This presentation gives the consolidated financial results of Panasonic Holdings Corporation for the third quarter of fiscal 2023 (FY23) ended December 31, 2022.
First, the summary of the consolidated financial results for FY23 3Q.

- Overall sales increased from the same quarter of FY22 due to increased sales of Automotive and Connect, as well as by currency translation.
- Adjusted operating profit slightly decreased due to the large profit decrease in Energy, despite increased sales of Automotive and Connect.
- Operating profit and net profit increased due to improvement in other income/loss.
- Operating CF increased from FY22, due mainly to improved working capital and other factors, despite increased inventories.

Second, the revision of the full-year forecast for FY23.

- In the FY23 2Q results announcement, we touched upon the US Inflation Reduction Act (IRA). However, detailed rules have not been announced as of today. Therefore, the impact of the IRA in value is not factored into the full-year forecast of FY23.
- As for the Groupwide forecast, profit is revised downward, reflecting changes in the business environment. Overall sales remains unchanged, but sales decreases in real terms, excluding the effect of exchange rates.
- Looking at profit by segment, Automotive and Connect are revised upward, but Lifestyle, Industry and Energy are revised downward.
I will explain the details of the consolidated financial results for FY23 3Q from the next slide.
## FY23 3Q Financial Results

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

| Exchange rates | 1 US dollar | 142 yen | 114 yen | **Sales - Cost of sales - SG&A**  
| Exchange rates | 1 Euro      | 144 yen | 130 yen | **“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**  
| Exchange rates | 1 Renminbi  | 19.9 yen | 17.8 yen | **Excluding effect of exchange rates**  
| 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:**  
| Exchange rates |            |         |         | - amount equivalent to depreciation corresponding to underlying assets that are applied with Lease accounting treatment as a lessee  
| Exchange rates |            |         |         | - 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 3Q.
- Overall sales increased to 2,160.6 billion yen by 14% from FY22 3Q.
- Sales in real terms, excluding the effect of exchange rates, increased by 5%. Adjusted operating profit was 85.9 billion yen, a slight decrease from FY22.
- Other income/loss improved due mainly to reduced restructuring expenses and gain from sales of assets.
- Operating profit, net profit and EBITDA increased respectively.
<table>
<thead>
<tr>
<th>Segment</th>
<th>Sales (yen: billions)</th>
<th>vs. FY22 (Excl. effect of exchange rates)</th>
<th>Adjusted OP (% to sales)</th>
<th>FY22 Difference</th>
<th>Other income/loss</th>
<th>FY22 Difference</th>
<th>FY22 Difference</th>
<th>EBITDA* (% to sales)</th>
<th>FY22 Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifestyle</td>
<td>904.0</td>
<td>+10% (+3%)</td>
<td>31.1***</td>
<td>-4.6</td>
<td>-0.6</td>
<td>+1.7</td>
<td>30.5***</td>
<td>-2.9</td>
<td>56.2***</td>
</tr>
<tr>
<td>Automotive</td>
<td>346.3</td>
<td>+27% (+16%)</td>
<td>11.5</td>
<td>+10.0</td>
<td>1.0</td>
<td>+0.6</td>
<td>12.5</td>
<td>+10.6</td>
<td>27.6</td>
</tr>
<tr>
<td>Connect</td>
<td>288.6</td>
<td>+30% (+15%)</td>
<td>14.0</td>
<td>+20.6</td>
<td>-0.1</td>
<td>+2.7</td>
<td>13.9</td>
<td>+23.3</td>
<td>32.1**</td>
</tr>
<tr>
<td>Industry</td>
<td>290.6</td>
<td>+3% (-7%)</td>
<td>16.7</td>
<td>-2.2</td>
<td>-1.7</td>
<td>-2.1</td>
<td>15.0</td>
<td>-4.3</td>
<td>29.6</td>
</tr>
<tr>
<td>Energy</td>
<td>247.4</td>
<td>+26% (+4%)</td>
<td>0.6</td>
<td>-18.7</td>
<td>-0.4</td>
<td>+1.5</td>
<td>0.2</td>
<td>-17.2</td>
<td>17.0***</td>
</tr>
<tr>
<td>Other/Eliminations &amp; adjustments</td>
<td>83.7</td>
<td>-</td>
<td>12.0</td>
<td>-6.7</td>
<td>0.3</td>
<td>+8.6</td>
<td>12.3</td>
<td>+1.9</td>
<td>29.4</td>
</tr>
<tr>
<td>Total</td>
<td>2,160.6</td>
<td>+14% (+5%)</td>
<td>85.9</td>
<td>-1.6</td>
<td>-1.5</td>
<td>+13.0</td>
<td>84.4</td>
<td>+11.4</td>
<td>191.9</td>
</tr>
</tbody>
</table>

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

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

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

In Lifestyle, overall sales increased due to increased sales of growth businesses such as A2W in Europe and electrical construction materials for overseas markets, despite decreased sales of consumer electronics.

In Automotive, sales increased due to the recovery in automobile production of our customers.

In Connect, sales increased due to growth in rugged mobile terminals for overseas markets and also in Avionics reflecting market recovery in the aviation industry, as well as increased sales of Blue Yonder, despite decreased sales in Process Automation, which was affected by the slowdown of investments by our customers in the PC/smartphone industry.

In Industry, sales decreased due to the market slowdown in such areas as ICT terminals and FA, mainly in China, and global automotive applications, excluding green vehicles. Our termination of the semiconductor business was another factor.

In Energy, sales increased due to increased EV battery production and sales, as well as price revision effects, despite decreased sales of consumer-use Li-ion batteries and power storage systems for data centers, with deteriorating market conditions.

Within Other/Eliminations & adjustments, sales of Entertainment & Communication and Housing slightly decreased due to the downturn in the market situation.
This slide shows our adjusted operating profit analysis by segment.

- In Lifestyle, profit decreased due to temporary expenses in China, despite increased sales mainly in growth businesses and price revisions in Japan & overseas, which offset deteriorating external conditions in the business environment, such as exchange rates and price hikes in raw materials.

- In Automotive, profit increased due mainly to price revisions to offset price hikes in parts & materials, increased sales and cost reduction efforts, despite price hikes in parts & materials such as semiconductors.

- In Connect, profit increased due mainly to increased sales of rugged mobile terminals for overseas markets and Avionics, improved profitability of Blue Yonder on a stand-alone basis, as well as the absence of temporary accounting treatment in FY22, despite decreased sales in Process Automation.

- In Industry, profit decreased due to decreased sales with the sharp downturn in market conditions, despite efforts such as price revisions and rationalization offsetting the impact of raw material price hikes.

- In Energy, profit decreased due mainly to price hikes of raw materials, decreased sales for Industrial/Consumer and increased development expenses for future growth, despite increased sales of EV batteries.
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, due to decreased sales of consumer electronics. Profit decreased due to decreased sales and the impact of exchange rates.

In Heating & Ventilation A/C Company, both sales and profit increased due to favorable sales of A2W (air to water heat pump system) in Europe.

In Cold Chain Solutions Company, both sales and profit increased with increased sales for Japan and the U.S. market as well as the efforts in price revisions.

In Electric Works Company, both sales and profit increased with continuing steady sales of overseas electrical construction materials.
This slide shows our operating profit analysis by factor.

From the left, profit generated from sales expansion increased by 17.4 billion yen. Fixed costs were a decrease factor of 17.0 billion yen. This is due to the increased investment in Lifestyle and Energy, aiming for business growth.

Price hikes in raw materials and logistics were a decrease factor of 67.0 billion yen. On the other hand, the counter effect of efforts such as price revisions and rationalization was an increase factor of 61.0 billion yen.

Furthermore, the consolidation impact of Blue Yonder and temporary factors of Lifestyle totaled 4.0 billion yen. From this, Blue Yonder profit increased by 9.2 billion yen. The chart at the bottom right shows the breakdown: stand-alone profit, amortization expenses related to acquisition, and temporary accounting treatment.

The overall effect of exchange rates was zero, thus having almost no impact. More specifically by segment, it had a negative impact in Lifestyle, but a positive impact in Industry and Energy.

As a result, adjusted operating profit was slightly decreased by 1.6 billion yen.

Other income/loss improved by 13.0 billion yen. Operating profit increased by 11.4 billion yen.
This slide shows the situation of FCF and cash positions.

On the left, operating CF was 313.7 billion yen for nine months in FY23, increasing from FY22. This is due mainly to improvement in working capital and other factors, despite increased inventories.

As for inventories, we can see that a larger number of businesses turned to a decrease, compared with the end of FY23 2Q. We will continue further efforts to reduce inventories, mainly by revising strategic inventory level.

On the right line graph, net cash was a negative of 657.2 billion yen, a slight decrease from the end of FY22.
I will explain the consolidated financial forecast for FY23 from the next slide.

As explained at the beginning of this presentation, the impact of the US Inflation Reduction Act (IRA) is not factored in the financial forecast for FY23. However, we have received many inquiries and have heard much interest from a number of stakeholders, including the capital market, since the FY23 2Q financial results announcement. Therefore, in this part, we would like to elaborate upon the IRA and our assumption of its financial impact on the Panasonic Group, based on currently available information.
### Overview of US Inflation Reduction Act (IRA)

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

#### Section 45X (Advanced Manufacturing Production Credit)

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

#### Section 30D (EV Credit)

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

### Situation remains unchanged since FY23 2Q

- Additional guidance on tentative measures prior to rulemaking

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- This slide gives an overview of the IRA information relevant to our business.
- Among the rules related to EVs, Section 45X stipulates a tax credit for sales of EV batteries, shown on the left. Section 30D stipulates a tax credit for purchases of EVs, shown on the right. Panasonic’s EV battery business is expected to be eligible for Section 45X, shown on the left.
- According to Section 45X, for battery cells, a tax credit of 35 US dollars per kWh can be received. The duration is 10 years from 2023 to 2032. Eligible battery cells are those produced and sold in the US.
- The details of both rules have not yet been announced. If I may add some news from the FY23 2Q results announcement, for Section 30D, additional guidance on tentative measures prior to rulemaking was provided, but no additional information on Section 45X has been made available.
This slide shows an overview of our EV battery factories, and which ones would be eligible for IRA.

The Nevada Factory, already in operation, is eligible from January 2023. The new Kansas Factory is expected to be eligible after the start of its production and sales. However, factories in Japan are not eligible.

On the right side of the chart, simple calculations for tax credit amount, multiplying 35 US dollars based on production capacity at each factory, is shown for reference.

The amount of impact on the Panasonic Group’s financial results needs to be examined and quantified based on the IRA’s rules to be announced, as well as other factors. Since detailed rules have not yet been announced, the scheme of its monetization, how to record it on P/L, and other factors have not yet been determined.

Therefore, we have not factored the impact of IRA in the FY23 forecast.

At the bottom of this slide, a summary is given of the incentive program by the State of Kansas for investment promotion, announced in July 2022. The new Kansas Factory is eligible for this incentive program, as well as for IRA tax credits.
Next, I will explain the revision of the full-year forecast of FY23.
FY23 Full-Year Forecast Revision

- This slide shows the consolidated financial forecast for FY23.
- Overall sales remains unchanged. However, sales in real terms excluding the effect of exchange rates is decreased by 80.0 billion yen.
- Adjusted operating profit is revised downward to 300.0 billion yen with a decrease of 40.0 billion yen. Operating profit is revised downward to 280.0 billion yen with a decrease of 40.0 billion yen.
- Net profit attributable to Panasonic Holdings Corporation stockholders is revised downward by 25.0 billion yen to 210.0 billion yen. EPS is revised downward to 89.98 yen with a decrease of 10.71 yen.
- ROE is expected at 6.0% and EBITDA is expected at 710.0 billion yen.
## FY23 Full-Year Forecast Revision by Segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>Sales (yen: billions)</th>
<th>Difference from forecast (as of Oct. 31)</th>
<th>Adjusted OP (% to sales)</th>
<th>FY23 Difference</th>
<th>Other Income/loss</th>
<th>OP (% to sales)</th>
<th>EBITDA* (% to sales)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifestyle</td>
<td>3,400.0</td>
<td>+7% (+234.4)</td>
<td>125.0 3.7%</td>
<td>-8.5 -10.0</td>
<td>-11.0 +12.3</td>
<td>114.0 3.4%</td>
<td>218.0 6.4%</td>
</tr>
<tr>
<td>Automotive</td>
<td>1,290.0</td>
<td>+21% (+227.2)</td>
<td>11.0 0.9%</td>
<td>+8.6 +1.0</td>
<td>0.0 1.0</td>
<td>11.0 0.9%</td>
<td>71.0 5.5%</td>
</tr>
<tr>
<td>Connect</td>
<td>1,110.0</td>
<td>+20% (+187.3)</td>
<td>21.0 1.9%</td>
<td>+5.3 +5.0</td>
<td>-6.0 -43.1</td>
<td>15.0 1.4%</td>
<td>90.0** 8.1%</td>
</tr>
<tr>
<td>Energy</td>
<td>954.0</td>
<td>+23% (+181.2)</td>
<td>42.0 4.4%</td>
<td>-28.8 -15.0</td>
<td>-6.0 -2.0</td>
<td>36.0 3.8%</td>
<td>128.0 11.2%</td>
</tr>
<tr>
<td>Industry</td>
<td>1,140.0</td>
<td>+1% (+11.9)</td>
<td>69.0 6.1%</td>
<td>-17.7 -20.0</td>
<td>0.0 +3.5</td>
<td>69.0 6.1%</td>
<td>102.0*** 10.7%</td>
</tr>
<tr>
<td>Energy</td>
<td>954.0</td>
<td>+23% (+181.2)</td>
<td>42.0 4.4%</td>
<td>-28.8 -15.0</td>
<td>-6.0 -2.0</td>
<td>36.0 3.8%</td>
<td>102.0*** 10.7%</td>
</tr>
<tr>
<td>Other/</td>
<td>306.0</td>
<td>(-30.8)</td>
<td>32.0 1.0%</td>
<td>-18.6 -1.0</td>
<td>3.0 +8.5</td>
<td>35.0 -10.1</td>
<td>101.0 -5.3</td>
</tr>
<tr>
<td>Eliminations &amp;</td>
<td>Eliminations &amp;</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>adjustments</td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>8,200.0</td>
<td>+11% (+811.2)</td>
<td>300.0 3.7%</td>
<td>-57.7 -40.0</td>
<td>-20.0 -19.8</td>
<td>280.0 3.4%</td>
<td>710.0 8.7%</td>
</tr>
</tbody>
</table>

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

* Total amount of Operating profit, Depreciation (Tangible assets including property, plant and equipment / Right-of-use assets) and Amortization (Intangible assets)
** Adjusted with impact of temporary accounting treatment related to “re-evaluation of assets and liabilities” upon Blue Yonder acquisition
*** Additionally adjusted with the amount equivalent to depreciation corresponding to underlying assets that are applied with Lease accounting treatment as a lessor
**** Impact of temporary expenses in China included

### This slide shows the forecast by segment.

As for adjusted operating profit, Automotive and Connect are revised upward. On the other hand, Lifestyle, Industry and Energy are revised downward.

### From the next slide, I will explain the details of the revisions, in particular for Industry and Energy segments, with larger revision amounts.
Industry Segment: FY23 Adjusted OP Revision Factors

<table>
<thead>
<tr>
<th>Segment</th>
<th>Impact to revised forecast</th>
<th>Revised Adjusted OP Amount</th>
<th>Change in demand outlook (vs. FY22)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICT terminals</td>
<td>-11.0 bil. yen</td>
<td>20.0 billion yen</td>
<td>FY23 1H: 105% FY23 2H (e): 99%</td>
</tr>
<tr>
<td>Automotive-use</td>
<td>-4.0 bil. yen</td>
<td>20.0 billion yen</td>
<td>FY23 1H: 99% FY23 2H (e): 95%</td>
</tr>
<tr>
<td>FA in China</td>
<td>-5.0 bil. yen</td>
<td>20.0 billion yen</td>
<td>FY23 1H: 90% FY23 2H (e): 90%</td>
</tr>
</tbody>
</table>

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

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

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

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

- For Industry, the major factor for revision is the decreased sales resulting from a sharp deterioration of slowdown of the market.
- The breakdown of the revised adjusted OP amount of 20.0 billion yen is shown in this slide. The market conditions deteriorated three areas:
  - 11.0 billion yen for ICT terminals, including notebook PCs,
  - 4.0 billion yen for automotive use, and
  - 5.0 billion yen for FA in China.
- For ICT terminals, the outlook for notebook PC production in FY23 is expected to show a significant downturn. While we expect a challenging situation to continue throughout FY24 for notebook PCs, we will capture the demand for data centers, where we can expect an earlier recovery.
- For automotive-use, the assumption for growth in global automobile production is expected to be slower than previously anticipated due mainly to COVID-19 in China. Furthermore, we assume that production recovery will differ among car manufacturers.
- For FA in China, investment demand in such areas as semiconductors is weaker than expected, continuing a year-on-year decrease. However, there is an optimistic view of recovery after June 2023, reflecting expectations toward new economic stimulus measures in China. We are carefully monitoring the market situation.
- Based on these conditions, we will prepare for market recovery by enhancing our management structure with improved marginal profit such as rationalization, and fixed-cost reduction. In addition, we will improve the accuracy of SCM information and strengthen our pipelines.
For Energy, the major factors for revision are the rapidly decreased demand in Industrial/Consumer and raw material price hikes for In-vehicle. The breakdown of the revised adjusted operating profit of 15.0 billion yen is 8.0 billion yen for Industrial/Consumer and 7.0 billion yen for In-vehicle.

For Industrial/Consumer, the market rapidly deteriorated, facing the same situation as that for Industry. For example, demand for lithium-ion batteries for ICT and power equipment has weakened. Furthermore, the sharp slowdown in IT infrastructure investment reflecting economic slowdown has resulted in weakened demand for power storage systems designed for use in data centers. For these areas, we are expecting a demand recovery in FY24 2Q onwards.

For In-vehicle, price hikes of certain materials such as lithium hydroxide, have been higher than expected in 2H, temporarily pushing down profitability. Price fluctuations of these materials can be reflected in the sales price, but there is always a time lag. Therefore, input costs look worse than we originally assumed, in comparison to sales price. We expect the impact to be mitigated in FY24 1Q onward with market price becoming stable and being able to reflect in the sales price.

Prices of raw materials such as electrolyte, where we cannot automatically apply a market index to the sales price, are continuing to reach higher levels than our assumptions. For these materials, we expect the situation to be mitigated in FY24 by revising contracts with customers and multi-sourcing.

For the In-vehicle area, strong demand continues, and our growth strategy remains unchanged. We regard these negative factors as temporary, and we will take the necessary countermeasures.
Now I will explain the revision factors by segment.

In Lifestyle, sales remains unchanged. Adjusted operating profit is revised downward due to decreased sales in Living Appliances and Solutions, as well as increased temporary expenses in China.

In Automotive, sales remains unchanged due to currency translation, despite expecting reduced automobile production of our customers from the previous forecast. Adjusted operating profit is revised upward due to efforts in price revisions and fixed-cost reductions, despite decreased sales.

In Connect, sales is revised upward, due to improved procurement issues in Mobile Solutions and Avionics. Adjusted operating profit is also revised upward due to improvements in Avionics and Blue Yonder.

The factors for Industry and Energy are as I have explained in previous slides.

In Other/Eliminations & adjustments, adjusted operating profit is revised downward due mainly to decreased sales of TVs in Entertainment & Communication and effect of exchange rates.
<table>
<thead>
<tr>
<th>Segment</th>
<th>Sales (yen: billions)</th>
<th>Vs. FY22 (Difference)</th>
<th>Difference from forecast (as of Oct. 31)</th>
<th>Adjusted OP (% to sales)</th>
<th>FY22 Difference</th>
<th>Difference from forecast (as of Oct. 31)</th>
<th>FY22 OP (% to sales)</th>
<th>Difference from forecast (as of Oct. 31)</th>
<th>FY22 EBITDA** (% to sales)</th>
<th>Difference from forecast (as of Oct. 31)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Living Appliances and Solutions Company (LAS)</td>
<td>900.0</td>
<td>+7% (+60.1)</td>
<td>-40.0</td>
<td>57.5 6.4%</td>
<td>-5.8</td>
<td>-8.0</td>
<td>0.5</td>
<td>-0.1</td>
<td>0.0</td>
<td>58.0 6.4%</td>
</tr>
<tr>
<td>Heating &amp; Ventilation A/C Company (HVAC)</td>
<td>770.0</td>
<td>+13% (+89.2)</td>
<td>0.0</td>
<td>22.0 2.9%</td>
<td>+0.5</td>
<td>0.0</td>
<td>-1.1</td>
<td>+2.3</td>
<td>0.0</td>
<td>20.9 2.7%</td>
</tr>
<tr>
<td>Cold Chain Solutions Company (CCS) ****</td>
<td>335.0</td>
<td>+24% (+84.9)</td>
<td>+25.0</td>
<td>10.0 3.0%</td>
<td>+6.8</td>
<td>+3.0</td>
<td>0.0</td>
<td>+0.4</td>
<td>0.0</td>
<td>10.0 3.0%</td>
</tr>
<tr>
<td>Electric Works Company (EW)</td>
<td>989.0</td>
<td>+9% (+84.3)</td>
<td>+19.0</td>
<td>50.0 5.1%</td>
<td>+5.1</td>
<td>0.0</td>
<td>-8.5</td>
<td>-0.7</td>
<td>0.0</td>
<td>41.5 4.2%</td>
</tr>
<tr>
<td>China and Northeast Asia Company (CNA)*</td>
<td>900.0</td>
<td>+11% (+85.6)</td>
<td>-20.0</td>
<td>20.5 2.3%</td>
<td>+2.9</td>
<td>-3.9</td>
<td>-0.4</td>
<td>+8.5</td>
<td>0.0</td>
<td>20.1** 2.2%</td>
</tr>
</tbody>
</table>

* Sales and profit of CNA (except Cold Chain (China) and Refrigeration and Air-Conditioning Devices) are also included in LAS, HVAC, and EW
** Total amount of Operating profit, Depreciation (Tangible assets including property, plant and equipment / Right-of-use assets) and Amortization (Intangible assets)
*** Impact of temporary expenses included
**** From FY23 2Q, business in China is excluded from the scope of consolidation of Cold Chain Solutions Company (FY22 results are also reclassified to conform to FY23 presentation)

This slide shows the forecast for the Lifestyle segment by divisional company.
This slide shows our analysis of the revised forecast of operating profit in FY23 by factor, and it explains the changes made from the previous forecast of October 31, 2022.

The upper graph shows the analysis of year-on-year increase/decrease factors in the previous forecast as of October 31, 2022.

The lower graph shows the analysis of increase/decrease factors in the revised forecast as of February 2, 2023.

Figures in the middle show the revised amount by each factor.

To elaborate upon the overall picture of operating profit in FY23, we are expecting improvements in the profitability of Blue Yonder as well as to the effect of exchange rates. On the other hand, the impact of decreased sales in real terms for Industry and Energy, as well as raw material price hikes in Energy is larger than these improvements.

Therefore, operating profit is revised downward by 40.0 billion yen.
Finally, I would like to explain our initiatives in growth areas.
In October 2022, we announced the construction of a new EV battery factory in Kansas, US. Using this slide, I would like to explain our current assumptions on how to fund this investment.

The amount of the investment for the new factory is estimated to be from 500 to 600 billion yen for the three-year period of FY23 to FY25, as of today. Please note that various fluctuating factors may affect this figure.

Based on our capital allocation policy, in principle, the operating company will make investments with its own cash generated by business. For the amount beyond its own investment capacity, Panasonic Holdings Corporation will supplement the funding. For this case of the Kansas factory investment, the amount to be funded by the Group is expected to be below 400 billion yen, which is the amount allocated for “Growth areas,” as announced in April 2022 at the Group Strategy Briefing.

From the Groupwide perspective, funding will be in line with our capital allocation policy, that is, to fund investment with operating cash flow and other measures such as sale of assets.
<table>
<thead>
<tr>
<th>Initiatives in Growth Areas (Automotive Battery, Supply Chain Software, Air Quality &amp; Air-conditioning)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Automotive Battery</strong></td>
</tr>
<tr>
<td>Focus on North America market where we can leverage advantages (high capacity) with established strong business foundation; Achieve profit growth by expanding sales of 2170 cells and commercializing 4680 cells</td>
</tr>
<tr>
<td>- Construction of new manufacturing facility in Kansas decided (announced Oct. 31, ’22) and land-leveling work started in Nov. ’22</td>
</tr>
<tr>
<td>- with mass production of 2170 cells set to start in FY25 (Plan to use state incentive program of Kansas for investment, approved in Jul. ’22)</td>
</tr>
<tr>
<td>(Expanding customer base in US)</td>
</tr>
<tr>
<td>- Contract signed with Lucid Group, Inc. to provide EV batteries for its high-end EV “Lucid Air” and other models</td>
</tr>
<tr>
<td>[Commercialization of 4680 cells]</td>
</tr>
<tr>
<td>- Renovating Wakayama Factory, aiming start of supply for North America market during FY24</td>
</tr>
</tbody>
</table>

| **Supply Chain Software** |
| Aim for high growth & profitability globally through SCM business, where medium-to-long term market expansion is expected |
| [Blue Yonder] |
| - Stronger organizational structure being established under new CEO toward further growth, shifting to Native SaaS and formulating key strategies to enhance customer experience, etc. Transformation now in steady progress by executing these strategies. |
| - YoY increase for 3Q sales, adjusted OP and SaaS’ Annual Recurring Revenue and Net Revenue Retention |
| [Consideration of stock exchange listing of SCM business] (announced May 11, ’22) |
| - Considering stock exchange listing of SCM business centered on Blue Yonder for enhanced global competitiveness and accelerated growth |

| **Air Quality & Air-conditioning** |
| Accelerate business growth for A2W (air to water hot water heat pump system) in Europe |
| [Large sales increase accomplished with A2W. 50 billion-yen investment decided for future growth] |
| - 3Q sales in Europe increased by 1.7 times YoY with sales of A2W more than doubled |
| - 50 billion-yen investment announced: increase production (Czech factory) in response to increased demand; establish a local R&D facility |
| [Commercialization of 4680 cells] |
| - Announced new products using natural refrigerants R-290 (first release by a Japanese manufacturer) for launch in FY24 |
| - Renovating Wakayama Factory, aiming start of supply for North America market during FY24 |

Next, this slide shows the progress of our initiatives for three businesses that we identified as growth areas.

In the automotive battery business, Energy started the land-leveling work for the new factory in Kansas, in November 2022, and it also signed a contract with Lucid Group, Inc. in December 2022.

In the supply chain software business, Connect is continuing its transformation toward further growth. In FY23 3Q, we saw some improvements in its financial results.

In the air quality & air-conditioning business, the growth in A2W business in Europe is continuing. Furthermore, in November 2022, Lifestyle announced the acquisition of the commercial air-conditioning business from Systemair AB at 100 million euros.

Going forward, the Panasonic Group will make announcements on the progress of these three growth areas in a timely manner.
### Announcements on initiatives based on medium- to long-term strategy after the launch of new structure

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

<table>
<thead>
<tr>
<th>Fiscal 2024</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 18 (Planned)</td>
<td><strong>Group Strategy Briefing by Group CEO</strong></td>
</tr>
<tr>
<td>Early Jun. (Planned)</td>
<td><strong>Operating Companies: Strategy Briefing (former IR Day)</strong></td>
</tr>
</tbody>
</table>

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- **This is the last slide for my presentation.**
- **This slide shows a list of announcements related to IR information in FY23 after the launch of our new structure in April 2022.**
- **In fiscal 2024, we are planning to host a Group Strategic Briefing on May 18, 2023. In addition, each operating company is planning to host its own Strategy Briefing in early June 2023.**
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 that the Panasonic Group incurring additional costs of raising funds, because of changes in the fund-raising environment including interest rate fluctuations, the possibility that 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 not maintaining 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 control; 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.
<table>
<thead>
<tr>
<th></th>
<th>FY23 9 months</th>
<th>FY22 9 months</th>
<th>vs. FY22 / Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong> (excl. effect of exchange rates)</td>
<td>6,224.5</td>
<td>5,423.4</td>
<td>+15% (+5%)</td>
</tr>
<tr>
<td><strong>Adjusted Operating Profit</strong> (% to sales)</td>
<td>231.8 (3.7%)</td>
<td>287.3 (5.3%)</td>
<td>-19%</td>
</tr>
<tr>
<td>Other income/loss**</td>
<td>2.4</td>
<td>-13.1</td>
<td>-</td>
</tr>
<tr>
<td><strong>Operating Profit</strong> (% to sales)</td>
<td>234.2 (3.8%)</td>
<td>274.2 (5.1%)</td>
<td>-15%</td>
</tr>
<tr>
<td><strong>Profit before income taxes</strong> (% to sales)</td>
<td>255.4 (4.1%)</td>
<td>279.4 (5.2%)</td>
<td>-9%</td>
</tr>
<tr>
<td><strong>Net profit attributable to Panasonic Holdings Corporation stockholders</strong> (% to sales)</td>
<td>162.9 (2.6%)</td>
<td>195.6 (3.6%)</td>
<td>-17%</td>
</tr>
<tr>
<td><strong>EBITDA</strong>* (% to sales)</td>
<td>556.2 (8.9%)</td>
<td>552.6 (10.2%)</td>
<td>+1%</td>
</tr>
</tbody>
</table>

**Exchange rates**

<table>
<thead>
<tr>
<th>Currency</th>
<th>FY23</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 US dollar</td>
<td>137 yen</td>
<td>111 yen</td>
</tr>
<tr>
<td>1 Euro</td>
<td>141 yen</td>
<td>131 yen</td>
</tr>
<tr>
<td>1 Renminbi</td>
<td>19.9 yen</td>
<td>17.3 yen</td>
</tr>
</tbody>
</table>

* 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 lessee
- impact of "temporary accounting treatment related to "re-evaluation of assets and liabilities" upon Blue Yonder acquisition
## (Reference) FY23 Financial Forecast (4Q & 2H)

<table>
<thead>
<tr>
<th>(yen: billions)</th>
<th>3Q</th>
<th>vs. FY22/ Difference</th>
<th>4Q (e)</th>
<th>vs. FY22/ Difference</th>
<th>2H (e)</th>
<th>vs. FY22/ Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>2,160.6</td>
<td>+14%</td>
<td>1,975.5</td>
<td>+1%</td>
<td>4,136.1</td>
<td>+7%</td>
</tr>
<tr>
<td>Adjusted operating profit*</td>
<td>85.9 (4.0%)</td>
<td>-2%</td>
<td>68.2 (3.5%)</td>
<td>-3%</td>
<td>154.1 (3.7%)</td>
<td>-2%</td>
</tr>
<tr>
<td>Other income/loss**</td>
<td>-1.5 (3.9%)</td>
<td>-</td>
<td>-13.0</td>
<td>-22.4</td>
<td>-23.9</td>
<td>-22.3</td>
</tr>
<tr>
<td>Operating profit (% to sales)</td>
<td>84.4 (3.9%)</td>
<td>+16%</td>
<td>45.8 (2.3%)</td>
<td>-45%</td>
<td>130.2 (3.1%)</td>
<td>-17%</td>
</tr>
<tr>
<td>Profit before income taxes (%)</td>
<td>88.8 (4.1%)</td>
<td>+21%</td>
<td>44.6 (2.3%)</td>
<td>-45%</td>
<td>133.4 (3.2%)</td>
<td>-14%</td>
</tr>
<tr>
<td>Net profit attributable to Panasonic Holdings Corporation stockholders (% to sales)</td>
<td>55.6 (2.6%)</td>
<td>+30%</td>
<td>47.1 (2.4%)</td>
<td>-21%</td>
<td>102.7 (2.5%)</td>
<td>±0%</td>
</tr>
<tr>
<td>EBITDA*** (% to sales)</td>
<td>191.9 (8.9%)</td>
<td>+8%</td>
<td>153.8 (7.8%)</td>
<td>-20%</td>
<td>345.7 (8.4%)</td>
<td>-6%</td>
</tr>
</tbody>
</table>

**Exchange rates**

<table>
<thead>
<tr>
<th></th>
<th>1 US dollar</th>
<th>142 yen</th>
<th>+28 yen</th>
<th>130 yen</th>
<th>+14 yen</th>
<th>136 yen</th>
<th>+21 yen</th>
<th>1 Euro</th>
<th>144 yen</th>
<th>+14 yen</th>
<th>130 yen</th>
<th>±0 yen</th>
<th>137 yen</th>
<th>+7 yen</th>
<th>1 Renminbi</th>
<th>19.9 yen</th>
<th>+2.1 yen</th>
<th>20.0 yen</th>
<th>+1.7 yen</th>
<th>19.9 yen</th>
<th>+1.9 yen</th>
</tr>
</thead>
</table>

*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 lessee
- impact of temporary accounting treatment related to "re-evaluation of assets and liabilities" upon Blue Yonder acquisition
### (Reference) FY23 Financial Forecast by Segment (4Q & 2H)

(yen: billions)

<table>
<thead>
<tr>
<th>Segment</th>
<th>3Q</th>
<th>4Q (e)</th>
<th>2H (e)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sales vs. FY22</td>
<td>Adjusted OP (% to sales)</td>
<td>Difference</td>
</tr>
<tr>
<td></td>
<td>4Q (e)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2H (e)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lifestyle</td>
<td>904.0</td>
<td>31.1*</td>
<td>-4.6</td>
</tr>
<tr>
<td></td>
<td>+10%</td>
<td>3.4%</td>
<td></td>
</tr>
<tr>
<td>Automotive</td>
<td>346.3</td>
<td>11.5</td>
<td>+10.0</td>
</tr>
<tr>
<td></td>
<td>+27%</td>
<td>3.3%</td>
<td></td>
</tr>
<tr>
<td>Connect</td>
<td>288.6</td>
<td>14.0</td>
<td>+20.6</td>
</tr>
<tr>
<td></td>
<td>+30%</td>
<td>4.8%</td>
<td></td>
</tr>
<tr>
<td>Industry</td>
<td>290.6</td>
<td>16.7</td>
<td>-2.2</td>
</tr>
<tr>
<td></td>
<td>+3%</td>
<td>5.8%</td>
<td></td>
</tr>
<tr>
<td>Energy</td>
<td>247.4</td>
<td>0.6</td>
<td>-18.7</td>
</tr>
<tr>
<td></td>
<td>+26%</td>
<td>0.2%</td>
<td></td>
</tr>
<tr>
<td>Other/</td>
<td>83.7</td>
<td>12.0</td>
<td>-6.7</td>
</tr>
<tr>
<td>Eliminations &amp; adjustments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2,160.6</td>
<td>85.9</td>
<td>-1.6</td>
</tr>
<tr>
<td></td>
<td>+14%</td>
<td>4.0%</td>
<td></td>
</tr>
</tbody>
</table>

Note: From FY23, management accounting adjustments to sales prices are included in each segment. Such adjustments were previously included in “Eliminations and adjustments.”

(Figures for FY22 are reclassified to conform to the presentation for FY23)

* Impact of temporary expenses in China included
## (Reference) Lifestyle Segment: FY23 Financial Forecast by Divisional Company (4Q & 2H)

(yen: billions)

<table>
<thead>
<tr>
<th>Division</th>
<th>3Q</th>
<th>4Q (e)</th>
<th>2H (e)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sales vs. FY22</td>
<td>Adjusted OP (% to sales)</td>
<td>Difference</td>
</tr>
<tr>
<td>Living Appliances and Solutions Company (LAS)</td>
<td>241.2 +2%</td>
<td>20.9 8.7%</td>
<td>-2.4</td>
</tr>
<tr>
<td>Heating &amp; Ventilation A/C Company (HVAC)</td>
<td>179.9 +10%</td>
<td>1.8 1.0%</td>
<td>+0.3</td>
</tr>
<tr>
<td>Cold Chain Solutions Company (CCS)**</td>
<td>93.0 +38%</td>
<td>3.7 4.0%</td>
<td>+4.3</td>
</tr>
<tr>
<td>Electric Works Company (EW)</td>
<td>260.7 +11%</td>
<td>15.3 5.9%</td>
<td>+1.9</td>
</tr>
</tbody>
</table>

** Sales and profit of DNS (except Cold Chain (China) and Refrigeration and Air-Conditioning Devices) are also included in LAS, HVAC, and EW
** Impact of temporary expenses in China included
*** From FY23 2Q, business in China is excluded from the scope of consolidation of Cold Chain Solutions Company (FY22 results are also reclassified to conform to FY23 presentation)
### (Reference) Impact from Changes in Business Environment (vs. FY22)

<table>
<thead>
<tr>
<th>FY23 3Q</th>
<th>Lifestyle</th>
<th>Semiconductor, parts &amp; materials shortages</th>
<th>Price hikes in raw materials &amp; logistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Continued to be strong: A2W in Europe</td>
<td>• Partial impact, but on recovery trend</td>
<td>• Remained high: iron &amp; steel</td>
</tr>
<tr>
<td></td>
<td>• Favorable: electrical construction materials in overseas and showcases in North America</td>
<td>• Remained high: iron &amp; steel</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Decreased: consumer electronics with worldwide inflation</td>
<td>• Alleviated: non-ferrous metals and resin</td>
<td>• Countered price hikes (e.g. semiconductors) with cost reduction and price revisions</td>
</tr>
</tbody>
</table>

#### Automotive

<table>
<thead>
<tr>
<th></th>
<th>Semiconductor, parts &amp; material shortages persisted</th>
<th>Remained for Avionics &amp; projectors, but on recovery trend</th>
<th>Impact on profit mitigated by price revisions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Continuous recovery: aircrafts</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Decreased PC &amp; smartphone demand led to slowdown in production equipment investment</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Industry

<table>
<thead>
<tr>
<th></th>
<th>Slowdown: ICT terminals, automotive-use (except green vehicles), China market</th>
<th>Persisted, but began to improve</th>
<th>Closely monitored market &amp; customer trends</th>
</tr>
</thead>
</table>

#### Energy

<table>
<thead>
<tr>
<th></th>
<th>Steady: EV</th>
<th>Decreased: consumer (deteriorated market)</th>
<th>Minor impact</th>
<th>Materials with market-price-linked contracts (e.g. lithium, nickel) and other materials due to energy cost hikes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Industrial (IT investment slowdown)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Outlook for FY23 4Q

<table>
<thead>
<tr>
<th></th>
<th>Lifestyle</th>
<th>Semiconductor, parts &amp; materials shortages</th>
<th>Price hikes in raw materials &amp; logistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Continued to be strong: A2W in Europe</td>
<td>• Partial impact, but on recovery trend</td>
<td>• Remains high: iron &amp; steel</td>
</tr>
<tr>
<td></td>
<td>• Favorable: electrical construction materials in overseas and showcases in North America</td>
<td>• Alleviated: non-ferrous metals and resin</td>
<td>• Countered price hikes (e.g. semiconductors) with cost reduction and price revisions</td>
</tr>
<tr>
<td></td>
<td>• Decreases: consumer electronics with worldwide inflation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Automotive

<table>
<thead>
<tr>
<th></th>
<th>Recovery of automobile production expected</th>
<th>Persists, but will be countered by cost reduction and price revisions</th>
<th>Impact on profit will be mitigated by price revisions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Continuous recovery: aircrafts</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Decreased PC &amp; smartphone demand will lead to slowdown in production equipment investment</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Connect

<table>
<thead>
<tr>
<th></th>
<th>Recovery unexpected: ICT terminals, automotive-use (except green vehicles), China market</th>
<th>Persist, but begins to improve</th>
<th>Closely monitor market &amp; customer trends</th>
</tr>
</thead>
</table>

#### Industry

<table>
<thead>
<tr>
<th></th>
<th>Steadily expand: EV</th>
<th>Closely monitor market &amp; customer trends</th>
<th>Minor impact</th>
<th>Aim to mitigate by revising sales price, but impact to persist</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Continuous recovery: aircrafts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Decreased PC &amp; smartphone demand will lead to slowdown in production equipment investment</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Energy

<table>
<thead>
<tr>
<th></th>
<th>Steady: EV</th>
<th>Industrial &amp; consumer</th>
<th>Minor impact</th>
<th>Closely monitor market &amp; customer trends</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Aim to mitigate by revising sales price, but impact to persist</td>
</tr>
</tbody>
</table>
Sales increased: Growth businesses (e.g. A2W in Europe, overseas electrical construction materials) and stable profitability businesses (e.g. electrical construction materials in Japan, showcases in North America), despite decreased sales of consumer electronics due to spreading of COVID-19 in China, and weakening demand in Japan and Asia.
Overview

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

* In real terms excluding the effect of exchange rates

Major increase/decrease factors

| Automotive Cockpit Systems | - Price revisions to counter price hikes in parts & materials  
|                            | - Increased sales with recovery of automobile production  
|                            | - Progress in cost reduction efforts  
|                            | - Price hikes in parts & materials (e.g. semiconductors) |
| Automotive Electronics Systems | - Price revisions to counter price hikes in parts & materials  
|                                | - Increased sales with recovery of automobile production  
|                                | - Progress in cost reduction efforts  
|                                | - Price hikes in parts & materials (e.g. semiconductors) |
| Other income/loss | Improvement with equity method profit/loss, etc. |

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

<table>
<thead>
<tr>
<th>(yen: billions)</th>
<th>FY22 3Q</th>
<th>FY23 3Q</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive Cockpit Systems</td>
<td>+8.5</td>
<td>12.5</td>
</tr>
<tr>
<td>Automotive Electronics Systems</td>
<td>+17.2</td>
<td>346.3</td>
</tr>
<tr>
<td>Others**</td>
<td>+17.0</td>
<td>+30.1</td>
</tr>
</tbody>
</table>

Effect of exchange rates

<table>
<thead>
<tr>
<th>(yen: billions)</th>
<th>FY22 3Q</th>
<th>FY23 3Q</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive Cockpit Systems</td>
<td>-1.6</td>
<td>+0.6</td>
</tr>
<tr>
<td>Automotive Electronics Systems</td>
<td>+7.1</td>
<td>-0.8</td>
</tr>
</tbody>
</table>

Other income/loss Improvement with equity method profit/loss, etc.

** Sales of other segment products, etc.

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

<table>
<thead>
<tr>
<th>(yen: billions)</th>
<th>FY23 3Q</th>
<th>vs. FY22 3Q</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>288.6</td>
<td>+30%</td>
<td>(+15%)</td>
</tr>
<tr>
<td>Adjusted operating profit (% to sales)</td>
<td>14.0</td>
<td>+20.6</td>
<td>(4.8%)</td>
</tr>
<tr>
<td>Other income/loss</td>
<td>-0.1</td>
<td>+2.7</td>
<td>(4.8%)</td>
</tr>
<tr>
<td>Operating profit (% to sales)</td>
<td>13.9</td>
<td>+23.3</td>
<td></td>
</tr>
</tbody>
</table>

*In real terms excluding the effect of exchange rates

### Major increase/decrease factors

- **Avionics**: Increased sales of In-Flight entertainment (IFE) and repair & maintenance services due to recovery in aircraft market demand
- **Process Automation**: Decreased sales of mounting machines affected by inventory slowdown for PCs and smartphones
- **Media Entertainment**: Decreased sales of projectors and professional AV cameras due to demand slowdown in China and Europe
- **Mobile Solutions**: Increased sales of rugged mobile terminals for overseas markets, and settlement of lawsuit over infringement of design rights
- **Gemba Solutions**: Impact of changes in sales mix, and price hikes in parts & materials, despite increased sales
- **Blue Yonder (BY)**: Decreased amortization related to BY acquisition in FY22

**Other income/loss**: Impact such as restructuring expenses in FY22

---

### Connect

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

**(yen: billions)**

- **Avionics**: +13.0
- **Process Automation**: -5.4
- **Mobile Solutions**: +17.3
- **BY**: +8.9
- **GSOL****: +17.3
- **Impact of accounting treatment related to BY acquisition**: +7.9
- **Others****: +1.5
- **Effect of exchange rates**: +33.5
- **Total**: +288.6

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

**(yen: billions)**

- **Avionics**: +13.0
- **Process Automation**: -5.4
- **Mobile Solutions**: +17.3
- **BY**: +8.9
- **GSOL**: +17.3
- **Impact of accounting treatment related to BY acquisition**: +7.9
- **Others**: +1.5
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**OP increased**: Increased sales of rugged mobile terminals for overseas markets and Avionics (market recovery in aviation industry), improved profitability (standalone) and absence of temporary accounting treatment in FY22 of Blue Yonder, despite decreased sales of Process Automation

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- **Avionics**: +13.0
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- **BY**: +8.9
- **GSOL**: +17.3
- **Impact of accounting treatment related to BY acquisition**: +7.9
- **Others**: +1.5
- **Effect of exchange rates**: +33.5
- **Total**: +288.6
(Reference) Blue Yonder’s KPIs

### Revenue / Adjusted OP (stand alone)

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

<table>
<thead>
<tr>
<th>(in US$)</th>
<th>293</th>
<th>289</th>
<th>309</th>
<th>310</th>
<th>307</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY22 3Q</td>
<td>108</td>
<td>113</td>
<td>125</td>
<td>127</td>
<td>137</td>
</tr>
<tr>
<td>FY22 4Q</td>
<td>108</td>
<td>113</td>
<td>125</td>
<td>127</td>
<td>137</td>
</tr>
<tr>
<td>FY23 1Q</td>
<td>108</td>
<td>113</td>
<td>125</td>
<td>127</td>
<td>137</td>
</tr>
<tr>
<td>FY23 2Q</td>
<td>108</td>
<td>113</td>
<td>125</td>
<td>127</td>
<td>137</td>
</tr>
<tr>
<td>FY23 3Q</td>
<td>108</td>
<td>113</td>
<td>125</td>
<td>127</td>
<td>137</td>
</tr>
</tbody>
</table>

**Adjusted OP:** 3 6 6 -11 20

### Recurring / SaaS ratio

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

- **Continuing steady revenue growth**

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

### SaaS ARR (Annual Recurring Revenue)

<table>
<thead>
<tr>
<th>(in US$)</th>
<th>475</th>
<th>505</th>
<th>525</th>
<th>552</th>
<th>599</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY22 3Q</td>
<td>108</td>
<td>113</td>
<td>125</td>
<td>127</td>
<td>137</td>
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<tr>
<td>FY22 4Q</td>
<td>108</td>
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<td>137</td>
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<td>108</td>
<td>113</td>
<td>125</td>
<td>127</td>
<td>137</td>
</tr>
</tbody>
</table>

**Notes:**

- **ARR:** Annual Recurring Revenue during the year starting next quarter
- **FY23 1Q-3Q figures exclude effect of exchange rates, reflecting strong USD against other major currencies (no such adjustments made in and before FY22 4Q)
- **SaaS NRR (Net Revenue Retention):** Net revenue retention rate with existing customers, excluding temporary USD against other major currencies (no such adjustments made in and before FY22 4Q)

**Notes:**

- Sales: Steady growth of SaaS / Profit: Recovery in FY23 3Q, despite decreased profit in FY23 2Q due to temporary expenses
- Fiscal 2023 Third Quarter Financial Results
### FY23 3Q Segment Information

#### Overview

<table>
<thead>
<tr>
<th>FY23 3Q</th>
<th>FY22 3Q</th>
<th>Difference</th>
<th>PID Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>290.6</td>
<td>+3% (-7%)</td>
<td>246.3</td>
</tr>
<tr>
<td>Adjusted operating profit (% to sales)</td>
<td>16.7 (5.8%)</td>
<td>-2.2</td>
<td>15.6 (6.3%)</td>
</tr>
<tr>
<td>Other income/loss</td>
<td>-1.7</td>
<td>-2.1</td>
<td>1.9</td>
</tr>
<tr>
<td>Operating profit (% to sales)</td>
<td>15.0 (5.2%)</td>
<td>-4.3</td>
<td>13.7 (5.0%)</td>
</tr>
</tbody>
</table>

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

** In real terms excluding the effect of exchange rates

### Major increase/decrease factors

- **Control Devices**
  - +: Increased sales of relays for industrial use, price revisions, rationalization
  - -: Decreased sales due to downturn in automotive market
- **FA Solutions**
  - +: Decreased sales due to slowdown in Chinese market
- **Electronic Devices**
  - +: Increased sales of capacitors for green vehicles, price revisions, rationalization
  - -: Decreased sales due to downturn in ICT terminal market, price hikes of energy costs and raw materials, utilization rate adjustment for inventory optimization
- **Electronic Materials**
  - +: Price revisions, rationalization
  - -: Decreased sales due to downturn in semiconductor market, raw material price hikes

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

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

### Effect of exchange rates
- OTHER INCOME/LOSS
- OP: -4.3
- Adjusted OP: -2.2

**Other income/loss** Expenses related to site re-organization, etc

---

**Panasonic Group**

Fiscal 2023 Third Quarter Financial Results

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### (Reference) FY23 3Q Segment Information

#### Overview

<table>
<thead>
<tr>
<th></th>
<th>FY23 3Q</th>
<th>vs. FY22 3Q/ Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>247.4</td>
<td>+26% (+4%)*</td>
</tr>
<tr>
<td>Adjusted operating profit (% to sales)</td>
<td>0.6 (0.2%)</td>
<td>-18.7</td>
</tr>
<tr>
<td>Other income/loss</td>
<td>-0.4</td>
<td>+1.5</td>
</tr>
<tr>
<td>Operating profit (% to sales)</td>
<td>0.2 (0.1%)</td>
<td>-17.2</td>
</tr>
</tbody>
</table>

*In real terms excluding the effect of exchange rates*

#### Major increase/decrease factors

<table>
<thead>
<tr>
<th>Adjusted OP</th>
<th>Industrial / Consumer</th>
<th>In-vehicle</th>
</tr>
</thead>
<tbody>
<tr>
<td>+: Favorable production and sales driven by EV demand, price revision effect</td>
<td>+: Price revision effect</td>
<td>+: Raw material price hikes</td>
</tr>
<tr>
<td>-: Raw material price hikes</td>
<td>-: Decreased sales affected by weakening market conditions (Li-ion batteries, storage systems, lithium primary batteries)</td>
<td>-: Raw material price hikes</td>
</tr>
<tr>
<td>Increased expenses for future growth (e.g. development expenses)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Other income/loss: Rebound from recording quality-related expenses in FY22, etc.

---

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

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

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

<table>
<thead>
<tr>
<th>Outline of new facility in Kansas</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Location: De Soto, Kansas, United States</td>
</tr>
<tr>
<td>• Construction start: November 2022</td>
</tr>
<tr>
<td>• Mass production start: During FY2025 (planned)</td>
</tr>
<tr>
<td>• To manufacture: 2170 cells</td>
</tr>
<tr>
<td>• Initial production capacity: Approx. 30 GWh/year</td>
</tr>
</tbody>
</table>

![Kansas factory (image)](image1)

![Groundbreaking ceremony (Nov. 2022)](image2)

<table>
<thead>
<tr>
<th>Production capacity expansion target</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Aim to enhance line up &amp; expand production of automotive cylindrical lithium-ion batteries in North America</td>
</tr>
</tbody>
</table>

**Global production capacity: (GWh)**

- FY23: Approx. 59 GWh
- FY26: Approx. 59 GWh
- FY29: Aim for approx. 3-4 times vs FY23

![Map of locations](image3)

- Reno, Nevada
- DeSoto, Kansas

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

- Location: De Soto, Kansas, United States
- Construction start: November 2022
- Mass production start: During FY2025 (planned)
- To manufacture: 2170 cells
- Initial production capacity: Approx. 30 GWh/year
### (Reference) FY23 3Q Operating Profit & Net Profit

<table>
<thead>
<tr>
<th>(yen: billions)</th>
<th>FY23 3Q</th>
<th>FY22 3Q</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit</td>
<td>84.4</td>
<td>73.0</td>
<td>+11.4</td>
</tr>
<tr>
<td>Non-operating income/loss</td>
<td>4.4</td>
<td>0.6</td>
<td>+3.8</td>
</tr>
<tr>
<td>Profit before income taxes</td>
<td>88.8</td>
<td>73.6</td>
<td>+15.2</td>
</tr>
<tr>
<td>Income taxes</td>
<td>-32.2</td>
<td>-30.5</td>
<td>-1.7</td>
</tr>
<tr>
<td>Net profit</td>
<td>56.6</td>
<td>43.1</td>
<td>+13.5</td>
</tr>
<tr>
<td>Net profit attributable to Panasonic Holdings Corporation stockholders</td>
<td>55.6</td>
<td>42.6</td>
<td>+13.0</td>
</tr>
<tr>
<td>Net profit attributable to non-controlling interests</td>
<td>1.0</td>
<td>0.5</td>
<td>+0.5</td>
</tr>
</tbody>
</table>
## (Reference) Medium-term Management Indicators: KGI

(yen: billions)

<table>
<thead>
<tr>
<th></th>
<th>Cumulative Operating CF (FY23-25)</th>
<th>ROIC (FY25)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifestyle</td>
<td>660</td>
<td>10.0% or more</td>
</tr>
<tr>
<td>Automotive</td>
<td>200</td>
<td>8.5%</td>
</tr>
<tr>
<td>Connect</td>
<td>260</td>
<td>4.6%</td>
</tr>
<tr>
<td>Industry</td>
<td>390 or more</td>
<td>20.0%</td>
</tr>
<tr>
<td>Energy</td>
<td>330</td>
<td>12.0%</td>
</tr>
<tr>
<td><strong>Group Total</strong></td>
<td><strong>2,000</strong></td>
<td><strong>ROE 10% or more</strong></td>
</tr>
</tbody>
</table>

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

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(Reference) List of Voluntarily Disclosed Businesses in FY23

- **Living Appliances and Solutions Company** (LAS)
  - Kitchen Appliances
  - Laundry Systems and Vacuum Cleaner
  - Beauty and Personal Care
  - Heating and Cooling Solutions
  - Ecology Systems
  - Lighting
  - Energy Systems
  - Other

- **Cold Chain Solutions Company (CCS)**
  - Hussmann Corporation
  - Cold Chain BD

- **Electric Works Company (EW)**
  - Smart Life Appliances BD
  - Building and Housing Solutions BD
  - Cold Chain (China) BD
  - Refrigeration and Air-Conditioning Devices BD
  - Taiwan BD

- **China and Northeast Asia Company (CNA)**
  - Sales of other segment products, segment head office, eliminations, etc.

- **Automotive (Panasonic Automotive Systems Co., Ltd.)**
  - Automotive Cockpit Systems
  - Automotive Electronics Systems
  - Others

- **Connect (Panasonic Connect Co., Ltd.)**
  - Process Automation
  - Media Entertainment
  - Mobile Solutions
  - Gemba Solutions
  - Other

- **Industry (Panasonic Industry Co., Ltd.)**
  - Control Devices
  - Electronic Devices
  - Electronic Materials
  - Other

- **Energy (Panasonic Energy Co., Ltd.)**
  - In-vehicle
  - Industrial / Consumer
  - Others

- **Other**
  - Entertainment & Communication
  - Housing
  - Eliminations of intersegment transactions, adjustments of profits and losses not attributable to any segments, and adjustments of consolidations, etc.

Note 1: Sales and profit of CNA (except Cold Chain (China) and Refrigeration and Air-Conditioning Devices) are also included in LAS, HVAC, and EW

Note 2: Equity method income/loss of Prime Planet Energy & Solutions, Inc. is included in "Eliminations & adjustments"