

# **Fiscal 2023 Third Quarter Financial Results**

February 2, 2023

Panasonic Holdings Corporation

Notes: 1. This is an English translation from the original presentation in Japanese.  
2. In this presentation, “Fiscal 2023” or “FY23” refers to the year ending March 31, 2023.

# Summary of FY23 3Q Financial Results

## ● FY23 3Q Financial Results

- **Overall sales increased** from FY22 3Q  
Increased sales (e.g. Automotive, Connect) and currency translation
- **Adjusted operating profit slightly decreased**  
Despite increased profit in Automotive and Connect, profit largely decreased in Energy  
**Operating profit & net profit\* increased** due to improvement in other income/loss
- **Operating CF (cumulative): Increased from FY22** with improved working capital and other factors, despite increased inventories

## ● FY23 Full-Year Forecast

- Impact of US Inflation Reduction Act (IRA) not factored into forecast  
(IRA enforced in December 2022, but rules not yet announced)
- **Groupwide: Profit revised downward** reflecting changes in business environment  
(Sales remains unchanged, but sales decreases in real terms excluding effect of exchange rates)
- **By segment: Adjusted operating profit revised upward** for Automotive and Connect, **revised downward** for Lifestyle, Industry, and Energy

\* Net profit attributable to Panasonic Holdings Corporation stockholders

# **Fiscal 2023 Third Quarter Financial Results**

## **Fiscal 2023 Full-Year Financial Forecast**

- **Overview of US Inflation Reduction Act**
- **Forecast Revision**
- **Initiatives in Growth Areas, etc.**

# FY23 3Q Financial Results

| (yen: billions)   | FY23 3Q        |        | FY22 3Q |        | vs. FY22 / Difference |                      |
|---|----------------|--------|---------|--------|-----------------------|----------------------|
| Sales<br>(excl. effect of exchange rates)   | <b>2,160.6</b> |        | 1,889.8 |        | +14%<br>(+5%)***      | +270.8<br>(+88.4)*** |
| Adjusted operating profit*<br>(% to sales)  | <b>85.9</b>    | (4.0%) | 87.5    | (4.6%) | -2%                   | -1.6                 |
| Other income/loss**   | <b>-1.5</b>    |        | -14.5   |        | -                     | +13.0                |
| Operating profit (% to sales)   | <b>84.4</b>    | (3.9%) | 73.0    | (3.9%) | +16%                  | +11.4                |
| Profit before income taxes<br>(% to sales)  | <b>88.8</b>    | (4.1%) | 73.6    | (3.9%) | +21%                  | +15.2                |
| Net profit attributable to<br>Panasonic Holdings Corporation<br>stockholders (% to sales) | <b>55.6</b>    | (2.6%) | 42.6    | (2.3%) | +30%                  | +13.0                |
| EBITDA**** (% to sales)   | <b>191.9</b>   | (8.9%) | 177.6   | (9.4%) | +8%                   | +14.3                |

|                |             |                 |          |
|----------------|-------------|-----------------|----------|
| Exchange rates | 1 US dollar | <b>142 yen</b>  | 114 yen  |
|                | 1 Euro      | <b>144 yen</b>  | 130 yen  |
|                | 1 Renminbi  | <b>19.9 yen</b> | 17.8 yen |

\* Sales - Cost of sales - SG&A

\*\* "Other income (expenses), net" + "Share of profit (loss) of investments accounted for using the equity method" as indicated in the Consolidated Statements of Profit or Loss of the news release

\*\*\* Excluding effect of exchange rates

\*\*\*\* Total amount of Operating profit, Depreciation (Tangible assets including property, plant and equipment/ Right-of-use assets) and Amortization (Intangible assets).

Adjusted with:

- amount equivalent to depreciation corresponding to underlying assets that are applied with Lease accounting treatment as a lessor
- impact of temporary accounting treatment related to "re-evaluation of assets and liabilities" upon Blue Yonder acquisition

# FY23 3Q Results by Segment

| (yen: billions)                         | Sales   | vs. FY22<br>(Excl. effect of<br>exchange rates) | Adjusted<br>OP<br>(% to sales) | FY22<br>Difference | Other<br>income/<br>loss | FY22<br>Difference | OP<br>(% to sales) | FY22<br>Difference | EBITDA*<br>(% to sales) | FY22<br>Difference |
|---|---------|---|--------------------------------|--------------------|--------------------------|--------------------|--------------------|--------------------|-------------------------|--------------------|
| Lifestyle                               | 904.0   | +10%<br>(+3%)                                   | 31.1<br>3.4% ****              | -4.6               | -0.6                     | +1.7               | 30.5<br>3.4% ****  | -2.9               | 56.2<br>6.2% ****       | -1.2               |
| Automotive                              | 346.3   | +27%<br>(+16%)                                  | 11.5<br>3.3%                   | +10.0              | 1.0                      | +0.6               | 12.5<br>3.6%       | +10.6              | 27.6<br>8.0%            | +12.3              |
| Connect                                 | 288.6   | +30%<br>(+15%)                                  | 14.0<br>4.8%                   | +20.6              | -0.1                     | +2.7               | 13.9<br>4.8%       | +23.3              | 32.1<br>11.1% **        | +17.1              |
| Industry                                | 290.6   | +3%<br>(-7%)                                    | 16.7<br>5.8%                   | -2.2               | -1.7                     | -2.1               | 15.0<br>5.2%       | -4.3               | 29.6<br>10.2%           | -2.8               |
| Energy                                  | 247.4   | +26%<br>(+4%)                                   | 0.6<br>0.2%                    | -18.7              | -0.4                     | +1.5               | 0.2<br>0.1%        | -17.2              | 17.0<br>6.9% ***        | -14.8              |
| Other/<br>Eliminations &<br>adjustments | 83.7    | -   | 12.0                           | -6.7               | 0.3                      | +8.6               | 12.3               | +1.9               | 29.4                    | +3.7               |
| Total                                   | 2,160.6 | +14%<br>(+5%)                                   | 85.9<br>4.0%                   | -1.6               | -1.5                     | +13.0              | 84.4<br>3.9%       | +11.4              | 191.9<br>8.9%           | +14.3              |

Note: From FY23, management accounting adjustments to sales prices are included in each segment. Such adjustments were previously included in "Eliminations and adjustments."  
(Figures for FY22 are reclassified to conform to the presentation for FY23)

\* Total amount of Operating profit, Depreciation (Tangible assets including property, plant and equipment / Right-of-use assets) and Amortization (Intangible assets)

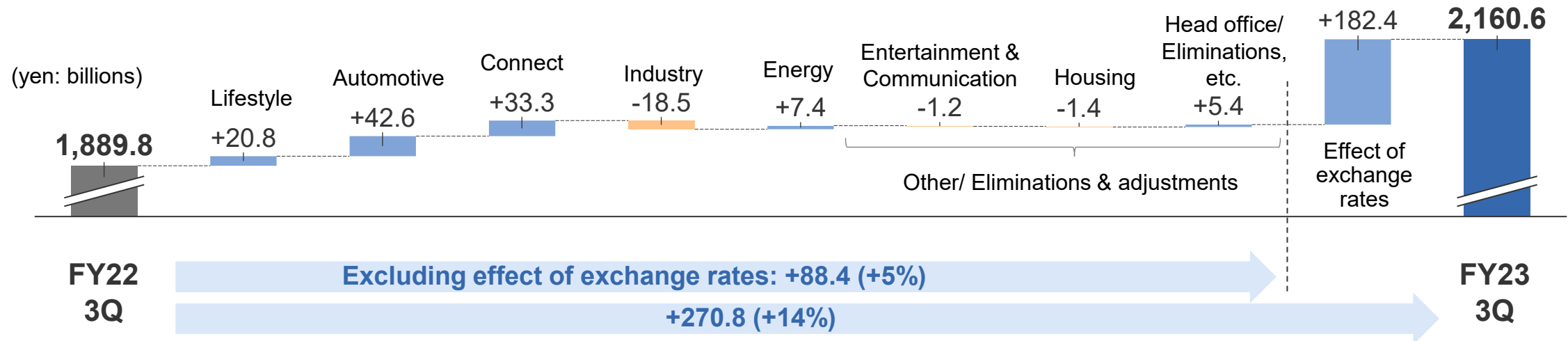
\*\* Adjusted with impact of temporary accounting treatment related to "re-evaluation of assets and liabilities" upon Blue Yonder acquisition

\*\*\* Additionally adjusted with the amount equivalent to depreciation corresponding to underlying assets that are applied with Lease accounting treatment as a lessor

\*\*\*\* Impact of temporary expenses in China included

# FY23 3Q Sales Analysis by Segment

Overall sales increased: Increased sales (e.g. Lifestyle, Automotive, Connect and Energy) and currency translation



## Major increase/decrease factors (excluding effect of exchange rates)

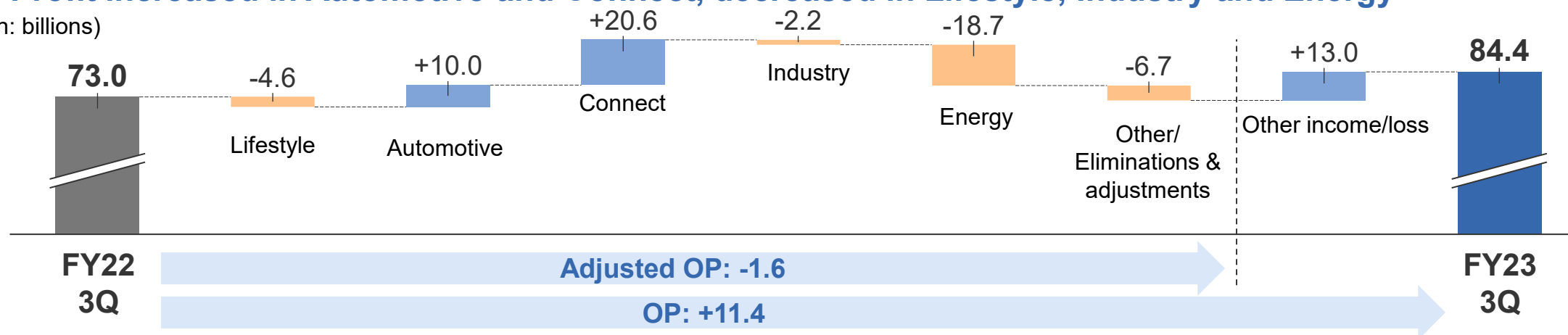
|                                   |  |
|-----------------------------------|--|
| Lifestyle                         | <b>Increased:</b> Growth businesses (e.g. A2W in Europe, overseas electrical construction materials) and stable profitability businesses (e.g. electrical construction materials in Japan, showcases in North America), despite decreased sales of consumer electronics due mainly to spreading of COVID-19 in China, and weakening demand in Japan and Asia |
| Automotive                        | <b>Increased:</b> Recovery in automobile production of customers   |
| Connect                           | <b>Increased:</b> Growth in rugged mobile terminals for overseas markets, Avionics (market recovery in aviation industry) and increased sales of Blue Yonder, despite decreased sales of Process Automation (investment slowdown for PC/smartphones)   |
| Industry                          | <b>Decreased</b> due to market slowdown in such areas as ICT terminals and FA mainly in China, global automotive applications excluding green vehicles, as well as the termination of semiconductor business   |
| Energy                            | <b>Increased:</b> Increased EV battery production & sales and price revisions, despite decreased sales of consumer-use Li-ion batteries and power storage systems for data centers affected by weakening market conditions   |
| Other/ Eliminations & adjustments | Entertainment & Communication / Housing:<br><b>Decreased</b> slightly due to downturn in market situation  |

# FY23 3Q Operating Profit Analysis by Segment

**Adjusted OP slightly decreased:**

**Profit increased in Automotive and Connect, decreased in Lifestyle, Industry and Energy**

(yen: billions)



## Major increase/decrease factors

|                   |   |   |
|-------------------|---|---|
| Adjusted OP       | Lifestyle   | <b>Decreased:</b> Temporary expenses in China, despite increased sales (e.g. growth businesses) and price revisions in Japan & overseas offsetting deteriorating external business environment (e.g. exchange rates, raw materials)   |
|                   | Automotive  | <b>Increased:</b> Price revisions to offset price hikes in parts & materials, increased sales, and cost reduction efforts, despite parts & materials price hikes (e.g. semiconductors)  |
|                   | Connect   | <b>Increased:</b> Increased sales of rugged mobile terminals for overseas markets and Avionics (market recovery in aviation industry), improved profitability (stand alone) and absence of temporary accounting treatment in FY22 of Blue Yonder, despite decreased sales of Process Automation |
|                   | Industry  | <b>Decreased:</b> Decreased sales due to sharp downturn in market conditions, despite efforts such as price revisions and rationalization offsetting impact of raw material price hikes, as well as effect of yen depreciation  |
|                   | Energy  | <b>Decreased:</b> Raw material price hikes, decreased sales for Industrial/Consumer, increased fixed costs (e.g. development expenses for future growth), despite increased sales of EV batteries   |
| Other income/loss | Improved due mainly to decrease of restructuring expenses and gain from sales of assets |   |

# Lifestyle Segment: FY23 3Q Results by Divisional Company

(yen: billions)

|   | Sales | vs. FY22<br>(Excl. effect of<br>exchange rates) | Adjusted<br>OP<br>(% to sales) | FY22<br>Difference | Other<br>income/<br>loss | FY22<br>Difference | OP<br>(% to sales) | FY22<br>Difference | EBITDA**<br>(% to sales) | FY22<br>Difference |
|---|-------|---|--------------------------------|--------------------|--------------------------|--------------------|--------------------|--------------------|--------------------------|--------------------|
| Living Appliances<br>and Solutions<br>Company (LAS) | 241.2 | +2%<br>(-5%)                                    | 20.9<br>8.7%                   | -2.4               | -1.1                     | -1.1               | 19.8<br>8.2%       | -3.5               | 25.9<br>10.7%            | -2.8               |
| Heating &<br>Ventilation A/C<br>Company (HVAC)      | 179.9 | +10%<br>(+2%)                                   | 1.8<br>1.0%                    | +0.3               | -1.9                     | -1.4               | -0.1<br>-0.1%      | -1.1               | 5.3<br>2.9%              | -0.1               |
| Cold Chain<br>Solutions<br>Company (CCS)****        | 93.0  | +38%<br>(+18%)                                  | 3.7<br>4.0%                    | +4.3               | 0.0                      | +0.0               | 3.7<br>4.0%        | +4.3               | 5.9<br>6.3%              | +4.6               |
| Electric Works<br>Company (EW)                      | 260.7 | +11%<br>(+9%)                                   | 15.3<br>5.9%                   | +1.9               | -2.3                     | -2.7               | 13.0<br>5.0%       | -0.8               | 20.0<br>7.7%             | -0.8               |
| China and<br>Northeast Asia<br>Company (CNA)*       | 221.6 | +3%<br>(-8%)                                    | -1.7***<br>-0.8%               | -4.1               | 3.7                      | +4.3               | 2.0***<br>0.9%     | +0.2               | 7.8***<br>3.5%           | +0.8               |

\* Sales and profit of CNA (except Cold Chain (China) and Refrigeration and Air-Conditioning Devices) are also included in LAS, HVAC, and EW

\*\* Total amount of Operating profit, Depreciation (Tangible assets including property, plant and equipment / Right-of-use assets) and Amortization (Intangible assets)

\*\*\* Impact of temporary expenses included

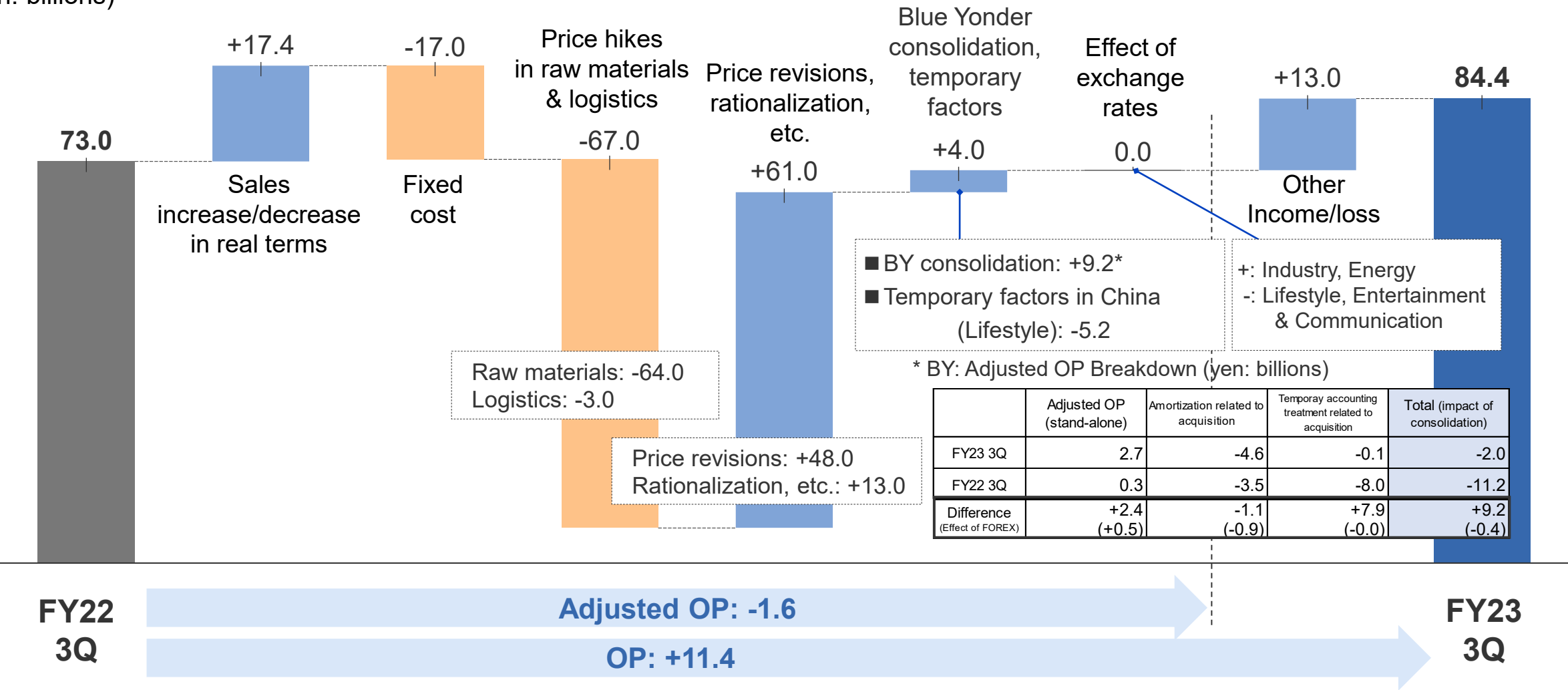
\*\*\*\* From FY23 2Q, business in China is excluded from the scope of consolidation of Cold Chain Solutions Company (FY22 results are also reclassified to conform to FY23 presentation)



# FY23 3Q Operating Profit Analysis (by Factor)

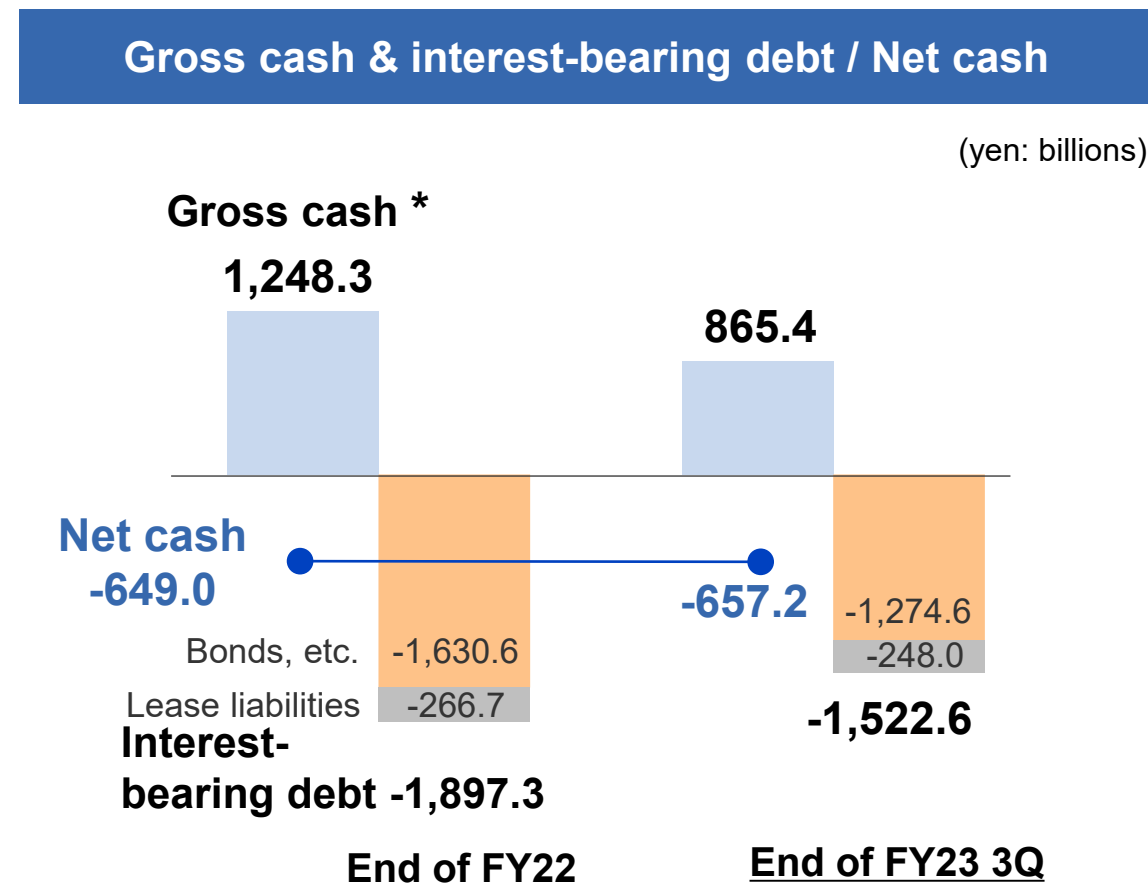
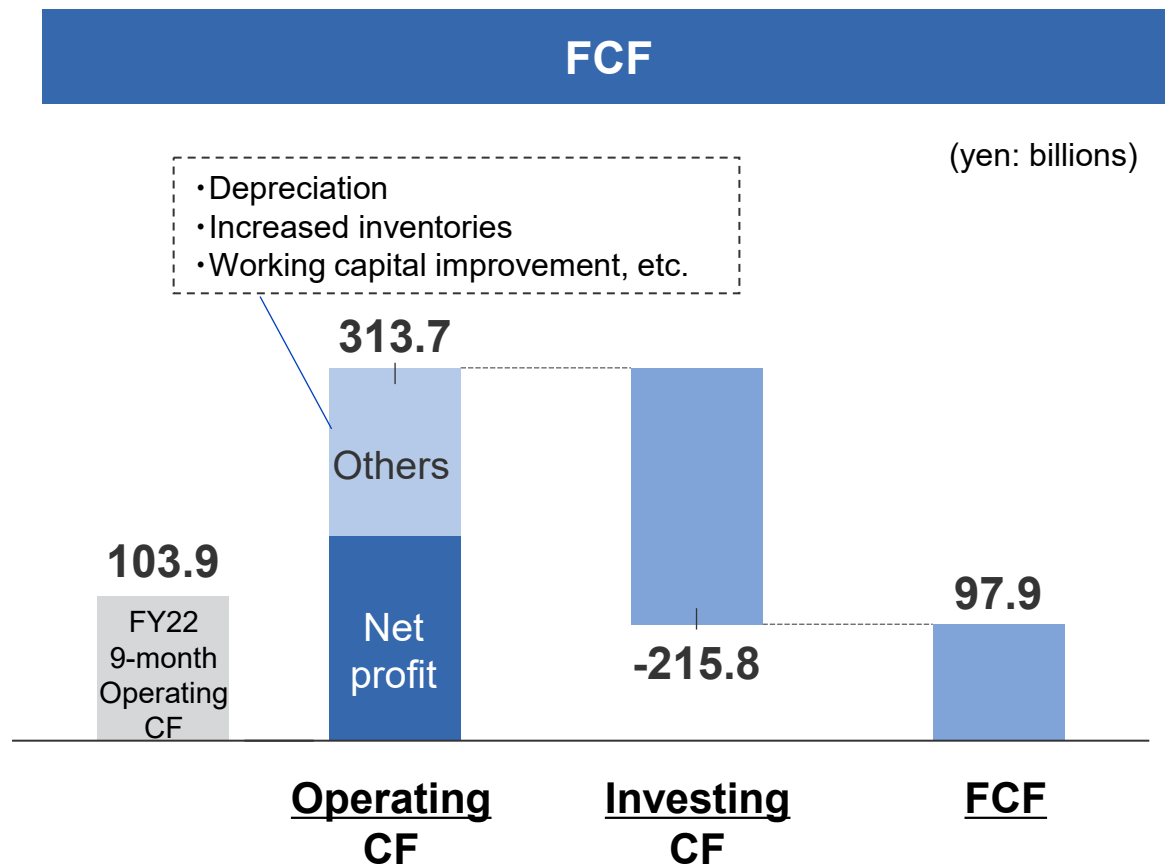
**Adjusted OP: Slightly decreased due to increased fixed costs and price hikes in raw materials, despite increased sales**

(yen: billions)



# FY23 Nine-Month (Apr. – Dec.) FCF and Cash

- **Operating CF:** Increased from FY22 due mainly to working capital improvement and other factors, despite increased inventories
- **Inventories:** In FY23 3Q, inventories have turned to a decrease in a larger number of businesses; Further efforts to reduce inventories, mainly by revising strategic inventory level



\* Gross cash: total of "Cash and cash equivalents" and time deposits and others included in "Other financial assets"

# Fiscal 2023 Third Quarter Financial Results

## **Fiscal 2023 Full-Year Financial Forecast**

- **Overview of US Inflation Reduction Act**
- Forecast Revision
- Initiatives in Growth Areas, etc.

# Overview of US Inflation Reduction Act (IRA)

- ✓ **IRA: Enacted in August 2022, aimed to reduce excessive inflation and promote energy policies**
- ✓ **Panasonic Energy's business expected to be eligible for "battery cell (\$35/kWh)" in Section 45X**
- ✓ **Rules not yet announced; additional guidance on Section 30D provided in December 2022, but no additional information on Section 45X**

## Section 45X (Advanced Manufacturing Production Credit)

- **Overview:** Tax credit for sales of EV batteries, etc.
- **Enforcement:** December 31, 2022
- **Effective:** 2023 - 2032 (10 years)
- **Budget allocated:** \$31 bil. (total amount for 10-year period)
- **Eligibility & tax credit amount:**
  - **Battery cell: \$35/kWh**
  - Battery module: \$10/kWh
    - \* Tax credit starts to be reduced from 2030
    - 2030: Reduced by 25% , 2031: 50%, 2032: 75%
- **Conditions:**
  - Cells produced in US
  - Credits will be given based on sales volume (in kWh)

 **Situation remains unchanged since FY23 2Q**

## Section 30D (EV Credit)

- **Overview:** Tax credit for purchases of EVs
- **Enforcement:** December 31, 2022
- **Effective:** 2023 - 2032 (10 years)
- **Eligibility & tax credit amount:**
  - New car: up to \$7,500
  - Used car: 30% of purchase value, up to \$4,000
- **Conditions:**
  - Conditions for new cars:

|  |         |
|--|---------|
| Battery components produced & assembled in North America     | \$3,750 |
| Critical minerals extracted & processed within FTA countries | \$3,750 |
  - Vehicle assembled in North America (US, Canada, Mexico)

 **Additional guidance on tentative measures prior to rulemaking**

# Eligible EV Battery Factories for IRA

- ✓ Credit effective at:
  - Nevada Factory (already in operation): from launch of IRA
  - Kansas Factory (under construction): upon start of production & sales during FY25 (planned)
- ✓ IRA impact not factored into FY23 forecast, since relevant rules (e.g. scheme of monetization, P/L recording) are not yet announced

| <u>Factories</u>                | <u>Credit effective from</u>  | <u>Annual production</u>               | <Ref.> Simple calculation**:<br>\$35/kWh x annual production |
|---------------------------------|---|--|--|
| <b>Nevada</b>                   | <b>Jan. 2023 onwards</b>  | <b>Approx. 38-39 GWh<br/>(current)</b> | <b>Approx. \$1.3 bil./yr</b>                                 |
| <b>Kansas*</b><br>(New factory) | <b>Start of production<br/>&amp; sales</b><br>During FY25 (planned) | <b>Approx. 30 GWh</b>                  | <b>Approx. \$1.0 bil./yr</b>                                 |
| <b>Japan</b>                    | <b>N/A</b>  | <b>Approx. 11-12 GWh<br/>(current)</b> | <b>-</b>   |

\* Approved for “Attracting Powerful Economic Expansion (APEX)”, incentive program by the State of Kansas for investment promotion (as well as IRA tax credits)  
 e.g. • Tax credits: Up to 15% of capital investments  
 • Compensation: Up to 10% per year (not to exceed 10 years)

\*\* Amount of impact needs to be examined and quantified based on relevant rules to be announced, as well as other factors

# Fiscal 2023 Third Quarter Financial Results

## **Fiscal 2023 Full-Year Financial Forecast**

- Overview of US Inflation Reduction Act
- **Forecast Revision**
- Initiatives in Growth Areas, etc.

# FY23 Full-Year Forecast Revision

| (yen: billions)  | FY23 (e)<br>(as of Feb. 2, '23) |          | FY23 (e)<br>(as of Oct. 31, '22) |          | Difference     | FY22    | vs. FY22 / Difference |               |
|--|---------------------------------|----------|----------------------------------|----------|----------------|---------|-----------------------|---------------|
| Sales<br>(excl. effect of exchange rates)  | 8,200.0                         |          | 8,200.0                          |          | 0.0<br>(-80.0) | 7,388.8 | +11%<br>(-1%)         | +811.2        |
| Adjusted operating profit *<br>(% to sales)  | 300.0                           | (3.7%)   | 340.0                            | (4.1%)   | -40.0          | 357.7   | (4.8%)                | -16%<br>-57.7 |
| Other income/loss **   | -20.0                           |          | -20.0                            |          | 0.0            | -0.2    | -                     | -19.8         |
| Operating profit<br>(% to sales)   | 280.0                           | (3.4%)   | 320.0                            | (3.9%)   | -40.0          | 357.5   | (4.8%)                | -22%<br>-77.5 |
| Profit before income taxes<br>(% to sales)   | 300.0                           | (3.7%)   | 330.0                            | (4.0%)   | -30.0          | 360.4   | (4.9%)                | -17%<br>-60.4 |
| Net profit attributable to<br>Panasonic Holdings<br>Corporation stockholders<br>(% to sales) | 210.0                           | (2.6%)   | 235.0                            | (2.9%)   | -25.0          | 255.3   | (3.5%)                | -18%<br>-45.3 |
| EPS *** (yen)  | 89.98                           |          | 100.69                           |          | -10.71         | 109.41  | -                     | -19.43        |
| ROE  | 6.0%                            |          | 7.0%                             |          | -1.0%          | 8.9%    | -                     | -2.9%         |
| EBITDA **** (% to sales)   | 710.0                           | (8.7%)   | 750.0                            | (9.1%)   | -40.0          | 744.0   | (10.1%)               | -5%<br>-34.0  |
|  |                                 |          |                                  |          |                |         |                       |               |
| Exchange<br>rates  | 9M                              | 4Q (e)   | Full-year (e)                    |          |                |         |                       |               |
|  | 1 US dollar                     | 137 yen  | 130 yen                          | 135 yen  | 132 yen        | +3 yen  | 112 yen               | +23 yen       |
|  | 1 euro                          | 141 yen  | 130 yen                          | 138 yen  | 134 yen        | +4 yen  | 131 yen               | +7 yen        |
|  | 1 Renminbi                      | 19.9 yen | 20.0 yen                         | 19.9 yen | 19.9 yen       | ±0 yen  | 17.5 yen              | +2.4 yen      |

\* Sales - Cost of sales - SG&A

\*\* "Other income (expenses), net" + "Share of profit (loss) of investments accounted for using the equity method" as indicated in the Consolidated Statements of Profit or Loss of the news release

\*\*\* Basic earnings per share attributable to Panasonic Holdings Corporation stockholders

\*\*\*\* Total amount of Operating profit, Depreciation (Tangible assets including property, plant and equipment / Right-of-use assets) and Amortization (Intangible assets)  
Adjusted with: - amount equivalent to depreciation corresponding to underlying assets that are applied with Lease accounting treatment as a lessor  
- impact of temporary accounting treatment related to "re-evaluation of assets and liabilities" upon Blue Yonder acquisition

# FY23 Full-Year Forecast Revision by Segment

| (yen: billions)                         | Sales   | vs. FY22<br>(Difference) | Difference<br>from<br>forecast<br>(as of<br>Oct. 31) | Adjusted<br>OP<br>(% to sales) | FY22<br>Difference | Difference<br>from<br>forecast<br>(as of<br>Oct. 31) | Other<br>income/<br>loss | FY22<br>Difference | Difference<br>from<br>forecast<br>(as of<br>Oct. 31) | OP<br>(% to sales)            | FY22<br>Difference | Difference<br>from<br>forecast<br>(as of<br>Oct. 31) | EBITDA*<br>(% to sales)       | FY22<br>Difference | Difference<br>from<br>forecast<br>(as of<br>Oct. 31) |
|---|---------|--------------------------|--|--------------------------------|--------------------|--|--------------------------|--------------------|--|-------------------------------|--------------------|--|-------------------------------|--------------------|--|
| Lifestyle                               | 3,400.0 | +7%<br>(+234.4)          | 0.0  | 125.0 <sup>****</sup><br>3.7%  | -6.5               | -10.0  | -11.0                    | +12.3              | 0.0  | 114.0 <sup>****</sup><br>3.4% | +5.8               | -10.0  | 218.0 <sup>****</sup><br>6.4% | +13.7              | -10.0  |
| Automotive                              | 1,290.0 | +21%<br>(+227.2)         | 0.0  | 11.0<br>0.9%                   | +8.6               | +1.0   | 0.0                      | +1.0               | 0.0  | 11.0<br>0.9%                  | +9.6               | +1.0   | 71.0<br>5.5%                  | +13.9              | +1.0   |
| Connect                                 | 1,110.0 | +20%<br>(+187.3)         | +12.0  | 21.0<br>1.9%                   | +5.3               | +5.0   | -6.0                     | -43.1              | -5.0   | 15.0<br>1.4%                  | -37.8              | 0.0  | 90.0 <sup>**</sup><br>8.1%    | -27.7              | +5.0   |
| Industry                                | 1,140.0 | +1%<br>(+11.9)           | 0.0  | 69.0<br>6.1%                   | -17.7              | -20.0  | 0.0                      | +3.5               | +2.0   | 69.0<br>6.1%                  | -14.2              | -18.0  | 128.0<br>11.2%                | -7.6               | -18.0  |
| Energy                                  | 954.0   | +23%<br>(+181.2)         | +1.0   | 42.0<br>4.4%                   | -28.8              | -15.0  | -6.0                     | -2.0               | -3.0   | 36.0<br>3.8%                  | -30.8              | -18.0  | 102.0 <sup>***</sup><br>10.7% | -21.0              | -12.0  |
| Other/<br>Eliminations &<br>adjustments | 306.0   | (-30.8)                  | -13.0  | 32.0                           | -18.6              | -1.0   | 3.0                      | +8.5               | +6.0   | 35.0                          | -10.1              | +5.0   | 101.0                         | -5.3               | -6.0   |
| Total                                   | 8,200.0 | +11%<br>(+811.2)         | 0.0  | 300.0<br>3.7%                  | -57.7              | -40.0  | -20.0                    | -19.8              | 0.0  | 280.0<br>3.4%                 | -77.5              | -40.0  | 710.0<br>8.7%                 | -34.0              | -40.0  |

Note: From FY23, management accounting adjustments to sales prices are included in each segment.

(Such adjustments were previously included in "Eliminations and adjustments." Figures for FY22 are reclassified to conform to the presentation for FY23)

\* Total amount of Operating profit, Depreciation (Tangible assets including property, plant and equipment / Right-of-use assets) and Amortization (Intangible assets)

\*\* Adjusted with impact of temporary accounting treatment related to "re-evaluation of assets and liabilities" upon Blue Yonder acquisition

\*\*\* Additionally adjusted with the amount equivalent to depreciation corresponding to underlying assets that are applied with Lease accounting treatment as a lessor

\*\*\*\* Impact of temporary expenses in China included



# Industry Segment: FY23 Adjusted OP Revision Factors

- **Sharp slowdown in China market conditions (ICT, FA) and global automobile production; sales (in real terms excluding effect of exchange rates) expected to decrease from forecast as of FY23 2Q**

■ Change in demand outlook (vs.FY22) <our estimate>

## ICT terminals

(mainly notebook PCs)

Impact to revised forecast:  
-11.0 bil. yen

- Market: Significant downturn in FY23 production of notebook PCs, affected by weak holiday season sales
- Outlook: Challenging situation throughout FY24, despite normalization of inventory levels expected in 1H
- Impact: Decreased sales in Electronic Devices (conductive polymer electrolytic capacitors), Electronic Materials (multi-layer printed circuit boards)

FY23 1H  
105%

➡

FY23 2H (e)  
(as of 2Q⇒3Q)  
82% ⇒ 67%

## Automotive-use

Impact to revised forecast:  
-4.0 bil. yen

- Market: Slowdown in growth of global production affected by COVID-19 in China, as well as reduced production by Japanese car manufacturers
- Outlook: Recovery of automobile production may differ among car manufacturers (depending on timing of eased semiconductor shortage)
- Impact: Decreased sales in Control Devices (relays & motors)

FY23 1H  
99%

➡

FY23 2H (e)  
(as of 2Q⇒3Q)  
104% ⇒ 100%

## FA in China

Impact to revised forecast:  
-5.0 bil. yen

- Market: YoY downward trend continues due to weak investment demand in semiconductors and other industries
- Outlook: Optimistic view of recovery after June, reflecting expectations toward new economic stimulus measures
- Impact: Decreased sales in FA Solutions (industrial-use motors)

FY23 1H  
90%

➡

FY23 2H (e)  
(as of 2Q⇒3Q)  
95% ⇒ 88%

- Prepare for market recovery by enhancing management structure with improved marginal profit (e.g. rationalization, price revisions) and fixed-cost reduction
- Capture increased demand upon market recovery through improved accuracy of SCM information and stronger pipeline to expand sales

# Energy Segment: FY23 Adjusted OP Revision Factors

- ✓ **Industrial / Consumer: Affected by rapidly decreased demand; recovery expected in FY24 2Q onward**
- ✓ **In-vehicle: Despite strong demand, temporarily affected in short term by continuous price hikes of certain materials; but growth strategy remains unchanged**

## Industrial / Consumer

### Impact of decreased sales

-8.0 bil. yen

#### ■ Rapid slowdown in demand

- **Consumer-use Li-ion battery (e.g. ICT, power equipment)**
  - Further decrease in demand continuing due to deteriorated market conditions (e.g. COVID-19 impact in China, inflation)
- **Storage system (data center use)**
  - Rapid slowdown in IT-infrastructure investment reflecting economy
  - Significantly decreased sales (customers delaying capex and adjusting inventory)
  - Competitiveness remains unchanged, maintaining top share in storage system for data center-use (estimate by Panasonic)

⇒ **Expecting recovery in FY24 2Q onward:**

**Storage system customers' inventory adjustments to end in FY23 2H, inflation rate easing**

#### <Change in YoY demand outlook>

(our estimate)

|                                       | 1H results | 2H (e)<br>(as of 2Q ⇒ as of 3Q) |
|---------------------------------------|------------|---------------------------------|
| Consumer-use Li-ion battery           | 90%        | 80% ⇒ 70%                       |
| Storage system (e.g. data center use) | 120%       | 140% ⇒ 90%                      |

## In-vehicle

### Impact of raw material price hikes

-7.0 bil. yen

#### ■ Price hikes of certain raw materials and delay before reflected in sales price

- Market prices (e.g. Lithium hydroxide) rose again in 2H and remain high after downward trend
- Raw material price fluctuations can be reflected in sales price, but there is a delay
- Consequently, costs worse than expected, relative to sales prices, temporarily pushing down profitability in 2H

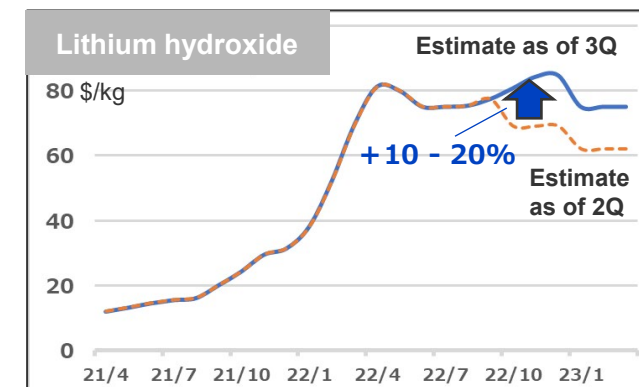
⇒ **Expecting impact to be mitigated in FY24 1Q onward with stable market price and reflecting to sales price (according to market-price-linked contracts)**

#### ■ Energy cost hikes leading to higher purchase costs (for materials not under market-priced-linked contracts)

- Higher-than-expected price hikes (e.g. electrolyte, graphite, cathode-processing charges) due to electricity price surges, etc.

⇒ **Expecting mitigated impact in FY24 (e.g. revising contracts with customers and multi-sourcing)**

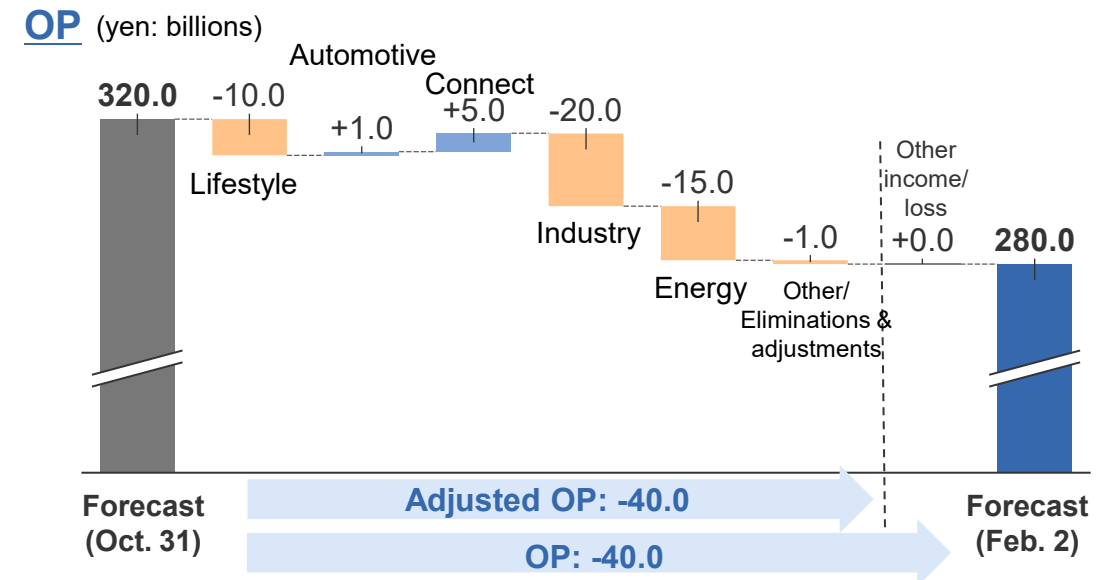
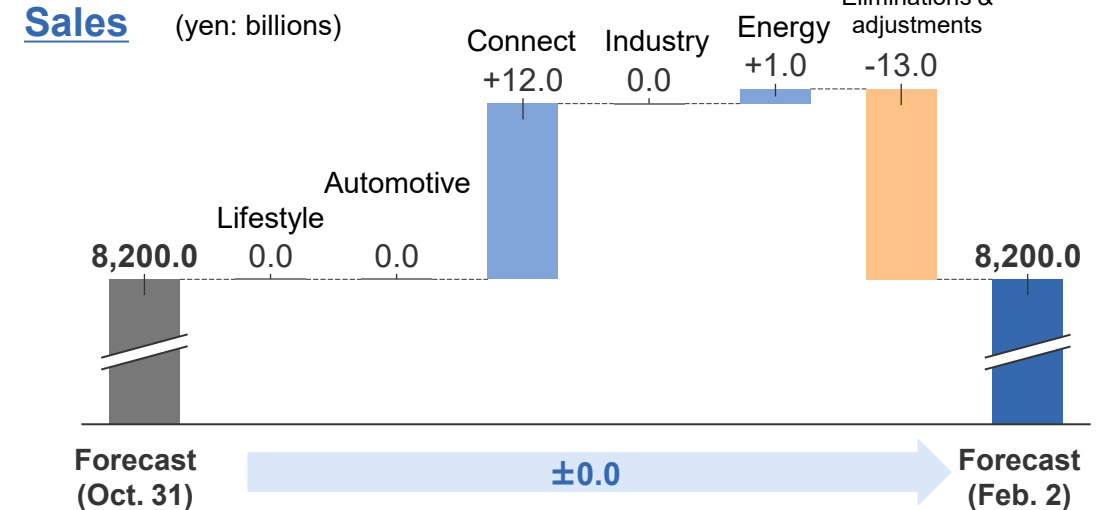
#### <Change in market price outlook>



# FY23 Full-year Forecast Revision Factors by Segment

## Major factors for revision (vs. forecast as of Oct. 31)

|                     |                                      |  |
|---------------------|--------------------------------------|--|
| Sales / Adjusted OP | Lifestyle                            | Sales: <b>Unchanged</b> : Favorable A2W in Europe, electrical construction materials in overseas, showcases in North America, despite decreased demand of consumer electronics (e.g. China, Japan)<br>Profit: <b>Revised downward</b> : Decreased sales of Living Appliances and Solutions, increased temporary expenses in China, despite steady business of Cold Chain Solutions in North America  |
|                     | Automotive                           | Sales: <b>Unchanged</b> due to currency translation, despite reduced automobile production of customers from previous forecast<br>Profit: <b>Revised upward</b> : price revisions to counter parts & materials price hikes (e.g. semiconductors) and fixed-cost reductions, despite decreased sales  |
|                     | Connect                              | Sales: <b>Revised upward</b> due to improved procurement issues (e.g. Mobile Solutions, Avionics)<br>Profit: <b>Revised upward</b> due to improvements in Avionics and Blue Yonder   |
|                     | Industry                             | Sales: <b>Unchanged</b> due to currency translation; decreased in real terms from previous forecast due to downturn of ICT terminals, automotive-use (except green vehicles) and China market<br>Profit: <b>Revised downward</b> : Decreased sales due mainly to rapidly deteriorated market conditions, despite fixed-cost reductions, price revisions, rationalization and yen depreciation effect |
|                     | Energy                               | Sales: <b>Revised upward</b> : Currency translation, despite large decrease in real terms from previous forecast for Industrial / Consumer due to decreased demand (e.g. ICT, data centers)<br>Profit: <b>Revised downward</b> with raw material price hikes and decreased sales of Industrial / Consumer  |
|                     | Other/<br>Eliminations & adjustments | Profit: <b>Revised downward</b> due to decreased sales of TVs in Entertainment & Communication and effect of exchange rates  |



# Lifestyle Segment: FY23 Full-year Forecast Revision by Divisional Company

(yen: billions)

|   | Sales | vs. FY22<br>(Difference) | Difference<br>from<br>forecast<br>(as of<br>Oct. 31) | Adjusted<br>OP<br>(% to<br>sales) | FY22<br>Difference | Difference<br>from<br>forecast<br>(as of<br>Oct. 31) | Other<br>income/<br>loss | FY22<br>Difference | Difference<br>from<br>forecast<br>(as of<br>Oct. 31) | OP<br>(% to<br>sales) | FY22<br>Difference | Difference<br>from<br>forecast<br>(as of<br>Oct. 31) | EBITDA**<br>(% to<br>sales) | FY22<br>Difference | Difference<br>from<br>forecast<br>(as of<br>Oct. 31) |
|---|-------|--------------------------|--|-----------------------------------|--------------------|--|--------------------------|--------------------|--|-----------------------|--------------------|--|-----------------------------|--------------------|--|
| Living Appliances<br>and Solutions<br>Company (LAS) | 900.0 | +7%<br>(+60.1)           | -40.0  | 57.5<br>6.4%                      | -5.8               | -8.0   | 0.5                      | -0.1               | 0.0  | 58.0<br>6.4%          | -5.9               | -8.0   | 82.0<br>9.1%                | -2.8               | -8.0   |
| Heating &<br>Ventilation A/C<br>Company<br>(HVAC)   | 770.0 | +13%<br>(+89.2)          | 0.0  | 22.0<br>2.9%                      | +0.5               | 0.0  | -1.1                     | +2.3               | 0.0  | 20.9<br>2.7%          | +2.8               | 0.0  | 40.0<br>5.2%                | +4.2               | 0.0  |
| Cold Chain<br>Solutions<br>Company<br>(CCS) ****    | 335.0 | +24%<br>(+64.9)          | +25.0  | 10.0<br>3.0%                      | +6.8               | +3.0   | 0.0                      | +0.4               | 0.0  | 10.0<br>3.0%          | +7.2               | +3.0   | 18.5<br>5.5%                | +8.3               | +3.9   |
| Electric Works<br>Company (EW)                      | 989.0 | +9%<br>(+84.3)           | +19.0  | 50.0<br>5.1%                      | +5.1               | 0.0  | -8.5                     | -0.7               | 0.0  | 41.5<br>4.2%          | +4.4               | 0.0  | 70.0<br>7.1%                | +4.5               | 0.0  |
| China and<br>Northeast Asia<br>Company (CNA)*       | 900.0 | +11%<br>(+85.8)          | -20.0  | 20.5***<br>2.3%                   | +2.9               | -3.9   | -0.4                     | +8.5               | 0.0  | 20.1***<br>2.2%       | +11.4              | -3.9   | 42.5***<br>4.7%             | +14.0              | -3.9   |

\* Sales and profit of CNA (except Cold Chain (China) and Refrigeration and Air-Conditioning Devices) are also included in LAS, HVAC, and EW

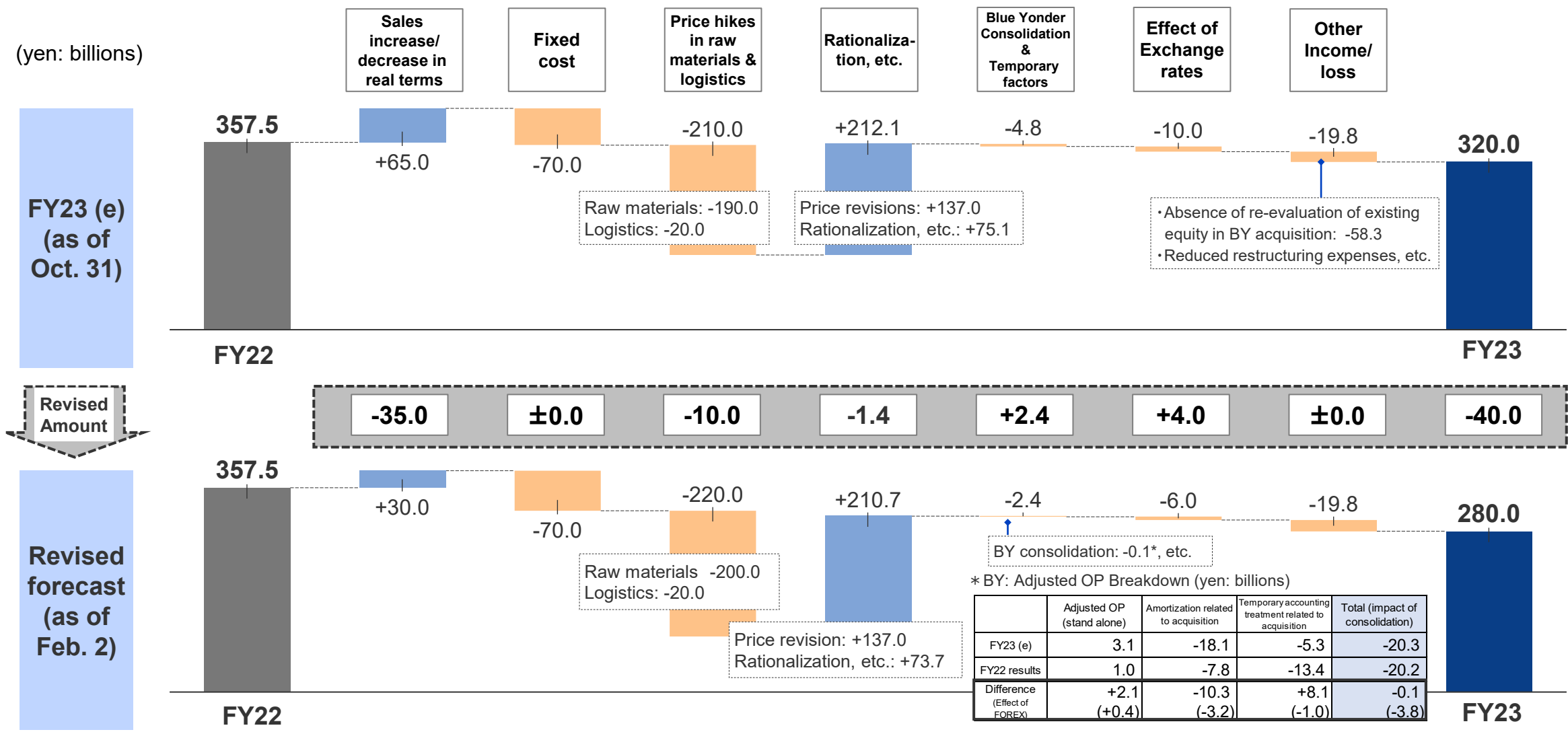
\*\* Total amount of Operating profit, Depreciation (Tangible assets including property, plant and equipment / Right-of-use assets) and Amortization (Intangible assets)

\*\*\* Impact of temporary expenses included

\*\*\*\* From FY23 2Q, business in China is excluded from the scope of consolidation of Cold Chain Solutions Company (FY22 results are also reclassified to conform to FY23 presentation)

# FY23 Full-year Operating Profit Forecast Revision Analysis (by Factor)

OP: Revised downward due to decreased sales in real terms and impact of raw material price hikes



# Fiscal 2023 Third Quarter Financial Results

## **Fiscal 2023 Full-Year Financial Forecast**

- Overview of US Inflation Reduction Act
- Forecast Revision
- **Initiatives in Growth Areas, etc.**

# Funding Investment for EV Battery Factory in Kansas, US (current assumptions)

- ✓ **Expecting 500-600 billion yen investment in new Kansas Factory during FY23-25**  
Of this amount, funding by the Group (beyond operating company's own investment capacity) expected to be below 400 billion yen
- ✓ **Funding will be in line with capital allocation policy (e.g. operating CF, sale of assets)**
- **Investment policy announced on Group Strategy Briefing (Apr. 1, 2022)**



## <Capital allocation for Kansas investment>





# Initiatives in Growth Areas

(Automotive Battery, Supply Chain Software, Air Quality & Air-conditioning)

Underlined: Changes from Oct. '22

## Automotive Battery

- **Focus on North America market where we can leverage advantages (high capacity) with established strong business foundation; Achieve profit growth by expanding sales of 2170 cells and commercializing 4680 cells**

### **[Enhance supply capabilities in US]**

- Construction of new manufacturing facility in Kansas decided (announced Oct. 31, '22) and land-leveling work started in Nov. '22 with mass production of 2170 cells set to start in FY25 (Plan to use state incentive program of Kansas for investment, approved in Jul. '22)

### **[Expanding customer base in US]**

- Contract signed with Lucid Group, Inc. to provide EV batteries for its high-end EV "Lucid Air" and other models

### **[Commercialization of 4680 cells]**

- Renovating Wakayama Factory, aiming start of supply for North America market during FY24

## Supply Chain Software

- **Aim for high growth & profitability globally through SCM business, where medium-to long-term market expansion is expected**

### **[Blue Yonder]**

- Stronger organizational structure being established under new CEO toward further growth, shifting to Native SaaS and formulating key strategies to enhance customer experience, etc. Transformation now in steady progress by executing these strategies.
- YoY increase for 3Q sales, adjusted OP and SaaS' Annual Recurring Revenue and Net Revenue Retention

### **[Consideration of stock exchange listing of SCM business]** (announced May 11, '22)

- Considering stock exchange listing of SCM business centered on Blue Yonder for enhanced global competitiveness and accelerated growth

## Air Quality & Air-conditioning

- **Accelerate business growth for A2W (air to water hot water heat pump system) in Europe**

### **[Large sales increase accomplished with A2W. 50 billion-yen investment decided for future growth]**

- 3Q sales in Europe increased by 1.7 times YoY with sales of A2W more than doubled
- 50 billion-yen investment announced: increase production (Czech factory) in response to increased demand; establish a local R&D facility
- Announced new products using natural refrigerants R-290 (first release by a Japanese manufacturer) for launch in FY24

### **[Agreement reached to acquire commercial air-conditioning business from Systemair AB at 100 million euros (Announced in Nov. '22)]**

- Acquiring commercial air-conditioning business to enhance business of hydronic air conditioners for non-residential (light-commercial) use
- Making steady progress in relative procedures with closing of M&A deal planned for Spring 2023



# Announcements related to IR information

## Announcements on initiatives based on medium- to long-term strategy after the launch of new structure

|             |                         |  |
|-------------|-------------------------|--|
| Fiscal 2023 | Apr. 1                  | <b>Group Strategy Briefing by Group CEO</b> (Medium-term Group KGIs)   |
|             | May 11                  | <b>Commenced preparations for potential stock exchange listing of supply chain management business</b>   |
|             |                         | <b>Connect: Growth strategy for supply chain management business</b>   |
|             | Jun. 1-2                | <b>Panasonic Group IR Day 2022</b> (Operating companies' medium- to long-term strategies/KGIs)   |
|             | Jun. 13                 | <b>Technology Briefing by Group CTO</b>  |
|             | Jul. 13                 | <b>Second Sustainability Briefing by Group CEO</b> (Green IMPACT Plan 2024)  |
|             | Jul. 14                 | <b>Energy: Incentive application approved for investment plans for EV battery facility in the US</b>   |
|             | Oct. 6                  | <b>Lifestyle: Site visit</b> (Energy solutions: RE100 Solution, fuel cell factory)   |
|             | Oct. 31                 | <b>Energy: Decided construction of EV battery facility in Kansas, US</b>   |
|             | Nov. 18                 | <b>Lifestyle: “SUPER BOX” invitational exhibition</b><br>(Electrical construction materials in Japan: building equipment solutions preview)                  |
| Fiscal 2024 | Nov. 22                 | <b>Lifestyle: Briefing on individual businesses</b><br>(Overall strategy, HVAC* European growth strategy, medium- to long-term strategies for CCS* & CNA***) |
|             | :                       |  |
|             | May 18<br>(Planned)     | <b>Group Strategy Briefing by Group CEO</b>  |
|             | Early Jun.<br>(Planned) | <b>Operating Companies: Strategy Briefing (former IR Day)</b>  |

\*Heating & Ventilation A/C Company \*\*Cold Chain Solutions Company \*\*\*China and Northeast Asia Company

**Panasonic Group**

## **Disclaimer Regarding Forward-looking Statements**

*This presentation includes forward-looking statements about Panasonic Holdings Corporation (Panasonic HD) and its Group companies (the Panasonic Group). To the extent that statements in this presentation 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 presentation. 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.*

# (Reference) FY23 Nine-Month (Apr. - Dec.) Results

(yen: billions)

|   | FY23 9 months  |        | FY22 9 months |         | vs. FY22 / Difference |        |
|---|----------------|--------|---------------|---------|-----------------------|--------|
| <b>Sales</b><br>(excl. effect of exchange rates)  | <b>6,224.5</b> |        | 5,423.4       |         | +15%<br>(+5%)         | +801.1 |
| <b>Adjusted Operating Profit*</b><br>(% to sales)   | <b>231.8</b>   | (3.7%) | 287.3         | (5.3%)  | -19%                  | -55.5  |
| <b>Other income/loss**</b>  | <b>2.4</b>     |        | -13.1         |         | -                     | +15.5  |
| <b>Operating Profit</b> (% to sales)  | <b>234.2</b>   | (3.8%) | 274.2         | (5.1%)  | -15%                  | -40.0  |
| <b>Profit before income taxes</b><br>(% to sales)   | <b>255.4</b>   | (4.1%) | 279.4         | (5.2%)  | -9%                   | -24.0  |
| <b>Net profit</b> attributable to Panasonic Holdings Corporation stockholders<br>(% to sales) | <b>162.9</b>   | (2.6%) | 195.6         | (3.6%)  | -17%                  | -32.7  |
| <b>EBITDA***</b> (% to sales)   | <b>556.2</b>   | (8.9%) | 552.6         | (10.2%) | +1%                   | +3.6   |

|                |             |                 |          |
|----------------|-------------|-----------------|----------|
| Exchange rates | 1 US dollar | <b>137 yen</b>  | 111 yen  |
|                | 1 Euro      | <b>141 yen</b>  | 131 yen  |
|                | 1 Renminbi  | <b>19.9 yen</b> | 17.3 yen |

\* Sales - Cost of sales - SG&A

\*\* "Other income (expenses), net" + "Share of profit (loss) of investments accounted for using the equity method" as indicated in the Consolidated Statements of Profit or Loss of the news release

\*\*\* Total amount of Operating profit, Depreciation (Tangible assets including property, plant and equipment/ Right-of-use assets) and Amortization (Intangible assets). Adjusted with:  
- amount equivalent to depreciation corresponding to underlying assets that are applied with Lease accounting treatment as a lessor  
- impact of temporary accounting treatment related to "re-evaluation of assets and liabilities" upon Blue Yonder acquisition

# (Reference) FY23 Financial Forecast (4Q & 2H)

| (yen: billions)   |             | 3Q                     |  | vs. FY22/<br>Difference |  | 4Q (e)                 |  | vs. FY22/<br>Difference |  | 2H (e)                 |  | vs. FY22/<br>Difference |  |
|---|-------------|------------------------|--|-------------------------|--|------------------------|--|-------------------------|--|------------------------|--|-------------------------|--|
| Sales   |             | <b>2,160.6</b>         |  | +14% +270.8             |  | <b>1,975.5</b>         |  | +1% +10.1               |  | <b>4,136.1</b>         |  | +7% +280.9              |  |
| Adjusted operating profit*<br>(% to sales)  |             | <b>85.9</b><br>(4.0%)  |  | -2% -1.6                |  | <b>68.2</b><br>(3.5%)  |  | -3% -2.2                |  | <b>154.1</b><br>(3.7%) |  | -2% -3.8                |  |
| Other income/loss**   |             | <b>-1.5</b>            |  | - +13.0                 |  | <b>-22.4</b>           |  | - -35.3                 |  | <b>-23.9</b>           |  | - -22.3                 |  |
| Operating profit (% to sales)   |             | <b>84.4</b><br>(3.9%)  |  | +16% +11.4              |  | <b>45.8</b><br>(2.3%)  |  | -45% -37.5              |  | <b>130.2</b><br>(3.1%) |  | -17% -26.1              |  |
| Profit before income taxes<br>(% to sales)  |             | <b>88.8</b><br>(4.1%)  |  | +21% +15.2              |  | <b>44.6</b><br>(2.3%)  |  | -45% -36.4              |  | <b>133.4</b><br>(3.2%) |  | -14% -21.2              |  |
| Net profit attributable to Panasonic<br>Holdings Corporation stockholders<br>(% to sales) |             | <b>55.6</b><br>(2.6%)  |  | +30% +13.0              |  | <b>47.1</b><br>(2.4%)  |  | -21% -12.6              |  | <b>102.7</b><br>(2.5%) |  | ±0% +0.4                |  |
| EBITDA*** (% to sales)  |             | <b>191.9</b><br>(8.9%) |  | +8% +14.3               |  | <b>153.8</b><br>(7.8%) |  | -20% -37.6              |  | <b>345.7</b><br>(8.4%) |  | -6% -23.3               |  |
| Exchange<br>rates   | 1 US dollar | 142 yen                |  | +28 yen                 |  | 130 yen                |  | +14 yen                 |  | 136 yen                |  | +21 yen                 |  |
|   | 1 Euro      | 144 yen                |  | +14 yen                 |  | 130 yen                |  | ±0 yen                  |  | 137 yen                |  | +7 yen                  |  |
|   | 1 Renminbi  | 19.9 yen               |  | +2.1 yen                |  | 20.0 yen               |  | +1.7 yen                |  | 19.9 yen               |  | +1.9 yen                |  |

\* Sales - Cost of sales - SG&A

\*\* "Other income (expenses), net" + "Share of profit (loss) of investments accounted for using the equity method" as indicated in the Consolidated Statements of Profit or Loss of the news release

\*\*\* Total amount of Operating profit, Depreciation (Tangible assets including property, plant and equipment/ Right-of-use assets) and Amortization (Intangible assets).

Adjusted with: - amount equivalent to depreciation corresponding to underlying assets that are applied with Lease accounting treatment as a lessor

- impact of temporary accounting treatment related to "re-evaluation of assets and liabilities" upon Blue Yonder acquisition

# (Reference) FY23 Financial Forecast by Segment (4Q & 2H)

(yen: billions)

|   | 3Q      |          |                             |            | 4Q (e)  |          |                             |            | 2H (e)  |          |                             |            |
|---|---------|----------|-----------------------------|------------|---------|----------|-----------------------------|------------|---------|----------|-----------------------------|------------|
|   | Sales   | vs. FY22 | Adjusted OP<br>(% to sales) | Difference | Sales   | vs. FY22 | Adjusted OP<br>(% to sales) | Difference | Sales   | vs. FY22 | Adjusted OP<br>(% to sales) | Difference |
| Lifestyle                               | 904.0   | +10%     | 31.1 <sup>*</sup><br>3.4%   | -4.6       | 782.5   | -5%      | 25.6<br>3.3%                | +6.2       | 1,686.5 | +3%      | 56.7 <sup>*</sup><br>3.4%   | +1.6       |
| Automotive                              | 346.3   | +27%     | 11.5<br>3.3%                | +10.0      | 351.1   | +20%     | 11.5<br>3.3%                | +8.1       | 697.4   | +23%     | 23.0<br>3.3%                | +18.1      |
| Connect                                 | 288.6   | +30%     | 14.0<br>4.8%                | +20.6      | 303.5   | +9%      | 16.6<br>5.5%                | +6.7       | 592.1   | +19%     | 30.6<br>5.2%                | +27.3      |
| Industry                                | 290.6   | +3%      | 16.7<br>5.8%                | -2.2       | 253.4   | -13%     | 8.6<br>3.4%                 | -12.1      | 544.0   | -5%      | 25.3<br>4.7%                | -14.3      |
| Energy                                  | 247.4   | +26%     | 0.6<br>0.2%                 | -18.7      | 236.8   | +19%     | 11.0<br>4.7%                | -1.8       | 484.2   | +23%     | 11.6<br>2.4%                | -20.5      |
| Other/<br>Eliminations &<br>adjustments | 83.7    | -        | 12.0                        | -6.7       | 48.2    | -        | -5.1                        | -9.3       | 131.9   | -        | 6.9                         | -16.0      |
| Total                                   | 2,160.6 | +14%     | 85.9<br>4.0%                | -1.6       | 1,975.5 | +1%      | 68.2<br>3.5%                | -2.2       | 4,136.1 | +7%      | 154.1<br>3.7%               | -3.8       |

Note: From FY23, management accounting adjustments to sales prices are included in each segment. Such adjustments were previously included in “Eliminations and adjustments.”  
(Figures for FY22 are reclassified to conform to the presentation for FY23)

\* Impact of temporary expenses in China included

# (Reference) Lifestyle Segment: FY23 Financial Forecast by Divisional Company (4Q & 2H)

(yen: billions)

|   | 3Q    |          |                             |            | 4Q (e) |          |                             |            | 2H (e) |          |                             |            |
|---|-------|----------|-----------------------------|------------|--------|----------|-----------------------------|------------|--------|----------|-----------------------------|------------|
|   | Sales | vs. FY22 | Adjusted OP<br>(% to sales) | Difference | Sales  | vs. FY22 | Adjusted OP<br>(% to sales) | Difference | Sales  | vs. FY22 | Adjusted OP<br>(% to sales) | Difference |
| Living Appliances and Solutions Company (LAS) | 241.2 | +2%      | 20.9<br>8.7%                | -2.4       | 220.9  | +1%      | 9.8<br>4.4%                 | -0.4       | 462.1  | +2%      | 30.7<br>6.6%                | -2.8       |
| Heating & Ventilation A/C Company (HVAC)      | 179.9 | +10%     | 1.8<br>1.0%                 | +0.3       | 191.7  | +15%     | 3.3<br>1.7%                 | +3.9       | 371.6  | +13%     | 5.1<br>1.4%                 | +4.2       |
| Cold Chain Solutions Company (CCS)***         | 93.0  | +38%     | 3.7<br>4.0%                 | +4.3       | 73.3   | +1%      | 0.7<br>1.0%                 | -1.0       | 166.3  | +19%     | 4.4<br>2.6%                 | +3.3       |
| Electric Works Company (EW)                   | 260.7 | +11%     | 15.3<br>5.9%                | +1.9       | 259.4  | +5%      | 14.8<br>5.7%                | -1.6       | 520.1  | +8%      | 30.1<br>5.8%                | +0.3       |
| China and Northeast Asia Company (CNA)*       | 221.6 | +3%      | -1.7**<br>-0.8%             | -4.1       | 190.6  | +7%      | -3.3<br>-1.7%               | +1.1       | 412.2  | +5%      | -5.0**<br>-1.2%             | -3.0       |

• Sales and profit of CNA (except Cold Chain (China) and Refrigeration and Air-Conditioning Devices) are also included in LAS, HVAC, and EW

\*\* Impact of temporary expenses in China included

\*\*\* From FY23 2Q, business in China is excluded from the scope of consolidation of Cold Chain Solutions Company (FY22 results are also reclassified to conform to FY23 presentation)

# (Reference) Impact from Changes in Business Environment (vs. FY22)

|  |                      |                      |
|--|----------------------|----------------------|
|  | Positive: (vs. FY22) | Negative: (vs. FY22) |
|--|----------------------|----------------------|

|            |            | Changes in demand  | Semiconductor, parts & materials shortages  | Price hikes in raw materials & logistics   |
|------------|------------|--|---|--|
| FY23<br>3Q | Lifestyle  | <ul style="list-style-type: none"> <li>Continued to be strong: A2W in Europe</li> <li>Favorable: electrical construction materials in overseas and showcases in North America</li> <li>Decreased: consumer electronics with worldwide inflation</li> </ul> | <ul style="list-style-type: none"> <li>Partial impact, but on recovery trend</li> </ul>   | <ul style="list-style-type: none"> <li>Remained high: iron &amp; steel</li> <li>Alleviated: non-ferrous metals and resin</li> </ul>                                |
|            | Automotive | <ul style="list-style-type: none"> <li>Semiconductor, parts &amp; material shortages persisted</li> <li>Recovery of automobile production</li> </ul>   |   | <ul style="list-style-type: none"> <li>Countered price hikes (e.g. semiconductors) with cost reduction and price revisions</li> </ul>                              |
|            | Connect    | <ul style="list-style-type: none"> <li>Continuous recovery: aircrafts</li> <li>Decreased PC &amp; smartphone demand led to slowdown in production equipment investment</li> </ul>  | <ul style="list-style-type: none"> <li>Remained for Avionics &amp; projectors, but on recovery trend</li> </ul>                           | <ul style="list-style-type: none"> <li>Impact on profit mitigated by price revisions</li> </ul>  |
|            | Industry   | <ul style="list-style-type: none"> <li>Slowdown: ICT terminals, automotive-use (except green vehicles), China market</li> </ul>  | <ul style="list-style-type: none"> <li>Persisted, but began to improve</li> <li>Closely monitored market &amp; customer trends</li> </ul> | <ul style="list-style-type: none"> <li>Countered by price revisions and rationalization</li> </ul>   |
|            | Energy     | <ul style="list-style-type: none"> <li>Steady: EV</li> <li>Decreased: consumer (deteriorated market) industrial (IT investment slowdown)</li> </ul>  | <ul style="list-style-type: none"> <li>Minor impact</li> </ul>  | <ul style="list-style-type: none"> <li>Materials with market-price-linked contracts (e.g. lithium, nickel) and other materials due to energy cost hikes</li> </ul> |

|                              |            |   |   |  |
|------------------------------|------------|---|---|--|
| Outlook<br>for<br>FY23<br>4Q | Lifestyle  | <ul style="list-style-type: none"> <li>Continues to be strong: A2W in Europe</li> <li>Favorable: electrical construction materials in overseas and showcases in North America</li> <li>Decreases: consumer electronics with worldwide inflation</li> </ul>                        | <ul style="list-style-type: none"> <li>Partial impact, but on recovery trend</li> </ul>   | <ul style="list-style-type: none"> <li>Remains high: iron &amp; steel</li> <li>Alleviates: non-ferrous metals and resin</li> </ul> |
|                              | Automotive | <ul style="list-style-type: none"> <li>Recovery of automobile production expected</li> <li>Continue to monitor automobile demand impacted by risk of fluctuating production due to semiconductor, parts &amp; material shortages in line with unclear economic outlook</li> </ul> |   | <ul style="list-style-type: none"> <li>Persists, but will be countered by cost reduction and price revisions</li> </ul>            |
|                              | Connect    | <ul style="list-style-type: none"> <li>Continuous recovery: aircrafts</li> <li>Decreased PC &amp; smartphone demand will lead to slowdown in production equipment investment</li> </ul>   | <ul style="list-style-type: none"> <li>Minor impact</li> </ul>  | <ul style="list-style-type: none"> <li>Impact on profit will be mitigated by price revisions</li> </ul>                            |
|                              | Industry   | <ul style="list-style-type: none"> <li>Recovery unexpected: ICT terminals, automotive-use (except green vehicles), China market</li> </ul>  | <ul style="list-style-type: none"> <li>Persists, but begins to improve</li> <li>Closely monitor market &amp; customer trends</li> </ul> | <ul style="list-style-type: none"> <li>Will be offset by price revisions and rationalization</li> </ul>                            |
|                              | Energy     | <ul style="list-style-type: none"> <li>Steadily expand: EV</li> <li>Continues to be weak: industrial &amp; consumer</li> </ul>  | <ul style="list-style-type: none"> <li>Minor impact</li> <li>Closely monitor market &amp; customer trends</li> </ul>                    | <ul style="list-style-type: none"> <li>Aim to mitigate by revising sales price, but impact to persist</li> </ul>                   |



## Overview

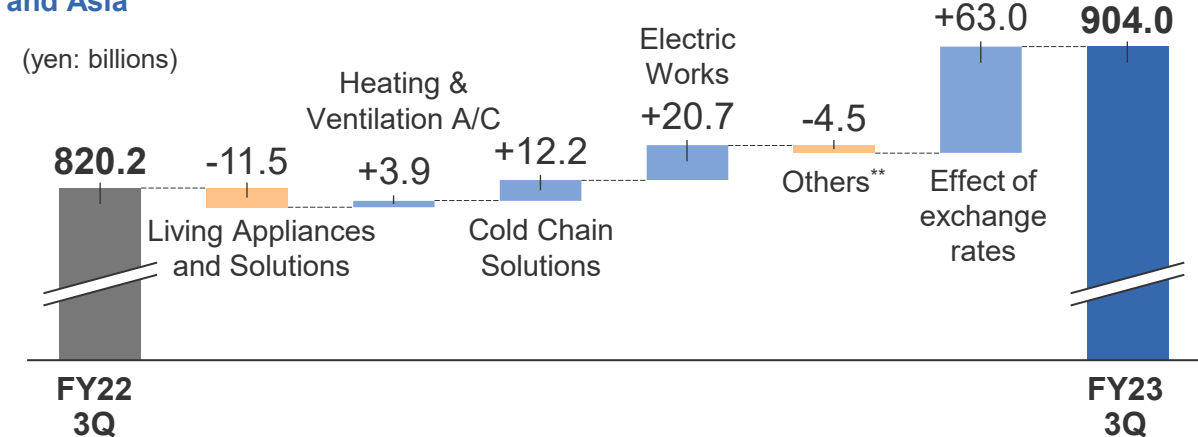
| (yen: billions)                           | FY23 3Q               | vs. FY22 3Q/<br>Difference |
|---|-----------------------|----------------------------|
| Sales                                     | <b>904.0</b>          | +10%<br>(+3%)*             |
| Adjusted operating profit<br>(% to sales) | <b>31.1</b><br>(3.4%) | -4.6                       |
| Other income/loss                         | <b>-0.6</b>           | +1.7                       |
| Operating profit<br>(% to sales)          | <b>30.5</b><br>(3.4%) | -2.9                       |

\* In real terms excluding the effect of exchange rates

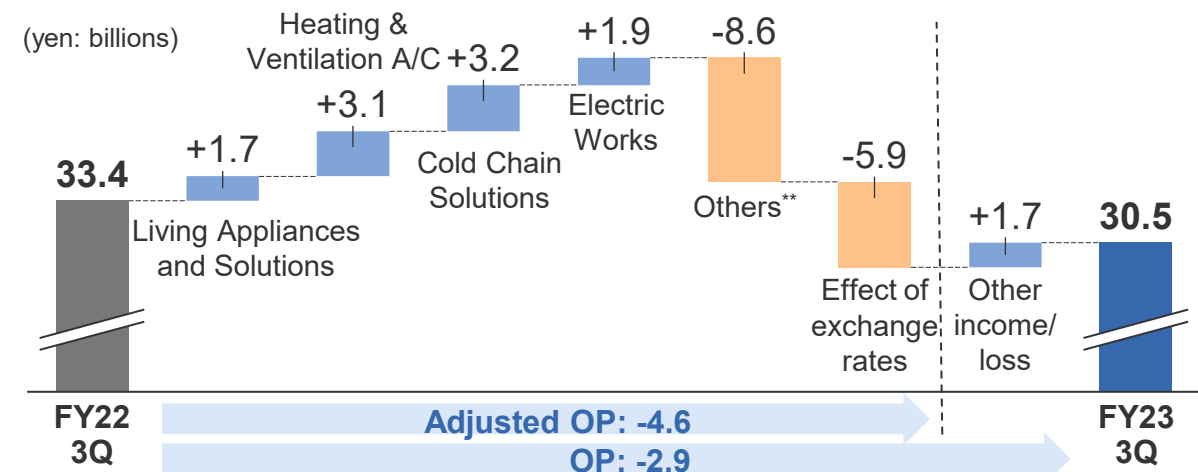
## Major increase/decrease factors

|                   |   |  |
|-------------------|---|--|
| Adjusted OP       | Living Appliances and Solutions Company | +: Price revisions, reducing marketing expenses<br>-: Deteriorating external business environment (yen depreciation, raw material price hikes), shrinking demand caused by inflation worldwide       |
|                   | Heating & Ventilation A/C Company       | +: Increased sales for A2W in Europe<br>-: Deteriorating external business environment (e.g. raw material price hikes, exchange rates), decreased sales due to recession in property market in China |
|                   | Cold Chain Solutions Company            | +: Continuing favorable sales for supermarket in North America<br>-: Increased costs due to inflation  |
|                   | Electric Works Company                  | +: Increased sales of electrical construction materials for overseas, and effect of restructuring in solar panel<br>-: Raw material price hikes, procurement issues, etc.                            |
| Other income/loss |   | Restructuring expenses in FY22, etc.   |

**Sales increased:** Growth businesses (e.g. A2W in Europe, overseas electrical construction materials) and stable profitability businesses (e.g. electrical construction materials in Japan, showcases in North America), despite decreased sales of consumer electronics due to spreading of COVID-19 in China, and weakening demand in Japan and Asia



**OP decreased:** Temporary expenses in China, despite increased sales (e.g. growth businesses) and price revisions in Japan & overseas offsetting deteriorating external business environment (e.g. exchange rates, raw materials)



\*\* Cold Chain (China) and Refrigeration and Air-Conditioning Devices (including -5.2 billion yen of temporality expenses), sales of other segment products, segment head office, eliminations, etc.

Overview

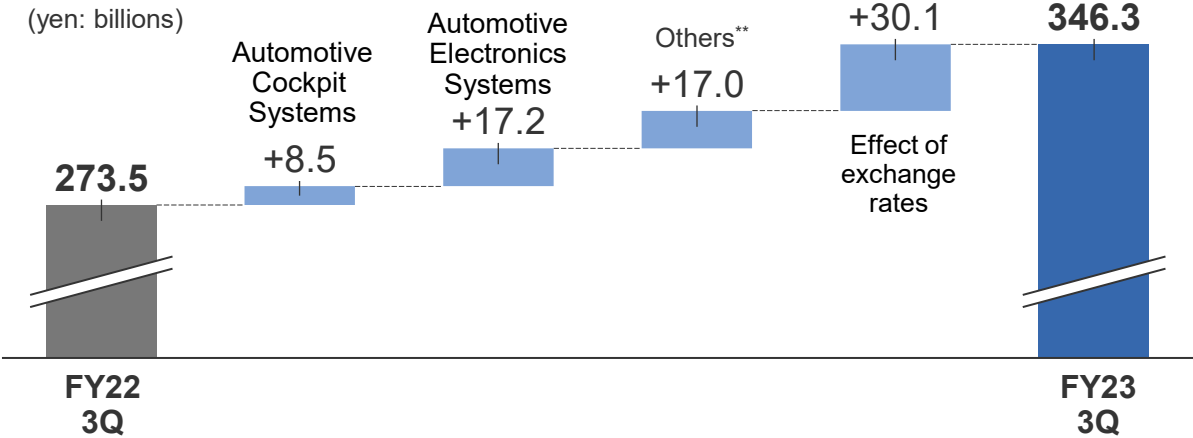
| (yen: billions)                              | FY23 3Q        | vs. FY22 3Q/<br>Difference |
|--|----------------|----------------------------|
| Sales  | 346.3          | +27%<br>(+16%)*            |
| Adjusted operating<br>profit<br>(% to sales) | 11.5<br>(3.3%) | +10.0                      |
| Other income/loss                            | 1.0            | +0.6                       |
| Operating profit<br>(% to sales)             | 12.5<br>(3.6%) | +10.6                      |

\* In real terms excluding the effect of exchange rates

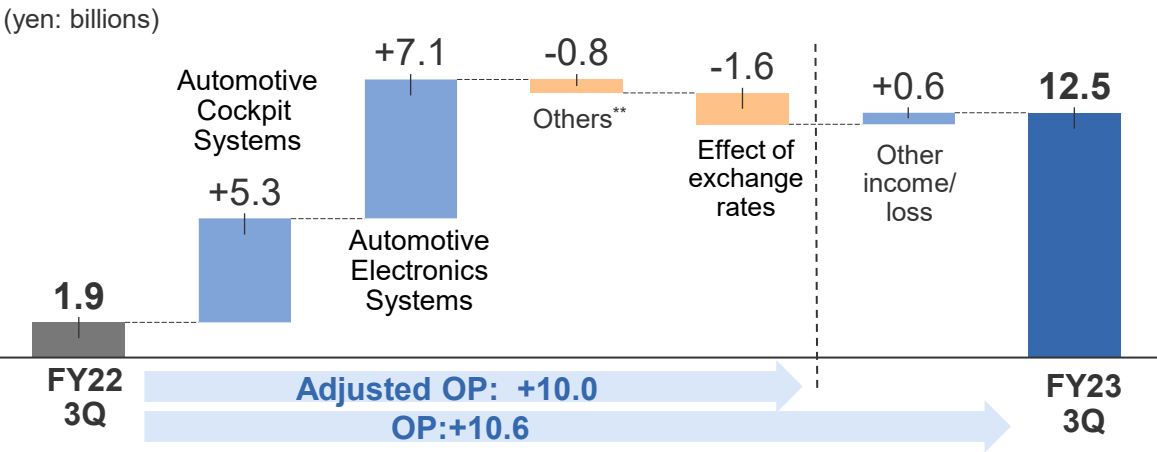
Major increase/decrease factors

|                   |                                |  |
|-------------------|--------------------------------|--|
| Adjusted OP       | Automotive Cockpit Systems     | <ul style="list-style-type: none"><li>• Price revisions to counter price hikes in parts &amp; materials</li><li>+ • Increased sales with recovery of automobile production</li><li>• Progress in cost reduction efforts</li><li>- • Price hikes in parts &amp; materials (e.g. semiconductors)</li></ul> |
|                   | Automotive Electronics Systems | <ul style="list-style-type: none"><li>• Price revisions to counter price hikes in parts &amp; materials</li><li>+ • Increased sales with recovery of automobile production</li><li>• Progress in cost reduction efforts</li><li>- • Price hikes in parts &amp; materials (e.g. semiconductors)</li></ul> |
| Other income/loss |                                | Improvement with equity method profit/loss, etc.   |

Sales increased:  
Recovery in automobile production of customers and effect of exchange rates



OP increased: Price revisions to offset price hikes in parts & materials, increased sales, and cost reduction efforts, despite parts & materials price hikes (e.g. semiconductors)



\*\* Sales of other segment products, etc.

## Overview

| (yen: billions)                           | FY23 3Q               | vs. FY22 3Q/<br>Difference |
|---|-----------------------|----------------------------|
| Sales                                     | <b>288.6</b>          | +30%<br>(+15%)*            |
| Adjusted operating profit<br>(% to sales) | <b>14.0</b><br>(4.8%) | +20.6                      |
| Other income/loss                         | <b>-0.1</b>           | +2.7                       |
| Operating profit<br>(% to sales)          | <b>13.9</b><br>(4.8%) | +23.3                      |

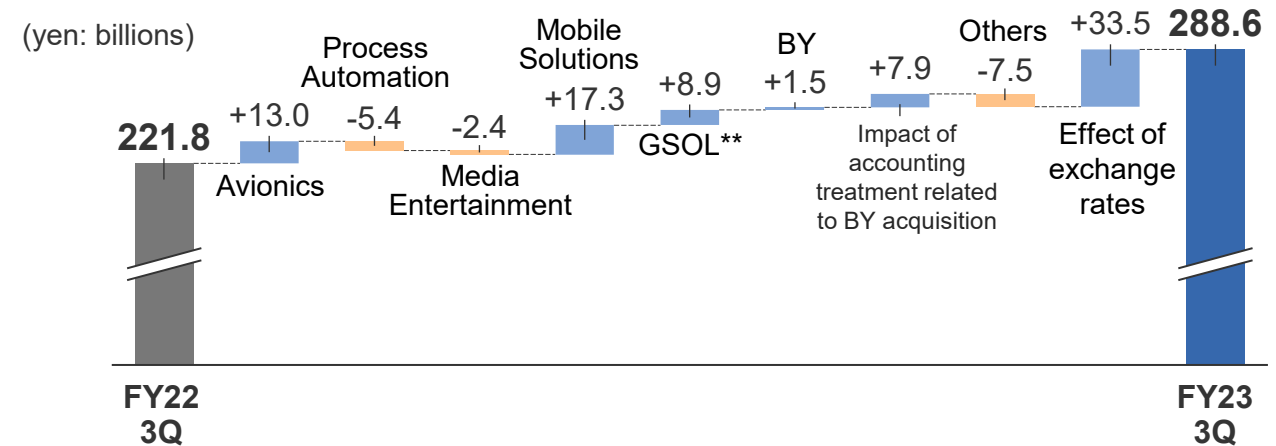
\* In real terms excluding the effect of exchange rates

## Major increase/decrease factors

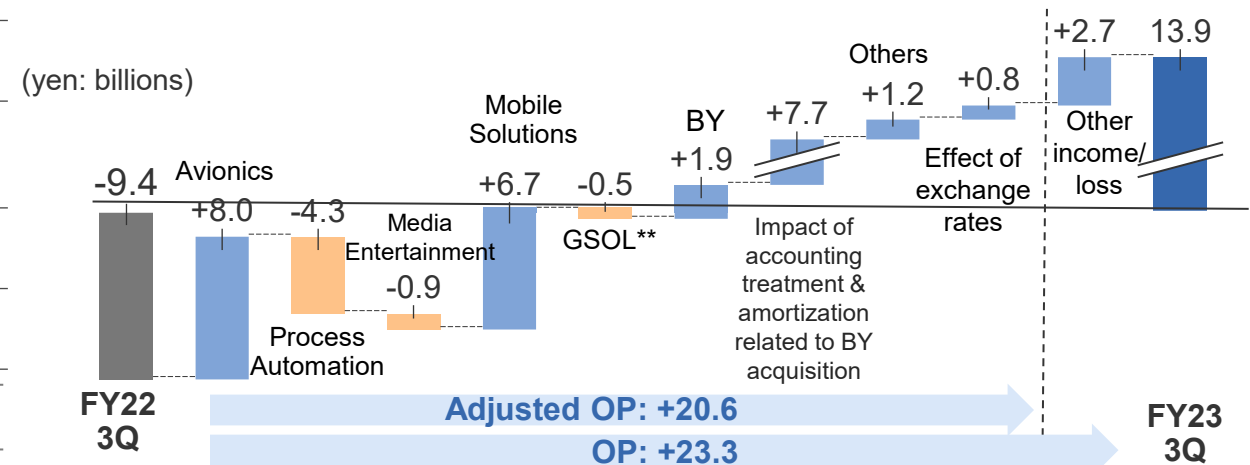
|                   |                     |   |
|-------------------|---------------------|---|
| Adjusted OP       | Avionics            | + : Increased sales of in-flight entertainment (IFE) and repair & maintenance services due to recovery in aircraft market demand  |
|                   | Process Automation  | - : Decreased sales of mounting machines affected by investment slowdown for PCs and smartphones                                  |
|                   | Media Entertainment | - : Decreased sales of projectors and professional AV cameras due to demand slowdown in China and Europe                          |
|                   | Mobile Solutions    | + : Increased sales of rugged mobile terminals for overseas markets, and settlement of lawsuit over infringement of design rights |
|                   | Gemba Solutions**   | - : Impact of changes in sales mix, and price hikes in parts & materials, despite increased sales                                 |
|                   | Blue Yonder (BY)    | + : Sales growth of SaaS<br>+ : Decreased amortization related to BY acquisition in FY22  |
| Other income/loss |                     | Impact such as restructuring expenses in FY22   |

\*\* Gemba Solutions Company (GSOL)

**Sales increased:** Growth in rugged mobile terminals for overseas markets, Avionics (market recovery in aviation industry) and increased sales of Blue Yonder, etc., despite decreased sales of Process Automation (investment slowdown for PC/smartphones)

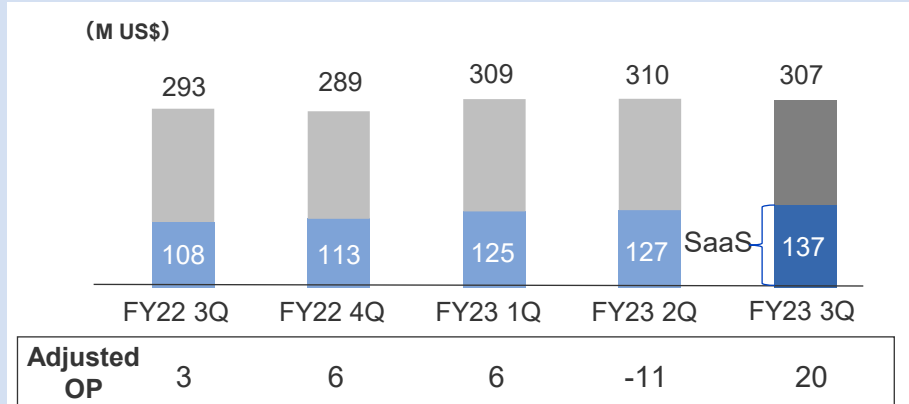


**OP increased:** Increased sales of rugged mobile terminals for overseas markets and Avionics (market recovery in aviation industry), improved profitability (stand alone) and absence of temporary accounting treatment in FY22 of Blue Yonder, despite decreased sales of Process Automation



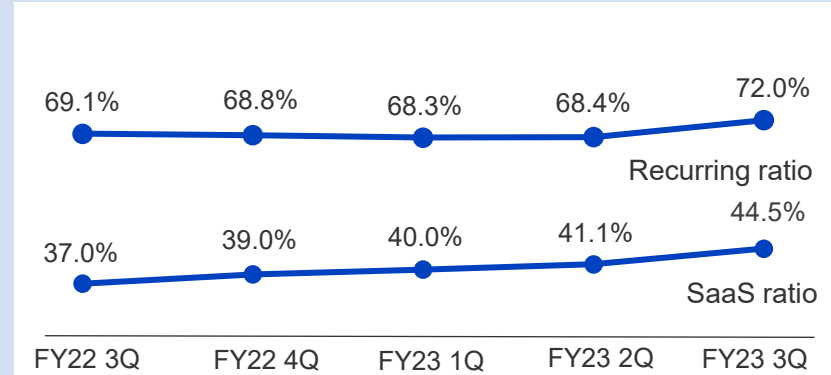
## Revenue / Adjusted OP (stand alone)

- Sales: Steady growth of SaaS / Profit: Recovery in FY23 3Q, despite decreased profit in FY23 2Q due to temporary expenses



## Recurring / SaaS ratio

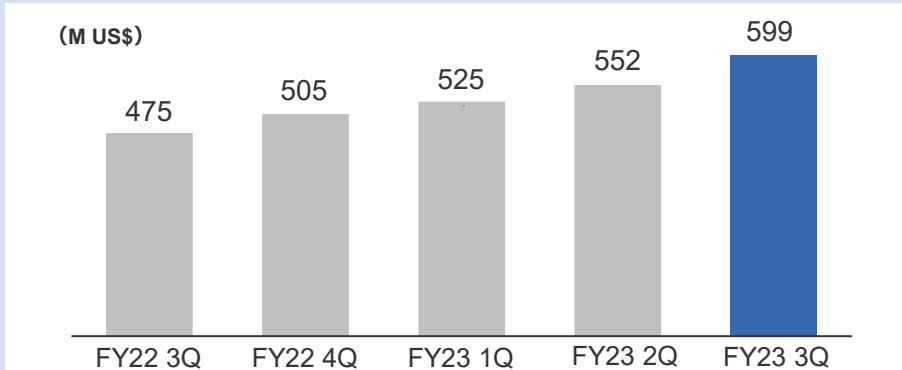
- Recurring ratio almost unchanged, but SaaS ratio achieved steady growth



Note: Recurring revenue business ratio in total revenue

## SaaS ARR (Annual Recurring Revenue)

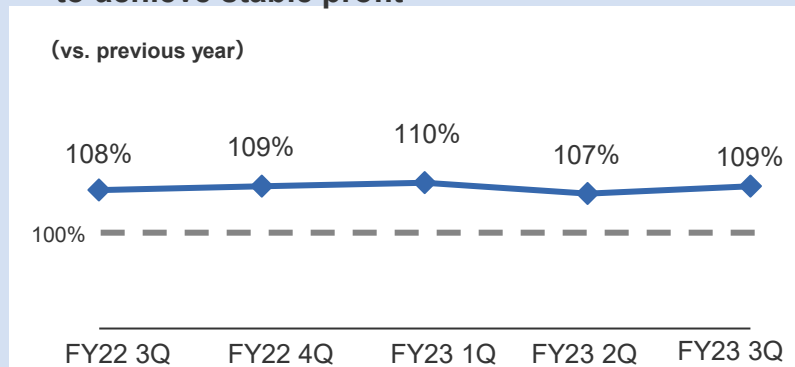
- Continuing steady revenue growth



Notes: • ARR indicates secured annualized revenue during the year starting next quarter  
• FY23 1Q-3Q figures exclude effect of exchange rates, reflecting strong USD against other major currencies (no such adjustments made in and before FY22 4Q)

## SaaS NRR (Net Revenue Retention)

- Retention rate kept higher than FY22, and expected to achieve stable profit



Notes: • Net revenue retention rate with existing customers  
• FY23 1Q-3Q figures excludes effect of exchange rates, reflecting strong USD against other major currencies (no such adjustments made in and before FY22 4Q)

Overview

|  | FY23 3Q        | vs. FY22 3Q/<br>Difference | PID<br>Products* |
|--|----------------|----------------------------|------------------|
| Sales  | 290.6          | +3%<br>(-7%)**             | 246.3            |
| Adjusted operating<br>profit<br>(% to sales) | 16.7<br>(5.8%) | -2.2                       | 15.6<br>(6.3%)   |
| Other income/loss                            | -1.7           | -2.1                       | 1.9              |
| Operating profit<br>(% to sales)             | 15.0<br>(5.2%) | -4.3                       | 13.7<br>(5.6%)   |

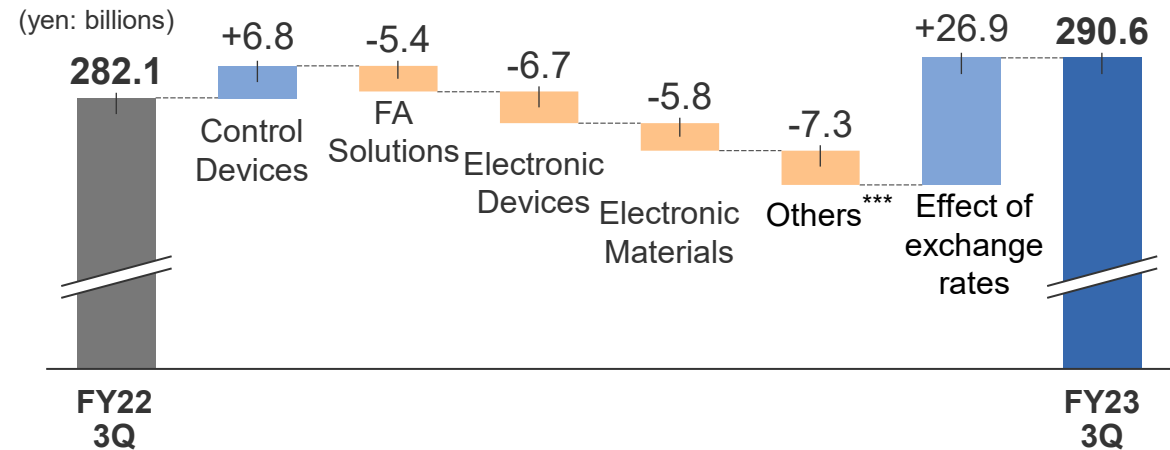
\* Figures of PID (Panasonic Industry Company) products exclude sales of other segment products (e.g. compressor), etc.

\*\* In real terms excluding the effect of exchange rates

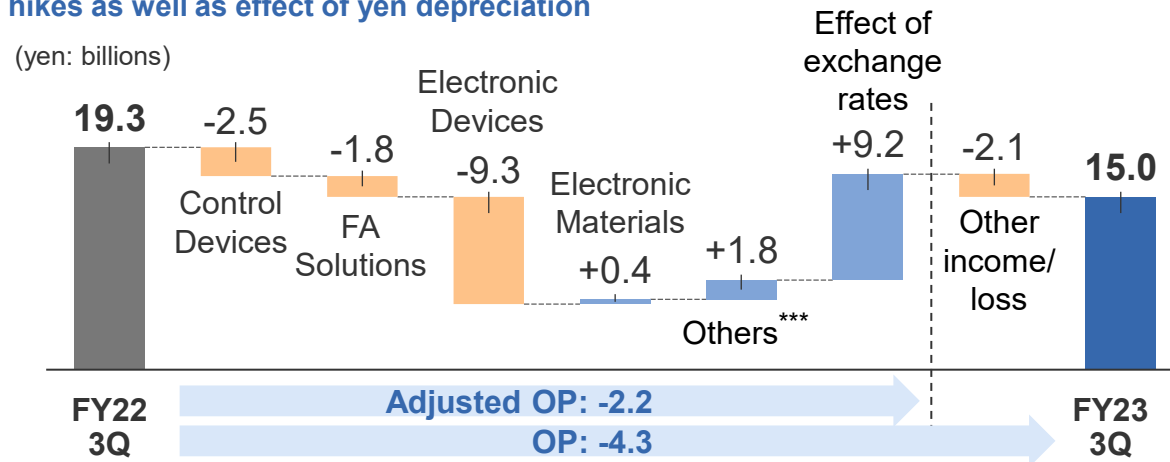
Major increase/decrease factors

|             |                      |   |
|-------------|----------------------|---|
| Adjusted OP | Control Devices      | + : Increased sales of relays for industrial use, price revisions, rationalization<br>- : Decreased sales due to downturn in automotive market  |
|             | FA Solutions         | - : Decreased sales due to slowdown in Chinese market   |
|             | Electronic Devices   | + : Increased sales of capacitors for green vehicles, price revisions, rationalization<br>- : Decreased sales due to downturn in ICT terminal market, price hikes of energy costs and raw materials, utilization rate adjustment for inventory optimization |
|             | Electronic Materials | + : Price revisions, rationalization<br>- : Decreased sales due to downturn in semiconductor market, raw material price hikes   |
|             | Other income/loss    | Expenses related to site re-organization, etc   |

Sales increased: Increased sales of capacitors for green vehicles, relays for industrial-use and currency translation, despite decreased sales of products for ICT terminals, automotive-use (excluding green vehicles) and Chinese market, as well as impact of semiconductor business termination



OP decreased: Decreased sales due to sharp downturn in market conditions, despite efforts such as price revisions and rationalization offsetting impact of raw material price hikes as well as effect of yen depreciation



\*\*\* Sales of other segment products, etc.

## Overview

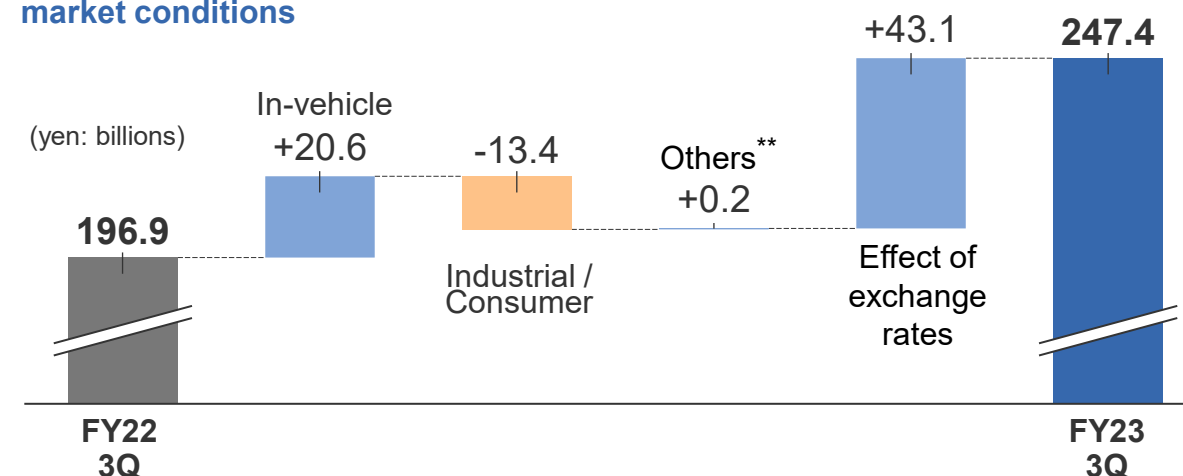
| (yen: billions)                           | FY23 3Q              | vs. FY22 3Q/<br>Difference |
|---|----------------------|----------------------------|
| Sales                                     | <b>247.4</b>         | +26%<br>(+4%)*             |
| Adjusted operating profit<br>(% to sales) | <b>0.6</b><br>(0.2%) | -18.7                      |
| Other income/loss                         | <b>-0.4</b>          | +1.5                       |
| Operating profit<br>(% to sales)          | <b>0.2</b><br>(0.1%) | -17.2                      |

\* In real terms excluding the effect of exchange rates

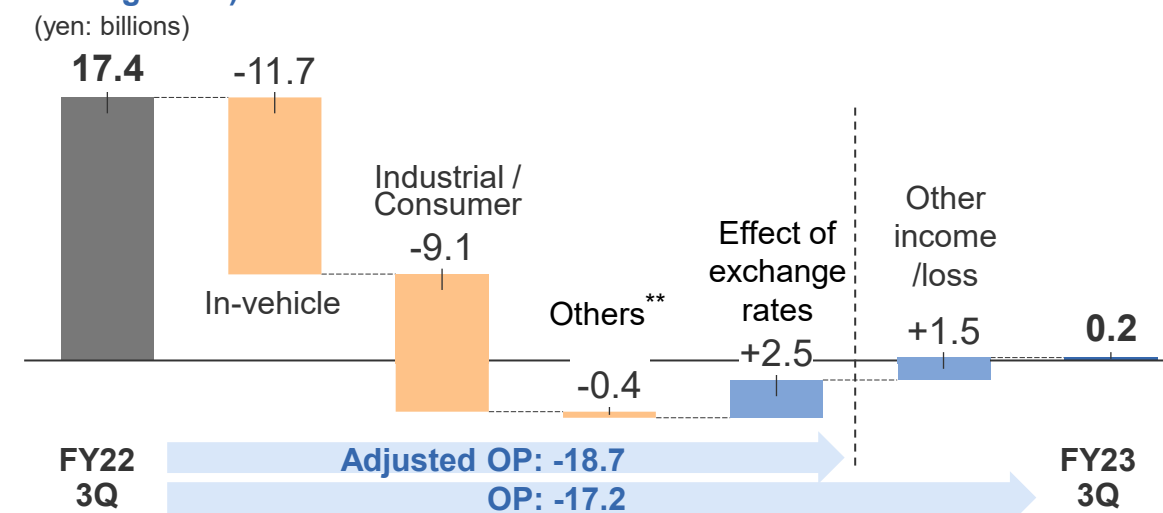
## Major increase/decrease factors

|                   |   |   |
|-------------------|---|---|
| Adjusted OP       | In-vehicle  | +: Favorable production and sales driven by EV demand, price revision effect<br>-: Raw material price hikes<br>Increased expenses for future growth (e.g. development expenses)   |
|                   | Industrial / Consumer   | +: Price revision effect<br>-: Decreased sales affected by weakening market conditions (Li-ion batteries, storage systems, lithium primary batteries)<br>Raw material price hikes |
| Other income/loss | Rebound from recording quality-related expenses in FY22, etc. |   |

Sales increased excluding effect of exchange rates: Increased EV battery production & sales and price revisions, despite decreased sales of consumer-use Li-ion batteries and storage systems for data centers affected by weakening market conditions



OP decreased: Raw material price hikes, decreased sales for Industrial/Consumer, increased fixed costs (e.g. development expenses for future growth)



\*\* Segment head office, eliminations, etc.



- ✓ **2170 cells:** In November 2022, land leveling work began for the new factory in Kansas. Production is scheduled to begin during FY25.

#### Outline of new facility in Kansas

- Location: De Soto, Kansas, United States
- Construction start: November 2022
- Mass production start: During FY2025 (planned)
- To manufacture: 2170 cells
- Initial production capacity: Approx. 30 GWh/year



Kansas factory (image)



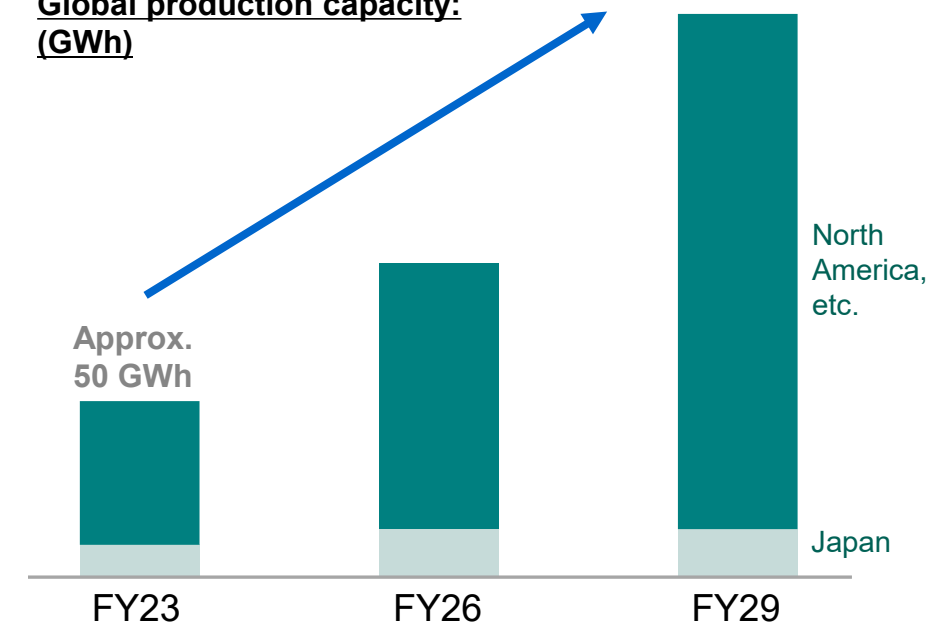
Groundbreaking ceremony (Nov. 2022)

#### Production capacity expansion target

- Aim to enhance line up & expand production of automotive cylindrical lithium-ion batteries in North America

Global production capacity:  
(GWh)

Aim for approx. 3-4 times  
vs FY23



- ✓ **4680 cells:** Wakayama Factory building being renovated to supply to North America market during FY24

# (Reference) FY23 3Q Operating Profit & Net Profit

(yen: billions)

|  | FY23 3Q | FY22 3Q | Difference |
|--|---------|---------|------------|
| Operating profit   | 84.4    | 73.0    | +11.4      |
| Non-operating income/loss  | 4.4     | 0.6     | +3.8       |
| Profit before income taxes   | 88.8    | 73.6    | +15.2      |
| Income taxes   | -32.2   | -30.5   | -1.7       |
| Net profit   | 56.6    | 43.1    | +13.5      |
| Net profit attributable to Panasonic Holdings Corporation stockholders | 55.6    | 42.6    | +13.0      |
| Net profit attributable to non-controlling interests                   | 1.0     | 0.5     | +0.5       |



# (Reference) Medium-term Management Indicators: KGI

(yen: billions)

|             | Cumulative Operating CF<br>(FY23-25) | ROIC<br>(FY25)  |
|-------------|--------------------------------------|-----------------|
| Lifestyle   | 660                                  | 10.0% or more   |
| Automotive  | 200                                  | 8.5%            |
| Connect     | 260                                  | 4.6%            |
| Industry    | 390 or more                          | 20.0%           |
| Energy      | 330                                  | 12.0%           |
| Group Total | 2,000                                | ROE 10% or more |

Note: Above data from presentation materials of Group CEO Briefing (April 1, 2022) and IR Day 2022 (June 1 & 2, 2022)

# (Reference) List of Voluntarily Disclosed Businesses in FY23

|   |  |   |  |
|---|--|---|--|
| <div>Lifestyle</div> <div>(Panasonic Corporation)</div>       | <div>Living Appliances and Solutions Company (LAS)</div>   | <div><div><div>• Kitchen Appliances</div><div>• Laundry Systems and Vacuum Cleaner</div><div>• Beauty and Personal Care</div></div></div> <div><div>: Kitchen Appliances BD</div><div>: Laundry Systems and Vacuum Cleaner BD</div><div>: Beauty and Personal Care BD</div></div>                           | <div>Note 1: Sales and profit of CNA (except Cold Chain (China) and Refrigeration and Air-Conditioning Devices) are also included in LAS, HVAC, and EW</div> |
|   | <div>Heating &amp; Ventilation A/C Company (HVAC)</div>  | <div><div><div>• Heating and Cooling Solutions</div><div>• Ecology Systems</div></div></div> <div><div>: Heating and Cooling Solutions BD</div><div>: Panasonic Ecology Systems Co., Ltd.</div></div>   |  |
|   | <div>Cold Chain Solutions Company (CCS)</div>  | <div><div>-</div></div> <div><div>: Hussmann Corporation, Cold Chain BD</div></div>   |  |
|   | <div>Electric Works Company (EW)</div>   | <div><div><div>• Lighting</div><div>• Energy Systems</div><div>• Other</div></div></div> <div><div>: Lighting BD</div><div>: Energy Systems BD</div><div>: Smart Energy Systems BD</div></div>  |  |
|   | <div>China and Northeast Asia Company (CNA)</div>  | <div><div>-</div></div> <div><div>: Smart Life Appliances BD, Building and Housing Solutions BD, Cold Chain (China) BD, Refrigeration and Air-Conditioning Devices BD, Taiwan BD</div></div>  |  |
|   | <div>Others</div>  | <div><div>-</div></div> <div><div>: Sales of other segment products, segment head office, eliminations, etc.</div></div>  |  |
|   | <div>Automotive</div> <div>(Panasonic Automotive Systems Co., Ltd.)</div>  | <div><div><div>• Automotive Cockpit Systems</div><div>• Automotive Electronics Systems</div><div>• Others</div></div></div> <div><div>: Infotainment Systems BD</div><div>: HMI Systems BD, Automotive Systems BD, Ficosa International, S.A.</div><div>: Sales of other segment products, etc.</div></div> |  |
| <div>Connect</div> <div>(Panasonic Connect Co., Ltd.)</div>   | <div><div><div>• Avionics</div><div>• Process Automation</div><div>• Media Entertainment</div><div>• Mobile Solutions</div><div>• Gemba Solutions</div><div>• Blue Yonder</div><div>• Others</div></div></div> <div><div>: Panasonic Avionics Corporation, Avionics BU</div><div>: Process Automation BD</div><div>: Media Entertainment BD</div><div>: Mobile Solutions BD</div><div>: Gemba Solutions Company</div><div>: Blue Yonder Holding, Inc.</div><div>: Other businesses, eliminations, etc.</div></div> |   |  |
| <div>Industry</div> <div>(Panasonic Industry Co., Ltd.)</div> | <div><div><div>• Control Devices</div><div>• FA Solutions</div><div>• Electronic Devices</div><div>• Electronic Materials</div><div>• Others</div></div></div> <div><div>: Electromechanical Control BD, Industrial Devices BD</div><div>: Industrial Devices BD</div><div>: Electromechanical Control BD, Device Solutions BD</div><div>: Electronic Materials BD</div><div>: LCD, sales of other segment products, eliminations, etc.</div></div>  |   |  |
| <div>Energy</div> <div>(Panasonic Energy Co., Ltd.)</div>     | <div><div><div>• In-vehicle</div><div>• Industrial / Consumer</div><div>• Others</div></div></div> <div><div>: Mobility Energy BD</div><div>: Energy Devices BD, Energy Solutions BD</div><div>: Segment head office, eliminations, etc.</div></div>   |   |  |
| <div>Other</div>  | <div><div><div>• Entertainment &amp; Communication</div><div>• Housing</div></div></div> <div><div>: Panasonic Entertainment &amp; Communication Co., Ltd.</div><div>: Panasonic Housing Solutions Co., Ltd.</div></div>   | <div>Note 2: Equity method income/loss of Prime Planet Energy &amp; Solutions, Inc. is included in “Eliminations &amp; adjustments”</div>   |  |
| <div>Eliminations &amp; adjustments</div>                     | <div><div>• Eliminations of intersegment transactions, adjustments of profits and losses not attributable to any segments, and adjustments of consolidations, etc.</div></div>   |   |  |