

February 4, 2025

FOR IMMEDIATE RELEASE

Panasonic Holdings Corporation
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(Japan)

**Panasonic Holdings Reports Consolidated Financial Results
for Nine Months Ended December 31, 2024**

Osaka, Japan, February 4, 2025 -- Panasonic Holdings Corporation ([TSE:6752] the "Company") today reported its consolidated financial results for the nine months ended December 31, 2024, of current fiscal year ending March 31, 2025 (fiscal 2025).

The Company also provided information on a revision of its consolidated financial forecast for fiscal 2025.

Summary of Consolidated Financial Results for Nine Months Ended December 31, 2024 [IFRS]

February 4, 2024

Company Name: Panasonic Holdings Corporation

Listed Exchanges: Tokyo / Nagoya

Security Code: 6752

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

Scheduled Date for Dividend Payment: -

1. Consolidated Financial Results for Nine Months (April 1, 2024 - December 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 (million)	%	Yen (million)	%	Yen (million)	%	Yen (million)	%	Yen (million)	%	Yen (million)	%
Nine Months ended												
Dec. 31, 2024	6,403,897	1.6	348,308	8.8	395,661	7.3	308,773	(25.4)	288,406	(27.8)	477,959	(28.1)
Dec. 31, 2023	6,300,306	1.2	320,257	36.7	368,784	44.4	414,178	140.0	399,178	145.1	664,918	79.5

	Basic earnings per share	Diluted earnings per share
Nine Months ended	Yen	Yen
Dec. 31, 2024	123.54	123.51
Dec. 31, 2023	171.01	170.96

(2) Consolidated Financial Positions

	Total assets	Total equity	Panasonic Holdings Corporation stockholder' equity	Ratio of Panasonic Holdings Corporation stockholders' equity to total assets
As of	Yen (million)	Yen (million)	Yen (million)	%
Dec. 31, 2024	9,698,499	5,107,375	4,908,562	50.6
Mar. 31, 2024	9,411,195	4,721,903	4,544,076	48.3

2. Dividends

	Annual dividends				
	End of 1 st Quarter	End of 2 nd Quarter	End of 3 rd Quarter	End of Fiscal Year	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2024	-	17.50	-	17.50	35.00
Fiscal 2025	-	20.00	-	-	-
Fiscal 2025 (Forecast)	-	-	-	20.00	40.00

Notes: Revisions to the forecast of dividends most recently announced: None

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 (million)	%	Yen (million)	%	Yen (million)	%	Yen (million)	%	Yen
Full Year	8,300,000	(2.3)	380,000	5.3	430,000	1.1	310,000	(30.2)	132.80

Note: Revision in the consolidated financial forecast from latest financial announcement: Yes

Notes: 1. Fiscal 2025 (FY2025) refers to the fiscal year ending March 31, 2025.

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

3. Review of the Japanese-language originals of the attached consolidated financial statements by certified public accountants or an audit firm: None

4. Significant changes in the scope of consolidation during the period: Yes

Excluded: 1 company (Panasonic Automotive Systems Co., Ltd.)*

*Exclusion of Panasonic Automotive Systems Co., Ltd. and other companies under its umbrella

Consolidated Financial Results

1. Fiscal 2025 Nine Months ended December 31, 2024

A. Operating Results

	Yen (billions)		
	Fiscal 2025 Nine Months ended December 31, 2024	Fiscal 2024 Nine Months ended December 31, 2023	Percentage FY2025/2024
Net sales	6,403.9	6,300.3	102%
Operating profit	348.3	320.3	109%
Profit before income taxes	395.7	368.8	107%
Net profit attributable to Panasonic Holdings Corporation stockholders	288.4	399.2	72%

During the nine months ended December 31, 2024 (fiscal 2025), the overall global economy saw a gradual slowdown. While the Japanese and European economies showed a gradual recovery trend mainly with slowing inflation, and the US economy showed steady strength, despite being in a phase of moderate slowdown, the Chinese economy faced continuing weakness due mainly to a downturn in the real estate market. As for the outlook, amid concerns over possible impact by economic and trade policies in each country, economic slowdown is expected to continue globally, especially in the US and China, while the overall Japanese economy is expected to continue a gradual recovery.

Under such management conditions, the Company is focusing on initiatives aimed at improving ROE (Return on Equity) in the final year of the medium-term strategy started in fiscal 2023. In particular, the Company is working to improve profitability in order to further strengthen the business foundations of the three businesses identified as its investment areas: automotive batteries, air quality & air-conditioning, and supply chain management (SCM) software. The Company is also working to enhance the management structure of the Group through initiatives to accelerate strengthening its human capital management and competitiveness.

For the nine months ended December 31, 2024, Panasonic Energy Co., Ltd. ("Panasonic Energy") announced in May 2024 the start of its lithium-ion battery supply to heavy-duty EV trucks for the US market, which would be distributed by Hexagon Purus ASA based in Norway and HINO MOTORS SALES U.S.A., INC. In September 2024, Panasonic Energy also announced the start of preparations for plans to establish new factories and strengthen production capacity for its lithium-ion batteries in Japan, among others, in its respective collaborations with SUBARU CORPORATION and Mazda Motor Corporation. Furthermore, In August 2024, Blue Yonder Holding, Inc., a subsidiary of Panasonic Connect Co., Ltd., completed its acquisition of One Network Enterprises, Inc. based in the US. In addition, the Company completed the share transfer of Panasonic Automotive Systems Co.,

Ltd. ("PAS") in December 2024. As a result, PAS has become a company under the equity method and is no longer a consolidated subsidiary of the Company (the "Deconsolidation of PAS").

For the nine months ended December 31, 2024, the Company's consolidated sales increased by 2% to 6,403.9 billion yen from a year ago. This is due to increased sales in Lifestyle, Connect and Industry as well as the effect of currency translation, despite decreased sales in Energy and the impact by the Deconsolidation of PAS in Automotive.

Operating profit increased by 9% to 348.3 billion yen and profit before income taxes increased by 7% to 395.7 billion yen from a year ago. This is due mainly to increased sales and the progress of rationalization, despite an increase in fixed costs with inflation, an increase in strategic investments and recording of expenses related to the share transfer of PAS.

Net profit attributable to Panasonic Holdings Corporation stockholders decreased by 28% to 288.4 billion yen from a year ago. This is due to the impact of decreased income tax in fiscal 2024 with the Company's resolution to liquidate Panasonic Liquid Crystal Display Co., Ltd. ("PLD") through Special Liquidation (as defined in the Japanese Companies Act) and to waive PLD's debt.

B. Breakdown by Reportable Segment

As the share transfer of PAS was completed on December 2, 2024, partial changes of reportable segmentation were made in the third quarter of fiscal 2025, accordingly.

The breakdown by reportable segment for both fiscal 2024 and 2025 has been reclassified in conformity with the changes. As a result, some of the former "Automotive" segment businesses, which remain to be subject to the Company's consolidated reporting, are included in "Other" segment.

Lifestyle

	Yen (billions)		
	Fiscal 2025 Nine Months ended December 31, 2024	Fiscal 2024 Nine Months ended December 31, 2023	Percentage FY2025/2024
Sales	2,662.6	2,555.6	104%
Operating profit	95.6	95.2	100%

Sales increased by 4% to 2,662.6 billion yen from a year ago. This is due to steady sales of air-quality & air-conditioning products excluding heat pump type water heaters (A2W) and of electrical construction materials, as well as to the effect of currency translation, despite decreased sales of A2W in Europe, along with other factors. Operating profit was 95.6 billion yen, almost the same as the previous year. This is due mainly to increased of air-quality & air-conditioning products and electrical construction materials, despite decreased sales of A2W in Europe and other products, as well as deterioration of exchange rates.

Automotive

Yen (billions)

	Fiscal 2025 Nine Months ended December 31, 2024	Fiscal 2024 Nine Months ended December 31, 2023	Percentage FY2025/2024
Sales	805.0	943.6	85%
Operating profit	30.1	33.4	90%

Sales decreased by 15% to 805.0 billion yen, and operating profit decreased by 10% to 30.1 billion yen from a year ago. As the fiscal 2025 results of this segment are based on an approximately eight-month period, as a result of the Deconsolidation of PAS with the completion of its share transfer on December 2, 2024, both sales and operating profit decreased from a year ago.

Connect

Yen (billions)

	Fiscal 2025 Nine Months ended December 31, 2024	Fiscal 2024 Nine Months ended December 31, 2023	Percentage FY2025/2024
Sales	946.6	850.7	111%
Operating profit	44.2	23.3	190%

Sales increased by 11% to 946.6 billion yen from a year ago. This is due to increased sales in Gemba Solutions with steady orders including large-scale projects, as well as increased sales in such businesses as Process Automation, Avionics and Blue Yonder, along with the effect of currency translation. Operating profit increased to 44.2 billion yen from a year ago. This is due mainly to increased sales in such Process Automation, Gemba Solutions and Blue Yonder, despite decreased sales in Media Entertainment with deteriorated market conditions and other factors.

Industry

Yen (billions)

	Fiscal 2025 Nine Months ended December 31, 2024	Fiscal 2024 Nine Months ended December 31, 2023	Percentage FY2025/2024
Sales	818.4	777.2	105%
Operating profit	42.5	24.9	171%

Sales increased by 5% to 818.4 billion yen from a year ago. This is due mainly to increased sales of products for generative AI servers and the effect of currency translation, despite decreased sales of industrial-use relays as well as decreased sales of relays and capacitors for automotive use with market downturn mainly in Europe. Operating profit increased to 42.5 billion yen from a year ago. This is due mainly to increased sales, rationalization, price revisions and the effect of depreciation of the yen.

Energy

	Yen (billions)		
	Fiscal 2025 Nine Months ended December 31, 2024	Fiscal 2024 Nine Months ended December 31, 2023	Percentage FY2025/2024
Sales	645.3	705.6	91%
Operating profit	96.3	82.7	116%

Sales decreased by 9% to 645.3 billion yen from a year ago. This is due to decreased sales in In-vehicle with reduced production at the Japan factory and price revisions reflecting lower raw material prices, despite increased sales in Industrial / Consumer with favorable sales of energy storage systems for data centers. Operating profit increased to 96.3 billion yen from a year ago. This is due mainly to increased sales of energy storage systems and improvements in material market prices in Industrial / Consumer, along with improved profitability at the North America factory in In-vehicle, despite decreased sales of automotive batteries with reduced production at the Japan factory as well as increased ramp-up costs in In-vehicle for the Kansas and Wakayama factories.

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

	Yen (billions)		
	Fiscal 2025 Nine Months ended December 31, 2024	Fiscal 2024 Nine Months ended December 31, 2023	Percentage FY2025/2024
Sales	1,239.2	1,124.4	110%
Operating profit	68.8	55.1	125%

Sales increased by 10% to 1,239.2 billion yen from a year ago. Operating profit increased to 68.8 billion yen from a year ago.

C. Consolidated Financial Condition

For the nine months ended December 31, 2024, net cash provided by operating activities increased to 702.7 billion yen, compared with an inflow of 598.3 billion yen a year ago. This is due mainly to monetization of IRA tax credit through third-party credit transfer, despite unfavorable changes in working capital and other factors. Net cash used in investing activities amounted to 670.8 billion yen, compared with an outflow of 380.3 billion yen a year ago. This is due to such factors as an increase in capital investments mainly for automotive batteries and expenses related to the acquisition of One Network Enterprises, Inc., despite with the proceeds related to the share transfer of PAS. Accordingly, free cash flows (net cash provided by operating activities and investment activities) amounted to 31.9 billion yen, compared with a decrease of 186.1 billion yen from a year ago.

Net cash used in financing activities amounted to 124.6 billion yen, compared with an outflow of 37.9 billion yen a year ago. This is due mainly to a decrease in the amount of fund-raising with issuance of straight bonds.

Taking into consideration such factors as exchange rate fluctuations, cash and cash equivalents totaled 1,064.6 billion yen as of December 31, 2024, which is a decrease of 55.0 billion yen from March 31, 2024.

The Company's consolidated total assets of December 31, 2024, were 9,698.5 billion yen, an increase of 287.3 billion yen from March 31, 2024. This is due to acquisition of property, plant and equipment as well as the impact of the depreciation of the yen, despite a decrease with the Deconsolidation of PAS.

The Company's consolidated total liabilities decreased by 98.2 billion yen to 4,591.1 billion yen from March 31, 2024. This is due to the Deconsolidation of PAS and the repayment of straight bonds, despite the issuance of straight bonds and the impact of fluctuations in exchange rates caused by depreciation of the yen.

Panasonic Holdings Corporation stockholders' equity increased by 364.5 billion yen to 4,908.6 billion yen, compared with March 31, 2024. This is due to recording of net profit attributable to Panasonic Holdings Corporation stockholders and an increase in exchange differences on translation of foreign operations with depreciation of the yen. With non-controlling interests added to Panasonic Holdings Corporation stockholders' equity, total equity was 5,107.4 billion yen.

2. Consolidated Financial Forecast for fiscal 2025

The Company revises the consolidated financial forecast for fiscal 2025 announced on May 9, 2024, as follows.

While the forecast for net sales is revised with the Deconsolidation of PAS, the forecasts for operating profit, profit before income taxes and net profit attributable to Panasonic Holdings Corporation stockholders remain unchanged. This is due mainly to improved profit of generative AI-related businesses in Energy and Industry, despite with the Deconsolidation of PAS.

The revised forecast for fiscal 2025 (April 1, 2024 - March 31, 2025)

Yen (billions)

	Net sales	Operating profit	Profit before income taxes	Net profit attributable to Panasonic Holdings Corporation stockholders	Basic earnings per share	(Reference) Adjusted operating profit
Previous forecast (A)	8,600.0	380.0	430.0	310.0	132.80 yen	450.0
Revised forecast (B)	8,300.0	380.0	430.0	310.0	132.80 yen	450.0
Difference (B-A)	(300.0)	—	—	—		—
Difference (%)	(3.5%)	—	—	—		—
(Reference) Financial results for fiscal 2024	8,496.4	361.0	425.2	444.0	190.21 yen	390.0

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

Disclaimer Regarding Forward-looking Statements

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.

Condensed Quarterly Consolidated Statements of Financial Position

Yen (millions)			
	December 31, 2024	March 31, 2024	Difference
Current assets:	3,977,242	4,152,758	(175,516)
Cash and cash equivalents	1,064,562	1,119,625	(55,063)
Trade receivables and contract assets	1,305,079	1,361,050	(55,971)
Other financial assets	198,617	227,456	(28,839)
Inventories	1,132,525	1,208,898	(76,373)
Other current assets	276,459	235,729	40,730
Non-current assets:	5,721,257	5,258,437	462,820
Investments accounted for using the equity method	498,462	423,981	74,481
Other financial assets	191,446	207,394	(15,948)
Property, plant and equipment	1,890,277	1,559,041	331,236
Right-of-use assets	260,491	270,728	(10,237)
Other non-current assets	2,880,581	2,797,293	83,288
Total assets	9,698,499	9,411,195	287,304
Current liabilities:	2,892,696	3,121,687	(228,991)
Short-term debt, including current portion of long-term debt	177,605	262,099	(84,494)
Lease liabilities	58,378	68,760	(10,382)
Trade payables	1,104,560	1,166,155	(61,595)
Other payables and accrued expenses	442,389	524,194	(81,805)
Other financial liabilities	157,834	148,158	9,676
Other current liabilities	951,930	952,321	(391)
Non-current liabilities:	1,698,428	1,567,605	130,823
Long-term debt	1,155,959	1,084,037	71,922
Lease liabilities	206,591	211,383	(4,792)
Other non-current liabilities	335,878	272,185	63,693
Total liabilities	4,591,124	4,689,292	(98,168)
Panasonic Holdings Corporation stockholders' equity:	4,908,562	4,544,076	364,486
Common stock	259,566	259,445	121
Capital surplus	507,596	508,274	(678)
Retained earnings	3,244,592	3,037,982	206,610
Other components of equity	1,105,829	947,512	158,317
Treasury stock	(209,021)	(209,137)	116
Non-controlling interests	198,813	177,827	20,986
Total equity	5,107,375	4,721,903	385,472
Total liabilities and equity	9,698,499	9,411,195	287,304

Notes: 1. Common stocks were increased with issuance of new shares as restricted stock compensation.

2. Other components of equity breakdown

Yen (millions)			
	December 31, 2024	March 31, 2024	Difference
Remeasurements of defined benefit plans*	—	—	—
Financial assets measured at fair value through other comprehensive income	6,191	24,718	(18,527)
Exchange differences on translation of foreign operations	1,103,183	928,571	174,612
Net changes in fair value of cash flow hedges	(3,545)	(5,777)	2,232

* 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 2025 Nine Months ended December 31, 2024		Fiscal 2024 Nine Months ended December 31, 2023		Percentage FY2025/2024
		%		%	
Net sales	6,403,897	100.0	6,300,306	100.0	102
Cost of sales	(4,426,994)		(4,443,202)		
Gross profit	1,976,903	30.9	1,857,104	29.5	106
Selling, general and administrative expenses	(1,620,157)		(1,538,719)		
Share of profit (loss) of investments accounted for using the equity method	14,526		601		
Other income (expenses), net	(22,964)		1,271		
Operating profit	348,308	5.4	320,257	5.1	109
Finance income	69,476		67,465		
Finance expenses	(22,123)		(18,938)		
Profit before income taxes	395,661	6.2	368,784	5.9	107
Income taxes	(86,888)		45,394		
Net profit	308,773	4.8	414,178	6.6	75
Net profit attributable to:					
Panasonic Holdings Corporation stockholders	288,406	4.5	399,178	6.3	72
Non-controlling interests	20,367		15,000		

Notes: 1. Depreciation (tangible)	163,430	million yen	152,028	million yen
2. Capital investment	550,345	million yen	365,106	million yen
3. R&D expenditures	372,066	million yen	360,266	million yen
4. Number of employees	208,431		230,025	

Condensed Quarterly Consolidated Statements of Comprehensive Income

Yen (millions)

	Fiscal 2025 Nine Months ended December 31, 2024	Fiscal 2024 Nine Months ended December 31, 2023	Percentage FY2025/2024
Net Profit	308,773	414,178	75 %
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plans	(1,154)	(583)	
Financial assets measured at fair value through other comprehensive income	(13,494)	21,674	
Subtotal	(14,648)	21,091	
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	180,588	225,732	
Net changes in fair value of cash flow hedges	3,246	3,917	
Subtotal	183,834	229,649	
Total other comprehensive income (loss)	169,186	250,740	
Comprehensive income (loss)	477,959	664,918	72
Comprehensive income (loss) attributable to :			
Panasonic Holdings Corporation stockholders	453,376	644,533	70
Non-controlling interests	24,583	20,385	

Condensed Quarterly Consolidated Statements of Changes in Equity

Yen (millions)

Fiscal 2025 Nine Months ended December 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, 2024	259,445	508,274	3,037,982	947,512	(209,137)	4,544,076	177,827	4,721,903
Comprehensive income:								
Net profit	—	—	288,406	—	—	288,406	20,367	308,773
Remeasurements of defined benefit plans	—	—	—	(916)	—	(916)	(238)	(1,154)
Financial assets measured at fair value through other comprehensive income	—	—	—	(11,864)	—	(11,864)	(1,630)	(13,494)
Exchange differences on translation of foreign operations	—	—	—	174,612	—	174,612	5,976	180,588
Net changes in fair value of cash flow hedges	—	—	—	3,138	—	3,138	108	3,246
Total comprehensive income (loss)	—	—	288,406	164,970	—	453,376	24,583	477,959
Transfer from other components of equity to retained earnings	—	—	5,747	(5,747)	—	—	—	—
Cash dividends	—	—	(87,543)	—	—	(87,543)	(13,034)	(100,577)
Changes in treasury stock	—	(0)	—	—	(27)	(27)	—	(27)
Share-based payment transactions	121	(65)	—	—	143	199	—	199
Transactions with non-controlling interests and other	—	(613)	—	(906)	—	(1,519)	9,437	7,918
Balances as of December 31, 2024	259,566	507,596	3,244,592	1,105,829	(209,021)	4,908,562	198,813	5,107,375

Yen (millions)

Fiscal 2024 Nine Months ended December 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, 2023	259,274	515,760	2,588,800	463,764	(209,196)	3,618,402	171,556	3,789,958
Comprehensive income:								
Net profit	—	—	399,178	—	—	399,178	15,000	414,178
Remeasurements of defined benefit plans	—	—	—	(266)	—	(266)	(317)	(583)
Financial assets measured at fair value through other comprehensive income	—	—	—	20,129	—	20,129	1,545	21,674
Exchange differences on translation of foreign operations	—	—	—	221,640	—	221,640	4,092	225,732
Net changes in fair value of cash flow hedges	—	—	—	3,852	—	3,852	65	3,917
Total comprehensive income (loss)	—	—	399,178	245,355	—	644,533	20,385	664,918
Transfer from other components of equity to retained earnings	—	—	18,642	(18,642)	—	—	—	—
Cash dividends	—	—	(75,862)	—	—	(75,862)	(10,364)	(86,226)
Changes in treasury stock	—	(0)	—	—	(38)	(38)	—	(38)
Share-based payment transactions	171	(1)	—	—	64	234	—	234
Transactions with non-controlling interests and other	—	(4,435)	—	(2,611)	—	(7,046)	(3,450)	(10,496)
Balances as of December 31, 2023	259,445	511,324	2,930,758	687,866	(209,170)	4,180,223	178,127	4,358,350

Condensed Quarterly Consolidated Statements of Cash Flows

Yen (millions)

	Fiscal 2025 Nine Months ended December 31, 2024	Fiscal 2024 Nine Months ended December 31, 2023
<u>Cash flows from operating activities</u>		
Net profit	308,773	414,178
Adjustments to reconcile net profit to net cash provided by operating activities		
Depreciation and amortization	304,220	295,640
(Increase) decrease in trade receivables and contract assets	31,422	104,697
(Increase) decrease in inventories	(19,897)	27,140
Increase (decrease) in trade payables	(10,146)	6,312
Other	88,365	(249,634)
Net cash provided by (used in) operating activities	702,737	598,333
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(577,276)	(373,968)
Proceeds from sale of property, plant and equipment	12,418	40,523
Purchase of investments accounted for using the equity method and other financial assets	(56,473)	(22,314)
Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets	34,315	50,539
Other	(83,813)	(75,087)
Net cash provided by (used in) investing activities	(670,829)	(380,307)
<u>Cash flows from financing activities</u>		
Increase (decrease) in short-term debt	(2,748)	(3,321)
Increase (decrease) in long-term debt	(20,860)	56,196
Dividends paid to Panasonic Holdings Corporation stockholders	(87,543)	(75,862)
Dividends paid to non-controlling interests	(13,034)	(10,364)
(Increase) decrease in treasury stock	(27)	(38)
Other	(348)	(4,461)
Net cash provided by (used in) financing activities	(124,560)	(37,850)
Effect of exchange rate changes on cash and cash equivalents, and other	37,589	38,641
Net increase (decrease) in cash and cash equivalents	(55,063)	218,817
Cash and cash equivalents at beginning of period	1,119,625	819,499
Cash and cash equivalents at the end of the period	1,064,562	1,038,316

Notes to consolidated financial statements:

1. Effective April 1, 2024, the Company applied amendments to IAS 1 "Presentation of Financial Statements," amendments to IFRS 16 "Leases," amendments to IAS 7 "Statement of Cash Flows" and amendments to IFRS 7 "Financial Instruments: Disclosures." The impact of the adoption of above standards on the consolidated financial statements of the Company is not material.
2. The Company issued a total of 500-million-US dollars senior notes in the overseas markets outside Japan on July 16, 2024, and a total of 60-billion-yen domestic unsecured straight bond on December 10, 2024.
3. On August 1, 2024, Blue Yonder Holding, Inc., a subsidiary of Panasonic Connect Co., Ltd., completed its acquisition of One Network Enterprises, Inc. based in the US, which became a consolidated subsidiary of the Company.
4. On March 29, 2024, the Company signed share transfer agreement and shareholders agreement with regards to the business of Panasonic Automotive Systems Co., Ltd. ("PAS"), which was a consolidated subsidiary of the Company, with the Apollo Group inclusive of Apollo Global Management Inc. ("Apollo"), aiming to become strategic joint partners in the business of PAS.
On December 2, 2024, based on the above-mentioned agreements, the Company executed the transfer of all the shares of PAS to Star Japan Acquisition Co., Ltd. ("Star Japan Acquisition"), which is indirectly owned by the funds managed by Apollo, and the Company acquired 20% of the shares of Star Japan Holdings Co., Ltd. ("Star Japan Holdings"), which owns all the shares of Star Japan Acquisition as a holding company (the "Transaction").
Prior to the Transaction, the Company reorganized and integrated into PAS its automotive related businesses, assets and other items, which are subject to the transfer and managed by the Company's subsidiaries (excluding Ficosa International, S.A.).
As a result, PAS and other companies under its umbrella are no longer consolidated subsidiaries of the Company and Star Japan Holdings (including PAS as a sub-subsidiary) has become a company under the equity method of the Company. With the completion of the Transaction, the Company recorded expenses related to the share transfer of 29.5 billion yen. In addition, the proceeds related to the Transaction of 66.2 billion yen were recorded in cash flows from investing activities on the condensed quarterly consolidated statements of cash flows.
5. Significant subsequent events: None
6. Assumption for going concern: None
7. Number of consolidated subsidiaries (as of December 31, 2024): 498
Number of companies under the equity method (as of December 31, 2024): 64

Segment information

(i) Fiscal 2025 Nine Months ended December 31, 2024

	Reportable segments							Yen (millions)
	Lifestyle	Automotive	Connect	Industry	Energy	Other	Eliminations and adjustments	Consolidated Total
Sales:								
External customers	2,510,933	798,471	892,079	666,913	610,465	925,036	—	6,403,897
Intersegment	151,693	6,499	54,479	151,528	34,812	314,173	(713,184)	—
Total	2,662,626	804,970	946,558	818,441	645,277	1,239,209	(713,184)	6,403,897
Segment profit (loss)	95,624	30,115	44,158	42,456	96,307	68,769	(29,121)	348,308

(ii) Fiscal 2024 Nine Months ended December 31, 2023

	Reportable segments							Yen (millions)
	Lifestyle	Automotive	Connect	Industry	Energy	Other	Eliminations and adjustments	Consolidated Total
Sales:								
External customers	2,416,454	936,583	792,635	631,560	670,232	852,842	—	6,300,306
Intersegment	139,100	7,023	58,048	145,638	35,345	271,547	(656,701)	—
Total	2,555,554	943,606	850,683	777,198	705,577	1,124,389	(656,701)	6,300,306
Segment profit (loss)	95,209	33,419	23,278	24,885	82,673	55,088	5,705	320,257

Notes: 1. Outline of Reportable Segmentation

-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. On April 1, 2024, certain businesses were transferred among segments.

In addition, on December 2, 2024, certain businesses were transferred between segments with the completion of the share transfer of Panasonic Automotive Systems Co., Ltd. ("PAS").

-Some of the former "Automotive" segment businesses, which remain to be subject to the Company's consolidated reporting, are reclassified to "Other" segment.

Automotive segment is presented based on a period until the completion of the Deconsolidation of PAS (Approximately eight months in fiscal 2025).

-Included in Other segment is the share of profit (loss) of investments accounted for using the equity method for the businesses subject to the Deconsolidation of PAS with the completion of the share transfer of PAS.

Segment information for fiscal 2024 and 2025 has been reclassified accordingly.

3. Transactions between segments have been conducted at arm's length prices.

Segment profit is calculated based on operating profit.

4. 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.

Expenses related to the share transfer of PAS are included in "Eliminations and adjustments".