

Fiscal 2024 Financial Results

Fiscal 2025 Financial Forecast

May 9, 2024

Panasonic Holdings Corporation

Notes: 1. This is an English translation from the original presentation in Japanese.
2. In this presentation, “Fiscal 2024” or “FY3/24” refers to the year ended March 31, 2024.
In addition, “Fiscal 2025” or “FY3/25” refers to the year ending March 31, 2025.

Summary of FY3/24 Financial Results

■ US Inflation Reduction Act (IRA)

- Recorded on P/L: assumed amount equivalent to tax credit and to be effectively used with customers (unchanged)

■ FY3/24 Financial Results: Sales and profit increased YoY (same level as Apr. 24 forecast)

- **Overall sales: Increased** with increased sales (Automotive, Connect) and currency translation, despite decreased sales (Lifestyle, Industry, Energy)
- **Adjusted operating profit: Increased** with increased profit (Lifestyle, Automotive, Connect) and IRA tax credit (Energy), despite decreased profit (Industry); **Decreased** excluding IRA tax credit
- **Net profit*: Increased** due mainly to recording of one-time gains with the liquidation of Panasonic Liquid Crystal Display (FY3/24 1Q)
- **Operating CF: Significantly increased YoY** due mainly to reduced inventories
- **Annual dividend: Determined at 35 yen, YoY increase by 5 yen**
(same as forecast announced on Feb. 29)

■ VS Apr. 24 Forecast

(yen: bil.)

	FY3/24 Results	FY3/24 (e) (Apr. 24, '24)	Difference
Sales	8,496.4	8,500.0	- 3.6
Adjusted OP (%)	390.0 (4.6%)	390.0 (4.6%)	±0.0
OP (%)	361.0 (4.2%)	360.0 (4.2%)	+1.0
Net Profit* (%)	444.0 (5.2%)	440.0 (5.2%)	+4.0

■ FY3/25 Full-year Forecast

- **Groupwide:** Sales and adjusted operating profit expected to **increase YoY**
Net profit* expected to **decrease YoY** due to impact of one-time gains of FY3/24
(Note: A loss of 50.0 billion yen factored into other income/loss, resulting from share transfer of Panasonic Automotive Systems Co., Ltd. (PAS); After this transaction, PAS will become a company under the equity method; no longer a consolidated subsidiary)
- **By segment:** **Sales decrease/profit increase** for Automotive and Energy
Sales & profit increase for Lifestyle, Connect, and Industry

* Net profit attributable to Panasonic Holdings Corporation stockholders

Impact of US IRA Tax Credit on Financial Results

(Same as FY3/24 1Q - 3Q)

- ✓ Among monetization methods “Deductible tax credit” “Refundable tax credit (direct pay)” & “Transferable tax credit,” **assuming to elect “Refundable” for FY3/24 & FY3/25**
- ✓ **Half of total tax credit amount recorded in adjusted OP**, assuming effective use of credit with customers toward strengthening/expanding North America business, taking into consideration the aim of US IRA (reduce excessive inflation and promote energy policies in US)

Amount recorded on P/L *1:

Sales
(Energy Segment)

Adjusted OP
(Energy Segment)

Net profit
attributable to Panasonic Holdings
Corporation stockholders

**FY3/24
Results**

-101.4 bil. yen

Equivalent to FY3/24 -94.1
Profit recorded for FY3/23 -7.3 } *2

86.8 bil. yen

Tax credit 188.2*3
Effective use with customers -101.4*2

111.8 bil. yen

Adjusted OP 86.8
Income taxes 25.0*6

**FY3/25
Forecast**

-101.0 bil. yen

Equivalent to FY3/25 -94.0
Profit recorded for FY3/23 -7.0 } *4

87.0 bil. yen

Tax credit 188.0*5
Effective use with customers -101.0*4

110.0 bil. yen

Adjusted OP 87.0
Income taxes 23.0*6

*1: Monetization expected after a certain time lag from P/L recording

*2: Amount equivalent to be effectively used with customers recorded as deduction of sales (while method of “effective use” is undetermined, revenue recognition standard is applied)

-94.1 bil. yen: half of tax credit for FY3/24 (188.2 bil. yen)

-7.3 bil. yen: amount equivalent to FY3/24 out of the half of 40.0 bil. yen recorded in profit in FY3/23 4Q

(multiple-year accrual accounting applied from FY3/24, to be recorded each quarter)

*3: FY3/24 production & sales results: 37.2 GWh x \$35/kWh x 145 yen/dollar

*4: -94.0 bil. yen: half of tax credit for FY3/25 (188.0 bil. yen)

-7.0 bil. yen: amount equivalent to FY3/25 out of the half of 40.0 bil. yen recorded in profit in FY3/23 4Q

*5: FY3/25 production & sales forecast: 38.2 GWh x \$35/kWh x 140 yen/dollar

*6: “IRA tax credit” is a non-taxable income. In addition, amount effectively used with customers to be recorded in deferred tax assets, since it is applicable for deferred tax accounting

Note: Contents of this slide are subject to change (e.g. detailed rules)

Fiscal 2024 Financial Results

Fiscal 2025 Financial Forecast

FY3/24 Financial Results

(yen: billions)

YoY % figures represent the year-on-year change relative to the previous year's figures

	FY3/24		FY3/23		YoY (year-on-year)				FY3/24(e) (Feb 2, '24)		Difference (Feb 2, '24)	
		Excl. IRA tax credit		Excl. IRA tax credit			Excl. IRA tax credit			Excl. IRA tax credit		Excl. IRA tax credit
Sales	8,496.4	8,597.8	8,378.9	8,378.9	101% (98%)*5	+117.5 (-163.6)*5	103% (99%)*5	+218.9 (-62.2)*5	8,400.0	8,499.0	+96.4	+98.8
Adjusted OP*1(% to sales)	390.0 (4.6%)	303.2 (3.5%)	314.1 (3.7%)	314.1 (3.7%)	124%	+75.9	97%	-10.9	400.0 (4.8%)	315.0 (3.7%)	-10.0	-11.8
Other income/loss*2	-29.0	-29.0	-25.5	-25.5	—	-3.5	—	-3.5	0.0	0.0	-29.0*7	-29.0*7
OP (% to sales)	361.0 (4.2%)	274.2 (3.2%)	288.6 (3.4%)	288.6 (3.4%)	125%	+72.4	95%	-14.4	400.0 (4.8%)	315.0 (3.7%)	-39.0	-40.8
Profit before income taxes (% to sales)	425.2 (5.0%)	338.4 (3.9%)	316.4 (3.8%)	316.4 (3.8%)	134%	+108.8	107%	+22.0	455.0 (5.4%)	370.0 (4.4%)	-29.8	-31.6
Net profit attributable to Panasonic Holdings Corporation stockholders (% to sales)	444.0 *6 (5.2%)	332.2*6 (3.9%)	265.5 (3.2%)	225.5 (2.7%)	167%	+178.5	147%	+106.7	460.0 (5.5%)	350.0 (4.1%)	-16.0	-17.8
EPS*3	190.21 yen	—	113.75 yen	—	—	+76.46 yen	—	—	197.07 yen	—	-6.86 yen	—
ROE	10.9%	—	7.8%	—	—	+3.1%	—	—	12.0%	—	-1.1%	—
EBITDA*4 (% to sales)	805.9 (9.5%)	719.1 (8.4%)	718.4 (8.6%)	718.4 (8.6%)	112%	+87.5	100%	+0.7	850.0 (10.1%)	765.0 (9.0%)	-44.1	-45.9
Exchange rates	1 US dollar	145 yen	145 yen	135 yen		+10 yen		+10 yen	142 yen	142 yen	+3 yen	+3 yen
	1 Euro	157 yen	157 yen	141 yen		+16 yen		+16 yen	154 yen	154 yen	+3 yen	+3 yen
	1 Renminbi	20.1 yen	20.1 yen	19.8 yen		+0.3 yen		+0.3 yen	20.0 yen	20.0 yen	+0.1 yen	+0.1 yen

*1: Sales - Cost of sales - SG&A

*2: "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

*3: Basic earnings per share attributable to Panasonic Holdings Corporation stockholders

*4: 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

*5: Excluding effect of exchange rates

*6: Including deferred tax assets, etc. (121.3 bil. yen) with liquidation of Panasonic Liquid Crystal Display Co., Ltd. (through Special Liquidation) and its debts waiver, resolved by Board of Directors
*7: Difference from Feb. 2 forecast: Impairment loss of goodwill (11.5 bil. yen) for part of Automotive segment's business, worse-than expected equity method income/loss, increased restructuring expenses, etc.

FY3/24 Results by Segment (Difference from Forecast of Feb. 2, 2024)

(yen: billions)

YoY % figures represent the year-on-year change relative to the previous year's figures

	Sales	YoY (excl. FX)	Difference (Feb. 2)	Adjusted OP (%)	YoY	Difference (Feb. 2)	Other income/ loss	YoY	Difference (Feb. 2)	OP (%)	YoY	Difference (Feb. 2)	EBITDA ^{*1} (%)	YoY	Difference (Feb. 2)
Lifestyle ^{*5}	3,494.4	100% (98%)	+14.4	135.7 3.9%	+13.0	+10.7	-14.1	+5.3 ^{*4}	+0.9	121.6 3.5%	+18.3 ^{*4}	+11.6	233.4 6.7%	+27.2 ^{*4}	+10.4
Automotive	1,491.9	115% (110%)	+1.9	41.2 2.8%	+27.0	-1.8	1.6	-0.4	+0.6	42.8 2.9%	+26.6	-1.2	101.5 6.8%	+23.8	-2.5
Connect ^{*5}	1,202.8	107% (103%)	+22.8	44.9 3.7%	+17.2	-10.1	-4.5	+2.8	+0.5	40.4 3.4%	+20.0	-9.6	115.9 ^{*2} 9.6%	+16.7	-9.1
Industry	1,042.6	91% (87%)	+2.6	31.2 3.0%	-32.1	+1.2	-0.1	-3.6	+1.9	31.1 3.0%	-35.7	+3.1	90.7 8.7%	-34.7	+2.7
Energy	915.9	94% (89%)	+9.9	94.6 10.3%	+55.0	-20.4	-5.8	+0.6	-3.8	88.8 9.7%	+55.6	-24.2	160.4 ^{*3} 17.5%	+61.9	-23.6
Excl. IRA tax credit	1,017.3	105% (99%)	+12.3	7.8 0.8%	-31.8	-22.2	-5.8	+0.6	-3.8	2.0 0.2%	-31.2	-26.0	73.6 ^{*3} 7.2%	-24.9	-25.4
Other/ Eliminations & adjustments ^{*5}	348.8	—	+44.8	42.4	-4.2	+10.4	-6.1	-8.2	-29.1 ^{*6}	36.3	-12.4	-18.7	104.0	-7.4	-22.0
Total	8,496.4	101% (98%)	+96.4	390.0 4.6%	+75.9	-10.0	-29.0	-3.5	-29.0	361.0 4.2%	+72.4	-39.0	805.9 9.5%	+87.5	-44.1

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

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

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

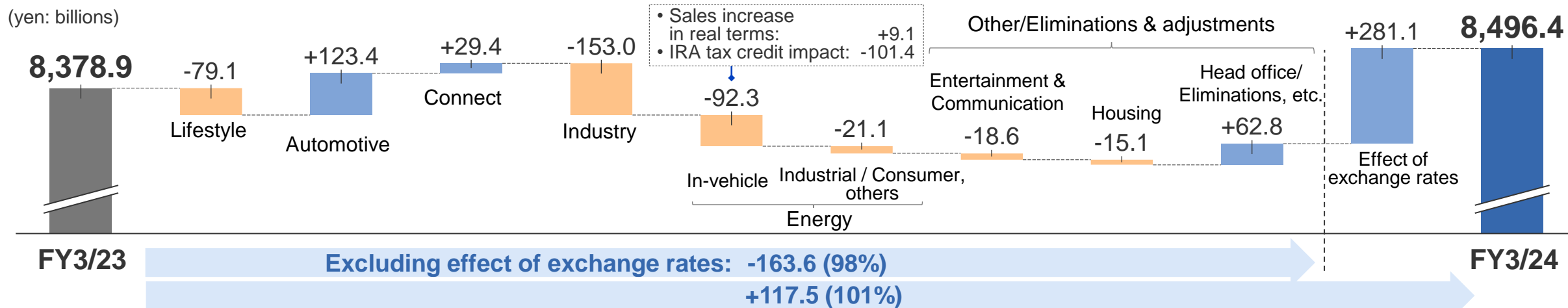
*4: Including recall-related expenses of FY3/23 in HVAC

*5: From FY3/24 3Q, due to certain business transfers among Lifestyle, Connect and Other/Eliminations & adjustments segments, prior year amounts have been reclassified accordingly

*6: Difference from Feb 2 forecast: Impairment loss of goodwill (11.5 bil. yen) for part of Automotive segment's business, worse-than expected equity method income/loss, etc.

FY3/24 Sales Analysis by Segment

Overall sales increased: Increased sales (Automotive, Connect) and currency translation, despite decreased sales (Lifestyle, Industry, Energy)



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

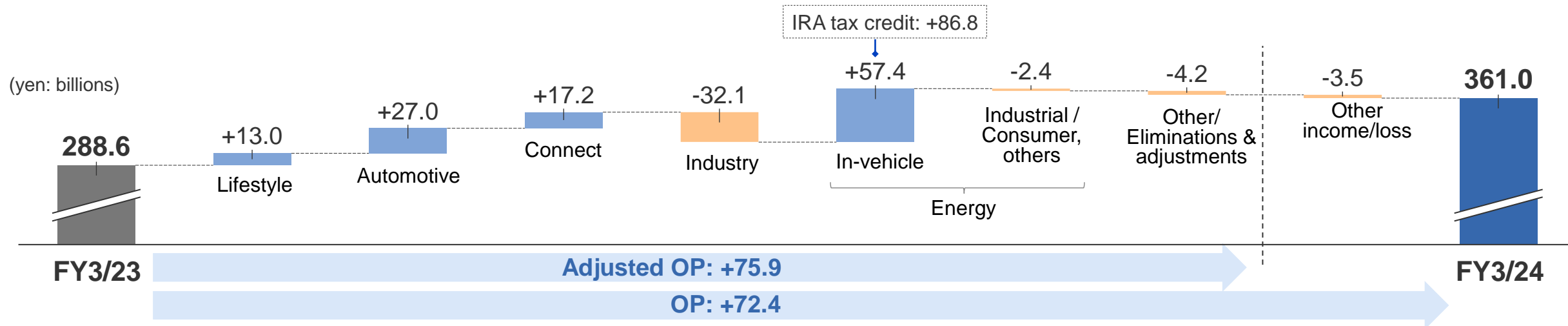
% represents the year-on-year change relative to the previous year's figure

Lifestyle	Decreased overall: Aggregated sales of 4 divisional companies* increased with steady sales of cold chain in North America and electrical construction materials, despite decreased sales of A2W in Europe and consumer electronics overseas: However, sales decreased for other segment products and also affected by deconsolidation of certain businesses in China
Automotive	Increased : Gradual recovery trend in automobile production
Connect	Increased : Increased sales of Avionics, Gemba Solutions and Blue Yonder, despite decreased sales of Process Automation and Media Entertainment, affected by sluggish demand
Industry	Decreased : Downturn in market conditions in China and changes in semiconductor sales channel, despite increased sales of products for green vehicles (capacitors, relays) and products for generative AI servers (capacitors, multi-layer circuit board materials)
Energy	<ul style="list-style-type: none"> In-vehicle: Increased in real terms excluding IRA tax credit impact; Increased sales in North America factory with improved productivity and favorable demand for models eligible for tax credit, despite decreased production & sales in Japan factory Industrial / Consumer: Decreased affected by sluggish demand for consumer products and power equipment, despite growth in energy storage systems for data centers with expanding generative AI market
Other/ Eliminations & adjustments	<ul style="list-style-type: none"> Entertainment & Communication: Decreased overall with some product categories affected by deteriorating market conditions, despite favorable sales of digital cameras Housing: Decreased affected mainly by slowdown of new housing starts

* Living Appliances and Solutions Company, Heating & Ventilation A/C Company, Cold Chain Solutions Company, Electric Works Company

FY3/24 Operating Profit Analysis by Segment

Adjusted OP increased: Increased profit (Lifestyle, Automotive, Connect) and IRA tax credit (Energy), despite decreased profit (Industry)



Adjusted OP: Major increase/decrease factors

Lifestyle	Increased: Increased sales (e.g. cold chain, electrical construction materials) and impact of temporary expenses in FY3/23, despite decreased sales of A2W in Europe and consumer electronics
Automotive	Increased: Increased sales, price revisions to counter price hikes in parts & materials and rationalization efforts, despite persisting impact of increased fixed costs (rising personnel expenses) and price hikes in parts & materials
Connect	Increased: Increased sales of Avionics and Gemba Solutions, as well as improved profitability of Mobile Solutions, despite decreased sales of Process Automation and increased strategic investment of Blue Yonder
Industry	Decreased: Decreased sales affected by downturn in market conditions and weaker product mix, despite price revisions & rationalization to counter price hikes in raw materials & energy costs due to inflation, as well as effect of yen depreciation
Energy	<ul style="list-style-type: none"> In-vehicle: Increased: Increased sales in North America with improved productivity and IRA tax credit, despite decreased production in Japan factory, increased fixed costs for future growth, and expenses related to past manufacturing-process issues (Decreased excluding IRA tax credit) Industrial / Consumer: Decreased: Decreased sales of batteries for consumer products and power equipment, despite increased sales of energy storage systems for data centers

Lifestyle Segment: FY3/24 Results by Divisional Company (Difference from Forecast of Feb. 2, 2024)

(yen: billions)

YoY % figures represent the year-on-year change relative to the previous year's figures

	Sales	YoY (excl. FX)	Difference (Feb. 2)	Adjusted OP (%)	YoY	Difference (Feb. 2)	Other income/ loss	YoY	Difference (Feb. 2)	OP (%)	YoY	Difference (Feb. 2)	EBITDA* ² (%)	YoY	Difference (Feb. 2)
Living Appliances and Solutions Company (LAS)	888.7	99% (97%)	-1.3	49.5 5.6%	-3.3	-0.5	-5.0	-7.5	-1.0	44.5 5.0%	-10.8	-1.5	72.1 8.1%	-8.0	-0.9
Heating & Ventilation A/C Company (HVAC)	813.9	101% (97%)	+3.9	14.7 1.8%	-7.4	+0.7	-6.9	+10.7 ^{*3}	+0.1	7.8 1.0%	+3.3 ^{*3}	+0.8	37.5 4.6%	+8.5 ^{*3}	+0.5
Cold Chain Solutions Company (CCS)	396.0	113% (107%)	+6.0	20.3 5.1%	+8.0	+0.3	-0.1	-0.2	+1.4	20.2 5.1%	+7.8	+1.7	29.8 7.5%	+8.8	+2.3
Electric Works Company (EW)	1,048.6	104% (104%)	+8.6	69.2 6.6%	+17.0	+1.7	-4.7	+0.6	-0.2	64.5 6.2%	+17.6	+1.5	93.8 8.9%	+18.9	-0.2
China and Northeast Asia Company (CNA) ^{*1 *4}	753.1	90% (88%)	+1.1	35.8 4.8%	+13.7	+2.8	-3.8	-7.3	+0.2	32.0 4.2%	+6.4	+3.0	52.6 7.0%	+7.0	+3.6

*1: Sales and profit of CNA (except certain businesses) are also included in LAS, HVAC, and EW

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

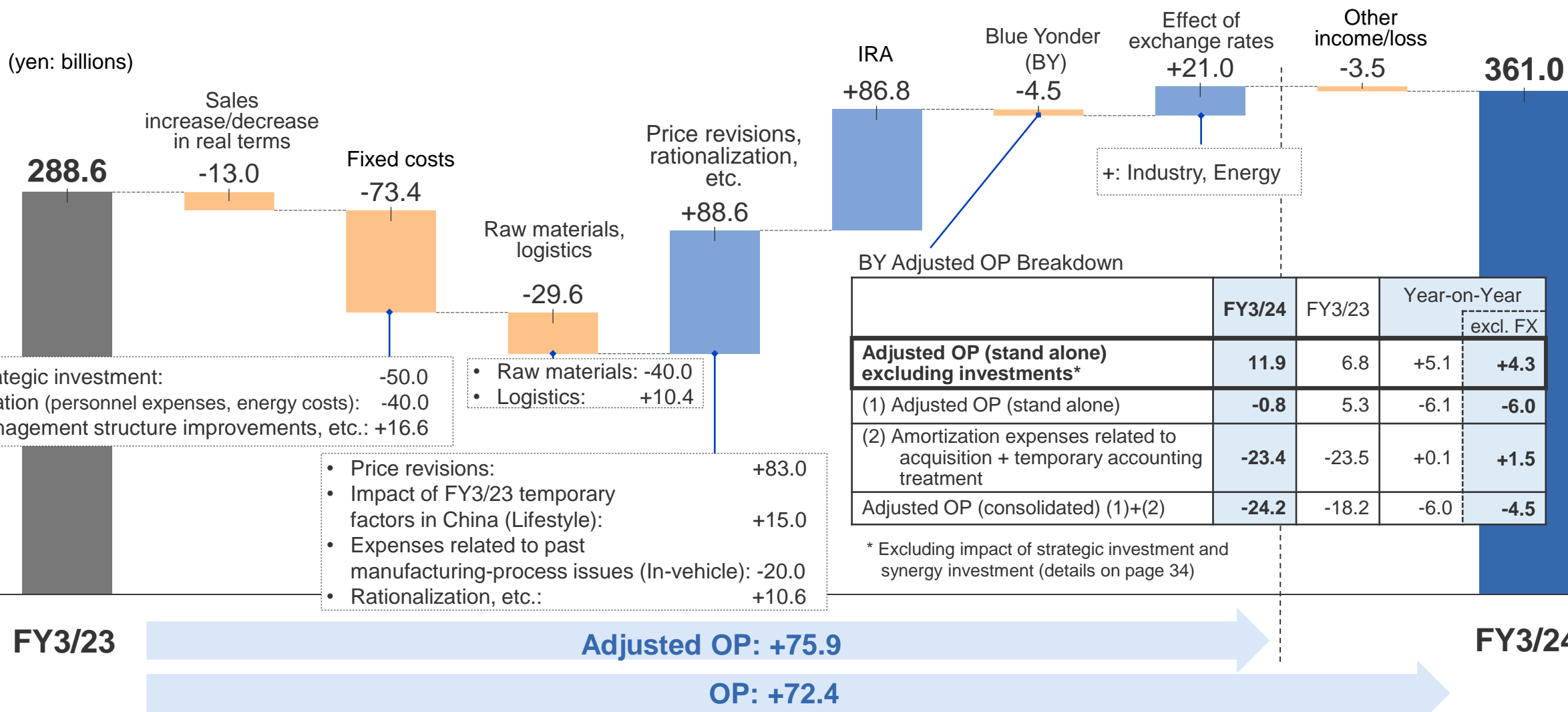
*3: Including recall-related expenses of FY3/23

*4: From FY3/24 3Q, due to certain business transfers among Lifestyle (CNA, etc.), Connect and Other/Eliminations & adjustments segments, prior year amounts have been reclassified accordingly

FY3/24 Operating Profit Analysis (by Factor)

Adjusted OP increased: Progress in price revisions and rationalization, amount equivalent to IRA tax credit recorded as profit, etc.

(yen: billions)

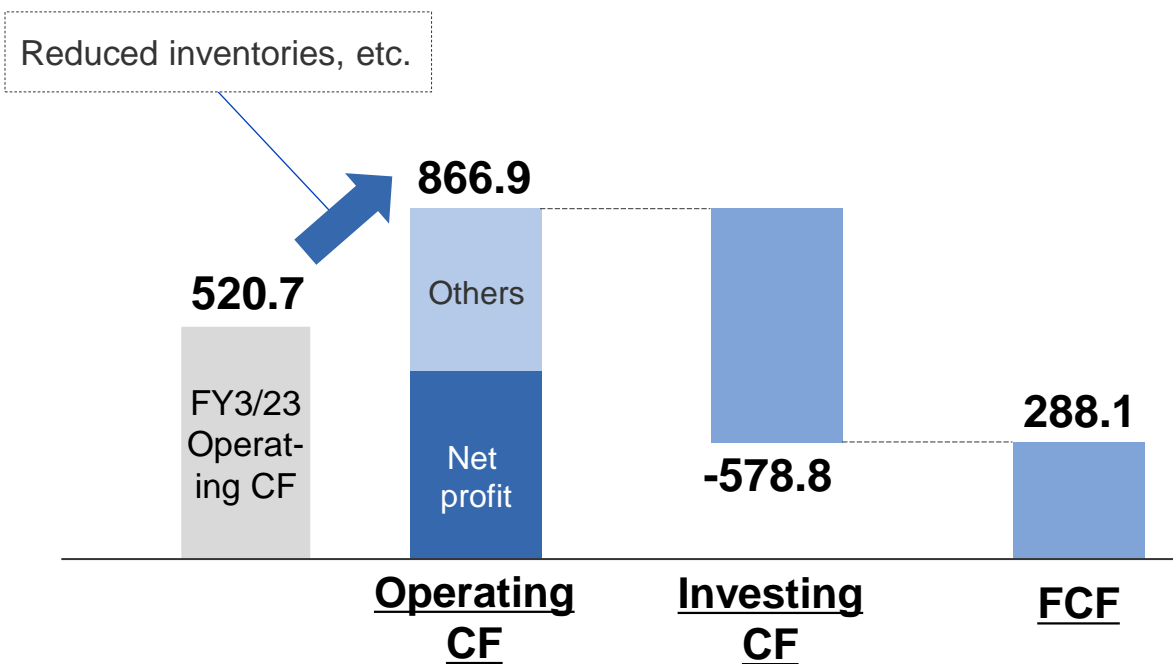


FY3/24 Cash Flows and Cash Positions

- ✓ Operating CF increased significantly year-on-year due mainly to reduced inventories
- ✓ Continue to steadily generate operating CF through profitability improvement and inventory reduction, etc.

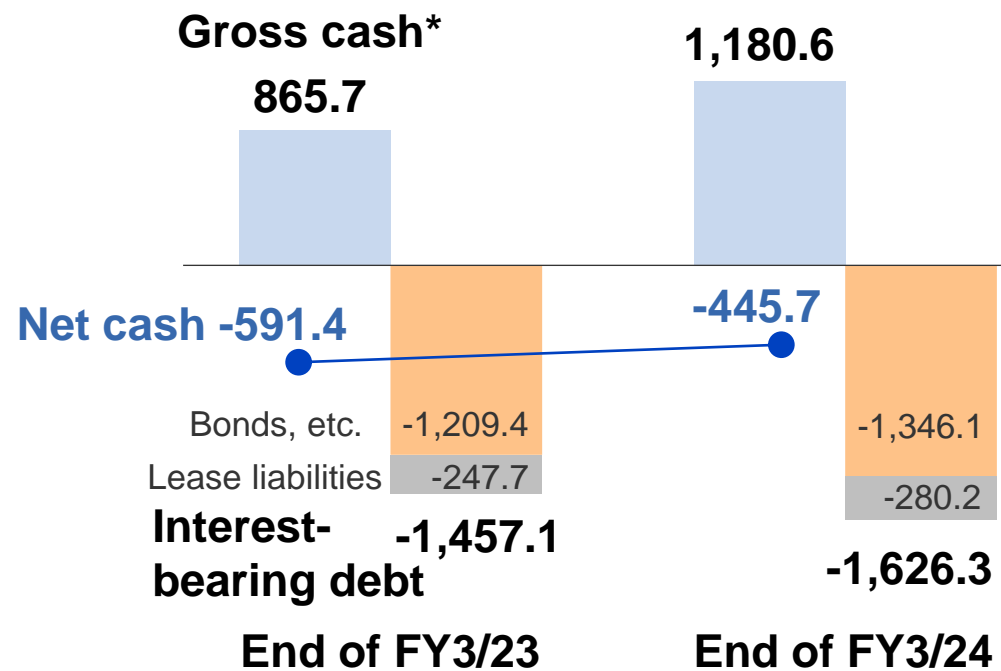
Cash Flows

(yen: billions)



Gross cash & interest-bearing debt / Net cash

(yen: billions)



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

Annual dividend determined at 35 yen per share; year-on-year increase by 5 yen (same as forecast announced on Feb. 29)

**Annual Dividend
(FY3/24)**

**35 yen
(Increase by 5 yen)**

- ✓ Annual dividend (FY3/23): 30 yen
- ✓ Forecast (as of Feb 29): 35 yen



- **Distribute stable and continuous dividends in line with medium-term strategy**
- **Achieve enhanced corporate value through business growth and profit increase by making investments mainly in growth areas**

Our approach to using IRA tax credit:

Basic idea: Allocate cash from IRA tax credit to EV battery business investment in US by taking into consideration the aim of US IRA (reduce excessive inflation and promote energy policies in US)

⇒ Determine dividend based on net profit excluding IRA tax credit impact

FY3/24 Dividend payout ratio: 25%
(Based on net profit excluding IRA tax credit impact)

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Fiscal 2025 Financial Forecast

FY3/25 Forecast

YoY % figures represent the year-on-year change relative to the previous year's figures

(yen: billions)	FY3/25 (e)	Excl. IRA tax credit
Sales	8,600.0	8,701.0
Adjusted operating profit* ¹ (% to sales)	450.0 (5.2%)	363.0 (4.2%)
Other income/loss* ²	-70.0	-70.0
Operating profit (% to sales)	380.0 (4.4%)	293.0 (3.4%)
Profit before income taxes (% to sales)	430.0 (5.0%)	343.0 (3.9%)
Net profit attributable to Panasonic Holdings Corporation stockholders (% to sales)	310.0 (3.6%)	200.0 (2.3%)
EPS* ³	126.31 yen	-
ROE	7.0%	-
EBITDA* ⁴ (% to sales)	860.0 (10.0%)	773.0 (8.9%)
Exchange rates		
1 US dollar	140 yen	140 yen
1 Euro	150 yen	150 yen
1 Renminbi	20.0 yen	20.0 yen

FY3/24	Excl. IRA tax credit	YoY (year-on-year)	Excl. IRA tax credit
8,496.4	8,597.8	101% Excl. FX(103%)	+103.6 101% +103.2
390.0 (4.6%)	303.2 (3.5%)	115%	+60.0 120% +59.8
-29.0	-29.0	-	-41.0 - -41.0
361.0 (4.2%)	274.2 (3.2%)	105%	+19.0 107% +18.8
425.2 (5.0%)	338.4 (3.9%)	101%	+4.8 101% +4.6
444.0* ⁵ (5.2%)	332.2* ⁵ (3.9%)	70%	-134.0 60% -132.2
190.21 yen	-	-	-63.9 yen - -
10.9%	-	-	-3.9% - -
805.9 (9.5%)	719.1 (8.4%)	107%	+54.1 107% +53.9
145 yen	145 yen		-5 yen -5 yen
157 yen	157 yen		-7 yen -7 yen
20.1 yen	20.1 yen		-0.1 yen -0.1 yen

*1: Sales - Cost of sales - SG&A

*2: "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

*3: Basic earnings per share attributable to Panasonic Holdings Corporation stockholders

*4: 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

*5: Including recording of deferred tax assets, etc. (121.3 bil. yen) with the liquidation of Panasonic Liquid Crystal Display Co., Ltd. (through Special Liquidation) and its debts waiver, resolved by the Board of Directors

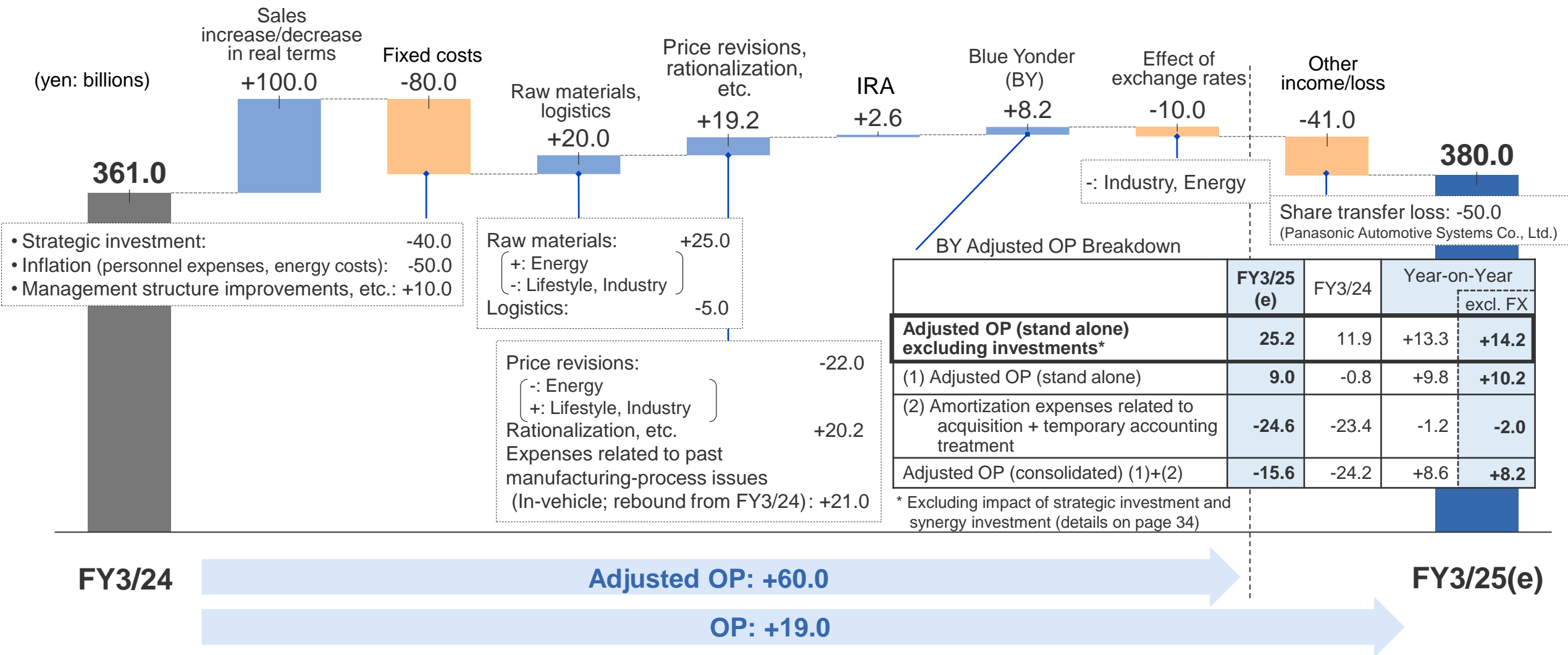
Changes in Demand by Segment (FY3/25 Outlook)

Positive (YoY)
Negative (YoY)

Segment	Changes in Demand
Lifestyle	<ul style="list-style-type: none"> ✓ HVAC: A2W in Europe continues to face tough market conditions in 1H, expected to be at same level YoY for full year; Considering European economic trends and policy situations in each country, full-fledged recovery to growth expected to take a few years
	<ul style="list-style-type: none"> ✓ Consumer Electronics: <ul style="list-style-type: none"> • Japan: Same level YoY overall with effect of inflation, despite demand from inbound tourism • China: Same level YoY with prolonged sluggishness of consumer spending
	<ul style="list-style-type: none"> ✓ Cold Chain: Same level YoY overall; Strong North America demand expected to weaken, despite growing global demand for products using natural refrigerants
	<ul style="list-style-type: none"> ✓ Electrical Construction Materials: to be steady overseas with market growth (e.g. India), despite decreased demand reflecting reduced number of housing starts in Japan
Automotive	<ul style="list-style-type: none"> ✓ Global automobile production expected to recover to above pre-COVID levels ✓ Continue to monitor fluctuations in automobile production due to domestic and international conditions and other factors
Connect	<ul style="list-style-type: none"> ✓ Supply Chain Management: Demand expansion continues for SCM-related software; corporations have increased their sense of crisis regarding supply chains, after requiring time and cost to solve disruptions in the supply chain of parts and materials during COVID-19
	<ul style="list-style-type: none"> ✓ Aviation: Passenger demand and aircraft orders expected to recover to pre-COVID levels; Continue to monitor trends in quality and safety issues in aviation industry ✓ FA (mounting machines): Investment increasing for demand related to AI and green vehicles in the US, Europe & Asia, despite prolonging China market slowdown
Industry	<ul style="list-style-type: none"> ✓ Electronic Devices & Electronic Materials (Information & Communication infrastructure): Generative AI server demand continues to be favorable, despite overall demand for servers & data centers to be at the same level YoY ✓ FA Solutions (China): Sluggish demand to persist reflecting economic downturn; full recovery anticipated after FY3/26 onwards
Energy	<ul style="list-style-type: none"> ✓ In-vehicle: While North American EV market (our main focus) is expanding, its pace of expansion slowing due to saturation of early adopter demand; Expanded demand expected with increased car models in affordable price range
	<ul style="list-style-type: none"> ✓ Industrial / Consumer: <ul style="list-style-type: none"> • Data centers: Demand expansion continues for energy storage systems for data centers driven by generative AI market • Consumer, power equipment: Sluggish demand will persist with uncertainties in global economy; Recovery anticipated from 2H onwards

FY3/25 Operating Profit Analysis (by Factor)

Adjusted OP: Increases with sales increase & rationalization, etc. while fixed costs increases for future growth



FY3/25 Forecast by Segment

(yen: billions)

YoY % figures represent the year-on-year change relative to the previous year's figures

	Sales	YoY	Adjusted OP (%)	YoY	Other income/loss	YoY	OP (%)	YoY	EBITDA*1 (%)	YoY
Lifestyle	3,540.0	102% (+83.5)	135.0 3.8%	+1.2	-5.0	+9.1	130.0 3.7%	+10.3	253.0 7.1%	+22.3
Automotive	1,460.0	98% (-31.9)	43.0 2.9%	+1.8	1.0	-0.6	44.0 3.0%	+1.2	95.0 6.5%	-6.5
Connect	1,240.0	103% (+34.7)	75.0 6.0%	+31.4	-2.0	+2.5	73.0 5.9%	+33.9	145.0*2 11.7%	+30.9
Industry	1,060.0	102% (+17.4)	53.0 5.0%	+21.8	-4.0	-3.9	49.0 4.6%	+17.9	115.0 10.8%	+24.3
Energy	877.0	96% (-38.9)	111.0 12.7%	+16.4	-2.0	+3.8	109.0 12.4%	+20.2	187.0*3 21.3%	+26.6
Excl. IRA tax credit	978.0	96% (+39.3)	24.0 2.5%	+16.2	-2.0	+3.8	22.0 2.2%	+20.0	100.0*3 10.2%	+26.4
Other/ Eliminations & adjustments	423.0	—	33.0	-12.6	-58.0	-51.9	-25.0	-64.5	65.0	-43.5
Total	8,600.0	101% (+103.6)	450.0 5.2%	+60.0	-70.0	-41.0	380.0 4.4%	+19.0	860.0 10.0%	+54.1

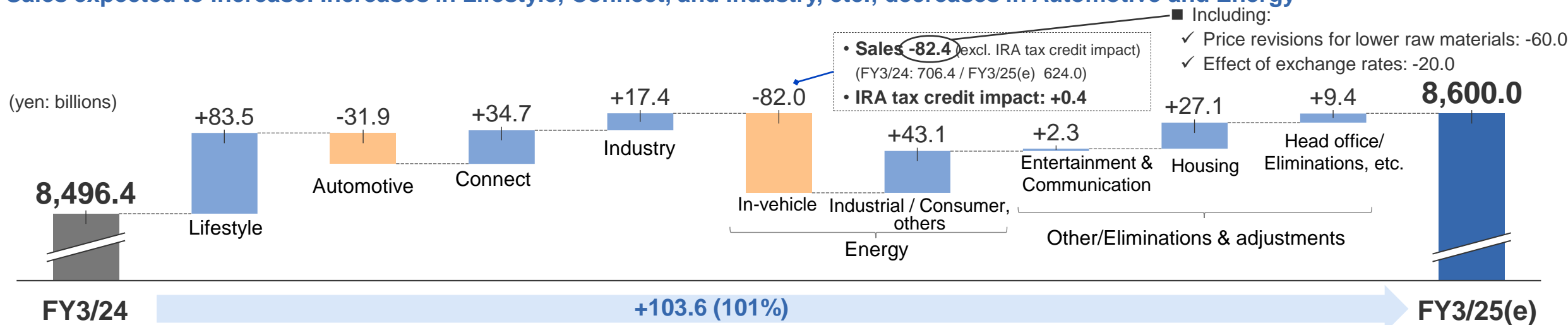
*1: Total amount of Operating profit, Depreciation (Tangible assets including property, plant and equipment / Right-of-use assets) and Amortization (Intangible assets)

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

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

FY3/25 Sales Forecast Analysis by Segment

Sales expected to increase: Increases in Lifestyle, Connect, and Industry, etc.; decreases in Automotive and Energy



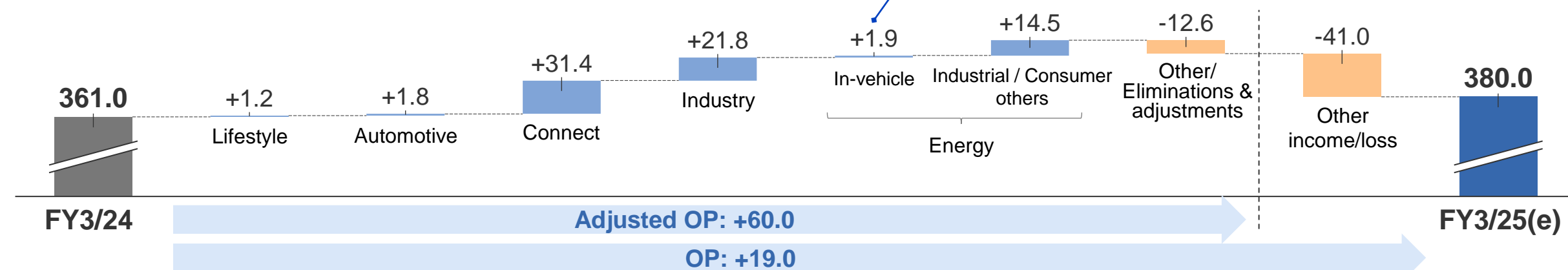
Major increase/decrease factors

Lifestyle	Increases: Increased sales of overseas electrical construction materials mainly in key markets (India, Turkey, Vietnam) and room air conditioners in Asia, while A2W in Europe increases slightly YoY
Automotive	Decreases: Effect of exchange rates despite increased sales in real terms; Automotive Electronics Systems, mainly onboard chargers for overseas car makers, to offset decreased sales of Automotive Cockpit Systems related to the discontinuation of certain product models
Connect	Increases: Sales growth of Avionics and Blue Yonder, sales recovery of Process Automation
Industry	Increases: Demand growth of products for green vehicles (e.g. capacitors), products for generative AI servers (capacitors, multi-layer circuit board materials)
Energy	<ul style="list-style-type: none"> In-vehicle: Decreases: Price revisions reflecting lower raw material prices, despite slight increase in overall sales volume (increase in North America factory, decrease in Japan factory) Industrial / Consumer: Increases: Expansion of energy storage systems for data centers driven by generative AI market, anticipating recovery of batteries for power equipment mainly in 2H
Other/ Eliminations & adjustments	<ul style="list-style-type: none"> Entertainment & Communication: Increases: growth of high value-added products (e.g. digital cameras, professional video equipment) Housing: Increases: Sales expansion initiatives in such markets as remodeling, attached housing, non-residential, and overseas

FY3/25 Operating Profit Forecast Analysis by Segment

Adjusted OP: Expected to increase in all business segments

(yen: billions)



Adjusted OP: Major increase/decrease factors

* Living Appliances and Solutions Company, Heating & Ventilation A/C Company, Cold Chain Solutions Company, Electric Works Company

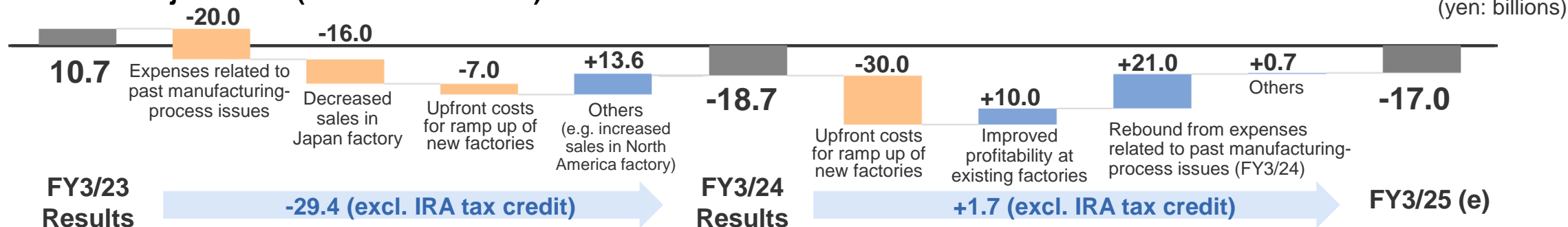
Lifestyle	Increases slightly overall: Factoring in decreased sales of other segment products and yen depreciation risks, despite aggregated profit of 4 divisional companies* to increase; Increased sales (e.g. overseas electrical construction materials, room air conditioners) and improvements in consumer electronics (including structural reform effect of cooking appliances business)
Automotive	Increases: Initiatives to improve profitability despite decreased sales of Automotive Cockpit Systems
Connect	Increases: Increased sales of Avionics, Blue Yonder and Process Automation, improved profitability of Gemba Solutions
Industry	Increases: Increased sales, price revisions and rationalization despite such impact as raw material price hikes
Energy	<ul style="list-style-type: none"> • In-vehicle: Increases: Improved profitability of existing factories (e.g. improved productivity, reduced material costs), rebound increase from special factors recorded in FY3/24 (expenses related to past manufacturing- process issues) and other factors, despite increased upfront costs for ramp-up of Kansas factory in North America (Details on page 19) • Industrial / Consumer: Increases: Increased sales of energy storage systems for data centers and batteries for power equipment

Energy (In-vehicle): Adjusted OP Analysis by Factor

- ✓ While adjusted OP is expected to improve slightly year-on-year, a loss is expected to continue in FY3/25: Improved profitability at existing factories and rebound increase from expenses recorded in FY3/24, related to past manufacturing-process issues, are not enough to offset the upfront costs for Wakayama & Kansas
- ✓ Efforts ongoing: enhance productivity & minimize operational-related losses in North America, reduce fixed costs in Japan, and ensure the smooth ramp up of new factories

Factors	FY3/24 → FY3/25(e) YoY	Details
Upfront costs for ramp up of new factories (e.g. depreciation, personnel)	(yen: billions) -30.0	<ul style="list-style-type: none"> Upfront costs (e.g. depreciation, personnel expenses, energy costs) required for ramp up process of factories (Mass production set to start: FY3/25 2Q for Wakayama; FY3/25 4Q for Kansas)
Improved profitability at existing factories (Japan & Nevada)	+10.0	<ul style="list-style-type: none"> Japan: Reduced amount of loss (e.g. optimized fixed-cost to align with sales volume, enhanced management structure) despite impact of decreased demand Nevada: Profit increase due to increased sales (improved productivity & increased production volume)
Rebound increase from expenses related to manufacturing-process issues in the past (FY3/24)	+21.0	<ul style="list-style-type: none"> Expenses recorded in FY3/24 includes provision for product compensation that may occur in the future; no additional costs anticipated Permanent measures have been taken; no issues with current products
Others	+0.7	—
Total	+1.7	

■ In-vehicle: Adjusted OP (excl. IRA tax credit)



Lifestyle Segment: FY3/25 Forecast by Divisional Company

(yen: billions)

YoY % figures represent the year-on-year change relative to the previous year's figures

	Sales	YoY	Adjusted OP (%)	YoY	Other income/loss	YoY	OP (%)	YoY	EBITDA* ² (%)	YoY
Living Appliances and Solutions Company (LAS)	875.0	101% (+7.7)	55.0 6.3%	+6.9	0.0	+5.1	55.0 6.3%	+12.0	85.0 9.7%	+15.0
Heating & Ventilation A/C Company (HVAC)	880.0	108% (+66.1)	17.0 1.9%	+2.3	-1.0	+5.9	16.0 1.8%	+8.2	51.0 5.8%	+13.5
Cold Chain Solutions Company (CCS)	400.0	101% (+4.0)	21.0 5.3%	+0.7	0.0	+0.1	21.0 5.3%	+0.8	30.0 7.5%	+0.2
Electric Works Company (EW)	1,060.0	102% (+16.8)	73.0 6.9%	+2.6	-5.0	-0.3	68.0 6.4%	+2.3	100.0 9.4%	+5.2
China and Northeast Asia Company (CNA)* ¹	768.0	105% (+35.6)	35.0 4.6%	-0.5	1.0	+4.8	36.0 4.7%	+4.3	58.0 7.6%	+5.9

*1: Sales and profit of CNA (except certain businesses) are also included in LAS, HVAC, and EW

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

Initiatives in Growth Areas

Underlined: Changes/progress from February 2024

(Automotive Battery, Supply Chain Management Software, Air Quality & Air-conditioning)

Automotive Battery

Achieve profit growth focusing on North America market where we can leverage advantages (high-capacity cells) with strong business foundation

[Expand production capacity in North America / Establish supply chain in US FTA countries]

- Decision to construct new manufacturing facility in Kansas, US (announced Oct. 31, '22); construction started in Feb. '23, with mass production of 2170 cells set to start in FY3/25 4Q
- Anode (graphite): [Announced investment and long-term agreement for supply of natural graphite with Canada-based Nouveau Monde Graphite \(Feb. 15, '24\); Announced long-term agreement with Australia-based NOVONIX for supply of synthetic graphite \(shipped from Tennessee, US\), \(Feb. 9, '24\); Both agreements strengthen North America supply chain for graphite](#)
- Anode (silicon material): Agreement signed with UK-based Nexeon (announced Jul. 25, '23) and US-based Sila Nanotechnologies Inc. (announced Dec. 12, '23) to purchase silicon anode material, enabling production of higher-energy-density EV batteries

[Expand sales channel]

- [Signed basic cooperative agreement with SUBARU CORPORATION \(announced Mar. 19, '24\) and agreed with Mazda Motor Corporation toward supply of battery \(announced Mar. 29, '24\); Establish medium- to long-term partnerships aiming to supply batteries for battery EVs to be launched in latter half of 2020s](#)

[Commercialization of 4680 cells]

- Mass production at Wakayama scheduled to begin in FY3/25 2Q, introducing higher-density technologies to further enhance competitiveness

Supply Chain Management Software

Aim for high growth & profitability globally through SCM business, where medium-to long-term market expansion is expected

[Blue Yonder]

- [Conducted necessary initiatives for business growth; SaaS ARR increased 1.5x since acquisition of Blue Yonder](#)
- [Concluded acquisition of Germany-based Flexis aimed at production optimization and transportation planning & execution \(announced Feb. 8, '24\), agreed to acquire US-based One Network Enterprises to create multi-enterprise supply chain ecosystem \(announced Mar. 29, '24\), following acquisition of UK-based Duddle, toward enhancing end-to-end solutions](#)

[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

Build competitive advantage with investments & alliances to prepare for demand recovery, despite currently weak market conditions in Europe

[Hydronic System (A2W & Chiller)]

Enhance upstream (service design) & downstream (after-sales service) of value chain which is the source of competitiveness, and create customer value

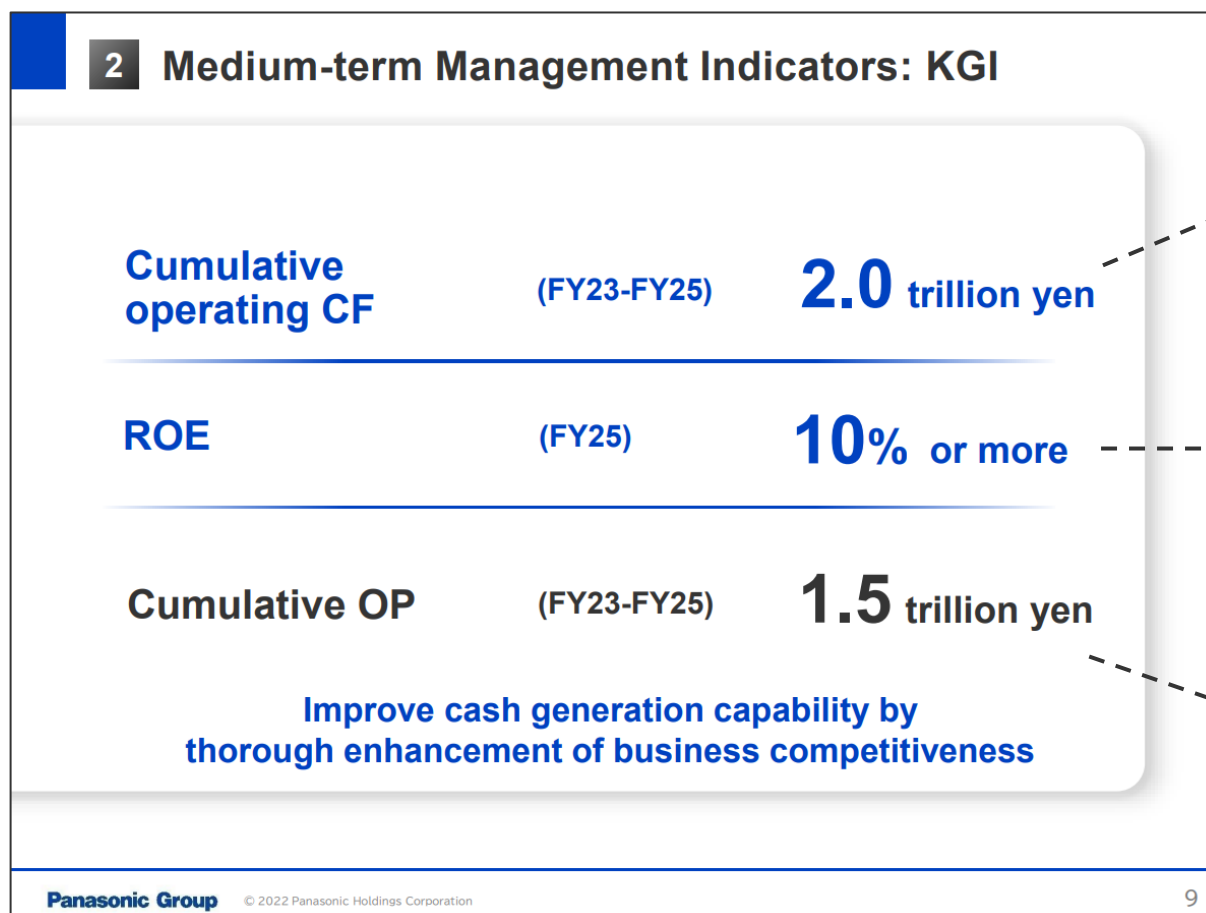
- Capital and business alliance with Italy-based INNOVA: [Cross-selling \(interior terminals, air-quality equipment\) and integrated proposals to start FY3/25 2H; Launch of co-developed products \(e.g. residential-use integrated controller\) in FY3/26; Differentiation with energy-saving/construction-efficient features](#)
- [Business alliance with Germany-based tado°, promote replacement from boilers to A2W and generate customer value by energy conservation \(announced Mar. 14, '24\)](#)
- [Launch of compact commercial A2W using natural refrigerants for multi-unit housing and other light commercial properties, leveraging technology from acquired chiller business, in FY3/25 \(announced Mar. 14, '24\)](#)

Outlook of Medium-term Management Indicators: KGI

- **Cumulative operating CF: Within range of achieving target**
- **ROE & cumulative OP: Expected to fall short of target figures**

■ Group Strategy Briefing presentation (April 1, 2022)

(yen: billions)



FY3/23	520.7
FY3/24	866.9
FY3/25 (Remainder)	612.4
(amount required to achieve target)	

FY3/23	7.8%
FY3/24	10.9%
FY3/25(e)	7.0%

FY3/23	288.6
FY3/24	361.0
FY3/25(e)	380.0
Cumulative: Approx. 1 trillion yen	

Note: Outlook by segment on page 42

Panasonic Group

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 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; occurrence and continuation of supply disruption or soaring prices of raw materials or transportation; 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; 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 or losses resulting from any defects or quality frauds in products or services of the Panasonic Group; the possibility that the Panasonic Group may face intellectual property infringement by third parties or intellectual property infringement claims by third parties; the possibility that change or tightening of current and potential, direct and indirect restrictions imposed in Japan or other countries over trade, manufacturing, labor and operations may adversely affect business operations of Panasonic Group and its supply chain; failures in proper tackling of regulations and policies introduced or strengthened with respect to environmental issues including climate change or responsible procurement activities (human rights, labor, health and safety, global environmental conservation, information security, corporate ethics, etc.) in the supply chain; restrictions, costs or legal liability relating to introduction or tightening of laws and regulations; 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 systems of Panasonic Group or its supply chain, service suspension or vulnerability of network-connected products due to unauthorized system access and cyberattacks etc.; the possibility not being able to acquire the necessary human resources to promote management strategies and prevent the outflow of existing employees; the possibility that the spread of infections including the novel coronavirus infections may adversely affect business activities of the Panasonic Group; volatility in demand for electronic equipment and components from business and industrial customers, as well as consumers in many product and geographical markets; occurrence of events that may negatively impact business activities of the Panasonic Group, including large-scale natural disasters, prevalence of infectious diseases throughout the world and terrorism or wars. 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: Our Advantages with Regards to US IRA

Our Advantages

- ✓ Stable mass-production capability at Nevada Factory
(New Kansas factory under construction)
- ✓ Strong customer base built in North America
- ✓ Panasonic's battery components are FEOC*-compliant

*FEOC: Foreign Entity of Concern
If a clean vehicle is not FEOC-compliant, it will not be eligible for Section 30D

IRA

Section 45X

Section 30D

- ✓ Production/sales at Nevada **already eligible upon IRA enforcement** (end of Dec. 2022.)
- ✓ Kansas **expected to be eligible when production/sales start (in FY3/25 4Q)**
- ✓ **Currently, requirements indicated below are met; Expected to meet going forward** even with stricter requirements
- ✓ **Our battery components are FEOC-compliant** (rules applied from end of Dec. 2023); **Qualification for 30D remains unchanged**

■ Section 30D requirements (value-based threshold)

		2023	2024	2025	2026	2027	2028	2029	Outlook of FEOC compliance, based on our current supply chain
Battery components	Manufactured or assembled in North America	50%	60%	60%	70%	80%	90%	100%	Compliant
	FEOC rules applied from:		December 31, 2023 ~						
Critical minerals	Extracted or processed in US-FTA country	40%	50%	60%	70%	80%	80%	80%	Some critical minerals will not be compliant ⇒ Build FEOC-compliant supply chain
	FEOC rules to apply from:			December 31, 2024~*					

Meeting requirements and also FEOC-compliant

*Graphite: December 31, 2026~

Reference: 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
- ✓ Proposed rules for section 45X released in December 2023

Section 45X (Advanced Manufacturing Production Credit)

- **Overview:** Tax credit for sales of EV batteries, etc.
- **Enforcement:** December 31, 2022
- **Effective:** 2023 - 2032 (10 years)
- **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:**
 - Battery cells & modules produced in US
 - Credits will be given based on sales volume (in kWh)

➔ Proposed rules released in December 2023
(No major changes; public hearing conducted)

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:**
 - Eligibility: Vehicles assembled in North America (US, Canada, Mexico)
 - Conditions for new cars:

Battery components produced & assembled* ² in North America	\$3,750
Critical minerals extracted & processed* ² within FTA countries* ¹	\$3,750

*¹ Although Japan is not an FTA country, conditions have been relaxed to include Japan
² Yearly thresholds set for extraction/production locations of battery components & critical minerals. FEOC restrictions apply (battery components: 2024~, critical minerals: 2025~)

➔ ✓ Detailed rules announced in March 2023 *Graphite: 2027~
✓ Definition of Foreign Entity of Concern (FEOC) announced in December 2023

Reference: Summary of Foreign Entity of Concern (FEOC)

If a clean vehicle contains “Battery Components” or “Critical Minerals” from a FEOC, it will not qualify for section 30D and no tax credit will be granted to EV purchasers

Definition of FEOC

Excerpts sourced from "A Proposed Rule by the Energy Department" released on December 4, 2023

Foreign Entity	and	(1) Subject to the Jurisdiction	or	(2) Owned by, Controlled by, or Subject to the Direction
<ul style="list-style-type: none"> I. A government of a foreign country; II. A natural person who is not a lawful permanent resident of the United States, citizen of the United States, or any other protected individual; III. A partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country; or IV. An entity organized under the laws of the United States that is owned by, controlled by, or subject to the direction of an entity that qualifies as a foreign entity in paragraphs (I–III). 		<ul style="list-style-type: none"> ✓ The foreign entity is incorporated or domiciled in, or has its principal place of business in, a covered nation; or ✓ With respect to the critical minerals, components, or materials of a given battery, the foreign entity engages in the extraction, processing, or recycling of such critical minerals, the manufacturing or assembly of such components, or the processing of such materials, in a covered nation. 		<ul style="list-style-type: none"> ✓ 25% or more of the entity's board seats, voting rights, or equity interest are cumulatively held by that other entity, whether directly or indirectly via one or more intermediate entities (including the government of a foreign country that is a covered nation)

FEOC restrictions

	<u>Applicable to</u>	<u>Starting date</u>	<u>Section 30D tax credit to EV purchasers</u>
Battery Components	Cathode electrode, Anode electrode, Separators, Electrolytes, etc.	December 31, 2023	\$3,750
Critical Minerals	Lithium, Nickel, Cobalt, Graphite*, Aluminium, etc.	December 31, 2024	\$3,750

*Graphite: December 31, 2026~

If a clean vehicle contains “Battery Components” or “Critical Minerals” from a FEOC, it will not qualify for section 30D and no tax credit will be granted to EV purchasers

Reference: Eligible EV Battery Factories for US IRA Section 45X

- ✓ **Credit effective at:**
 - Nevada Factory (already in operation): from launch of IRA
 - New Kansas Factory: upon start of production & sales (FY3/25 4Q)
- ✓ **Wakayama Factory: expecting mass production of 4680 cells in FY3/25 2Q**

	<u>Factories</u>	<u>Credit effective from</u>	<u>Annual production</u>
US	Nevada	Jan. 2023 onwards	Approx. 38-39 GWh (as of end of FY3/24)
	Kansas* (New factory)	Start of production & sales (Planned for FY3/25 4Q)	Approx. 30 GWh (at full production capacity)
Japan	<ul style="list-style-type: none"> • Suminoe/Kaizuka • Wakayama 	N/A	Approx. 10 GWh (as of end of FY3/24)

<Ref.> Simple calculation:
\$35/kWh x annual production

Approx. \$1.3 bil./yr

Approx. \$1.0 bil./yr

-

*** Approved for “Attracting Powerful Economic Expansion (APEX)”, incentive program by the State of Kansas for investment promotion; in addition to IRA tax credit**
 e.g. • Tax credits: Up to 15% of capital investments
 • Compensation: Up to 10% per year (not to exceed 10 years)

Reference: FY3/24 Full-year Results (vs. Forecast as of April 24, 2024)

(yen: billions)

	FY3/24 Results	FY3/24 Forecast (as of April 24, 2024)	Difference
Sales	8,496.4	8,500.0	-3.6
Adjusted operating profit ^{*1} (% to sales)	390.0 (4.6%)	390.0 (4.6%)	±0.0
Other income/loss ^{*2}	-29.0	-30.0	+1.0
Operating profit (% to sales)	361.0 (4.2%)	360.0 (4.2%)	+1.0
Profit before income taxes (% to sales)	425.2 (5.0%)	425.0 (5.0%)	+0.2
Net profit attributable to Panasonic Holdings Corporation stockholders (% to sales)	444.0 ^{*4} (5.2%)	440.0 ^{*4} (5.2%)	+4.0
EPS ^{*3}	190.21 yen	188.50 yen	+1.71 yen

*1: Sales - Cost of sales - SG&A

*2: "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

*3: Basic earnings per share attributable to Panasonic Holdings Corporation stockholders

*4: Including recording of deferred tax assets, etc. (121.3 bil. yen) with the liquidation of Panasonic Liquid Crystal Display Co., Ltd. (through Special Liquidation) and its debts waiver, resolved by the Board of Directors

Overview

(yen: billions)	FY3/24	YoY (year-on-year)
Sales	3,494.4	100% (98%)*1
Adjusted operating profit (% to sales)	135.7 (3.9%)	+13.0
Other income/loss	-14.1	+5.3
Operating profit (% to sales)	121.6 (3.5%)	+18.3

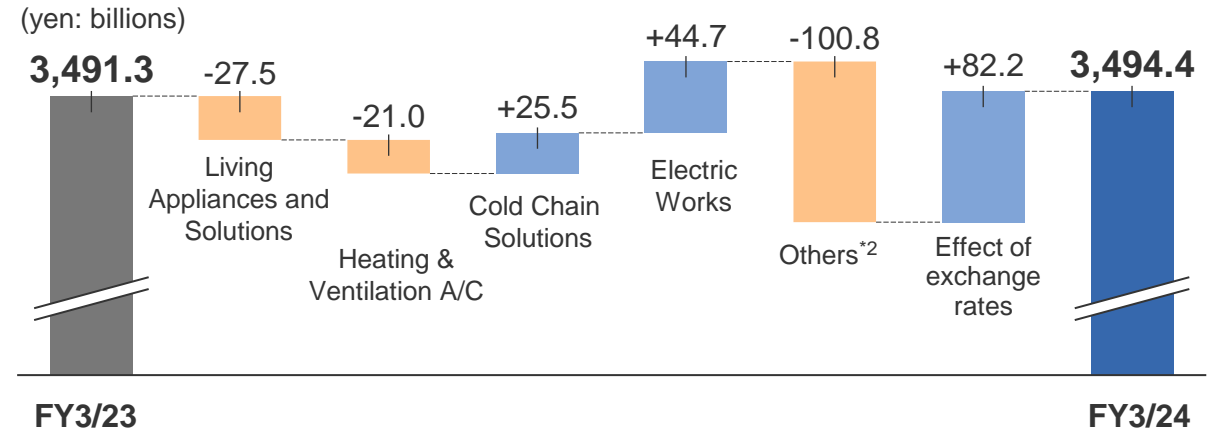
*1: In real terms excluding the effect of exchange rates

Major increase/decrease factors

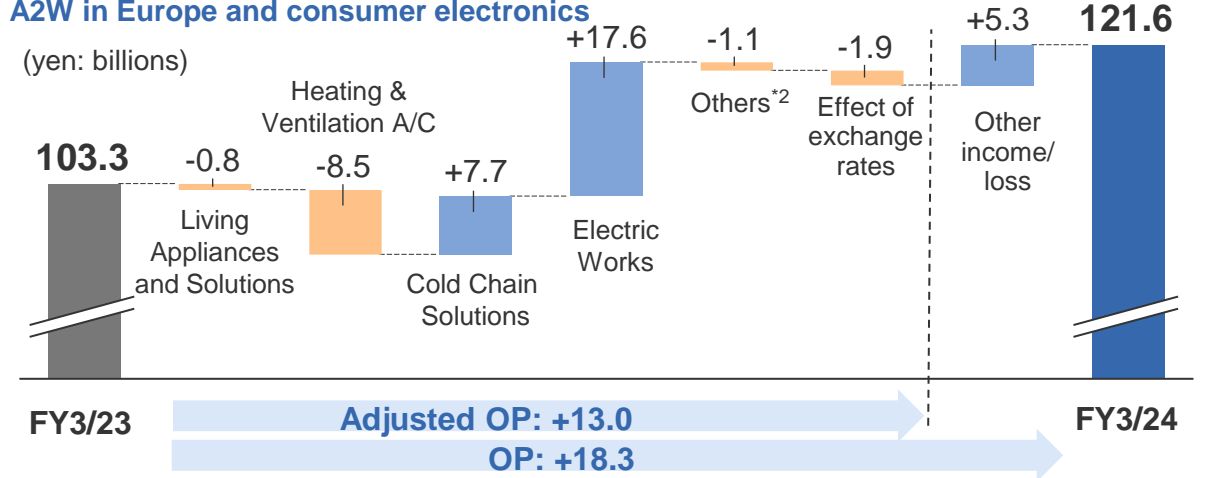
Adjusted OP	Living Appliances and Solutions Company	+ : Progress in rationalization efforts, improved external environment factors (e.g. logistics) - : Shrinking demand caused by inflation worldwide, negative impact of currency
	Heating & Ventilation A/C Company	+ : Increased sales in Asia, effect of rationalization - : Decreased demand of A2W in Europe
	Cold Chain Solutions Company	+ : Increased sales in North America & Japan, effect of price revisions
	Electric Works Company	+ : Increased sales and effect of price revisions for electrical construction materials in Japan
Other income/loss	Impact of recall-related expenses recorded in FY3/23, restructuring expenses recorded in FY3/24	

Sales decreased overall (excluding effect of exchange rates):

Aggregated sales of 4 divisional companies increased with steady sales of cold chain in North America and electrical construction materials, despite decreased sales of A2W in Europe and consumer electronics overseas; However, sales decreased for other segment products and affected by deconsolidation of certain businesses in China



OP: Increased overall due to increased sales of cold chain and electrical construction materials, impact of temporary expenses in FY3/23, despite decreased sales of A2W in Europe and consumer electronics



*2: Cold Chain (China) and Refrigeration, Air-Conditioning Devices, sales of other segment products, segment head office, eliminations, etc.

Overview

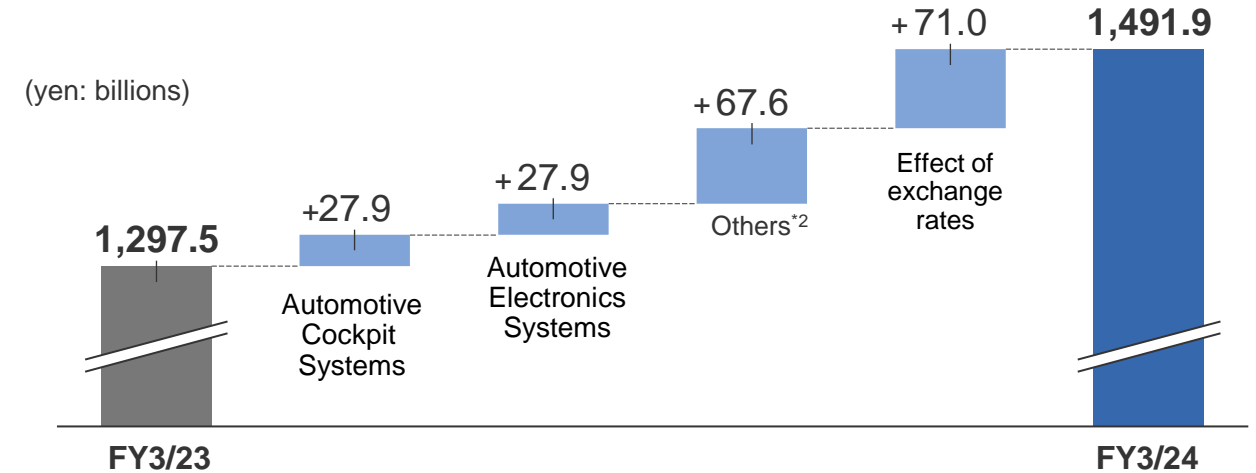
(yen: billions)	FY3/24	YoY (year-on-year)
Sales	1,491.9	115% (110%) *1
Adjusted operating profit (% to sales)	41.2 (2.8%)	+27.0
Other income/loss	1.6	-0.4
Operating profit (% to sales)	42.8 (2.9%)	+26.6

*1: In real terms excluding the effect of exchange rates

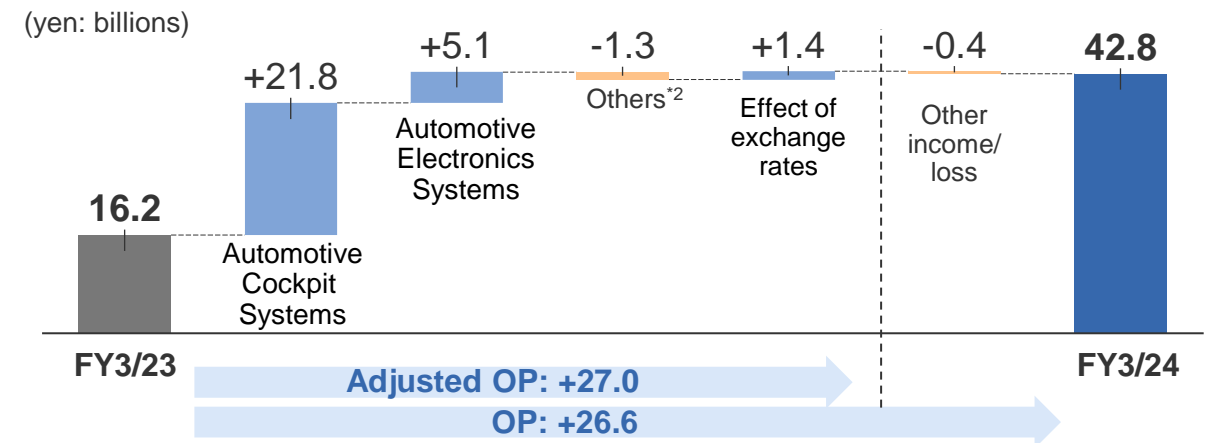
Major increase/decrease factors

Adjusted OP	Automotive Cockpit Systems	+ : Improved with increased sales, price revisions to counter price hikes in parts & materials, rationalization - : Persisting impact of increased fixed costs (increased personnel expenses) and price hikes in parts & materials
	Automotive Electronics Systems	+ : Improved with increased sales, price revisions to counter price hikes in parts & materials, rationalization - : Persisting impact of increased fixed costs (increased personnel expenses) and price hikes in parts & materials
Other income/loss		Impact of insurance reimbursement in FY3/23

Sales: Increased due to gradual recovery trend in automobile production as well as currency translation



OP: Increased due mainly to increased sales, price revisions to counter price hikes in parts & materials, and rationalization, despite persisting impact of increased fixed costs (increased personnel expenses) and price hikes in parts & materials



*2: Sales of other segment products, etc.

Overview

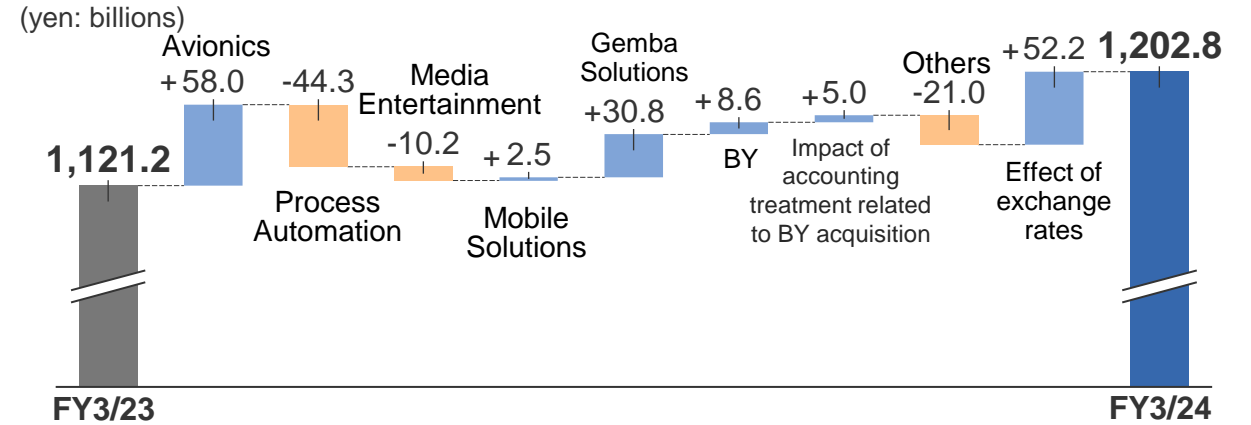
(yen: billions)	FY3/24	YoY (year-on-year)
Sales	1,202.8	107% (103%)*1
Adjusted operating profit (% to sales)	44.9 (3.7%)	+17.2
Other income/loss	-4.5	+2.8
Operating profit (% to sales)	40.4 (3.4%)	+20.0

*1: In real terms excluding the effect of exchange rates

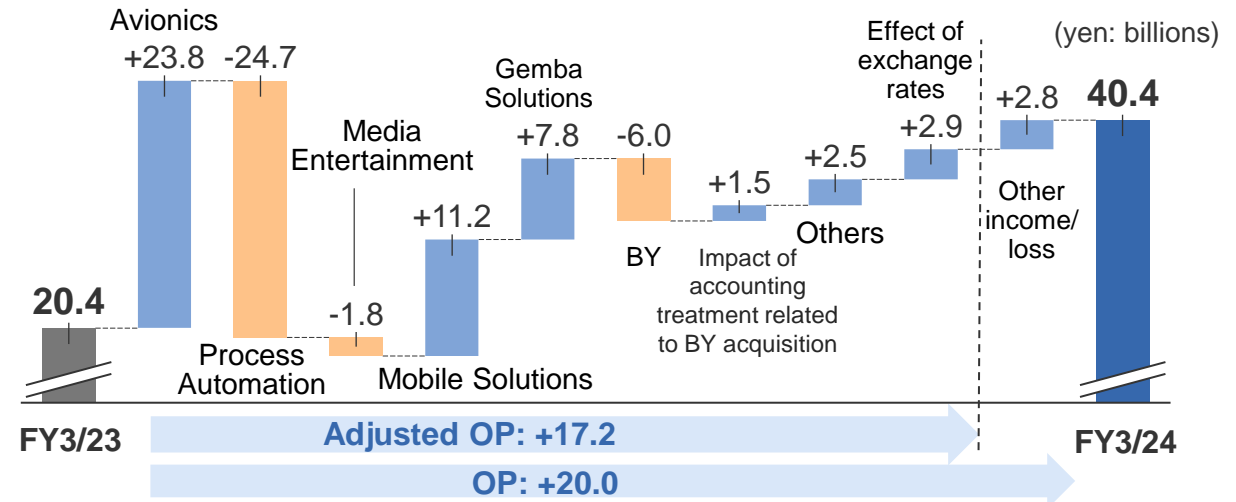
Major increase/decrease factors

Adjusted OP	Avionics	+ : Increased sales of in-flight entertainment (IFE) systems, connectivity and repair & maintenance services due to steady demand trend continuing in aviation market
	Process Automation	- : Decreased sales by decreased demand affected by continuing market slowdown in China
	Media Entertainment	- : Decreased sales of projectors by market slowdown in US and China
	Mobile Solutions	+ : Increased profit with increased sales and improved marginal profit, as well as reduced fixed costs
	Gemba Solutions	+ : Increased sales obtaining orders of large-scale solution-type projects in Japan
	Blue Yonder (BY)	- : Decreased due to increased strategic investments
Other income/loss	Impact of recording restructuring expenses in FY3/23	

Sales: Increased overall due to increased sales of Avionics, Gemba Solutions and Blue Yonder

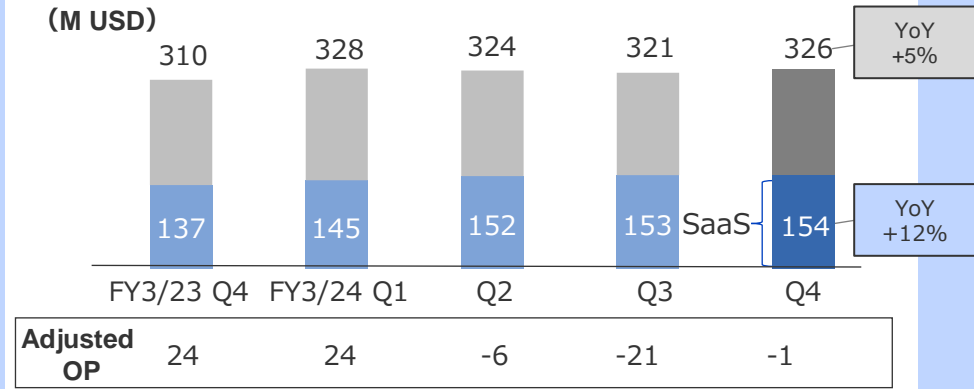


OP: Increased due to increased sales of Avionics and Gemba Solutions, as well as improved profitability of Mobile Solutions, offsetting decreased sales of Process Automation



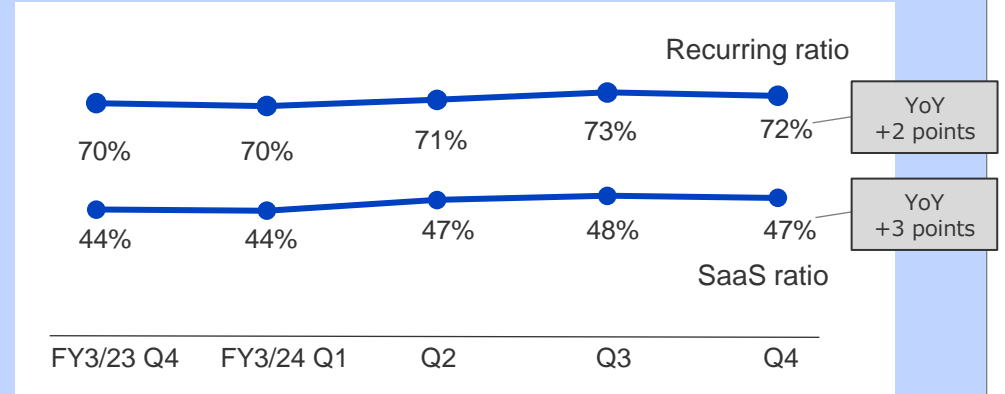
Sales / Adjusted OP (stand alone)

- Sales: Steady growth of both total sales and SaaS
Operating profit: Increased excluding strategic investment



Recurring / SaaS ratio

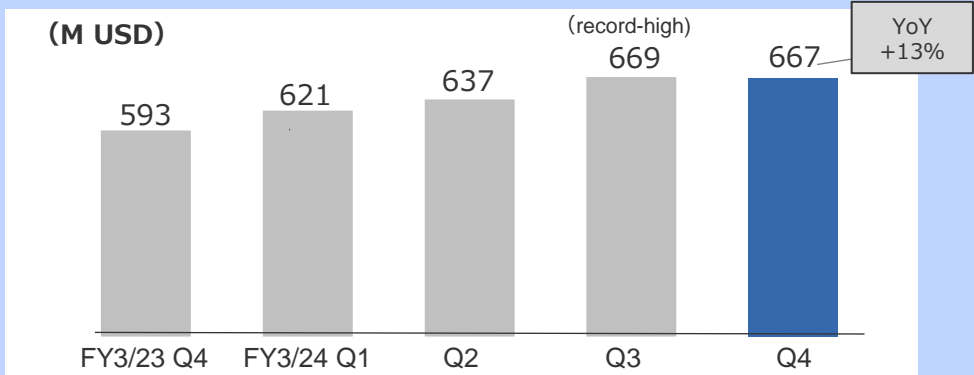
- Steady trend for both recurring and SaaS ratio



- Recurring revenue business ratio in total revenue
- All figures based on FY3/25(e) rates as of May 9 (USD:140 yen / Euro: 150 yen) to exclude FX effect

SaaS ARR (Annual Recurring Revenue)

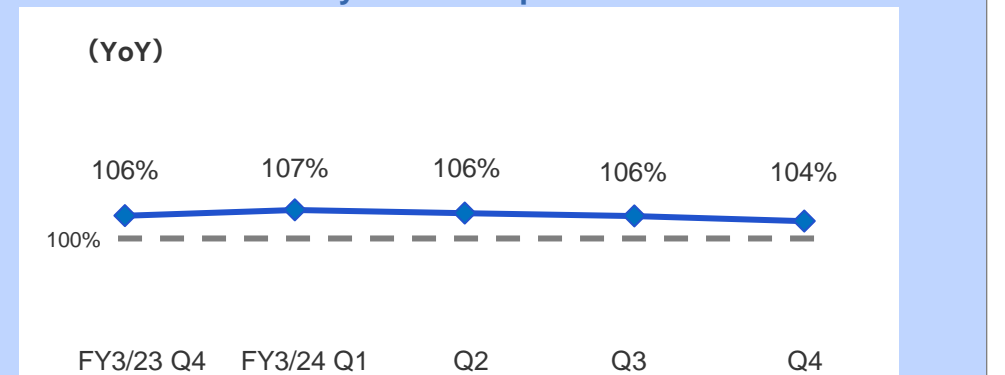
- Steady growth YoY



- ARR indicates secured annualized revenue during the year starting next quarter
- All figures based on FY3/25(e) rates as of May 9 (USD: 140 yen / Euro: 150 yen) to exclude FX effect

SaaS NRR (Net Revenue Retention)

- Maintained retention rate higher than previous year and contribute to steady sales and profit



- Net revenue retention rate with existing customers
- All figures based on FY3/25(e) rates as of May 9 (USD:140 yen / Euro: 150 yen) to exclude FX effect

- Continue to make strategic investment to establish the foundation for SaaS business in FY3/25
- Adjusted OP (stand alone) excluding strategic investment is expected to increase significantly with steady progress of investment effect in FY3/25

Breakdown of adjusted operating profit (yen: billions)

			FY3/25 Forecast	FY3/24 Results	YoY
Stand alone (Blue Yonder)	Adjusted OP (excl. investments)	(1) - a - b	25.2	11.9	+13.3
	(Additional strategic investment) *1	a	(-12.0)	(-9.8)	(-2.2)
	(Synergy investment) *2	b	(-4.2)	(-2.9)	(-1.3)
	Adjusted OP	(1)	9.0	-0.8	+9.8
Panasonic Group consolidated- basis	Amortization expenses related to acquisition	(2)	-24.4	-23.1	-1.3
	Temporary accounting treatment related to acquisition	(3)	-0.2	-0.3	+0.1
	Adjusted OP	(1)+(2)+(3)	-15.6	-24.2	+8.6

*1: Additional strategic investment of USD 200M (1 USD=140 yen) planned for 3 years from FY3/24 to FY3/26

*2: Strategic investment to generate synergy with Panasonic Group

Overview

(yen: billions)	FY3/24	YoY (year-on-year)	PID Products*1
Sales	1,042.6	91% (87%)*2	919.0
Adjusted operating profit (% to sales)	31.2 (3.0%)	-32.1	29.0 (3.2%)
Other income/loss	-0.1	-3.6	-0.5
Operating profit (% to sales)	31.1 (3.0%)	-35.7	28.5 (3.1%)

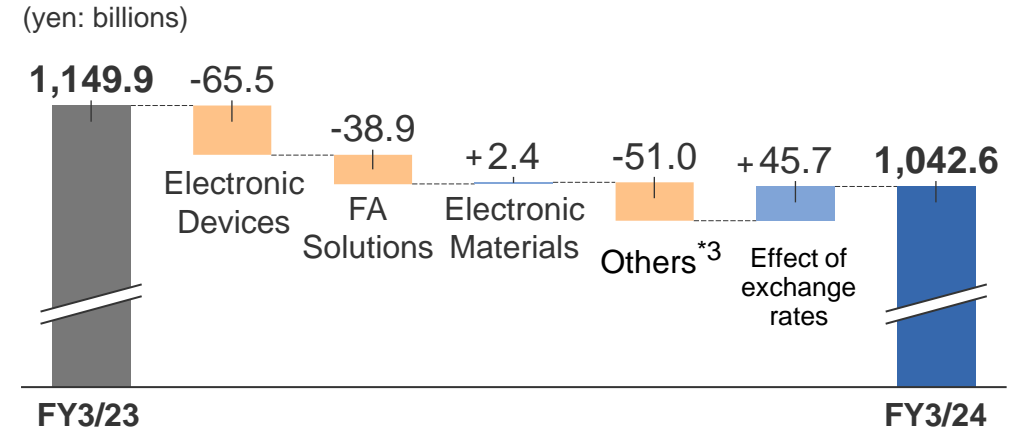
*1: Figures of PID (Panasonic Industry Co., Ltd.) products exclude sales of other segment products (e.g. compressor), etc.

*2: In real terms excluding the effect of exchange rates

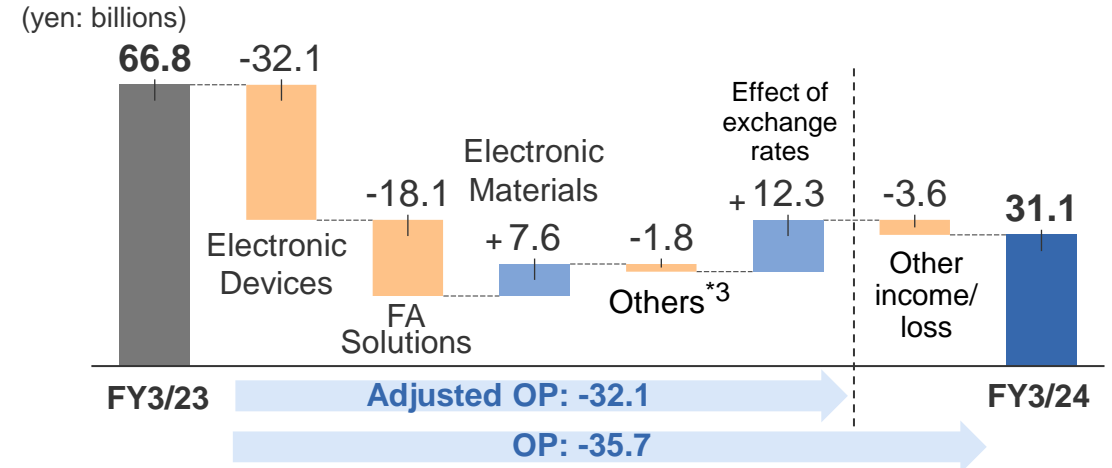
Major increase/decrease factors

Adjusted OP	Electronic Devices	+ : Increased sales of capacitors for green vehicles and generative AI servers - : Decreased sales (e.g. industrial-use relays, capacitors for general purpose servers) and weaker product mix
	FA Solutions	+ : Fixed cost reduction - : Decreased sales due to market condition in China and weakening demand for semiconductor related capital investment (e.g. East Asia) and weaker product mix
	Electronic Materials	+ : Increased sales of multi-layer circuit board materials for generative AI servers, price revision and rationalization
Other income/loss	+ : Impact of expenses related to site re-organization in FY3/23 - : Impact of proceeds from sale of shares & additional consideration of semiconductor business transfer in FY3/23	

Sales: Decreased due mainly to downturn in market conditions in China, and changes in semiconductor sales channel for Electronic Devices, despite increased sales of products for green vehicles (capacitors, relays) and products for generative AI servers (capacitors, multi-layer circuit board materials)



OP: Decreased due to decreased sales affected by downturn in market conditions, despite price revisions & rationalization to counter price hikes in raw materials & energy costs, as well as effect of yen depreciation

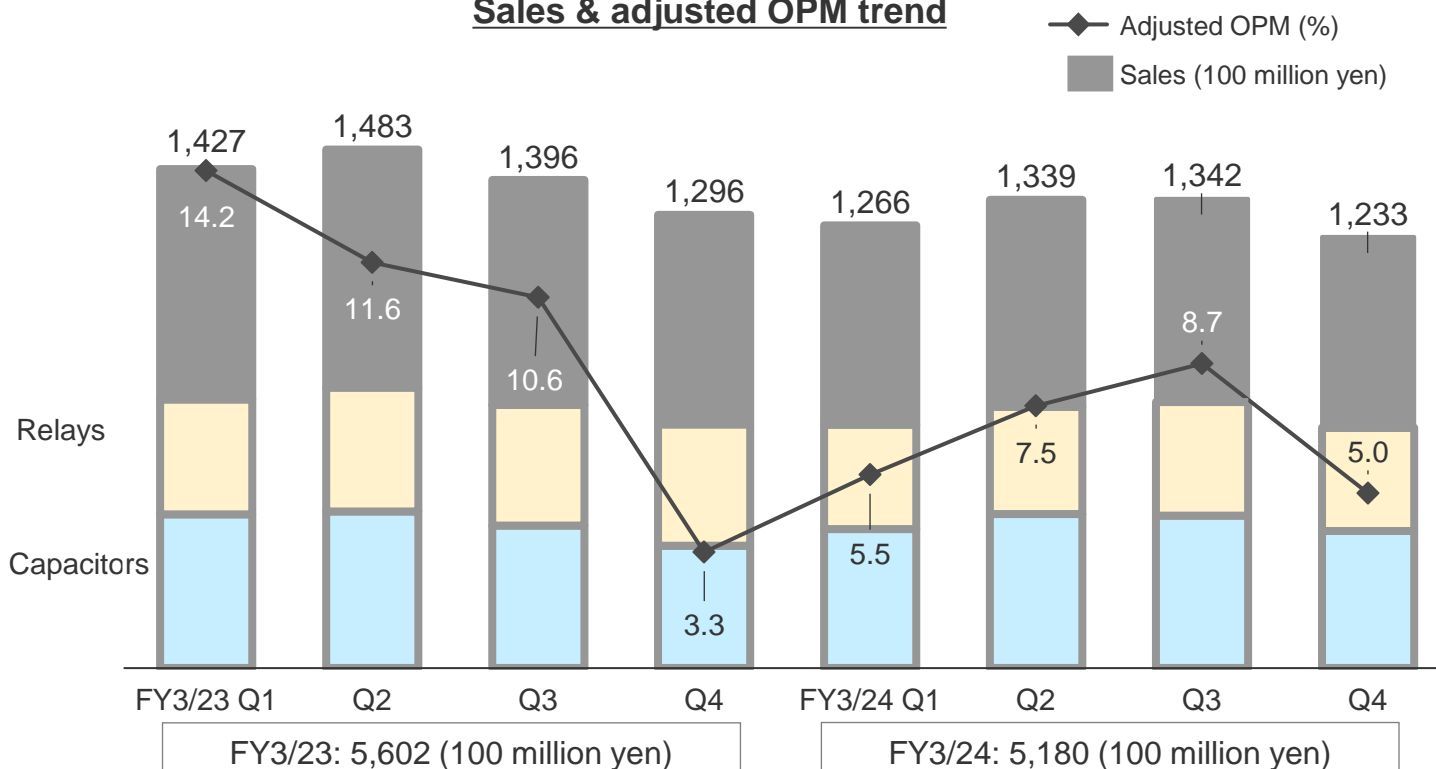


*3: Sales of other segment products, etc.

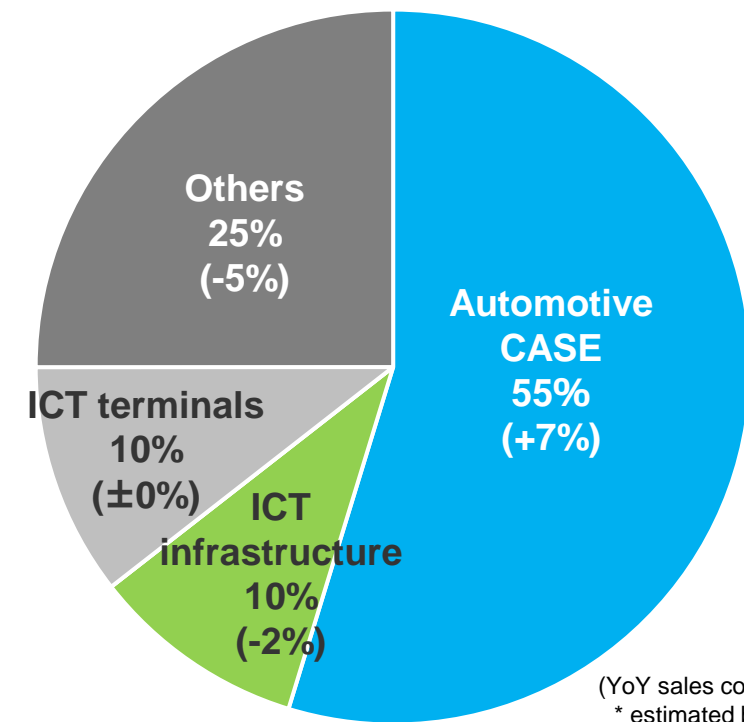
Electronic Devices

- **4Q:** While sales decreased QoQ, a recovery trend is seen in the recent BB ratio (details on next slide)
- **FY3/24:** Sales and profit decreased overall
 - **Automotive CASE:** growth in capacitors & relays for green vehicles
 - **Information & communication (ICT) infrastructure:** sluggish market conditions for base stations & general purpose servers, despite favorable sales of capacitors for generative AI servers
 - **Others:** decreased sales of industrial-use relays
- **FY3/25:** Aim for sales expansion: Expecting continuous favorable demand of green vehicles and generative AI servers

Sales & adjusted OPM trend



FY3/24 sales composition by application*

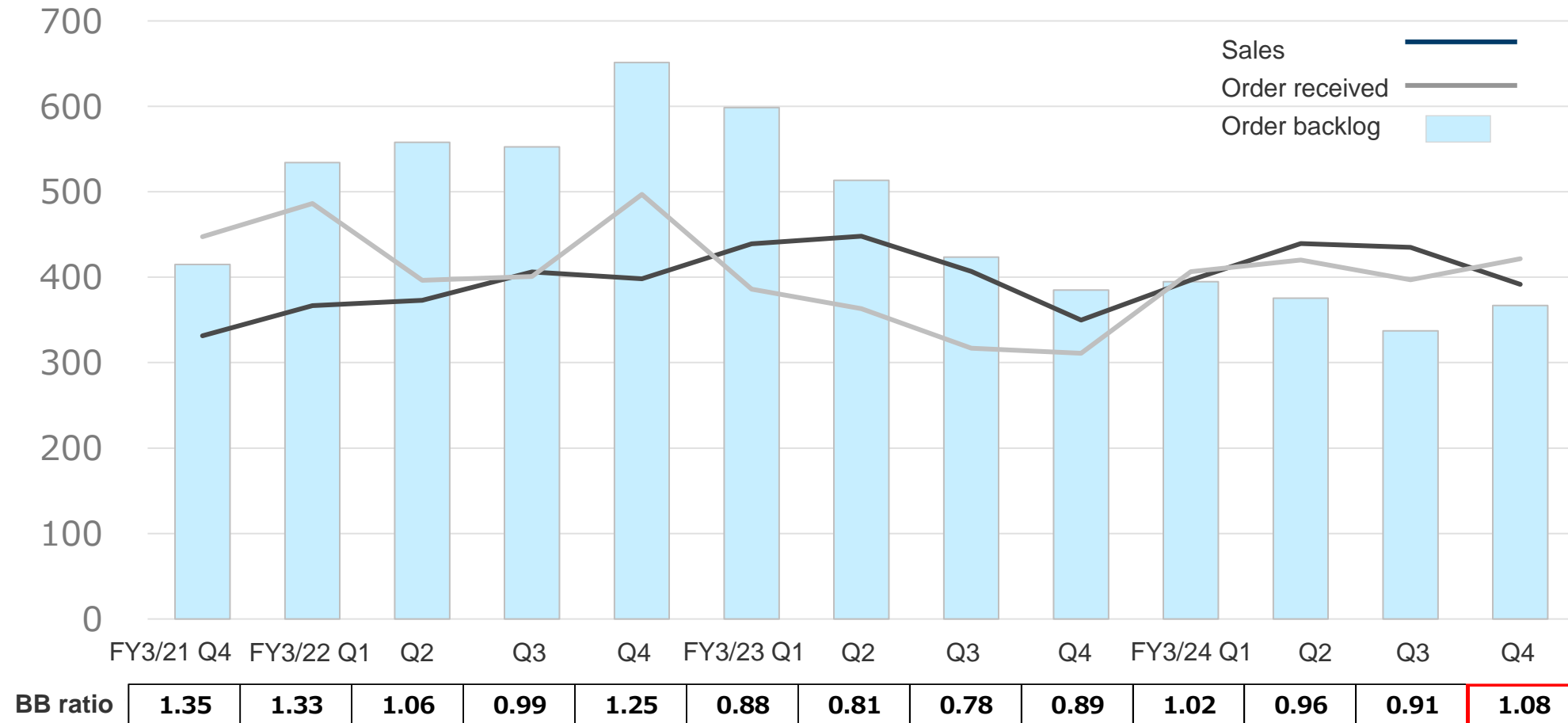


Electronic Devices: BB ratio* of capacitors

*BB ratio: book-to-bill ratio

- 4Q BB ratio exceeded 1: Favorable orders received for Information & Communication infrastructure and ICT terminals, despite slightly weaker orders for Automotive CASE due to sluggish market conditions for EVs

(100 million yen)



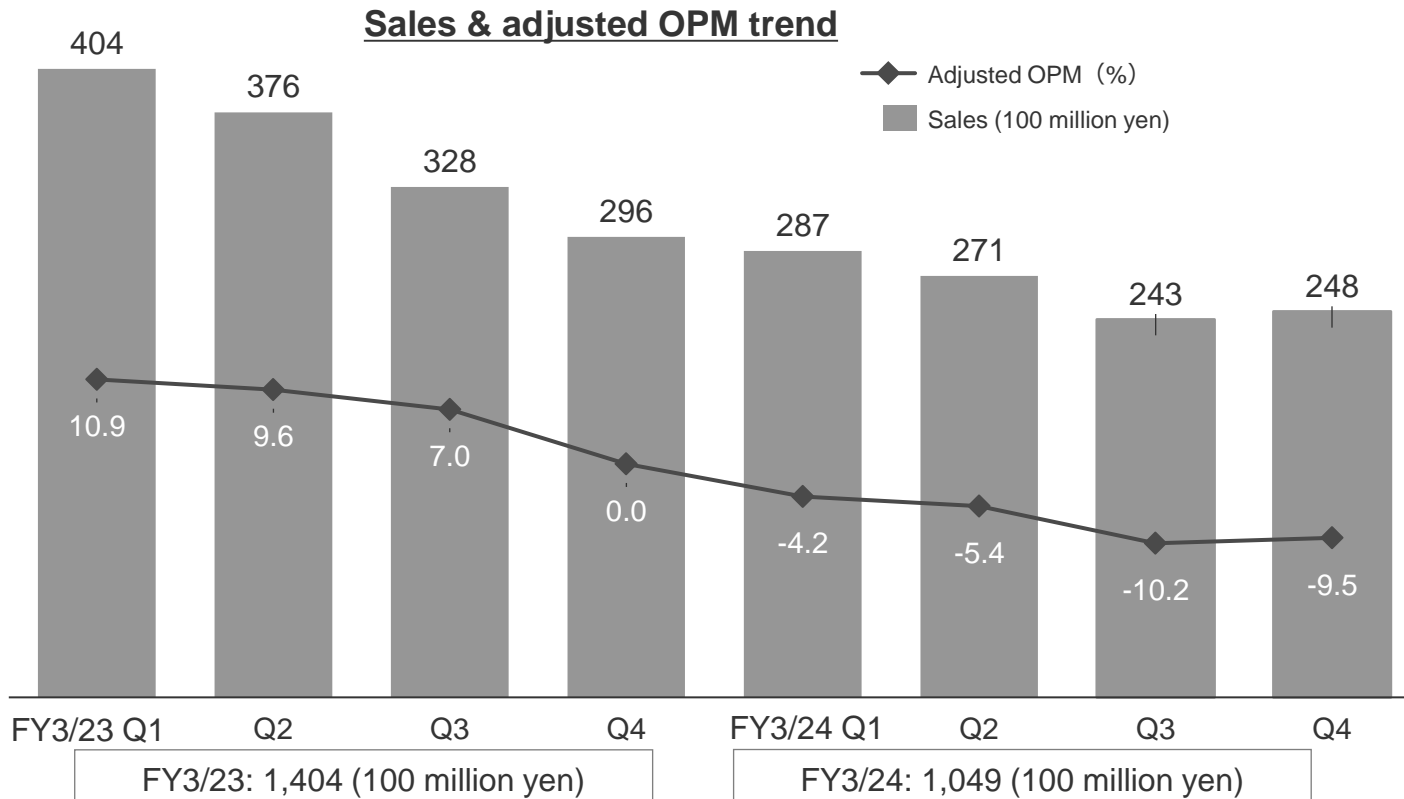
FA Solutions

■ **FY3/24: Sales and profit decreased**

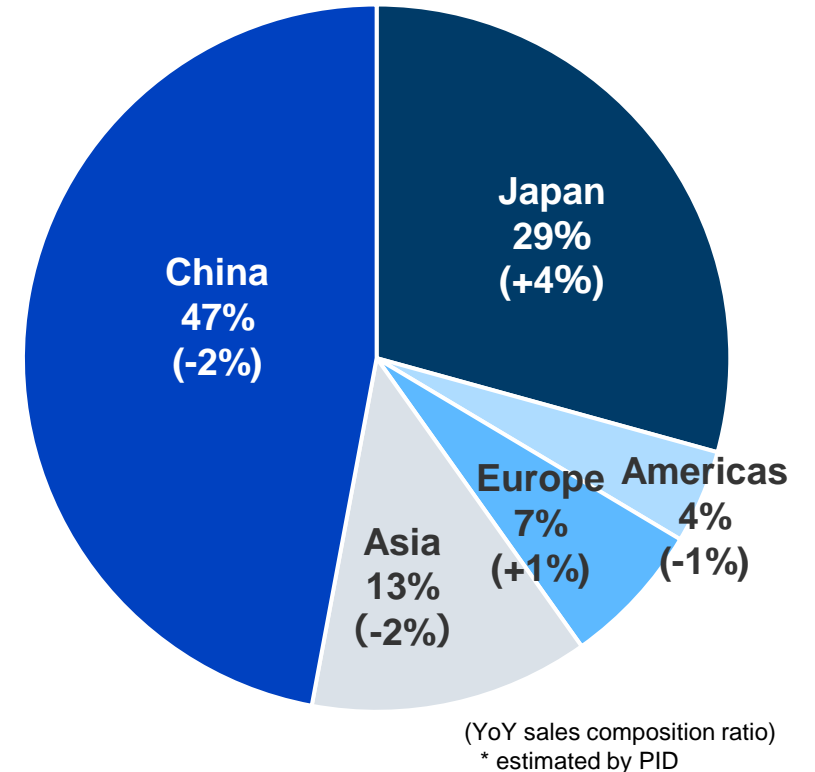
Downturn in market conditions mainly in China and Asia, as well as intensifying local competition

■ **FY3/25:**

- Continue with profitability improvement measures (e.g. fixed cost reductions, price revisions)
- Aim for share recovery by launching new products with improved cost competitiveness in China



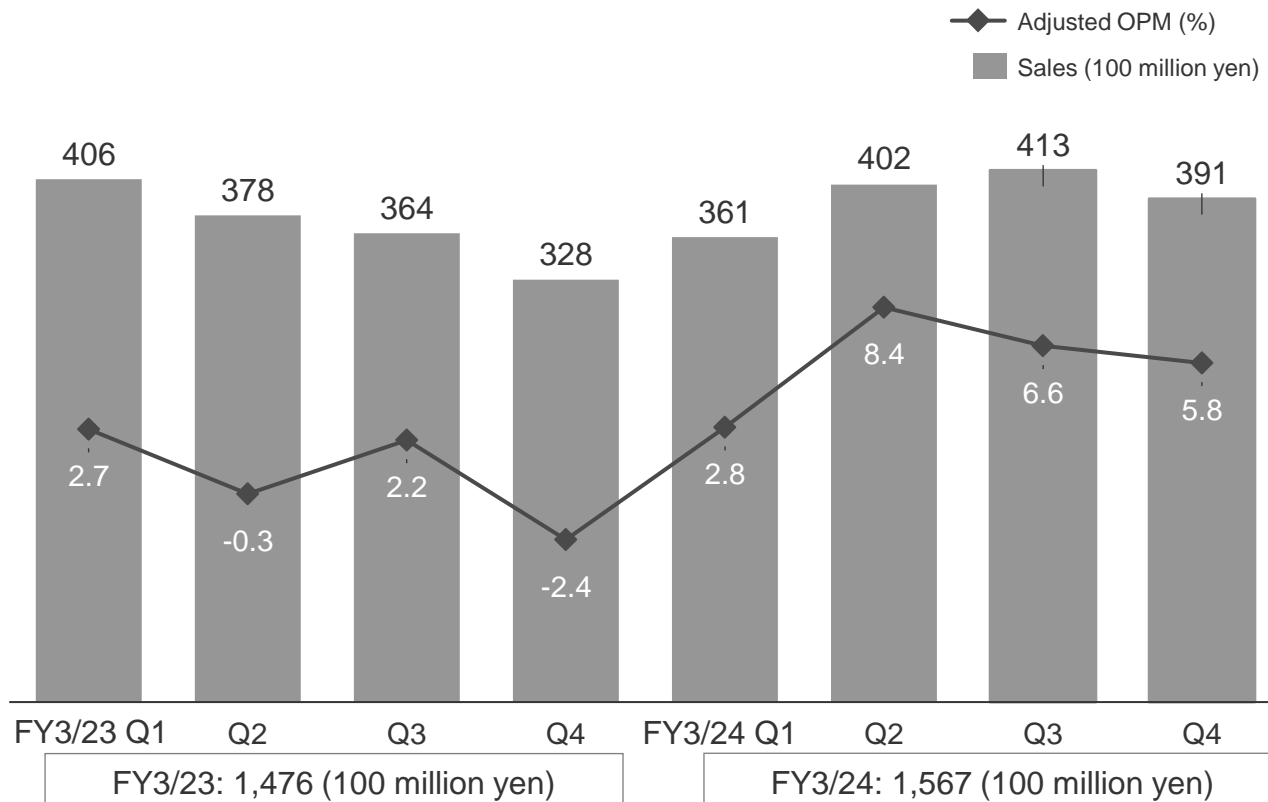
FY3/24 sales composition by region*



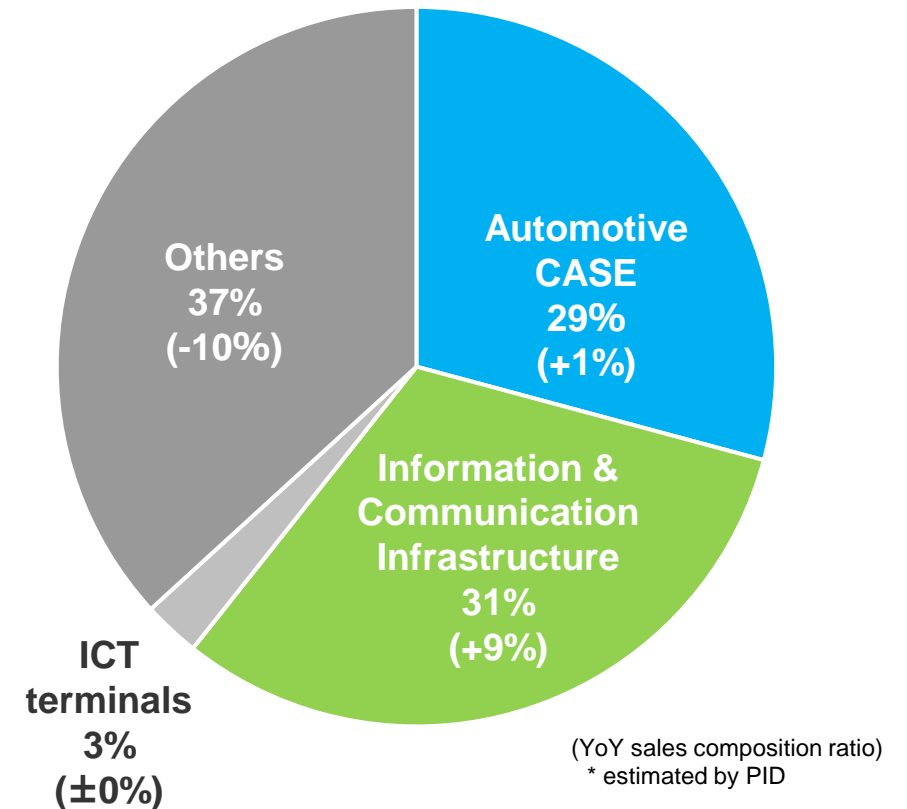
Electronic Materials

- YoY increase of both sales and profit continued from FY3/24 2Q
- FY3/24: Sales and profit increased in Information & Communication Infrastructure due to favorable sales of multi-layer circuit board materials for generative AI servers
- FY3/25: Aim for sales expansion; backed by expected continuous favorable demand for generative AI servers

Sales & adjusted OPM trend



FY3/24 sales composition by application*



Overview

(yen: billions)	FY3/24	YoY (year-on-year)
Sales	915.9	94% (89%)*1
Adjusted operating profit (% to sales)	94.6 (10.3%)	+55.0
Other income/loss	-5.8	+0.6
Operating profit (% to sales)	88.8 (9.7%)	+55.6

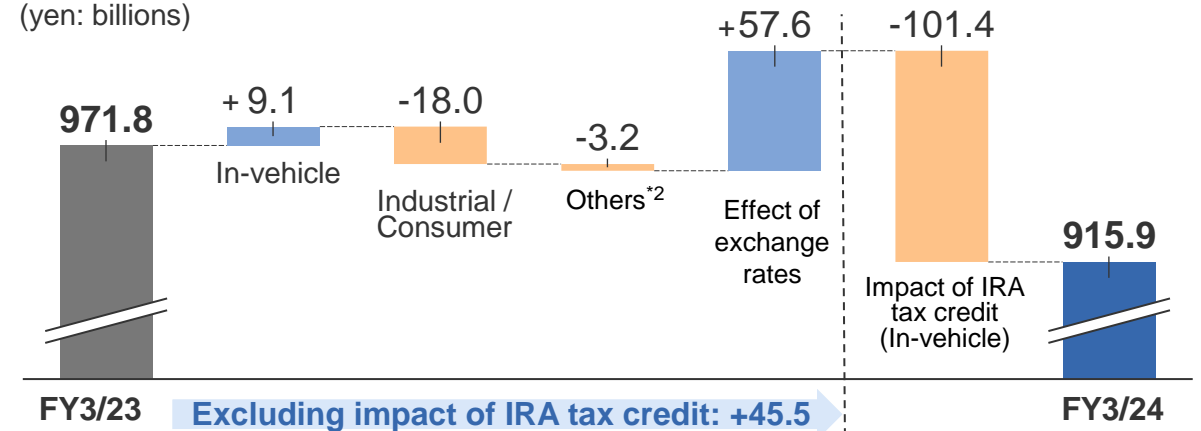
*1: In real terms excluding the effect of exchange rates

Major increase/decrease factors

Adjusted OP	In-vehicle	<ul style="list-style-type: none"> + : Improved productivity and increased sales in North America factory + : IRA tax credit impact - : Impact of decreased production in Japan factory - : Increased fixed costs for future growth - : Expenses related to manufacturing-process issues in the past
	Industrial / Consumer	<ul style="list-style-type: none"> + : Increased sales of energy storage systems for data centers with expansion of generative AI market - : Decreased sales of Li-ion batteries for consumer and power equipment due to slowdown in market recovery
Other income/loss	<ul style="list-style-type: none"> + : Rebound increase from expenses recorded in FY3/23 (impairment loss of lead battery business in China, etc.) - : Quality-related expenses for electric-assist-bicycle batteries, etc. 	

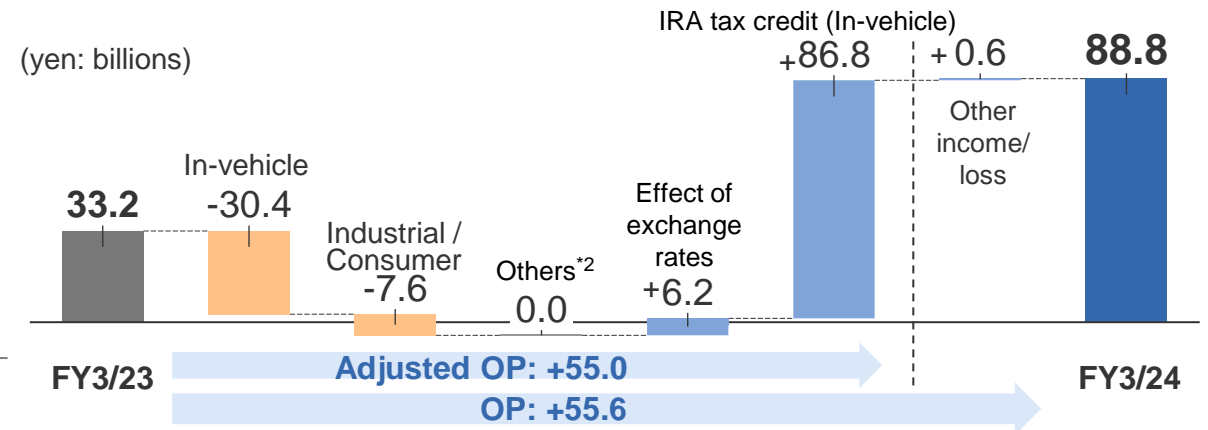
Sales increased excluding IRA tax credit impact

- In-vehicle: favorable in North America despite decreased production in Japan
- Industrial / Consumer: decreased due to weak demand for consumer and power equipment despite growth in energy storage systems for data centers



OP decreased excluding IRA tax credit

- In-vehicle: decreased production in Japan, provision for expenses related to past manufacturing-process issues
- Industrial / Consumer: decreased for batteries for consumer and power equipment, despite increased for energy storage systems



*2: Segment head office, eliminations, etc.

Reference: FY3/24 Operating Profit & Net Profit

(yen: billions)

	FY3/24	FY3/23	YoY (year-on-year)
Operating profit	361.0	288.6	+72.4
Non-operating income/loss	64.2	27.8	+36.4
Profit before income taxes	425.2	316.4	+108.8
Income taxes	40.2	-35.8	+76.0
Net profit	465.4	280.6	+184.8
Net profit attributable to Panasonic Holdings Corporation stockholders	444.0	265.5	+178.5
Net profit attributable to non-controlling interests	21.4	15.1	+6.3

Reference: Medium-term Management Indicators: KGI

(yen: billions)	Cumulative Operating CF (FY3/23-FY3/25)		Reference (2-year cumulative results)		ROIC (FY3/25)	
	Initial Target	Current Forecast (as of May 2024)	FY3/23- FY3/24 Cumulative	Progress Rate (vs current forecast)	Initial Target	Current Forecast (as of May 2024)
Lifestyle	660.0	516.0	300.3	58%	10.0% or more	6.0%
Automotive	200.0	270.0	169.1	63%	6.4%	10% or more
Connect	260.0	255.0 ^{*3}	150.0	59%	4.6%	2.6%
Industry	390.0 or more	300.0 or more	217.8	73%	17% or more	6.2%
Energy	330.0	330.0	209.9	64%	12.0% ^{*1}	9.1% ^{*2}
Group Total	2,000.0	FY3/25 (Remainder) 612.4	1,387.6	69%	ROE 10% or more	ROE 7.0%

Target 2,000.0 – 2 year cumulative results 1,387.6

Note: Initial target figures from presentation materials of Group CEO Briefing (April 1, 2022) and Operating Companies Strategy Briefing (June 1 & 2, 2023)

*1: Excluding impact of US IRA tax credit and new investment (e.g. Kansas factory)

*2: Including impact of US IRA tax credit and new investment (e.g. Kansas factory)

*3: Excluding imaging business (transferred from Panasonic Connect Co., Ltd. to Panasonic Entertainment & Communication Co., Ltd. as of April 1, 2024)

Reference: List of Voluntarily Disclosed Businesses in FY3/24

Lifestyle (Panasonic Corporation)	Businesses with Sales Disclosed (Adjusted OP disclosed for underlined businesses)	Major Business Divisions, etc.	Note 1: Sales and profit of CNA (except certain businesses) are also included in LAS, HVAC, and EW
Living Appliances and Solutions Company (LAS)	<ul style="list-style-type: none"> Kitchen Appliances : Kitchen Appliances BD Laundry Systems and Vacuum Cleaner : Laundry Systems and Vacuum Cleaner BD Beauty and Personal Care : Beauty and Personal Care BD 		
Heating & Ventilation A/C Company (HVAC)	Sales disclosed by region (Europe, Japan, China & Northeast Asia)	Major Business Divisions: HVAC BD Europe, Commercial Equipment Solutions BD, Residential System Equipment BD	
Cold Chain Solutions Company (CCS)	-	: Hussmann Corporation, Cold Chain BD	
Electric Works Company (EW)	<ul style="list-style-type: none"> Lighting : Lighting BD Electrical Construction Materials & Living Energy : Electrical Construction Materials & Living Energy BD 		
China and Northeast Asia Company (CNA)	-	: Smart Life Appliances BD, Building and Housing Solutions 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"> <u>Automotive Cockpit Systems</u> : Infotainment Systems BD Automotive Electronics Systems : HMI Systems BD, Automotive Systems BD, Ficosa International, S.A. Others : Sales of other segment products, etc. 		
Connect (Panasonic Connect Co., Ltd.)	<ul style="list-style-type: none"> Avionics : Panasonic Avionics Corporation, Avionics BU <u>Process Automation</u> : Process Automation BD Media Entertainment : Media Entertainment BD Mobile Solutions : Mobile Solutions BD <u>Gemba Solutions</u> : Gemba Solutions Company <u>Blue Yonder</u> : Blue Yonder Holding, Inc. Others : Other businesses, eliminations, etc. 		
Industry (Panasonic Industry Co., Ltd.)	<ul style="list-style-type: none"> <u>Electronic Devices</u> : Electromechanical Control BD, Industrial Devices BD, Device Solutions BD <u>FA Solutions</u> : Industrial Devices BD <u>Electronic Materials</u> : Electronic Materials BD Others : Electromechanical Control BD, Sales of other segment products, eliminations, etc. 		
Energy (Panasonic Energy Co., Ltd.)	<ul style="list-style-type: none"> <u>In-vehicle</u> : Mobility Energy BD <u>Industrial / Consumer</u> : Energy Devices BD, Energy Solutions BD Others : Segment head office, eliminations, etc. 		
Other	<ul style="list-style-type: none"> Entertainment & Communication : Panasonic Entertainment & Communication Co., Ltd. Housing : Panasonic Housing Solutions Co., Ltd. 	Note 2: Equity method income/loss of Prime Planet Energy & Solutions, Inc. is included in "Eliminations & adjustments"	
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. 		

Reference: List of Voluntarily Disclosed Businesses in FY3/25

Lifestyle (Panasonic Corporation)	Businesses with Sales Disclosed (Adjusted OP disclosed for underlined businesses)	Major Business Divisions, etc.	Change from FY3/24
Living Appliances and Solutions Company (LAS)	<ul style="list-style-type: none"> • Kitchen Appliances : Kitchen Appliances BD • Laundry Systems and Vacuum Cleaner : Laundry Systems and Vacuum Cleaner BD • Beauty and Personal Care : Beauty and Personal Care BD 	Note 1: Sales and profit of CNA (except certain businesses) are also included in LAS, HVAC, and EW	
Heating & Ventilation A/C Company (HVAC)	<p>Sales disclosed by region (Europe, Japan, China & Northeast Asia)</p> <p>Major Business Divisions: HVAC BD Europe, Commercial Equipment Solutions BD, Residential System Equipment BD</p>		
Cold Chain Solutions Company (CCS)	<ul style="list-style-type: none"> - : Hussmann Corporation, Cold Chain BD 		
Electric Works Company (EW)	<ul style="list-style-type: none"> • Lighting : Lighting BD • Electrical Construction Materials & Living Energy : Electrical Construction Materials & Living Energy BD 		
China and Northeast Asia Company (CNA)	<ul style="list-style-type: none"> - : Smart Life Appliances BD, Building and Housing Solutions BD, Taiwan BD 		
Others	<ul style="list-style-type: none"> - : Sales of other segment products, segment head office, eliminations, etc. 		
Automotive (Panasonic Automotive Systems Co., Ltd.)	<ul style="list-style-type: none"> • <u>Automotive Cockpit Systems</u> : Infotainment Systems BD • Automotive Electronics Systems : HMI Systems BD, Automotive Systems BD, Ficosa International, S.A. • Others : Sales of other segment products, etc. 		
Connect (Panasonic Connect Co., Ltd.)	<ul style="list-style-type: none"> • Avionics : Panasonic Avionics Corporation, Avionics BU • <u>Process Automation</u> : Process Automation BD • Media Entertainment : Media Entertainment BD • Mobile Solutions : Mobile Solutions BD • <u>Gemba Solutions</u> : Gemba Solutions Company • <u>Blue Yonder</u> : Blue Yonder Holding, Inc. • Others : Other businesses, eliminations, etc. 	Note 2: Media Entertainment BD's imaging business transferred from Panasonic Connect Co., Ltd. to Panasonic Entertainment & Communication Co., Ltd. as of April 1, 2024	
Industry (Panasonic Industry Co., Ltd.)	<ul style="list-style-type: none"> • <u>Electronic Devices</u> : Electromechanical Control BD, Industrial Devices BD, Device Solutions BD • <u>FA Solutions</u> : Industrial Devices BD • <u>Electronic Materials</u> : Electronic Materials BD • Others : Electromechanical Control BD, Sales of other segment products, eliminations, etc. 		
Energy (Panasonic Energy Co., Ltd.)	<ul style="list-style-type: none"> • <u>In-vehicle</u> : Mobility Energy BD • <u>Industrial / Consumer</u> : Energy Devices BD, Energy Solutions BD • Others : Segment head office, eliminations, etc. 		
Other	<ul style="list-style-type: none"> • Entertainment & Communication : Panasonic Entertainment & Communication Co., Ltd. • Housing : Panasonic Housing Solutions Co., Ltd. 	Note 3: Equity method income/loss of Prime Planet Energy & Solutions, Inc. is included in "Eliminations & adjustments"	
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. 		