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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 Holdings Corporation Reports its Consolidated Financial Results
for the Three Months ended June 30, 2022**

Osaka, Japan, July 28, 2022 -- Panasonic Holdings Corporation ([TSE:6752] the "Company") today reported its consolidated financial results for the three months ended June 30, 2022, of the current fiscal year ending March 31, 2023 (fiscal 2023).

Summary

Yen (billions)

	Fiscal 2023 Three Months ended June 30, 2022	Fiscal 2022 Three Months ended June 30, 2021	Percentage 2023/2022
Net sales	1,973.9	1,792.4	110 %
Domestic	736.1	766.9	96 %
Overseas	1,237.8	1,025.5	121 %
Operating profit	63.7	104.4	61 %
% to sales	3.2 %	5.8 %	
Profit before income taxes	73.5	108.5	68 %
% to sales	3.7 %	6.1 %	
Net profit	52.6	81.2	65 %
% to sales	2.7 %	4.5 %	
Net profit attributable to Panasonic Holdings Corporation stockholders	48.9	76.5	64 %
% to sales	2.5 %	4.3 %	
Earnings per share attributable to Panasonic Holdings Corporation stockholders			
Basic	20.97 yen	32.80 yen	(11.83) yen
Diluted	20.97 yen	32.79 yen	(11.82) yen

- Notes: 1. The Company's consolidated financial statements are prepared in conformity with International Financial Reporting Standards (IFRS).
2. Number of consolidated companies: 530 (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 Holdings Corporation stockholders per ADS is same amount as Earnings per share attributable to Panasonic Holdings Corporation stockholders.

Panasonic Group

1. Outline of the Panasonic Group

The Panasonic Group is comprised primarily of the parent Panasonic Holdings Corporation and 529 consolidated subsidiaries in and outside of Japan, operating in close cooperation with each other. As a comprehensive electronics manufacturer, the Panasonic Group is engaged in development, production, sales and service activities in a broad array of business areas.

In April 2022, the Company transitioned to a new group organizational structure comprised of a holding company and operating companies through absorption-type company split to enhance its business competitiveness for medium- to long-term perspective.

2. Panasonic Group

As of June 30, 2022

(Segments, main products and services)	(Major companies)
Lifestyle Refrigerators, microwave ovens, rice cookers, washing machines, vacuum cleaners, personal-care products, air-conditioners for residential use, air-conditioners for commercial use, air to water heat pump system, ventilation, perflation and air-conditioning equipment, air purifiers, air purifier/sterilizers, freezing or refrigerating showcases, lighting fixtures, lamps, wiring devices, solar photovoltaic systems, fuel cells, compressors, bicycles, nursing care services	(Japan) Panasonic Corporation Panasonic Ecology Systems Co., Ltd. Panasonic Consumer Marketing Co., Ltd. (Overseas) Panasonic Appliances Washing Machine (Hangzhou) Co., Ltd. Panasonic Appliances Air-Conditioning (Guangzhou) Co., Ltd. Husmann Corporation Panasonic Life Solutions India Pvt., Ltd. Panasonic Marketing Europe GmbH Panasonic Appliances (China) Co., Ltd.
Automotive Automotive-use infotainment systems, head-up displays, automotive speakers, automotive switches, advanced driver assistance systems(ADAS) and related devices, systems and devices for xEVs, Interior rearview mirrors	(Japan) Panasonic Automotive Systems Co., Ltd. (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 management software	(Japan) Panasonic Connect Co., Ltd. (Overseas) Panasonic Avionics Corporation Blue Yonder Holding, Inc.
Industry Relays, switches, power supplies, touch panels, motors, sensors, laser markers, capacitors, inductors, resistors, circuit board materials, semiconductor device materials, molding compounds, LCD panels	(Japan) Panasonic Industry Co., Ltd. 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, dry batteries, primary/secondary lithium batteries, nickel-metal hydride batteries, lithium-ion batteries, storage battery modules/systems	(Japan) Panasonic Energy Co., Ltd. SANYO Electric Co., Ltd. (Overseas) Panasonic Corporation of North America SANYO Energy (Suzhou) Co., Ltd.
Other [Entertainment & Communication] TV, digital camera, video equipment, audio equipment, telephone, intercom [Housing] kitchen & bath, interior furnishing materials, exterior furnishing materials	(Japan) Panasonic Entertainment & Communication Co., Ltd. Panasonic Housing Solutions Co., Ltd. KMEW Co., Ltd.

Customers

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

Consolidated Financial Results

1. Fiscal 2023 1Q ended June 30, 2022

A. Operating Results

	Yen (billions)		
	Fiscal 2023 Three Months ended Jun. 30, 2022	Fiscal 2022 Three Months ended Jun. 30, 2021	Percentage 2023/2022
Net sales	1,973.9	1,792.4	110%
Operating profit	63.7	104.4	61%
Profit before income taxes	73.5	108.5	68%
Net profit attributable to Panasonic Holdings Corporation stockholders	48.9	76.5	64%

During the three months ended June 30, 2022 (fiscal 2023), the global economy saw weak recovery due to such ongoing factors as the situation in Ukraine, the impact of Shanghai lockdown, price hikes in raw materials and logistics, shortage in parts & materials, as well as worldwide inflation. Furthermore, the risk of economic slowdown caused by geopolitical risks and inflation globally remains high. In addition, the impact of a sharp depreciation of the yen on economic activities has become a concern particularly in Japan. Therefore, the outlook for management conditions remains unclear.

Under such management conditions, the Company transitioned to a new group organizational structure comprised of a holding company and operating companies from April 1, 2022. The Company continues to thoroughly implement autonomous management in each operational company and enhance its competitiveness in the first year of the new medium- to long-term strategy that started in fiscal 2023.

For the three months ended June 30, 2022, the Company announced the decision to commence preparations for a potential stock listing of the supply chain management business operated by Panasonic Connect Co., Ltd. in May 2022. It was decided that based on the business characteristics and market environment, a stock exchange listing of its business would be the optimal way to accelerate growth globally by utilizing the capital markets.

For the three months ended June 30, 2022, the Company's consolidated group sales increased by 10% to 1,973.9 billion yen from a year ago. This is due to increased sales of products such as automotive batteries, the new consolidation of Blue Yonder as well as the effect of exchange rates, despite the impact on production & sales caused by Shanghai lockdown and shortage in semiconductor and parts & materials.

Operating profit decreased by 39% to 63.7 billion yen from a year ago. This is due mainly to the impact of Shanghai lockdown, shortage in semiconductor and parts & materials, price hikes in raw materials, despite increased sales and efforts such as price

revisions. Profit before income taxes decreased by 32% to 73.5 billion yen and Net profit attributable to Panasonic Holdings Corporation stockholders decreased by 36% to 48.9 billion yen from a year ago.

B. Breakdown by Reportable Segment

Lifestyle

	Yen (billions)		
	Fiscal 2023 First quarter	Fiscal 2022 First quarter	Percentage 2023/2022
Sales	836.5	781.7	107%
Operating profit	38.3	45.1	85%

Sales increased by 7% to 836.5 billion yen from a year ago. This is due to steady sales of air to water heat pump in Europe, showcases in Japan and North America as well as wiring devices in India, despite the impact of Shanghai lockdown on sales of consumer electronics in Japan. Operating profit decreased to 38.3 billion yen from a year ago. This is due to price hikes in raw materials and logistics as well as procurement issues for parts & materials, despite increased sales and efforts in price revisions.

Automotive

	Yen (billions)		
	Fiscal 2023 First quarter	Fiscal 2022 First quarter	Percentage 2023/2022
Sales	269.6	259.0	104%
Operating profit (loss)	(10.6)	2.2	—

Sales increased by 4% to 269.6 billion yen from a year ago. This is due to the effect of exchange rates despite the impact of reduced automotive production. Operating profit decreased from a year ago to a loss of 10.6 billion yen. This is due to decreased sales and increased fixed costs, despite efforts to mitigate the impact of price hikes in parts & materials such as semiconductors through cost reductions and price revisions.

Connect

Yen (billions)

	Fiscal 2023 First quarter	Fiscal 2022 First quarter	Percentage 2023/2022
Sales	244.8	207.2	118%
Operating profit (loss)	(9.5)	0.1	—

Sales increased by 18% to 244.8 billion yen from a year ago. This is due to the new consolidation of Blue Yonder and increased sales in Avionics reflecting market recovery in the aviation industry. Operating profit decreased from a year ago to a loss of 9.5 billion yen. This is due to procurement issues of parts & materials mainly for notebook PCs, the impact of amortization expenses related to Blue Yonder and other factors, despite increased sales.

Industry

Yen (billions)

	Fiscal 2023 First quarter	Fiscal 2022 First quarter	Percentage 2023/2022
Sales	296.5	284.1	104%
Operating profit	26.5	26.5	100%

Sales increased by 4% to 296.5 billion yen from a year ago. This is due mainly to the effect of exchange rates, despite the impact of semiconductor shortage as well as decreased sales caused by Shanghai lockdown. Operating profit was 26.5 billion yen which is the same level as the previous year. This is due to the impact of decreased sales, despite the effect of exchange rates.

Energy

Yen (billions)

	Fiscal 2023 First quarter	Fiscal 2022 First quarter	Percentage 2023/2022
Sales	227.8	188.0	121%
Operating profit	16.3	18.6	87%

Sales increased by 21% to 227.8 billion yen from a year ago. This is due to the effect of exchange rates as well as increased sales of automotive batteries with growing demand for EVs. Operating profit decreased to 16.3 billion yen from a year ago. This is due mainly to price hikes in raw materials & logistics as well as increased fixed costs related to increased production.

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

	Yen (billions)		
	Fiscal 2023 First quarter	Fiscal 2022 First quarter	Percentage 2023/2022
Sales	284.3	267.1	106%
Operating profit	15.0	15.4	98%

Sales increased by 6% to 284.3 billion yen from a year ago due to favorable sales in Housing. Operating profit decreased to 15.0 billion yen from a year ago.

C. Consolidated Financial Condition

Net cash provided by operating activities for the three months ended June 30, 2022, amounted to 122.5 billion yen, compared with an inflow of 130.1 billion yen a year ago. This is due mainly to an increase in inventories and a decrease in quarterly net profit, despite such improvements as a decrease in trade receivables and an increase in trade payables,.

Net cash used in investing activities amounted to 74.2 billion yen, compared with an outflow of 59.0 billion yen a year ago. This is due to an increase in capital expenditure and other investments.

Accordingly, free cash flows (net cash provided by operating activities and investment activities) decreased by 22.8 billion yen from a year ago to an inflow of 48.3 billion yen.

Net cash used in financing activities amounted to 380.2 billion yen, compared with an outflow of 46.2 billion yen a year ago. This is due mainly to the repayment of temporary borrowings related to the transition to a new structure at the end of the previous year.

Taking factors such as exchange rate fluctuations into consideration, cash and cash equivalent totalled 947.9 billion yen as of June 30, 2022, which is a decrease of 258.0 billion yen from March 31, 2022.

The Company's consolidated total assets of June 30, 2022 were 8,258.0 billion yen, an increase of 234.4 billion yen from March 31, 2022. This is due mainly to an increase in inventories and the fluctuations in exchange rates due to depreciation of the yen.

The Company's consolidated total liabilities were 4,543.4 billion yen, a decrease of 133.0 billion yen from March 31, 2022. This is due mainly to the repayment of temporary borrowings.

Panasonic Holdings Corporation stockholders' equity increased by 364.5 billion yen to 3,529.4 billion yen, compared with March 31, 2022. This is due mainly to recording of Net profit attributable to Panasonic Holdings Corporation stockholders as well as an increase in other components of equity caused by depreciation of yen. With noncontrolling interests added to Panasonic Holdings Corporation stockholders' equity, total equity was 3,714.6 billion yen.

2. Forecast for fiscal 2023

The consolidated financial forecast for fiscal 2023 remains unchanged from the previous forecast announced on May 11, 2022.

Disclaimer Regarding Forward-Looking Statements

This press release includes forward-looking statements about Panasonic Holdings Corporation (Panasonic HD) 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 HD 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 HD 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 Group'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 Group 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 HD's securities reports under the FIEA and any other documents which are disclosed on its website.

Condensed Quarterly Consolidated Statements of Financial Position

	June 30, 2022	March 31, 2022	Yen (millions) Difference
Current assets:	4,055,820	4,031,197	24,623
Cash and cash equivalents	947,883	1,205,873	(257,990)
Trade receivables and contract assets	1,362,150	1,324,618	37,532
Other financial assets	226,851	210,633	16,218
Inventories	1,320,007	1,132,664	187,343
Other current assets	198,929	157,409	41,520
Non-current assets:	4,202,133	3,992,386	209,747
Investments accounted for using the equity method	396,658	403,201	(6,543)
Other financial assets	242,904	213,024	29,880
Property, plant and equipment	1,133,710	1,115,346	18,364
Right-of-use assets	257,511	257,706	(195)
Other non-current assets	2,171,350	2,003,109	168,241
Total assets	8,257,953	8,023,583	234,370
Current liabilities:	2,946,786	3,065,464	(118,678)
Short-term debt, including current portion of long-term debt	158,937	432,897	(273,960)
Lease liabilities	62,192	60,515	1,677
Trade payables	1,254,819	1,163,578	91,241
Other payables and accrued expenses	462,740	500,601	(37,861)
Other financial liabilities	165,262	160,534	4,728
Other current liabilities	842,836	747,339	95,497
Non-current liabilities:	1,596,578	1,610,948	(14,370)
Long-term debt	1,204,984	1,197,706	7,278
Lease liabilities	204,590	206,166	(1,576)
Other non-current liabilities	187,004	207,076	(20,072)
Total liabilities	4,543,364	4,676,412	(133,048)
Panasonic Holdings Corporation stockholders' equity:	3,529,417	3,164,962	364,455
Common stock	259,168	259,168	—
Capital surplus	524,659	525,554	(895)
Retained earnings	2,410,399	2,387,283	23,116
Other components of equity	544,486	202,227	342,259
Treasury stock	(209,295)	(209,270)	(25)
Non-controlling interests	185,172	182,209	2,963
Total equity	3,714,589	3,347,171	367,418
Total liabilities and equity	8,257,953	8,023,583	234,370

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

2. Other components of equity breakdown:

	June 30, 2022	March 31, 2022	Yen (millions) Difference
Remeasurements of defined benefit plans*	—	—	—
Financial assets measured at fair value through other comprehensive income	27,798	30,659	(2,861)
Exchange differences on translation of foreign operations	526,501	171,240	355,261
Net changes in fair value of cash flow hedges	(9,813)	328	(10,141)

* 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 2023 Three Months ended June 30, 2022		Fiscal 2022 Three Months ended June 30, 2021		Percentage 2023/2022
		%		%	
Net sales	1,973,861	100.0	1,792,421	100.0	110
Cost of sales	(1,446,279)	(73.3)	(1,265,893)	(70.6)	
Gross profit	527,582	26.7	526,528	29.4	100
Selling, general and administrative expenses	(461,909)	(23.4)	(407,071)	(22.7)	
Share of profit (loss) of investments accounted for using the equity method	(6,279)	(0.3)	(6,548)	(0.4)	
Other income (expenses), net	4,306	0.2	(8,532)	(0.5)	
Operating profit	63,700	3.2	104,377	5.8	61
Finance income	13,762	0.7	8,548	0.5	
Finance expenses	(3,918)	(0.2)	(4,391)	(0.2)	
Profit before income taxes	73,544	3.7	108,534	6.1	68
Income taxes	(20,979)	(1.0)	(27,287)	(1.6)	
Net profit	52,565	2.7	81,247	4.5	65
Net profit attributable to:					
Panasonic Holdings Corporation stockholders	48,949	2.5	76,537	4.3	64
Non-controlling interests	3,616	0.2	4,710	0.2	77

Notes: 1. Depreciation (tangible)	48,532	million yen	43,405	million yen
2. Capital investment	44,404	million yen	41,859	million yen
3. R&D expenditures	110,132	million yen	97,394	million yen
4. Number of employees	241,423		240,202	

Condensed Quarterly Consolidated Statements of Comprehensive Income

Yen (millions)

	Fiscal 2023 Three Months ended June 30, 2022	Fiscal 2022 Three Months ended June 30, 2021	Percentage 2023/2022
			%
Net Profit	52,565	81,247	65
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plans	12,123	1,619	
Financial assets measured at fair value through other comprehensive income	(2,706)	(4,716)	
Subtotal	9,417	(3,097)	
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	347,510	17,576	
Net changes in fair value of cash flow hedges	(8,830)	2,027	
Subtotal	338,680	19,603	
Total other comprehensive income	348,097	16,506	
Comprehensive income	400,662	97,753	410
Comprehensive income attributable to :			
Panasonic Holdings Corporation stockholders	389,052	91,726	424
Non-controlling interests	11,610	6,027	193

Condensed Quarterly Consolidated Statements of Changes in Equity

Yen (millions)

Fiscal 2023 Three Months ended June 30, 2022	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Panasonic Holdings Corporation stockholders' equity	Non-controlling interests	Total equity
Balances as of April 1, 2022	259,168	525,554	2,387,283	202,227	(209,270)	3,164,962	182,209	3,347,171
Effect of hyperinflation	—	—	(3,260)	15,883	—	12,623	—	12,623
Restated balances as of April 1, 2022	259,168	525,554	2,384,023	218,110	(209,270)	3,177,585	182,209	3,359,794
Comprehensive income:								
Net profit	—	—	48,949	—	—	48,949	3,616	52,565
Remeasurements of defined benefit plans	—	—	—	12,071	—	12,071	52	12,123
Financial assets measured at fair value through other comprehensive income	—	—	—	(2,497)	—	(2,497)	(209)	(2,706)
Exchange differences on translation of foreign operations	—	—	—	339,378	—	339,378	8,132	347,510
Net changes in fair value of cash flow hedges	—	—	—	(8,849)	—	(8,849)	19	(8,830)
Total comprehensive income	—	—	48,949	340,103	—	389,052	11,610	400,662
Transfer from other components of equity to retained earnings	—	—	12,435	(12,435)	—	—	—	—
Cash dividends	—	—	(35,008)	—	—	(35,008)	(8,433)	(43,441)
Changes in treasury stock	—	(0)	—	—	(28)	(28)	—	(28)
Share-based payment transactions	—	40	—	—	3	43	—	43
Transactions with non-controlling interests and other	—	(935)	—	(1,292)	—	(2,227)	(214)	(2,441)
Balances as of June 30, 2022	259,168	524,659	2,410,399	544,486	(209,295)	3,529,417	185,172	3,714,589

Note: Effective fiscal 2023, IAS 29 "Financial Reporting in Hyperinflationary Economies" applies to financial statements of subsidiaries whose functional currency is the Turkish lira. Accordingly, the beginning balance has been adjusted.

Yen (millions)

Fiscal 2022 Three Months ended June 30, 2021	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Panasonic Holdings 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	—	—	76,537	—	—	76,537	4,710	81,247
Remeasurements of defined benefit plans	—	—	—	1,556	—	1,556	63	1,619
Financial assets measured at fair value through other comprehensive income	—	—	—	(4,742)	—	(4,742)	26	(4,716)
Exchange differences on translation of foreign operations	—	—	—	16,362	—	16,362	1,214	17,576
Net changes in fair value of cash flow hedges	—	—	—	2,013	—	2,013	14	2,027
Total comprehensive income	—	—	76,537	15,189	—	91,726	6,027	97,753
Transfer from other components of equity to retained earnings	—	—	1,635	(1,635)	—	—	—	—
Cash dividends	—	—	(23,333)	—	—	(23,333)	(8,408)	(31,741)
Changes in treasury stock	—	(0)	—	—	(10)	(10)	—	(10)
Share-based payment transactions	—	24	—	—	1	25	—	25
Transactions with non-controlling interests and other	—	(99)	—	233	—	134	(388)	(254)
Balances as of June 30, 2021	258,981	529,082	2,208,862	(124,583)	(209,766)	2,662,576	171,699	2,834,275

Condensed Quarterly Consolidated Statements of Cash Flows

Yen (millions)

	Fiscal 2023 Three Months ended June 30, 2022	Fiscal 2022 Three Months ended June 30, 2021
<u>Cash flows from operating activities</u>		
Net profit	52,565	81,247
Adjustments to reconcile net profit to net cash provided by operating activities		
Depreciation and amortization	93,158	77,080
(Increase) decrease in trade receivables and contract assets	31,663	12,455
(Increase) decrease in inventories	(128,791)	(86,734)
Increase (decrease) in trade payables	58,444	26,287
Other	15,477	19,755
Net cash provided by operating activities	122,516	130,090
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(58,322)	(58,976)
Proceeds from sale of property, plant and equipment	3,758	2,276
Purchase of investments accounted for using the equity method and other financial assets	(7,548)	(1,498)
Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets	3,898	7,073
Other	(16,033)	(7,829)
Net cash used in investing activities	(74,247)	(58,954)
<u>Cash flows from financing activities</u>		
Increase (decrease) in short-term debt	(303,737)	5,621
Increase (decrease) in long-term debt	(18,645)	(15,842)
Dividends paid to Panasonic Holdings Corporation stockholders	(35,008)	(23,333)
Dividends paid to non-controlling interests	(8,433)	(8,408)
(Increase) decrease in treasury stock	(28)	(10)
Other	(14,358)	(4,223)
Net cash provided by (used in) financing activities	(380,209)	(46,195)
Effect of exchange rate changes on cash and cash equivalents, and other	73,950	7,211
Net increase (decrease) in cash and cash equivalents	(257,990)	32,152
Cash and cash equivalents at beginning of period	1,205,873	1,593,224
Cash and cash equivalents at the end of the period	947,883	1,625,376

Notes to consolidated financial statements:

1. On April 1, 2022, the Company became a holding company through absorption-type company split and each of its businesses was succeeded to nine succeeding companies of its consolidated subsidiaries.
2. Significant subsequent events: None
3. Assumption for going concern: None
4. Number of consolidated subsidiaries (as of June 30, 2022): 529
Number of companies under the equity method (as of June 30, 2022): 67

Information by Segment

Yen (billions)

	Fiscal 2023 Three Months ended June 30, 2022					Fiscal 2022 Three Months ended June 30, 2021		
	Sales	23/22	Operating Profit (Loss)	% of Sales	23/22	Sales	Operating Profit (Loss)	% of Sales
Reportable Segments:		%		%	%			%
Lifestyle	836.5	107	38.3	4.6	85	781.7	45.1	5.8
Automotive	269.6	104	(10.6)	(3.9)	—	259.0	2.2	0.9
Connect	244.8	118	(9.5)	(3.9)	—	207.2	0.1	0.1
Industry	296.5	104	26.5	8.9	100	284.1	26.5	9.3
Energy	227.8	121	16.3	7.1	87	188.0	18.6	9.9
Subtotal	1,875.2	109	61.0	3.2	66	1,720.0	92.5	5.4
Other	284.3	106	15.0	5.3	98	267.1	15.4	5.8
Eliminations and adjustments	(185.6)	—	(12.3)	—	—	(194.7)	(3.5)	—
Total	1,973.9	110	63.7	3.2	61	1,792.4	104.4	5.8

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 eliminations of intersegment transactions, adjustments of profits and losses which are not attributable to any segments, and consolidation adjustments. In addition, management accounting adjustments to sales prices, which had been included in "Eliminations and adjustments," are included in each segment from fiscal 2023. (fiscal 2022 results have also been reclassified to conform to the presentation for fiscal 2023).

3. As a result of the Company's reorganization on April 1, 2022, the figures in Information by Segment for fiscal 2022 have been reclassified in conformity with the business segmentation for fiscal 2023.

Supplemental Financial Data for Fiscal 2023 First Quarter, ended June 30, 2022
[IFRS] (Consolidated)

Note 1: The figures presented hereinafter may change in the course of the audit, which has not been completed.

Note 2: "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 eliminations of intersegment transactions, adjustments of profits and losses which are not attributable to any segments, and consolidation adjustments.

Note 3: Adjusted operating profit = sales - cost of sales - SG&A

Note 4: Other income/loss = Other income (expenses) + Share of profit of investments accounted for using the equity method

Note 5: 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 liabilities" upon Blue Yonder acquisition.

Note 6: Fiscal 2023 refers to the year ending March 31, 2023.

1. Fiscal 2023 First Quarter Results

Note 1: In "Information by Segment" and "Voluntarily Disclosed Business", the figures for fiscal 2022 have been reclassified in conformity with the business segmentation for fiscal 2023.

Note 2: Management accounting adjustments to sales prices, which had been included in "Eliminations and adjustments", are included in each segment from fiscal 2023. (Accordingly, the results for fiscal 2022 have been reclassified in conformity with this change.)

Note 3: "Total" EBITDA include EBITDA of "Other" and "Eliminations and Adjustments."

Note 4: "Eliminations and Adjustments" of the fiscal year 2023 forecasts are included in "Other."

(1) Information by Segment

		Fiscal 2022					Fiscal 2023				
		Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Lifestyle	Sales	781.7	742.9	820.2	820.8	3,165.6	836.5				3,232.0
	Adjusted operating profit	46.7	29.7	35.7	19.4	131.5	35.7				135.0
	Other income/loss	-1.6	-15.4	-2.3	-4.0	-23.3	2.6				-11.0
	Operating profit	45.1	14.3	33.4	15.4	108.2	38.3				124.0
	EBITDA	68.2	37.8	57.4	40.9	204.3	63.1				228.0
Automotive	Sales	259.0	237.9	273.5	292.4	1,062.8	269.6				1,270.0
	Adjusted operating profit	2.1	-4.6	1.5	3.4	2.4	-12.1				18.0
	Other income/loss	0.1	-2.2	0.4	0.7	-1.0	1.5				0.0
	Operating profit	2.2	-6.8	1.9	4.1	1.4	-10.6				18.0
	EBITDA	14.4	7.5	15.3	19.9	57.1	4.2				77.0
Connect	Sales	207.2	216.0	221.8	277.7	922.7	244.8				1,090.0
	Adjusted operating profit	7.1	5.3	-6.6	9.9	15.7	-9.3				38.0
	Other income/loss	-7.0	47.1	-2.8	-0.2	37.1	-0.2				-1.0
	Operating profit	0.1	52.4	-9.4	9.7	52.8	-9.5				37.0
	EBITDA	7.8	61.2	14.0	30.8	113.8	9.8				100.0
Industry	Sales	284.1	272.0	282.1	289.9	1,128.1	296.5				1,120.0
	Adjusted operating profit	25.0	22.1	18.9	20.7	86.7	24.3				96.0
	Other income/loss	1.5	-2.6	0.4	-2.8	-3.5	2.2				-6.0
	Operating profit	26.5	19.5	19.3	17.9	83.2	26.5				90.0
	EBITDA	39.3	32.5	32.4	31.4	135.6	40.8				151.0
Energy	Sales	188.0	189.6	196.9	198.3	772.8	227.8				848.0
	Adjusted operating profit	19.6	19.1	19.3	12.8	70.8	16.5				55.0
	Other income/loss	-1.0	-0.3	-1.9	-0.8	-4.0	-0.2				-3.0
	Operating profit	18.6	18.8	17.4	12.0	66.8	16.3				52.0
	EBITDA	32.0	32.4	31.8	26.8	123.0	32.3				112.0
Subtotal	Sales	1,720.0	1,658.4	1,794.5	1,879.1	7,052.0	1,875.2				7,560.0
	Adjusted operating profit	100.5	71.6	68.8	66.2	307.1	55.1				342.0
	Other income/loss	-8.0	26.6	-6.2	-7.1	5.3	5.9				-21.0
	Operating profit	92.5	98.2	62.6	59.1	312.4	61.0				321.0
	EBITDA	161.7	171.4	150.9	149.8	633.8	150.2				668.0
Other	Sales	267.1	279.3	291.9	312.2	1,150.5	284.3				340.0
	Adjusted operating profit	16.1	9.7	10.8	11.5	48.1	15.4				38.0
	Other income/loss	-0.7	-2.7	-3.2	-3.8	-10.4	-0.4				1.0
	Operating profit	15.4	7.0	7.6	7.7	37.7	15.0				39.0
	EBITDA	26.1	27.7	27.6	26.3	107.7	22.3				103.0
Eliminations and Adjustments	Sales	-194.7	-196.5	-196.6	-225.9	-813.7	-185.6				
	Adjusted operating profit	2.9	-1.0	7.9	-7.3	2.5	-4.8				
	Other income/loss	-6.4	-7.4	-5.1	23.8	4.9	-7.5				
	Operating profit	-3.5	-8.4	2.8	16.5	7.4	-12.3				
	EBITDA	1.5	0.1	2.8	19.5	24.3	1.8				
Total	Sales	1,792.4	1,741.2	1,889.8	1,965.4	7,388.8	1,973.9				7,900.0
	Adjusted operating profit	119.5	80.3	87.5	70.4	357.7	65.7				380.0
	Other income/loss	-15.1	16.5	-14.5	12.9	-0.2	-2.0				-20.0
	Operating profit	104.4	96.8	73.0	83.3	357.5	63.7				360.0
	EBITDA	189.1	185.9	177.6	191.4	744.0	170.5				790.0

			Fiscal 2022					Fiscal 2023				
			Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Lifestyle	Living Appliances and Solutions Company	Sales	193.5	192.8	235.6	218.0	839.9	205.5				880.0
		Adjusted operating profit	18.2	11.6	23.3	10.2	63.3	12.9				65.5
		Other income/loss	0.2	-0.7	0.0	1.1	0.6	2.5				0.5
		Operating profit	18.4	10.9	23.3	11.3	63.9	15.4				66.0
		EBITDA	22.8	15.6	28.7	17.7	84.8	21.1				90.0
	Heating & Ventilation A/C Company	Sales	205.8	145.6	163.1	166.3	680.8	221.0				725.0
		Adjusted operating profit	17.8	2.8	1.5	-0.6	21.5	13.4				22.0
		Other income/loss	-1.3	-0.8	-0.5	-0.8	-3.4	0.1				-1.1
		Operating profit	16.5	2.0	1.0	-1.4	18.1	13.5				20.9
		EBITDA	20.8	6.2	5.4	3.4	35.8	18.6				40.0
	Cold Chain Solutions Company	Sales	72.9	78.3	75.3	82.6	309.1	90.6				315.0
		Adjusted operating profit	1.2	1.3	-6.9	-3.2	-7.6	1.5				-3.2
		Other income/loss	-0.1	-0.8	-0.1	0.2	-0.8	0.0				-0.2
		Operating profit	1.1	0.5	-7.0	-3.0	-8.4	1.5				-3.4
		EBITDA	3.0	2.4	-5.0	-0.9	-0.5	3.7				4.8
	Electric Works Company	Sales	204.2	218.4	234.4	247.7	904.7	216.9				950.0
		Adjusted operating profit	5.4	9.7	13.4	16.4	44.9	7.2				50.0
		Other income/loss	-0.3	-6.9	0.4	-1.0	-7.8	-0.5				-8.5
		Operating profit	5.1	2.8	13.8	15.4	37.1	6.7				41.5
		EBITDA	12.2	10.0	20.8	22.5	65.5	13.6				70.0
	China and Northeast Asia Company	Sales	225.1	196.5	214.2	178.4	814.2	244.0				849.5
		Adjusted operating profit	12.1	7.5	2.4	-4.4	17.6	12.2				24.4
		Other income/loss	-1.3	-3.9	-0.6	-3.1	-8.9	0.7				-0.4
		Operating profit	10.8	3.6	1.8	-7.5	8.7	12.9				24.0
EBITDA		15.3	8.5	7.0	-2.3	28.5	18.5				46.4	

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 Business*

			Fiscal 2022					Fiscal 2023				
			Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Lifestyle	Living Appliances and Solutions Company	Kitchen Appliances	93.2	91.8	108.5	92.9	386.4	98.4				
		Laundry Systems and Vacuum Cleaner	62.7	65.0	85.1	62.7	275.5	70.5				
		Beauty and Personal Care	37.7	36.1	42.0	33.0	148.8	36.8				
	Heating & Ventilation A/C Company	Heating and Cooling Solutions	149.9	97.0	105.1	116.5	468.5	168.9				
		Ecology Systems	55.0	47.9	57.0	48.4	208.3	51.9				
	Electric Works Company	Lighting	57.5	64.8	71.3	68.3	261.9	60.8				
		Energy Systems	71.8	75.2	83.8	87.2	318.0	81.1				
	Automotive	Automotive Cockpit Systems	102.2	93.9	109.0	117.6	422.7	100.9				
		Automotive Electronics Systems	108.6	94.6	109.1	120.2	432.5	113.8				
	Connect	Avionics	21.0	25.4	26.6	31.6	104.6	29.5				
Process Automation		65.9	63.0	50.9	53.6	233.4	66.7					
Media Entertainment		23.3	27.8	26.3	26.3	103.7	28.9					
Mobile Solutions		46.2	40.0	41.6	58.9	186.7	45.9					
Gemba Solutions		58.7	70.3	59.2	99.1	287.3	46.6					
Industry	Blue Yonder			25.4	28.3	53.7	36.5					
	Control Devices	58.5	57.6	63.0	64.4	243.5	65.5					
	FA Solutions	40.6	37.4	35.5	35.5	149.0	40.9					
	Electronic Devices	84.7	85.2	85.1	85.2	340.2	94.3					
	Electronic Materials	36.8	37.7	38.0	39.0	151.5	40.6					
Energy	In-vehicle	113.4	118.6	117.6	118.8	468.4	146.4					
	Industrial / Consumer	75.5	73.7	77.6	78.1	304.9	79.8					
Other	Entertainment & Communication	72.2	68.5	72.7	66.9	280.3	60.6					
	Housing	104.3	111.4	121.2	116.4	453.3	110.8					

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

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

(3) Capital Investment by Reportable Segment

yen (billions)

	Fiscal 2022					Fiscal 2023				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts
Lifestyle	11.6	13.3	20.3	33.6	78.8	13.0				107.0
Automotive	3.8	6.5	9.4	7.6	27.3	4.3				28.0
Connect	2.2	3.9	4.3	6.8	17.2	2.7				20.0
Industry	11.8	12.5	11.5	21.1	56.9	11.0				59.0
Energy	8.1	9.5	7.2	11.3	36.1	7.8				97.0
Subtotal	37.5	45.7	52.7	80.4	216.3	38.8				311.0
Other/Eliminations and Adjustments	4.4	4.3	5.5	6.6	20.8	5.6				34.0
Total	41.9	50.0	58.2	87.0	237.1	44.4				345.0

Note: These figures are calculated on an accrual basis.

(4) Depreciation of PP&E by Reportable Segment

yen (billions)

	Fiscal 2022					Fiscal 2023				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts
Lifestyle	15.2	15.6	15.8	17.4	64.0	16.2				72.0
Automotive	5.7	5.8	6.1	6.7	24.3	6.8				28.0
Connect	3.8	4.0	4.1	4.2	16.1	3.9				17.0
Industry	11.2	11.4	11.6	12.0	46.2	12.7				54.0
Energy	5.0	4.9	4.9	5.0	19.8	5.0				23.0
Subtotal	40.9	41.7	42.5	45.3	170.4	44.6				194.0
Other/Eliminations and Adjustments	2.5	2.3	2.8	2.9	10.5	3.9				26.0
Total	43.4	44.0	45.3	48.2	180.9	48.5				220.0

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

yen (billions)

	Fiscal 2022					Fiscal 2023				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts
Lifestyle	7.9	7.9	8.2	8.1	32.1	8.6				32.0
Automotive	6.5	8.5	7.3	9.1	31.4	8.0				31.0
Connect	3.9	4.8	11.3	11.6	31.6	11.8				42.0
Industry	1.6	1.6	1.5	1.5	6.2	1.6				7.0
Energy	0.7	0.4	0.7	0.3	2.1	0.6				2.0
Subtotal	20.6	23.2	29.0	30.6	103.4	30.6				114.0
Other/Eliminations and Adjustments	13.0	13.6	13.5	14.8	54.9	14.0				57.0
Total	33.6	36.8	42.5	45.4	158.3	44.6				171.0

3. Other

(1) Sales by Region

yen (billions)

	Fiscal 2022					Fiscal 2023				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Japan	766.9	745.1	790.6	886.9	3,189.5	736.1				
Local currency basis YoY	116%	99%	96%	101%	102%	96%				
Subtotal other than Japan	1,025.5	996.1	1,099.2	1,078.5	4,199.3	1,237.8				
Local currency basis YoY	131%	103%	103%	107%	110%	107%				
North and South America	320.4	339.6	358.6	363.5	1,382.1	439.4				
Local currency basis YoY	147%	107%	106%	115%	117%	116%				
Europe	177.6	159.0	194.6	205.3	736.5	202.8				
Local currency basis YoY	145%	93%	96%	106%	106%	110%				
Asia	270.4	234.0	295.1	291.5	1,091.0	334.2				
Local currency basis YoY	129%	97%	110%	105%	109%	110%				
China	257.1	263.5	250.9	218.2	989.7	261.4				
Local currency basis YoY	111%	112%	97%	97%	104%	89%				
Total	1,792.4	1,741.2	1,889.8	1,965.4	7,388.8	1,973.9				
Local currency basis YoY	124%	101%	100%	104%	106%	102%				

(2) R&D Expenditures

yen (billions)

	Fiscal 2022					Fiscal 2023				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts
R&D Expenditures	97.4	103.5	110.3	108.6	419.8	110.1				440.0

(3) Foreign Currency Exchange Rates

	Fiscal 2022					Fiscal 2023				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts
U.S. Dollars	¥109	¥110	¥114	¥116	¥112	¥130				¥115
Euro	¥132	¥130	¥130	¥130	¥131	¥138				¥130
Renminbi	¥17.0	¥17.0	¥17.8	¥18.3	¥17.5	¥19.6				¥19.0

Note : Average rate

(4) Foreign Exchange Sensitivity yen (billions)

	Impacts on the adjusted operating profit
U.S. Dollars	-0.8
Euro	-0.9
Renminbi	+3.9

Note : Impacts on the adjusted operation profit forecast for fiscal 2023 (on a full year basis) as a result of the Yen's appreciation by one yen. Those figures are prepared and disclosed by the Company voluntarily for reference purposes only as of May 11, 2022.

(5) Cash Flows yen (billions)

	Fiscal 2022					Fiscal 2023				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts
Cash flows from operating activities	130.1	-88.5	62.3	148.7	252.6	122.5				
Cash flows from investing activities	-59.0	-643.8	-58.0	-35.3	-796.1	-74.2				
Free Cash Flow	71.1	-732.3	4.3	113.4	-543.5	48.3				

	2021				2022				2023
	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}	1,641.9	1,668.5	1,013.9	931.1	1,248.3	995.4			
Interest-bearing Debt	1,447.4	1,456.1	1,750.4	1,686.1	1,897.3	1,630.7			
(Lease liabilities)	(257.9)	(261.9)	(258.8)	(252.1)	(266.7)	(266.8)			
Net Cash	194.5	212.4	-736.5	-755.0	-649.0	-635.3			

Note: 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)

	2021				2022				2023
	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	92,733	93,151	92,379	89,627	88,603	89,496			
Overseas	150,807	147,051	152,100	151,159	151,595	151,927			
Total	243,540	240,202	244,479	240,786	240,198	241,423			

Disclaimer Regarding Forward-Looking Statements

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