

# 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.

- This presentation gives Panasonic's consolidated financial results for the third quarter of fiscal 2022 (FY22) ended December 31, 2021.

## 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

- First, the summary of the consolidated financial results for FY22 3Q.
- Overall sales increased from the same quarter of FY21 due to increased sales of such businesses as information & communication applications in Industry and automotive batteries in Energy, as well as the new consolidation of Blue Yonder. On the other hand, sales decreased for consumer electronics in Japan of Lifestyle and automotive solutions of Automotive due mainly to the impact from strong demand in FY21.
- Adjusted operating profit decreased.  
This is largely affected by raw material price hikes, mainly in Lifestyle such as consumer electronics and air-conditioning, as well as temporary negative factors such as the impact of temporary accounting treatment related to “re-evaluation of assets and liabilities” upon Blue Yonder acquisition. However, profit of Industry, Energy and other businesses increased with increased sales.  
Both operating profit and net profit decreased.
- For the FY22 full-year forecast, adjusted operating profit is revised downward, reflecting the current management environment such as reduced automobile production, raw material price hikes as well as the temporary factors mentioned above. However, other income/loss is revised upward, due to expected gains from the sale of assets and other factors.
- Overall sales, operating profit, profit before income taxes, and net profit remain unchanged.

## **Fiscal 2022 Third Quarter Financial Results**

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

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- I will explain the details of the consolidated financial results for FY22 3Q from the next slide.

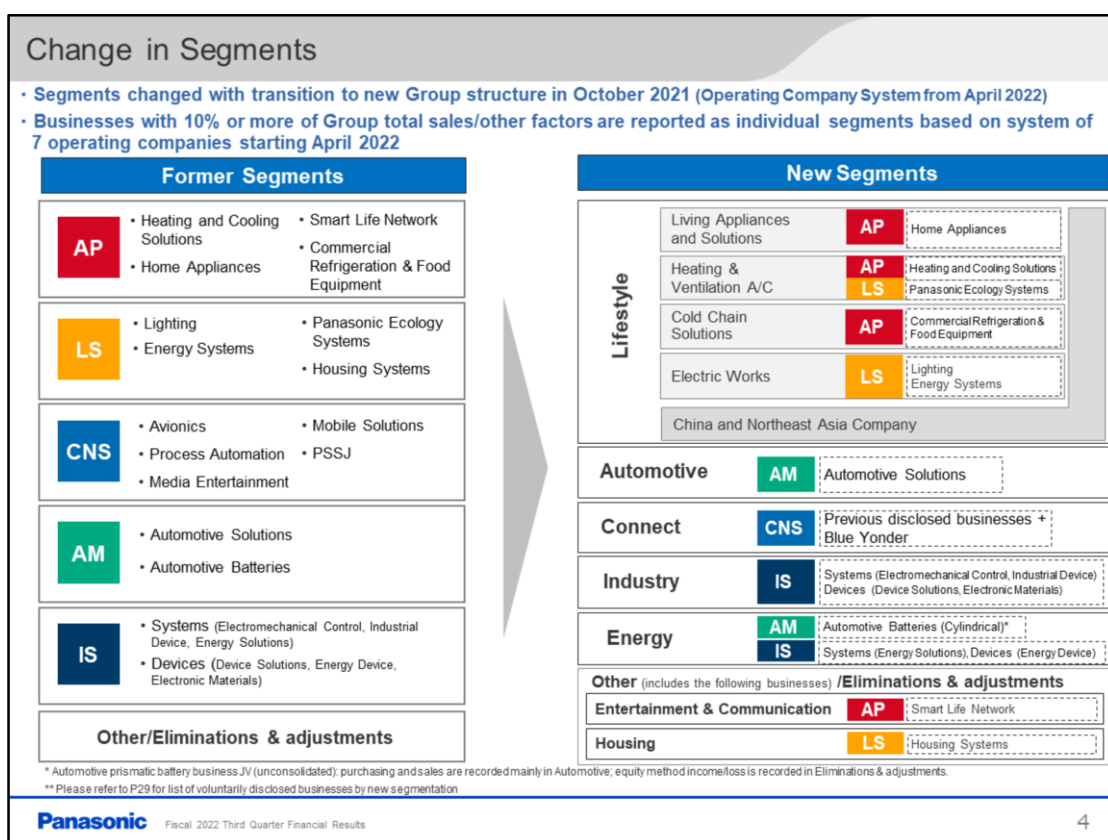
FY22 3Q Financial Results					
(yen: billions)		FY22 3Q	FY21 3Q	Difference / vs. FY21	
Sales		1,889.8	1,814.1	+75.7 (-3.7)***	+4% (±0%)***
Adjusted OP* (% to sales)		87.5 (4.6%)	142.8 (7.9%)	-55.3	-39%
Other income/loss**		-14.5	-12.6	-1.9	-
Operating profit (% to sales)		73.0 (3.9%)	130.2 (7.2%)	-57.2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

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- This slide shows the consolidated financial results for FY22 3Q.
- Overall sales increased to 1,889.8 billion yen by 4% from the same quarter of FY21.
- Adjusted operating profit decreased to 87.5 billion yen by 55.3 billion yen.
- Other income/loss decreased by 1.9 billion yen.  
Operating profit and net profit also decreased.



- This slide shows the change in segments.
- As explained in the FY22 2Q financial results, we started our new structure on October 1, 2021, based on the new organization. This slide outlines the changes and how the businesses of the current segments are reorganized.
- Starting from FY22 3Q, I will explain the financial results based on the new segments shown on the right of this slide.

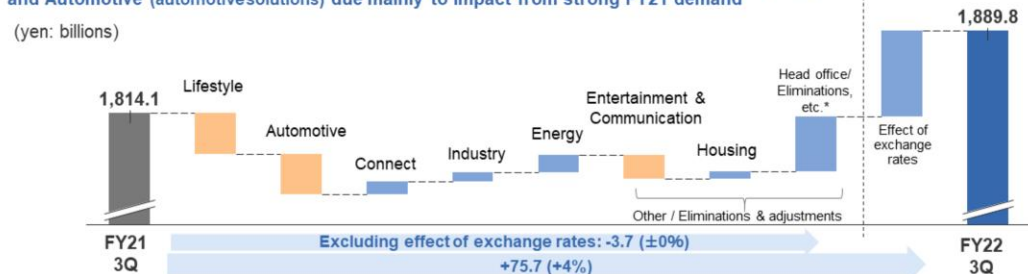
FY22 3Q Results by Segment											
(yen: billions)											
	Sales	vs. FY21 (Excl. effect of exchange rates)	FY21 Difference (Excl. effect of exchange rates)	Adjusted OP (% to sales)	FY21 Difference	Other income/ loss	FY21 Difference	OP (% to sales)	FY21 Difference	EBITDA* (% to sales)	FY21 Difference
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											
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- This slide shows the results by segment.
- EBITDA is shown on the right side of this chart.  
The figure of EBITDA for "Connect" is adjusted with the impact of temporary accounting treatment related to "re-valuation of assets and liabilities" upon Blue Yonder acquisition.
- I will explain the details of sales and operating profit in the next few slides.

## 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."

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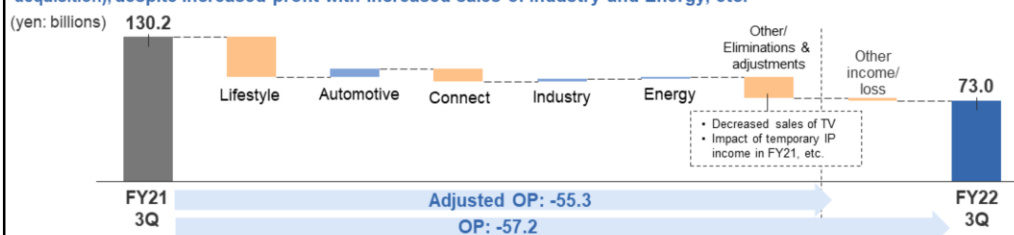
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- This slide shows our sales analysis by segment.
- Overall sales increased with increased sales of such businesses as information & communication applications of Industry and automotive batteries of Energy, as well as new consolidation of Blue Yonder; despite decreased sales of consumer electronics in Japan of Lifestyle and automotive solutions of Automotive due mainly to the impact from strong demand in FY21.
- In Lifestyle, overall sales decreased largely affected by decreased sales in Japan for washing machines having supply issues, cooking appliances impacted by FY21 stay-at-home demand, and other segment products such as TVs. On the other hand, we had stable sales of consumer electronics, such as washing machines, in China, commercial refrigeration & food equipment in North America, and air-conditioning in Europe.
- In Automotive, sales decreased from the impact of FY21's automobile production recovery and continuously affected by reduced automobile production, mainly due to shortages of semiconductors, parts & materials. But sales improved from FY22 2Q.
- In Connect, increased sales were driven by mounting machines with favorable market conditions of PCs and servers, projectors reflecting recovery trends mainly in the U.S. and Europe, as well as the new consolidation impact of Blue Yonder. On the other hand, sales of notebook PCs decreased due to parts & materials issues.
- In Industry, sales increased with favorable sales of industrial-use motors, capacitors for information & communication infrastructure as well as for automotive use, and EV-use relays.
- In Energy, sales increased mainly with EV batteries and power storage systems for data centers, despite the impact of the dry battery business transfer in Europe.
- Within Other/Elimination & adjustments, in Entertainment & Communication, sales decreased for such businesses as TVs, affected by FY21's stay-at-home demand and difficulties in procuring parts & materials such as semiconductors.  
In Housing, sales increased with the launch of new products for the "new normal" and accelerated digital marketing.



## 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		-

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- This slide shows our operating profit analysis by segment.
- Overall adjusted operating profit decreased largely affected by raw material price hikes, mainly in Lifestyle such as consumer electronics and air-conditioning, as well as temporary negative factors such as 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. Overall operating profit also decreased.
- In Lifestyle, profit decreased impacted by FY21 stay-at-home demand in Japan, raw material price hikes, and the recording of temporary expenses; despite increased overseas sales and efforts such as rationalization were made at each business.
- In Automotive, profit increased due to cost reduction efforts and the impact of recording temporary expenses related to onboard charging systems in FY21, despite decreased sales and parts & materials price hikes.
- In Connect, profit decreased with decreased sales of notebook PCs due to parts & materials procurement issues as well as the impact of temporary accounting treatment related to "re-evaluation of assets and liabilities" upon Blue Yonder acquisition and other factors, despite increased sales of mounting machines and projectors.
- In Industry, profit increased with increased sales of industrial-use motors, rationalization efforts and other factors, despite impact of raw material price hikes.
- In Energy, profit increased with increased sales of such products as automotive batteries and power storage systems for data centers, despite the impact of the dry battery business transfer in Europe and other factors.

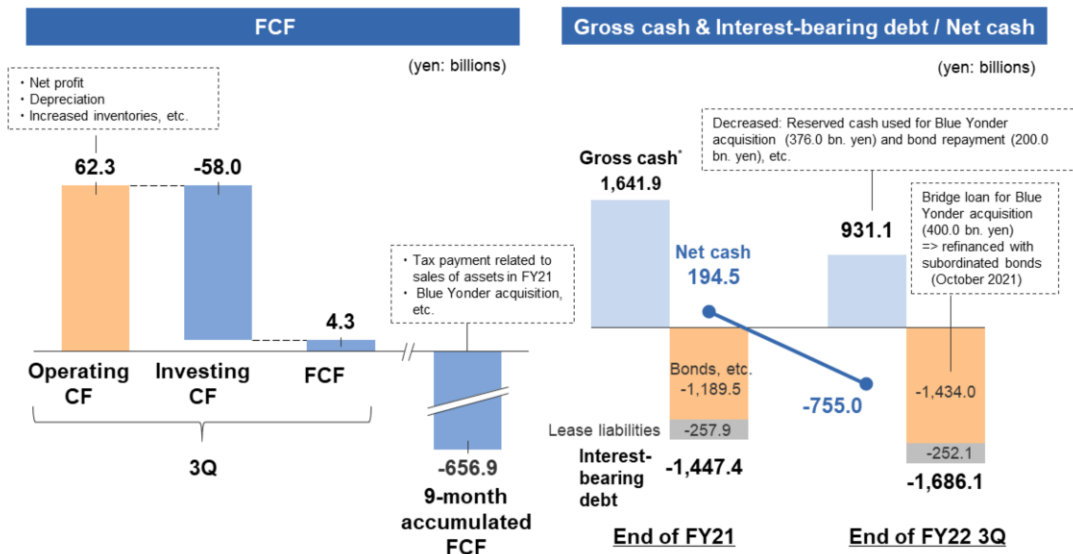


Lifestyle Segment: FY22 3Q Results by Divisional Company											
(yen: billions)											
	Sales	vs. FY21 (Excl. effect of exchange rates)	FY21 Difference (Excl. effect of exchange rates)	Adjusted OP (% to sales)	FY21 Difference	Other income/ loss	FY21 Difference	OP (% to sales)	FY21 Difference	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
<small>* Living Appliances and Solutions Company, Heating &amp; Ventilation A/C Company, Cold Chain Solutions Company, and Electric Works Company include part of sales and profit of China and Northeast Asia Company</small> <small>** Total amount of Operating profit, Depreciation (Tangible assets including property, plant and equipment / Right-of-use assets) and Amortization (Intangible assets)</small> <small>*** Impact of temporary expenses included</small>											
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- This slide shows the results of Lifestyle by divisional company.  
As shown in the chart, both adjusted operating profit and operating profit decreased at all divisional companies. I will explain each of the major factors.
- Living Appliances and Solutions Company was affected by FY21 stay-at-home demand in Japan and raw material price hikes, while sales increased in China.  
To counter raw material price hikes, we are promoting price revisions in stages overseas and rationalization of parts & materials through collaboration between China and Japan.
- In Heating & Ventilation A/C Company, profit decreased due to decreased sales of the indoor air quality business such as air purifiers, room air-conditioners in Japan, and raw material price hikes, despite stable sales in Europe.  
To counter raw material price hikes, we will promote such measures as replacing current materials with alternatives, for example, switching from copper to aluminum to the extent possible.
- Cold Chain Solutions Company was affected by raw material price hikes, procurement issues and the recording of temporary expenses, despite stable sales in North America.  
We are promoting major countermeasures: price revisions in North America to manage increased raw materials prices and reduction in the number of different parts to deal with procurement issues.
- In Electric Works Company, profit decreased due to parts & materials procurement issues in Lighting and other businesses and the impact of fire at suppliers' factories in electrical construction materials businesses. This occurred despite increased sales overseas and reduced fixed costs.  
The Impact of the fire incidents is expected to ease from 4Q. And we aim to achieve overall recovery through price revisions of electrical construction materials overseas to counter raw material price hikes.

## 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"

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- This slide shows the situation of FCF and cash positions FY22 3Q.
- FCF was a positive of 4.3 billion yen as shown on the left. This is due to the temporary deterioration of working capital due mainly to such external factors as port congestion, and increased inventories by strategically securing parts & materials.
- Net cash decreased to a negative of 755.0 billion yen from 194.5 billion yen at the end of FY21 as shown in the line graph on the right.
- Furthermore, the bridge loan for the Blue Yonder acquisition was already refinanced with 400.0 billion-yen in subordinated bonds, issued in October 2021. These are in accordance with the financing plan we explained at the announcement of the Blue Yonder acquisition on April 23, 2021.

Impact from FY22 3Q Changes in Business Environment			
<ul style="list-style-type: none"> <li>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 &amp; materials</li> </ul>			
	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)</li> <li>Stable: China (consumer electronics) / Europe (Heating &amp; Ventilation)</li> <li>⇒ 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</li> <li>⇒ 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</li> <li>⇒ 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</li> <li>⇒ Continuing risk of fluctuating production</li> </ul>	<ul style="list-style-type: none"> <li>Parts &amp; materials price hikes including semiconductors</li> <li>⇒ 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</li> <li>⇒ Continuing risk of fluctuating demand</li> </ul>
Connect	<ul style="list-style-type: none"> <li>Favorable demand of mounting machines for PCs and servers</li> <li>⇒ 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</li> <li>⇒ 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</li> <li>⇒ Outlook for continuous stable demand</li> </ul>	<ul style="list-style-type: none"> <li>Mitigate price hikes (e.g. copper) with rationalization efforts, etc.</li> <li>⇒ Outlook for continuing impact (Continuous efforts for rationalization)</li> </ul>	<ul style="list-style-type: none"> <li>Parts &amp; materials shortages mainly for automobiles</li> <li>⇒ 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</li> <li>⇒ 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.</li> <li>⇒ 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>
<div> <span>Positive (vs. FY21)</span> <span>Negative (vs. FY21)</span> <span>⇒ Outlook</span> </div>			
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- Next, this slide explains the impact from FY22 3Q changes in the business environment.
- The issues of factory lockdowns for COVID-19 are on the path to being solved. However, we still face the continuing impact of raw material price hikes and shortages of parts & materials, including semiconductors.
- This chart shows, at-a-glance, the impact on each segment by the changes in demand, raw material price hikes, and parts & materials shortages. The light-blue-shaded areas show factors with a positive impact compared to FY21. The light-red-shaded areas, a negative impact. Furthermore, the future outlook is indicated by the arrows.
- For the changes in demand, Lifestyle and Automotive were impacted by increased demand in FY21. On the other hand, Industry and Energy are experiencing continuous favorable demand.
- For raw material price hikes, Lifestyle and Automotive were mainly impacted. However, Industry and Energy were able to mitigate this impact by rationalization efforts and other measures.
- For parts & materials shortages including semiconductors, all segments except Energy were affected.
- We will take effective measures to deal with changes in the business environment while continuing to assess the impact of these changes.

## **Fiscal 2022 Third Quarter Financial Results**

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

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- From this slide, I will explain the full-year forecast for FY22.

## 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
	1 Euro	131 yen	130 yen	130 yen	131 yen	-1 yen
	1 Renminbi	17.3 yen	17.5 yen	17.3 yen	17.0 yen	+0.3 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

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- This slide shows the consolidated financial forecast for FY22.
- Adjusted operating profit is revised downward and other income/loss is revised upward. The factors for revisions are as follows:
- Adjusted operating profit is revised downward by 35.0 billion yen to 365.0 billion yen, reflecting the current management environment including reduced automobile production and raw material price hikes, as well as such negative factors as the impact of temporary accounting treatment upon Blue Yonder acquisition.
- Other income/loss is revised upward by 35.0 billion yen to 5.0 billion yen due to expected gains from sale of assets and other factors in 4Q.
- Operating profit and net profit remain unchanged.

## 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

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- This slide shows the forecasts by segment.
- I will explain the revision factors from the next slide.



## FY22 Full-Year Forecast Revision Factors by Segment

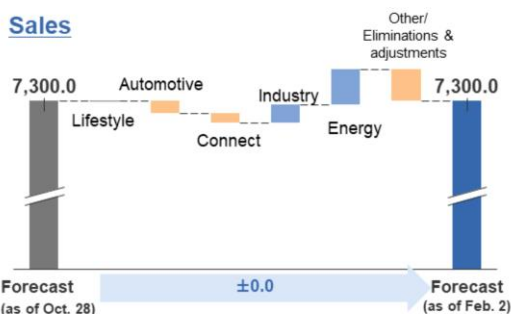
### Major revision factors

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.

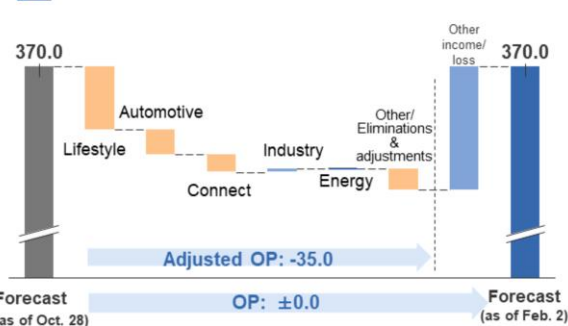
Other income/loss - **Revised upward** due to gains from sale of assets, etc.

\* Entertainment & Communication

### Sales



### OP



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- In Lifestyle, the sales forecast remains unchanged. However, adjusted operating profit is revised downward due mainly to decreased sales of Heating & Ventilation A/C business, price hikes of raw materials and logistics costs, procurement and production issues, as well as the recording of temporary expenses.
- In Automotive, sales is revised downward due to the impact from reduced automobile production. Adjusted operating profit is also revised downward due to the increased impact from decreased sales and parts & materials price hikes.
- In Connect, both sales and adjusted operating profit are revised downward due mainly to the impact of temporary accounting treatment related to "re-evaluation of assets and liabilities" upon Blue Yonder acquisition.
- In Industry, sales is revised upward, mainly with increased sales of capacitors and other segment products.  
Adjusted operating profit is also revised upward due to increased sales and fixed-cost reduction through enhancement in management structure.
- In Energy, sales is revised upward due to yen depreciation. However, adjusted operating profit remains unchanged from the previous forecast of October 28, with factored-in current price hikes of raw material and logistics costs, despite the effect of yen depreciation.
- In Other/Eliminations & adjustments, adjusted operating profit is revised downward. This is due mainly to decreased sales in Entertainment & Communication caused by parts & materials shortages and other factors, as well as increased elimination for intercompany profits due to increased inventories.
- Other income/loss is revised upward due to expected gains from the sale of assets and other factors in FY22 4Q.

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

(yen: billions)

	Sales	Difference vs. FY21 (Difference)	Difference from forecast (as of Oct 28)	Adjusted OP (% to sales)	Difference FY21 Difference	Difference from forecast (as of Oct 28)	Other Income/ loss	Difference FY21 Difference	Difference from forecast (as of Oct 28)	OP (% to sales)	Difference FY21 Difference	Difference from forecast (as of Oct 28)	EBITDA** (% to sales)	Difference 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

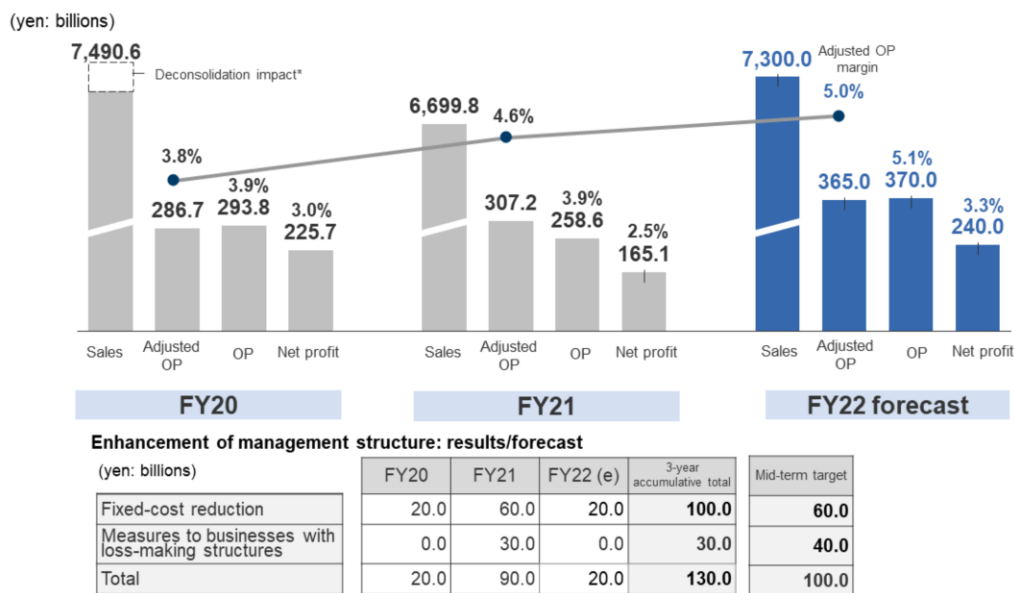
\*\* Total amount of Operating profit, Depreciation (Tangible assets including property, plant and equipment / Right-of-use assets) and Amortization (Intangible assets)

\*\*\* Impact of temporary expenses included

- This slide shows the forecast of Lifestyle segment by divisional company.
- Adjusted operating profit is revised downward for all divisional companies, except Living Appliances and Solutions Company.

## 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**



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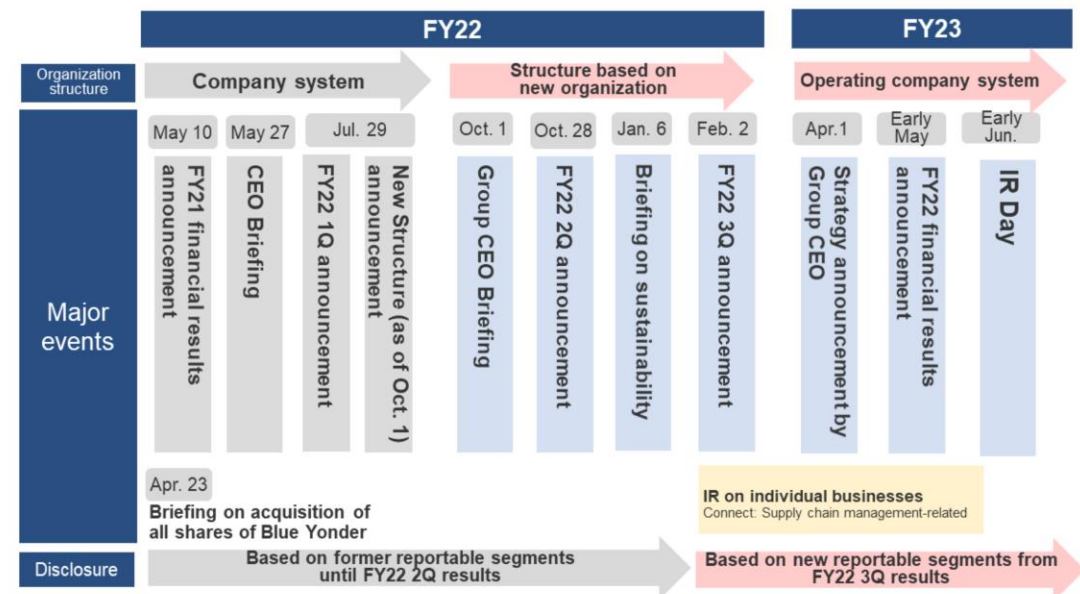
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- Next, I would like to explain the financial results for the three years of the current Mid-term strategy, based on the forecast I announced today.
- As you can see in the chart below, we have been enhancing our management structure, including fixed-cost reductions and measures to businesses with loss-making structures. As a result, we expect to achieve profit contributions of 130.0 billion yen during this three-year period and thus to exceed our original target of 100.0 billion yen.
- We have been experiencing enormous changes in the external business environment, such as COVID-19. However, we have continued to enhance our management structure. The financial results in the current three-year period demonstrate steadily improving profitability, based on the forecast of February 2, 2022.
- We are continuing to take these initiatives in FY22 4Q so we can go a step further with the new medium-term strategy starting from next fiscal year.

## 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)



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- Finally, this slide shows our planned schedule for IR activities going forward.
- On October 1, 2021, we started our new structure based on the new organization.
- On April 1, 2022, Panasonic will transition to the operating company system, and Group CEO Kusumi is scheduled to announce our new strategy. In addition, in early June, we are planning to host an IR Day event with presentations given by each operating company.

The Panasonic logo is centered within a large, empty rectangular frame. The logo itself is the word "Panasonic" in a bold, blue, sans-serif typeface.

- Thank you very much for your kind attention.

## **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		5,423.4	4,873.3	+550.1	+11%
Adjusted OP* (% to sales)		287.3 (5.3%)	231.9 (4.8%)	+55.4	+24%
Other income/loss**		-13.1	-5.1	-8.0	-
Operating profit (% to sales)		274.2 (5.1%)	226.8 (4.7%)	+47.4	+21%
Non-operating income/loss		5.2	-6.7	+11.9	-
Profit before income taxes (% to sales)		279.4 (5.2%)	220.1 (4.5%)	+59.3	+27%
Net profit attributable to Panasonic Corporation stockholders (% to sales)		195.6 (3.6%)	130.1 (2.7%)	+65.5	+50%
EBITDA*** (% to sales)		552.6 (10.2%)	484.0 (9.9%)	+68.6	+14%
Exchange rates	1 US dollar	111 yen	106 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	
	1 Euro	131 yen	122 yen		
	1 Renminbi	17.3 yen	15.4 yen		

Overview

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

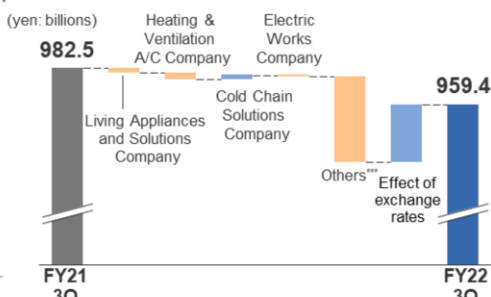
\* In real terms excluding the effect of exchange rates

Major increase/decrease factors

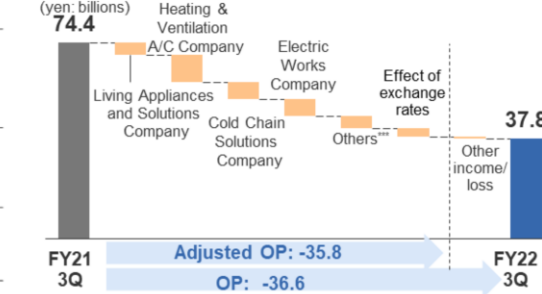
Adjusted OP	Living Appliances and Solutions Company	<ul style="list-style-type: none"><li>+ Increased sales in China (e.g. personal-care products, washing machines)</li><li>- Decreased sales in Japan:<ul style="list-style-type: none"><li>washing machines with supply issues</li><li>cooking appliances 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

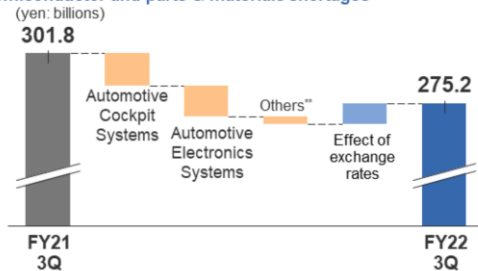
(yen: billions)	FY22 3Q	vs. FY21 3Q/ Difference
Sales	275.2	-9% (-12%)*
Adjusted operating profit (% to sales)	1.5 (0.5%)	+7.2
Other income/loss	0.4	+2.4
Operating profit (% to sales)	1.9 (0.7%)	+9.6

\* In real terms excluding the effect of exchange rates

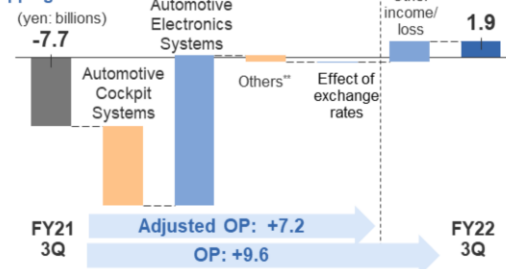
## Major increase/decrease factors

Adjusted OP	Automotive Cockpit Systems	<ul style="list-style-type: none"> <li>+: Cost reduction efforts</li> <li>-: Decreased sales mainly for US &amp; European automobile manufacturers</li> <li>Price surges due mainly to semiconductor, parts &amp; materials shortages</li> <li>Increased shipping costs</li> </ul>
	Automotive Electronics Systems	<ul style="list-style-type: none"> <li>+: Impact from temporary expenses related to onboard charging systems in FY21</li> <li>Cost reduction efforts</li> <li>-: Decreased sales mainly for European automobile manufacturers</li> <li>Price surges due mainly to semiconductor, parts &amp; materials shortages</li> <li>Increased shipping costs</li> </ul>
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.

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# (Reference) FY22 3Q Segment Information

Connect

## Overview

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

\* In real terms excluding the effect of exchange rates

## Major increase/decrease factors

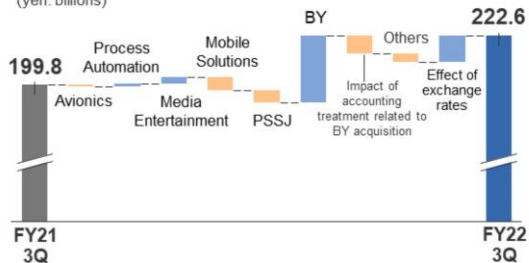
Adjusted OP	Avionics	<ul style="list-style-type: none"> <li>Increased sales (e.g. repair &amp; maintenance service due to recovery trend of flight operations)</li> <li>Fixed-cost reduction</li> </ul>
	Process Automation	<ul style="list-style-type: none"> <li>Increased sales of mounting machines by higher demand reflecting favorable market conditions of notebook PCs and servers</li> </ul>
	Media Entertainment	<ul style="list-style-type: none"> <li>Increased sales of projector business due to recovery market trend from COVID-19 mainly in Europe and U.S.</li> </ul>
	Mobile Solutions	<ul style="list-style-type: none"> <li>Decreased sales due to lockdowns in Southeast Asia and procurement issues of parts &amp; materials (e.g. semiconductor shortage) for notebook PCs</li> </ul>
	PSSJ**	<ul style="list-style-type: none"> <li>Decreased sales due to held-back investment by corporate customers and delays in projects caused by COVID-19</li> </ul>
	Blue Yonder (BY)	<ul style="list-style-type: none"> <li>New consolidation (stand alone)</li> <li>Impact of temporary accounting treatment related to "re-evaluation of assets and liabilities" upon Blue Yonder acquisition and increased amortization of intangible assets</li> </ul>

Other income/loss	Restructuring expenses for reorganization of sites
-------------------	--

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

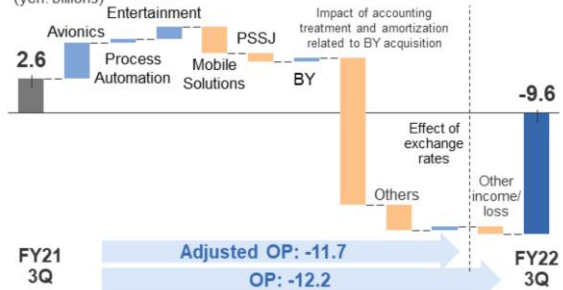
**Sales increased: Driven by mounting machines due to favorable market conditions of PCs and servers, and projectors from recovery market trend mainly U.S.**

(yen: billions)



**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**

(yen: billions)



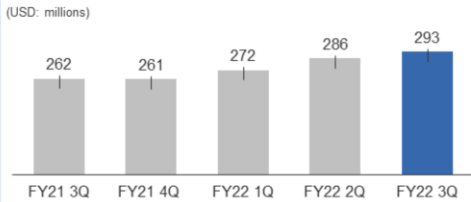
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Revenue

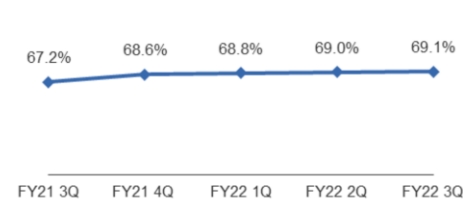
Steady sales expansion



Note: Total revenue by quarter (stand alone)

Recurring ratio

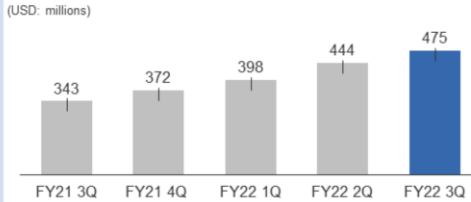
Ratio is expected to increase from next fiscal year onward



Note: Recurring revenue business ratio in total revenue

SaaS ARR (Annual Recurring Revenue)

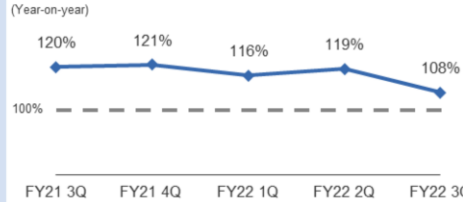
Steady revenue growth



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



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	283.0	+9% (+3%)**	229.2
Adjusted operating profit (% to sales)	18.9 (6.7%)	+2.4	17.8 (7.8%)
Other income/loss	0.4	+3.5	0.3
Operating profit (% to sales)	19.3 (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.

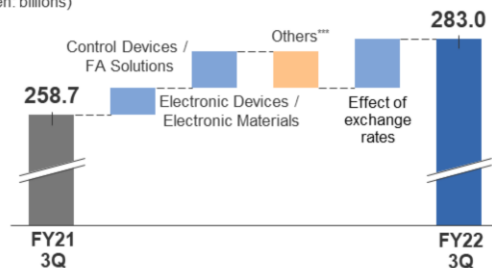
\*\* In real terms excluding the effect of exchange rates

## 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

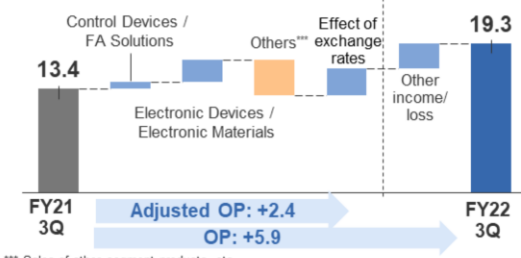
**Sales increased: Products for industrial-use and information & communication infrastructure were favorable, yen depreciation effect; despite semiconductor procurement difficulties**

(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.

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## Overview

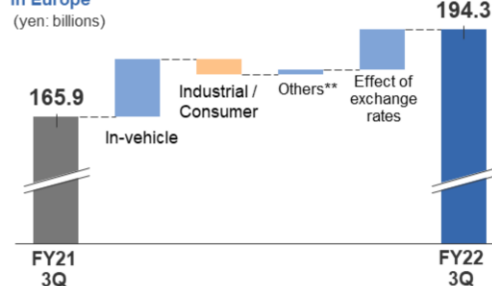
(yen: billions)	FY22 3Q	vs. FY21 3Q/ Difference
Sales	194.3	+17% (+9%)*
Adjusted operating profit (% to sales)	18.2 (9.4%)	+1.9
Other income/loss	-1.9	+2.4
Operating profit (% to sales)	16.3 (8.4%)	+4.3

\* In real terms excluding the effect of exchange rates

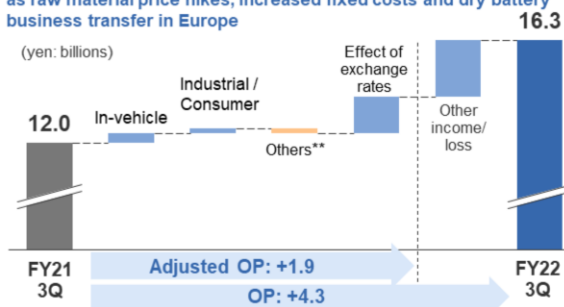
## Major increase/decrease factors

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



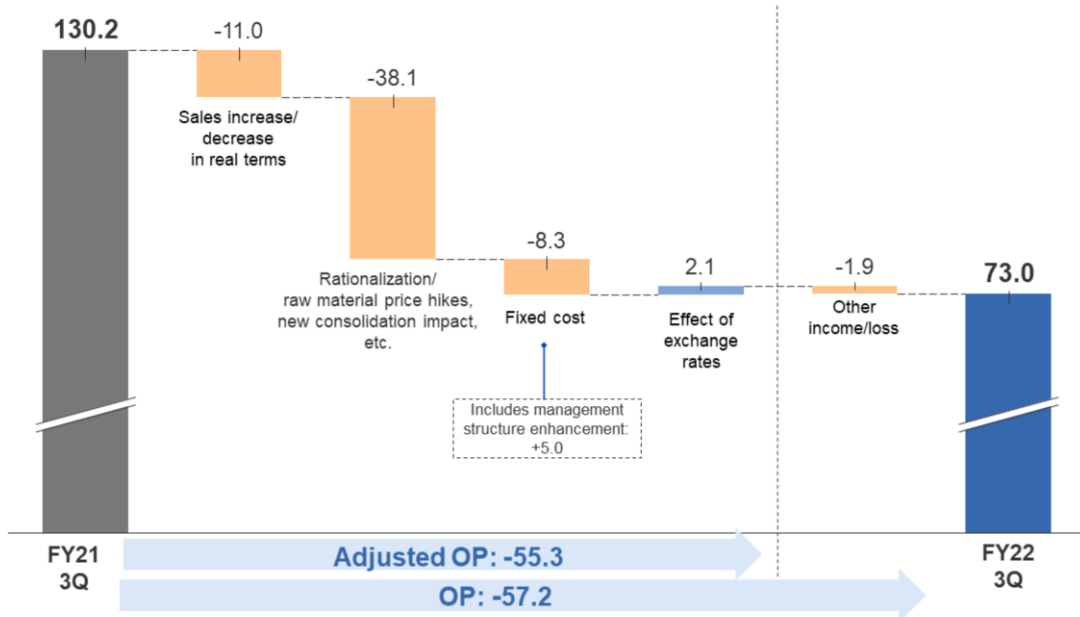
OP increased: Increased sales (e.g. automotive batteries), effect of exchange rates, improved other income/loss, despite such impact as raw material price hikes, increased fixed costs and dry battery business transfer in Europe



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

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

(yen: billions)



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## (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

		Businesses with Sales Disclosed	Major Business Divisions, etc.
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>	<ul style="list-style-type: none"><li>• Kitchen Appliances BD</li><li>• Laundry Systems and Vacuum Cleaner BD</li><li>• Beauty and Personal Care BD</li></ul>
	Heating & Ventilation A/C Company	<ul style="list-style-type: none"><li>• Heating and Cooling Solutions</li><li>• Ecology Systems</li></ul>	<ul style="list-style-type: none"><li>• Heating and Cooling Solutions BD</li><li>• Panasonic Ecology Systems Co., Ltd.</li></ul>
	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>	<ul style="list-style-type: none"><li>• Lighting BD</li><li>• Energy Systems BD</li><li>• Smart Energy Systems BD</li></ul>
	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>	<ul style="list-style-type: none"><li>• Infotainment Systems BD</li><li>• HMI Systems BD, Automotive Systems BD, Ficosa International, S.A.</li><li>• Sales of other segment products, etc.</li></ul>
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>	<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><li>• Blue Yonder Holding, Inc.</li><li>• Other businesses, eliminations, etc.</li></ul>
Industry		<ul style="list-style-type: none"><li>• Control Devices / FA Solutions</li><li>• Electronic Devices / Electronic Materials</li><li>• Others</li></ul>	<ul style="list-style-type: none"><li>• Electromechanical Control BD, Industrial Devices BD</li><li>• Device Solutions BD, Electronic Materials BD</li><li>• LCD, sales of other segment products, eliminations, etc.</li></ul>
Energy		<ul style="list-style-type: none"><li>• In-vehicle</li><li>• Industrial / Consumer</li><li>• Others</li></ul>	<ul style="list-style-type: none"><li>• Mobility Energy BD</li><li>• Energy Devices BD, Energy Solutions BD</li><li>• Segment head office, eliminations, etc.</li></ul>
Other		<ul style="list-style-type: none"><li>• Entertainment &amp; Communication</li><li>• Housing</li></ul>	<ul style="list-style-type: none"><li>• Entertainment &amp; Communication BD</li><li>• Housing Systems BD</li></ul>
Eliminations & adjustments		• Revenue and expenses which are not attributable to any segments, consolidation adjustments and eliminations of intersegment transactions, etc.	
<p>Notes: 1. Living Appliances and Solutions Company, Heating &amp; 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 &amp; Solutions, Inc. is included in "Eliminations &amp; adjustments"</p>			
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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	Business stability	Technological excellence
<b>76</b> Countries  <b>3000+</b> Global customers	<b>69%</b> Recurring revenue ratio  <b>39%</b> SaaS ARR* annual growth rate	<b>400+</b> Patents  <b>110+</b> Data analysts
Expanding business worldwide  Support leading companies in each industry	High recurring rate with stable earnings  Strong growth forecast with steady sales expansion in SaaS	Strong position in SCM software capability with No.1 holdings of intellectual properties (IPs) in the industry  Exceeded by many talented experts

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

