

Fiscal 2023 First Quarter Financial Results

July 28, 2022

Panasonic Holdings Corporation

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

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- This presentation gives the consolidated financial results of Panasonic Holdings Corporation for the first quarter of fiscal 2023 (FY23) ended June 30, 2022.

Summary of FY23 1Q Financial Results

- **Overall sales increased** from same quarter of FY22
Increased sales (e.g. automotive batteries), consolidation of Blue Yonder and effect of exchange rates, despite impact on production & sales from Shanghai lockdown and semiconductor, parts & materials shortages
- **Adjusted operating profit decreased**
Increased sales and efforts like price revisions unable to offset impact from changes in business environment (e.g. Shanghai lockdown, shortages in semiconductors and parts & materials, raw material price hikes) and other negative factors (e.g. increased fixed costs)
Operating profit decreased
Other income/loss improved with reduced restructuring expenses, so year-on-year decrease is less than that of adjusted operating profit
- **FCF secured at same level of net profit***, despite being below FY22 level of FCF, due to decreased adjusted operating profit and increased inventories

* Net profit attributable to Panasonic Holdings Corporation stockholders

- First, the summary of the consolidated financial results for FY23 1Q.
- Overall sales increased from the same quarter of FY22.
Sales of such businesses as automotive batteries increased, as well as the consolidation of Blue Yonder and the effect of exchange rates, despite the impact on production and sales due to the Shanghai lockdown and shortages in semiconductors, parts and materials.
- Adjusted operating profit decreased.
Increased sales, and such efforts as price revisions, were unable to offset the impact from changes in the business environment, including the lockdown, shortages in semiconductors, parts and materials, and raw material prices hikes, as well as other negative factors such as increased fixed costs.
- Operating profit decreased. However, other income/loss improved with reduced restructuring expenses. Therefore, the year-on-year decrease amount of operating profit is less than that of adjusted operating profit.
- FCF was secured at the same level as the amount of net profit, despite being below the FY22 level of FCF, due to decreased adjusted operating profit and increased inventories.

FY23 1Q Financial Results					
(yen: billions)					
	FY23 1Q		FY22 1Q	Difference / vs. FY22	
Sales	1,973.9		1,792.4	+10% (+2%)***	+181.5 (+38.2)***
Adjusted OP* (% to sales)	65.7	(3.3%)	119.5	(6.7%)	-45% -53.8
Other income/loss**	-2.0		-15.1		+13.1
Operating profit (% to sales)	63.7	(3.2%)	104.4	(5.8%)	-39% -40.7
Non-operating income/loss	9.8		4.1		+5.7
Profit before income taxes (% to sales)	73.5	(3.7%)	108.5	(6.1%)	-32% -35.0
Net profit attributable to Panasonic Holdings Corporation stockholders (% to sales)	48.9	(2.5%)	76.5	(4.3%)	-36% -27.6
EBITDA**** (% to sales)	170.5	(8.6%)	189.1	(10.5%)	-18.6
Exchange rates	1 US dollar	130 yen	109 yen		
	1 Euro	138 yen	132 yen		
	1 Renminbi	19.6 yen	17.0 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

- This slide shows the consolidated financial results for FY23 1Q.
- Overall sales increased to 1,973.9 billion yen by 10% from FY22 1Q. Adjusted operating profit decreased to 65.7 billion yen by 53.8 billion yen.
- On the other hand, other income/loss improved by 13.1 billion yen due mainly to reduced restructuring expenses. Operating profit and net profit decreased by 40.7 billion yen and 27.6 billion yen, respectively, but the year-on-year decrease amounts are less than that of adjusted operating profit.

FY23 1Q Results by Segment

(yen: billions)

	Sales	vs. FY22 (Excl. effect of exchange rates)	Adjusted OP (% to sales)	FY22 Difference	Other income/ loss	FY22 Difference	OP (% to sales)	FY22 Difference	EBITDA* (% to sales)	FY22 Difference
Lifestyle	836.5	+7% (±0%)	35.7 4.3%	-11.0	2.6	+4.2	38.3 4.6%	-6.8	63.1 7.5%	-5.1
Automotive	269.6	+4% (-3%)	-12.1 -4.5%	-14.2	1.5	+1.4	-10.6 -3.9%	-12.8	4.2 1.6%	-10.2
Connect	244.8	+18% (+7%)	-9.3 -3.8%	-16.4	-0.2	+6.8	-9.5 -3.9%	-9.6	9.8 ^{**} 4.0%	+2.0
Industry	296.5	+4% (-6%)	24.3 8.2%	-0.7	2.2	+0.7	26.5 8.9%	0.0	40.8 13.8%	+1.5
Energy	227.8	+21% (+5%)	16.5 7.3%	-3.1	-0.2	+0.8	16.3 7.1%	-2.3	32.3 ^{***} 14.2%	+0.3
Other/ Eliminations & adjustments	98.7	-	10.6	-8.4	-7.9	-0.8	2.7	-9.2	20.3	-7.1
Total	1,973.9	+10% (+2%)	65.7 3.3%	-53.8	-2.0	+13.1	63.7 3.2%	-40.7	170.5 8.6%	-18.6

Note: Management accounting adjustments to sales prices, which had been included in "Eliminations and adjustments," are included in each segment from FY23. (FY22 results have also been reclassified to conform to the presentation for FY23)

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

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

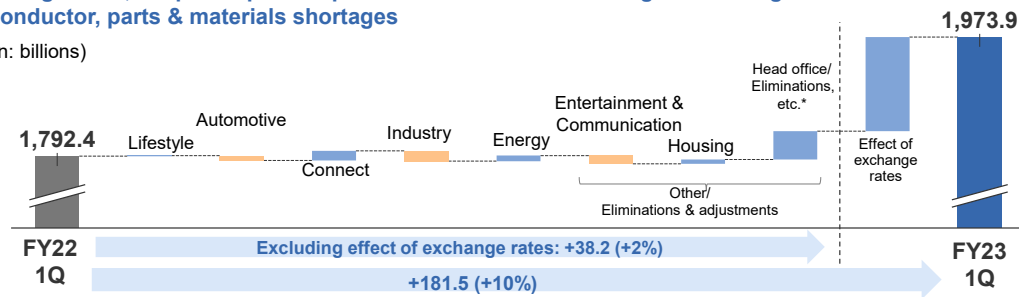
*** Additionally adjusted with the amount equivalent to depreciation corresponding to underlying assets that are applied with Lease accounting treatment as a lessor

- This slide shows the results by segment.
- I will explain the analysis of comparison with FY22 in the next few slides.

FY23 1Q Sales Analysis by Segment

- Overall sales increased: Increased sales (e.g. automotive batteries), consolidation of Blue Yonder and effect of exchange rates, despite impact on production and sales resulting from Shanghai lockdown and semiconductor, parts & materials shortages

(yen: billions)



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

Segment	Factor
Lifestyle	Same level as FY22: Priority businesses such as HVAC system's European business (e.g. A2W, Air to Water heat pump system) and overseas electrical construction materials (India, Middle East and Africa markets) offset decreased sales of consumer electronics in Japan affected by supply issues from Shanghai lockdown and other factors
Automotive	Decreased: Affected by reduced automobile production
Connect	Increased: Increased sales of Avionics reflecting market recovery in aviation industry, as well as consolidation of Blue Yonder, despite decreased sales of Gemba Solutions due to post-Olympic demand slowdown and Shanghai lockdown (e.g. notebook PCs)
Industry	Decreased: Semiconductor shortages, Shanghai lockdown, and termination of semiconductor/LCD businesses, despite increased sales of capacitors (information & communication infrastructure/automotive) and relays (industrial/EV)
Energy	Increased: Sales growth of automotive batteries reflecting robust EV demand
Other/ Eliminations & adjustments	Entertainment & Communication: Decreased affected by component procurement issues (e.g. semiconductors) Housing: Increased driven by building materials (e.g. interior doors, floor materials, rain gutters, exterior wall materials) and "ECO CUTE" water heaters

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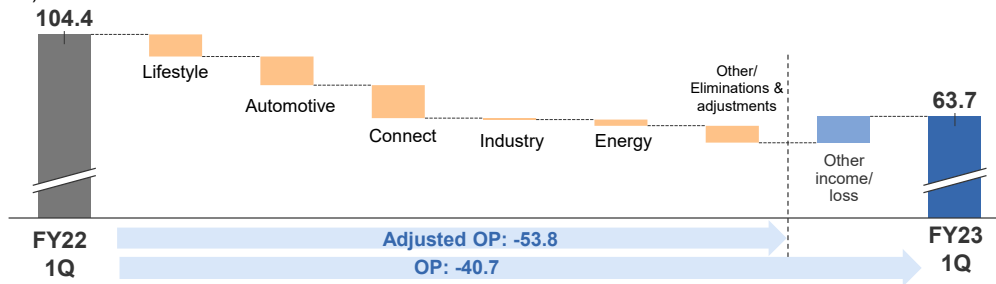
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- This slide shows our sales analysis by segment. Overall sales increased.
- In Lifestyle, sales were at the same level as FY22. Sales increased for priority businesses such as HVAC system's European business and overseas electrical construction materials, mainly in India, the Middle East, and Africa markets. These offset the decreased sales of consumer electronics in Japan, which were affected by supply issues resulting from the Shanghai lockdown and other factors.
- In Automotive, sales decreased affected by reduced automobile production.
- In Connect, sales increased in Avionics, reflecting market recovery in the aviation industry, as well as the consolidation impact of Blue Yonder, despite decreased sales of such businesses as Gemba Solutions due to post-Olympic demand slowdown, and notebook PCs, affected by the lockdown.
- In Industry, sales decreased due to semiconductor shortages, the lockdown, and termination of the semiconductor and LCD businesses, despite increased sales of capacitors for information & communication infrastructure and automotive use, as well as relays for industrial and EV use.
- In Energy, sales increased with sales growth of automotive batteries reflecting robust EV demand.
- Within Other/Eliminations & adjustments, in Entertainment & Communication, sales decreased affected by component procurement issues including semiconductors. In Housing, sales increased, driven by building materials such as interior doors, floor materials, rain gutters, and exterior wall materials, as well as "ECO CUTE" water heaters.

FY23 1Q Operating Profit Analysis by Segment

Adjusted OP: Decreased at all segments

(yen: billions)



Major increase/decrease factors

Adjusted OP	Lifestyle	Decreased: Affected by Shanghai lockdown (e.g. factory suspension, procurement issues), despite increased sales of priority businesses in overseas markets and price revisions both in Japanese and overseas markets to counter deteriorated business environment (e.g. exchange rates, raw materials, logistics costs)
	Automotive	Decreased: Decreased sales and increased fixed costs (e.g. depreciation), despite cost reduction efforts and price revisions to mitigate price hikes in parts & materials (e.g. semiconductors)
	Connect	Decreased: Decreased sales of notebook PCs and Gemba Solutions, raw material price hikes, amortization of intangible assets related to Blue Yonder acquisition, and other factors, despite increased sales of Avionics
	Industry	Decreased: Impacted by semiconductor shortages, Shanghai lockdown and raw material price hikes, despite increased sales of capacitors for information and communication infrastructure and effect of yen depreciation
	Energy	Decreased: Price hikes in raw materials & logistics, increased development expenses and fixed costs for increased production, despite increased sales and other factors
Other income/loss	Reduced restructuring expenses, etc.	

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- This slide shows our operating profit analysis by segment. Adjusted operating profit decreased in all segments, and overall operating profit decreased.
- In Lifestyle, profit decreased, affected by such factors as the Shanghai lockdown. Increased sales of priority businesses, mainly in overseas markets, and price revisions both in Japan and overseas markets countered the deteriorated business environment, such as exchange rates, price hikes in raw materials and logistics. However, these were not enough.
- In Automotive, profit decreased due to decreased sales and increased fixed costs, including depreciation, despite cost reduction efforts and price revisions to mitigate the impact of price hikes in parts & materials, mainly semiconductors.
- In Connect, profit decreased due to decreased sales of notebook PCs and the Gemba Solutions business, raw material price hikes, as well as amortization of intangible assets related to the Blue Yonder acquisition, and other factors, despite increased sales of Avionics.
- In Industry, profit slightly decreased, impacted by semiconductor shortages, the lockdown, and raw material price hikes. These negative factors could not be offset by the increased sales of capacitors for information and communication infrastructure and the effect of the yen's depreciation.
- In Energy, profit decreased due to price hikes in raw materials and logistics, as well as increased development expenses and fixed costs for increased production, despite increased sales.
- Other income/loss largely improved due mainly to reduced restructuring expenses. Accordingly, the amount of decrease in operating profit is less than that in adjusted operating profit.

Lifestyle Segment: FY23 1Q Results by Divisional Company

(yen: billions)

	Sales	vs. FY22 (Excl. effect of exchange rates)	Adjusted OP (% to sales)	FY22 Difference	Other income/ loss	FY22 Difference	OP (% to sales)	FY22 Difference	EBITDA** (% to sales)	FY22 Difference
Living Appliances and Solutions Company	205.5	+6% (-2%)	12.9 6.3%	-5.3	2.5	+2.3	15.4 7.5%	-3.0	21.1 10.3%	-1.7
Heating & Ventilation A/C Company	221.0	+7% (±0%)	13.4 6.1%	-4.4	0.1	+1.4	13.5 6.1%	-3.0	18.6 8.4%	-2.2
Cold Chain Solutions Company	90.6	+24% (+10%)	1.5 1.7%	+0.3	0.0	+0.1	1.5 1.7%	+0.4	3.7 4.1%	+0.7
Electric Works Company	216.9	+6% (+5%)	7.2 3.3%	+1.8	-0.5	-0.2	6.7 3.1%	+1.6	13.6 6.3%	+1.4
China and Northeast Asia Company*	244.0	+8% (-5%)	12.2 5.0%	+0.1	0.7	+2.0	12.9 5.3%	+2.1	18.5 7.6%	+3.2

* 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)

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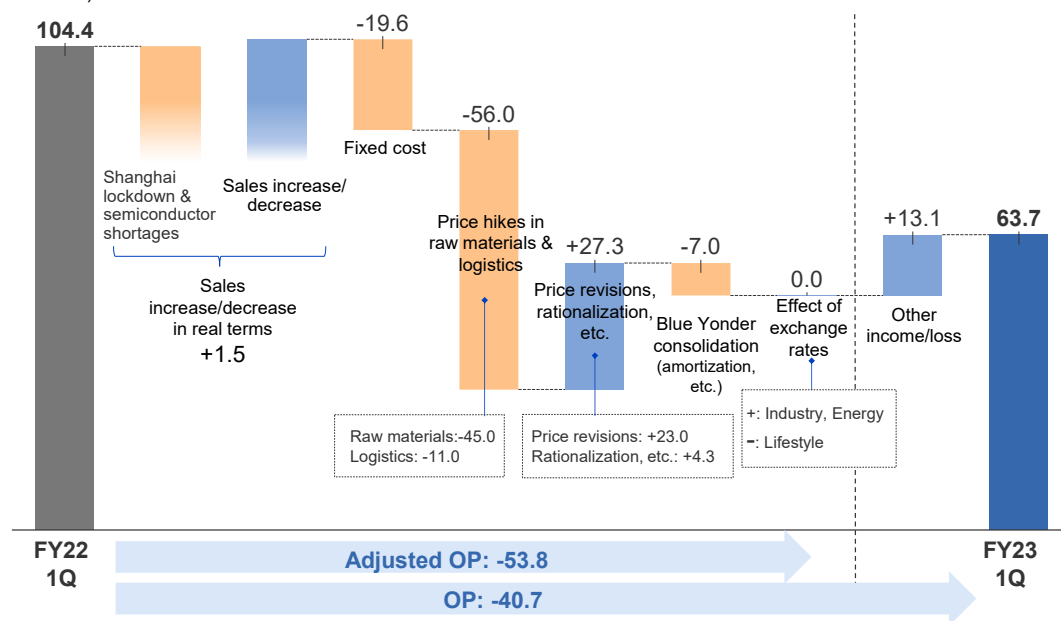
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- This slide shows the results of Lifestyle by divisional company.
- In Living Appliances and Solutions Company, sales decreased in real terms, excluding the effect of exchange rates. Sales in Japan decreased, such as for microwave ovens, affected by the lockdown and other factors. However, overseas sales increased, mainly with refrigerators and washing machines in Asia.
Profit decreased with decreased sales, despite promoting price revisions and rationalization to counter the deteriorated business environment.
- In Heating & Ventilation A/C Company, sales increased steadily, mainly in Europe. However, profit decreased, largely affected by the negative impact of exchange rates.
- In Cold Chain Solutions Company, both sales and profit increased with steady sales, mainly for showcases in Japan and the U.S.
- In Electric Works Company, both sales and profit increased with steady sales of overseas electrical construction materials, mainly in India.

FY23 1Q Operating Profit Analysis (by Factor)

- Increased sales and efforts like price revisions unable to offset impact from changes in business environment (e.g. Shanghai lockdown, semiconductor, parts & material shortages, raw material price hikes) and other negative factors (e.g. increased fixed costs)

(yen: billions)



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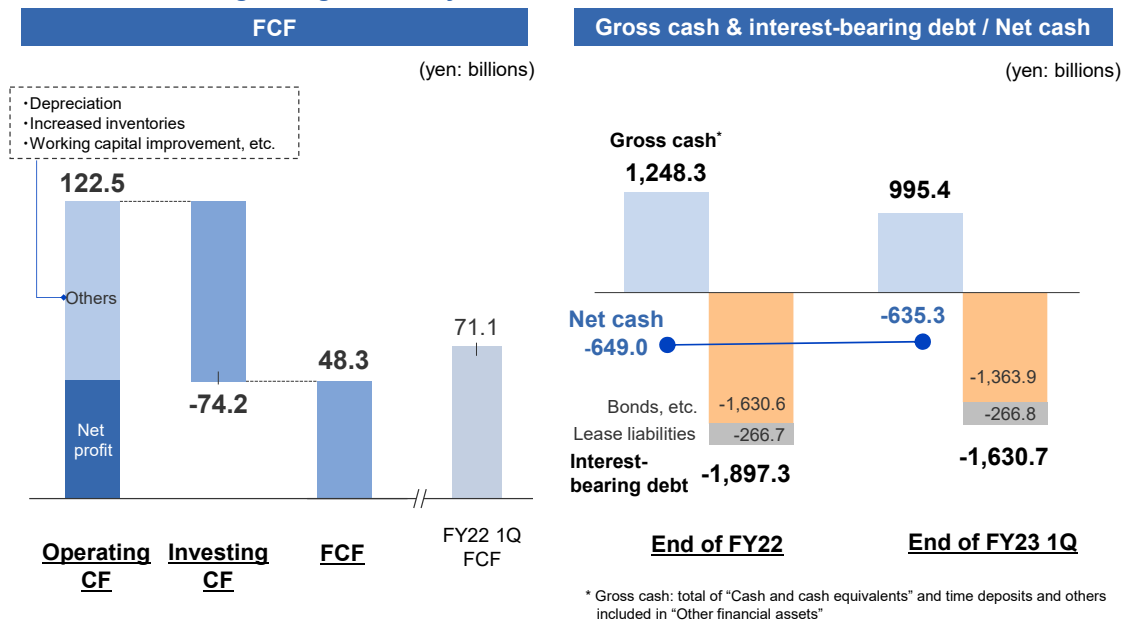
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- This slide shows our operating profit analysis by factor.
- From the left, profit generated from sales expansion increased by 1.5 billion yen overall, despite such negative factors as the Shanghai lockdown and semiconductor shortages. Fixed costs were a decrease factor of 19.6 billion yen. This is due to the increases required by business growth initiatives, such as depreciation and R&D expenses.
- Price hikes in raw materials and logistics were a decrease factor of 56.0 billion yen. However, the counter effect of price revisions and rationalization, etc. was an increase factor of 27.3 billion yen.
- The consolidation impact of Blue Yonder was a decrease factor of 7.0 billion yen. Blue Yonder's adjusted operating profit was positive, but with the recording of amortization expenses related to acquisition, as well as other factors, it was negative on a consolidated basis.
- The overall effect of exchange rates was minor, totaling zero. This effect was positive for Industry and Energy but negative for Lifestyle.
- As a result, adjusted operating profit was a decrease of 53.8 billion yen.
- Other income/loss was an increase factor of 13.1 billion yen, and operating profit was a decrease of 40.7 billion yen.

FY23 1Q FCF and Cash

- FCF secured at same level of net profit, despite being below FY22 level of FCF, due to decreased adjusted operating profit and increased inventories
- Cash generation efforts will be made in 2Q onward, mainly by reducing inventories affected by external factors and controlling strategic inventory level



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- This slide shows the situation of FCF and cash positions in FY23 1Q.
- On the left, FCF was below that of FY22 1Q due to the decrease in adjusted operating profit and the increase in inventories. However, we were able to secure 48.3 billion yen, the same level as the amount of net profit, mainly through improved working capital.
- With regard to cash generation from FY23 2Q onward, we are continuing to make efforts to reduce the increased inventories that are affected by external factors and control the inventory level of strategically secured parts & materials.
- On the right, net cash was a negative of 635.3 billion yen, an improvement from the end of FY22.

Impact from Changes in Business Environment

- Implement countermeasures such as alternative procurement and price revisions while assuming impact of semiconductor, parts & materials shortages and raw material price hikes will remain in FY23 2Q onward

	Changes in demand	Semiconductor, parts & materials shortages	Shanghai lockdown	Price hikes in raw materials & logistics	
FY23 1Q	Lifestyle	<ul style="list-style-type: none"> Consumer electronics (CE) in Japan: FY22 level CE overseas & B2B: steady 	Impact persists mainly in Electric Works Company, but signs of recovery	Decreased sales caused by factory suspension and parts & materials shortages	<ul style="list-style-type: none"> Resin: higher crude oil prices Surging sea freight costs
	Automotive	Reduced automobile production			Affected by price hikes in semiconductors, etc., despite cost reduction and price revisions
	Connect	<ul style="list-style-type: none"> Aviation industry: recovery Mounting machine & welding equipment markets: steady 	Notebook PCs, Avionics	Parts & materials shortages mainly in notebook PCs	Notebook PCs and mounting machines affected by price hikes in semiconductors and parts & materials
	Industry	<ul style="list-style-type: none"> Products for EVs & ICT infrastructure: steady Labor savings at factories: slow down 	<ul style="list-style-type: none"> Indirect impact for automotive-use products Reduced FA-related production 	Reduced production by customers and supply chain disruption	Raw material price hike impact mitigated by price revisions & rationalization
	Energy	EV demand: to expand over medium- to long-term	Minor impact	Minor impact, despite partial disruption in supply chain	<ul style="list-style-type: none"> Market prices (e.g. lithium, nickel, cobalt) Sea freight costs

Outlook for FY23 2Q onward	Lifestyle	<ul style="list-style-type: none"> Consumer electronics (CE) in Japan: FY22 level CE overseas & B2B: steady 	Continue procurement of alternatives	Partial risk persists despite resumption of operation at factories	Impact of price hikes in raw materials & logistics persists, but will promote price revisions and rationalization
	Automotive	Recovery of automobile production expected (risk of fluctuating production due to semiconductor, parts & material shortages)			Impact of parts & materials price hikes persists, but will be mitigated by cost reduction and price revisions
	Connect	Mounting machine market unclear due to sharp decline in PC & smartphone demand, despite recovery trend in aviation industry	Notebook PCs, Avionics	To improve with lifted lockdown	Impact persists, but will be mitigated by price revisions
	Industry	Products for EVs & ICT infrastructure: steady	<ul style="list-style-type: none"> Automotive-use: to improve Labor savings at factories: impact to persist 	Impact to lessen	Impact persists, but will be mitigated by price revisions and rationalization
	Energy	EV demand: to expand over medium- to long-term	Closely monitor market & customer trends	Closely monitor situation	Will be mitigated in FY23 2H by price revisions and rationalization (nickel and cobalt prices on a downward trend)

Positive (vs. FY22) Negative (vs. FY22)

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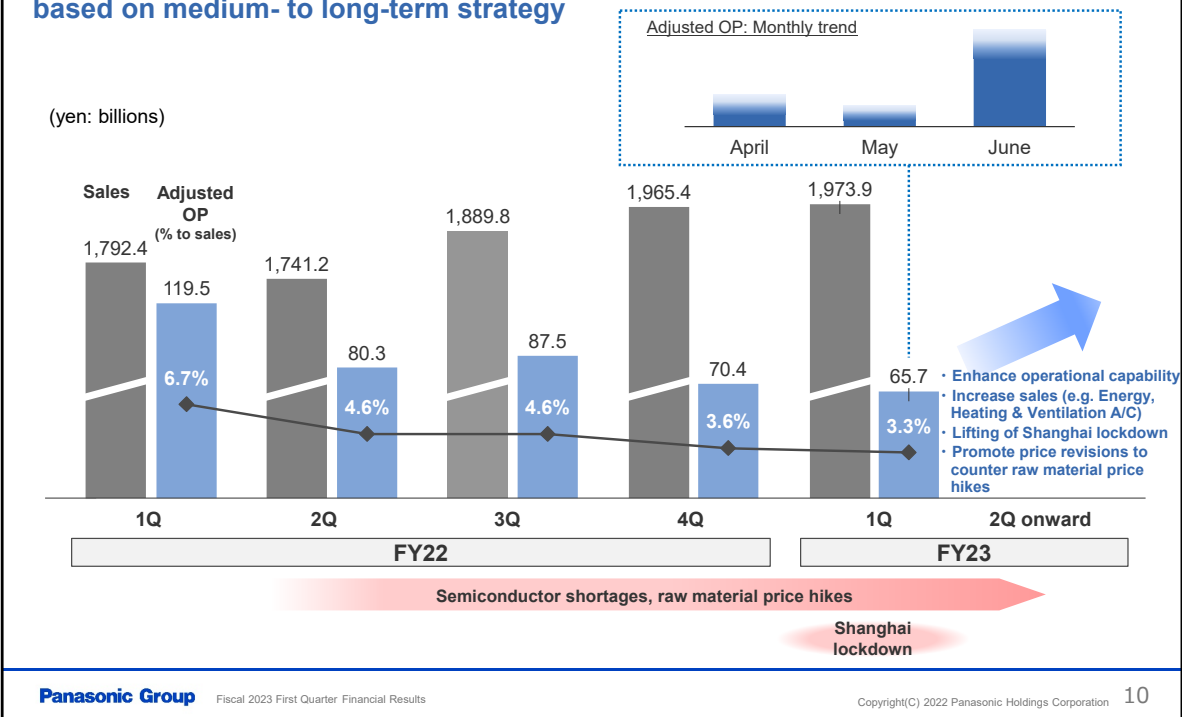
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- Next, this slide explains the impact from changes in the business environment.
- This chart shows, at-a-glance, the impact on each segment by the changes in four elements: changes in demand, shortages in semiconductors and parts & materials, the Shanghai lockdown, and price hikes in raw materials & logistics. The light-blue-shaded areas show factors with a positive impact and the light-red-shaded areas, a negative impact, compared to FY22.
- The upper part shows the results of FY23 1Q. The lower part explains the outlook of the situation for FY23 2Q onward.
- In FY23 1Q, each segment was significantly impacted by shortages in semiconductors and parts & materials, the lockdown, and price hikes in raw materials & logistics.
- From FY23 2Q onward, such factors are expected to lessen by the lifting of the Shanghai lockdown. However, the impact of shortages in semiconductors and parts & materials as well as price hikes in raw materials & logistics are expected to remain. We will implement countermeasures such as alternative procurement and price revisions to mitigate the impact of these factors.

Result Trends by Quarter (Sales and Adjusted Operating Profit)

- On recovery trend after hitting bottom in 1Q (May) affected by Shanghai lockdown
- Each operating company will accelerate initiatives to enhance competitiveness based on medium- to long-term strategy



- Now, let me explain our view on FY23 1Q, based on the trends of results by quarter.
- The graph starts with FY22 1Q from the left. Since FY22 2Q, impact of semiconductor shortages and raw material price hikes has been significant, which led to low profitability. Also, recently, we have faced the impact of the Shanghai lockdown, which has made our business environment more severe.
- However, as you can see in the upper right, if we look at the FY23 1Q adjusted operating profit by month, the situation significantly improved in June, when the lockdown was lifted. The prolonged weak situation turned to a recovery trend after hitting bottom in May.
- Today, each operating company is accelerating its initiatives to enhance competitiveness. We expect our performance in FY23 2Q and onward to shift toward recovery through our efforts:
 - thorough enhancement of operational capability,
 - increased sales of businesses such as Energy and Heating & Ventilation A/C, and
 - further efforts in price revisions to counter raw material price hikes.

Announcements related to IR information in FY23

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

Groupwide/Panasonic Holdings		Operating Companies	
Apr. 1	Group Strategy Briefing (by Group CEO) • Medium-term Group KGIs		
May 11	Commencing preparations for potential stock exchange listing of supply chain management business	May 11	Growth strategy for supply chain management business (by Connect)
		Jun. 1-2	Panasonic Group IR Day 2022 (by all operating companies) • Operating company's medium- to long-term strategies/KGIs
Jun. 13	Technology Briefing (by Group CTO) • Medium to long-term strategy		
Jul. 13	Second Sustainability Briefing (by Group CEO) • Green IMPACT Plan 2024	Jul. 14	Incentive application approved for investment plans for EV battery facility in the U.S. (by Energy)
		2 nd Half	Lifestyle • Site visit (planned) • RE100 Solution • Briefing on individual business (planned) • Cold Chain Solutions Company, China and Northeast Asia Company

- After the launch of our new structure in April 2022, we announced our Groupwide medium- to long-term strategies as well as those of each operating company. We are making steady progress with assessment and execution of each initiative based on the strategies.
- For material matters in such areas as the supply chain management and automotive battery businesses, we have disclosed and communicated information at the timing of the decisions made.
- During the second half of FY23, briefings on individual businesses by Lifestyle are planned to be held.
- As we proceed with the medium- to long-term strategy, we will make announcements on individual measures at both Groupwide and operating company levels in a timely and appropriate manner.

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- Thank you very much for your kind attention.

Disclaimer Regarding Forward-Looking Statements

This presentation includes forward-looking statements about Panasonic Holdings Corporation (Panasonic HD) and its Group companies (the Panasonic Group). To the extent that statements in this presentation do not relate to historical or current facts, they constitute forward-looking statements. These forward-looking statements are based on the current assumptions and beliefs of the Panasonic Group in light of the information currently available to it, and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause the Panasonic Group's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. Panasonic HD undertakes no obligation to publicly update any forward-looking statements after the date of this presentation. Investors are advised to consult any further disclosures by Panasonic HD in its subsequent filings under the Financial Instrument and Exchange Act of Japan (the FIEA) and other publicly disclosed documents.

The risks, uncertainties and other factors referred to above include, but are not limited to, economic conditions, particularly consumer spending and corporate capital expenditures in the Americas, Europe, Japan, China and other Asian countries; volatility in demand for electronic equipment and components from business and industrial customers, as well as consumers in many product and geographical markets; the possibility that the spread of the novel coronavirus infections may adversely affect business activities of the Panasonic Group; the possibility that excessive currency rate fluctuations of the U.S. dollar, the euro, the Chinese yuan and other currencies against the yen may adversely affect costs and prices of Panasonic Group's products and services and certain other transactions that are denominated in these foreign currencies; the possibility of the Panasonic Group incurring additional costs of raising funds, because of changes in the fund raising environment including interest rate fluctuations; the possibility of the Panasonic Group not being able to respond to rapid technological changes and changing consumer preferences with timely and cost-effective introductions of new products in markets that are highly competitive in terms of both price and technology; the possibility of not achieving expected results or incurring unexpected losses in connection with the alliances or mergers and acquisitions; occurrence and continuation of supply disruption or soaring prices of raw materials or transportation; the possibility of not being able to achieve its business objectives through joint ventures and other collaborative agreements with other companies, including due to the pressure of price reduction exceeding that which can be achieved by its effort and decrease in demand for products from business partners which Panasonic Group highly depends on in BtoB business areas; the possibility of not achieving expected benefits in connection with the transition to a new organizational system in which Panasonic is a holding company; the possibility of the Panasonic Group not being able to maintain competitive strength in many product and geographical areas; the possibility of incurring expenses resulting from any defects in products or services of the Panasonic Group; the possibility that the Panasonic Group may face intellectual property infringement claims by third parties; current and potential, direct and indirect restrictions imposed in Japan or other countries over trade, manufacturing, labor and operations; failures in proper tackling of environmental issues or taking initiatives in responsible procurement activities in the supply chain; restrictions, costs or legal liability relating to laws and regulations or failures in internal controls; fluctuations in market prices of securities and other financial assets in which the Panasonic Group has holdings or changes in valuation of non-financial assets, including property, plant and equipment, goodwill and deferred tax assets; future changes or revisions to accounting policies or accounting rules; the possibility of incurring expenses resulting from a leakage of customers' or confidential information from Panasonic Group systems due to unauthorized access or a detection of vulnerability of network-connected products of the Panasonic Group; as well as natural disasters including earthquakes, prevalence of infectious diseases throughout the world, and other events that may negatively impact business activities of the Panasonic Group. The factors listed above are not all-inclusive and further information is contained in the most recent English translated version of Panasonic HD's securities reports under the FIEA and any other documents which are disclosed on its website.

(Reference) FY23 1Q Segment Information

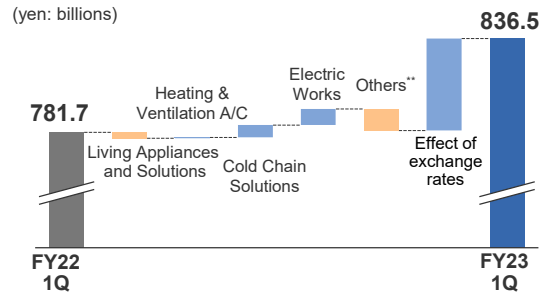
Lifestyle

Overview

(yen: billions)	FY23 1Q	vs. FY22 1Q/ Difference
Sales	836.5	+7% (±0%)*
Adjusted operating profit (% to sales)	35.7 (4.3%)	-11.0
Other income/loss	2.6	+4.2
Operating profit (% to sales)	38.3 (4.6%)	-6.8

* In real terms excluding the effect of exchange rates

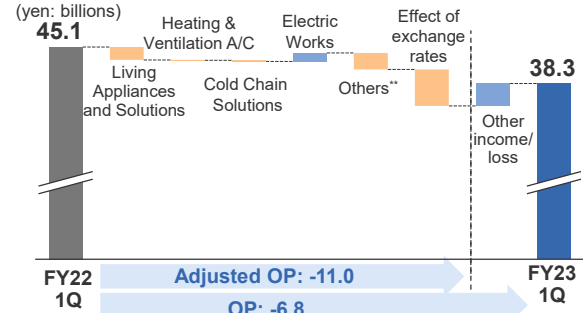
Sales increased overall: Steady sales overseas mainly with priority businesses, despite decreased sales in Japan for Living Appliances and Solutions Company



Major increase/decrease factors

Company	Factor
Living Appliances and Solutions Company	Decreased: Affected by Shanghai lockdown, etc., despite price revisions and reviewing sales promotion & advertisement expenses to counter price hikes in raw materials and logistics
Heating & Ventilation A/C Company	Increased sales of products such as A2W (Air to Water, hot water heat pump system) in Europe and other factors offset price hikes in raw materials and logistics
Cold Chain Solutions Company	Increased sales of showcases in Japan and North America, and price revisions offset impact of Shanghai lockdown and parts & materials procurement issues
Electric Works Company	Increased: Increased sales of electrical construction materials mainly in India and structural reform effect in solar business, despite raw material price hikes and material procurement issues, etc.
Other income/loss	Restructuring expenses in FY22, etc.

OP decreased overall: Affected by Shanghai lockdown, etc., despite increased sales and price revisions to counter deteriorated business environment



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

Overview

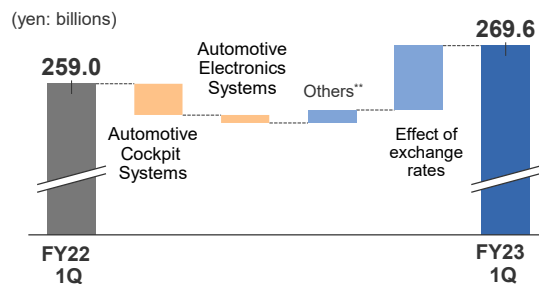
(yen: billions)	FY23 1Q	vs. FY22 1Q/ Difference
Sales	269.6	+4% (-3%)*
Adjusted operating profit (% to sales)	-12.1 (-4.5%)	-14.2
Other income/loss	1.5	+1.4
Operating profit (% to sales)	-10.6 (-3.9%)	-12.8

* In real terms excluding the effect of exchange rates

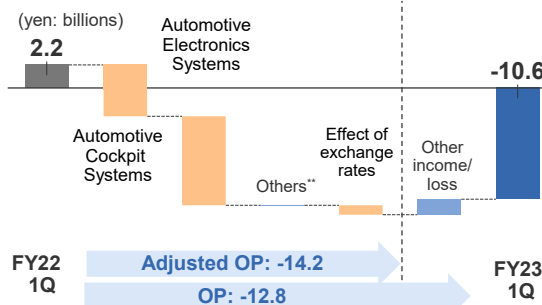
Major increase/decrease factors

Adjusted OP	Automotive Cockpit Systems	+: • Cost reduction efforts Price revisions to counter price hikes in parts & materials -: • Decreased sales • Increased fixed costs (e.g. depreciation) • Price hikes in parts & materials (e.g. semiconductors)
	Automotive Electronics Systems	+: • Cost reduction efforts -: • Decreased sales • Increased fixed costs (e.g. overseas personnel expenses) • Price hikes in parts & materials (e.g. semiconductors)
Other income/loss	Improved due to insurance reimbursement, etc.	

Sales increased: Effect of exchange rates despite impact of reduced automobile production



OP decreased: Decreased sales and increased fixed costs (e.g. depreciation), despite cost reduction efforts and price revisions to mitigate price hikes in parts & materials (e.g. semiconductors)



** Sales of other segment products, etc.

(Reference) FY23 1Q Segment Information

Connect

Overview

(yen: billions)	FY23 1Q	vs. FY22 1Q/ Difference
Sales	244.8	+18% (+7%)*
Adjusted operating profit (% to sales)	-9.3 (-3.8%)	-16.4
Other income/loss	-0.2	+6.8
Operating profit (% to sales)	-9.5 (-3.9%)	-9.6

* In real terms excluding the effect of exchange rates

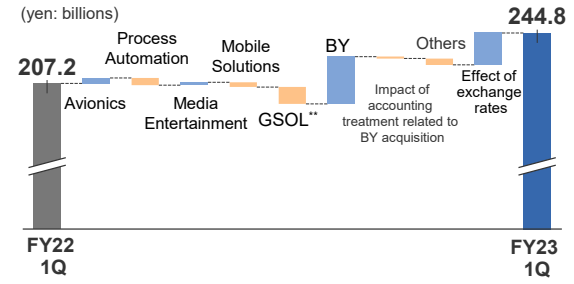
Major increase/decrease factors

Segment	Factor
Avionics	+: Driven by repair & maintenance services due to recovery in aircraft market demand
Process Automation	-: Impact of raw material price hikes despite steady demand mainly for EV investment
Media Entertainment	+: Continuing steady demand mainly for projectors in Europe and U.S. markets
Mobile Solutions	-: Impact of Shanghai lockdown and semiconductor procurement issues
Gemba Solutions**	-: Post-Olympic demand slowdown
Blue Yonder (BY)	+: Impact of new consolidation -: Impact of temporary accounting treatment related to "re-evaluation of assets and liabilities" upon Blue Yonder acquisition and increased amortization of intangible assets

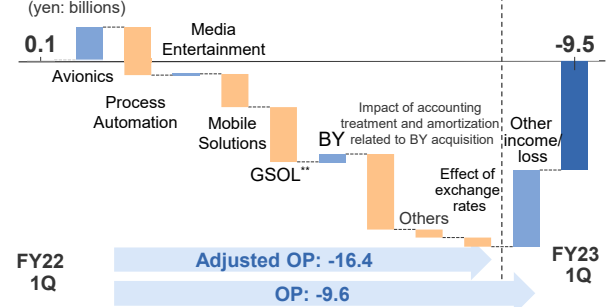
Other income/loss Rebound from business transfer loss of ITC Global in FY22, etc.

** Gemba Solutions Company (GSOL)

Sales increased: Increased sales of Avionics reflecting market recovery in aviation industry, as well as consolidation of Blue Yonder, despite decreased sales of Gemba Solutions due to post-Olympic demand slowdown and Shanghai lockdown (e.g. notebook PCs)



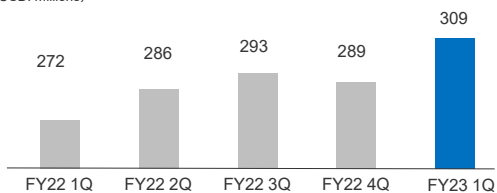
OP decreased: Decreased sales of notebook PCs and Gemba Solutions, raw material price hikes, as well as amortization of intangible assets related to Blue Yonder acquisition and other factors, despite increased sales of Avionics



Revenue

■ Achieved double-digit growth vs FY22, and continuous growth expected

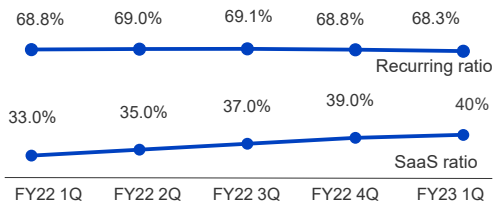
(USD: millions)



Note: Total revenue by quarter (stand alone)

Recurring / SaaS ratio

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

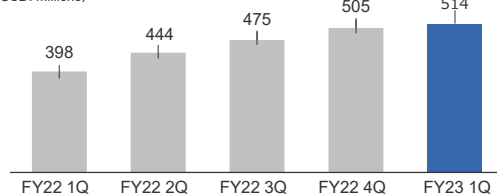


Note: Recurring revenue business ratio in total revenue

SaaS ARR (Annual Recurring Revenue)

■ Continuing steady revenue growth

(USD: millions)

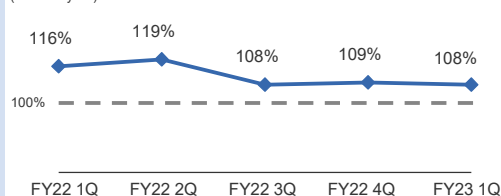


Note: ARR indicates secured annualized revenue during the year starting next quarter

SaaS NRR (Net Revenue Retention)

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

(Year-on-year)



Note: Net revenue retention rate with existing customers

(Reference) FY23 1Q Segment Information

Industry

Overview

(yen: billions)	FY23 1Q	vs. FY22 1Q/ Difference	PID Products*
Sales	296.5	+4% (-6%)**	245.6
Adjusted operating profit (% to sales)	24.3 (8.2%)	-0.7	22.7 (9.2%)
Other income/loss	2.2	+0.7	2.2
Operating profit (% to sales)	26.5 (8.9%)	0.0	24.8 (10.1%)

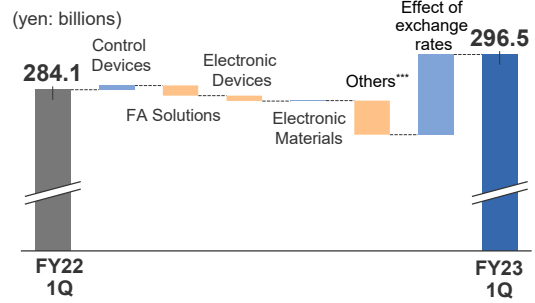
* Figures of PID (Panasonic Industry Company) products exclude sales of other segment products (e.g. compressor, SD card), etc.

** In real terms excluding the effect of exchange rates

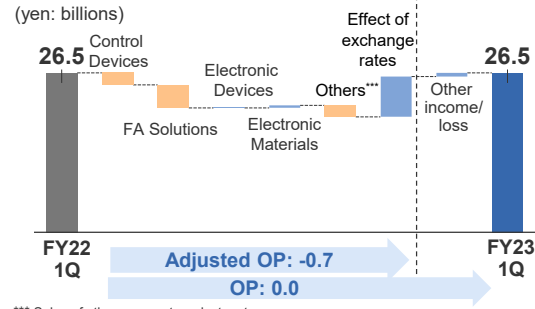
Major increase/decrease factors

Segment	Factors
Control Devices	+ : Increased sales of industrial-use relays
	- : Semiconductor shortages, decreased sales affected by Shanghai lockdown, raw material price hikes, less profitable product mix
FA Solutions	- : Semiconductor shortages, decreased sales affected by Shanghai lockdown, raw material price hikes,
Electronic Devices	+ : Increased sales of capacitors for information & communication infrastructure and for automotive use
	- : Raw material price hikes
Electronic Materials	+ : Price revisions
	- : Raw material price hikes
Other income/loss	Received additional consideration related to semiconductor business transfer

Sale increased: Effect of yen depreciation, despite decreased sales from semiconductor shortages, Shanghai lockdown, and termination of semiconductor/LCD businesses



OP: Same level as FY22 due to yen depreciation effect, despite impact from semiconductor shortages, Shanghai lockdown, and raw material price hikes



*** Sales of other segment products, etc.

Overview

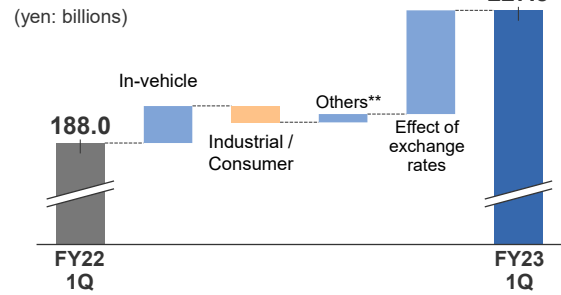
(yen: billions)	FY23 1Q	vs. FY22 1Q/ Difference
Sales	227.8	+21% (+5%)*
Adjusted operating profit (% to sales)	16.5 (7.3%)	-3.1
Other income/loss	-0.2	+0.8
Operating profit (% to sales)	16.3 (7.1%)	-2.3

* In real terms excluding the effect of exchange rates

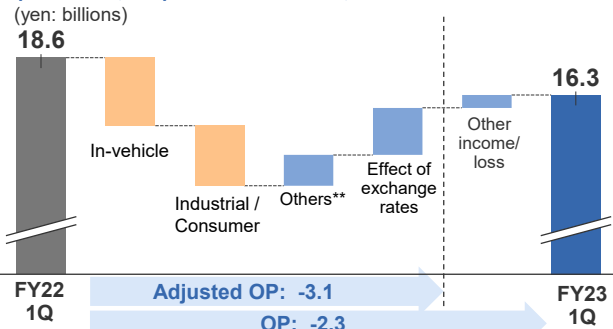
Major increase/decrease factors

Adjusted OP	In-vehicle	+: Increased sales reflecting robust EV demand and operation of new production line in North America -: Increased logistics costs due to supply chain disruptions, increased fixed costs for increased production, and increased development expenses
	Industrial / Consumer	+: Price revision effect, increased sales of power storage systems -: Impact of sharp price hikes in raw materials, increased fixed costs
Other income/loss	Improved due to rebound effect from expenses recorded in FY22	

Sales increased: Sales growth of automotive batteries reflecting robust EV demand, offsetting decreased sales resulting from dry battery business transfer in Europe



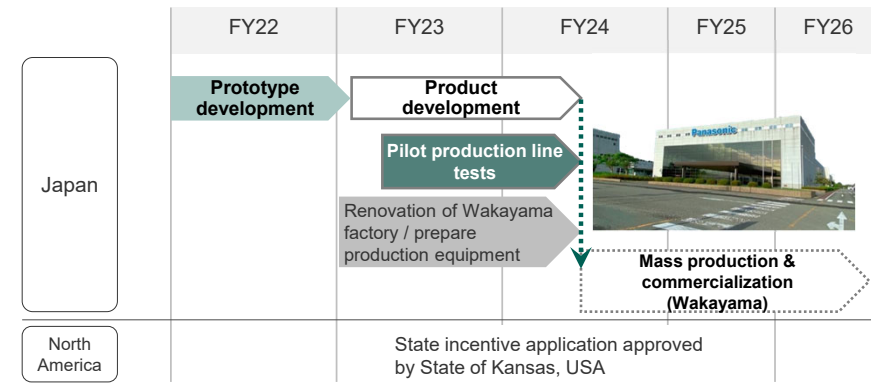
OP decreased: Price hikes in raw materials and logistics, increased development expenses and fixed costs for increased production, despite increased sales, etc.



** Segment head office, eliminations, etc.

- Mass production of high-capacity 4680 cells in Wakayama, Japan; supply to North America market (from FY24)
- Construction of manufacturing facility in U.S. to be decided upon assessment of manufacturing and operational capabilities in Japan

■ Schedule & progress



Progress

- Completed prototype development, started operation of pilot production line (from end of May 2022)
- Started delivering samples to customers
- Renovation of Wakayama factory; preparation of production equipment
- State incentive application approved by State of Kansas regarding investment plans for EV battery facility (July 2022)

Proceeding as planned

(Reference) FY23 1Q Operating Profit & Net Profit

(yen: billions)

	FY23 1Q	FY22 1Q	Difference
Operating profit	63.7	104.4	-40.7
Non-operating income/loss	9.8	4.1	+5.7
Profit before income taxes	73.5	108.5	-35.0
Income taxes	-20.9	-27.3	+6.4
Net profit	52.6	81.2	-28.6
Net profit attributable to Panasonic Holdings Corporation stockholders	48.9	76.5	-27.6
Net profit attributable to non-controlling interests	3.7	4.7	-1.0

(Reference) Medium-term Management Indicators: KGI

(yen: billions)

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

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

(Reference) FY23 Financial Forecast

(yen: billions)	FY23 (e)		FY22		vs. FY22 / Difference	
Sales	7,900.0		7,388.8		+7%	+511.2
Adjusted operating profit* (% to sales)	380.0	(4.8%)	357.7	(4.8%)	+6%	+22.3
Other income/loss**	-20.0		-0.2			-19.8
Operating profit (% to sales)	360.0	(4.6%)	357.5	(4.8%)	+1%	+2.5
Non-operating income/loss	0.0		2.9			-2.9
Profit before income taxes (% to sales)	360.0	(4.6%)	360.4	(4.9%)	±0%	-0.4
Net profit attributable to Panasonic Holdings Corporation stockholders (% to sales)	260.0	(3.3%)	255.3	(3.5%)	+2%	+4.7
ROE	8.0%		8.9%			-0.9%
EBITDA*** (% to sales)	790.0	(10.0%)	744.0	(10.1%)		+46.0
Exchange rates	1 US dollar	115 yen	112 yen			
	1 Euro	130 yen	131 yen			
	1 Renminbi	19.0 yen	17.5 yen			

* Sales - Cost of sales - SG&A

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

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

Adjusted with:

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

(Reference) FY23 Financial Forecast by Segment

(yen: billions)

	Sales	vs. FY22 (Difference)	Adjusted OP (% to sales)	FY22 Difference	Other income/ loss	FY22 Difference	OP (% to sales)	FY22 Difference	EBITDA* (% to sales)	FY22 Difference
Lifestyle	3,232.0	+2% (+66.4)	135.0 4.2%	+3.5	-11.0	+12.3	124.0 3.8%	+15.8	228.0 7.1%	+23.7
Automotive	1,270.0	+19% (+207.2)	18.0 1.4%	+15.6	0.0	+1.0	18.0 1.4%	+16.6	77.0 6.1%	+19.9
Connect	1,090.0	+18% (+167.3)	38.0 3.5%	+22.3	-1.0	-38.1	37.0 3.4%	-15.8	100.0 ^{**} 9.2%	-13.8
Industry	1,120.0	-1% (-8.1)	96.0 8.6%	+9.3	-6.0	-2.5	90.0 8.0%	+6.8	151.0 13.5%	+15.4
Energy	848.0	+10% (+75.2)	55.0 6.5%	-15.8	-3.0	+1.0	52.0 6.1%	-14.8	112.0 ^{***} 13.2%	-11.0
Other/ Eliminations & adjustments	340.0	+3.2	38.0	-12.6	1.0	+6.5	39.0	-6.1	122.0	+11.8
Total	7,900.0	+7% (+511.2)	380.0 4.8%	+22.3	-20.0	-19.8	360.0 4.6%	+2.5	790.0 10.0%	+46.0

Note: Management accounting adjustments to sales prices, which had been included in "Eliminations and adjustments," are included in each segment from FY23. (FY22 results have also been reclassified to conform to the presentation for FY23)

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

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

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

(Reference) Lifestyle Segment: FY23 Forecast by Divisional Company

(yen: billions)

	Sales	vs. FY22 (Difference)	Adjusted OP (% to sales)	FY22 Difference	Other income/ loss	FY22 Difference	OP (% to sales)	FY22 Difference	EBITDA** (% to sales)	FY22 Difference
Living Appliances and Solutions Company	880.0	+5% (+40.1)	65.5 7.4%	+2.2	0.5	-0.1	66.0 7.5%	+2.1	90.0 10.2%	+5.2
Heating & Ventilation A/C Company	725.0	+6% (+44.2)	22.0 3.0%	+0.5	-1.1	+2.3	20.9 2.9%	+2.8	40.0 5.5%	+4.2
Cold Chain Solutions Company	315.0	+2% (+5.9)	-3.2*** -1.0%	+4.4	-0.2	+0.6	-3.4*** -1.1%	+5.0	4.8*** 1.5%	+5.3
Electric Works Company	950.0	+5% (+45.3)	50.0 5.3%	+5.1	-8.5	-0.7	41.5 4.4%	+4.4	70.0 7.4%	+4.5
China and Northeast Asia Company*	849.5	+4% (+35.3)	24.4*** 2.9%	+6.8	-0.4	+8.5	24.0*** 2.8%	+15.3	46.4*** 5.5%	+17.9

* 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

(Reference) List of Voluntarily Disclosed Businesses in FY23

Lifestyle (Panasonic Corporation)	Businesses with Sales Disclosed	Major Business Divisions, etc.
Living Appliances and Solutions Company	<ul style="list-style-type: none"> • Kitchen Appliances • Laundry Systems and Vacuum Cleaner • Beauty and Personal Care 	<ul style="list-style-type: none"> : 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"> • Heating and Cooling Solutions • Ecology Systems 	<ul style="list-style-type: none"> : 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"> • Lighting • Energy Systems • Other 	<ul style="list-style-type: none"> : 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 (Panasonic Automotive Systems Co., Ltd.)	<ul style="list-style-type: none"> • Automotive Cockpit Systems • Automotive Electronics Systems • Others 	<ul style="list-style-type: none"> : Infotainment Systems BD : HMI Systems BD, Automotive Systems BD, Ficosa International, S.A. : Sales of other segment products, etc.
Connect (Panasonic Connect Co., Ltd.)	<ul style="list-style-type: none"> • Avionics • Process Automation • Media Entertainment • Mobile Solutions • Gemba Solutions • Blue Yonder • Others 	<ul style="list-style-type: none"> : Panasonic Avionics Corporation, Avionics BU : Process Automation BD : Media Entertainment BD : Mobile Solutions BD : Gemba Solutions Company : Blue Yonder Holding, Inc. : Other businesses, eliminations, etc.
Industry (Panasonic Industry Co., Ltd.)	<ul style="list-style-type: none"> • Control Devices • FA Solutions • Electronic Devices • Electronic Materials • Others 	<ul style="list-style-type: none"> : Electromechanical Control BD, Industrial Devices BD : Industrial Devices BD : Electromechanical Control BD, Device Solutions BD : Electronic Materials BD : LCD, sales of other segment products, eliminations, etc.
Energy (Panasonic Energy Co., Ltd.)	<ul style="list-style-type: none"> • In-vehicle • Industrial / Consumer • Others 	<ul style="list-style-type: none"> : Mobility Energy BD : Energy Devices BD, Energy Solutions BD : Segment head office, eliminations, etc.
Other	<ul style="list-style-type: none"> • Entertainment & Communication • Housing 	<ul style="list-style-type: none"> : Panasonic Entertainment & Communication Co., Ltd. : Panasonic Housing Solutions Co., Ltd.
Eliminations & adjustments	<ul style="list-style-type: none"> • Eliminations of intersegment transactions, adjustments of profits and losses not attributable to any segments, and adjustments of consolidations, 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"