the additional information on its consolidated financial forecast for fiscal 2022 including adjusted operating profit.

Summary

Yen (billions)

	Fiscal 2022 Nine Months ended December 31, 2021	Fiscal 2021 Nine Months ended December 31, 2020	Percentage 2022/2021
Net sales	5,423.4	4,873.3	111 %
Domestic	2,302.6	2,235.2	103 %
Overseas	3,120.8	2,638.1	118 %
Operating profit	274.2	226.8	121 %
% to sales	5.1 %	4.7 %	
Profit before income taxes	279.4	220.1	127 %
% to sales	5.2 %	4.5 %	
Net profit	204.2	144.3	142 %
% to sales	3.8 %	3.0 %	
Net profit attributable to Panasonic Corporation stockholders	195.6	130.1	150 %
% to sales	3.6 %	2.7 %	
Earnings per share attributable to Panasonic Corporation stockholders			
Basic	83.83 yen	55.78 yen	28.05 yen
Diluted	83.80 yen	55.75 yen	28.05 yen

- Notes: 1. The Company's consolidated financial statements are prepared in conformity with International Financial Reporting Standards (IFRS).
2. Number of consolidated companies: 537 (including parent company)
Number of companies under the equity method: 67
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.

Panasonic Group

1. Outline of the Panasonic Group

The Panasonic Group is comprised primarily of the parent Panasonic Corporation and 536 consolidated subsidiaries in and outside of Japan, operating in close cooperation with each other. As a comprehensive electronics manufacturer, Panasonic is engaged in development, production, sales and service activities in a broad array of business areas.

Aiming to enhance the competitiveness of its business from a medium- to long-term perspective, in April 2022, the Company will implement a company split, with Panasonic as a splitting company, and transition to the holding company system with Panasonic as the parent company. Prior to the transition, on October 1, 2021, the Company terminated its former Divisional Company system and reorganized its businesses structure.

Accordingly, Panasonic recategorized into the following five reportable segments, "Lifestyle," "Automotive," "Connect," "Industry," "Energy," and other business activities which are not included in the reportable segments.

2. Panasonic Group

As of December 31, 2021

(Segments, main products and services)	(Major companies)	Customers
Lifestyle Refrigerators, microwave ovens, rice cookers, washing machines, vacuum cleaners, personal-care products, room air-conditioners, large-sized air-conditioners, ventilation and air-conditioning equipment, air purifiers/sterilizers, refrigerator and freezer display cases, compressors, fuel cells, lighting fixtures, lamps, wiring devices, solar photovoltaic systems, bicycles, nursing care services	(Japan) Panasonic Corporation Panasonic Ecology Systems Co., Ltd. Panasonic Consumer Marketing Co., Ltd. (Overseas) Panasonic Appliances Air-Conditioning (Guangzhou) Co., Ltd. Panasonic Appliances Washing Machine (Hangzhou) Co., Ltd. Husmann Corporation Panasonic Life Solutions India Pvt., Ltd. Panasonic Marketing Europe GmbH Panasonic Appliances (China) Co., Ltd.	
Automotive Automotive-use cockpit systems, head-up displays, car speakers, automotive switches, vehicle camera modules, advanced driver assistance systems (ADAS), device and systems for electric automobiles, automotive mirrors	(Japan) Panasonic Corporation (Overseas) Panasonic Corporation of North America Panasonic Automotive Systems Asia Pacific Pte. Ltd. Panasonic Automotive Systems Dalian Co., Ltd. Ficosa International, S.A.	
Connect Aircraft in-flight entertainment systems and communications services, electronic-components-mounting machines, welding equipment, projectors, professional AV systems, PCs and tablets, solutions for various industries, installation/operation/maintenance services, supply chain software	(Japan) Panasonic Corporation Panasonic System Solutions Japan Co., Ltd. Panasonic Smart Factory Solutions Co., Ltd. Panasonic Mobile Communications Co., Ltd. (Overseas) Panasonic Avionics Corporation Blue Yonder Holding, Inc.	
Industry Relays, switches, power supply, touch panels, motors, sensors, laser markers, capacitors, coils, resistors, electronic circuit board materials, semiconductor device materials, molding compounds, LCD panels	(Japan) Panasonic Corporation Panasonic Industrial Devices SUNX Co., Ltd. Panasonic Industrial Marketing & Sales Japan Co., Ltd. (Overseas) Panasonic Corporation of North America Panasonic Asia Pacific Pte. Ltd. Panasonic Industry (China) Co., Ltd.	
Energy Cylindrical lithium-ion batteries for in-vehicle use, small-sized lithium-ion batteries, storage battery systems, dry batteries, lithium primary batteries	(Japan) Panasonic Corporation SANYO Electric Co., Ltd. (Overseas) Panasonic Corporation of North America SANYO Energy (Suzhou) Co., Ltd.	
Other [Entertainment & Communication] Consumer electronics such as audio and visual products (flat panel TVs, home audio equipment, video equipment etc.), digital camera products, communication related products (headphones, intercoms, telephones, faxes, home network systems, etc.) [Housing] Kitchen furniture, bathroom & sanitary fittings products, interior products, exterior products	(Japan) Panasonic Corporation KMEW Co., Ltd.	

Note: Some businesses distribute its products to customers through other segment's marketing & sales companies.

Consolidated Financial Results

1. Fiscal 2022 3Q ended December 31, 2021

A. Operating Results

	Yen (billions)		
	Fiscal 2022 Nine Months ended Dec. 31, 2021	Fiscal 2021 Nine Months ended Dec. 31, 2020	Percentage 2022/2021
Net sales	5,423.4	4,873.3	111%
Operating profit	274.2	226.8	121%
Profit before income taxes	279.4	220.1	127%
Net profit attributable to Panasonic Corporation stockholders	195.6	130.1	150%

During the nine months ended December 31, 2021 (fiscal 2022), the global economy saw progress in economic recovery as a result of a tentative stabilization of COVID-19 cases in Japan as well as many countries in the U.S. and Europe. However, there are still uncertainties over such factors as price surges in natural resources, price increases caused by supply shortages, and ongoing concern regarding the situation of COVID-19 variants. Therefore, the outlook for world economies remains unclear, although the global and Japanese economies seem to indicate a phase of moderate recovery.

Under such management conditions, Panasonic continues to control fixed costs according to business conditions and to make efforts to capture new business opportunities reflecting changes in society brought about by COVID-19. Through all these efforts, the Company will continue to enhance its management structure in the final year of the Mid-term strategy that started in fiscal 2020. Additionally, in all of our businesses, the Company will identify the areas in which the Company should be aggressive and thoroughly enhance the competitiveness in these areas.

For the nine months ended December 31, 2021, in September 2021, the Company completed its acquisition of the 80% of shares of the U.S. company Blue Yonder Holding, Inc. ("Blue Yonder"), which is one of the leading global providers of specialized supply chain software. As a result, the Company made Blue Yonder a wholly-owned subsidiary, together with the 20% of its shares acquired in July 2020. The Company aims to create new value by combining Blue Yonder's software platform, which offers state-of-the-art artificial intelligence (AI) and machine learning (ML) capabilities, with Panasonic's manufacturing expertise, which has been cultivated over many years, as well as its edge devices, IoT applications, and sensing technologies. This acquisition will accelerate Panasonic's and Blue Yonder's shared vision for an "Autonomous Supply ChainTM" and will provide solutions to customers' management issues. In addition, Panasonic aims to contribute to global environmental

conservation and to a sustainable society through energy-use reduction and effective utilization of recourses.

In October 2021, the Company terminated the current Divisional Company system and substantially started its operations based on the new structure toward the transition to a new organizational system in which Panasonic is a holding company from April 2022. Under the new structure, the Company continues to execute steadily the Mid-term strategy and prepare for the smooth operation of each operating company to be established on April 1, 2022.

For the nine months ended December 31, 2021, the Company's consolidated group sales increased by 11% to 5,423.4 billion yen from a year ago. Domestic sales increased due to favorable sales of products for industrial-use as well as information- and communication-use products. Overseas sales also increased due mainly to increased sales of automotive batteries and mounting machines with growing demand as well as the effect of new consolidation of Blue Yonder.

Operating profit increased by 21% to 274.2 billion yen from a year ago. This is due mainly to increased sales as well as recognized a gain from the re-evaluation of the existing equity in Blue Yonder (for further details, please see Note 2. of "Note" section), despite the impact of raw material price hikes and other factors. Profit before income taxes increased by 27% to 279.4 billion yen and Net profit attributable to Panasonic Corporation stockholders increased by 50% to 195.6 billion yen from a year ago.

B. Breakdown by Reportable Segment

Lifestyle

	Yen (billions)		
	Fiscal 2022 Third quarter	Fiscal 2021 Third quarter	Percentage 2022/2021
Sales	2,737.6	2,651.6	103%
Operating profit	105.1	149.5	70%

Sales increased by 3% to 2,737.6 billion yen from a year ago. This is due mainly to favorable sales of refrigerators in Asia and China as well as favorable sales of wiring devices in India. Operating profit decreased to 105.1 billion yen from a year ago due largely to the impact of raw material price hikes, despite increased sales, rationalization efforts and others.

Automotive

Yen (billions)

	Fiscal 2022 Third quarter	Fiscal 2021 Third quarter	Percentage 2022/2021
Sales	774.9	725.8	107%
Operating profit (loss)	(2.7)	(23.4)	—

Sales increased by 7% to 774.9 billion yen from a year ago. This is due to increased sales overall, along with recovery in automotive production from the previous year, despite the impact of semiconductor shortages. Operating profit improved from a year ago to a loss of 2.7 billion yen. This is due to increased sales and the impact from temporary expenses related to onboard charging systems in the previous year, despite the impact of price hikes in parts and components.

Connect

Yen (billions)

	Fiscal 2022 Third quarter	Fiscal 2021 Third quarter	Percentage 2022/2021
Sales	648.1	576.1	112%
Operating profit (loss)	42.6	(14.6)	—

Sales increased by 12% to 648.1 billion yen from a year ago. This is due mainly to the effect of consolidation of Blue Yonder, increased sales of mounting machine with growing PC and server related demand as well as sale recovery of projectors mainly in the U.S. Operating profit increased to 42.6 billion yen from a year ago. This is due mainly to increased sales as well as a recognized gain from the re-evaluation of the existing equity in Blue Yonder upon its consolidation into Panasonic.

Industry

Yen (billions)

	Fiscal 2022 Third quarter	Fiscal 2021 Third quarter	Percentage 2022/2021
Sales	840.6	725.3	116%
Operating profit	65.3	24.9	262%

Sales increased by 16% to 840.6 billion yen from a year ago. This is due mainly to increased sales of products for information- and communication-infrastructure, capacitors and industrial-use motors. Operating profit increased to 65.3 billion yen from a year ago. This is due mainly to the effect of rationalization and increased sales, despite the impact of factors such as raw material price hikes.

Energy

	Yen (billions)		
	Fiscal 2022 Third quarter	Fiscal 2021 Third quarter	Percentage 2022/2021
Sales	568.0	445.9	127%
Operating profit	51.9	20.2	257%

Sales increased by 27% to 568.0 billion yen from a year ago. This is due to significant increased sales of automotive batteries with growing demand as well as favorable sales of power storage systems. Operating profit increased to 51.9 billion yen from a year ago. This is due largely to increased sales despite the impact of raw material price hikes.

Other (Other business activities which are not included in the reportable segments)

	Yen (billions)		
	Fiscal 2022 Third quarter	Fiscal 2021 Third quarter	Percentage 2022/2021
Sales	732.2	669.3	109%
Operating profit	11.4	10.1	113%

Sales increased by 9% to 732.2 billion yen from a year ago due to steady sales of housing related products. Operating profit increased to 11.4 billion yen from a year ago.

C. Consolidated Financial Condition

Net cash provided by operating activities for the nine months ended December 31, 2021, amounted to 103.9 billion yen, compared with an inflow of 330.1 billion yen a year ago. This is due mainly to an increase in inventories as well as an increase in payment for income taxes, despite an increase in quarterly net profit.

Net cash used in investing activities amounted to 760.8 billion yen, compared with an outflow of 18.2 billion yen a year ago. This is due to investment related to the consolidation of Blue Yonder, an increase in capital expenditure and one-off proceeds from the transfer of assets in the previous year.

Accordingly, free cash flows (net cash provided by operating activities and investment activities) decreased by 968.8 billion yen from a year ago to an outflow of 656.9 billion yen.

Net cash used in financial activities amounted to 89.9 billion yen, compared with an inflow of 50.3 billion yen a year ago. This is due mainly to the repayment of interest-bearing debt of Blue Yonder.

Taking factors such as exchange fluctuations into consideration, cash and cash equivalent totaled 889.7 billion yen as of December 31, 2021, which is a decrease of 703.5 billion yen from March 31, 2021.

The Company's consolidated total assets as of December 31, 2021 were 7,376.8 billion yen, which is an increase of 529.7 billion yen from March 31, 2021. This is due mainly to an

increase in inventories as well as the consolidation of Blue Yonder.

The Company's consolidated total liabilities were 4,345.0 billion yen, which is an increase of 266.5 billion yen from March 31, 2021. This is due mainly to an increase in straight bonds from raising funds related to the consolidation of Blue Yonder.

Panasonic Corporation stockholders' equity increased by 260.8 billion yen from March 31, 2021, to 2,854.8 billion yen. This is 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 3,031.7 billion yen.

2. Forecast for fiscal 2022

The consolidated financial forecast for fiscal 2022 (from April 1, 2021 to March 31, 2022)

Yen (billions)

	Net sales	Operating profit	Profit before income taxes	Net profit attributable to Panasonic Corporation stockholders	Earnings per share attributable to Panasonic Corporation stockholders, basic	(Reference) Adjusted operating profit
Previous forecast as of October 28, 2021 (A)	7,300.0	370.0	370.0	240.0	102.85 yen	400.0
Revised forecast (B)	7,300.0	370.0	370.0	240.0	102.85 yen	365.0
Difference (B-A)	—	—	—	—		-35.0
Difference (%)	—	—	—	—		-8.8%
(Reference) Financial Results for fiscal 2021	6,698.8	258.6	260.8	165.1	70.75 yen	307.2

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

For the consolidated financial forecast for fiscal 2022, there are no changes in net sales, operating profit, profit before income taxes and net profit attributable to Panasonic Corporation stockholders from the previous forecasted announced on October 28, 2021.

However, the Company revises downward adjusted operating profit which the Company discloses voluntarily, reflecting the current management environment including reduced automobile production and raw material price hikes. As for operating profit, profit before income taxes and net profit attributable to Panasonic Corporation stockholders, the Company retains these previous forecasts due to expected gains from sale of assets and other factors.

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 not achieving expected benefits in connection with the transition to a new organizational system in which Panasonic is a holding company; 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

	December 31, 2021	March 31, 2021	Yen (millions) Difference
Current assets:	3,537,409	3,922,747	(385,338)
Cash and cash equivalents	889,745	1,593,224	(703,479)
Trade receivables and contract assets	1,270,051	1,194,391	75,660
Other financial assets	160,456	149,629	10,827
Inventories	1,059,124	832,569	226,555
Other current assets	158,033	152,934	5,099
Non-current assets:	3,839,363	2,924,326	915,037
Investments accounted for using the equity method	405,401	455,960	(50,559)
Other financial assets	176,687	231,024	(54,337)
Property, plant and equipment	1,069,154	1,061,614	7,540
Right-of-use assets	242,241	249,954	(7,713)
Other non-current assets	1,945,880	925,774	1,020,106
Total assets	7,376,772	6,847,073	529,699
Current liabilities:	2,742,306	2,804,328	(62,022)
Short-term debt, including current portion of long-term debt	254,384	309,790	(55,406)
Lease liabilities	59,669	59,346	323
Trade payables	1,119,795	1,045,617	74,178
Other financial liabilities	210,065	220,583	(10,518)
Other current liabilities	1,098,393	1,168,992	(70,599)
Non-current liabilities:	1,602,729	1,274,243	328,486
Long-term debt	1,179,580	879,728	299,852
Lease liabilities	192,386	198,559	(6,173)
Other non-current liabilities	230,763	195,956	34,807
Total liabilities	4,345,035	4,078,571	266,464
Panasonic Corporation stockholders' equity:	2,854,801	2,594,034	260,767
Common stock	259,168	258,981	187
Capital surplus	526,567	529,157	(2,590)
Retained earnings	2,297,408	2,154,023	143,385
Other components of equity	(18,903)	(138,370)	119,467
Treasury stock	(209,439)	(209,757)	318
Non-controlling interests	176,936	174,468	2,468
Total equity	3,031,737	2,768,502	263,235
Total liabilities and equity	7,376,772	6,847,073	529,699

Note: Other components of equity breakdown:

	December 31, 2021	March 31, 2021	Yen (millions) Difference
Remeasurements of defined benefit plans*	—	—	—
Financial assets measured at fair value through other comprehensive income	16,979	34,832	(17,853)
Exchange differences on translation of foreign operations	(40,329)	(179,860)	139,531
Net changes in fair value of cash flow hedges	4,447	6,658	(2,211)

* 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 2022 Nine Months ended December 31, 2021		Fiscal 2021 Nine Months ended December 31, 2020		Percentage 2022/2021
		%		%	%
Net sales	5,423,356	100.0	4,873,289	100.0	111
Cost of sales	(3,886,716)	(71.7)	(3,454,058)	(70.9)	
Gross profit	1,536,640	28.3	1,419,231	29.1	108
Selling, general and administrative expenses	(1,249,349)	(23.0)	(1,187,305)	(24.3)	
Share of profit (loss) of investments accounted for using the equity method	(11,714)	(0.2)	(17,922)	(0.4)	
Other income (expenses), net	(1,426)	(0.0)	12,796	0.3	
Operating profit	274,151	5.1	226,800	4.7	121
Finance income	19,721	0.4	12,188	0.2	
Finance expenses	(14,496)	(0.3)	(18,904)	(0.4)	
Profit before income taxes	279,376	5.2	220,084	4.5	127
Income taxes	(75,188)	(1.4)	(75,822)	(1.5)	
Net profit	204,188	3.8	144,262	3.0	142
Net profit attributable to:					
Panasonic Corporation stockholders	195,634	3.6	130,142	2.7	150
Non-controlling interests	8,554	0.2	14,120	0.3	61

Notes: 1. Depreciation (tangible)	132,734	million yen	131,932	million yen
2. Capital investment	150,061	million yen	113,984	million yen
3. R&D expenditures	311,200	million yen	307,366	million yen
4. Number of employees	240,786		245,546	

Condensed Quarterly Consolidated Statements of Comprehensive Income

Yen (millions)

	Fiscal 2022 Nine Months ended December 31, 2021	Fiscal 2021 Nine Months ended December 31, 2020	Percentage 2022/2021
Net Profit	204,188	144,262	142
Other comprehensive income			%
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plans	1,692	(2,237)	
Financial assets measured at fair value through other comprehensive income	(13,314)	243,487	
Subtotal	(11,622)	241,250	
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	146,269	(26,321)	
Net changes in fair value of cash flow hedges	(4,181)	1,678	
Subtotal	142,088	(24,643)	
Total other comprehensive income	130,466	216,607	
Comprehensive income	334,654	360,869	93
Comprehensive income attributable to :			
Panasonic Corporation stockholders	319,291	342,760	93
Non-controlling interests	15,363	18,109	85

Condensed Quarterly Consolidated Statements of Changes in Equity

Yen (millions)

Fiscal 2022 Nine Months ended December 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, 2021	258,981	529,157	2,154,023	(138,370)	(209,757)	2,594,034	174,468	2,768,502
Comprehensive income:								
Net profit	—	—	195,634	—	—	195,634	8,554	204,188
Remeasurements of defined benefit plans	—	—	—	1,611	—	1,611	81	1,692
Financial assets measured at fair value through other comprehensive income	—	—	—	(13,374)	—	(13,374)	60	(13,314)
Exchange differences on translation of foreign operations	—	—	—	139,531	—	139,531	6,738	146,269
Net changes in fair value of cash flow hedges	—	—	—	(4,111)	—	(4,111)	(70)	(4,181)
Total comprehensive income	—	—	195,634	123,657	—	319,291	15,363	334,654
Transfer from other components of equity to retained earnings	—	—	6,090	(6,090)	—	—	—	—
Cash dividends	—	—	(58,339)	—	—	(58,339)	(12,075)	(70,414)
Changes in treasury stock	—	(0)	—	—	(34)	(34)	—	(34)
Share-based payment transactions	187	(277)	—	—	352	262	—	262
Transactions with non-controlling interests and other	—	(2,313)	—	1,900	—	(413)	(820)	(1,233)
Balances as of December 31, 2021	259,168	526,567	2,297,408	(18,903)	(209,439)	2,854,801	176,936	3,031,737

Yen (millions)

Fiscal 2021 Nine Months ended December 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, 2020	258,867	531,048	1,646,403	(227,957)	(210,012)	1,998,349	157,519	2,155,868
Comprehensive income:								
Net profit	—	—	130,142	—	—	130,142	14,120	144,262
Remeasurements of defined benefit plans	—	—	—	(2,634)	—	(2,634)	397	(2,237)
Financial assets measured at fair value through other comprehensive income	—	—	—	243,409	—	243,409	78	243,487
Exchange differences on translation of foreign operations	—	—	—	(29,757)	—	(29,757)	3,436	(26,321)
Net changes in fair value of cash flow hedges	—	—	—	1,600	—	1,600	78	1,678
Total comprehensive income	—	—	130,142	212,618	—	342,760	18,109	360,869
Transfer from other components of equity to retained earnings	—	—	84,406	(84,406)	—	—	—	—
Cash dividends	—	—	(58,327)	—	—	(58,327)	(9,738)	(68,065)
Changes in treasury stock	—	(1)	—	—	(23)	(24)	—	(24)
Share-based payment transactions	114	(213)	—	—	272	173	—	173
Transactions with non-controlling interests and other	—	(1,228)	—	428	—	(800)	(4,849)	(5,649)
Balances as of December 31, 2020	258,981	529,606	1,802,624	(99,317)	(209,763)	2,282,131	161,041	2,443,172

Condensed Quarterly Consolidated Statements of Cash Flows

Yen (millions)

	Fiscal 2022 Nine Months ended December 31, 2021	Fiscal 2021 Nine Months ended December 31, 2020
<u>Cash flows from operating activities</u>		
Net profit	204,188	144,262
Adjustments to reconcile net profit to net cash provided by operating activities		
Depreciation and amortization	245,697	235,251
(Increase) decrease in trade receivables and contract assets	(31,281)	(105,208)
(Increase) decrease in inventories	(210,000)	(6,993)
Increase (decrease) in trade payables	58,280	1,586
Other	(162,950)	61,165
Net cash provided by operating activities	103,934	330,063
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(167,454)	(131,224)
Proceeds from sale of property, plant and equipment	10,427	13,319
Purchase of investments accounted for using the equity method and other financial assets	(31,230)	(101,815)
Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets	28,803	116,308
Other	(601,397)	85,211
Net cash used in investing activities	(760,851)	(18,201)
<u>Cash flows from financing activities</u>		
Increase (decrease) in short-term debt	(155,974)	(1,669)
Increase (decrease) in long-term debt	148,559	124,297
Dividends paid to Panasonic Corporation stockholders	(58,339)	(58,327)
Dividends paid to non-controlling interests	(12,075)	(9,738)
(Increase) decrease in treasury stock	(34)	(24)
Other	(12,020)	(4,217)
Net cash provided by (used in) financing activities	(89,883)	50,322
Effect of exchange rate changes on cash and cash equivalents, and other	43,321	(19,799)
Net increase (decrease) in cash and cash equivalents	(703,479)	342,385
Cash and cash equivalents at beginning of period	1,593,224	1,016,504
Cash and cash equivalents at the end of the period	889,745	1,358,889

Notes to consolidated financial statements:

1. The Board of Directors of Panasonic resolved on May 31, 2021 the transition to a holding company system through absorption-type company split, which is scheduled to take effect on April 1, 2022 as well as to enter into absorption-type company split agreements with each of nine succeeding companies, subject to necessary approvals from relevant government agencies.
2. The Company completed, on September 17, 2021 (September 16 in U.S. time), an additional acquisition of the remaining 80% of shares in Blue Yonder Holding, Inc. ("Blue Yonder"). Accordingly, with the 20% of shares Panasonic acquired in July 2020, the Company completed its acquisition of Blue Yonder. The consideration value related to the additional acquisition of 80% of shares including USD 1.42 billion of net interest-bearing debt of Blue Yonder amounted to USD 7.08 billion (776.0 billion yen). The total consideration value for acquiring all shares, by combining USD 0.81 billion (87.3 billion yen) for the 20% of shares that Panasonic acquired in July 2020 to the additional acquisition value, amounted to USD 7.89 billion (863.3 billion yen). The Company will make the adjustments of working capital and others accordingly.
Furthermore, upon its additional acquisition, the Company re-evaluated the value of the existing 20% of shares and recognized a gain of 58.3 billion yen in other income. The market value for the above re-evaluation is tentative and there is a possibility to be adjusted in the future.
3. The Company issued a total of 400.0 billion yen of public offering of hybrid bonds (subordinated bonds) on October 14, 2021. Upon the above acquisition (please see Note 2. of "Note" section), the capital for the acquisition was funded by reserved cash and a bridge loan. All of the cash raised from the bonds were used to repay the bridge loan.
4. Assumption for going concern: None
5. Number of consolidated subsidiaries as of December 31, 2021: 536
Number of companies under the equity method as of December 31, 2021: 67

Information by Segment

Yen (billions)

	Fiscal 2022 Nine Months ended December 31, 2021					Fiscal 2021 Nine Months ended December 31, 2020		
	Sales	22/21	Operating Profit (Loss)	% of Sales	22/21	Sales	Operating Profit (Loss)	% of Sales
Reportable Segments:		%		%	%			%
Lifestyle	2,737.6	103	105.1	3.8	70	2,651.6	149.5	5.6
Automotive	774.9	107	(2.7)	(0.4)	—	725.8	(23.4)	(3.2)
Connect	648.1	112	42.6	6.6	—	576.1	(14.6)	(2.5)
Industry	840.6	116	65.3	7.8	262	725.3	24.9	3.4
Energy	568.0	127	51.9	9.1	257	445.9	20.2	4.5
Subtotal	5,569.2	109	262.2	4.7	167	5,124.7	156.6	3.1
Other	732.2	109	11.4	1.6	113	669.3	10.1	1.5
Eliminations and adjustments	(878.0)	—	0.6	—	—	(920.7)	60.1	—
Total	5,423.4	111	274.2	5.1	121	4,873.3	226.8	4.7

Notes: 1. The Panasonic Group divides its reportable segments into the following five segments, "Lifestyle," "Automotive," "Connect," "Industry" and "Energy."

"Other" includes operating segments which are not included in the above mentioned reportable segments and other business activities, such as Entertainment & Communication, Housing and 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. The Company changed its reportable segments upon the reorganization of the group structure on October 1, 2021.

- "Lifestyle" is based on the previous segments of "Appliances" and "Life Solutions."
- "Automotive" is comprised of Automotive Solutions from the previous "Automotive" segment.
- "Connect" is transferred from the previous "Connected Solutions" segment.
- "Industry" is comprised of Electromechanical Control Business Division, Industrial Device Business Division, Device Solutions Business Division, and Electronic Materials Business Division from the previous "Industrial Solutions" segment.
- "Energy" is comprised of Automotive Batteries from the previous "Automotive" segment and Energy Solutions Business Division and Energy Device Business Division from the previous "Industrial Solutions" segment.
- The figures for segment information in fiscal 2021 and the first half of fiscal 2022 have been reclassified to conform to the presentation as of October 1, 2021.

Supplemental Financial Data for Fiscal 2022 Third Quarter, ended December 31, 2021
[IFRS] (Consolidated)

Note 1: The Company restructured its Group organization on October 1, 2021, under which the Company changed the format.
Note 2: The figures before the completion of the audit may change in the future.
Note 3: "Other" includes operating segments which are not included in the reportable segments and other business activities, such as Entertainment & Communication, Housing and sales of raw materials.
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 "Lifestyle" 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: EBITDA : Total amount of Operating profit, Depreciation (Tangible assets including Property, plant and equipment/ Right-of-use assets) and Amortization (Intangible assets).
Adjusted with : - amount equivalent to depreciation corresponding to underlying assets that are applied with Lease accounting treatment as a lessor
- impact of temporary accounting treatment related to "re-evaluation of assets and debt" after Blue Yonder acquisition
Note 8: Fiscal 2022 refers to the year ending March 31, 2022.

1. Fiscal 2022 Third Quarter Results

Note 1: "Eliminations and Adjustments" of the fiscal year 2022 forecasts are included in "Other".
Note 2: "Total" EBITDA include EBITDA of "Other" and "Eliminations and Adjustments".

(1) Segment Information

yen (billions)

		Fiscal 2021					Fiscal 2022				
		Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts (as of Feb. 2, 2022)
Lifestyle	Sales	770.7	898.4	982.5	897.3	3,548.9	917.7	860.5	959.4		3,640.0
	Adjusted operating profit	29.5	51.9	76.0	28.2	185.6	53.1	31.3	40.2		155.0
	Other income/loss	-1.9	-4.4	-1.6	-10.8	-18.7	-1.6	-15.5	-2.4		-28.0
	Operating profit	27.6	47.5	74.4	17.4	166.9	51.5	15.8	37.8		127.0
	EBITDA	51.1	70.6	97.5	41.6	260.8	74.7	39.5	61.8		222.0
Automotive	Sales	153.0	271.0	301.8	291.3	1,017.1	260.6	239.1	275.2		1,080.0
	Adjusted operating profit	-21.0	7.4	-5.7	10.0	-9.3	2.1	-4.6	1.5		5.0
	Other income/loss	-1.0	-1.1	-2.0	1.6	-2.5	0.1	-2.2	0.4		-2.0
	Operating profit	-22.0	6.3	-7.7	11.6	-11.8	2.2	-6.8	1.9		3.0
	EBITDA	-9.4	18.5	5.4	24.5	39.0	14.4	7.5	15.3		58.0
Connect	Sales	185.2	191.1	199.8	241.9	818.0	208.5	217.0	222.6		920.0
	Adjusted operating profit	-16.5	-1.6	4.9	16.9	3.7	7.1	5.0	-6.8		15.0
	Other income/loss	0.5	0.4	-2.3	-22.3	-23.7	-6.9	47.0	-2.8		36.0
	Operating profit	-16.0	-1.2	2.6	-5.4	-20.0	0.2	52.0	-9.6		51.0
	EBITDA	-8.0	6.7	10.6	2.9	12.2	7.8	60.8	13.7		113.0
Industry	Sales	230.5	236.1	258.7	259.3	984.6	286.3	271.3	283.0		1,110.0
	Adjusted operating profit	5.1	7.5	16.5	15.2	44.3	25.0	22.1	18.9		78.0
	Other income/loss	-0.6	-0.5	-3.1	0.6	-3.6	1.5	-2.6	0.4		-4.0
	Operating profit	4.5	7.0	13.4	15.8	40.7	26.5	19.5	19.3		74.0
	EBITDA	17.3	19.4	25.8	28.1	90.6	39.3	32.4	32.4		127.0
Energy	Sales	118.4	161.6	165.9	154.1	600.0	186.1	187.6	194.3		768.0
	Adjusted operating profit	-3.5	11.2	16.3	13.8	37.8	18.7	18.2	18.2		65.0
	Other income/loss	-1.0	1.5	-4.3	-0.5	-4.3	-1.0	-0.3	-1.9		-4.0
	Operating profit	-4.5	12.7	12.0	13.3	33.5	17.7	17.9	16.3		61.0
	EBITDA	8.8	26.3	24.9	26.8	86.8	30.9	31.7	30.6		117.0
Subtotal	Sales	1,457.8	1,758.2	1,908.7	1,843.9	6,968.6	1,859.2	1,775.5	1,934.5		7,518.0
	Adjusted operating profit	-6.4	76.4	108.0	84.1	262.1	106.0	72.0	72.0		318.0
	Other income/loss	-4.0	-4.1	-13.3	-31.4	-52.8	-7.9	26.4	-6.3		-2.0
	Operating profit	-10.4	72.3	94.7	52.7	209.3	98.1	98.4	65.7		316.0
	EBITDA	59.8	141.5	164.2	123.9	489.4	167.1	171.9	153.8		637.0
Other	Sales	190.7	230.7	247.9	306.6	975.9	230.5	239.4	262.3		-218.0
	Adjusted operating profit	-6.2	5.0	13.3	6.8	18.9	4.9	5.0	6.7		47.0
	Other income/loss	-0.9	-0.6	-0.5	-7.9	-9.9	-0.2	-2.9	-2.1		7.0
	Operating profit	-7.1	4.4	12.8	-1.1	9.0	4.7	2.1	4.6		54.0
	EBITDA	-256.6	-321.6	-342.5	-325.0	-1,245.7	-297.3	-273.7	-307.0		
Eliminations and Adjustments	Sales	6.7	13.6	21.5	-15.6	26.2	8.6	3.3	8.8		
	Adjusted operating profit	14.6	2.5	1.2	-4.2	14.1	-7.0	-7.0	-6.1		
	Other income/loss	21.3	16.1	22.7	-19.8	40.3	1.6	-3.7	2.7		
	Operating profit	21.3	16.1	22.7	-19.8	40.3	1.6	-3.7	2.7		
	EBITDA	21.3	16.1	22.7	-19.8	40.3	1.6	-3.7	2.7		
Total	Sales	1,391.9	1,667.3	1,814.1	1,825.5	6,698.8	1,792.4	1,741.2	1,889.8		7,300.0
	Adjusted operating profit	-5.9	95.0	142.8	75.3	307.2	119.5	80.3	87.5		365.0
	Other income/loss	9.7	-2.2	-12.6	-43.5	-48.6	-15.1	16.5	-14.5		5.0
	Operating profit	3.8	92.8	130.2	31.8	258.6	104.4	96.8	73.0		370.0
	EBITDA	89.4	178.4	216.2	121.5	605.5	189.1	185.9	177.6		750.0

			Fiscal 2021					Fiscal 2022				
			Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts (as of Feb. 2, 2022)
Lifestyle	Living Appliances and Solutions Company	Sales	198.3	238.8	263.8	211.2	912.1	227.3	225.4	274.0		950.0
		Adjusted operating profit	17.2	22.1	28.7	11.4	79.4	23.5	14.1	22.1		67.0
		Other income/loss	-0.5	0.0	0.0	0.6	0.1	0.1	-0.7	0.0		0.0
		Operating profit	16.7	22.1	28.7	12.0	79.5	23.6	13.4	22.1		67.0
		EBITDA	21.4	26.8	33.5	17.0	98.7	28.5	18.6	28.0		88.0
	Heating & Ventilation A/C Company	Sales	186.0	167.6	159.5	173.7	686.8	217.0	150.6	162.2		714.0
		Adjusted operating profit	16.1	11.3	10.5	7.7	45.6	21.7	2.3	-0.1		28.0
		Other income/loss	0.1	0.2	0.0	-0.7	-0.4	-1.3	-0.7	-0.6		-2.0
		Operating profit	16.2	11.5	10.5	7.0	45.2	20.4	1.6	-0.7		26.0
		EBITDA	20.2	15.5	14.6	11.6	61.9	25.0	6.1	4.2		44.0
	Cold Chain Solutions Company	Sales	54.9	67.1	68.1	65.2	255.3	72.9	78.3	75.3		300.0
		Adjusted operating profit	-2.9	1.8	-0.1	-0.8	-2.0	1.2	1.3	-6.9		-1.0
		Other income/loss	0.0	-0.2	0.0	-0.8	-1.0	-0.1	-0.8	-0.1		-1.0
		Operating profit	-2.9	1.6	-0.1	-1.6	-3.0	1.1	0.5	-7.0		-2.0
		EBITDA	-1.0	3.6	1.8	0.3	4.7	3.0	2.4	-5.0		5.5
	Electric Works Company	Sales	208.7	243.2	262.6	269.5	984.0	230.6	246.6	265.8		1,016.0
		Adjusted operating profit	3.3	11.4	20.1	11.8	46.6	5.1	10.0	13.7		42.0
		Other income/loss	-2.7	-5.0	-1.3	-7.3	-16.3	-0.3	-6.9	0.3		-11.0
		Operating profit	0.6	6.4	18.8	4.5	30.3	4.8	3.1	14.0		31.0
		EBITDA	8.4	14.1	26.5	12.7	61.7	12.0	10.2	21.0		62.0
	China and Northeast Asia Company	Sales	186.0	171.1	183.8	159.6	700.5	229.2	200.9	219.3		825.0
		Adjusted operating profit	13.9	9.9	12.2	1.0	37.0	12.5	7.9	3.2		22.5
		Other income/loss	0.4	0.4	0.5	-2.1	-0.8	-1.3	-4.0	-0.6		-7.0
		Operating profit	14.3	10.3	12.7	-1.1	36.2	11.2	3.9	2.6		15.5
		EBITDA	18.4	14.5	16.9	3.4	53.2	15.8	8.9	7.8		33.5

Note: Living Appliances and Solutions Company, Heating & Ventilation A/C Company, Cold Chain Solutions Company, and Electric Works Company include part of sales and profit of China and Northeast Asia Company.

(2) Sales by Voluntarily Disclosed Businesses*

			Fiscal 2021					Fiscal 2022				
			Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Lifestyle	Living Appliances and Solutions Company	Kitchen Appliances	92.4	112.5	117.8	97.4	420.1	108.3	104.9	124.6		
		Laundry Systems and Vacuum Cleaner	62.9	78.0	92.8	72.6	306.3	71.1	74.4	97.9		
		Beauty and Personal Care	42.5	47.6	52.4	40.5	183.0	47.8	46.3	51.6		
	Heating & Ventilation A/C Company	Heating and Cooling Solutions	145.8	120.4	103.6	125.4	495.2	170.1	107.8	113.4		
		Ecology Systems	38.8	45.9	54.3	47.5	186.5	45.9	41.9	47.6		
	Electric Works Company	Lighting	53.7	61.8	73.1	67.7	256.3	55.5	62.8	68.8		
		Energy Systems	66.2	78.5	86.0	80.4	311.1	72.2	75.5	84.3		
Automotive		Automotive Cockpit Systems	58.1	107.2	122.5	118.3	406.1	102.1	93.9	109.1		
		Automotive Electronics Systems	61.0	108.0	120.9	119.1	409.0	109.0	94.9	109.6		
Connect		Avionics	27.3	24.5	25.3	24.9	102.0	21.1	25.4	26.6		
		Process Automation	43.3	46.4	46.6	53.7	190.0	66.0	63.2	51.5		
		Media Entertainment	17.9	21.3	22.2	25.6	87.0	24.1	28.8	27.0		
		Mobile Solutions	49.3	47.7	47.5	52.3	196.8	47.5	41.3	43.1		
		PSSJ	59.4	61.9	64.6	109.0	294.9	59.1	70.5	59.1		
		Blue Yonder								25.4		
Industry		Control Devices/FA Solutions	83.3	92.4	102.5	105.3	383.5	119.1	115.8	118.3		
		Electronic Devices/Electronic Materials	78.1	76.3	84.0	88.3	326.8	96.5	97.3	101.0		
Energy		In-vehicle	58.1	88.0	89.8	86.9	322.9	113.4	118.6	117.6		
		Industrial / Consumer	59.9	72.6	75.8	66.3	274.5	73.6	71.8	74.9		
Other		Entertainment & Communication	39.6	71.6	86.6	61.9	259.7	65.8	56.9	65.7		
		Housing	99.0	106.1	114.2	110.5	429.8	104.0	111.2	121.0		

* Each Voluntarily Disclosed Business consists of the following Major Business Divisions.

Businesses with Sales Disclosed			Major Business Divisions, etc.	
Lifestyle	Living Appliances and Solutions	• Kitchen Appliances • Laundry Systems and Vacuum Cleaner • Beauty and Personal Care	: Kitchen Appliances BD : Laundry Systems and Vacuum Cleaner BD : Beauty and Personal Care BD	
	Heating & Ventilation A/C	• Heating and Cooling Solutions • Ecology Systems	: Heating and Cooling Solutions BD : Panasonic Ecology Systems Co., Ltd.	
	Cold Chain solutions	—	: Hussmann Corporation, Cold Chain BD	
	Electric Works	• Lighting • Energy Systems • Other	: Lighting BD : Energy Systems BD : Smart Energy Systems BD	
	China and Northeast Asia Company	—	: Smart Life Appliances BD, Building and Housing Solutions BD, Cold Chain (China) BD, Refrigeration and Air-Conditioning Devices BD, Taiwan BD	
Automotive		• Automotive Cockpit Systems • Automotive Electronics Systems	: Infotainment Systems BD : HMI Systems BD, Automotive Systems BD, Ficosa International, S.A.	
Connect		• Avionics • Process Automation • Media Entertainment • Mobile Solutions • PSSJ • Blue Yonder	: Panasonic Avionics Corporation, Avionics BU : Process Automation BD : Media Entertainment BD : Mobile Solutions BD : Panasonic System Solutions Japan Co., Ltd. : Blue Yonder Holding, Inc.	
Industry		• Control Devices/FA Solutions • Electronic Devices/Electronic Materials	: Electromechanical Control BD, Industrial Devices BD : Device Solutions BD, Electronic Materials BD	
Energy		• In-vehicle • Industrial / Consumer	: Mobility Energy BD : Energy Devices BD, Energy Solutions BD	
Other		• Entertainment & Communication • Housing	: Entertainment & Communication BD : Housing Systems BD	

(3) Capital Investment by Segment

yen (billions)

	Fiscal 2021					Fiscal 2022				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts (as of Feb. 2, 2022)
Lifestyle	10.8	12.9	14.1	70.8	108.6	11.6	13.4	20.2		73.0
Automotive	2.9	3.8	4.3	6.6	17.6	3.8	6.5	9.4		33.0
Connect	3.8	3.1	2.8	4.0	13.7	2.3	3.8	4.2		14.0
Industry	6.4	7.0	10.0	17.6	41.0	11.8	12.4	11.5		56.0
Energy	3.1	3.5	9.9	12.0	28.5	8.1	9.5	7.2		42.0
Subtotal	27.0	30.3	41.1	111.0	209.4	37.6	45.6	52.5		218.0
Other/Eliminations and Adjustments	5.1	7.4	3.1	6.0	21.6	4.3	4.4	5.7		17.0
Total	32.1	37.7	44.2	117.0	231.0	41.9	50.0	58.2		235.0

Note: These figures are calculated on an accrual basis.

(4) Depreciation of PP&E by Segment

yen (billions)

	Fiscal 2021					Fiscal 2022				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts (as of Feb. 2, 2022)
Lifestyle	15.0	14.7	14.9	15.8	60.4	15.2	15.6	15.8		64.0
Automotive	5.5	5.8	5.7	6.2	23.2	5.7	5.9	6.0		24.0
Connect	4.2	4.3	4.3	4.4	17.2	3.8	3.9	4.1		16.0
Industry	11.0	10.8	10.8	11.0	43.6	11.2	11.4	11.6		46.0
Energy	5.6	5.4	5.4	5.2	21.6	5.1	4.9	4.9		20.0
Subtotal	41.3	41.0	41.1	42.6	166.0	41.0	41.7	42.4		170.0
Other/Eliminations and Adjustments	2.9	2.8	2.8	4.9	13.4	2.4	2.3	2.9		15.0
Total	44.2	43.8	43.9	47.5	179.4	43.4	44.0	45.3		185.0

(5) Total of Amortization of Intangible Assets and Depreciation of Right-of-use Assets by Segment

yen (billions)

	Fiscal 2021					Fiscal 2022				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts (as of Feb. 2, 2022)
Lifestyle	8.5	8.4	8.2	8.4	33.5	8.0	8.1	8.2		31.0
Automotive	7.1	6.4	7.4	6.7	27.6	6.5	8.4	7.4		31.0
Connect	3.8	3.6	3.7	3.9	15.0	3.8	4.9	11.2		32.1
Industry	1.8	1.6	1.6	1.3	6.3	1.6	1.5	1.5		7.0
Energy	0.5	0.6	0.4	0.7	2.2	0.4	0.6	0.6		2.4
Subtotal	21.7	20.6	21.3	21.0	84.6	20.3	23.5	28.9		103.5
Other/Eliminations and Adjustments	12.5	13.6	13.7	13.6	53.4	13.3	13.4	13.5		44.0
Total	34.2	34.2	35.0	34.6	138.0	33.6	36.9	42.4		147.5

2. Other

(1) Sales by Region

yen (billions)

	Fiscal 2021					Fiscal 2022				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Japan	659.3	752.8	823.1	878.1	3,113.3	766.9	745.1	790.6		
Local currency basis YoY	75%	77%	91%	103%	86%	116%	99%	96%		
North and South America	212.6	304.3	312.0	288.2	1,117.1	320.4	339.6	358.6		
Local currency basis YoY	61%	86%	89%	85%	80%	147%	107%	106%		
Europe	111.0	164.5	195.2	191.3	662.0	177.6	159.0	194.6		
Local currency basis YoY	64%	92%	98%	106%	90%	145%	93%	96%		
Asia	198.9	230.7	252.0	262.1	943.7	270.4	234.0	295.1		
Local currency basis YoY	78%	100%	105%	116%	99%	129%	97%	110%		
China	210.1	215.0	231.8	205.8	862.7	257.1	263.5	250.9		
Local currency basis YoY	104%	102%	114%	149%	114%	111%	112%	97%		
Total	1,391.9	1,667.3	1,814.1	1,825.5	6,698.8	1,792.4	1,741.2	1,889.8		
Local currency basis YoY	75%	85%	96%	105%	90%	124%	101%	100%		

(2) R&D Expenditures

yen (billions)

	Fiscal 2021					Fiscal 2022				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts*
R&D Expenditures	103.9	106.0	97.5	112.4	419.8	97.4	103.5	110.3		420.0

*Full year forecasts for fiscal 2022 are unchanged.

(3) Foreign Currency Exchange Rates

	Fiscal 2021					Fiscal 2022				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts (as of Feb. 2, 2022)
U.S. Dollars	¥108	¥106	¥105	¥106	¥106	¥109	¥110	¥114		¥111
Euro	¥118	¥124	¥125	¥128	¥124	¥132	¥130	¥130		¥130
Renminbi	¥15.2	¥15.4	¥15.8	¥16.4	¥15.7	¥17.0	¥17.0	¥17.8		¥17.3

Note: Average rate

(4) Foreign Exchange Sensitivity

yen (billions)

	Operating profit
U.S. Dollars	-1.0
Euro	-0.8
Renminbi	+2.1

Note: Impact of one yen appreciation to fiscal 2022 operating profit (full year forecast).
Reference figures voluntarily prepared by the Company as of May 10, 2021.

(5) Cash Flows

yen (billions)

	Fiscal 2021					Fiscal 2022				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Cash flows from operating activities	-98.3	174.3	254.1	173.9	504.0	130.1	-88.5	62.3		
Cash flows from investing activities	44.1	-16.2	-46.1	194.8	176.6	-59.0	-643.8	-58.0		
Free Cash Flow	-54.2	158.1	208.0	368.7	680.6	71.1	-732.3	4.3		

	2020				2021				2022
	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.
Gross Cash ^{Note 1}	1,051.8	1,097.4	1,271.4	1,403.9	1,641.9	1,668.5	1,013.9	931.1	
Interest-bearing Debt	1,471.3	1,648.4	1,669.2	1,626.1	1,447.4	1,456.1	1,750.4	1,686.1	
(Lease liabilities)	(266.9)	(266.1)	(265.4)	(252.8)	(257.9)	(261.9)	(258.8)	(252.1)	
Net Cash	-419.5	-551.0	-397.8	-222.2	194.5	212.4	-736.5	-755.0	

Note1: Gross Cash is the total of "Cash and cash equivalents" and time deposits and others included in "Other financial assets."

(6) Number of Employees

(persons)

	2020				2021				2022
	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	98,064	96,875	94,299	93,615	92,733	93,151	92,379	89,627	
Overseas	161,321	152,474	152,213	151,931	150,807	147,051	152,100	151,159	
Total	259,385	249,349	246,512	245,546	243,540	240,202	244,479	240,786	

Disclaimer Regarding Forward-Looking Statements

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