

# **Fiscal 2022 Third Quarter Financial Results**

February 2, 2022  
Panasonic Corporation

Notes: 1. This is an English translation from the original presentation in Japanese.  
2. In this presentation, “Fiscal 2022” or “FY22” refers to the year ending March 31, 2022.

# Summary of FY22 3Q Financial Results & Full-Year Forecast

- FY22 3Q Financial Results
  - **Overall sales increased:**  
Increased sales of Industry (e.g. information & communication applications) and Energy (e.g. automotive batteries) as well as new consolidation of Blue Yonder, despite decreased sales of Lifestyle (e.g. consumer electronics in Japan) and Automotive (automotive solutions) due mainly to impact from strong FY21 demand
  - **Adjusted operating profit decreased:**  
Largely affected by raw material price hikes mainly in Lifestyle (e.g. consumer electronics, air-conditioning), as well as temporary negative factors (e.g. impact of temporary accounting treatment related to “re-evaluation of assets and liabilities” upon Blue Yonder acquisition), despite increased profit with increased sales of Industry and Energy, etc.
  - **Operating profit and net profit\* decreased**
- FY22 Full-Year Forecast
  - **Adjusted operating profit revised downward** reflecting current management environment (e.g. reduced automobile production, raw material price hikes) and temporary factors; however, **other income/loss revised upward** due mainly to gains from sale of assets
  - **Overall sales, operating profit, profit before income taxes, and net profit\* remain unchanged**

\* Net profit attributable to Panasonic Corporation stockholders

# **Fiscal 2022 Third Quarter Financial Results**

## **Fiscal 2022 Full-Year Financial Forecast**

# FY22 3Q Financial Results

(yen: billions)		FY22 3Q	FY21 3Q		Difference / vs. FY21	
Sales		<b>1,889.8</b>		1,814.1	+75.7 (-3.7)***	+4% (±0%)***
Adjusted OP* (% to sales)		<b>87.5</b> (4.6%)		142.8 (7.9%)	-55.3	-39%
Other income/loss**		<b>-14.5</b>		-12.6	-1.9	-
Operating profit (% to sales)		<b>73.0</b> (3.9%)		130.2 (7.2%)	-57.2	-44%
Non-operating income/loss		<b>0.6</b>		-3.3	+3.9	-
Profit before income taxes (% to sales)		<b>73.6</b> (3.9%)		126.9 (7.0%)	-53.3	-42%
Net profit attributable to Panasonic Corporation stockholders (% to sales)		<b>42.6</b> (2.3%)		81.2 (4.5%)	-38.6	-48%
EBITDA**** (% to sales)		<b>177.6</b> (9.4%)		216.2 (11.9%)	-38.6	-18%
Exchange rates	1 US dollar	<b>114 yen</b>		105 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	
	1 Euro	<b>130 yen</b>		125 yen		
	1 Renminbi	<b>17.8 yen</b>		15.8 yen		

# Change in Segments

- Segments changed with transition to new Group structure in October 2021 (Operating Company System from April 2022)
- Businesses with 10% or more of Group total sales/other factors are reported as individual segments based on system of 7 operating companies starting April 2022

Former Segments	
<div>AP</div> <ul style="list-style-type: none"> <li>• Heating and Cooling Solutions</li> <li>• Home Appliances</li> </ul>	<ul style="list-style-type: none"> <li>• Smart Life Network</li> <li>• Commercial Refrigeration &amp; Food Equipment</li> </ul>
<div>LS</div> <ul style="list-style-type: none"> <li>• Lighting</li> <li>• Energy Systems</li> </ul>	<ul style="list-style-type: none"> <li>• Panasonic Ecology Systems</li> <li>• Housing Systems</li> </ul>
<div>CNS</div> <ul style="list-style-type: none"> <li>• Avionics</li> <li>• Process Automation</li> <li>• Media Entertainment</li> </ul>	<ul style="list-style-type: none"> <li>• Mobile Solutions</li> <li>• PSSJ</li> </ul>
<div>AM</div> <ul style="list-style-type: none"> <li>• Automotive Solutions</li> <li>• Automotive Batteries</li> </ul>	
<div>IS</div> <ul style="list-style-type: none"> <li>• Systems (Electromechanical Control, Industrial Device, Energy Solutions)</li> <li>• Devices (Device Solutions, Energy Device, Electronic Materials)</li> </ul>	
Other/Eliminations & adjustments	

New Segments	
Lifestyle	<div>Living Appliances and Solutions</div> <div>AP</div> <div>Home Appliances</div>
	<div>Heating &amp; Ventilation A/C</div> <div>AP LS</div> <div>Heating and Cooling Solutions Panasonic Ecology Systems</div>
	<div>Cold Chain Solutions</div> <div>AP</div> <div>Commercial Refrigeration &amp; Food Equipment</div>
	<div>Electric Works</div> <div>LS</div> <div>Lighting Energy Systems</div>
China and Northeast Asia Company	
Automotive	<div>AM</div> <div>Automotive Solutions</div>
Connect	<div>CNS</div> <div>Previous disclosed businesses + Blue Yonder</div>
Industry	<div>IS</div> <div>Systems (Electromechanical Control, Industrial Device) Devices (Device Solutions, Electronic Materials)</div>
Energy	<div>AM</div> <div>Automotive Batteries (Cylindrical)*</div>
	<div>IS</div> <div>Systems (Energy Solutions), Devices (Energy Device)</div>
Other (includes the following businesses) /Eliminations & adjustments	
Entertainment & Communication	<div>AP</div> <div>Smart Life Network</div>
Housing	<div>LS</div> <div>Housing Systems</div>

\* Automotive prismatic battery business JV (unconsolidated): purchasing and sales are recorded mainly in Automotive; equity method income/loss is recorded in Eliminations & adjustments.

\*\* Please refer to P29 for list of voluntarily disclosed businesses by new segmentation

# FY22 3Q Results by Segment

(yen: billions)

	Sales	vs. FY21 (Excl. effect of exchange rates)	FY21 Difference (Excl. effect of exchange rates)	Adjusted OP (% to sales)	FY21 Difference	Other income/ loss	FY21 Difference	OP (% to sales)	FY21 Difference	EBITDA* (% to sales)	FY21 Difference
Lifestyle	959.4	-2% (-6%)	-23.1 (-58.9)	40.2 4.2%	-35.8	-2.4	-0.8	37.8 3.9%	-36.6	61.8 6.4%	-35.7
Automotive	275.2	-9% (-12%)	-26.6 (-37.4)	1.5 0.5%	+7.2	0.4	+2.4	1.9 0.7%	+9.6	15.3 5.5%	+9.9
Connect	222.6	+11% (+5%)	+22.8 (+10.5)	-6.8 -3.1%	-11.7	-2.8	-0.5	-9.6 -4.3%	-12.2	13.7 <sup>**</sup> 6.2%	+3.1
Industry	283.0	+9% (+3%)	+24.3 (+8.7)	18.9 6.7%	+2.4	0.4	+3.5	19.3 6.8%	+5.9	32.4 11.5%	+6.6
Energy	194.3	+17% (+9%)	+28.4 (+15.2)	18.2 9.4%	+1.9	-1.9	+2.4	16.3 8.4%	+4.3	30.6 <sup>***</sup> 15.8%	+5.7
Other/ Eliminations & adjustments	-44.7	-	+49.9	15.5	-19.3	-8.2	-8.9	7.3	-28.2	23.8	-28.2
Total	1,889.8	+4% (±0%)	+75.7 (-3.7)	87.5 4.6%	-55.3	-14.5	-1.9	73.0 3.9%	-57.2	177.6 9.4%	-38.6

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

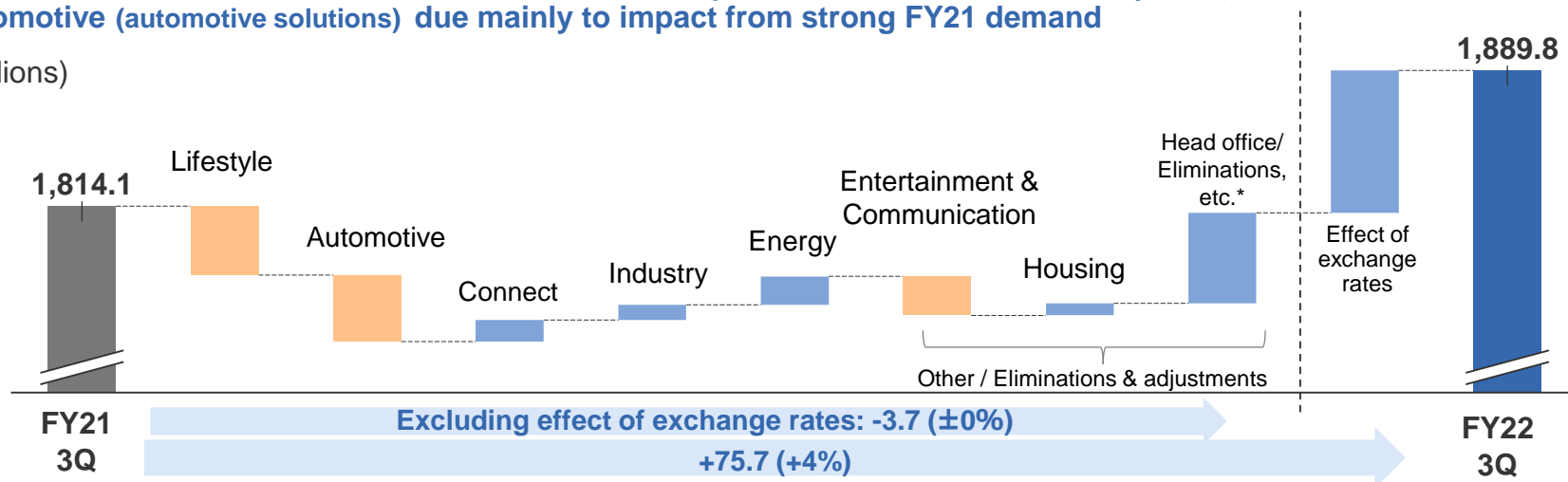
\*\* Adjusted with impact of temporary accounting treatment related to "re-evaluation of assets and liabilities" upon Blue Yonder acquisition

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

# FY22 3Q Sales Analysis by Segment

**Overall sales increased: Increased sales of Industry (e.g. information & communication applications) and Energy (e.g. automotive batteries) as well as new consolidation of Blue Yonder, despite decreased sales of Lifestyle (e.g. consumer electronics in Japan) and Automotive (automotive solutions) due mainly to impact from strong FY21 demand**

(yen: billions)



## Major increase/decrease factors

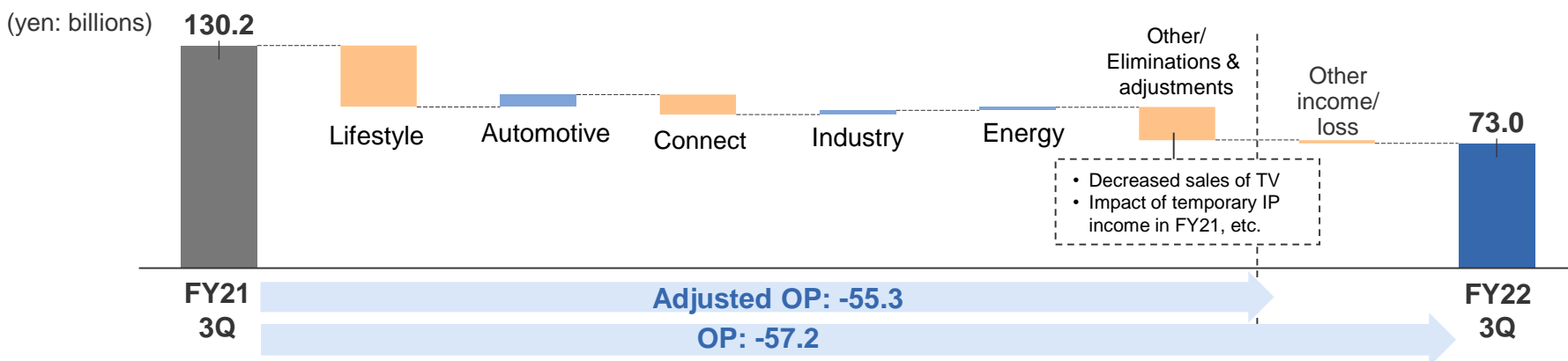
Sales	Lifestyle	<b>Decreased</b> overall: Largely affected by decreased sales in Japan for washing machines (supply issues), cooking appliances (FY21 impact from stay-at-home demand), and other segment products (e.g. TV); despite stable sales of consumer electronics in China (e.g. washing machines), commercial refrigeration & food equipment in North America, and air-conditioning in Europe (e.g. A2W Air to Water hot water heat pump system)
	Automotive	<b>Decreased</b> : Impact from FY21 3Q's automobile production recovery and continuously affected by reduced automobile production mainly due to shortages of semiconductors, parts & materials; but improved from FY22 2Q
	Connect	<b>Increased</b> : Driven by mounting machines with favorable market conditions of PCs and servers, projectors reflecting recovery trend mainly in US & Europe, as well as new consolidation of Blue Yonder; despite decreased sales of notebook PCs due to parts & materials procurement issues
	Industry	<b>Increased</b> : Favorable sales of industrial-use motors, capacitors for information & communication infrastructure and automotive-use, and EV-use relays, etc.
	Energy	<b>Increased</b> : Mainly EV batteries and power storage systems for data centers, despite impact of dry battery business transfer in Europe
	Other/ Eliminations & adjustments	Entertainment & Communication: <b>Decreased</b> affected by FY21 stay-at-home demand, particularly for TV business, and parts & materials procurement difficulties (e.g. semiconductors) Housing: <b>Increased</b> with launch of new products for "new normal" and accelerated digital marketing

\* The chart shows net figures of "management accounting adjustments (mainly adjustments to sales prices)" between each segment and "Head office/Eliminations, etc."

# FY22 3Q Operating Profit Analysis by Segment

## Adjusted OP and OP decreased:

Largely affected by raw material price hikes mainly in Lifestyle (e.g. consumer electronics, air-conditioning), as well as temporary negative factors (e.g. impact of temporary accounting treatment related to “re-evaluation of assets and liabilities” upon Blue Yonder acquisition), despite increased profit with increased sales of Industry and Energy, etc.



## Major increase/decrease factors

Adjusted OP	Lifestyle	<b>Decreased:</b> Impact from FY21 stay-at-home demand in Japan, raw material price hikes, and recording of temporary expenses, while sales increased overseas and rationalization efforts made at each business
	Automotive	<b>Increased:</b> Cost reduction efforts and impact of recording temporary expenses related to onboard charging systems in FY21, despite decreased sales and parts & materials price hikes
	Connect	<b>Decreased:</b> Decreased sales of notebook PCs due to parts & materials procurement issues as well as impact of temporary accounting treatment related to “re-evaluation of assets and liabilities” upon Blue Yonder acquisition, etc., despite increased sales of mounting machines and projectors
	Industry	<b>Increased:</b> Increased sales of industrial-use motors, rationalization efforts and other factors, despite impact of raw material price hikes
	Energy	<b>Increased:</b> Increased sales of automotive batteries and power storage systems for data centers, etc., despite impact of transfer of dry battery business in Europe

Other income/loss -



# Lifestyle Segment: FY22 3Q Results by Divisional Company

(yen: billions)

	Sales	vs. FY21 (Excl. effect of exchange rates)	FY21 Difference (Excl. effect of exchange rates)	Adjusted OP (% to sales)	FY21 Difference	Other income/ loss	FY21 Difference	OP (% to sales)	FY21 Difference	EBITDA** (% to sales)	FY21 Difference
Living Appliances and Solutions Company	274.0	+4% (-1%)	+10.2 (-2.7)	22.1 8.1%	-6.6	0.0	0.0	22.1 8.1%	-6.6	28.0 10.2%	-5.5
Heating & Ventilation A/C Company	162.2	+2% (-3%)	+2.7 (-4.0)	-0.1 <sup>***</sup> -0.1%	-10.6	-0.6	-0.6	-0.7 <sup>***</sup> -0.4%	-11.2	4.2 <sup>***</sup> 2.6%	-10.4
Cold Chain Solutions Company	75.3	+11% (+4%)	+7.2 (+2.5)	-6.9 <sup>***</sup> -9.1%	-6.8	-0.1	-0.1	-7.0 <sup>***</sup> -9.3%	-6.9	-5.0 <sup>***</sup> -6.6%	-6.8
Electric Works Company	265.8	+1% (±0%)	+3.2 (-0.7)	13.7 5.1%	-6.4	0.3	+1.6	14.0 5.3%	-4.8	21.0 7.9%	-5.5
China and Northeast Asia Company*	219.3	+19% (+7%)	+35.5 (+12.8)	3.2 <sup>***</sup> 1.5%	-9.0	-0.6	-1.1	2.6 <sup>***</sup> 1.2%	-10.1	7.8 <sup>***</sup> 3.6%	-9.1

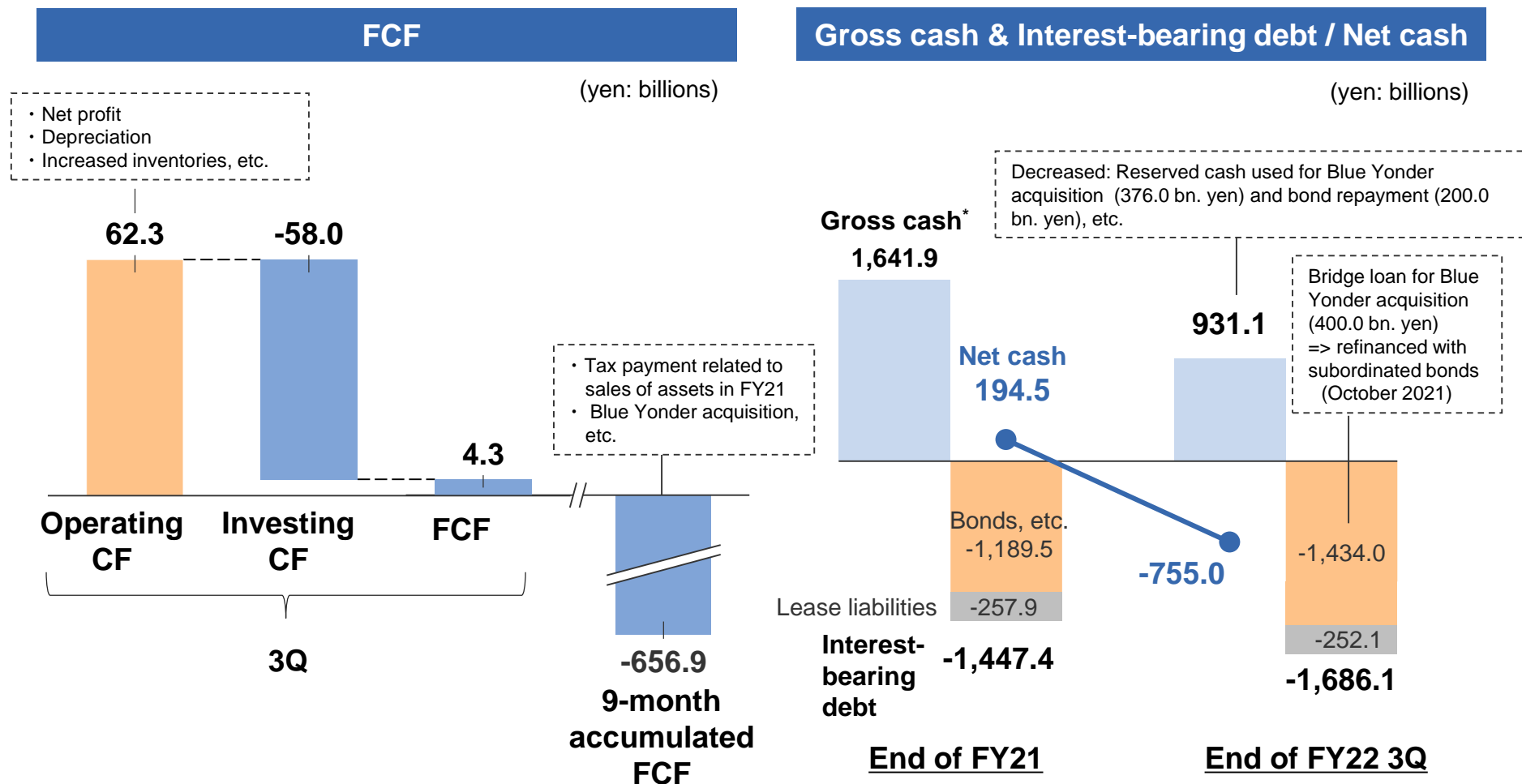
\* Living Appliances and Solutions Company, Heating & Ventilation A/C Company, Cold Chain Solutions Company, and Electric Works Company include part of sales and profit of China and Northeast Asia Company

\*\* 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

# FY22 3Q FCF and Cash

- **FCF was 4.3 billion yen: Temporary deterioration of working capital due mainly to external factors (e.g. port congestion) and increased inventories by strategically securing parts & materials**



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

# Impact from FY22 3Q Changes in Business Environment

- Issues of factory lockdowns for COVID-19 on the path to being solved; however, continuing impact of raw material price hikes and shortages of semiconductors, parts & materials

	Changes in demand	Raw material price hikes	Semiconductor, parts & materials shortages
Lifestyle	<ul style="list-style-type: none"> <li>Japan: impact of FY21 stay-at-home demand (consumer electronics) Stable: China (consumer electronics) / Europe (Heating &amp; Ventilation) ⇒ Outlook the same as FY21 overall: Japan lower than FY21; China (consumer electronics) continues to be stable</li> </ul>	<ul style="list-style-type: none"> <li>Mainly iron and copper ⇒ Outlook for continuing impact (Continuous efforts for rationalization)</li> </ul>	<ul style="list-style-type: none"> <li>Mainly in Electric Works Company: parts &amp; materials shortages and impact from fire at supplier's factory ⇒ Outlook for continuing impact (continuous procurement initiatives including finding alternatives)</li> </ul>
Automotive	<ul style="list-style-type: none"> <li>Impact of FY21 recovered automobile production</li> <li>Reduced automobile production mainly by semiconductor, parts &amp; materials shortages ⇒ Continuing risk of fluctuating production</li> </ul>	<ul style="list-style-type: none"> <li>Parts &amp; materials price hikes including semiconductors ⇒ Outlook for continuing impact (continuous efforts to reduce variable &amp; fixed costs)</li> </ul>	<ul style="list-style-type: none"> <li>Demand impacted by reduced automobile production ⇒ Continuing risk of fluctuating demand</li> </ul>
Connect	<ul style="list-style-type: none"> <li>Favorable demand of mounting machines for PCs and servers ⇒ Declining demand by economic slowdowns in China (respond flexibly to demand fluctuation mainly by production adjustments)</li> </ul>	<ul style="list-style-type: none"> <li>Minor impact</li> </ul>	<ul style="list-style-type: none"> <li>Parts &amp; materials procurement shortages mainly for notebook PCs with lockdowns of suppliers' factories ⇒ Outlook for solving issues toward 4Q (continuous negotiations for early improvement)</li> </ul>
Industry	<ul style="list-style-type: none"> <li>Favorable demand for industrial and information &amp; communication applications ⇒ Outlook for continuous stable demand</li> </ul>	<ul style="list-style-type: none"> <li>Mitigate price hikes (e.g. copper) with rationalization efforts, etc. ⇒ Outlook for continuing impact (Continuous efforts for rationalization)</li> </ul>	<ul style="list-style-type: none"> <li>Parts &amp; materials shortages mainly for automobiles ⇒ Outlook for continuing impact (efforts for procurement alternatives)</li> </ul>
Energy	<ul style="list-style-type: none"> <li>Favorable demand for EV and data center ⇒ Expanding demand for EV from a medium-to long-term perspective</li> </ul>	<ul style="list-style-type: none"> <li>Mitigate impact of price hikes (e.g. lithium, cobalt) with rationalization efforts, etc. ⇒ Outlook for continuing impact (rationalization efforts and contracts to handle fluctuations in market prices)</li> </ul>	<ul style="list-style-type: none"> <li>Minor impact</li> </ul>

Positive (vs. FY21)
Negative (vs. FY21)
⇒ Outlook

# Fiscal 2022 Third Quarter Financial Results

## **Fiscal 2022 Full-Year Financial Forecast**

# FY22 Full-Year Forecast Revision

## • Revised adjusted operating profit & other income/loss

(yen: billions)		FY22 (e) (as of Feb 2)		FY22 (e) (as of Oct 28)		Difference		(Reference)		
								FY21	vs. FY21 / Difference	
Sales		7,300.0		7,300.0		-		6,698.8	+9%	+601.2
Adjusted operating profit* (% to sales)		365.0 (5.0%)		400.0 (5.5%)		-35.0		307.2 (4.6%)	+19%	+57.8
Other income/loss**		5.0		-30.0		+35.0		-48.6	-	+53.6
Operating profit (% to sales)		370.0 (5.1%)		370.0 (5.1%)		-		258.6 (3.9%)	+43%	+111.4
Non-operating income/loss		0.0		0.0		-		2.2	-	-2.2
Profit before income taxes		370.0		370.0		-		260.8	+42%	+109.2
Net profit attributable to Panasonic Corporation stockholders		240.0		240.0		-		165.1	+45%	+74.9
ROE		8.9%		8.9%		-		7.2%	-	+1.7%
EBITDA *** (% to sales)		750.0 (10.3%)		750.0 (10.3%)		-		605.5 (9.0%)	+24%	+144.5
		9 month accumulated		4Q (e)		Full-year (e)				
Exchange rates	1 US dollar	111 yen	110 yen	111 yen	107 yen	+4 yen		106 yen	+5 yen	
	1 Euro	131 yen	130 yen	130 yen	131 yen	-1 yen		124 yen	+6 yen	
	1 Renminbi	17.3 yen	17.5 yen	17.3 yen	17.0 yen	+0.3 yen		15.7 yen	+1.6 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

# FY22 Full-Year Forecast Revision by Segment

(yen: billions)

	Sales	vs. FY21 (Difference)	Difference from forecast (as of Oct 28)	Adjusted OP (% to sales)	FY21 Difference	Difference from forecast (as of Oct 28)	Other income/ loss	FY21 Difference	Difference from forecast (as of Oct 28)	OP (% to sales)	FY21 Difference	Difference from forecast (as of Oct 28)	EBITDA* (% to sales)	FY21 Difference	Difference from forecast (as of Oct 28)
Lifestyle	3,640.0	+3% (+91.1)	-	155.0 4.3%	-30.6	-18.0	-28.0	-9.3	+5.0	127.0 3.5%	-39.9	-13.0	222.0 6.1%	-38.8	-13.0
Automotive	1,080.0	+6% (+62.9)	-7.0	5.0 0.5%	+14.3	-7.0	-2.0	+0.5	-	3.0 0.3%	+14.8	-7.0	58.0 5.4%	+19.0	-7.0
Connect	920.0	+12% (+102.0)	-5.0	15.0 1.6%	+11.3	-5.0	36.0	+59.7	+1.0	51.0 5.5%	+71.0	-4.0	113.0 12.3%	+100.8	+9.0
Industry	1,110.0	+13% (+125.4)	+10.0	78.0 7.0%	+33.7	+1.0	-4.0	-0.4	-1.0	74.0 6.7%	+33.3	-	127.0 11.4%	+36.4	-0.5
Energy	768.0	+28% (+168.0)	+20.0	65.0 8.5%	+27.2	-	-4.0	+0.3	-	61.0 7.9%	+27.5	-	117.0 15.2%	+30.2	-
Other/ Eliminations & adjustments	-218.0	+51.8	-18.0	47.0	+1.9	-6.0	7.0	+2.8	+30.0	54.0	+4.7	+24.0	113.0	-3.1	+11.5
Total	7,300.0	+9% (+601.2)	-	365.0 5.0%	+57.8	-35.0	5.0	+53.6	+35.0	370.0 5.1%	+111.4	-	750.0 10.3%	+144.5	-

\* 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 of "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

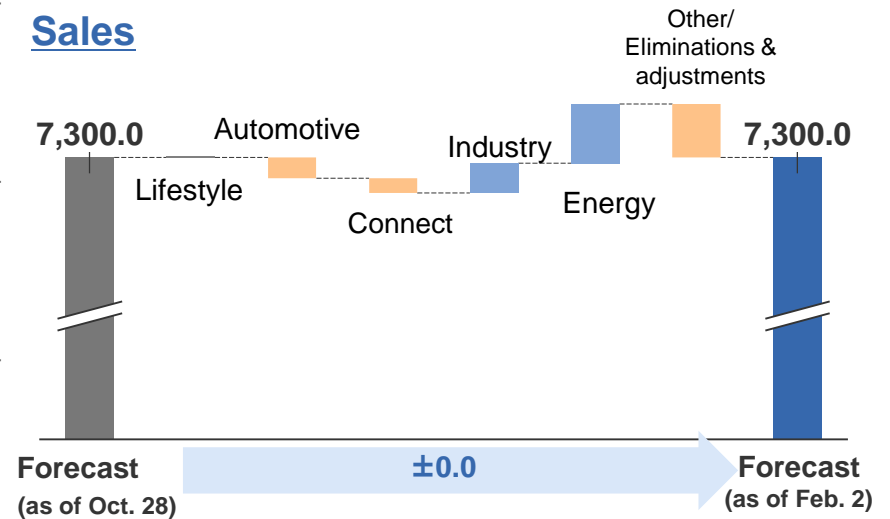
# FY22 Full-Year Forecast Revision Factors by Segment

## Major revision factors

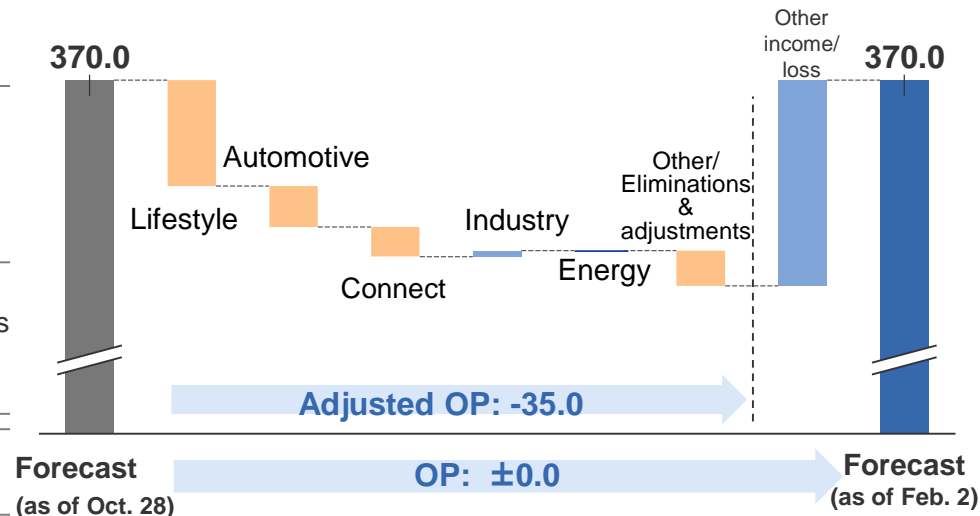
Sales / Adjusted OP	Lifestyle	Sales: - Profit: <b>Revised downward</b> due mainly to decreased sales of Heating & Ventilation A/C, price hikes of raw material & logistics costs, procurement & production issues and temporary expenses
	Automotive	Sales: <b>Revised downward</b> due to increased impact from reduced automobile production Profit: <b>Revised downward</b> due to increased impact from decreased sales and parts & materials price hikes
	Connect	Sales / Profit: <b>Revised downward</b> due mainly to impact of temporary accounting treatment related to “re-evaluation of assets and liabilities” upon Blue Yonder acquisition
	Industry	Sales: <b>Revised upward</b> with increased sales (e.g. capacitors, other segment products) Profit: <b>Revised upward</b> due to increased sales, fixed cost reduction through management structure enhancement
	Energy	Sales: <b>Revised upward</b> due to yen depreciation Profit: Same as forecast (as of Oct. 28) with factored-in current price hikes of raw materials/logistic expenses, despite yen depreciation effect
	Other/ Eliminations & adjustments	Profit: <b>Revised downward</b> with decreased sales at EAC* due mainly to parts & materials shortages and increased elimination for intercompany profits due to increased inventory, etc.
Other income/loss	• <b>Revised upward</b> due to gains from sale of assets, etc.	

\* Entertainment & Communication

## Sales



## OP



# Lifestyle Segment: FY22 Full-year Forecast Revision by Divisional Company

(yen: billions)

	Sales	vs. FY21 (Difference)	Difference from forecast (as of Oct 28)	Adjusted OP (% to sales)	FY21 Difference	Difference from forecast (as of Oct 28)	Other income/ loss	FY21 Difference	Difference from forecast (as of Oct 28)	OP (% to sales)	FY21 Difference	Difference from forecast (as of Oct 28)	EBITDA** (% to sales)	FY21 Difference	Difference from forecast (as of Oct 28)
Living Appliances and Solutions Company	950.0	+4% (+37.9)	+9.0	67.0 7.1%	-12.4	-	0.0	-0.1	-	67.0 7.1%	-12.5	-	88.0 9.3%	-10.7	-
Heating & Ventilation A/C Company	714.0	+4% (+27.2)	-5.0	28.0*** 3.9%	-17.6	-12.0	-2.0	-1.6	-1.0	26.0*** 3.6%	-19.2	-13.0	44.0*** 6.1%	-17.9	-13.0
Cold Chain Solutions Company	300.0	+18% (+44.7)	+12.0	-1.0*** -0.3%	+1.0	-5.5	-1.0	0.0	-	-2.0*** -0.7%	1.0	-5.5	5.5*** 1.8%	+0.8	-5.5
Electric Works Company	1,016.0	+3% (+32.0)	-	42.0 4.1%	-4.6	-6.0	-11.0	+5.3	+6.0	31.0 3.1%	+0.7	-	62.0 6.1%	+0.3	-
China and Northeast Asia Company*	825.0	+18% (+124.5)	+17.0	22.5*** 2.7%	-14.5	-17.5	-7.0	-6.2	-1.0	15.5*** 1.9%	-20.7	-18.5	33.5*** 4.1%	-19.7	-18.5

\* Living Appliances and Solutions Company, Heating & Ventilation A/C Company, Cold Chain Solutions Company, and Electric Works Company include part of sales and profit of China and Northeast Asia Company

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

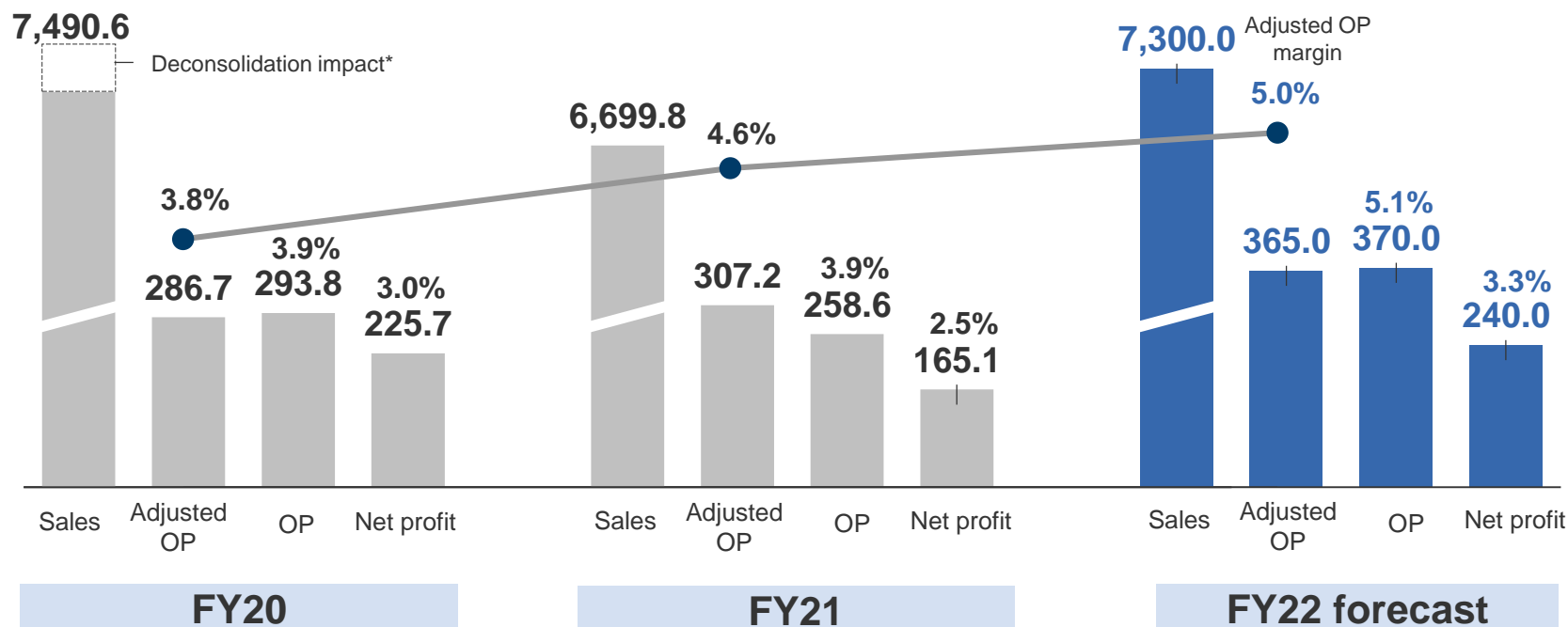
\*\*\* Impact of temporary expenses included



# Financial Results (FY20 - FY22)

**Profitability is steadily improved through management structure enhancement including fixed-cost reduction, despite changes in external business environment such as COVID-19**

(yen: billions)



## Enhancement of management structure: results/forecast

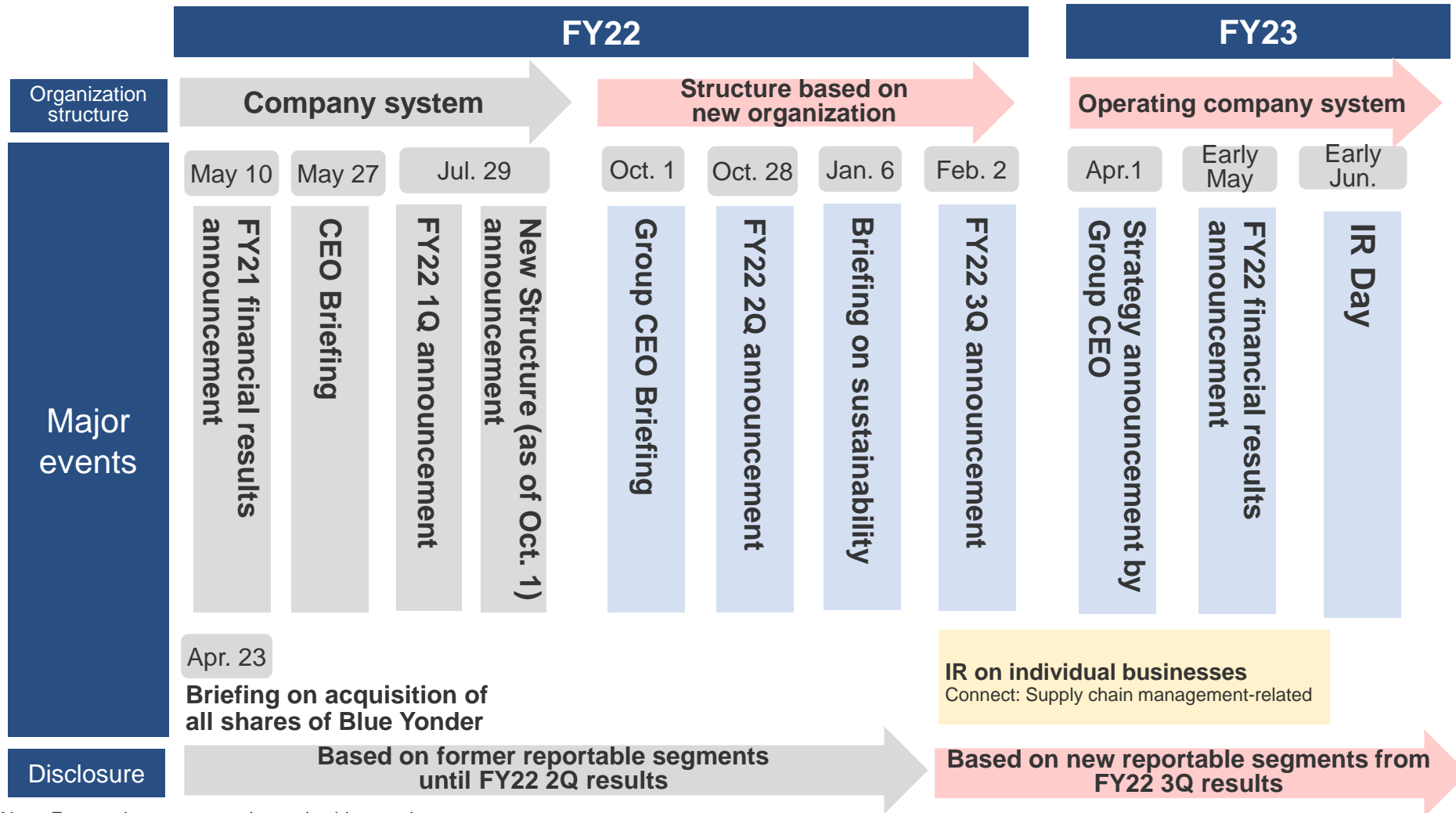
(yen: billions)

	FY20	FY21	FY22 (e)	3-year accumulative total	Mid-term target
Fixed-cost reduction	20.0	60.0	20.0	100.0	60.0
Measures to businesses with loss-making structures	0.0	30.0	0.0	30.0	40.0
Total	20.0	90.0	20.0	130.0	100.0

\* Deconsolidation impact of housing, automotive prismatic battery, security system and semiconductor businesses

# IR Activities Schedule (Plan)

- **October 1, 2021:** Started with new structure based on new organization
- **April 1, 2022:** Scheduled announcement of strategy by Group CEO
- **Early June 2022:** Scheduled announcement of operating companies' strategies (IR Day)



Note: Events above are tentative and subject to change

**Panasonic**

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

*This presentation includes forward-looking statements about Panasonic 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 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 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'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 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 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) FY22 Nine-Month (Apr. – Dec.) Results

(yen: billions)	FY22 9M	FY21 9M	Difference / vs. FY21	
Sales	<b>5,423.4</b>	4,873.3	+550.1	+11%
Adjusted OP* (% to sales)	<b>287.3</b> (5.3%)	231.9 (4.8%)	+55.4	+24%
Other income/loss**	<b>-13.1</b>	-5.1	-8.0	-
Operating profit (% to sales)	<b>274.2</b> (5.1%)	226.8 (4.7%)	+47.4	+21%
Non-operating income/loss	<b>5.2</b>	-6.7	+11.9	-
Profit before income taxes (% to sales)	<b>279.4</b> (5.2%)	220.1 (4.5%)	+59.3	+27%
Net profit attributable to Panasonic Corporation stockholders (% to sales)	<b>195.6</b> (3.6%)	130.1 (2.7%)	+65.5	+50%
EBITDA*** (% to sales)	<b>552.6</b> (10.2%)	484.0 (9.9%)	+68.6	+14%

Exchange rates	1 US dollar	<b>111 yen</b>	106 yen
	1 Euro	<b>131 yen</b>	122 yen
	1 Renminbi	<b>17.3 yen</b>	15.4 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

\*\*\* 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) FY22 3Q Segment Information

Lifestyle

## Overview

(yen: billions)	FY22 3Q	vs. FY21 3Q/ Difference
Sales	<b>959.4</b>	-2% (-6%)*
Adjusted operating profit (% to sales)	<b>40.2 (4.2%)</b>	-35.8
Other income/loss	<b>-2.4</b>	-0.8
Operating profit (% to sales)	<b>37.8 (3.9%)</b>	-36.6

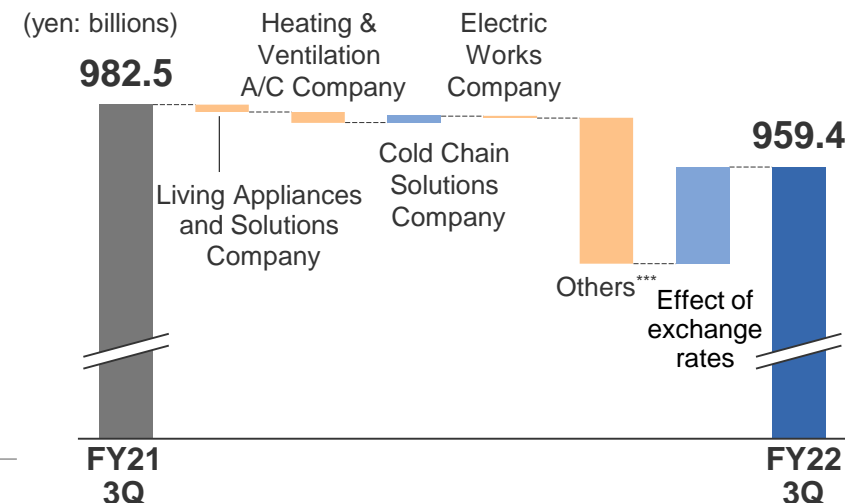
\* In real terms excluding the effect of exchange rates

## Major increase/decrease factors

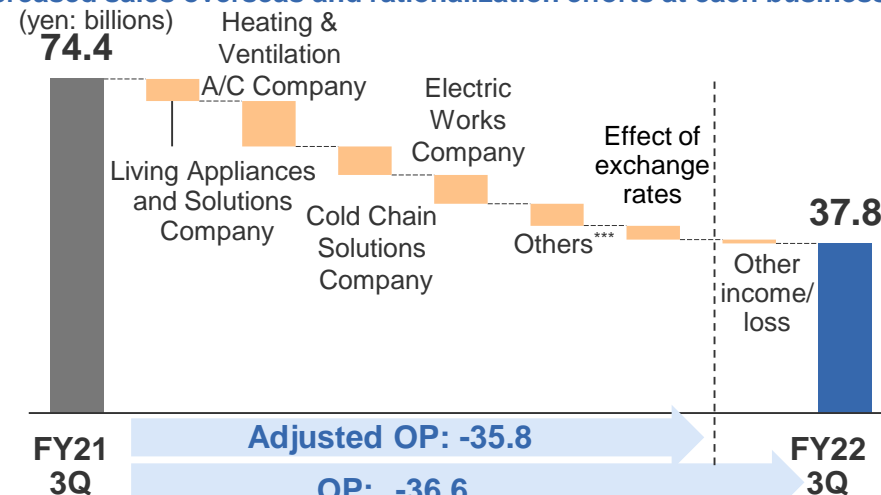
Adjusted OP	Living Appliances and Solutions Company	<ul style="list-style-type: none"> <li>+: Increased sales in China (e.g. personal-care products, washing machines)</li> <li>-: Decreased sales in Japan:                             <ul style="list-style-type: none"> <li>washing machines with supply issues</li> <li>cooking appliances with impact from FY21 stay-at-home demand</li> </ul> </li> </ul>
	Heating & Ventilation A/C Company	<ul style="list-style-type: none"> <li>+: Continued favorable sales of A2W (Air to Water hot water heat pump system) in Europe</li> <li>-: Decreased sales (e.g. IAQ**, room air-conditioners in Japan), surging shipping costs, recording temporary expenses</li> </ul>
	Cold Chain Solutions Company	<ul style="list-style-type: none"> <li>+: Stable sales in North America, stable sales with products for super-markets in Japan</li> <li>-: Electronic components procurement issues, recording of temporary expenses</li> </ul>
	Electric Works Company	<ul style="list-style-type: none"> <li>+: Increased sales of electrical construction materials mainly in India and China; reduced fixed costs</li> <li>-: Material procurement issues (e.g. Lighting)</li> </ul>
	Other income/loss	Restructuring expenses, etc.

\*\* IAQ (Indoor Air Quality)

## Sales decreased: Large impact by decreased sales of other segment products



## OP decreased: Impact from FY21 stay-at-home demand in Japan, raw material price hikes and recording temporary expenses; despite increased sales overseas and rationalization efforts at each business



\*\*\* Refrigeration and Air-Conditioning Devices, sales of other segment products, segment head office, eliminations, etc.

# (Reference) FY22 3Q Segment Information

Automotive

## Overview

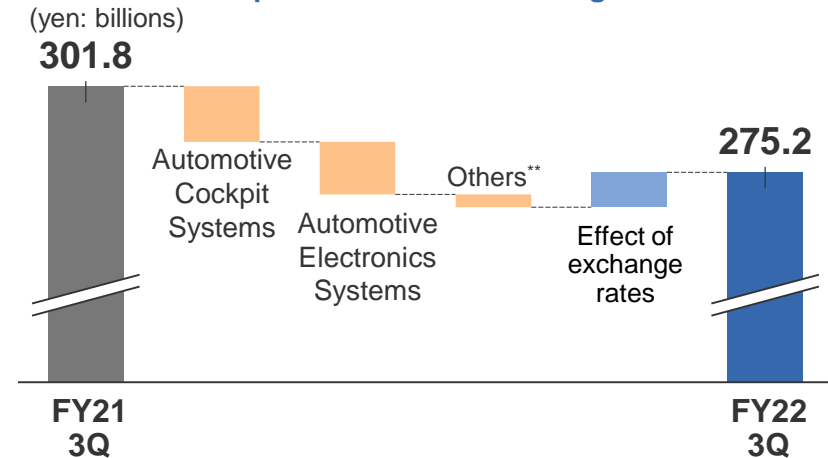
(yen: billions)	FY22 3Q	vs. FY21 3Q/ Difference
Sales	<b>275.2</b>	-9% (-12%)*
Adjusted operating profit (% to sales)	<b>1.5</b> (0.5%)	+7.2
Other income/loss	<b>0.4</b>	+2.4
Operating profit (% to sales)	<b>1.9</b> (0.7%)	+9.6

\* In real terms excluding the effect of exchange rates

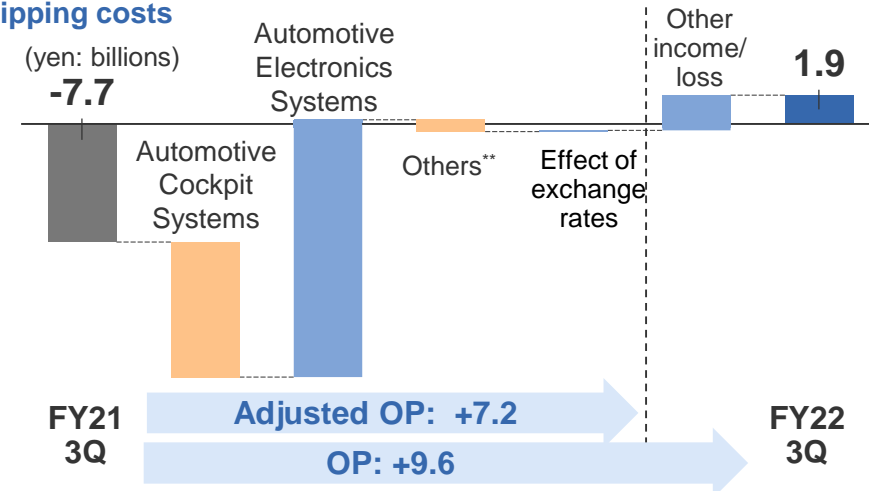
## Major increase/decrease factors

Adjusted OP	Automotive Cockpit Systems	+: Cost reduction efforts -: • Decreased sales mainly for US & European automobile manufacturers • Price surges due mainly to semiconductor, parts & materials shortages • Increased shipping costs
	Automotive Electronics Systems	+: • Impact from temporary expenses related to onboard charging systems in FY21 • Cost reduction efforts -: • Decreased sales mainly for European automobile manufacturers • Price surges due mainly to semiconductor, parts & materials shortages • Increased shipping costs
Other income/loss		Improved due mainly to impact from restructuring expenses incurred overseas in FY21

**Sales decreased: Impact from automobile production recovery in FY21 3Q and reduced automobile production due mainly to semiconductor and parts & materials shortages**



**OP increased: Cost reduction efforts and impact from temporary expenses related to onboard charging systems in FY21, despite decreased sales, parts & materials price hikes, and increased shipping costs**



\*\* Others: sales of other segment products, etc.

# (Reference) FY22 3Q Segment Information

Connect

## Overview

(yen: billions)	FY22 3Q	vs. FY21 3Q/ Difference
Sales	<b>222.6</b>	+11% (+5%)*
Adjusted operating profit (% to sales)	<b>-6.8</b> (-3.1%)	-11.7
Other income/loss	<b>-2.8</b>	-0.5
Operating profit (% to sales)	<b>-9.6</b> (-4.3%)	-12.2

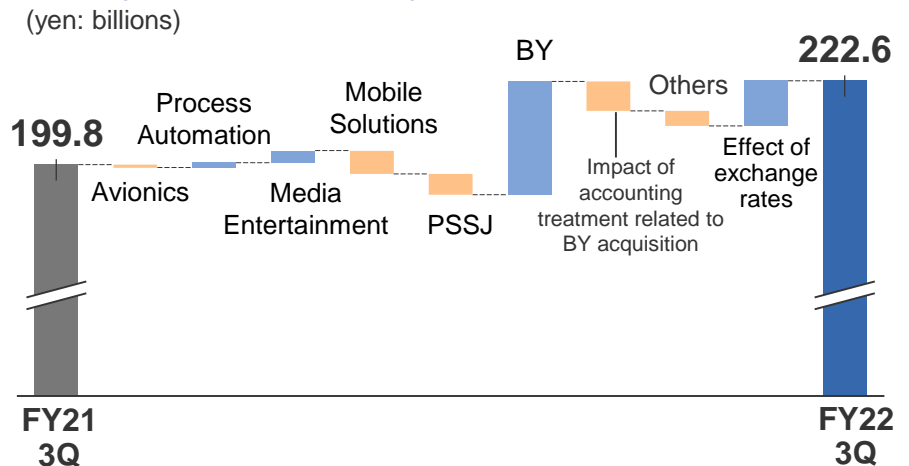
\* In real terms excluding the effect of exchange rates

## Major increase/decrease factors

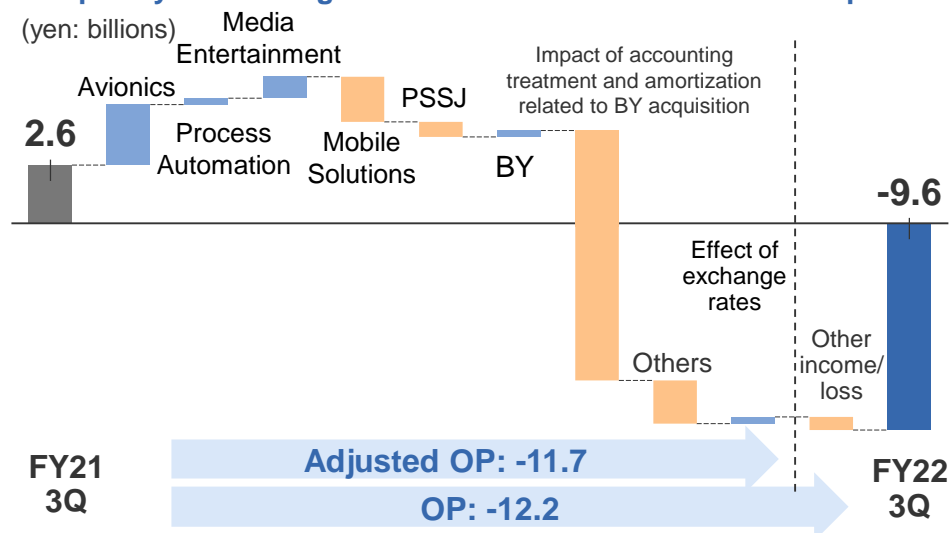
Adjusted OP	Avionics	+: Increased sales (e.g. repair & maintenance service due to recovery trend of flight operations) +: Fixed-cost reduction
	Process Automation	+: Increased sales of mounting machines by higher demand reflecting favorable market conditions of notebook PCs and servers
	Media Entertainment	+: Increased sales of projector business due to recovery market trend from COVID-19 mainly in Europe and U.S.
	Mobile Solutions	-: Decreased sales due to lockdowns in Southeast Asia and procurement issues of parts & materials (e.g. semiconductor shortage) for notebook PCs
	PSSJ**	-: Decreased sales due to held-back investment by corporate customers and delays in projects caused by COVID-19
	Blue Yonder (BY)	+: New consolidation (stand alone) -: Impact of temporary accounting treatment related to "re-evaluation of assets and liabilities" upon Blue Yonder acquisition and increased amortization of intangible assets
Other income/loss		Restructuring expenses for reorganization of sites

\*\* Panasonic System Solutions Japan Co., Ltd.

**Sales increased: Driven by mounting machines due to favorable market conditions of PCs and servers, and projectors from recovery market trend mainly U.S.**



**OP decreased: Due mainly to decreased sales of notebook PCs from parts & materials procurement issues, and impact of temporary accounting treatment related to Blue Yonder acquisition**

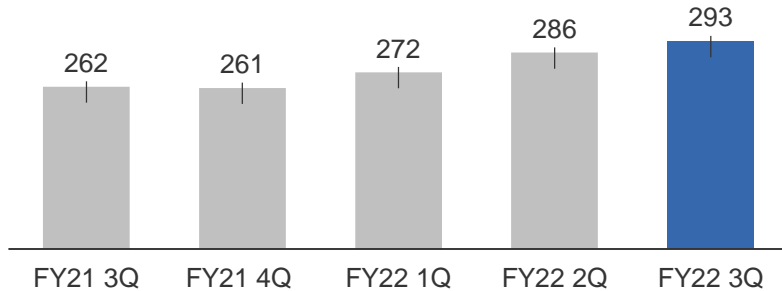




### Revenue

#### Steady sales expansion

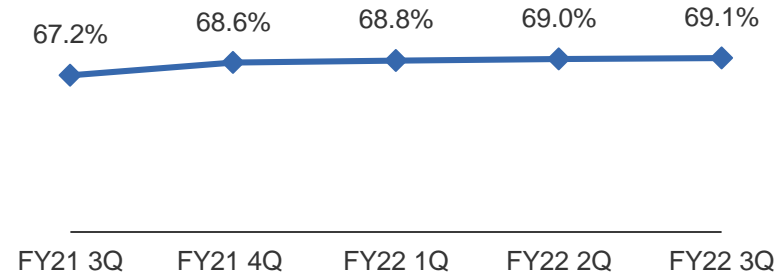
(USD: millions)



Note: Total revenue by quarter (stand alone)

### Recurring ratio

#### Ratio is expected to increase from next fiscal year onward

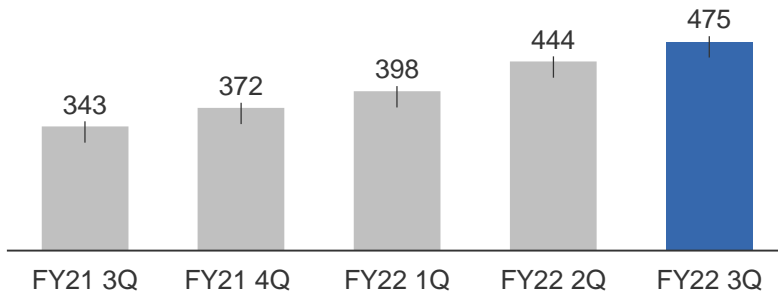


Note: Recurring revenue business ratio in total revenue

### SaaS ARR (Annual Recurring Revenue)

#### Steady revenue growth

(USD: millions)

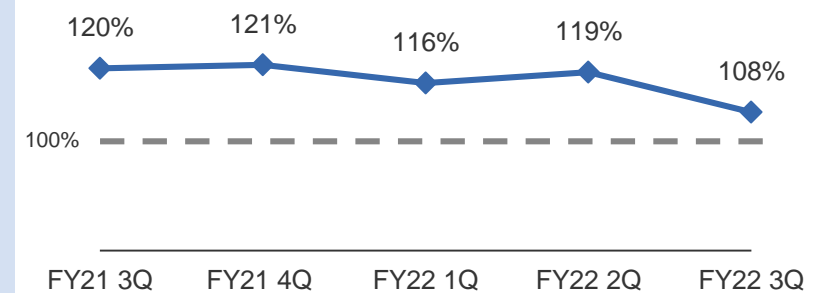


Note: ARR indicates secured annualized revenue during the year starting next quarter

### SaaS NRR (Net Revenue Rate)

#### Achieved over 100% in 5 consecutive quarters with stability

(Year-on-year)



Note: Net revenue retention with existing customers

# (Reference) FY22 3Q Segment Information

Industry

## Overview

(yen: billions)	FY22 3Q	vs. FY21 3Q/ Difference	PID Products*
Sales	<b>283.0</b>	+9% (+3%)**	229.2
Adjusted operating profit (% to sales)	<b>18.9</b> (6.7%)	+2.4	17.8 (7.8%)
Other income/loss	<b>0.4</b>	+3.5	0.3
Operating profit (% to sales)	<b>19.3</b> (6.8%)	+5.9	18.1 (7.9%)

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

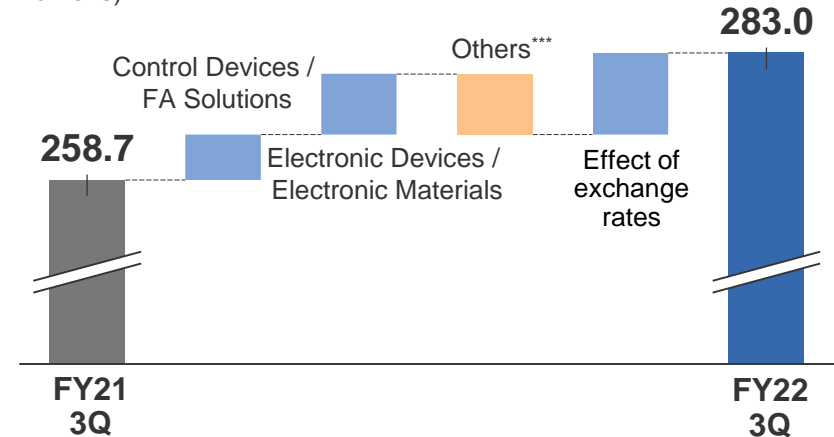
\*\* In real terms excluding the effect of exchange rates

## Major increase/decrease factors

Adjusted OP	Control Devices / FA Solutions	+: Increased sales (e.g. industrial-use motors, power supply, EV-use relays), rationalization (e.g. improved productivity) -: Raw material price hikes, semiconductor procurement difficulties
	Electronic Devices / Electronic Materials	+: Increased sales of passive components (e.g. capacitors for information & communication infrastructure and automotive-use), rationalization (e.g. improved productivity) -: Raw material price hikes
	Others	-: Decreased sales due to structural reform in LCD panels and other businesses
Other income/loss		Rebound from restructuring expenses recorded in FY21

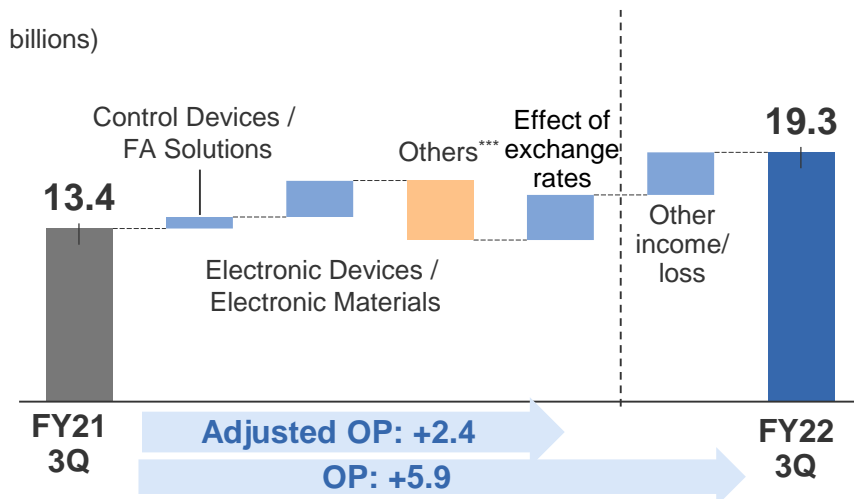
**Sales increased: Products for industrial-use and information & communication infrastructure were favorable, yen depreciation effect; despite semiconductor procurement difficulties**

(yen: billions)



**OP increased: Increased sales and rationalization (e.g. improved productivity), despite raw material price hikes**

(yen: billions)



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

# (Reference) FY22 3Q Segment Information

Energy

## Overview

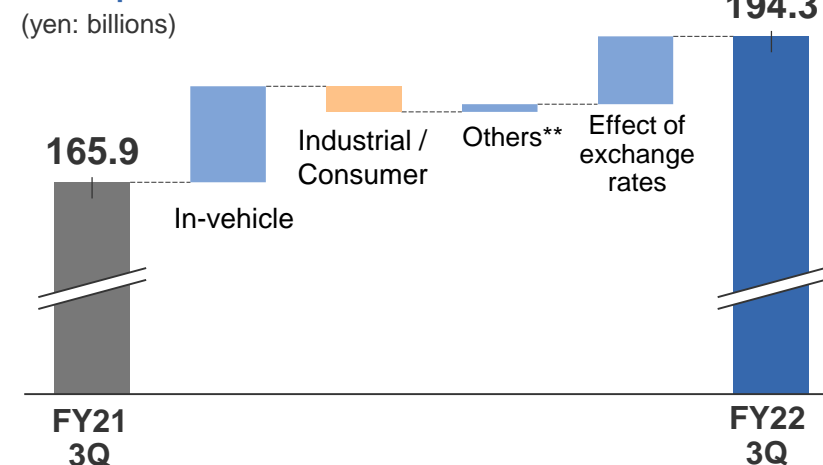
(yen: billions)	FY22 3Q	vs. FY21 3Q/ Difference
Sales	<b>194.3</b>	+17% (+9%)*
Adjusted operating profit (% to sales)	<b>18.2</b> (9.4%)	+1.9
Other income/loss	<b>-1.9</b>	+2.4
Operating profit (% to sales)	<b>16.3</b> (8.4%)	+4.3

\* In real terms excluding the effect of exchange rates

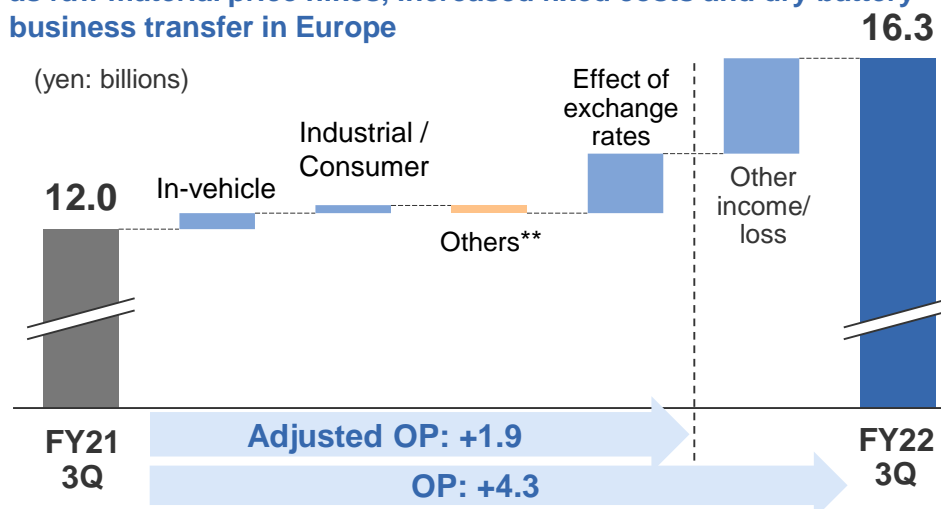
## Major increase/decrease factors

Adjusted OP	In-vehicle	+: Increased sales due to favorable demand -: Increased fixed costs due to increased production, increased logistics costs
	Industrial / Consumer	+: Increased sales (e.g. power storage systems for data centers) -: Raw material price hikes, increased fixed costs, dry battery business transfer in Europe
Other income/loss		Rebound from recording quality related expenses in FY21, etc.

**Sales increased: Mainly with automotive batteries and power storage systems, despite impact of dry battery business transfer in Europe**



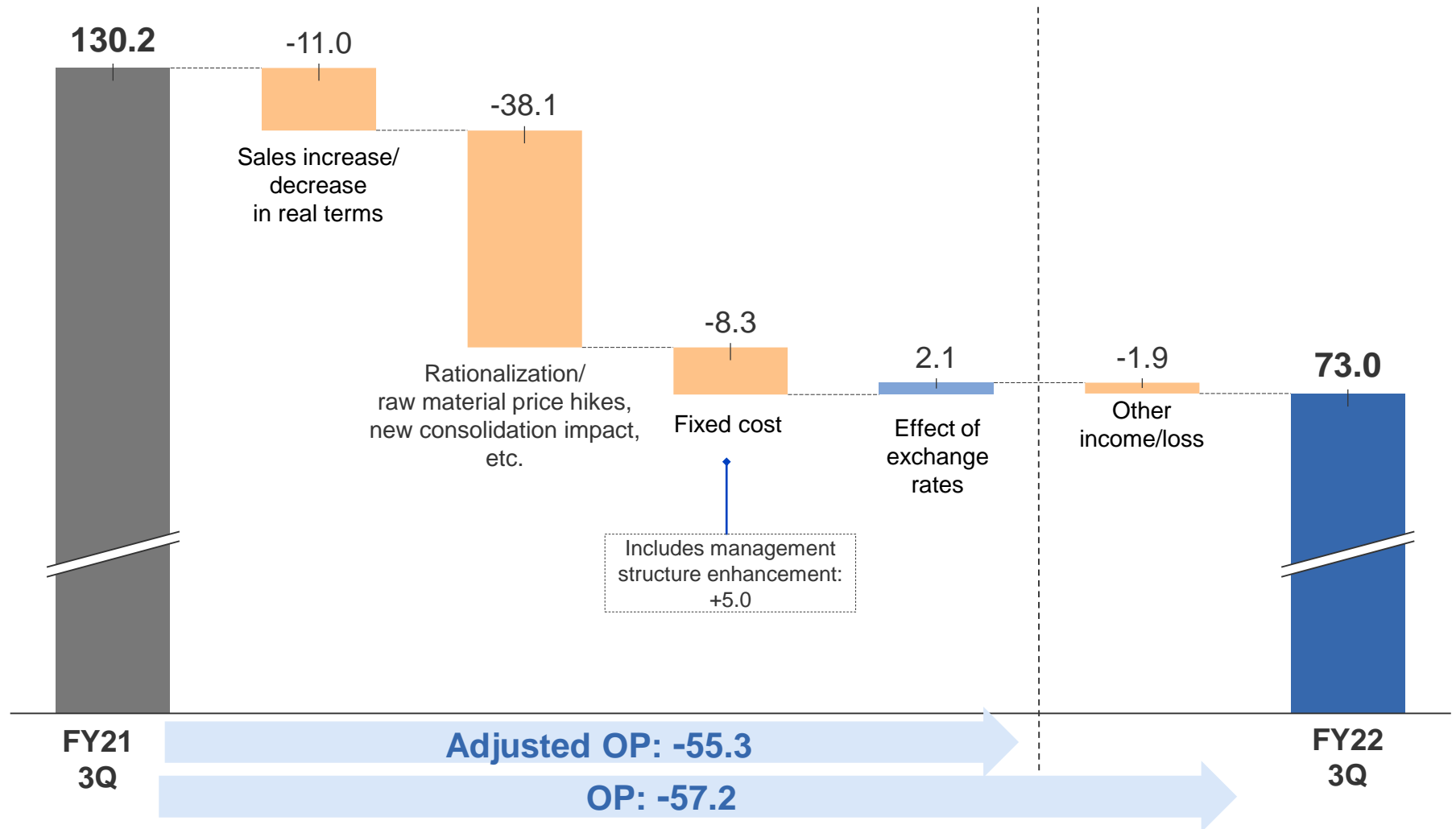
**OP increased: Increased sales (e.g. automotive batteries), effect of exchange rates, improved other income/loss, despite such impact as raw material price hikes, increased fixed costs and dry battery business transfer in Europe**



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

# (Reference) FY22 3Q Operating Profit Analysis (by Factor)

(yen: billions)



# (Reference) FY22 3Q Operating Profit & Net Profit

(yen: billions)

	FY22 3Q	FY21 3Q	Difference
Operating profit	73.0	130.2	-57.2
Non-operating income/loss	0.6	-3.3	+3.9
Profit before income taxes	73.6	126.9	-53.3
Income taxes	-30.5	-39.6	+9.1
Net profit	43.1	87.3	-44.2
Net profit attributable to Panasonic Corporation stockholders	42.6	81.2	-38.6
Net profit attributable to non-controlling interests	0.5	6.1	-5.6

# (Reference) List of Voluntarily Disclosed Businesses in FY22

		<u>Businesses with Sales Disclosed</u>	<u>Major Business Divisions, etc.</u>
Lifestyle	Living Appliances and Solutions Company	<ul style="list-style-type: none"> <li>• Kitchen Appliances</li> <li>• Laundry Systems and Vacuum Cleaner</li> <li>• Beauty and Personal Care</li> </ul>	: Kitchen Appliances BD : Laundry Systems and Vacuum Cleaner BD : Beauty and Personal Care BD
	Heating & Ventilation A/C Company	<ul style="list-style-type: none"> <li>• Heating and Cooling Solutions</li> <li>• Ecology Systems</li> </ul>	: Heating and Cooling Solutions BD : Panasonic Ecology Systems Co., Ltd.
	Cold Chain Solutions Company	-	: Hussmann Corporation, Cold Chain BD
	Electric Works Company	<ul style="list-style-type: none"> <li>• Lighting</li> <li>• Energy Systems</li> <li>• Other</li> </ul>	: Lighting BD : Energy Systems BD : Smart Energy Systems BD
	China and Northeast Asia Company	-	: Smart Life Appliances BD, Building and Housing Solutions BD, Cold Chain (China) BD, Refrigeration and Air-Conditioning Devices BD, Taiwan BD
	Others	-	: Sales of other segment products, segment head office, eliminations, etc.
Automotive		<ul style="list-style-type: none"> <li>• Automotive Cockpit Systems</li> <li>• Automotive Electronics Systems</li> <li>• Others</li> </ul>	: Infotainment Systems BD : HMI Systems BD, Automotive Systems BD, Ficosa International, S.A. : Sales of other segment products, etc.
Connect		<ul style="list-style-type: none"> <li>• Avionics</li> <li>• Process Automation</li> <li>• Media Entertainment</li> <li>• Mobile Solutions</li> <li>• PSSJ</li> <li>• Blue Yonder</li> <li>• Others</li> </ul>	: Panasonic Avionics Corporation, Avionics BU : Process Automation BD : Media Entertainment BD : Mobile Solutions BD : Panasonic System Solutions Japan Co., Ltd. : Blue Yonder Holding, Inc. : Other businesses, eliminations, etc.
Industry		<ul style="list-style-type: none"> <li>• Control Devices / FA Solutions</li> <li>• Electronic Devices / Electronic Materials</li> <li>• Others</li> </ul>	: Electromechanical Control BD, Industrial Devices BD : Device Solutions BD, Electronic Materials BD : LCD, sales of other segment products, eliminations, etc.
Energy		<ul style="list-style-type: none"> <li>• In-vehicle</li> <li>• Industrial / Consumer</li> <li>• Others</li> </ul>	: Mobility Energy BD : Energy Devices BD, Energy Solutions BD : Segment head office, eliminations, etc.
Other		<ul style="list-style-type: none"> <li>• Entertainment &amp; Communication</li> <li>• Housing</li> </ul>	: Entertainment & Communication BD : Housing Systems BD
Eliminations & adjustments		• Revenue and expenses which are not attributable to any segments, consolidation adjustments and eliminations of intersegment transactions, etc.	

Notes: 1. Living Appliances and Solutions Company, Heating & Ventilation A/C Company, Cold Chain Solutions Company, and Electric Works Company include part of sales and profit of China and Northeast Asia Company  
 2. Equity method income/loss of Prime Planet Energy & Solutions, Inc. is included in "Eliminations & adjustments"

## Becoming a global leader of solutions for supply chain innovation

### Overview & Competitive Advantage

The world's largest supply chain software company specializing in supply chain management (SCM) with stable management foundation and technological excellence

(As of January 2022)

#### Customer base

**76**  
Countries  
Expanding business worldwide

**3000 +**  
Global customers  
Support leading companies in each industry

#### Business stability

**69%**  
Recurring revenue ratio  
High recurring rate with stable earnings

**39%**  
SaaS ARR\* annual growth rate  
Strong growth forecast with steady sales expansion in SaaS

#### Technological excellence

**400 +**  
Patents  
Strong position in SCM software capability with No.1 holdings of intellectual properties (IPs) in the industry

**110 +**  
Data analysts  
Exceeded by many talented experts

\* ARR: Annual Recurring Revenue. ARR indicates secured annualized revenue during the year starting next quarter.

### Vision & Direction

For the realization of Autonomous Supply Chain™ by integrating strength of both companies

**Panasonic**

Balancing people and equipment with automation to optimize frontline productivity

**BlueYonder**

Overall Optimization  
Realize collaborative system beyond a company  
Further enhance SCM by connecting related parties

Frontline Optimization  
Support people's activities with use of data in people & frontline equipment  
Optimize individual operations, automate processes

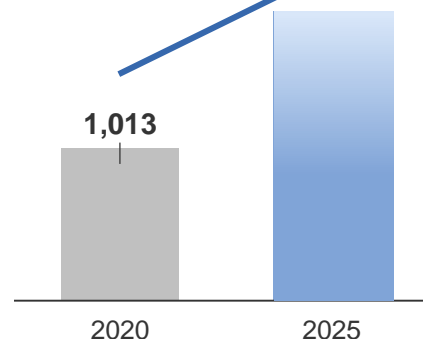
Visualization  
Visualize the connection between data from workers, products and equipment  
Visualize the movement of workers, products and equipment, as well as visualize connection between workers, products and equipment at the frontline

### Outlook (medium- to long-term)

Accelerating growth through integration with Panasonic

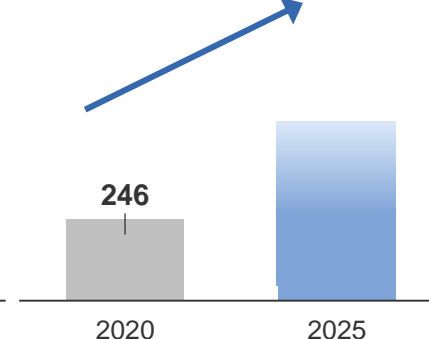
**Revenue**  
(USD: millions)

CAGR\*\* 13%+  
(2020-2025)



**Adjusted EBITDA**  
(USD: millions)

CAGR\*\* 13%+ α  
(2020-2025)



\*\* CAGR (compound annual growth rate)