

May 10, 2023

FOR IMMEDIATE RELEASE

Panasonic Holdings Corporation
Corporate Finance & IR Department
(Tel: +81-6-6908-1121)
(Japan)

Panasonic Holdings Corporation Reports Fiscal 2023 Annual Results

Osaka, Japan, May 10, 2023 -- Panasonic Holdings Corporation [TSE:6752] (the "Company") today reported its consolidated and parent-alone financial results for the year ended March 31, 2023 (fiscal 2023).

The Company also announced its consolidated financial forecast for the year ending March 31, 2024 (fiscal 2024).

Summary

1. Consolidated Financial Results

Yen (billions)

	Fiscal 2023 ended March 31, 2023	Fiscal 2022 ended March 31, 2022	Percentage 2023/2022
Net sales	8,378.9	7,388.8	113 %
Domestic	3,279.3	3,189.5	103 %
Overseas	5,099.6	4,199.3	121 %
Operating profit	288.6 3.4 %	357.5 4.8 %	81 %
Profit before income taxes	316.4 3.8 %	360.4 4.9 %	88 %
Net profit	280.6 3.3 %	265.4 3.6 %	106 %
Net profit attributable to Panasonic Holdings Corporation stockholders	265.5 3.2 %	255.3 3.5 %	104 %
Earnings per share attributable to Panasonic Holdings Corporation stockholders			
Basic	113.75 yen	109.41 yen	4.34 yen
Diluted	113.72 yen	109.37 yen	4.35 yen

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

2. Number of consolidated companies: 524 (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 the same amount as Earnings per share attributable to Panasonic Holdings Corporation stockholders.

2. Parent-Alone Financial Results

Yen (billions)

	Fiscal 2023 ended March 31, 2023	Fiscal 2022 ended March 31, 2022	Percentage 2023/2022
Net sales or Operating revenue	247.5	2,756.0	9 %
Domestic	—	2,074.2	— %
Export	—	681.8	— %
Operating profit	117.8 47.6 %	66.3 2.4 %	178 %
Recurring profit	109.7 44.3 %	126.9 4.6 %	86 %
Net income	66.6 26.9 %	86.6 3.1 %	77 %
Net income, basic per common share	28.54 yen	37.10 yen	(8.56) yen
Net income, diluted per common share	28.53 yen	37.08 yen	(8.55) yen

Consolidated Financial Results

1. Fiscal 2023 ended March 31, 2023

A. Operating Results

	Yen (billions)		
	Fiscal 2023	Fiscal 2022	Percentage 2023/2022
Net sales	8,378.9	7,388.8	113%
Operating profit	288.6	357.5	81%
Profit before income taxes	316.4	360.4	88%
Net profit attributable to Panasonic Holdings Corporation stockholders	265.5	255.3	104%

During the year ended March 31, 2023 (fiscal 2023), the global economy saw a slowdown due to such downside factors as the situation in Ukraine, Shanghai lockdown, continuing high prices of raw materials, shortages in parts & materials, and worldwide inflation along with an increase in interest rates. In Japan, rapid fluctuations in exchange rates also became one of the downside factors for the economy.

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

As for the enhancement of competitiveness, the Company is continuing to establish a foundation for data-driven management through PX (Panasonic Transformation). The Company is also continuing to strengthen its operational capability in the entire supply chain, mainly at the major sites of each operating company through frontline innovation.

In the three growth areas toward achieving Panasonic GREEN IMPACT, the group's long-term vision for the environment, 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. In July 2022, with regard to plans for a US-based EV battery manufacturing facility, Panasonic Energy Co., Ltd. was approved for participation in the "Attracting Powerful Economic Expansion" incentive program of the State of Kansas, and in October 2022, the Board of Directors of the Company made the decision to construct this manufacturing facility in the U.S. Furthermore, in September 2022, Panasonic Corporation announced the investment in its Czech Plant to strengthen the production of air to water hot water heat pump system

("A2W") which have been experiencing growing demand in Europe. In February 2023, Panasonic Corporation completed the acquisition of the commercial air-conditioning business from Systemair AB, Sweden's leading global manufacturer in the ventilation and commercial air-conditioning business.

The Company's consolidated group sales for fiscal 2023 increased by 13% to 8,378.9 billion yen from a year ago. This is due to increased sales of such products as A2W, automotive systems & components reflecting the recovery of automobile production, and EV batteries as well as to the new consolidation of Blue Yonder Holding, Inc. ("Blue Yonder") and the effect of currency translation, despite the impact on production & sales caused by shortages in semiconductors.

Operating profit decreased by 19% to 288.6 billion yen from a year ago. This is due mainly to the impact of price hikes in raw materials and increased fixed costs, despite increased sales and efforts such as price revisions. In addition, the impact of one-off gain in the previous year was a factor of the decrease. Profit before income taxes decreased by 12% to 316.4 billion yen and net profit attributable to Panasonic Holdings Corporation stockholders increased by 4% to 265.5 billion yen from a year ago.

B. Breakdown by Reportable Segment

Lifestyle

	Yen (billions)		
	Fiscal 2023	Fiscal 2022	Percentage 2023/2022
Sales	3,483.3	3,165.6	110%
Operating profit	103.1	108.2	95%

Sales increased by 10% to 3,483.3 billion yen from a year ago. This is due to favorable sales of such products as A2W in Europe, showcases in North America and electrical construction materials for overseas markets as well as the effect of currency translation, despite decreased sales of consumer electronics in Japan. Operating profit decreased to 103.1 billion yen from a year ago. This is due mainly to the fact that the effect of such efforts as price revisions were unable to fully counter the impact of decreased sales of consumer electronics in Japan as well as the impact of recall-related expenses at Heating & Ventilation A/C Company ("HAVC"). These negative factors were dominantly influential, despite the positive effect of increased sales in such priority businesses as HVAC in Europe, electrical construction materials for Japan and overseas, and showcases in North America.

Automotive

	Yen (billions)		
	Fiscal 2023	Fiscal 2022	Percentage 2023/2022
Sales	1,297.5	1,062.8	122%
Operating profit	16.2	1.4	—

Sales increased by 22% to 1,297.5 billion yen from a year ago. This is due to the recovery of automobile production as well as the effect of currency translation. Operating profit increased to 16.2 billion yen from a year ago. This is due mainly to increased sales as well as such efforts as price revisions and cost reductions, despite price hikes in parts & materials including semiconductor, increased fixed costs related to increased production and the effect of exchange rates.

Connect

	Yen (billions)		
	Fiscal 2023	Fiscal 2022	Percentage 2023/2022
Sales	1,125.7	922.7	122%
Operating profit	20.9	52.8	40%

Sales increased by 22% to 1,125.7 billion yen from a year ago. This is due to increased sales in Avionics and rugged mobile terminals for overseas as well as the consolidation of Blue Yonder, despite decreased sales in mounting machine resulting from slowdown in investment related to PCs and smartphone. Operating profit decreased from a year ago to 20.9 billion yen. This is due to the impact of one-off gain in the previous year, despite increased sales mainly in Avionics.

Industry

	Yen (billions)		
	Fiscal 2023	Fiscal 2022	Percentage 2023/2022
Sales	1,149.9	1,128.1	102%
Operating profit	66.8	83.2	80%

Sales increased by 2% to 1,149.9 billion yen from a year ago. This is due to the effect of currency translation, despite downturn in ICT terminal market, automobile market except green vehicle, as well as factory automation market in China. In addition, the impact of changes in the sales channel resulting from the termination of the company's semiconductor business was a factor of decrease. Operating profit decreased to 66.8 billion yen from a year ago. This is due to decreased sales caused by rapid deteriorating market condition, despite effort to offset price hikes in raw materials with price revisions & rationalization, as well as the effect of exchange rates.

Energy

	Yen (billions)		
	Fiscal 2023	Fiscal 2022	Percentage 2023/2022
Sales	971.8	772.8	126%
Operating profit	33.2	66.8	50%

Sales increased by 26% to 971.8 billion yen from a year ago. This is due to favorable sales of EV batteries mainly in North America with growing demand for EVs globally as well as the effect of currency translation. Operating profit decreased to 33.2 billion yen from a year ago. This is due to decreased sales for industrial and consumer use, price hikes in raw materials as well as increased fixed costs including R&D expenses for future growth, despite the effect of exchange rates.

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

	Yen (billions)		
	Fiscal 2023	Fiscal 2022	Percentage 2023/2022
Sales	1,199.4	1,159.7	103%
Operating profit	56.7	37.7	151%

Sales increased by 3% to 1,199.4 billion yen from a year ago due mainly to steady sales in Housing. Operating profit increased to 56.7 billion yen from a year ago.

C. Consolidated Financial Condition

Net cash provided by operating activities for fiscal 2023, amounted to 520.7 billion yen, compared with an inflow of 252.6 billion yen a year ago. This is due mainly to improvements in inventories and trade receivables, as well as decreased payment of income taxes. Net cash used in investing activities amounted to 344.0 billion yen, compared with an outflow of 796.1 billion yen a year ago. This is due mainly to investment related to the consolidation of Blue Yonder in the previous year, despite an increase in capital investment and a decrease in sales of assets. Accordingly, free cash flows (net cash provided by operating activities and investment activities) increased by 720.2 billion yen from a year ago to an inflow of 176.7 billion yen.

Net cash used in financing activities amounted to 607.0 billion yen, compared with an inflow of 58.9 billion yen a year ago. This is due mainly to temporary borrowings which were started at the end of fiscal 2022, prior to the Company's transition to a new organizational structure, and repaid in the following year of fiscal 2023.

Taking factors such as exchange rate fluctuations into consideration, cash and cash equivalents totaled 819.5 billion yen as of March 31, 2023, which is a decrease of 386.4 billion yen from March 31, 2022.

The Company's consolidated total assets of March 31, 2023 were 8,059.5 billion yen, an increase of 35.9 billion yen from March 31, 2022. This is due mainly to an increase in inventories and the impact of fluctuations in exchange rates caused by depreciation of the yen, despite a decrease in cash and cash equivalent related to the repayment of temporary borrowings in fiscal 2023, which was borrowed at the end of fiscal 2022,

The Company's consolidated total liabilities decreased by 406.8 billion yen to 4,269.6 billion yen from March 31, 2022. This is due mainly to the repayment of temporary borrowings.

Panasonic Holdings Corporation stockholders' equity increased by 453.4 billion yen to 3,618.4 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 other comprehensive income. With noncontrolling interests added to Panasonic Holdings Corporation stockholders' equity, total equity was 3,790.0 billion yen.

2. Forecast for fiscal 2024

For the consolidated financial forecast for fiscal 2024 as of May 10, 2023, net sales is expected to increase due mainly to growth in A2W with continuing strong demand in Europe, recovery of automobile production as well as growing sales of EV batteries in the U.S. Operating profit, income before income taxes and net profit attributable to Panasonic Holdings Corporation stockholders are expected to increase due mainly to increased sales, the effect of measures such as price revisions and rationalization, and assumed profit recognition of amount equivalent to US Inflation Reduction Act tax credit, while an increase of strategic investment and others are factored in.

Net sales:	8,500.0 billion yen	(101% vs fiscal 2023)
Operating profit:	430.0 billion yen	(149% vs fiscal 2023)
Profit before income taxes:	455.0 billion yen	(144% vs fiscal 2023)
Net profit attributable to Panasonic Holdings Corporation stockholders:	350.0 billion yen	(132% vs fiscal 2023)
(Reference)		
Adjusted operating profit	430.0 billion yen	(137% vs fiscal 2023)

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

3. Basic Policy on Appropriation of Retained Earnings

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

For fiscal 2023, net profit attributable to Panasonic Holdings Corporation stockholders increased. Reflecting these operating results, in view of this basic policy as well as its current financial position, the Company expects to pay an annual dividend of 30 yen per share for fiscal 2023, which includes the interim dividend of 15 yen per share paid on November 30, 2022 and a year-end dividend of 15 yen per share, payable on June 2, 2023. In fiscal 2023, the Company did not repurchase its treasury stock except for acquiring shares of less than one trading unit and other minor transactions.

Basic Policy of Adopting of Financial Reporting Standards

The Company has voluntarily adopted International Financial Reporting Standards (IFRS). The Company is striving to increase its corporate value by adapting unified group accounting rules for improvement of management quality and enhancement of corporate governance.

Disclaimer Regarding Forward-looking Statements

This press release includes forward-looking statements about Panasonic 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 including interest rate fluctuations; 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; occurrence and continuation of supply disruption or soaring prices of raw materials or transportation; 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 in Japan or other countries over trade, manufacturing, labor and operations; failures in proper tackling of environmental issues or taking initiatives in responsible procurement activities in the supply chain; 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 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.

Consolidated Statements of Financial Position

	Yen (millions)		
	March 31, 2023	March 31, 2022	Difference
Current assets:	3,802,885	4,031,197	(228,312)
Cash and cash equivalents	819,499	1,205,873	(386,374)
Trade receivables and contract assets	1,322,593	1,324,618	(2,025)
Other financial assets	169,665	210,633	(40,968)
Inventories	1,288,751	1,132,664	156,087
Other current assets	202,377	157,409	44,968
Non-current assets:	4,256,642	3,992,386	264,256
Investments accounted for using the equity method	401,219	403,201	(1,982)
Other financial assets	242,672	213,024	29,648
Property, plant and equipment	1,172,376	1,115,346	57,030
Right-of-use assets	238,833	257,706	(18,873)
Other non-current assets	2,201,542	2,003,109	198,433
Total assets	8,059,527	8,023,583	35,944
Current liabilities:	2,873,420	3,065,464	(192,044)
Short-term debt, including current portion of long-term debt	159,231	432,897	(273,666)
Lease liabilities	59,895	60,515	(620)
Trade payables	1,156,909	1,163,578	(6,669)
Other payables and accrued expenses	506,062	500,601	5,461
Other financial liabilities	146,213	160,534	(14,321)
Other current liabilities	845,110	747,339	97,771
Non-current liabilities:	1,396,149	1,610,948	(214,799)
Long-term debt	1,050,116	1,197,706	(147,590)
Lease liabilities	187,865	206,166	(18,301)
Other non-current liabilities	158,168	207,076	(48,908)
Total liabilities	4,269,569	4,676,412	(406,843)
Panasonic Holdings Corporation stockholders' equity:	3,618,402	3,164,962	453,440
Common stock	259,274	259,168	106
Capital surplus	515,760	525,554	(9,794)
Retained earnings	2,588,800	2,387,283	201,517
Other components of equity	463,764	202,227	261,537
Treasury stock	(209,196)	(209,270)	74
Non-controlling interests	171,556	182,209	(10,653)
Total equity	3,789,958	3,347,171	442,787
Total liabilities and equity	8,059,527	8,023,583	35,944

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

2. Other components of equity breakdown:

	Yen (millions)		
	March 31, 2023	March 31, 2022	Difference
Remeasurements of defined benefit plans*	—	—	—
Financial assets measured at fair value through other comprehensive income	37,428	30,659	6,769
Exchange differences on translation of foreign operations	431,992	171,240	260,752
Net change in fair value of cash flow hedges	(5,656)	328	(5,984)

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

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

Consolidated Statements of Profit or Loss

Yen (millions)

	Fiscal 2023 ended March 31, 2023		Fiscal 2022 ended March 31, 2022		Percentage 2023/2022
		%		%	%
Net sales	8,378,942	100.0	7,388,791	100.0	113
Cost of sales	(6,117,494)	(73.0)	(5,306,580)	(71.8)	
Gross profit	2,261,448	27.0	2,082,211	28.2	109
Selling, general and administrative expenses	(1,947,371)	(23.3)	(1,724,511)	(23.4)	
Share of profit (loss) of investments accounted for using the equity method	1,432	0.0	(12,637)	(0.2)	
Other income (expenses), net	(26,939)	(0.3)	12,463	0.2	
Operating profit	288,570	3.4	357,526	4.8	81
Finance income	48,972	0.7	22,128	0.3	
Finance expenses	(21,133)	(0.3)	(19,259)	(0.2)	
Profit before income taxes	316,409	3.8	360,395	4.9	88
Income taxes	(35,853)	(0.5)	(94,957)	(1.3)	
Net profit	280,556	3.3	265,438	3.6	106
Net profit attributable to:					
Panasonic Holdings Corporation stockholders	265,502	3.2	255,334	3.5	104
Non-controlling interests	15,054	0.1	10,104	0.1	149

Notes: 1. Depreciation	196,626	million yen	180,877	million yen
2. Capital investment	309,072	million yen	237,134	million yen
3. R&D expenditures	469,785	million yen	419,807	million yen
4. Number of employees	233,391		240,198	

Consolidated Statements of Comprehensive Income

Yen (millions)

	Fiscal 2023 ended March 31, 2023	Fiscal 2022 ended March 31, 2022	Percentage 2023/2022
			%
Net Profit	280,556	265,438	106
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plans	7,468	31,942	
Financial assets measured at fair value through other comprehensive income	8,078	4,266	
Subtotal	15,546	36,208	
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	248,057	365,989	
Net change in fair value of cash flow hedges	(7,482)	(8,043)	
Subtotal	240,575	357,946	
Total other comprehensive income (loss)	256,121	394,154	
Comprehensive income	536,677	659,592	81
Comprehensive income attributable to :			
Panasonic Holdings Corporation stockholders	518,784	630,527	82
Non-controlling interests	17,893	29,065	62

Consolidated Statements of Changes in Equity

Yen (millions)

Fiscal 2023 ended March 31, 2023	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	—	—	265,502	—	—	265,502	15,054	280,556
Remeasurements of defined benefit plans	—	—	—	7,503	—	7,503	(35)	7,468
Financial assets measured at fair value through other comprehensive income	—	—	—	8,560	—	8,560	(482)	8,078
Exchange differences on translation of foreign operations	—	—	—	244,869	—	244,869	3,188	248,057
Net change in fair value of cash flow hedges	—	—	—	(7,650)	—	(7,650)	168	(7,482)
Total comprehensive income	—	—	265,502	253,282	—	518,784	17,893	536,677
Transfer from other components of equity to retained earning	—	—	9,294	(9,294)	—	—	—	—
Cash dividends	—	—	(70,019)	—	—	(70,019)	(23,546)	(93,565)
Changes in treasury stock	—	(0)	—	—	(50)	(50)	—	(50)
Share-based payment transactions	106	(21)	—	—	124	209	—	209
Transactions with non-controlling interests and other	—	(9,773)	—	1,666	—	(8,107)	(5,000)	(13,107)
Balances as of March 31, 2023	259,274	515,760	2,588,800	463,764	(209,196)	3,618,402	171,556	3,789,958

* 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 ended March 31, 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, 2021	258,981	529,157	2,154,023	(138,370)	(209,757)	2,594,034	174,468	2,768,502
Comprehensive income:								
Net profit	—	—	255,334	—	—	255,334	10,104	265,438
Remeasurements of defined benefit plans	—	—	—	31,875	—	31,875	67	31,942
Financial assets measured at fair value through other comprehensive income	—	—	—	217	—	217	4,049	4,266
Exchange differences on translation of foreign operations	—	—	—	351,100	—	351,100	14,889	365,989
Net change in fair value of cash flow hedges	—	—	—	(7,999)	—	(7,999)	(44)	(8,043)
Total comprehensive income	—	—	255,334	375,193	—	630,527	29,065	659,592
Transfer from other components of equity to retained earning	—	—	36,265	(36,265)	—	—	—	—
Cash dividends	—	—	(58,339)	—	—	(58,339)	(20,332)	(78,671)
Changes in treasury stock	—	(0)	—	—	(43)	(43)	—	(43)
Share-based payment transactions	187	(361)	—	—	530	356	—	356
Transactions with non-controlling interests and other	—	(3,242)	—	1,669	—	(1,573)	(992)	(2,565)
Balances as of March 31, 2022	259,168	525,554	2,387,283	202,227	(209,270)	3,164,962	182,209	3,347,171

Consolidated Statements of Cash Flows

Yen (millions)

	Fiscal 2023 ended March 31, 2023	Fiscal 2022 ended March 31, 2022
Cash flows from operating activities		
Net profit	280,556	265,438
Adjustments to reconcile net profit to net cash provided by operating activities		
Depreciation and amortization	382,289	339,148
(Increase) decrease in trade receivables and contract assets	25,797	(53,848)
(Increase) decrease in inventories	(120,617)	(225,928)
Increase (decrease) in trade payables	5,390	76,811
Other	(52,673)	(148,991)
Net cash provided by operating activities	520,742	252,630
Cash flows from investing activities		
Purchase of property, plant and equipment	(289,353)	(233,967)
Proceeds from sale of property, plant and equipment	29,298	62,776
Purchase of investments accounted for using the equity method and other financial assets	(37,982)	(37,239)
Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets	36,369	31,143
Other	(82,365)	(618,862)
Net cash provided by (used in) investing activities	(344,033)	(796,149)
Cash flows from financing activities		
Increase (decrease) in short-term debt	(315,328)	101,539
Increase (decrease) in long-term debt	(183,640)	48,779
Dividends paid to Panasonic Holdings Corporation stockholders	(70,019)	(58,339)
Dividends paid to non-controlling interests	(23,546)	(20,332)
(Increase) decrease in treasury stock	(50)	(43)
Other	(14,430)	(12,694)
Net cash provided by (used in) financing activities	(607,013)	58,910
Effect of exchange rate changes on cash and cash equivalents, and other	43,930	97,258
Net increase (decrease) in cash and cash equivalents	(386,374)	(387,351)
Cash and cash equivalents at beginning of period	1,205,873	1,593,224
Cash and cash equivalents at the end of the period	819,499	1,205,873

Notes to consolidated financial statements:

1. Per share data (Years ended March 31)

	Fiscal 2023	Fiscal 2022
Net profit attributable to Panasonic Holdings Corporation stockholders (millions of yen)	265,502	255,334
Average common shares outstanding (number of shares)	2,333,947,462	2,333,538,585
Earnings per share attributable to Panasonic Holdings Corporation stockholders:		
Basic	113.75 yen	109.41 yen
Diluted	113.72 yen	109.37 yen

2. 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.
3. Significant subsequent events: None
4. Assumption for going concern: None
5. Number of consolidated subsidiaries as of March 31, 2023: 523
Number of entities accounted for using the equity method as of March 31, 2023: 67

Information by Segment

Yen (billions)

	Fiscal 2023 ended March 31, 2023					Fiscal 2022 ended March 31, 2022		
	Sales	23/22	Operating Profit	% of Sales	23/22	Sales	Operating Profit	% of Sales
Reportable Segments:		%		%	%			%
Lifestyle	3,483.3	110	103.1	3.0	95	3,165.6	108.2	3.4
Automotive	1,297.5	122	16.2	1.3	—	1,062.8	1.4	0.1
Connect	1,125.7	122	20.9	1.9	40	922.7	52.8	5.7
Industry	1,149.9	102	66.8	5.8	80	1,128.1	83.2	7.4
Energy	971.8	126	33.2	3.4	50	772.8	66.8	8.6
Subtotal	8,028.2	114	240.2	3.0	77	7,052.0	312.4	4.4
Other	1,199.4	103	56.7	4.7	151	1,159.7	37.7	3.3
Eliminations and adjustments	(848.7)	—	(8.3)	—	—	(822.9)	7.4	—
Total	8,378.9	113	288.6	3.4	81	7,388.8	357.5	4.8

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 are reclassified in conformity with the business segmentation for fiscal 2023.