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FOR IMMEDIATE RELEASE

Panasonic Holdings Corporation
Corporate Finance, Accounting & IR
Department
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(Japan)

Panasonic Holdings Corporation Reports Fiscal 2024 Financial Results

Osaka, Japan, May 9, 2024 -- Panasonic Holdings Corporation [TSE:6752] (the "Company") today reported its consolidated and non-consolidated (parent-alone) financial results for the fiscal year ended March 31, 2024 (fiscal 2024).

The Company also announced its consolidated financial forecast for the year ending March 31, 2025 (fiscal 2025).

Summary of Consolidated Financial Results for Fiscal Year ended March 31, 2024 [IFRS]

May 9, 2024

Company Name: Panasonic Holdings Corporation

Listed Exchanges: Tokyo / Nagoya

Security Code: 6752

URL: <https://holdings.panasonic/global>

Scheduled Date for Ordinary General Meeting of Shareholders June 24, 2024

Scheduled Date for Report Filing: June 25, 2024

Scheduled Date for Dividend Payment: June 3, 2024

1. Consolidated Financial Results for Fiscal 2024 (April 1, 2023 - March 31, 2024)

(1) Consolidated Operating Results (% represents changes compared with the same period of the previous fiscal year)

	Net sales		Operating profit		Profit before income taxes		Net profit		Net profit attributable to Panasonic Holdings Corporation stockholders		Total comprehensive income	
	Yen (millions)	%	Yen (millions)	%	Yen (millions)	%	Yen (millions)	%	Yen (millions)	%	Yen (millions)	%
Fiscal 2024	8,496,420	1.4	360,962	25.1	425,239	34.4	465,443	65.9	443,994	67.2	1,044,550	94.6
Fiscal 2023	8,378,942	13.4	288,570	(19.3)	316,409	(12.2)	280,556	5.7	265,502	4.0	536,677	(18.6)

	Basic earnings per share	Diluted earnings per share	Profit ratio to equity attributable to Panasonic Holdings Corporation stockholders	Ratio of profit before tax to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal 2024	190.21	190.15	10.9	4.9	4.2
Fiscal 2023	113.75	113.72	7.8	3.9	3.4

(Reference) Share of profit (loss) of investments accounted for using the equity method: Fiscal 2024: 4,295 million yen / Fiscal 2023: 1,432 million yen

(2) Consolidated Financial Positions

	Total assets	Total equity	Equity attributable to Panasonic Holdings Corporation stockholders	Ratio of equity attributable to Panasonic Holdings Corporation stockholders to total assets	Equity per share (Attributable to Panasonic Holdings Corporation stockholders)
	Yen (millions)	Yen (millions)	Yen (millions)	%	Yen
At the end of Fiscal 2024	9,411,195	4,721,903	4,544,076	48.3	1,946.62
Fiscal 2023	8,059,527	3,789,958	3,618,402	44.9	1,550.23

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Term-end balance of cash and cash equivalents
	Yen (million)	Yen (millions)	Yen (millions)	Yen (millions)
Fiscal 2024	866,898	(578,843)	(83,494)	1,119,625
Fiscal 2023	520,742	(344,033)	(607,013)	819,499

2. Dividends

	Annual dividends					Total dividend distribution (full year)	Payout ratio (consolidated)	Ratio of dividend distribution to equity attributable to Panasonic Holdings Corporation stockholders (consolidated)
	End of 1 st Quarter	End of 2 nd Quarter	End of 3 rd Quarter	End of Fiscal Year	Total			
Fiscal 2023	-	15.00	-	15.00	30.00	70,023	26.4	2.1
Fiscal 2024	-	17.50	-	17.50	35.00	81,702	18.4	2.0
Fiscal 2025 (Forecast)	-	-	-	-	-	-	-	-

Notes: Dividend forecast for fiscal 2025 has not yet been determined.

3. Consolidated Financial Forecast for Fiscal 2025 (April 1, 2024 - March 31, 2025)

(% represents changes compared with the same period of the previous fiscal year)

	Net sales		Operating profit		Profit before income taxes		Net profit attributable to Panasonic Holdings Corporation stockholders		Basic earnings per share
	Yen (millions)	%	Yen (millions)	%	Yen (millions)	%	Yen (millions)	%	Yen
Full Year	8,600,000	1.2	380,000	5.3	430,000	1.1	310,000	(30.2)	126.31

<Reference>

Summary of Non-consolidated (Parent-alone) Financial Results for Fiscal 2024 (April 1, 2023 - March 31, 2024)

(1) Non-consolidated Operating Results

	Operating revenue		Operating profit		Recurring profit		Net profit	
	Yen (millions)	%	Yen (millions)	%	Yen (millions)	%	Yen (millions)	%
Fiscal 2024	263,178	6.3	114,431	(2.9)	110,368	0.6	52,752	(20.8)
Fiscal 2023	247,468	(91.0)	117,848	77.8	109,660	(13.6)	66,610	(23.1)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal 2024	22.60	22.59
Fiscal 2023	28.54	28.53

(2) Non-consolidated Financial Positions

	Total assets	Net assets	Equity-to-total assets ratio	Net assets per share
	Yen (millions)	Yen (millions)	%	Yen
At the end of				
Fiscal 2024	4,361,539	1,561,071	35.8	668.47
Fiscal 2023	3,958,577	1,591,098	40.2	681.37

(Reference) Equity (Own capital) Fiscal 2024: 1,560,435 million yen / Fiscal 2023: 1,590,400 million yen

Notes: 1. Fiscal 2024 refers to the fiscal year ended March 31, 2024.

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

3. This news release of the financial results is not subject to audit by the independent auditor in accordance with the Financial Instrument and Exchange Act of Japan. At the time of release of this news release, such audit on the financial results has not yet been completed.

Consolidated Financial Results

1. Overview of fiscal 2024, ended March 31, 2024

A. Operating Results

			Yen (billions)
	Fiscal 2024	Fiscal 2023	Percentage FY2024/2023
Net sales	8,496.4	8,378.9	101%
Operating profit	361.0	288.6	125%
Profit before income taxes	425.2	316.4	134%
Net profit attributable to Panasonic Holdings Corporation stockholders	444.0	265.5	167%

During the year ended March 31, 2024 (fiscal 2024), the overall global economy saw a gradual slowdown due to geopolitical risks such as the situations in Israel and Palestine as well as in Ukraine. Monetary tightening mainly in the US and Europe was another factor. As for Japan, despite the negative impact of rising prices, mainly for personal consumption, a gradual improvement in the economy was spurred by factors such as steady capital investments and the recovery of inbound tourism-related demand.

In fiscal 2023, the Company transitioned to a new group organizational structure comprised of a holding company and operating companies. The Company also aims to achieve KGIs (Key Goal Indicators) of "2.0 trillion yen of cumulative operating cash flow, ROE (Return on Equity) of 10% or more, and 1.5 trillion yen of cumulative operating profit" set in its three-year medium-term strategy. Under such management conditions, in fiscal 2024, the second year of the medium-term strategy, the Company pursued thorough enhancement of its competitiveness, established cash-flow-focused management at each business, and built business foundations in its growth areas.

In the automotive battery business, which the Company identifies as its priority investment area, Panasonic Energy Co., Ltd. ("Panasonic Energy") signed a contract in April 2023 to supply automotive batteries for commercial vehicles in North America with Hexagon Purus ASA, a world-leading manufacturer of zero emission mobility and infrastructure solutions in Norway. In addition, Panasonic Energy entered into discussions with Mazda Motor Corporation and, separately, with SUBARU CORPORATION on establishing medium-to long-term partnerships to supply batteries for EVs. In March 2024, Panasonic Energy signed an agreement with Mazda Motor Corporation toward the supply of automotive cylindrical lithium-ion batteries, and also a basic cooperative agreement with SUBARU CORPORATION covering the supply of automotive cylindrical lithium-ion batteries. These demonstrate the expansion of its customer base in this business. In the supply chain

management (SCM) software business, which the Company identifies as one of its investment areas, Blue Yonder Holding, Inc., a subsidiary of Panasonic Connect Co., Ltd., signed an agreement in March 2024 to acquire One Network Enterprises, Inc. in the US, aiming to transform its business structure for growth.

Furthermore, the Company has been conducting a review of its business portfolio based on the growth potential of each business and from a best-ownership perspective. In March 2024, the Company signed a share purchase agreement and a shareholders agreement to transfer shares of Panasonic Automotive Systems, Co., Ltd. ("PAS"), for the purposes of becoming a strategic partner with the Apollo Group, including Apollo Global Management, Inc., with regards to the PAS business.

The Company's consolidated sales for fiscal 2024 increased by 1% to 8,496.4 billion yen from a year ago. This is due to increased sales in Automotive and Connect as well as the effect of currency translation, despite decreased sales in Industry and Energy.

Operating profit increased by 25% to 361.0 billion yen and profit before income taxes increased by 34% to 425.2 billion yen from a year ago. This is due mainly to the progress of price revisions and rationalization, the effect of exchange rates, as well as recording of tax credit under the Inflation Reduction Act in the US ("US IRA Tax Credit"), despite increased fixed costs mainly related to strategic investments and the impact of price hikes in raw materials.

Net profit attributable to Panasonic Holdings Corporation stockholders increased by 67% to 444.0 billion yen from a year ago. This is due to the above-mentioned factors as well as a decrease in income taxes with the liquidation of Panasonic Liquid Crystal Display Co., Ltd. ("PLD"), through special liquidation defined in the Japanese Companies Act, and waiver for PLD's debt (for further details, please refer to Note 2 of "Notes to Consolidated Financial Statements").

B. Breakdown by Reportable Segment

Lifestyle

	Yen (billions)		
	Fiscal 2024	Fiscal 2023	Percentage FY2024/2023
Sales	3,494.4	3,491.3	100%
Operating profit	121.6	103.3	118%

Overall sales in Lifestyle was 3,494.4 billion yen, similar to the previous year's level. This is due to decreased sales of consumer electronics for overseas market and air to water hot water heat pump system (A2W) in Europe as well as the deconsolidation of part of businesses in China, despite increased sales of electrical construction materials and cold chain in North America. Operating profit increased to 121.6 billion yen from a year ago. This is due to increased sales of electrical construction materials and cold chain in North America

as well as the impact of temporary expenses recorded in fiscal 2023, despite decreased sales in A2W in Europe and consumer electronics.

Automotive

	Yen (billions)		
	Fiscal 2024	Fiscal 2023	Percentage FY2024/2023
Sales	1,491.9	1,297.5	115%
Operating profit	42.8	16.2	263%

Sales increased by 15% to 1,491.9 billion yen from a year ago. This is due to the gradual recovery of automobile production and the effect of currency translation. Operating profit increased to 42.8 billion yen from a year ago. This is due to increased sales and efforts in price revisions to offset price hikes in parts & materials as well as rationalization efforts, despite increased fixed cost related to rising personnel expenses as well as the impact of price hikes in parts & materials.

Connect

	Yen (billions)		
	Fiscal 2024	Fiscal 2023	Percentage FY2024/2023
Sales	1,202.8	1,121.2	107%
Operating profit	40.4	20.4	198%

Sales increased by 7% to 1,202.8 billion yen from a year ago. This is due mainly to steady sales in Avionics, Gemba Solutions and Blue Yonder, despite decreased sales in Process Automation. Operating profit increased to 40.4 billion yen from a year ago. This is due mainly to increased sales in Avionics and Gemba Solutions as well as profitability improvement in Mobile Solutions, despite decreased sales in Process Automation and an increase of strategic investment in Blue Yonder.

Industry

	Yen (billions)		
	Fiscal 2024	Fiscal 2023	Percentage FY2024/2023
Sales	1,042.6	1,149.9	91%
Operating profit	31.1	66.8	47%

Sales decreased by 9% to 1,042.6 billion yen from a year ago. This is due mainly to decreased sales with sluggish market condition in China as well as the impact of changes in the sales channel resulting from the termination of the semiconductor business, despite

increased sales of products for green vehicles and generative AI servers as well as the effect of currency translation. Operating profit decreased to 31.1 billion yen from a year ago. This is due largely to decreased sales with sluggish market conditions in China, despite efforts in price revisions and rationalization to offset price hikes in raw materials and energy costs, as well as the effect of depreciation of the yen.

Energy

	Yen (billions)		
	Fiscal 2024	Fiscal 2023	Percentage FY2024/2023
Sales	915.9	971.8	94%
Operating profit	88.8	33.2	267%

Overall sales decreased by 6% to 915.9 billion yen from a year ago. This is due to decreased production of EV batteries in Japan as well as decreased sales for consumer products and power equipment, despite favorable sales of EV batteries in North America. Also, the impact of accounting treatment concerning US IRA Tax Credit to be effectively used with customers is another factor for the decreased sales. Operating profit increased to 88.8 billion yen from a year ago. This is due mainly to increased sales of EV batteries in North America along with productivity improvement as well as recording of US IRA Tax Credit, despite decreased production of EV batteries in Japan and an increase in fixed costs for future growth as well as recording of expenses related to manufacturing-process issues in the past.

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

	Yen (billions)		
	Fiscal 2024	Fiscal 2023	Percentage FY2024/2023
Sales	1,219.5	1,207.5	101%
Operating profit	59.5	56.7	105%

Sales increased by 1% to 1,219.5 billion yen from a year ago. Operating profit increased to 59.5 billion yen from a year ago.

C. Consolidated Financial Condition

Net cash provided by operating activities for fiscal 2024, amounted to 866.9 billion yen, compared with an inflow of 520.7 billion yen a year ago. This is due mainly to a decrease in inventories. Net cash used in investing activities amounted to 578.8 billion yen, compared with an outflow of 344.0 billion yen a year ago. This is due mainly to an increase in capital investment mainly in EV batteries. Accordingly, free cash flows (net cash provided by operating activities and investment activities) increased by 111.4 billion yen from a year ago to an inflow of 288.1 billion yen.

Net cash used in financing activities amounted to 83.5 billion yen, compared with an outflow of 607.0 billion yen a year ago. This is due mainly to the repayment of temporary borrowings in fiscal 2023, which were taken in fiscal 2022, the prior year of the Company's transition to a new organizational structure, and the issuance of domestic unsecured straight bonds during fiscal 2024.

Taking factors such as exchange rate fluctuations into consideration, cash and cash equivalents totaled 1,119.6 billion yen as of March 31, 2024, which is an increase of 300.1 billion yen from March 31, 2023.

The Company's consolidated total assets of March 31, 2024, were 9,411.2 billion yen, an increase of 1,351.7 billion yen from March 31, 2023. This is due mainly to an increase in cash and cash equivalents as well as an increase in property, plant and equipment. Also, the impact of fluctuations in exchange rates caused by depreciation of the yen is another factor.

The Company's consolidated total liabilities increased by 419.7 billion yen to 4,689.3 billion yen from March 31, 2023. This is due mainly to the issuance of domestic unsecured straight bonds and the impact of fluctuations in exchange rates caused by depreciation of the yen.

Panasonic Holdings Corporation stockholders' equity increased by 925.7 billion yen to 4,544.1 billion yen, compared with March 31, 2023. This is due mainly to recording of net profit attributable to Panasonic Holdings Corporation stockholders and an increase in other components of equity caused by depreciation of the yen. With non-controlling interests added to Panasonic Holdings Corporation stockholders' equity, total equity was 4,721.9 billion yen.

2. Forecast for fiscal 2025

For the consolidated financial forecast for fiscal 2025 as of May 9, 2024, overall net sales is expected to increase due mainly to increased sales in Lifestyle, Connect and Industry, despite decreased sales in Automotive and Energy. Adjusted operating profit is expected to increase in all segments due mainly to increased sales and efforts in price revisions and rationalization, while in other income/loss, a loss resulting from the transfer of shares of PAS (for further details, please refer to Note 5 of "Notes to consolidated financial statements") is expected. As a result, operating profit and profit before income taxes are expected to increase. Net profit attributable to Panasonic Holdings Corporation stockholders is expected

to decrease due to the impact of decreased income taxes with the liquidation of PLD, through special liquidation defined in the Japanese Companies Act, and waiver of PLD's debt in fiscal 2024.

Net sales:	8,600.0 billion yen	(101% vs. fiscal 2024)
Operating profit:	380.0 billion yen	(105% vs. fiscal 2024)
Profit before income taxes:	430.0 billion yen	(101% vs. fiscal 2024)
Net profit attributable to Panasonic Holdings Corporation stockholders:	310.0 billion yen	(70% vs. fiscal 2024)
(Reference) Adjusted operating profit	450.0 billion yen	(115% vs. fiscal 2024)

Note: Adjusted operating profit is calculated by deducting cost of sales and selling, general and administrative expenses from net 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 2024, 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 35 yen per share for fiscal 2024, which includes the interim dividend of 17.50 yen per share paid on November 30, 2023 and a year-end dividend of 17.50 yen per share, payable on June 3, 2024. The payable amount was based on net profit attributable to Panasonic Holdings Corporation stockholders, excluding the impact on the consolidated results by US IRA Tax Credit. In fiscal 2024, 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; occurrence and continuation of supply disruption or soaring prices of raw materials or transportation; 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; 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 HD 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 or losses resulting from any defects or quality frauds in products or services of the Panasonic Group; the possibility that the Panasonic Group may face intellectual property infringement by third parties or intellectual property infringement claims by third parties; the possibility that change or tightening of current and potential, direct and indirect restrictions imposed in Japan or other countries over trade, manufacturing, labor and operations may adversely affect business operations of Panasonic Group and its supply chain; failures in proper tackling of regulations and policies introduced or strengthened with respect to environmental issues including climate change or responsible procurement activities (human rights, labor, health and safety, global environmental conservation, information security, corporate ethics, etc.) in the supply chain; restrictions, costs or legal liability relating to introduction or tightening of laws and regulations; 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 systems of Panasonic Group or its supply chain, service suspension or vulnerability of network-connected products due to unauthorized system access and cyberattacks etc.; the possibility not being able to acquire the necessary human resources to promote management strategies and prevent the outflow of existing employees; the possibility that the spread of infections including the novel coronavirus infections may adversely affect business activities of the Panasonic Group; volatility in demand for electronic equipment and components from business and industrial customers, as well as consumers in many product and geographical markets; occurrence of events that may negatively impact business activities of the Panasonic Group, including large-scale natural disasters, prevalence of infectious diseases throughout the world and terrorism or wars. 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)

	End of fiscal 2024 (March 31, 2024)	End of fiscal 2023 (March 31, 2023)	Difference
Current assets:	4,152,758	3,802,885	349,873
Cash and cash equivalents	1,119,625	819,499	300,126
Trade receivables and contract assets	1,361,050	1,322,593	38,457
Other financial assets	227,456	169,665	57,791
Inventories	1,208,898	1,288,751	(79,853)
Other current assets	235,729	202,377	33,352
Non-current assets:	5,258,437	4,256,642	1,001,795
Investments accounted for using the equity method	423,981	401,219	22,762
Other financial assets	207,394	242,672	(35,278)
Property, plant and equipment	1,559,041	1,172,376	386,665
Right-of-use assets	270,728	238,833	31,895
Other non-current assets	2,797,293	2,201,542	595,751
Total assets	9,411,195	8,059,527	1,351,668
Current liabilities:	3,121,687	2,873,420	248,267
Short-term debt, including current portion of long-term debt	262,099	159,231	102,868
Lease liabilities	68,760	59,895	8,865
Trade payables	1,166,155	1,156,909	9,246
Other payables and accrued expenses	524,194	506,062	18,132
Other financial liabilities	148,158	146,213	1,945
Other current liabilities	952,321	845,110	107,211
Non-current liabilities:	1,567,605	1,396,149	171,456
Long-term debt	1,084,037	1,050,116	33,921
Lease liabilities	211,383	187,865	23,518
Other non-current liabilities	272,185	158,168	114,017
Total liabilities	4,689,292	4,269,569	419,723
Panasonic Holdings Corporation stockholders' equity:	4,544,076	3,618,402	925,674
Common stock	259,445	259,274	171
Capital surplus	508,274	515,760	(7,486)
Retained earnings	3,037,982	2,588,800	449,182
Other components of equity	947,512	463,764	483,748
Treasury stock	(209,137)	(209,196)	59
Non-controlling interests	177,827	171,556	6,271
Total equity	4,721,903	3,789,958	931,945
Total liabilities and equity	9,411,195	8,059,527	1,351,668

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

2. The breakdown of "Other components of equity" is as follows:

	March 31, 2024	March 31, 2023	Difference
Remeasurements of defined benefit plans*	—	—	—
Financial assets measured at fair value through other comprehensive income	24,718	37,428	(12,710)
Exchange differences on translation of foreign operations	928,571	431,992	496,579
Net change in fair value of cash flow hedges	(5,777)	(5,656)	(121)

* 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 2024, ended March 31, 2024		Fiscal 2023, ended March 31, 2023		Percentage FY2024/2023
		%		%	%
Net sales	8,496,420	100.0	8,378,942	100.0	101
Cost of sales	(6,002,065)	(70.6)	(6,117,494)	(73.0)	
Gross profit	2,494,355	29.4	2,261,448	27.0	110
Selling, general and administrative expenses	(2,104,356)	(24.8)	(1,947,371)	(23.3)	
Share of profit (loss) of investments accounted for using the equity method	4,295	0.0	1,432	0.0	
Other income (expenses), net	(33,332)	(0.4)	(26,939)	(0.3)	
Operating profit	360,962	4.2	288,570	3.4	125
Finance income	88,972	1.1	48,972	0.7	
Finance expenses	(24,695)	(0.3)	(21,133)	(0.3)	
Profit before income taxes	425,239	5.0	316,409	3.8	134
Income taxes	40,204	0.5	(35,853)	(0.5)	
Net profit	465,443	5.5	280,556	3.3	166
Net profit attributable to:					
Panasonic Holdings Corporation stockholders	443,994	5.2	265,502	3.2	167
Non-controlling interests	21,449	0.3	15,054	0.1	142

Notes: 1. Depreciation	207,237	million yen	196,626	million yen
2. Capital investment	568,004	million yen	309,072	million yen
3. R&D expenditures	491,224	million yen	469,785	million yen
4. Number of employees	228,420		233,391	

Consolidated Statements of Comprehensive Income

Yen (millions)

	Fiscal 2024, ended March 31, 2024	Fiscal 2023, ended March 31, 2023	Percentage FY2024/2023
Net profit	465,443	280,556	166 %
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plans	53,761	7,468	
Financial assets measured at fair value through other comprehensive income	16,862	8,078	
Subtotal	70,623	15,546	
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	505,130	248,057	
Net change in fair value of cash flow hedges	3,354	(7,482)	
Subtotal	508,484	240,575	
Total other comprehensive income (loss)	579,107	256,121	
Comprehensive income	1,044,550	536,677	195
Comprehensive income attributable to :			
Panasonic Holdings Corporation stockholders	1,012,295	518,784	195
Non-controlling interests	32,255	17,893	180

Consolidated Statements of Changes in Equity

Yen (millions)

Fiscal 2024 ended March 31, 2024	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, 2023	259,274	515,760	2,588,800	463,764	(209,196)	3,618,402	171,556	3,789,958
Comprehensive income:								
Net profit	—	—	443,994	—	—	443,994	21,449	465,443
Remeasurements of defined benefit plans	—	—	—	52,987	—	52,987	774	53,761
Financial assets measured at fair value through other comprehensive income	—	—	—	15,353	—	15,353	1,509	16,862
Exchange differences on translation of foreign operations	—	—	—	496,579	—	496,579	8,551	505,130
Net change in fair value of cash flow hedges	—	—	—	3,382	—	3,382	(28)	3,354
Total comprehensive income	—	—	443,994	568,301	—	1,012,295	32,255	1,044,550
Transfer from other components of equity to retained earning	—	—	81,050	(81,050)	—	—	—	—
Cash dividends	—	—	(75,862)	—	—	(75,862)	(17,594)	(93,456)
Changes in treasury stock	—	(0)	—	—	(49)	(49)	—	(49)
Share-based payment transactions	171	38	—	—	108	317	—	317
Transactions with non-controlling interests and other	—	(7,524)	—	(3,503)	—	(11,027)	(8,390)	(19,417)
Balances as of March 31, 2024	259,445	508,274	3,037,982	947,512	(209,137)	4,544,076	177,827	4,721,903

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.

Consolidated Statements of Cash Flows

Yen (millions)

	Fiscal 2024, ended March 31, 2024	Fiscal 2023, ended March 31, 2023
<u>Cash flows from operating activities</u>		
Net profit	465,443	280,556
Adjustments to reconcile net profit to net cash provided by operating activities		
Depreciation and amortization	399,984	382,289
(Increase) decrease in trade receivables and contract assets	50,554	25,797
(Increase) decrease in inventories	152,815	(120,617)
Increase (decrease) in trade payables	(22,111)	5,390
Other	(179,787)	(52,673)
Net cash provided by operating activities	866,898	520,742
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(547,470)	(289,353)
Proceeds from sale of property, plant and equipment	43,369	29,298
Purchase of investments accounted for using the equity method and other financial assets	(46,837)	(37,982)
Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets	89,123	36,369
Other	(117,028)	(82,365)
Net cash provided by (used in) investing activities	(578,843)	(344,033)
<u>Cash flows from financing activities</u>		
Increase (decrease) in short-term debt	(217)	(315,328)
Increase (decrease) in long-term debt	38,156	(183,640)
Dividends paid to Panasonic Holdings Corporation stockholders	(75,862)	(70,019)
Dividends paid to non-controlling interests	(17,594)	(23,546)
(Increase) decrease in treasury stock	(49)	(50)
Other	(27,928)	(14,430)
Net cash provided by (used in) financing activities	(83,494)	(607,013)
Effect of exchange rate changes on cash and cash equivalents, and other	95,565	43,930
Net increase (decrease) in cash and cash equivalents	300,126	(386,374)
Cash and cash equivalents at beginning of period	819,499	1,205,873
Cash and cash equivalents at the end of the period	1,119,625	819,499

Notes to Consolidated Financial Statements:

1. Per share information (Year ended March 31)

	Fiscal 2024, ended March 31, 2024	Fiscal 2023, ended March 31, 2023
Net profit attributable to Panasonic Holdings Corporation stockholders (millions of yen)	443,994	265,502
Average common shares outstanding (number of shares)	2,334,173,939	2,333,947,462
Earnings per share attributable to Panasonic Holdings Corporation stockholders:		
Basic	190.21 yen	113.75 yen
Diluted	190.15 yen	113.72 yen

2. The Board of Directors of the Company resolved on July 31, 2023, to liquidate Panasonic Liquid Crystal Display Co., Ltd. ("PLD"), a consolidated subsidiary of the Company, and to file a petition for commencement of special liquidation as well as to waive debts that PLD owes to Panasonic Equity Management Japan G.K. which is also a consolidated subsidiary of the Company.

Accordingly, taking into consideration the recoverability of deferred tax assets in the Company's consolidated financial results, it became highly likely that the temporary difference associated with the investment in PLD is expected to reverse in the foreseeable future. Therefore, the Company recognized 121.3 billion yen of a decrease in income taxes (e.g., recognition of deferred tax assets and other factors). The liquidation of PLD was completed on February 28, 2024.

3. Effective April 1, 2023, the Company applied IFRS 17 "Insurance Contracts" and the revised IAS 12 "Income Taxes" applied to the consolidated financial statements. The impact of the adoption of IFRS 17 and IAS 12 on the consolidated financial statements of the Company is not material.
4. The Company issued a total of 260.0 billion yen of domestic unsecured straight bonds on September 14, 2023.
5. The Board of Directors of the Company made the following resolutions on March 29, 2024.

- To transfer all of the shares of Panasonic Automotive Systems, Co., Ltd. ("PAS"), a wholly-owned subsidiary of the Company, to Star Japan Acquisition Co., Ltd. ("New PAS Parent"), a company whose shares are indirectly wholly owned through funds managed by the Apollo Group, including Apollo Global Management, Inc. ("Apollo"), for the purpose of becoming a strategic partner with Apollo in the PAS business

- To enter into a shareholders agreement with Apollo and, also into a share purchase agreement with Star Japan Holdings Co., Ltd. ("PAS Holding Company"), which is the holding company that wholly owns the shares of New PAS Parent, for the Company's acquisition of 20% of the shares of PAS Holding Company.

On the closing date of the above transactions, which is scheduled to be completed by the end of the fiscal year ending March 31, 2025, PAS will no longer be a consolidated subsidiary of the Company

and PAS Holding Company (including PAS which is to be a sub-subsidiary of PAS Holding Company) will become a company under the equity method of the Company. This is subject to the customary closing conditions including regulatory approvals.

Furthermore, in preparation for the above-mentioned transactions, the Company is planning to consolidate its businesses, assets, and other concerns within its consolidated subsidiaries engaged in the automotive business that are subject to the transaction, into PAS (with the exception of Ficosa International, S.A.).

6. Significant subsequent events: None
7. Assumption for going concern: None
8. Number of consolidated subsidiaries as of March 31, 2024: 511
Number of entities accounted for using the equity method as of March 31, 2024: 67

Information by Segment

Yen (billions)

	Fiscal 2024 ended March 31, 2024					Fiscal 2023 ended March 31, 2023		
	Sales	FY24/23	Operating profit	% of Sales	FY24/23	Sales	Operating profit	% of Sales
Reportable Segments:		%		%	%			%
Lifestyle	3,494.4	100	121.6	3.5	118	3,491.3	103.3	3.0
Automotive	1,491.9	115	42.8	2.9	263	1,297.5	16.2	1.3
Connect	1,202.8	107	40.4	3.4	198	1,121.2	20.4	1.8
Industry	1,042.6	91	31.1	3.0	47	1,149.9	66.8	5.8
Energy	915.9	94	88.8	9.7	267	971.8	33.2	3.4
Subtotal	8,147.6	101	324.7	4.0	135	8,031.7	239.9	3.0
Other	1,219.5	101	59.5	4.9	105	1,207.5	56.7	4.7
Eliminations and adjustments	(870.7)	—	(23.2)	—	—	(860.3)	(8.0)	—
Total	8,496.4	101	361.0	4.2	125	8,378.9	288.6	3.4

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.

3. On October 1, 2023, certain businesses were transferred among segments. Accordingly, the figures of segment information in fiscal 2023 and 2024 have been reclassified.