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**FOR IMMEDIATE RELEASE**

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(Japan)

## **Outline of Panasonic Group Management Reform**

**Osaka, Japan**, February 4, 2025 – Panasonic Holdings Corporation Co., Ltd. ([TSE:6752], the “Company” or “Panasonic”) today announced a series of group management reforms. The key points of these reforms, which will be announced at today’s financial results briefing, are as follows. For more detailed information, please refer to the briefing materials available on our corporate website.

### **1. Group Vision**

The Company identified three focus areas which will be the foundation through which the Panasonic Group will contribute to the sustainable development of society and lifestyles by utilizing resources and energy efficiently through technology. The areas are: the "Solutions Area," which will be the Company’s main focus, and the "Devices Area" and "Smart Life Area," which will support its profit base.

#### ***Solutions Area [Area of focus]***

By leveraging the Company’s globally competitive solution businesses, Panasonic will create synergies across the Company through customer-centric management, thereby driving growth by expanding our value to customers.

#### ***Devices Area [Profit Base Area]***

By narrowing down the Company’s product portfolio, Panasonic will focus on material- and process-based businesses, aiming for an adjusted operating profit margin of over 15%. For automotive batteries, we will revise our growth scenarios and focus on profitability.

#### ***Smart Life Area [Profit Base Area]***

To refresh our home appliance business, we will fundamentally review our business structure and systems, thoroughly optimize resources in development, manufacturing, and sales, and achieve "global standard costs" that can compete worldwide, based on Japan quality levels. Through these measures, we aim for an adjusted operating profit margin of over 10%.

### **2. Overview of Group Management Reforms**

In order to resolve structural and fundamental issues, the Company will focus on management reform in FY3/26. The aim is to improve profitability by more than 150 billion yen by FY3/27 and an additional 150 billion yen by FY3/29 (totaling over 300 billion yen).

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***Fixed Cost Structure Reforms and Profit Improvement for a Lean Headquarters and Indirect Departments***

Panasonic will work on reforming the employment structure across the Company, improving productivity and reducing fixed costs through DX in indirect and sales departments, and improving the profitability of business areas where we have made investments with top priority.

***Implementation of Measures for Businesses with Issues (Identifying Low-Profit Businesses)***

By FY3/26, The Company will determine the direction of “businesses with issues” (those with ROIC below business-specific WACC and with little growth potential) and businesses that require reconstruction or relocation.

***Focus on the Solutions Area***

To expand the boundaries of our lifestyle business and create synergies in the Solutions Area across the entire Group, Panasonic Corporation will be dissolved and its subsidiaries will be converted into operating companies. Additionally, in order to focus on the home appliance market, we will rebuild the home appliance business by establishing an operating company that consolidates all the Company's home appliance businesses.

**3. Profit Targets achieved through the Group Management Reforms**

Through fixed cost restructuring, profit improvement, and further business portfolio management, the Company aims to achieve an ROE of over 10% and an adjusted operating profit margin of over 10% by FY3/29.

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*This press release includes forward-looking statements about Panasonic Holdings Corporation (the "Company") 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. The Company 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 the Company 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 demands for corporate capital expenditures in the major markets including, but not limited to, the Americas, Europe, Japan, China and other Asian countries as well as changes of demands for a wide range of electronic products & parts from the industrial world and consumers in various regional markets; excessive currency rate fluctuations of the U.S. dollar, the euro, the Chinese yuan and other currencies against the yen having an impact on costs and prices of the Panasonic Group's products & services as well as certain other transactions that are denominated in these foreign currencies; increased costs of or limitations on raising funds, because of changes in the fund raising environment including interest rate fluctuations; current or future political or social trends in and outside Japan or changes in rules & regulations of international trade, commerce, R&Ds, production or sales having impact on the Panasonic Group or the business activities in its supply chain; introduction or enhancement of rules & regulations or abolition or reduction of tax benefit or subsidy related mainly to the environment issues including the climate change as well as to responsible supply chain (in terms of human rights, labor, health & safety global environmental conservation, information security, business ethics and others); increased costs resulting from a leakage of customers' or confidential information from IT systems of the Panasonic Group or its supply chain or business suspension caused by unauthorized access, cyberattacks or any other form of malicious actions on the IT systems or from vulnerability of network-connected products; failure to secure or retain enough workforces to execute its business strategy; failure to retain its competitiveness in a wide range of products & services or in major countries & regions; failure to produce expected results in alliances with other companies or M&A (mergers & acquisitions) activities; failure to produce expected results in current or future business transformations of the Panasonic Group; occurrence or lengthening of disruptions in its supply chain or logistics for or price hikes in parts & materials; downward price pressure or decrease in demands for the products at a level that can be offset with efforts by the Company; failure to respond to future changes in the market needs with technological innovations or to timely utilize new technologies such as AI (Artificial Intelligence); increased costs or losses caused by occurrence of events such as compliance violations (including those related to human rights or labor issues) or serious health & safety accidents in workplaces; increased costs or losses resulting from any defects or quality frauds in products or services of the Panasonic Group; infringement by third parties of intellectual property owned by the Panasonic Group or restrictions on the use of intellectual property owned by third parties; administrative/criminal penalties or compensations/damages claims resulting from violations of laws and regulations; large-scale natural disasters, global pandemics of infectious diseases, terrorism or wars; fluctuations in market prices of securities and other financial assets in which the Panasonic Group has holdings, excessive fluctuations of valuation of non-financial assets, including property, plant and equipment, goodwill and deferred tax assets, or changes or tightening of accounting policies or rules; The factors listed above are not all-inclusive and further information is contained in the most recent English translated version of the Company's securities reports under the FIEA and any other documents which are disclosed on its website.*