

[English summary with full translation of consolidated financial information]

**Quarterly Report filed with the Japanese government  
pursuant to the Financial Instruments and Exchange  
Law of Japan**

**For the three months ended  
June 30, 2023**

**Panasonic Holdings Corporation  
Osaka, Japan**

## CONTENTS

Page

Disclaimer Regarding Forward-Looking Statements .....	1
I Corporate Information.....	2
1. Consolidated Financial Summary .....	2
2. Principal Businesses .....	3
II Business Overview.....	4
1. Risk Factors.....	4
2. Management Analyses of Consolidated Financial Position, Operating Results and Cash Flows.....	4
(1) Operating Results.....	4
(2) Operating Results by Segment.....	5
(3) Financial Conditions.....	6
(4) Cash Flows.....	6
(5) Significant Accounting Estimates and Assumptions.....	6
(6) Research and Development.....	6
(7) Capital Investment.....	6
(8) Depreciation (tangible assets).....	7
(9) Number of Employees.....	7
(10) Policy on Control of the Company.....	7
(11) Prioritized Business and Financial Challenges.....	7
III Shares and Shareholders.....	8
1. Shares of Common Stock Issued .....	8
2. Amount of Common Stock (Stated Capital) .....	8
IV Condensed Quarterly Consolidated Financial Statements.....	9
Condensed Quarterly Consolidated Statements of Financial Position.....	9
Condensed Quarterly Consolidated Statements of Profit or Loss and Condensed Quarterly Consolidated Statements of Comprehensive Income.....	11
Condensed Quarterly Consolidated Statements of Changes in Equity.....	13
Condensed Quarterly Consolidated Statements of Cash Flows.....	15
Notes to Condensed Quarterly Consolidated Financial Statements .....	17

## **Disclaimer Regarding Forward-looking Statements**

This quarterly report includes forward-looking statements about Panasonic Holdings Corporation (Panasonic HD) and its Group companies (the Panasonic Group). To the extent that statements in this quarterly report 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 quarterly report. 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 the 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 the 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 HD is a holding company; the possibility of the Panasonic Group not being able to maintain competitive strength in many product and geographical areas; the possibility of incurring expenses resulting from any defects in products or services of the Panasonic Group; the possibility that the Panasonic Group may face intellectual property infringement 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 the 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 the 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.

## I Corporate Information

### 1. Consolidated Financial Summary

	Yen (millions), except per share amounts		
	Three months ended June 30, 2023	Three months ended June 30, 2022	Year ended March 31, 2023
Net sales	2,029,694	1,973,861	8,378,942
Profit before income taxes	108,733	73,544	316,409
Net profit attributable to Panasonic Holdings Corporation stockholders	200,925	48,949	265,502
Comprehensive income attributable to Panasonic Holdings Corporation stockholders	526,885	389,052	518,784
Panasonic Holdings Corporation stockholders' equity	4,106,066	3,529,417	3,618,402
Total equity	4,279,283	3,714,589	3,789,958
Total assets	8,725,816	8,257,953	8,059,527
Earnings per share attributable to Panasonic Holdings Corporation stockholders, basic (yen)	86.08	20.97	113.75
Earnings per share attributable to Panasonic Holdings Corporation stockholders, diluted (yen)	86.06	20.97	113.72
Panasonic Holdings Corporation stockholders' equity / total assets (%)	47.1	42.7	44.9
Net cash provided by (used in) operating activities	226,619	122,516	520,742
Net cash provided by (used in) investing activities	(126,092)	(74,247)	(344,033)
Net cash provided by (used in) financing activities	(62,307)	(380,209)	(607,013)
Cash and cash equivalents at the end of the period	909,948	947,883	819,499

Note: The Company's condensed quarterly consolidated financial statements and consolidated financial statements are prepared in conformity with International Financial Reporting Standards (IFRS).

## **2. Principal Businesses**

The Panasonic Group (hereinafter referred to as the "Company") is comprised primarily of the parent Panasonic Holdings Corporation and 520 consolidated subsidiaries in and outside of Japan, operating in close cooperation with each other. As a comprehensive electronics manufacturer, the Company is engaged in development, production, sales and service activities in a broad array of business areas.

The Company supplies a full spectrum of electric/electronic equipment and related products, which is categorized into the following five reportable segments, "Lifestyle," "Automotive," "Connect," "Industry," "Energy," and other operating segments which are not included in the reportable segments and other business activities. The details of each segment are described in "IV Condensed Quarterly Consolidated Financial Statements, Note 3. Segment information."

During the three months ended June 30, 2023, there were no changes in major affiliates.

The Company's condensed quarterly consolidated financial statements have been prepared in conformity with IFRS and the scope of affiliates disclosed herein is based on the definitions of those accounting standards. The same applies to "II The Business Overview."

## II Business Overview

### 1. Risk Factors

There was no risk newly identified during the three months ended June 30, 2023.

There were no significant changes with regard to the "Risk Factors" stated in the Company's annual securities report for the fiscal year ended March 31, 2023.

### 2. Management Analyses of Consolidated Financial Position, Operating Results and Cash Flows

Future expectations included in this section are as of August 9, 2023, the filing date of this quarterly report.

#### (1) Operating Results

During the three months ended June 30, 2023 (the first quarter of fiscal 2024), the global economy saw a moderate slowdown due to geopolitical risks such as the situation in Ukraine as well as the ongoing monetary tightening implemented to counter inflation. In Japan, a gradual improvement in the economy was supported by such factors as solid demand for capital expenditures and the recovery of demand from inbound tourism. As for the outlook, the economic downturn is expected to persist globally, while the overall Japanese economy is expected to recover gradually, despite a concern for the negative impact of rising prices.

Under such management conditions, the Panasonic Group will continue to thoroughly enhance its competitiveness in the second year of our medium- to long-term strategy, in order to achieve the Key Goal Indicators (KGIs) of "2.0 trillion yen of cumulative operating cash flows, ROE (Return on Equity) of 10% or more, and 1.5 trillion yen of cumulative operating profit" as set forth in the strategy that started in fiscal 2023 when the Company transitioned to a new group organizational structure comprised of a holding company and operating companies. Furthermore, the Company has decided to set the automotive battery business as the priority investment area and will proceed with the business to a growth phase while considering to review and replace its business portfolio.

For the three months ended June 30, 2023, Panasonic Energy Co., Ltd. ("Panasonic Energy") signed a contract to supply automotive batteries for commercial vehicles in North America with Hexagon Purus ASA, a world-leading manufacturer of zero emission mobility and infrastructure solutions in Norway. In addition, Panasonic Energy and Mazda Motor Corporation agreed to enter into discussions on establishing a medium- to long-term partnership to meet demand for battery EVs and automotive batteries in a rapidly expanding market.

For the three months ended June 30, 2023, the Company's consolidated sales increased by 3% to 2,029.7 billion yen from a year ago. This is due to increased sales in Automotive, Connect, and automotive batteries as well as the effect of currency translation, despite decreased sales in Industry.

Operating profit increased by 42% to 90.4 billion yen and profit before income taxes increased by 48% to 108.7 billion yen from a year ago. This is due mainly to increased sales, the progress of price revisions and rationalization as well as the recognition of tax credit under the Inflation Reduction Act in the U.S. (the "US IRA tax credit") (for further details, please refer to "Note 8. Supplementary information" within the "Notes to Condensed Quarterly Consolidated Financial Statements"), despite increased fixed costs such as strategic investments and the impact of price hikes in raw materials.

Net profit attributable to Panasonic Holdings Corporation stockholders increased considerably by 310% to 200.9 billion yen from a year ago. This is due to, in addition to the above-mentioned factors, a decrease in income taxes in connection with the resolution to liquidate Panasonic Liquid Crystal Display Co., Ltd. (through "Special Liquidation" defined in the Japanese Companies Act) and its debt waiver (for further details, please refer to "Note 8. Supplementary information" within the "Notes to Condensed Quarterly Consolidated Financial Statements").

## (2) Operating Results by Segment

The Company's three-month consolidated sales and operating profits by segment compared to the previous fiscal year are summarized as follows:

### Lifestyle

Sales was 838.7 billion yen which is almost the same as the previous year. This is due to the deconsolidation of certain businesses in China, despite increased sales mainly in electrical construction materials for the Japanese market and showcases in North America. Operating profit increased by 2% to 39.1 billion yen from a year ago. This is due mainly to increased sales of electrical construction materials for the Japanese market and showcases in North America as well as efforts in rationalization and price revisions, despite increased fixed costs mainly related to increasing production capacity and strategic expenses.

### Automotive

Sales increased by 27% to 341.0 billion yen from a year ago. This is due largely to the recovery of automobile production. Operating profit increased to 5.7 billion yen from the loss of 10.6 billion yen a year ago. This is due to increased sales and efforts in price revisions to offset soaring prices of parts & materials as well as efforts in cost reductions, despite increased fixed cost related to increasing production and increased personnel expenses as well as the impact of price hikes in parts & materials.

### Connect

Sales increased by 8% to 263.3 billion yen from a year ago. This is due to increased sales in Avionics, rugged mobile terminals and notebook PCs as well as sale growth of SaaS\* business in Blue Yonder, despite decreased sales in Process Automation. Operating profit increased to 6.9 billion yen from a loss of 9.5 billion yen a year ago. This is due to increased sales in Avionics, among others, despite decreased sales of Process Automation.

\*SaaS (Software as a Service):

SaaS business is a software distribution model that allows users to access necessary software applications, provided by the vender in the cloud servers, over the internet.

### Industry

Sales decreased by 16% to 249.0 billion yen from a year ago. This is due to deteriorating market conditions for ICT-use products and products for the Chinese market as well as the impact of changes in the sales channel resulting from the transfer of the semiconductor business, despite increased sales in products including capacitors for green vehicles. Operating profit decreased by 87% to 3.5 billion yen from a year ago. This is due largely to decreased sales from deteriorating market conditions, unfavorable changes in product mix and other factors, despite efforts in price revisions and rationalization as well as the effect of depreciation of the yen.

### Energy

Overall sales increased by 5% to 238.4 billion yen from a year ago. This is due to robust sales and production of EV batteries, despite decreased sales in Industrial / Consumer. Operating profit increased by 82% to 29.5 billion yen from a year ago. This is due mainly to increased sales of EV batteries and the recognition of US IRA Tax credit, despite decreased sales in Industrial / Consumer and an increase in fixed costs related to EV batteries.

### Other (Other business activities which are not included in the reportable segments)

Sales increased by 2% to 209.1 billion yen from a year ago. Operating profit increased by 15% to 17.2 billion yen from a year ago.

### **(3) Financial Conditions**

The Company's consolidated total assets of June 30, 2023 were 8,725.8 billion yen, an increase of 666.3 billion yen from March 31, 2023. This is due mainly to an increase in inventories and the impact of fluctuations in exchange rates caused by depreciation of the yen.

The Company's consolidated total liabilities increased by 177.0 billion yen to 4,446.5 billion yen from March 31, 2023. This is due to an increase of trade payables and the impact of fluctuations in exchange rates caused by depreciation of the yen.

Panasonic Holdings Corporation stockholders' equity increased by 487.7 billion yen to 4,106.1 billion yen, compared with March 31, 2023. This is due mainly to recording of net profit attributable to Panasonic Holdings Corporation stockholders as well as an increase of other components of equity caused by depreciation of the yen. With noncontrolling interests added to Panasonic Holdings Corporation stockholders' equity, total equity was 4,279.3 billion yen.

### **(4) Cash Flows**

#### Cash flows from operating activities

Net cash provided by operating activities for the three months ended June 30, 2023 amounted to 226.6 billion yen, compared with an inflow of 122.5 billion yen a year ago. This is due mainly to improvements in working capital.

#### Cash flows from investing activities

Net cash used in investing activities amounted to 126.1 billion yen, compared with an outflow of 74.2 billion yen a year ago. This is due mainly to an increase in capital expenditures.

Accordingly, free cash flows (net cash provided by operating activities and investment activities) increased by 52.2 billion yen from a year ago to an inflow of 100.5 billion yen.

#### Cash flows from financing activities

Net cash used in financing activities amounted to 62.3 billion yen, compared with an outflow of 380.2 billion yen a year ago. This is due mainly to the repayment of temporary borrowings in fiscal 2023, which were taken in fiscal 2022, the previous (fiscal) year of the Company's transition to a new organizational structure.

Taking such factors such as exchange rate fluctuations into consideration, cash and cash equivalents totaled 909.9 billion yen as of June 30, 2023, which is an increase of 90.4 billion yen from March 31, 2023.

### **(5) Significant Accounting Estimates and Assumptions**

There were no significant changes with regard to accounting estimates and underlying assumptions described in the "Significant Accounting Estimates and Assumptions" in the Company's annual securities report for the fiscal year ended March 31, 2023.

### **(6) Research and Development**

The Company's R&D expenditures for the three months ended June 30, 2023 totaled 114.7 billion yen, up 4% from a year ago. There were no significant changes in R&D activities during the period.

### **(7) Capital Investment**

The Company's Capital investment (tangible assets) for the three months ended June 30, 2023 totaled 95.5 billion yen, up 115% from a year ago.

**(8) Depreciation (tangible assets)**

The Company's depreciation for the three months ended June 30, 2023 totaled 49.7 billion yen, up 3% from a year ago.

**(9) Number of Employees**

The number of the Company's employees at the end of the first quarter of fiscal 2024 was 232,447 a decrease of 944 compared with the end of the fiscal 2023.

**(10) Policy on Control of the Company**

There were no significant changes with regard to the "Policy on Control of the Company" stated in the Company's annual securities report for the fiscal year ended March 31, 2023 during the three months ended June 30, 2023.

**(11) Prioritized Business and Financial Challenges**

There were no significant changes with regard to the "Prioritized Business and Financial Challenges" during the three months ended June 30, 2023.

### **III Shares and Shareholders**

#### **1. Shares of Common Stock Issued as of June 30, 2023: 2,454,056,597 shares**

The common stock of the Company is listed on the Tokyo and Nagoya stock exchanges in Japan.

#### **2. Amount of Common Stock (Stated Capital) as of June 30, 2023: 259,274 million yen**

#### IV Condensed Quarterly Consolidated Financial Statements

**PANASONIC HOLDINGS CORPORATION  
AND SUBSIDIARIES**  
**Condensed Quarterly Consolidated Statements of Financial Position**  
**June 30 and March 31, 2023**

	Yen (millions)	
	June 30, 2023	March 31, 2023
<u><b>Assets</b></u>		
Current assets:		
Cash and cash equivalents.....	909,948	819,499
Trade receivables and contract assets.....	1,308,182	1,322,593
Other financial assets .....	180,413	169,665
Inventories.....	1,378,864	1,288,751
Other current assets.....	242,287	202,377
Total current assets.....	<u>4,019,694</u>	<u>3,802,885</u>
Non-current assets:		
Investments accounted for using the equity method.....	399,262	401,219
Other financial assets.....	305,555	242,672
Property, plant and equipment (Note 8).....	1,247,413	1,172,376
Right-of-use assets.....	252,478	238,833
Goodwill and intangible assets.....	1,908,376	1,796,236
Deferred tax assets (Note 8).....	383,814	249,964
Other non-current assets (Note 8).....	209,224	155,342
Total non-current assets.....	<u>4,706,122</u>	<u>4,256,642</u>
Total assets.....	<u><u>8,725,816</u></u>	<u><u>8,059,527</u></u>

**PANASONIC HOLDINGS CORPORATION**  
**AND SUBSIDIARIES**  
**Condensed Quarterly Consolidated Statements of Financial Position**  
**June 30 and March 31, 2023**

	Yen (millions)	
	June 30, 2023	March 31, 2023
<b><u>Liabilities and Equity</u></b>		
Current liabilities:		
Short-term debt, including current portion of long-term debt.....	160,196	159,231
Lease liabilities.....	60,041	59,895
Trade payables.....	1,221,605	1,156,909
Other payables and accrued expenses.....	473,448	506,062
Other financial liabilities.....	167,814	146,213
Income taxes payable.....	66,761	57,139
Provisions.....	147,233	148,210
Contract liabilities.....	196,026	191,356
Other current liabilities.....	476,204	448,405
Total current liabilities.....	2,969,328	2,873,420
Non-current liabilities:		
Long-term debt.....	1,067,493	1,050,116
Lease liabilities.....	202,333	187,865
Other financial liabilities.....	9,235	6,905
Retirement benefit liabilities.....	55,819	53,580
Provisions.....	6,148	6,582
Deferred tax liabilities.....	73,846	70,678
Contract liabilities (Note 8).....	55,783	13,575
Other non-current liabilities.....	6,548	6,848
Total non-current liabilities.....	1,477,205	1,396,149
Total liabilities.....	4,446,533	4,269,569
Equity:		
Panasonic Holdings Corporation stockholders' equity:		
Common stock.....	259,274	259,274
Capital surplus.....	512,063	515,760
Retained earnings.....	2,754,369	2,588,800
Other components of equity (Note 4) .....	789,568	463,764
Treasury stock.....	(209,208)	(209,196)
Total Panasonic Holdings Corporation stockholders' equity (Note 5) .....	4,106,066	3,618,402
Non-controlling interests.....	173,217	171,556
Total equity.....	4,279,283	3,789,958
Total liabilities and equity.....	8,725,816	8,059,527

**PANASONIC HOLDINGS CORPORATION**  
**AND SUBSIDIARIES**  
**Condensed Quarterly Consolidated Statements of Profit or Loss**  
**Three months ended June 30, 2023 and 2022**

	Yen (millions)	
	Three months ended June 30	
	2023	2022
Net sales (Note 7 and 8).....	2,029,694	1,973,861
Cost of sales (Note 8).....	(1,441,459)	(1,446,279)
Gross profit.....	588,235	527,582
Selling, general and administrative expenses.....	(495,398)	(461,909)
Share of profit (loss) of investments accounted for using the equity method.....	(1,779)	(6,279)
Other income (expenses), net (Note 8).....	(686)	4,306
Operating profit.....	90,372	63,700
Finance income.....	23,355	13,762
Finance expenses.....	(4,994)	(3,918)
Profit before income taxes.....	108,733	73,544
Income taxes (Note 8).....	97,767	(20,979)
Net profit.....	<u>206,500</u>	<u>52,565</u>
Net profit attributable to:		
Panasonic Holdings Corporation stockholders.....	200,925	48,949
Non-controlling interests.....	5,575	3,616
Yen		
Earnings per share attributable to Panasonic Holdings Corporation stockholders (Note 5)		
Basic.....	86.08	20.97
Diluted.....	86.06	20.97

**PANASONIC HOLDINGS CORPORATION**  
**AND SUBSIDIARIES**  
**Condensed Quarterly Consolidated Statements of Comprehensive Income**  
**Three months ended June 30, 2023 and 2022**

	Yen (millions)	
	Three months ended June 30	
	2023	2022
Net profit.....	206,500	52,565
Other comprehensive income, net of tax		
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit plans.....	(1,304)	12,123
Financial assets measured at fair value through other comprehensive income.....	29,784	(2,706)
Subtotal.....	28,480	9,417
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations.....	305,113	347,510
Net changes in fair value of cash flow hedges.....	(2,255)	(8,830)
Subtotal.....	302,858	338,680
Other comprehensive income, net of tax.....	331,338	348,097
Total comprehensive income.....	<u>537,838</u>	<u>400,662</u>
 Total comprehensive income attributable to:		
Panasonic Holdings Corporation stockholders.....	526,885	389,052
Non-controlling interests.....	10,953	11,610

**PANASONIC HOLDINGS CORPORATION**  
**AND SUBSIDIARIES**  
**Condensed Quarterly Consolidated Statements of Changes in Equity**  
**Three months ended June 30, 2023 and 2022**

Three months ended June 30, 2023

Yen (millions)

	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Panasonic Holdings Corporation stockholders' equity	Non- controlling interests	Total equity
Balances as of April 1, 2023.....	259,274	515,760	2,588,800	463,764	(209,196)	3,618,402	171,556	3,789,958
Comprehensive income:								
Net profit.....	—	—	200,925	—	—	200,925	5,575	206,500
Remeasurements of defined benefit plans.....	—	—	—	(1,046)	—	(1,046)	(258)	(1,304)
Financial assets measured at fair value through other comprehensive income.....	—	—	—	28,593	—	28,593	1,191	29,784
Exchange differences on translation of foreign operations.....	—	—	—	300,607	—	300,607	4,506	305,113
Net change in fair value of cash flow hedges.....	—	—	—	(2,194)	—	(2,194)	(61)	(2,255)
Total comprehensive income.....	—	—	200,925	325,960	—	526,885	10,953	537,838
Transfer to hedged non-financial assets.....	—	—	—	(500)	—	(500)	—	(500)
Transfer from other components of equity to retained earnings.....	—	—	(344)	344	—	—	—	—
Cash dividends (Note 4).....	—	—	(35,012)	—	—	(35,012)	(9,088)	(44,100)
Purchase of treasury stock.....	—	—	—	—	(13)	(13)	—	(13)
Disposal of treasury stock.....	—	(0)	—	—	1	1	—	1
Share-based payments.....	—	44	—	—	—	44	—	44
Transactions with non-controlling interests and other.....	—	(3,741)	—	—	—	(3,741)	(204)	(3,945)
Balances as of June 30, 2023.....	259,274	512,063	2,754,369	789,568	(209,208)	4,106,066	173,217	4,279,283

Three months ended June 30, 2022

Yen (millions)

	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Panasonic Holdings Corporation stockholders' equity	Non- controlling interests	Total equity
Balances as of April 1, 2022.....	259,168	525,554	2,387,283	202,227	(209,270)	3,164,962	182,209	3,347,171
Effect of hyperinflation .....	—	—	(3,260)	15,883	—	12,623	—	12,623
Restated balances as of April 1, 2022..	259,168	525,554	2,384,023	218,110	(209,270)	3,177,585	182,209	3,359,794
Comprehensive income:								
Net profit.....	—	—	48,949	—	—	48,949	3,616	52,565
Remeasurements of defined benefit plans.....	—	—	—	12,071	—	12,071	52	12,123
Financial assets measured at fair value through other comprehensive income.....	—	—	—	(2,497)	—	(2,497)	(209)	(2,706)
Exchange differences on translation of foreign operations.....	—	—	—	339,378	—	339,378	8,132	347,510
Net change in fair value of cash flow hedges.....	—	—	—	(8,849)	—	(8,849)	19	(8,830)
Total comprehensive income.....	—	—	48,949	340,103	—	389,052	11,610	400,662
Transfer to hedged non-financial assets.....	—	—	—	(1,292)	—	(1,292)	—	(1,292)
Transfer from other components of equity to retained earnings.....	—	—	12,435	(12,435)	—	—	—	—
Cash dividends (Note 4).....	—	—	(35,008)	—	—	(35,008)	(8,433)	(43,441)
Purchase of treasury stock.....	—	—	—	—	(29)	(29)	—	(29)
Disposal of treasury stock.....	—	(0)	—	—	1	1	—	1
Share-based payments.....	—	40	—	—	3	43	—	43
Transactions with non-controlling interests and other.....	—	(935)	—	—	—	(935)	(214)	(1,149)
Balances as of June 30, 2022.....	259,168	524,659	2,410,399	544,486	(209,295)	3,529,417	185,172	3,714,589

**PANASONIC HOLDINGS CORPORATION**  
**AND SUBSIDIARIES**  
**Condensed Quarterly Consolidated Statements of Cash Flows**  
**Three months ended June 30, 2023 and 2022**

	Yen (millions)	
	Three months ended June 30	
	2023	2022
Cash flows from operating activities:		
Net profit.....	206,500	52,565
Depreciation and amortization.....	96,414	93,158
Impairment losses on property, plant and equipment, right-of-use assets, goodwill and intangible assets.....	74	457
Income tax expenses (Note 8).....	(97,767)	20,979
(Increase) decrease in trade receivables and contract assets.....	70,653	31,663
(Increase) decrease in inventories.....	(44,319)	(128,791)
Increase (decrease) in trade payables.....	48,657	58,444
Increase (decrease) in provisions.....	2,051	(5,464)
Increase (decrease) in contract liabilities (Note 8).....	43,501	(5,705)
Increase (decrease) in retirement benefit liabilities.....	(1,428)	(2,067)
Other - net (Note 8).....	(61,858)	32,739
Subtotal.....	<u>262,478</u>	<u>147,978</u>
Interest received.....	8,544	2,748
Dividend income received.....	3,210	2,808
Interest expenses paid.....	(4,527)	(4,968)
Income taxes paid.....	<u>(43,086)</u>	<u>(26,050)</u>
Net cash provided by (used in) operating activities.....	<u>226,619</u>	<u>122,516</u>
Cash flows from investing activities:		
Purchase of property, plant and equipment.....	(114,859)	(58,322)
Proceeds from sale of property, plant and equipment.....	2,774	3,758
Purchase of intangible assets.....	(18,590)	(16,559)
Collection of lease receivables.....	—	42
Purchase of investments accounted for using the equity method and other financial assets.....	(5,402)	(7,548)
Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets.....	8,754	3,898
Proceeds from loss of control of subsidiaries or other businesses.....	2,577	1,663
Other - net.....	<u>(1,346)</u>	<u>(1,179)</u>
Net cash provided by (used in) investing activities.....	<u>(126,092)</u>	<u>(74,247)</u>

**PANASONIC HOLDINGS CORPORATION**  
**AND SUBSIDIARIES**  
**Condensed Quarterly Consolidated Statements of Cash Flows**  
**Three months ended June 30, 2023 and 2022**

	Yen (millions)	
	Three months ended June 30	
	2023	2022
Cash flows from financing activities:		
Increase (decrease) in short-term debt .....	854	(303,737)
Proceeds from long-term debt .....	2,310	653
Repayments of long-term debt.....	(560)	(465)
Payments for lease liabilities.....	(19,854)	(18,833)
Dividends paid to Panasonic Holdings Corporation stockholders (Note 4).....	(35,012)	(35,008)
Dividends paid to non-controlling interests.....	(9,088)	(8,433)
Purchase of treasury stock.....	(13)	(29)
Proceeds from sales of treasury stock.....	1	1
Transactions with non-controlling interests.....	(2,127)	(155)
Other - net.....	1,182	(14,203)
Net cash provided by (used in) financing activities.....	<u>(62,307)</u>	<u>(380,209)</u>
Effect of exchange rate changes on cash and cash equivalents.....	52,229	73,950
Net increase (decrease) in cash and cash equivalents.....	90,449	(257,990)
Cash and cash equivalents at the beginning of the period.....	819,499	1,205,873
Cash and cash equivalents at the end of the period.....	<u><u>909,948</u></u>	<u><u>947,883</u></u>

**PANASONIC HOLDINGS CORPORATION**  
**AND SUBSIDIARIES**  
**Notes to Condensed Quarterly Consolidated Financial Statements**

1. Reporting entity

Panasonic Holdings Corporation (hereinafter referred to as "Panasonic HD") is a company incorporated in Japan. As a comprehensive electronics manufacturer, Panasonic HD and its subsidiaries (together referred to as the "Company") are engaged in development, production, sales and service activities in a broad array of business areas with close cooperation between domestic and overseas group companies.

The details of principal businesses and activities of the Company are described in Note "3. Segment information."

2. Basis of preparation

(1) Compliance of the condensed quarterly consolidated financial statements with International Accounting Standard 34, "Interim Financial Reporting" (hereinafter, "IAS 34")

Pursuant to the provision of Article 93 of the Ordinance on Terminology, Forms, and Preparation Methods of Quarterly Consolidated Financial Statements, the condensed quarterly consolidated financial statements of the Company have been prepared in compliance with IAS 34 since the Company qualifies as a "Specified Company under Designated International Accounting Standards" prescribed in Article 1-2 of the Ordinance.

The Company's condensed quarterly consolidated financial statements do not include all of the information and disclosures required for a complete set of financial statements prepared in accordance with IFRS, and should be used in conjunction with the consolidated financial statements and the notes included in the Company's annual securities report for the year ended March 31, 2023.

The condensed quarterly consolidated financial statements were approved on August 9, 2023 by Representative Director and President, Yuki Kusumi, and Representative Director and Executive Vice President (Group CFO), Hirokazu Umeda.

(2) Functional currency and presentation currency

The Company's condensed quarterly consolidated financial statements are presented in Japanese yen, which is Panasonic HD's functional currency, and figures are rounded to the nearest million (Japanese yen).

(3) Material accounting policies

Material accounting policies applied in preparation of the condensed quarterly consolidated financial statements are consistent with those used in the preparation of the Company's annual consolidated financial statements for the year ended March 31, 2023, except for the following item.

Effective April 1, 2023, the Company applies IFRS 17, "Insurance Contracts" and revised IAS 12, "Income Taxes" (Deferred Tax related to Assets and Liabilities arising from a Single Transaction). The impact of the application of IFRS 17 and revised IAS 12 on the condensed quarterly consolidated financial statements of the Company is not material.

(4) Significant accounting estimates and judgments involving estimations

The Company makes judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses for the preparation of the condensed quarterly consolidated financial statements. Actual results may differ from those accounting estimates and their underlying assumptions.

Estimates and their underlying assumptions are reviewed on an ongoing basis, and revisions to accounting estimates are recognized in the reporting period in which the estimates are revised and in future reporting

periods.

The estimates and judgments involving estimations, which have a material effect on the Company's condensed quarterly consolidated financial statements, are consistent with those used in the preparation of the Company's annual consolidated financial statements for the year ended March 31, 2023.

### 3. Segment information

#### (1) Reportable segments

Reportable segments are the components of the Company for which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company classifies and discloses five reportable segments, namely "Lifestyle," "Automotive," "Connect," "Industry" and "Energy."

"Lifestyle" includes the development, manufacturing and sale of and provision of related services for products such as refrigerators, microwave ovens, rice cookers, washing machines, vacuum cleaners, personal-care products, air-conditioners for residential and commercial use, Air-to-Water (A2W) hot water heat pump system, ventilation, perflation and air-conditioning equipment, and air purifiers, showcases, commercial refrigerators, lighting fixtures, lamps, wiring devices, solar photovoltaic systems, fuel cells, compressors, bicycles, and nursing care services. "Automotive" includes the development, manufacturing and sale of and provision of related services for products such as automotive-use infotainment systems, head-up displays, automotive speakers, automotive switches, advanced driver assistance systems (ADAS) and automotive mirrors. "Connect" includes the development, manufacturing and sale of and provision of related services for products such as aircraft in-flight entertainment systems and communications services, electronic-components-mounting machines, welding equipment, projectors, professional AV systems, PCs, tablets and supply chain management (SCM) software. "Industry" includes the development, manufacturing and sale of and provision of related services for products such as electronic components, motors, FA devices and electronic materials. "Energy" includes the development, manufacturing and sale of and provision of related services for products such as cylindrical lithium-ion batteries for in-vehicle use, primary batteries (dry batteries and micro batteries), and small secondary batteries (cells and their system products).

"Other" includes operating segments which are not included in the above mentioned reportable segments and other business activities, and deals with products such as TVs, digital cameras, video equipment, audio equipment, telephones, kitchen & bath, interior furnishing materials, exterior finishing materials, and sales of raw materials.

(2) Information by reportable segment

Information by reportable segment is shown in the tables below.

(i) For the three months ended June 30, 2023

Yen (millions)								
Reportable segments								
	Lifestyle	Automotive	Connect	Industry	Energy	Other	Eliminations and adjustments	Consolidated Total
Sales:								
External customers...	787,909	339,013	247,457	205,353	227,892	222,070	—	2,029,694
Intersegment.....	50,788	2,003	16,097	43,618	10,534	68,004	(191,044)	—
Total.....	<u>838,697</u>	<u>341,016</u>	<u>263,554</u>	<u>248,971</u>	<u>238,426</u>	<u>290,074</u>	<u>(191,044)</u>	<u>2,029,694</u>
Segment profit.....	39,125	5,733	6,893	3,470	29,527	17,210	(11,586)	90,372

(ii) For the three months ended June 30, 2022

Yen (millions)								
Reportable segments								
	Lifestyle	Automotive	Connect	Industry	Energy	Other	Eliminations and adjustments	Consolidated Total
Sales:								
External customers...	776,722	265,652	227,857	266,211	211,753	225,666	—	1,973,861
Intersegment.....	59,822	3,915	16,915	30,303	16,035	58,614	(185,604)	—
Total.....	<u>836,544</u>	<u>269,567</u>	<u>244,772</u>	<u>296,514</u>	<u>227,788</u>	<u>284,280</u>	<u>(185,604)</u>	<u>1,973,861</u>
Segment profit (loss)..	38,315	(10,553)	(9,545)	26,455	16,267	15,008	(12,247)	63,700

The accounting policies for reportable segments are the same as the Company's accounting policies described in Note "2. (3) Material accounting policies".

Transactions between segments have been conducted at arm's length prices.

Segment profit is calculated based on operating profit.

The amounts in "Eliminations and adjustments" include items such as eliminations of intersegment transactions, profit and loss which are not attributable to any reportable segment and the consolidation adjustments referred to below.

Adjustments to profit for the three months ended June 30, 2023 and 2022 include profit of the corporate headquarters. Adjustments also include consolidation adjustments for the share of profit of investments accounted for using the equity method which are not allocated to any specific segments.

#### 4. Equity

##### (1) Other components of equity

A breakdown of other components of equity is as follows:

	Yen (millions)	
	June 30, 2023	March 31, 2023
Remeasurements of defined benefit plans (*).....	—	—
Financial assets measured at fair value through other comprehensive income.....	65,319	37,428
Exchange differences on translation of foreign operations.....	732,599	431,992
Net changes in fair value of cash flow hedges.....	(8,350)	(5,656)
Total.....	<u>789,568</u>	<u>463,764</u>

(\*)As the result of remeasurements of defined benefit plans, other components of equity decreased by 1,046 million yen (net of tax), which was directly transferred from other components of equity to retained earnings for the three months ended June 30, 2023.

##### (2) Dividends

(i) Dividends for the three months ended June 30, 2023 is summarized as follows:

Amount of cash dividends paid

Resolution date	Class	Cash dividends (millions of yen)	Dividends resource	Cash dividends per share (yen)	Record date	Effective date
The Board of Directors meeting held on May 10, 2023	Common stock	35,012	Retained Earnings	15.0	March 31, 2023	June 2, 2023

(ii) Dividends for the three months ended June 30, 2022 is summarized as follows:

Amount of cash dividends paid

Resolution date	Class	Cash dividends (millions of yen)	Dividends resource	Cash dividends per share (yen)	Record date	Effective date
The Board of Directors meeting held on May 11, 2022	Common stock	35,008	Retained Earnings	15.0	March 31, 2022	June 2, 2022

## 5. Per share information

Panasonic HD stockholders' equity per share is as follows:

	Yen	
	June 30, 2023	March 31, 2023
Panasonic Holdings Corporation stockholders' equity per share.....	1,759.16	1,550.23

Reconciliation for the basic and diluted earnings per share attributable to Panasonic HD stockholders is as follows:

	Yen (millions)	
	2023	2022
Net profit attributable to Panasonic Holdings Corporation stockholders.....	200,925	48,949
Adjustment to net profit.....	(2)	(0)
Net profit used to calculate basic earnings per share.....	200,923	48,949
Adjustment to net profit.....	2	0
Net profit used to calculate diluted earnings per share.....	200,925	48,949

	Number of shares	
	2023	2022
Average common shares outstanding.....	2,334,089,022	2,333,867,135
Dilutive effect:		
Stock acquisition rights.....	698,533	768,030
Restricted stock.....	19,850	17,425
Diluted common shares outstanding.....	2,334,807,405	2,334,652,590

	Yen	
	2023	2022
Earnings per share attributable to Panasonic Holdings Corporation stockholders:		
Basic.....	86.08	20.97
Diluted.....	86.06	20.97

6. Fair values of financial instruments

(1) Comparison between fair values and the carrying amounts

	Yen (millions)			
	June 30, 2023		March 31, 2023	
	Book value	Fair value	Book value	Fair value
Long-term debt, including current portion of long-term debt.....	1,222,355	1,190,365	1,204,848	1,154,855

Fair values shown above are estimated, based on the market price or the present value of the future cash flows, which are calculated using the observable discount rate at June 30 and March 31, 2023. All fair values are categorized as level 2 (referred to "(2) Fair value measurement hierarchy" below).

With regard to financial assets and financial liabilities measured at amortized cost other than the above, their fair values approximate their carrying amounts.

(2) Fair value measurement hierarchy

IFRS 13, "Fair Value Measurement" provides that fair values shall be categorized into the following three levels according to the extent to which the input information used in the measurement is observable from the outside:

- Level 1: Fair value measured by quoted prices in active markets
- Level 2: Fair value measured directly or indirectly using inputs other than quoted prices included within Level 1 that are observable
- Level 3: Fair value measured through valuation techniques which include inputs that are not based on observable market data

The fair value measurement hierarchy level used in the measurement is determined by the lowest-level of significant input in the measurement of fair value.

The breakdown of financial instruments measured at fair value is as follows:

	Yen (millions)			
	June 30, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets measured at FVTPL				
Derivative assets				
Foreign exchange forward contracts.....	—	21,427	—	21,427
Cross currency interest rate swaps.....	—	52,949	—	52,949
Commodity futures.....	10,331	2,623	—	12,954
Subtotal.....	10,331	76,999	—	87,330
Financial assets measured at FVTOCI				
Shares.....	108,259	—	119,572	227,831
Others.....	—	188	—	188
Subtotal.....	108,259	188	119,572	228,019
Total financial assets.....	118,590	77,187	119,572	315,349
Financial liabilities:				
Financial liabilities measured at FVTPL				
Derivative liabilities				
Foreign exchange forward contracts.....	—	15,241	—	15,241
Cross currency interest rate swaps.....	—	2,117	—	2,117
Commodity futures.....	6,025	8,067	—	14,092
Total financial liabilities.....	6,025	25,425	—	31,450

	Yen (millions)			
	March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets measured at FVTPL				
Derivative assets				
Foreign exchange forward contracts.....	—	7,304	—	7,304
Cross currency interest rate swaps.....	—	30,905	—	30,905
Commodity futures.....	12,423	2,601	—	15,024
Subtotal.....	12,423	40,810	—	53,233
Financial assets measured at FVTOCI				
Shares.....	72,087	—	109,090	181,177
Others.....	—	222	—	222
Subtotal.....	72,087	222	109,090	181,399
Total financial assets.....	84,510	41,032	109,090	234,632
Financial liabilities:				
Financial liabilities measured at FVTPL				
Derivative liabilities				
Foreign exchange forward contracts.....	—	541	—	541
Cross currency interest rate swaps.....	—	1,662	—	1,662
Commodity futures.....	5,962	11,416	—	17,378
Total financial liabilities.....	5,962	13,619	—	19,581

The Company's marketable shares and commodity futures are included in Level 1, which are valued using an unadjusted quoted market price in active markets with sufficient volume and frequency of transactions.

Level 2 derivatives including foreign exchange forward contracts, cross currency interest rate swaps and commodity futures are valued using quotes obtained from brokers, which are periodically validated by pricing models using observable market inputs, such as foreign currency exchange rates, market interest rates and market prices for commodity futures.

Shares classified as Level 3 are unlisted stocks, and their fair values are measured by an appropriate valuation method that comprehensively takes into account the outlook for future profitability of the investee and quantitative information such as net asset value and major assets held by the investee, in accordance with the policy and procedures set by the Company for using the most appropriate and highly relevant available data. The reasonableness of this assessment is verified by the department in charge of accounting using various methods and approved by the manager of the department. Specific methods of verification include the use of external assessment organizations.

For financial instruments classified as Level 3, significant changes in fair value occurring when unobservable inputs are changed to reasonably possible alternative assumptions are not expected.

Transfers between levels are recognized on the day when the event or change in circumstances that caused the transfer occurred. For the three months ended June 30, 2023, there were no financial instruments for which a significant transfer was made between levels.

For the three months ended June 30, 2023, there were no significant movements of the financial instruments, classified as Level 3.

## 7. Revenue

### Disaggregation of revenue

Revenue from contracts with customers is disaggregated by product category to properly reflect its nature and the geographical area where the customers are located. Revenue by product and geographical area is further disaggregated by reportable segment.

The products of Lifestyle are categorized into "Living Appliances and Solutions," "Heating & Ventilation A/C," "Cold Chain Solutions," "Electric Works" and "Other." "Living Appliances and Solutions" includes products such as refrigerators, microwave ovens, rice cookers, washing machines, vacuum cleaners and personal-care products. "Heating & Ventilation A/C" includes products such as air-conditioners for residential and commercial use, Air-to-Water (A2W) hot water heat pump system, ventilation, perflation and air-conditioning equipment, and air purifiers. "Cold Chain Solutions" includes products such as showcases and commercial refrigerators. "Electric Works" includes products such as lighting fixtures, lamps, wiring devices, solar photovoltaic systems and fuel cells. "Other" includes products such as compressors, bicycles and nursing care services.

The products of Automotive are categorized into "Automotive Cockpit Systems," "Automotive Electronics Systems" and "Other." "Automotive Cockpit Systems" includes products for automotive-use infotainment systems. "Automotive Electronics Systems" includes products such as head-up displays, automotive speakers, automotive switches, advanced driver assistance systems (ADAS) and automotive mirrors. "Other" includes products purchased from other companies.

The products of Connect are categorized into "Hardware Solutions" and "SCM Solutions." "Hardware Solutions," includes products such as aircraft in-flight entertainment systems and communications services, electronic-components-mounting machines, welding equipment, projectors, professional AV systems, PCs and tablets. "SCM Solutions," includes products such as solution business of Gemba Solution Company and SCM software.

The products of Industry are categorized into "Electronic Devices," "FA Solutions," "Electronic Materials" and "Other." "Electronic Devices" includes products such as capacitors and relays. "FA Solutions" includes products such as industrial motors and FA devices. "Electronic Materials" includes products such as electronic circuit board materials, semiconductor device materials. "Other" includes products such as switches.

The products of Energy are categorized into "In-vehicle" and "Industrial / Consumer." "In-vehicle" includes cylindrical lithium-ion batteries for in-vehicle use. "Industrial / Consumer" includes products such as primary batteries (dry batteries and micro batteries), and small secondary batteries (cells and their system products).

Other includes products of the Entertainment & Communication business, the Housing business, and sales of raw materials. Entertainment & Communication includes products such as TVs, digital cameras, video equipment, audio equipment, telephones, and Housing includes products such as kitchen & bath, interior furnishing materials, and exterior furnishing materials.

Disaggregated revenue is set out below.

In addition, for the three months ended June 30, 2022, the products of Industry were categorized into "Control Devices," "FA Solutions," "Electronic Devices," "Electronic Materials" and "Other," however, due to review of product categories, from the three months ended June 30, 2023, the product categories have been changed to "Electronic Devices," "FA Solutions," "Electronic Materials" and "Other."

As a result, relays that were previously classified as "Control Devices" in the three months ended June 30, 2022 have been reclassified to "Electronic Devices" and switches have been reclassified to "Other."

(i) For the three months ended June 30, 2023

(million yen)

Reportable segments	By product category	Sales	By geographical area	Sales
Lifestyle	Living Appliances and Solutions	224,757	Japan	348,769
	Heating & Ventilation A/C	200,319	Americas	92,531
	Cold Chain Solutions	83,520	Europe	56,733
	Electric Works	149,373	Asia, China and others	253,584
	Other	93,648		
	Total (Note 1)	751,617	Total (Note 1)	751,617
Automotive	Automotive Cockpit Systems	128,965	Japan	106,248
	Automotive Electronics Systems	136,554	Americas	89,907
	Other	34,348	Europe	63,453
			Asia, China and others	40,259
	Total (Note 1)	299,867	Total (Note 1)	299,867
Connect	Hardware Solutions	181,315	Japan	60,207
	SCM Solutions	78,381	Americas	116,533
			Europe	41,720
			Asia, China and others	41,236
	Total (Note 1)	259,696	Total (Note 1)	259,696
Industry	Electronic Devices	132,184	Japan	61,589
	FA Solutions	19,717	Americas	17,045
	Electronic Materials	34,582	Europe	40,889
	Other	34,019	Asia, China and others	100,979
		Total (Note 1)	220,502	Total (Note 1)
Energy	In-vehicle	169,622	Japan	20,329
	Industrial / Consumer	72,793	Americas	188,998
			Europe	6,522
			Asia, China and others	26,566
	Total (Note 1)	242,415	Total (Note 1)	242,415
	Other (Note 2)	255,597		
	Consolidated total	2,029,694		

Note 1: The difference between "Total" in the above table and the respective segment's "Sales to external customers" in Note "3. (2) Information by reportable segment" mainly includes an adjustment to sales for products of each segment sold by other segments.

2: "Other" includes sales of Entertainment & Communication products of 72,461 million yen and sales of Housing products of 90,956 million yen.

(ii) For the three months ended June 30, 2022

(million yen)

Reportable segments	By product category	Sales	By geographical area	Sales
Lifestyle	Living Appliances and Solutions	217,964	Japan	340,329
	Heating & Ventilation A/C	203,274	Americas	80,437
	Cold Chain Solutions	76,100	Europe	51,731
	Electric Works	144,813	Asia, China and others	272,131
	Other	102,477		
	Total (Note 1)	744,628	Total (Note 1)	744,628
Automotive	Automotive Cockpit Systems	102,284	Japan	81,297
	Automotive Electronics Systems	111,265	Americas	73,727
	Other	28,725	Europe	50,191
			Asia, China and others	37,059
	Total (Note 1)	242,274	Total (Note 1)	242,274
Connect	Hardware Solutions	164,259	Japan	44,579
	SCM Solutions	67,022	Americas	84,407
			Europe	37,439
			Asia, China and others	64,856
	Total (Note 1)	231,281	Total (Note 1)	231,281
Industry	Electronic Devices	147,723	Japan	62,506
	FA Solutions	19,619	Americas	19,627
	Electronic Materials	35,981	Europe	35,833
	Other	53,583	Asia, China and others	138,940
		Total (Note 1)	256,906	Total (Note 1)
Energy	In-vehicle	142,430	Japan	19,540
	Industrial / Consumer	90,322	Americas	167,127
			Europe	6,129
			Asia, China and others	39,956
	Total (Note 1)	232,752	Total (Note 1)	232,752
	Other (Note 2)	266,020		
	Consolidated total	1,973,861		

Note 1: The difference between "Total" in the above table and the respective segment's "Sales to external customers" in Note "3. (2) Information by reportable segment" mainly includes an adjustment to sales for products of each segment sold by other segments.

2: "Other" includes sales of Entertainment & Communication products of 84,427 million yen and sales of Housing products of 94,717 million yen.

## 8. Supplementary information

### (1) Other income (expenses)

The amounts of each individual item included in "Other income (expenses), net" are immaterial for both the three months ended June 30, 2023 and 2022.

### (2) Income taxes

For the three months ended June 30, 2023, the provision for "Income taxes" includes an income tax reduction of 121,348 million yen recognized based on the resolution of Board of Directors meeting of Panasonic HD on July 31, 2023, to liquidate Panasonic Liquid Crystal Display Co., Ltd. ("PLD"), a consolidated subsidiary, and to file a petition for commencement of special liquidation as well as to waive its debts of PLD owed to Panasonic Equity Management Japan G.K., which is also a consolidated subsidiary.

The reduction in "Income taxes" consists of an income tax reduction of 131,422 million yen due to the recognition of "Deferred tax assets" for the deductible temporary difference arising from its investment in PLD that has become probable of reversing in the foreseeable future, and income tax expense of 10,074 million yen due to a write down of deferred tax assets as a result of the reassessment of the recoverability of deferred tax assets for the domestic group companies applying the group tax relief system in Japan.

### (3) Acquisitions of "Property, plant and equipment"

The increases in the carrying amounts of "Property, plant and equipment" due to acquisition in the three months ended June 30, 2023 and 2022 are 95,528 million yen and 44,404 million yen, respectively.

### (4) Sales or disposal of "Property, plant and equipment"

The decreases in the carrying amounts of "Property, plant and equipment" due to sales or disposal in the three months ended June 30, 2023 is 2,434 million yen.

The decreases in the carrying amounts of "Property, plant and equipment" due to sales or disposal in the three months ended June 30, 2022 is 3,997 million yen, including a decrease due to the recognition of a finance lease as a lessor.

### (5) Tax credits under the Inflation Reduction Act in the U.S.

For the three months ended June 30, 2023, of the tax credits earned under the U.S. Inflation Reduction Act (the "IRA credit"), 44,998 million yen, which is expected to be directly refunded in connection with the manufacture and sale of EV batteries, is recognized as a reduction from "Cost of sales" in accordance with IAS 20, "Accounting for Government Grants." It is presented as part of "Other non-current assets" in the condensed quarterly consolidated statements of financial position. In the condensed quarterly consolidated statements of cash flows, a negative adjustment of 44,998 million yen to net profit for the increase in receivables related to the IRA credits is included in "Other - net" within cash flows from operating activities.

In addition, of the IRA credits, 24,226 million yen, which is expected to be effectively utilized with customers to strengthen and expand the business in North America in the future, is recognized as a reduction from the "Net sales" in accordance with IFRS 15, "Revenue from Contracts with Customers" and is presented as part of "Contract liabilities" in the condensed quarterly consolidated statements of financial position, although the method of effective use has not yet been determined. In the condensed quarterly consolidated statements of cash flows, the amount is included in "Increase (decrease) in contract liabilities" within cash flows from operating activities.

## 9. Contingent liabilities

Litigation, etc.

The Company is subject to a number of legal proceedings including civil litigation related to trade, tax, products or intellectual properties, or governmental investigations. The Company has been dealing with various litigations and investigations. Depending upon the outcome of these different proceedings, the Company may be subject to an uncertain amount of settlements or fines, and accordingly the Company has made provisions for certain probable and reasonably estimated amounts for the settlements and fines.

There are a number of legal actions against the Company. Management is of the opinion that damages, if any, resulting from these actions would not have a material effect on the Company's condensed quarterly consolidated financial statements.

The ability to predict the outcome of these actions and proceedings is difficult to assess given that certain of the investigations and legal proceedings are still at an early stage, present novel legal theories, involving a large number of parties or are taking place in jurisdictions outside of Japan where the laws are complex or unclear. Accordingly, the Company is unable to estimate the losses or range of losses for the actions and proceedings in which there is only a reasonable possibility that a loss exceeding the amounts already recognized may have been incurred.

## 10. Subsequent events

Issuance of straight bonds

Panasonic HD resolved at the Board of Directors meeting held on July 31, 2023 to issue straight bonds. While details, including the aggregate principal amount, issue price, coupon rate, maturity and date of issue, are yet to be determined at this stage, the following table outlines the planned issue:

Type of securities	: Unsecured straight bonds
Aggregate principal amount	: Up to 260 billion yen
Period of issuance	: Between August 2023 and March 2025
Offering method	: Public offering in Japan (planned)
Use of proceeds	: Redemption of bonds and working capital