

# Fiscal 2020 Second Quarter Financial Results

October 31, 2019  
Panasonic Corporation



Notes: 1. This is an English translation from the original presentation in Japanese.  
2. In this presentation, "Fiscal 2020" or "FY20" refers to the year ending March 31, 2020.

## Summary of FY20 2Q Financial Results

- 2Q results
  - **Overall sales decreased (increased in real terms,) adjusted operating profit\* increased**
  - **Operating profit and net profit\*\* decreased** due mainly to costs related to business structural reform and impact of one-off gains in previous year
- Full-year forecast
  - **Sales are revised downward (mainly by revising assumed exchange rates)**
  - **Adjusted operating profit, operating profit and net profit remain unchanged**

\* Adjusted operating profit (Adjusted OP) = Sales - Cost of sales - SG&A  
Disclosed from FY20 2Q as profit generated from business

\*\* Net profit attributable to Panasonic Corporation stockholders

# Fiscal 2020 2Q Financial Results

## Fiscal 2020 Full-Year Financial Forecast Progress of Mid-term Strategy



### FY20 2Q Results

- Overall sales increased in real terms
- Adjusted operating profit increased, due mainly to sales increases in housing-related and consumer electronics businesses in Japan, despite the impact of increased development expenses at Automotive Solutions in Europe and lower sales in China persisting
- Operating profit and net profit decreased due mainly to costs related to business structural reform and impact of one-off gains in the previous year

(yen: billions)

	FY20 2Q	FY19 2Q	vs. FY19 / Difference	
Sales	<b>1,953.3</b>	1,999.5	-2% (±0%)*	-46.2
Adjusted operating profit ** (Adjusted OPM)	<b>94.1</b> (4.8%)	92.2 (4.6%)	+2%	+1.9
Other income/loss ***	<b>-10.2</b>	3.0	-	-13.2
Operating profit (OPM)	<b>83.9</b> (4.3%)	95.2 (4.8%)	-12%	-11.3
Non-operating income/loss	<b>-2.2</b>	-0.1	-	-2.1
Profit before income taxes	<b>81.7</b>	95.1	-14%	-13.4
Net profit attributable to Panasonic Corporation stockholders	<b>51.1</b>	56.2	-9%	-5.1
Exchange rates	1 US dollar	<b>107 yen</b>	111 yen	
	1 Euro	<b>119 yen</b>	130 yen	
	1 Renminbi	<b>15.3 yen</b>	16.4 yen	

\* In real terms excluding the effect of exchange rates  
 \*\* Adjusted OP = Sales - Cost of sales - SG&A  
 \*\*\* Other income/loss = Other income (expenses) + Share of profit of investments accounted for using the equity method

# Sales and Profit Analysis by Segment

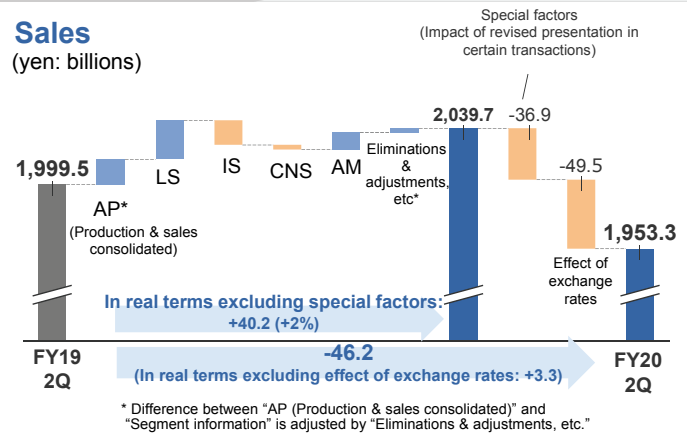
## Major increase/decrease factors

Sales / Adjusted OP	AP	<b>Sales &amp; profit increased:</b> Stable sales of consumer electronics in Japan and overseas air-conditioning, despite continuing sluggish overseas sales of TVs
	LS	<b>Sales &amp; profit increased:</b> Following 1Q, favorable sales of housing-related businesses in Japan and electrical construction materials
	IS CNS	<b>Sales &amp; profit decreased:</b> Following 1Q, weakening demand for capital investments in China continued
	AM	<b>Sales increased:</b> Sales expanded in Automotive Batteries <b>Profit decreased:</b> Increased costs related to R&D expenses in existing issues in Europe at Automotive Solutions despite profit increase at Automotive Batteries
Other income/loss	Costs related to business structural reform, impact of one-off gains in the previous year, etc.	

Note: Names of each Segment are as follows;  
 AP: Appliances      LS: Life Solutions  
 IS: Industrial Solutions      CNS: Connected Solutions  
 AM: Automotive

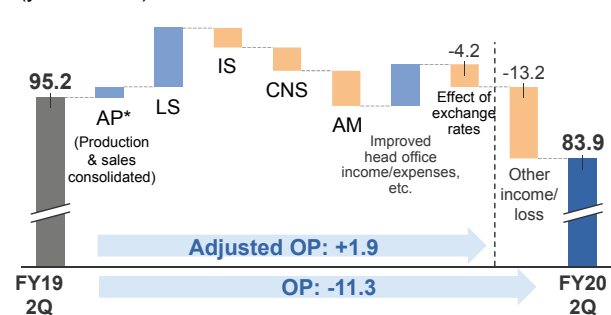
## Sales

(yen: billions)



## Operating profit

(yen: billions)



## FY20 2Q Results by Segment

- Sales and profit increase: Appliances, Life Solutions
- Profit decrease: Connected Solutions, Automotive, Industrial Solutions

(yen: billions)

	Sales	vs. FY19	In real terms excl. effect of exchange rates	Adjusted OP	vs. FY19	Other income/loss	vs. FY19	OP	vs. FY19
Appliances	686.8	±0%	+2%	23.1	+1.2	-0.2	-0.8	22.9	+0.4
Life Solutions	531.1	+5%	+5%	33.4	+11.0	-5.0	-5.5	28.4	+5.5
Connected Solutions	263.4	-4%	-1%	22.6	-5.2	0.0	-1.6	22.6	-6.8
Automotive	369.8	±0%	+3%	-12.6	-5.5	-0.1	-0.1	-12.7	-5.6
Industrial Solutions	330.8	-8%	-5%	14.3	-6.7	-3.1	-2.8	11.2	-9.5
Other	57.1	+24%	-	1.5	+0.5	-0.5	-1.0	1.0	-0.5
Eliminations and adjustments	-285.7	-	-	11.8	+6.6	-1.3	-1.4	10.5	+5.2
<b>Total</b>	<b>1,953.3</b>	<b>-2%</b>	<b>±0%</b>	<b>94.1</b>	<b>+1.9</b>	<b>-10.2</b>	<b>-13.2</b>	<b>83.9</b>	<b>-11.3</b>
Appliances (Production and sales consolidated)	696.7	±0%	+3%	21.0	+1.3	-0.2	-0.8	20.8	+0.5

# Segment Information

## Appliances

(Production and sales consolidated)

### Overview

(yen: billions)

	FY20 2Q	vs. FY19/ Difference
Sales	<b>696.7</b>	±0% (+3%)*
Adjusted operating profit	<b>21.0</b> (3.0%)	+1.3
Other income/loss	<b>-0.2</b>	-0.8
Operating profit	<b>20.8</b> (3.0%)	+0.5

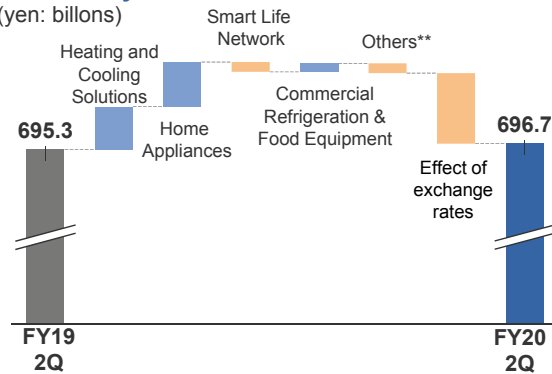
\* In real terms excluding the effect of exchange rates

### Major increase/decrease factors

Sales / Adjusted OP	Factor	Description
Heating and Cooling Solutions	• Sales and profit increased due to stable growth in room air-conditioners in Asia and Europe, as well as large-sized air-conditioners mainly in Japan	
Home Appliances	• Sales and profit increased due to favorable sales in washing machines, refrigerators and personal-care products, etc. in Japan, in addition to stable growth in refrigerators in Asia	
Smart Life Network	• Sales and profit decreased due to sluggish sales of TVs and digital cameras mainly in Europe, despite stable sales of TVs and other products in Japan	
Commercial Refrigeration & Food Equipment	• Profit decreased due to sluggish sales for large-scale stores and showcases in Japan, despite stable sales growth in North America	
Other income/loss	• Impact of gains from reversal of provision in previous year and costs related to restructuring in TV business, etc.	

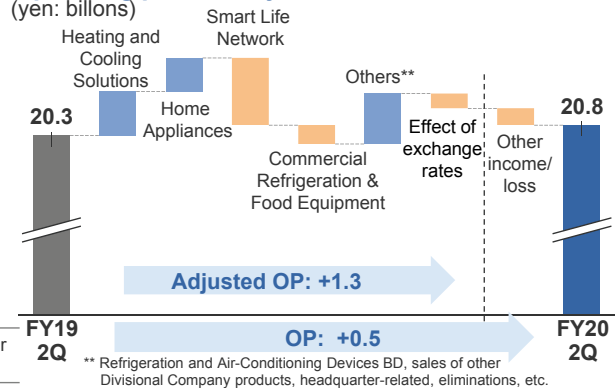
### Sales analysis

(yen: billions)



### Operating profit analysis

(yen: billions)



\*\* Refrigeration and Air-Conditioning Devices BD, sales of other Divisional Company products, headquarter-related, eliminations, etc.

# Segment Information

## Life Solutions

### Overview

(yen: billions)

	FY20 2Q	vs. FY19/ Difference
Sales	<b>531.1</b>	+5% (+5%)*
Adjusted operating profit	<b>33.4</b> (6.3%)	+11.0
Other income/loss	<b>-5.0</b>	-5.5
Operating profit	<b>28.4</b> (5.4%)	+5.5

\* In real terms excluding the effect of exchange rates

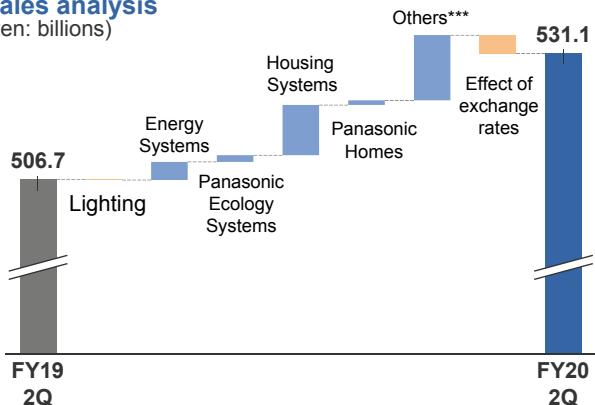
### Major increase/decrease factors

Sales / Adjusted OP	Factor	Description
Lighting	• Sales and profit decreased slightly due to lower sales in Europe and U.S. despite favorable sales for India and Indonesia	
Energy Systems	• Sales and profit increased due to growth driven by high functional products including home-use distribution panel boards in Japan	
Panasonic Ecology Systems	• Sales and profit increased due to favorable sales in IAQ** business such as bath room dryer in China and "ziaino" in Japan	
Housing Systems	• Sales and profit increased due to stable sales in water-related products and building materials in addition to drainpipes and roofing materials	
Panasonic Homes	• Sales and profit increased due to sales growth in ready-built housing and remodelling businesses	
Others	• Sales and profit increased due to favorable sales mainly in engineering business in Japan and prime contractor business for buildings	
Other income/loss	• Costs related to structural reform, etc.	

\*\* IAQ (Indoor Air Quality)

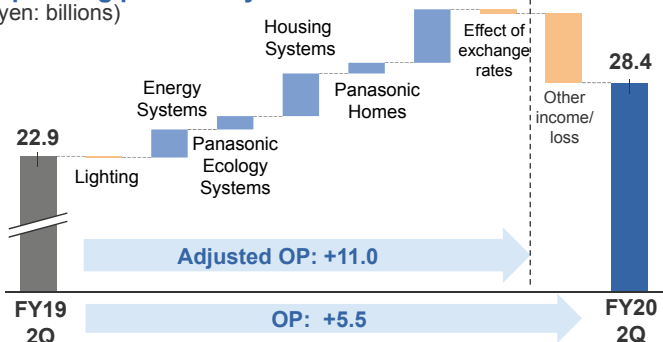
### Sales analysis

(yen: billions)



### Operating profit analysis

(yen: billions)



\*\*\* Prime contractor business, bicycle, nursing-care, sales & marketing, eliminations, etc.

# Segment Information

## Connected Solutions

### Overview

(yen: billions)

	FY20 2Q	vs. FY19/ Difference
Sales	263.4	-4% (-1%)*
Adjusted operating profit	22.6 (8.6%)	-5.2
Other income/loss	0.0	-1.6
Operating profit	22.6 (8.6%)	-6.8

\* In real terms excluding the effect of exchange rates

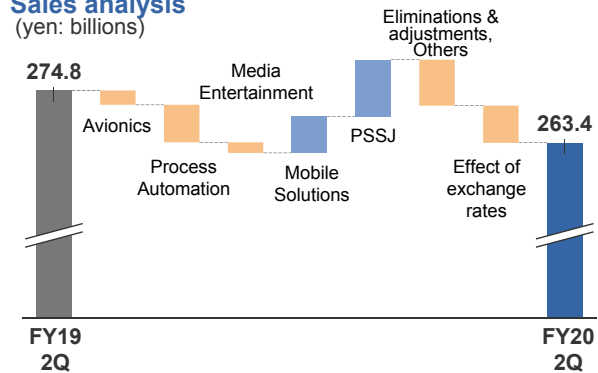
### Major increase/decrease factors

Sales / Adjusted OP	Factor	Description
Sales / Adjusted OP	Avionics	Sales and profit decreased due to sales decrease in IFEC** hardware, resulting from held back investments by certain airline companies
	Process Automation	Sales and profit decreased; in line with weakening Chinese market conditions, postponed investment in mounting machines, and held-back investment by electrical component manufactures due to decreased automobile sales
	Media Entertainment	Sales and profit decreased due to weakening demand for projectors resulting from economic slowdown in Europe and shrinking demand of production cameras in China
	Mobile Solutions	Sales and profit increased due to special demand with end of Windows 7 support leading to sales expansion of PCs for corporate clients in Japan
	PSSJ***	Sales and profit increased due to replacement PC demand with end of Windows 7 support and favorable sales arising from Olympic-related projects
Other income/loss		Impact from gains of insurance in the previous year, etc.

\*\* IFEC (Inflight entertainment + connectivity)  
\*\*\* Panasonic System Solutions Japan Co., Ltd.

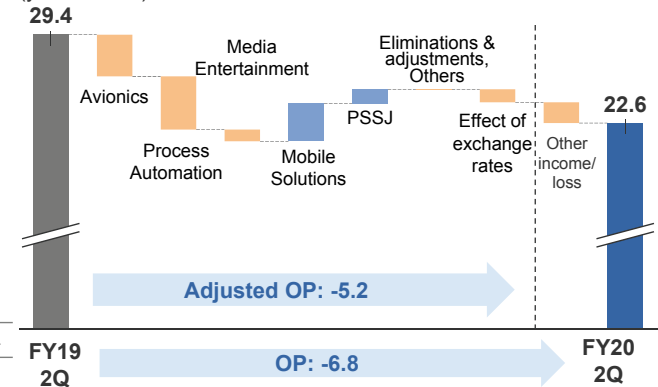
### Sales analysis

(yen: billions)



### Operating profit analysis

(yen: billions)



# Segment Information

## Automotive

### Overview

(yen: billions)

	FY20 2Q	vs. FY19/ Difference
Sales	369.8	±0% (+3%)*
Adjusted operating profit	-12.6 (-3.4%)	-5.5
Other income/loss	-0.1	-0.1
Operating profit	-12.7 (-3.4%)	-5.6

\* In real terms excluding the effect of exchange rates

### Major increase/decrease factors

Sales / Adjusted OP	Factor	Description
Sales / Adjusted OP	Automotive Solutions	<p>Sales:</p> <ul style="list-style-type: none"> <li>Decreased: expansion of growth-expected products (e.g. IVI**) could not offset the impact of lower sales from deteriorating Chinese market situation and product cycle trend</li> </ul> <p>Profit:</p> <ul style="list-style-type: none"> <li>Decreased due to significantly increased development expenses</li> <li>Increased development expenses to onboard charging systems for orders received in Europe</li> <li>Impairment loss on capitalized development expenses in response to deteriorating profitability becoming apparent with onboard charging systems in Europe</li> <li>Impact from lower sales due to product cycle trend</li> </ul>
	Automotive Batteries	<p>Sales:</p> <ul style="list-style-type: none"> <li>Prismatic: Increased with investment effect for production expansion at Dalian factory</li> <li>Cylindrical: Significantly increased with investment effect for production expansion at North America factory</li> </ul> <p>Profit:</p> <ul style="list-style-type: none"> <li>Improved overall with increased sales of prismatic types and cylindrical types in North America factory, offsetting impact of lower sales of cylindrical types in Japan factory</li> </ul>

\*\* IVI: In-Vehicle Infotainment

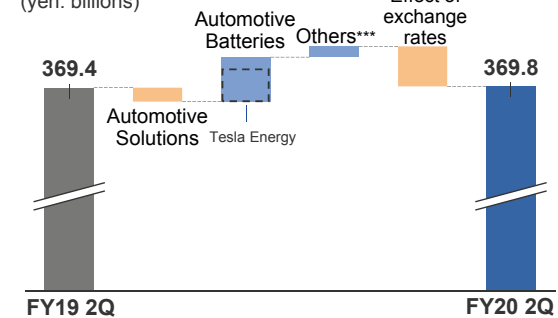
Note: Grouping of Businesses whose sales are disclosed  
[Automotive Solutions] Automotive Infotainment Systems, HMI Systems, Automotive Systems, Ficosa

[Automotive Batteries] Automotive Energy, Tesla Energy

\*\*\*Others: sales of other Divisional Company products, etc.

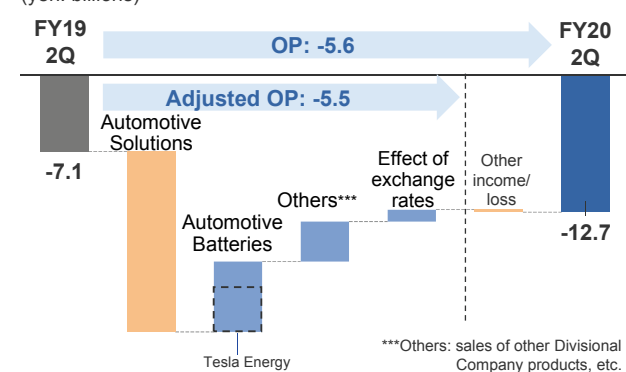
### Sales analysis

(yen: billions)



### Operating profit analysis

(yen: billions)



### Overview (yen: billions)

	FY20 2Q	vs. FY19/ Difference
Sales	330.8	-8% (-5%)*
Adjusted operating profit	14.3 (4.3%)	-6.7
Other income/loss	-3.1	-2.8
Operating profit	11.2 (3.4%)	-9.5

\* In real terms excluding the effect of exchange rates

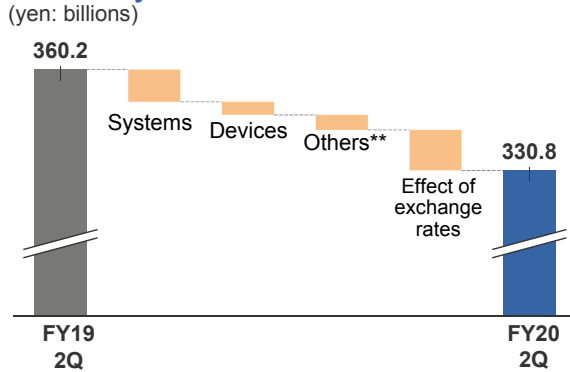
### Major increase/decrease factors

Sales / Adjusted OP	Systems
	Sales and profit decreased in FA sensors and motors with struggling business conditions due to weakened investment demand in China. Strategically reducing portable rechargeable battery sales for ICT-usage also led to decreased sales.
	Devices
	Sales and profit decreased due to decreased sales of capacitors and other products due to slower investments in the server market and China's weakening automobile market, despite stable sales of multi-layer printed circuit board materials for communication infrastructure.
	Others
	Profit improved due mainly to contract alteration in semiconductor business, despite decreased sales of semiconductor and LCD caused by deteriorated market conditions.

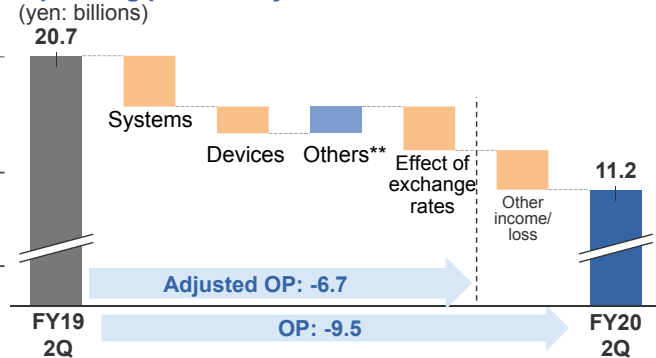
Other income/loss • Legal expenses, etc.

Note: Grouping of Businesses whose sales are disclosed  
 [Systems] Electromechanical Control, Industrial Device, Energy Solutions  
 [Devices] Device Solutions, Energy Device, Electronic Materials

### Sales analysis (yen: billions)



### Operating profit analysis (yen: billions)



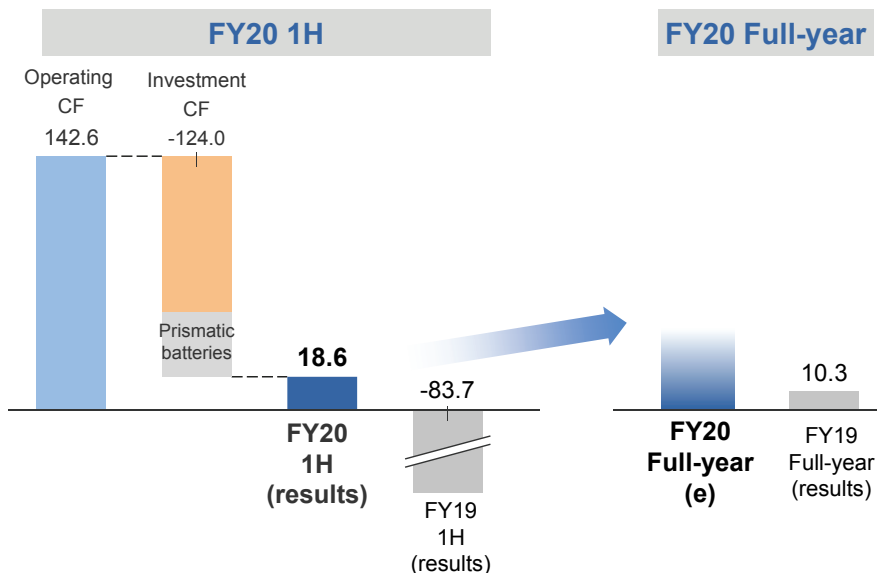
\*\* Includes semiconductor, LCD, sales of other Divisional Company products, eliminations, etc.

## FCF

- During 1H of FY20, FCF improved due mainly to reduction of inventories and review of investments
- For FY20 Full-year, continue our efforts to improve FCF while making investments in the prismatic battery business

### FCF (FY20 1H / Full-year)

(yen: billions)



# Fiscal 2020 2Q Financial Results

## Fiscal 2020 Full-Year Financial Forecast

### Progress of Mid-term Strategy

**Panasonic**

#### FY20 Full-Year Forecast Revision

- Sales are revised downward due mainly to revising assumed exchange rates
- Adjusted operating profit, operating profit, and net profit remain unchanged

(yen: billions)

	FY20 (e) (as of Oct. 31)	FY20 (e) (as of May 9)	Difference	(Reference)		
				FY19	vs. FY19	
Sales	7,700.0	7,900.0	-200.0	8,002.7	-302.7	
Adjusted operating profit* (Adjusted OPM)	300.0 (3.9%)	300.0 (3.8%)	-	327.0 (4.1%)	-27.0	
Other income/loss**	0.0	0.0	-	84.5	-84.5	
Operating profit (OPM)	300.0 (3.9%)	300.0 (3.8%)	-	411.5 (5.1%)	-111.5	
Non-operating income/loss	-10.0	-10.0	-	5.0	-15.0	
Profit before income taxes	290.0	290.0	-	416.5	-126.5	
Net profit attributable to Panasonic Corporation stockholders	200.0	200.0	-	284.1	-84.1	
Exchange rates	1 US dollar	107 yen	110 yen	-3 yen	111 yen	-4 yen
	1 Euro	118 yen	125 yen	-7 yen	128 yen	-10 yen
	1 Renminbi	15.6 yen	16.5 yen	-0.9 yen	16.5 yen	-0.9 yen

\* Adjusted OP = Sales - Cost of sales - SG&A

\*\* Other income/loss = Other income (expenses) + Share of profit investments accounted for using the equity method

**Panasonic**

Fiscal 2020 Second Quarter Financial Results

13

## FY20 Segment Forecast Revision

- **Segment forecast revised reflecting current management conditions and future business environment**
  - **Appliances: sales forecast revised downward, profit forecast unchanged**
  - **Life Solutions: sales and profit revised upward**
  - **Connected Solutions, Automotive, and Industrial Solutions: sales and profit revised downward**
- **Eliminations and adjustments: overall business risks, which were factored into initial forecast, are shown in each segment according to business conditions**

(yen: billions)

	Sales	vs. initial forecast	vs. FY19	Adjusted OP	vs. initial forecast	vs. FY19	OP	vs. initial forecast	vs. FY19
Appliances	2,690.0	-80.0	-60.6	84.0	-	+0.4	76.5	-	-9.1
Life Solutions	1,960.0	+10.0	-76.1	100.0	+12.5	+10.1	174.5	+12.5	+109.9
Connected Solutions	1,110.0	-40.0	-17.7	84.0	-5.0	-15.9	82.0	-5.0	-12.4
Automotive	1,510.0	-67.0	-13.2	-39.5	-29.0	-27.7	-44.0	-29.0	-31.9
Industrial Solutions	1,330.0	-30.0	-92.3	60.0	-19.0	-3.5	51.0	-19.0	-17.6
Other	300.0	-	-6.6	2.0	-	-2.0	0.0	-	-1.7
Eliminations and adjustments	-1,200.0	+7.0	-36.2	9.5	+40.5	+11.6	-40.0	+40.5	-148.7
<b>Total</b>	<b>7,700.0</b>	<b>-200.0</b>	<b>-302.7</b>	<b>300.0</b>	<b>-</b>	<b>-27.0</b>	<b>300.0</b>	<b>-</b>	<b>-111.5</b>
Appliances (Production and sales consolidated)	2,760.0	-90.0	-57.8	84.0	-	+2.8	76.5	-	-6.7

**Panasonic**

Fiscal 2020 Second Quarter Financial Results

14

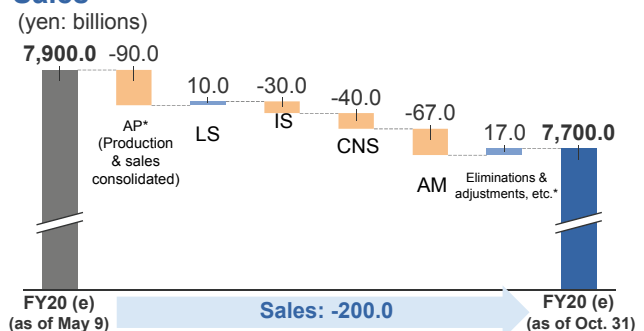
## Segment Forecast Revision Analysis

### Major factors

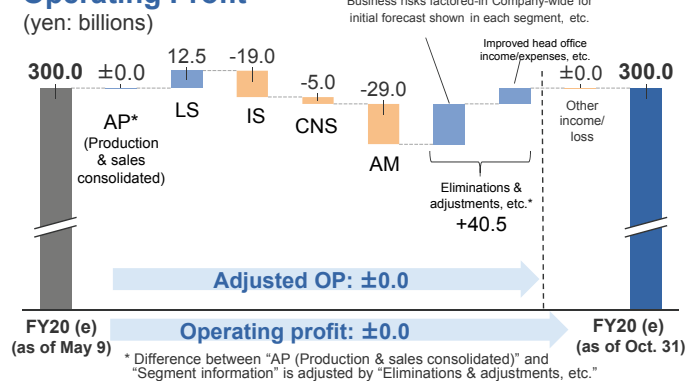
Segment	Sales / Adjusted OP	Major factors
AP	Sales	<ul style="list-style-type: none"> <li>• <b>Sales: revised downward</b> due to lower sales of TVs &amp; digital cameras, etc. mainly in Europe</li> </ul>
AP	Profit	<ul style="list-style-type: none"> <li>• <b>Profit: unchanged</b> with recovered sales of consumer electronics in Japan and air-conditioning overseas</li> </ul>
LS	Sales and profit	<ul style="list-style-type: none"> <li>• <b>Sales and profit: revised upward</b> mainly with favorable performance of housing-related business in Japan during 1H</li> </ul>
IS	Sales and profit	<ul style="list-style-type: none"> <li>• <b>Sales and profit: revised downward</b> in line with changing our outlook of Chinese market from "gradual recovery in FY20 2H" to "same level as FY19 2H."</li> </ul>
CNS	Sales and profit	<ul style="list-style-type: none"> <li>• <b>Sales and profit: revised downward</b></li> </ul>
AM	Sales and profit	<ul style="list-style-type: none"> <li>• <b>Sales and profit: revised downward</b></li> <li>• <b>Automotive Solutions:</b> <ul style="list-style-type: none"> <li>- Increased development expenses including impairment loss on onboard charging system business in Europe</li> <li>- Lower sales due to weakening automotive market conditions mainly in China</li> </ul> </li> <li>• <b>Batteries (cylindrical)</b> <ul style="list-style-type: none"> <li>- Delayed in improving productivity at North America factory</li> <li>- Lower sales at Japan factory</li> </ul> </li> </ul>
Eliminations & adjustments, etc.	Sales and profit	<ul style="list-style-type: none"> <li>• <b>Sales and profit: business risks factored-in</b> Company-wide for initial forecast shown in each segment, improved head office income/expenses, etc.</li> </ul>

Other income/loss (Unchanged from initial forecast)

### Sales



### Operating Profit



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Fiscal 2020 Second Quarter Financial Results

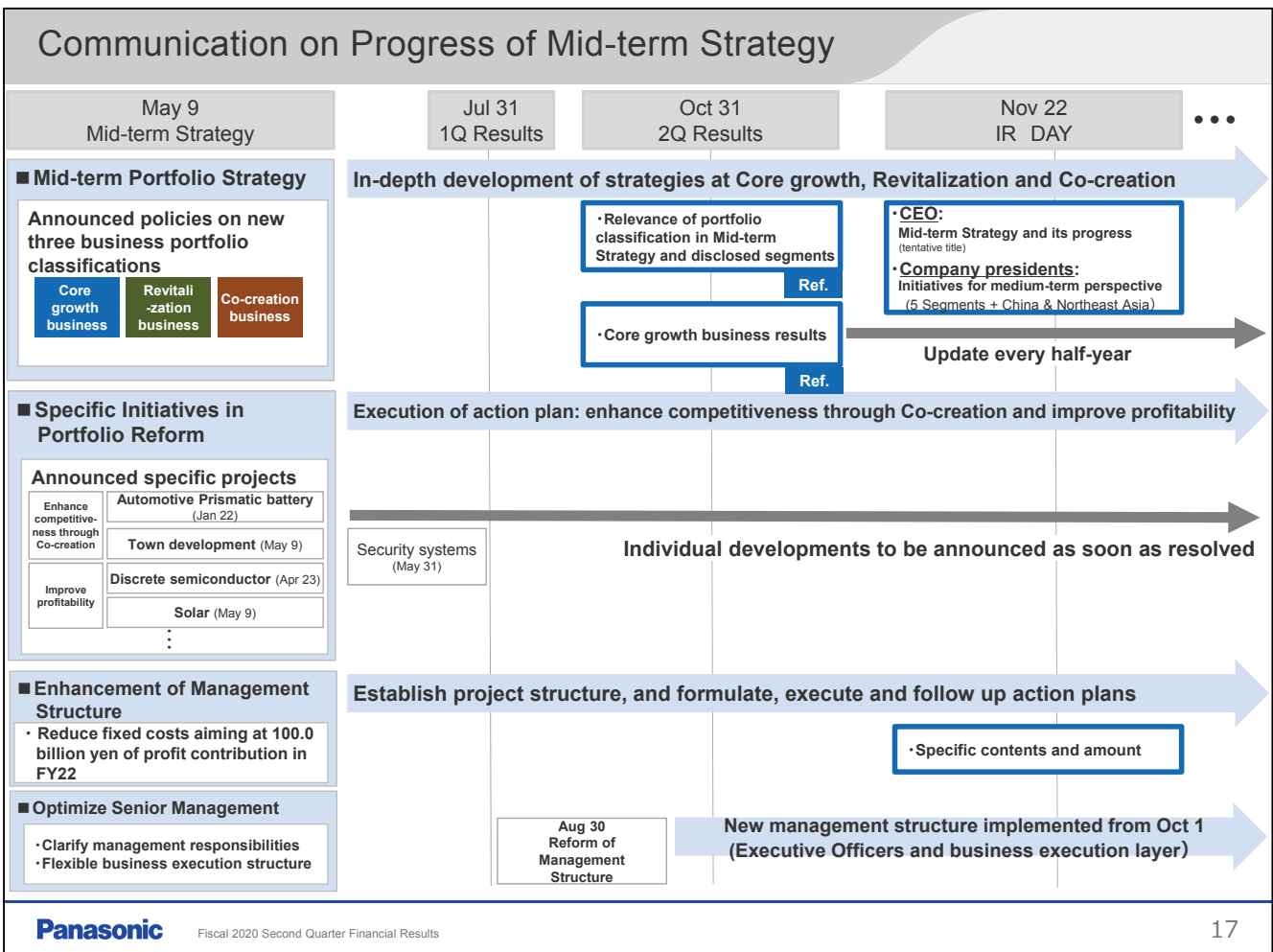
15



# Fiscal 2020 2Q Financial Results

## Fiscal 2020 Full-Year Financial Forecast

### Progress of Mid-term Strategy





#### **Disclaimer Regarding Forward-Looking Statements**

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*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 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'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; the possibility of the Panasonic Group not being able to respond to rapid technological changes and changing consumer preferences with timely and cost-effective introductions of new products in markets that are highly competitive in terms of both price and technology; the possibility of not achieving expected results or incurring unexpected losses in connection with the alliances or mergers and acquisitions; the possibility of not being able to achieve its business objectives through joint ventures and other collaborative agreements with other companies, including due to the pressure of price reduction exceeding that which can be achieved by its effort and decrease in demand for products from business partners which Panasonic highly depends on in BtoB business areas; 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 by other countries over trade, manufacturing, labor and operations; 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, disruption of supply chain 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's securities reports under the FIEA and any other documents which are disclosed on its website.*

## (Reference) Relevance of Portfolio Classification in Mid-term Strategy and Disclosed Segments

Portfolio Classification	Business areas	Appliances	Life Solutions	Connected Solutions	Automotive	Industrial Solutions
Core growth business	Spatial Solutions	Heating and Cooling Solutions, Commercial Refrigeration & Food Equipment	Lighting, Energy Systems*, Panasonic Ecology Systems	Media Entertainment		
	Gemba Process			Avionics, Process Automation, Mobile Solutions, PSSJ		
	Industrial Solutions					Systems, Devices
Revitalization business	Automotive Solutions				Automotive Solutions	
	Automotive Batteries				Automotive Batteries	
Co-creation business	Consumer Electronics	Home Appliances, Smart Life Network				
	Housing		Housing Systems, Panasonic Homes			

\* Does not include Solar business

## (Reference) Core Growth Business: FY20 1H Results

**Spatial Solutions: profit increased due to stable growth in air-conditioning in Japan and overseas, as well as in electrical construction materials**

**Gemba Process & Industrial Solutions: profit decreased due to impact from weakening demand for capital investment in China**

Business area	(yen: billions)	
	FY20 1H	vs. FY19 1H
Spatial Solutions	Sales	981.3 +21.0
	Adjusted OP (Adjusted OPM)	58.7 (6.0%) +6.5
	EBITDA (EBITDA margin)	77.7 (7.9%) +3.9
Gemba Process	Sales	438.3 -25.5
	Adjusted OP (Adjusted OPM)	31.9 (7.3%) -11.2
	EBITDA (EBITDA margin)	41.7 (9.5%) -13.8
Industrial Solutions	Sales	594.4 -60.1
	Adjusted OP (Adjusted OPM)	34.9 (5.9%) -15.6
	EBITDA (EBITDA margin)	59.3 (10.0%) -18.5
Core growth business Total	Sales	2,014.0 -64.6
	Adjusted OP (Adjusted OPM)	125.5 (6.2%) -20.3
	EBITDA (EBITDA margin)	178.8 (8.9%) -28.4

## (Reference) Business Portfolio Reform Progress (2019)

### Improve competitiveness through Co-creation

Agreement with Toyota Motor Corporation to establish a joint venture related to automotive prismatic battery business (Announced on January 22)

- Competition law review complete: in preparation aiming for business commencement in spring 2020

Agreement with Toyota Motor Corporation to establish a joint venture related to town development (Announced on May 9)

- JV scheduled to be established in January 2020 (subject to approval from relevant authorities)

Strategic co-investment of security systems business (Announced on May 31)

- Reorganization scheduled for November 2019 (subject to approval from relevant authorities)

### Improve profitability

Transfer part of discrete semiconductor business (Announced on April 23)

- Completion scheduled for end of November 2019

Optimize development & production capability of solar business (Announced on May 9)

- Reorganization scheduled for December 2019 (subject to approval from relevant authorities)

### Radical measures for low-profitable and unprofitable businesses

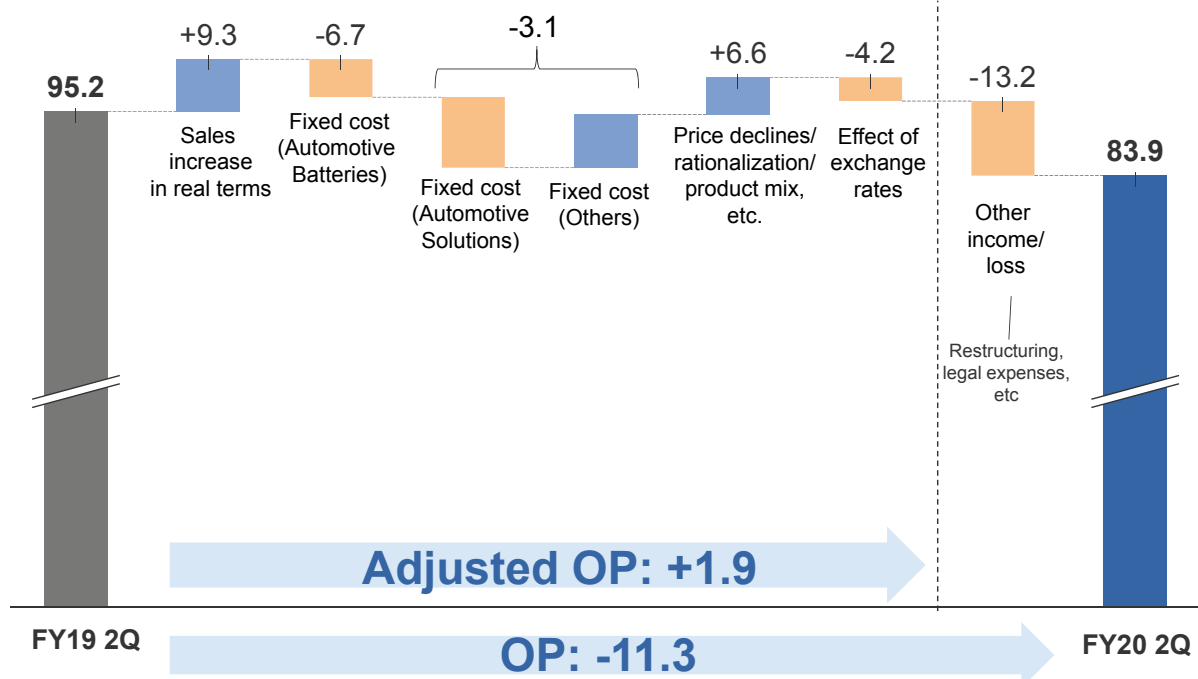
- Narrowing down regions and businesses for consumer electronics: structural reform of TV in progress (terminated TV production in Mexico at the end of July 2019)
- Strengthening profit structure for semiconductor (e.g. contract alteration)

• Note: underlined parts indicate updates from 1Q announcement

## Further promotion of business portfolio reform

## (Reference) FY20 2Q Operating Profit Analysis

(yen: billions)



## (Reference) FY20 2Q Operating Profit & Net Profit

(yen: billions)

	FY20 2Q	FY19 2Q	vs FY19 2Q
Operating profit	83.9	95.2	-11.3
Non-operating income/loss	-2.2	-0.1	-2.1
Profit before income taxes	81.7	95.1	-13.4
Income taxes	-26.3	-34.9	+8.6
Net profit	55.4	60.2	-4.8
Net profit attributable to Panasonic Corporation stockholders	51.1	56.2	-5.1
Net profit attributable to non-controlling interests	4.3	4.0	+0.3

## (Reference) FY20 Six-Month (Apr. – Sep.) Results

(yen: billions)

	FY20 6M	FY19 6M	vs. FY19 / Difference	
Sales	3,844.4	4,008.2	-4% (-2%)*	-163.8
Adjusted operating profit** (Adjusted OPM)	156.5 (4.1%)	173.8 (4.3%)	-10%	-17.3
Other income/loss***	-16.2	21.4	—	-37.6
Operating profit (OPM)	140.3 (3.6%)	195.2 (4.9%)	-28%	-54.9
Non-operating income/loss	-2.4	2.1	—	-4.5
Profit before income taxes	137.9	197.3	-30%	-59.4
Net profit attributable to Panasonic Corporation stockholders	100.9	113.6	-11%	-12.7
Exchange Rates	1 US dollar	109 yen	110 yen	
	1 Euro	121 yen	130 yen	
	1 Renminbi	15.7 yen	16.8 yen	

\* In real terms excluding the effect of exchange rates

\*\* Adjusted operating profit (Adjusted OP) = sales - cost of sales - SG&A

\*\*\* Other income/loss = other income (expenses) + Share of profit of investments accounted for using the equity method.

## (Reference) List of Businesses whose sales are disclosed in FY20

	<u>Businesses</u>	<u>Major Business Divisions</u>
<b>Appliances (AP)</b>	<ul style="list-style-type: none"> <li>• Heating and Cooling Solutions</li> <li>• Home Appliances</li> <li>• Smart Life Network</li> <li>• Commercial Refrigeration &amp; Food Equipment</li> </ul>	<ul style="list-style-type: none"> <li>: Heating and Cooling Solutions BD</li> <li>: Kitchen Appliances BD, Laundry Systems and Vacuum Cleaner BD, Beauty and Personal Care BD</li> <li>: Smart Life Network BD</li> <li>: Cold Chain BD, Hussmann Corporation</li> </ul>
<b>Life Solutions (LS)</b>	<ul style="list-style-type: none"> <li>• Lighting</li> <li>• Energy Systems</li> <li>• Panasonic Ecology Systems</li> <li>• Housing Systems</li> <li>• Panasonic Homes</li> </ul>	<ul style="list-style-type: none"> <li>: Lighting BD</li> <li>: Energy Systems BD</li> <li>: Panasonic Ecology Systems Co., Ltd.</li> <li>: Housing Systems BD</li> <li>: Panasonic Homes Co., Ltd.</li> </ul>
<b>Connected Solutions (CNS)</b>	<ul style="list-style-type: none"> <li>• Avionics</li> <li>• Process Automation</li> <li>• Media Entertainment</li> <li>• Mobile Solutions</li> <li>• PSSJ</li> </ul>	<ul style="list-style-type: none"> <li>: Panasonic Avionics Corporation, Avionics BU</li> <li>: Process Automation BD</li> <li>: Media Entertainment BD</li> <li>: Mobile Solutions BD</li> <li>: Panasonic System Solutions Japan Co., Ltd.</li> </ul>
<b>Automotive (AM)</b>	<ul style="list-style-type: none"> <li>• Automotive Solutions</li> <li>• Automotive Batteries</li> </ul>	<ul style="list-style-type: none"> <li>: Automotive Infotainment Systems BD, HMI Systems BD, Automotive Systems BD, Ficosa International, S.A.</li> <li>: Automotive Energy BD, Tesla Energy BD</li> </ul>
<b>Industrial Solutions (IS)</b>	<ul style="list-style-type: none"> <li>• Systems</li> <li>• Devices</li> </ul>	<ul style="list-style-type: none"> <li>: Electromechanical Control BD, Industrial Device BD, Energy Solutions BD</li> <li>: Device Solutions BD, Energy Device BD, Electronic Materials BD</li> </ul>

Note: Sales and profit of China & Northeast Asia Company are mainly included in AP and LS segments. Sales and profit of US Company are mainly included in AP and AM segments.