

[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 nine months ended  
December 31, 2023**

**Panasonic Holdings Corporation  
Osaka, Japan**

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## **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		
	Nine months ended December 31, 2023	Nine months ended December 31, 2022	Year ended March 31, 2023
Net sales	6,300,306	6,224,521	8,378,942
Profit before income taxes	368,784	255,447	316,409
Net profit attributable to Panasonic Holdings Corporation stockholders	399,178	162,870	265,502
Comprehensive income attributable to Panasonic Holdings Corporation stockholders	644,533	360,401	518,784
Panasonic Holdings Corporation stockholders' equity	4,180,223	3,459,238	3,618,402
Total equity	4,358,350	3,631,224	3,789,958
Total assets	8,910,636	8,006,613	8,059,527
Earnings per share attributable to Panasonic Holdings Corporation stockholders, basic (yen)	171.01	69.78	113.75
Earnings per share attributable to Panasonic Holdings Corporation stockholders, diluted (yen)	170.96	69.76	113.72
Panasonic Holdings Corporation stockholders' equity / total assets (%)	46.9	43.2	44.9
Net cash provided by (used in) operating activities	598,333	313,724	520,742
Net cash provided by (used in) investing activities	(380,307)	(215,799)	(344,033)
Net cash provided by (used in) financing activities	(37,850)	(516,608)	(607,013)
Cash and cash equivalents at the end of the period	1,038,316	820,097	819,499

	Three months ended December 31, 2023	Three months ended December 31, 2022
Net sales	2,180,882	2,160,592
Net profit attributable to Panasonic Holdings Corporation stockholders	110,799	55,533
Earnings per share attributable to Panasonic Holdings Corporation stockholders, basic (yen)	47.47	23.79

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 505 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 are 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. On October 1, 2023, certain businesses were transferred among segments. The details of each segment are described in "IV Condensed Quarterly Consolidated Financial Statements, Note 3. Segment information."

During the nine months ended December 31, 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

During the nine months of the current fiscal year, the paragraphs set forth below highlights significant changes made to the "Risk Factors" described in the Company's annual securities report for the fiscal year ended March 31, 2023. Changes are underlined, and unchanged descriptions above and below the changed section are omitted.

Future expectations included in this section are assessed as of February 9, 2024, the filing date of this quarterly report.

The item numbers next to the headings listed below correspond to the item numbers used in "Part I Information on Panasonic Group, II Business Overview 3. Risk Factors" in the Company's annual securities report for the fiscal year ended March 31, 2023.

(Omitted)

#### **(4) Risks Related to Compliance, Litigations and Reputation**

##### **a. Risks of particular importance**

###### **Compliance**

(Omitted)

###### **Risks Related to Supply Chain**

(Omitted)

###### **Quality Compliance**

An internal investigation revealed that Panasonic HD's subsidiary, Panasonic Industry Co., Ltd. (hereinafter "PID") has identified instances of irregularities in the process of the third-party certification by UL Solutions (hereinafter "UL") for 52 part numbers of molding materials, semiconductor encapsulation materials and electronic circuit board laminate products manufactured and sold by PID's Electronic Materials Business Division.

In response to this, PID has established an external investigation committee comprised of external experts to conduct thorough investigations, analyze the root causes, and formulate measures to prevent re-occurrence on January 12, 2024.

With regard to this, PID received a notification from LRQA limited, a registered certification body for the International Organization for Standardization (ISO) and IATF 16949, that the ISO 9001 and the IATF 16949 certifications of its Koriyama Plant, Koriyama West Plant, Yokkaichi Plant and South Yokkaichi Plant were suspended on February 2, 2024, in response to the discovery of identified instances of irregularities in the process of certification by UL Solutions for electronic materials manufactured by PID. Following this, PID takes this action seriously and will make every effort to promptly lift the suspension of the certifications.

PID communicates directly with customers who have purchased the identified products and discuss future actions and will also continue to fully cooperate with investigations possible to uncover all irregularities in the process.

Losses related to this matter or resulting from new quality fraud uncovered may occur, which may have an adverse effect on Panasonic's business, operating results, and financial condition.

(Omitted)

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

Future expectations included in this section are as of February 9, 2024, the filing date of this quarterly report.

### (1) Operating Results

During the nine months ended December 31, 2023 (fiscal 2024), the overall global economy saw a moderate slowdown due to geopolitical risks such as those arising from the situations in Israel and Palestine as well as in Ukraine. The ongoing monetary tightening implemented to counter inflation was another factor. In Japan, despite some negative impact on the economy due to rising prices, a gradual improvement in the economy was supported by such factors as solid demand for capital expenditure and the recovery of inbound tourism-related demand. As for the outlook, economic downturn is expected to continue globally. On the other hand, the overall Japanese economy is expected to recover gradually, despite concerns for the downside impact from rising prices.

Under such management conditions, the Company aims to achieve the Key Goal Indicators (KGIs) of "2.0 trillion yen of cumulative operating cash flow, ROE (Return on Equity) of 10% or more, and 1.5 trillion yen of cumulative operating profit" set in its medium-term strategy. In fiscal 2024, the second year of the medium- to long-term strategy that started in fiscal 2023 when the Company transitioned to a new group organizational structure comprised of a holding company and operating companies, the Company is continuing to thoroughly enhance its competitiveness. Furthermore, the Company decided to set the automotive battery business as the priority investment area and will proceed with management initiatives by taking into consideration the revision and replacement of our business portfolio toward shifting to a growth phase.

For the nine months ended December 31, 2023, in April 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 has entered into discussions with Mazda Motor Corporation (announced in June 2023) and separately, SUBARU CORPORATION (announced in July 2023) on establishing a medium- to long-term partnership to supply batteries for EVs. Furthermore, in November 2023, the Company announced a basic agreement entered into with an affiliate of Apollo Global Management Inc. to become strategic partners regarding the businesses currently conducted by Panasonic Automotive Systems Co., Ltd. The parties have commenced discussions to finalize the details with the intention of concluding a definitive agreement by the end of March 2024.

For the nine months ended December 31, 2023, the Company's consolidated sales increased by 1% to 6,300.3 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 largely decreased sales in Industry.

Operating profit increased by 37% to 320.3 billion yen and profit before income taxes increased by 44% to 368.8 billion yen from a year ago. This is due mainly to the progress of price revisions and rationalization, the effect of exchange rates, as well as recording of tax credit under the Inflation Reduction Act in the U.S. (the "US IRA" (for further details, please refer to "Note 8. Supplementary information" within the "Notes to Condensed Quarterly Consolidated Financial Statements")), despite increased fixed costs mainly related to strategic investments and the impact of price hikes in raw materials.

Net profit attributable to Panasonic Holdings Corporation stockholders considerably increased by 145% to 399.2 billion yen from a year ago. This is due to the above-mentioned factors as well as a decrease in income taxes with the liquidation of 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 nine-month consolidated sales and operating profits by segment compared to the previous fiscal year are summarized as follows:

On October 1, 2023, certain businesses were transferred among segments. Accordingly, the segment information for the nine months ended December 2022 as well as for the six months ended September 2023 has been reclassified to conform to the current segment composition as of October 1, 2023.

### Lifestyle

Sales decreased by 2% to 2,585.0 billion yen from a year ago. This is due to decreased sales of consumer electronics mainly in the Chinese and other Asian markets and weakening demand for the HVAC\* business affected by deteriorating market conditions in Europe as well as the deconsolidation of part of businesses in China, despite increased sales in the cold chain business in North America and electrical construction materials for the Japanese market.

Operating profit decreased by 8% to 96.7 billion yen from a year ago. This is due to decreased sales for consumer electronics and in the HVAC business as well as recording of additional quality-related expenses, despite increased sales in the cold chain business and for electrical construction materials.

\*HVAC: Heating, Ventilation, and Air Conditioning

### Automotive

Sales increased by 19% to 1,112.9 billion yen from a year ago. This is due largely to the recovery of automobile production.

Operating profit increased to 37.9 billion yen from 0.0 billion a year ago. This is due to increased sales and efforts in price revisions to offset price hikes in parts & materials as well as rationalization efforts, 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 6% to 848.9 billion yen from a year ago. This is due mainly to increased sales in Avionics, Gemba Solutions, and Blue Yonder, despite decreased sales in Process Automation.

Operating profit increased by 812% to 24.7 billion yen from a year ago. This is mainly due to increased sales in Avionics, despite decreased sales in Process Automation.

### Industry

Sales decreased by 12% to 777.2 billion yen from a year ago. This is due mainly to decreased sales of products for the Chinese market affected by deteriorating market conditions as well as the impact of changes in the sales channel resulting from the termination of the semiconductor business, despite increased sales in some products including capacitors for green vehicles.

Operating profit decreased by 61% to 24.9 billion yen from a year ago. This is due largely to such factors as decreased sales with deteriorating market conditions, despite efforts in price revisions and rationalization as well as the effect of depreciation of the yen.



### Energy

Overall sales decreased by 2% to 705.6 billion yen from a year ago. This is due to decreased production of EV batteries in Japan for North America and decreased sales in Industrial / Consumer, despite favorable sales of EV batteries in North America. The impact of the accounting treatment concerning a portion of tax credits refundable under the US IRA that were to be effectively utilized with customers\* is another factor for the decreased sales.

\*The amount equivalent to half of the tax credits refundable under the US IRA was deducted from sales, though the method of "effective use" was yet to be determined.

Operating profit increased by 186% to 82.7 billion yen from a year ago. This is due mainly to increased sales of EV batteries in North America and recording of the US IRA, despite decreased sales in Industrial / Consumer, decreased production of EV batteries in Japan and an increase in fixed costs.

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

Sales increased by 1% to 900.8 billion yen from a year ago.

Operating profit increased by 23% to 47.5 billion yen from a year ago.

## **(3) Financial Conditions**

The Company's consolidated total assets of December 31, 2023, were 8,910.6 billion yen, an increase of 851.1 billion yen from March 31, 2023. This is due mainly to an increase of cash and cash equivalents as well as an increase in property, plant and equipment. Also, the impact of fluctuations in exchange rates on foreign currency denominated assets caused by depreciation of the yen is another factor for the increase.

The Company's consolidated total liabilities increased by 282.7 billion yen to 4,552.3 billion yen from March 31, 2023. This is due mainly to an increase of long-term debt by the issuance of domestic unsecured straight bonds, and the impact of fluctuations in exchange rates caused by depreciation of the yen.

Panasonic Holdings Corporation stockholders' equity increased by 561.8 billion yen to 4,180.2 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 4,358.4 billion yen.

## **(4) Cash Flows**

### Cash flows from operating activities

Net cash provided by operating activities for the nine months ended December 31, 2023 amounted to 598.3 billion yen, compared with an inflow of 313.7 billion yen a year ago. This is due mainly to improvements in increase / decrease in inventories.

### Cash flows from investing activities

Net cash used in investing activities amounted to 380.3 billion yen, compared with an outflow of 215.8 billion yen a year ago. This is due to an increase in capital investment mainly in EV batteries and other factors, despite the sale of some assets.

Accordingly, free cash flows (net cash provided by operating activities and investment activities) increased by 120.1 billion yen from a year ago to an inflow of 218.0 billion yen.

#### Cash flows from financing activities

Net cash used in financing activities amounted to 37.9 billion yen, compared with an outflow of 516.6 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 prior year of the Company's transition to a new organizational structure, and the issuance of domestic unsecured straight bonds during the nine months ended December 31, 2023.

Taking such factors as exchange rate fluctuations into consideration, cash and cash equivalents totaled 1,038.3 billion yen as of December 31, 2023, which is an increase of 218.8 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 nine months ended December 31, 2023 totaled 360.3 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 nine months ended December 31, 2023 totaled 365.1 billion yen, up 102% from a year ago.

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

The Company's depreciation for the nine months ended December 31, 2023 totaled 152.0 billion yen, up 3% from a year ago.

#### **(9) Number of Employees**

The number of the Company's employees at the end of the third quarter of fiscal 2024 was 230,025, a decrease of 3,366 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 nine months ended December 31, 2023.

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

There were no significant changes with regard to the "Prioritized Business and Financial Challenges" during the nine months ended December 31, 2023.

### **III Shares and Shareholders**

#### **1. Shares of Common Stock Issued as of December 31, 2023: 2,454,261,297 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 December 31, 2023: 259,445 million yen**

#### IV Condensed Quarterly Consolidated Financial Statements

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

<u>Assets</u>	Yen (millions)	
	December 31, 2023	March 31, 2023
Current assets:		
Cash and cash equivalents.....	1,038,316	819,499
Trade receivables and contract assets.....	1,264,218	1,322,593
Other financial assets .....	202,514	169,665
Inventories.....	1,298,525	1,288,751
Other current assets.....	245,272	202,377
Total current assets.....	4,048,845	3,802,885
Non-current assets:		
Investments accounted for using the equity method.....	406,427	401,219
Other financial assets.....	224,618	242,672
Property, plant and equipment (Note 8).....	1,384,985	1,172,376
Right-of-use assets.....	255,845	238,833
Goodwill and intangible assets.....	1,884,587	1,796,236
Deferred tax assets (Note 8).....	407,991	249,964
Other non-current assets (Note 8).....	297,338	155,342
Total non-current assets.....	4,861,791	4,256,642
Total assets.....	8,910,636	8,059,527

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

	Yen (millions)	
	December 31, 2023	March 31, 2023
<b><u>Liabilities and Equity</u></b>		
Current liabilities:		
Short-term debt, including current portion of long-term debt.....	148,848	159,231
Lease liabilities.....	67,765	59,895
Trade payables.....	1,176,065	1,156,909
Other payables and accrued expenses.....	454,952	506,062
Other financial liabilities.....	183,561	146,213
Income taxes payable.....	98,141	57,139
Provisions.....	137,934	148,210
Contract liabilities.....	178,315	191,356
Other current liabilities.....	474,085	448,405
Total current liabilities.....	2,919,666	2,873,420
Non-current liabilities:		
Long-term debt (Note 8).....	1,179,309	1,050,116
Lease liabilities.....	197,712	187,865
Other financial liabilities.....	11,110	6,905
Retirement benefit liabilities.....	52,125	53,580
Provisions.....	6,332	6,582
Deferred tax liabilities.....	71,720	70,678
Contract liabilities (Note 8).....	103,727	13,575
Other non-current liabilities.....	10,585	6,848
Total non-current liabilities.....	1,632,620	1,396,149
Total liabilities.....	4,552,286	4,269,569
Equity:		
Panasonic Holdings Corporation stockholders' equity:		
Common stock.....	259,445	259,274
Capital surplus.....	511,324	515,760
Retained earnings.....	2,930,758	2,588,800
Other components of equity (Note 4) .....	687,866	463,764
Treasury stock.....	(209,170)	(209,196)
Total Panasonic Holdings Corporation stockholders' equity (Note 5) .....	4,180,223	3,618,402
Non-controlling interests.....	178,127	171,556
Total equity.....	4,358,350	3,789,958
Total liabilities and equity.....	8,910,636	8,059,527

**PANASONIC HOLDINGS CORPORATION**  
**AND SUBSIDIARIES**  
**Condensed Quarterly Consolidated Statements of Profit or Loss**  
**Nine months ended December 31, 2023 and 2022**

	Yen (millions)	
	Nine months ended December 31	
	2023	2022
Net sales (Note 7 and 8).....	6,300,306	6,224,521
Cost of sales (Note 8).....	(4,443,202)	(4,567,173)
Gross profit.....	1,857,104	1,657,348
Selling, general and administrative expenses.....	(1,538,719)	(1,425,511)
Share of profit (loss) of investments accounted for using the equity method.....	601	(3,141)
Other income (expenses), net (Note 8).....	1,271	5,524
Operating profit.....	320,257	234,220
Finance income.....	67,465	37,223
Finance expenses.....	(18,938)	(15,996)
Profit before income taxes.....	368,784	255,447
Income taxes (Note 8).....	45,394	(82,872)
Net profit.....	<u>414,178</u>	<u>172,575</u>
Net profit attributable to:		
Panasonic Holdings Corporation stockholders.....	399,178	162,870
Non-controlling interests.....	15,000	9,705
Yen		
Earnings per share attributable to Panasonic Holdings Corporation stockholders (Note 5)		
Basic.....	171.01	69.78
Diluted.....	170.96	69.76

**PANASONIC HOLDINGS CORPORATION**  
**AND SUBSIDIARIES**  
**Condensed Quarterly Consolidated Statements of Comprehensive Income**  
**Nine months ended December 31, 2023 and 2022**

	Yen (millions)	
	Nine months ended December 31	
	2023	2022
Net profit.....	414,178	172,575
Other comprehensive income, net of tax		
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit plans.....	(583)	11,718
Financial assets measured at fair value through other comprehensive income.....	21,674	(1,428)
Subtotal.....	21,091	10,290
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations.....	225,732	197,443
Net changes in fair value of cash flow hedges.....	3,917	(9,823)
Subtotal.....	229,649	187,620
Other comprehensive income, net of tax.....	250,740	197,910
Total comprehensive income.....	<u>664,918</u>	<u>370,485</u>
 Total comprehensive income attributable to:		
Panasonic Holdings Corporation stockholders.....	644,533	360,401
Non-controlling interests.....	20,385	10,084

**Condensed Quarterly Consolidated Statements of Profit or Loss**  
**Three months ended December 31, 2023 and 2022**

	Yen (millions)	
	Three months ended December 31	
	2023	2022
Net sales (Note 7 and 8).....	2,180,882	2,160,592
Cost of sales (Note 8).....	(1,518,727)	(1,591,699)
Gross profit.....	662,155	568,893
Selling, general and administrative expenses.....	(536,025)	(482,929)
Share of profit (loss) of investments accounted for using the equity method.....	(2,041)	(856)
Other income (expenses), net (Note 8).....	3,333	(647)
Operating profit.....	127,422	84,461
Finance income.....	24,326	10,208
Finance expenses.....	(7,295)	(5,842)
Profit before income taxes.....	144,453	88,827
Income taxes .....	(28,240)	(32,239)
Net profit.....	<u>116,213</u>	<u>56,588</u>
Net profit attributable to:		
Panasonic Holdings Corporation stockholders.....	110,799	55,533
Non-controlling interests.....	5,414	1,055
Yen		
Earnings per share attributable to Panasonic Holdings Corporation stockholders (Note 5)		
Basic.....	47.47	23.79
Diluted.....	47.45	23.78



**Condensed Quarterly Consolidated Statements of Comprehensive Income**  
**Three months ended December 31, 2023 and 2022**

	Yen (millions)	
	Three months ended December 31	
	2023	2022
Net profit.....	116,213	56,588
Other comprehensive income, net of tax		
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit plans.....	787	(546)
Financial assets measured at fair value through other comprehensive income.....	1,993	2,993
Subtotal.....	2,780	2,447
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations.....	(202,980)	(308,240)
Net changes in fair value of cash flow hedges.....	5,571	1,870
Subtotal.....	(197,409)	(306,370)
Other comprehensive income (loss), net of tax.....	(194,629)	(303,923)
Total comprehensive income (loss).....	<u>(78,416)</u>	<u>(247,335)</u>
 Total comprehensive income (loss) attributable to:		
Panasonic Holdings Corporation stockholders.....	(81,043)	(241,240)
Non-controlling interests.....	2,627	(6,095)

**PANASONIC HOLDINGS CORPORATION**  
**AND SUBSIDIARIES**  
**Condensed Quarterly Consolidated Statements of Changes in Equity**  
**Nine months ended December 31, 2023 and 2022**

Nine months ended December 31, 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.....	—	—	399,178	—	—	399,178	15,000	414,178
Remeasurements of defined benefit plans.....	—	—	—	(266)	—	(266)	(317)	(583)
Financial assets measured at fair value through other comprehensive income.....	—	—	—	20,129	—	20,129	1,545	21,674
Exchange differences on translation of foreign operations.....	—	—	—	221,640	—	221,640	4,092	225,732
Net change in fair value of cash flow hedges.....	—	—	—	3,852	—	3,852	65	3,917
Total comprehensive income.....	—	—	399,178	245,355	—	644,533	20,385	664,918
Transfer to hedged non-financial assets.....	—	—	—	(2,611)	—	(2,611)	—	(2,611)
Transfer from other components of equity to retained earnings.....	—	—	18,642	(18,642)	—	—	—	—
Cash dividends (Note 4).....	—	—	(75,862)	—	—	(75,862)	(10,364)	(86,226)
Purchase of treasury stock.....	—	—	—	—	(39)	(39)	—	(39)
Disposal of treasury stock.....	—	(0)	—	—	1	1	—	1
Share-based payments.....	171	(1)	—	—	64	234	—	234
Transactions with non-controlling interests and other.....	—	(4,435)	—	—	—	(4,435)	(3,450)	(7,885)
Balances as of December 31, 2023.....	259,445	511,324	2,930,758	687,866	(209,170)	4,180,223	178,127	4,358,350

Nine months ended December 31, 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 (Note 2).....	—	—	(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.....	—	—	162,870	—	—	162,870	9,705	172,575
Remeasurements of defined benefit plans.....	—	—	—	11,635	—	11,635	83	11,718
Financial assets measured at fair value through other comprehensive income.....	—	—	—	(897)	—	(897)	(531)	(1,428)
Exchange differences on translation of foreign operations.....	—	—	—	196,716	—	196,716	727	197,443
Net change in fair value of cash flow hedges.....	—	—	—	(9,923)	—	(9,923)	100	(9,823)
Total comprehensive income.....	—	—	162,870	197,531	—	360,401	10,084	370,485
Transfer to hedged non-financial assets.....	—	—	—	265	—	265	—	265
Transfer from other components of equity to retained earnings.....	—	—	12,964	(12,964)	—	—	—	—
Cash dividends (Note 4).....	—	—	(70,019)	—	—	(70,019)	(15,567)	(85,586)
Purchase of treasury stock.....	—	—	—	—	(45)	(45)	—	(45)
Disposal of treasury stock.....	—	(0)	—	—	3	3	—	3
Share-based payments.....	106	(35)	—	—	87	158	—	158
Transactions with non-controlling interests and other.....	—	(9,110)	—	—	—	(9,110)	(4,740)	(13,850)
Balances as of December 31, 2022.....	259,274	516,409	2,489,838	402,942	(209,225)	3,459,238	171,986	3,631,224

**PANASONIC HOLDINGS CORPORATION**  
**AND SUBSIDIARIES**  
**Condensed Quarterly Consolidated Statements of Cash Flows**  
**Nine months ended December 31, 2023 and 2022**

	Yen (millions)	
	Nine months ended December 31	
	2023	2022
Cash flows from operating activities:		
Net profit.....	414,178	172,575
Depreciation and amortization.....	295,640	284,809
Impairment losses on property, plant and equipment, right-of-use assets, goodwill and intangible assets.....	1,947	814
Income tax expenses (Note 8).....	(45,394)	82,872
(Increase) decrease in trade receivables and contract assets.....	104,697	55,466
(Increase) decrease in inventories.....	27,140	(249,342)
Increase (decrease) in trade payables.....	6,312	102,264
Increase (decrease) in provisions.....	(13,184)	(10,717)
Increase (decrease) in contract liabilities (Note 8).....	75,400	(8,131)
Increase (decrease) in retirement benefit liabilities.....	(4,349)	(3,139)
Other - net (Note 8).....	(204,319)	(34,399)
Subtotal.....	<u>658,068</u>	<u>393,072</u>
Interest received.....	32,219	15,550
Dividend income received.....	4,047	3,589
Interest expenses paid.....	(17,078)	(16,746)
Income taxes paid.....	<u>(78,923)</u>	<u>(81,741)</u>
Net cash provided by (used in) operating activities.....	<u>598,333</u>	<u>313,724</u>
Cash flows from investing activities:		
Purchase of property, plant and equipment.....	(373,968)	(191,277)
Proceeds from sale of property, plant and equipment.....	40,523	24,363
Purchase of intangible assets.....	(68,540)	(58,194)
Collection of lease receivables.....	—	952
Purchase of investments accounted for using the equity method and other financial assets.....	(22,314)	(34,877)
Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets.....	50,539	32,419
Acquisition of subsidiaries, net of cash acquired .....	(9,804)	—
Proceeds from loss of control of subsidiaries or other businesses.....	2,577	8,999
Other - net.....	<u>680</u>	<u>1,816</u>
Net cash provided by (used in) investing activities.....	<u>(380,307)</u>	<u>(215,799)</u>

**PANASONIC HOLDINGS CORPORATION**  
**AND SUBSIDIARIES**  
**Condensed Quarterly Consolidated Statements of Cash Flows**  
**Nine months ended December 31, 2023 and 2022**

	Yen (millions)	
	Nine months ended December 31	
	2023	2022
Cash flows from financing activities:		
Increase (decrease) in short-term debt .....	(3,321)	(248,047)
Proceeds from long-term debt (Note 8).....	265,514	1,442
Repayments of long-term debt.....	(153,086)	(110,550)
Payments for lease liabilities.....	(56,232)	(54,720)
Dividends paid to Panasonic Holdings Corporation stockholders (Note 4).....	(75,862)	(70,019)
Dividends paid to non-controlling interests.....	(10,364)	(15,567)
Purchase of treasury stock.....	(39)	(45)
Proceeds from sales of treasury stock.....	1	3
Transactions with non-controlling interests.....	(6,057)	(3,017)
Other - net.....	1,596	(16,088)
Net cash provided by (used in) financing activities.....	<u>(37,850)</u>	<u>(516,608)</u>
Effect of exchange rate changes on cash and cash equivalents.....	38,641	32,907
Net increase (decrease) in cash and cash equivalents.....	218,817	(385,776)
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>1,038,316</u>	<u>820,097</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 February 9, 2024 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.

On October 1, 2023, certain businesses were transferred among segments, and the segment information for the nine and the three months ended December 31, 2022 as well as for the six months ended September 30, 2023 has been reclassified to conform to the current segment composition as of October 1, 2023.

(2) Information by reportable segment

Information by reportable segment for the nine months ended December 31, 2023 and 2022 is shown in the tables below.

(i) For the nine months ended December 31, 2023

		Yen (millions)							
		Reportable segments						Eliminations and adjustments	Consolidated Total
		Lifestyle	Automotive	Connect	Industry	Energy	Other		
Sales:									
External customers...	2,435,695	1,105,281	786,580	631,560	670,232	670,958	—	6,300,306	
Intersegment.....	149,275	7,614	62,361	145,638	35,345	229,870	(630,103)	—	
Total.....	<u>2,584,970</u>	<u>1,112,895</u>	<u>848,941</u>	<u>777,198</u>	<u>705,577</u>	<u>900,828</u>	<u>(630,103)</u>	<u>6,300,306</u>	
Segment profit.....	96,746	37,850	24,686	24,885	82,673	47,547	5,870	320,257	

(ii) For the nine months ended December 31, 2022

		Yen (millions)							
		Reportable segments						Eliminations and adjustments	Consolidated Total
		Lifestyle	Automotive	Connect	Industry	Energy	Other		
Sales:									
External customers...	2,443,692	927,974	739,436	769,598	669,739	674,082	—	6,224,521	
Intersegment.....	181,371	10,927	63,415	116,980	47,453	219,502	(639,648)	—	
Total.....	<u>2,625,063</u>	<u>938,901</u>	<u>802,851</u>	<u>886,578</u>	<u>717,192</u>	<u>893,584</u>	<u>(639,648)</u>	<u>6,224,521</u>	
Segment profit.....	104,776	36	2,706	63,489	28,902	38,614	(4,303)	234,220	

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 nine months ended December 31, 2023 and 2022 include profit of the corporate headquarters, including gain on sales of certain fixed assets for the nine months ended December 31, 2023 and 2022. 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.



Information by reportable segment for the three months ended December 31, 2023 and 2022 is shown in the tables below.

(i) For the three months ended December 31, 2023

Yen (millions)								
Reportable segments							Eliminations and adjustments	Consolidated Total
Lifestyle	Automotive	Connect	Industry	Energy	Other			
Sales:								
External customers...	847,374	401,662	277,553	212,760	215,979	225,554	—	2,180,882
Intersegment.....	50,342	3,029	21,636	54,037	12,765	77,802	(219,611)	—
Total.....	897,716	404,691	299,189	266,797	228,744	303,356	(219,611)	2,180,882
Segment profit.....	35,915	22,528	8,968	11,685	30,217	16,519	1,590	127,422

(ii) For the three months ended December 31, 2022

Yen (millions)								
Reportable segments							Eliminations and adjustments	Consolidated Total
Lifestyle	Automotive	Connect	Industry	Energy	Other			
Sales:								
External customers...	846,776	342,604	266,065	242,582	230,437	232,128	—	2,160,592
Intersegment.....	58,703	3,682	22,017	47,987	16,959	77,290	(226,638)	—
Total.....	905,479	346,286	288,082	290,569	247,396	309,418	(226,638)	2,160,592
Segment profit.....	30,507	12,529	13,809	15,028	232	12,155	201	84,461

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 December 31, 2023 and 2022 include profit of the corporate headquarters, including gain on sales of certain fixed assets for the three months ended December 31, 2023 and 2022. 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)	
	December 31, 2023	March 31, 2023
Remeasurements of defined benefit plans (*).....	—	—
Financial assets measured at fair value through other comprehensive income.....	38,649	37,428
Exchange differences on translation of foreign operations.....	653,632	431,992
Net changes in fair value of cash flow hedges.....	(4,415)	(5,656)
Total.....	<u>687,866</u>	<u>463,764</u>

(\*)As the result of remeasurements of defined benefit plans, other components of equity decreased by 266 million yen (net of tax), which was directly transferred from other components of equity to retained earnings for the nine months ended December 31, 2023.

##### (2) Dividends

(i) Dividends for the nine months ended December 31, 2023 are 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
The Board of Directors meeting held on October 30, 2023	Common stock	40,850	Retained earnings	17.5	September 30, 2023	November 30, 2023

(ii) Dividends for the nine months ended December 31, 2022 are 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
The Board of Directors meeting held on October 31, 2022	Common stock	35,011	Retained earnings	15.0	September 30, 2022	November 30, 2022

## 5. Per share information

Panasonic HD stockholders' equity per share is as follows:

	Yen	
	December 31, 2023	March 31, 2023
Panasonic Holdings Corporation stockholders' equity per share.....	1,790.76	1,550.23

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

(1) For the nine months ended December 31, 2023 and 2022

	Yen (millions)	
	2023	2022
Net profit attributable to Panasonic Holdings Corporation stockholders.....	399,178	162,870
Adjustment to net profit.....	(15)	(6)
Net profit used to calculate basic earnings per share.....	399,163	162,864
Adjustment to net profit.....	15	6
Net profit used to calculate diluted earnings per share.....	399,178	162,870

	Number of shares	
	2023	2022
Average common shares outstanding.....	2,334,143,200	2,333,915,866
Dilutive effect:		
Stock acquisition rights.....	688,508	754,485
Restricted stock.....	88,960	83,040
Diluted common shares outstanding.....	2,334,920,668	2,334,753,391

	Yen	
	2023	2022
Earnings per share attributable to Panasonic Holdings Corporation stockholders:		
Basic.....	171.01	69.78
Diluted.....	170.96	69.76

(2) For the three months ended December 31, 2023 and 2022:

	Yen (millions)	
	2023	2022
Net profit attributable to Panasonic Holdings Corporation stockholders.....	110,799	55,533
Adjustment to net profit.....	(6)	(3)
Net profit used to calculate basic earnings per share.....	110,793	55,530
Adjustment to net profit.....	6	3
Net profit used to calculate diluted earnings per share.....	110,799	55,533
	Number of shares	
	2023	2022
Average common shares outstanding.....	2,334,197,650	2,333,972,122
Dilutive effect:		
Stock acquisition rights.....	677,320	728,033
Restricted stock.....	117,875	110,850
Diluted common shares outstanding.....	2,334,992,845	2,334,811,005
	Yen	
	2023	2022
Earnings per share attributable to Panasonic Holdings Corporation stockholders:		
Basic.....	47.47	23.79
Diluted.....	47.45	23.78

6. Fair values of financial instruments

(1) Comparison between fair values and the carrying amounts

	Yen (millions)			
	December 31, 2023		March 31, 2023	
	Book value	Fair value	Book value	Fair value
Long-term debt, including current portion of long-term debt.....	1,325,507	1,296,446	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 December 31 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)			
	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets measured at FVTPL				
Derivative assets				
Foreign exchange forward contracts.....	—	4,349	—	4,349
Cross currency interest rate swaps.....	—	54,023	—	54,023
Commodity futures.....	9,128	2,508	—	11,636
Subtotal.....	9,128	60,880	—	70,008
Financial assets measured at FVTOCI				
Shares.....	56,481	—	122,104	178,585
Others.....	—	295	—	295
Subtotal.....	56,481	295	122,104	178,880
Total financial assets.....	65,609	61,175	122,104	248,888
Financial liabilities:				
Financial liabilities measured at FVTPL				
Derivative liabilities				
Foreign exchange forward contracts.....	—	12,946	—	12,946
Cross currency interest rate swaps.....	—	2,214	—	2,214
Commodity futures.....	4,811	8,757	—	13,568
Others.....	—	—	5,496	5,496
Total financial liabilities.....	4,811	23,917	5,496	34,224

	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.

Other financial liabilities classified as Level 3 are measured at fair value by estimating whether and when the conditions for payout are expected to be met and the amount of payout at that time using multiple future scenarios and probability distribution, taking into account the time value of money, in accordance with the policy and procedures set by the Company for using the most appropriate and highly relevant available data.

Transfers between levels are recognized on the day when the event or change in circumstances that caused the transfer occurred. For the nine months ended December 31, 2023, there were no financial instruments for which a significant transfer was made between levels.

For the nine months ended December 31, 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 year ended March 31, 2023, 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 year ending March 31, 2024, the product categories have been changed to "Electronic Devices," "FA Solutions," "Electronic Materials" and "Other."

As a result, relays and switches that were previously classified as "Control Devices" in the nine months and the three months ended December 31, 2022 have been reclassified to "Electronic Devices" and "Other," respectively.

As described in Note "3. Segment information," on October 1, 2023, certain businesses were transferred among segments; however, there is no impact about the information on disaggregated revenue.



The disaggregated revenue for the nine months ended December 31, 2023 and 2022 is as follow:

(i) For the nine months ended December 31, 2023

(million yen)

Reportable segments	By product category	Sales	By geographical area	Sales
Lifestyle	Living Appliances and Solutions	714,857	Japan	1,120,156
	Heating & Ventilation A/C	521,784	Americas	296,079
	Cold Chain Solutions	265,525	Europe	157,575
	Electric Works	492,051	Asia, China and others	719,127
	Other	298,720		
	Total (Note 1)	2,292,937	Total (Note 1)	2,292,937
Automotive	Automotive Cockpit Systems	418,058	Japan	347,159
	Automotive Electronics Systems	436,561	Americas	285,682
	Other	122,414	Europe	209,861
			Asia, China and others	134,331
	Total (Note 1)	977,033	Total (Note 1)	977,033
Connect	Hardware Solutions	577,041	Japan	215,347
	SCM Solutions	262,298	Americas	367,292
			Europe	128,509
			Asia, China and others	128,191
	Total (Note 1)	839,339	Total (Note 1)	839,339
Industry	Electronic Devices	405,855	Japan	188,737
	FA Solutions	55,928	Americas	49,477
	Electronic Materials	112,931	Europe	126,051
	Other	107,931	Asia, China and others	318,380
		Total (Note 1)	682,645	Total (Note 1)
Energy	In-vehicle	468,602	Japan	66,601
	Industrial / Consumer	250,230	Americas	554,649
			Europe	20,701
			Asia, China and others	76,881
	Total (Note 1)	718,832	Total (Note 1)	718,832
	Other (Note 2)	789,520		
	Consolidated total	6,300,306		

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 244,159 million yen and sales of Housing products of 285,139 million yen.

(ii) For the nine months ended December 31, 2022

(million yen)

Reportable segments	By product category	Sales	By geographical area	Sales
Lifestyle	Living Appliances and Solutions	739,363	Japan	1,088,843
	Heating & Ventilation A/C	518,804	Americas	269,786
	Cold Chain Solutions	251,757	Europe	164,445
	Electric Works	475,146	Asia, China and others	776,701
	Other	314,705		
	Total (Note 1)	2,299,775	Total (Note 1)	2,299,775
Automotive	Automotive Cockpit Systems	354,261	Japan	281,703
	Automotive Electronics Systems	379,316	Americas	237,879
	Other	105,743	Europe	166,878
			Asia, China and others	152,860
	Total (Note 1)	839,320	Total (Note 1)	839,320
Connect	Hardware Solutions	548,187	Japan	189,926
	SCM Solutions	233,268	Americas	304,622
			Europe	115,610
			Asia, China and others	171,297
	Total (Note 1)	781,455	Total (Note 1)	781,455
Industry	Electronic Devices	449,835	Japan	193,457
	FA Solutions	61,917	Americas	62,462
	Electronic Materials	109,708	Europe	123,175
	Other	150,716	Asia, China and others	393,082
		Total (Note 1)	772,176	Total (Note 1)
Energy	In-vehicle	462,871	Japan	62,497
	Industrial / Consumer	267,275	Americas	534,494
			Europe	20,495
			Asia, China and others	112,660
	Total (Note 1)	730,146	Total (Note 1)	730,146
	Other (Note 2)	801,649		
	Consolidated total	6,224,521		

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 256,586 million yen and sales of Housing products of 293,926 million yen.

The disaggregated revenue for the three months ended December 31, 2023 and 2022 is as follow:

(i) For the three months ended December 31, 2023

(million yen)

Reportable segments	By product category	Sales	By geographical area	Sales
Lifestyle	Living Appliances and Solutions	258,434	Japan	394,403
	Heating & Ventilation A/C	156,142	Americas	102,664
	Cold Chain Solutions	91,717	Europe	50,300
	Electric Works	177,909	Asia, China and others	240,540
	Other	103,705		
	Total (Note 1)	787,907	Total (Note 1)	787,907
Automotive	Automotive Cockpit Systems	152,307	Japan	127,197
	Automotive Electronics Systems	154,884	Americas	99,757
	Other	45,325	Europe	78,746
			Asia, China and others	46,816
	Total (Note 1)	352,516	Total (Note 1)	352,516
Connect	Hardware Solutions	201,975	Japan	82,185
	SCM Solutions	95,015	Americas	128,471
			Europe	42,563
			Asia, China and others	43,771
	Total (Note 1)	296,990	Total (Note 1)	296,990
Industry	Electronic Devices	136,270	Japan	66,236
	FA Solutions	16,543	Americas	16,019
	Electronic Materials	39,612	Europe	44,429
	Other	42,727	Asia, China and others	108,468
		Total (Note 1)	235,152	Total (Note 1)
Energy	In-vehicle	140,352	Japan	26,330
	Industrial / Consumer	93,514	Americas	176,487
			Europe	7,168
			Asia, China and others	23,881
	Total (Note 1)	233,866	Total (Note 1)	233,866
	Other (Note 2)	274,451		
	Consolidated total	2,180,882		

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 93,453 million yen and sales of Housing products of 99,510 million yen.

(ii) For the three months ended December 31, 2022

(million yen)

Reportable segments	By product category	Sales	By geographical area	Sales
Lifestyle	Living Appliances and Solutions	261,672	Japan	380,346
	Heating & Ventilation A/C	156,176	Americas	96,429
	Cold Chain Solutions	88,401	Europe	62,514
	Electric Works	172,747	Asia, China and others	245,552
	Other	105,845		
	Total (Note 1)	784,841	Total (Note 1)	784,841
Automotive	Automotive Cockpit Systems	131,257	Japan	104,137
	Automotive Electronics Systems	138,431	Americas	81,728
	Other	36,857	Europe	66,687
			Asia, China and others	53,993
	Total (Note 1)	306,545	Total (Note 1)	306,545
Connect	Hardware Solutions	194,515	Japan	75,398
	SCM Solutions	87,383	Americas	119,173
			Europe	40,137
			Asia, China and others	47,190
	Total (Note 1)	281,898	Total (Note 1)	281,898
Industry	Electronic Devices	146,935	Japan	68,752
	FA Solutions	18,931	Americas	20,270
	Electronic Materials	34,819	Europe	46,254
	Other	49,630	Asia, China and others	115,039
		Total (Note 1)	250,315	Total (Note 1)
Energy	In-vehicle	169,621	Japan	23,465
	Industrial / Consumer	83,984	Americas	190,633
			Europe	7,222
			Asia, China and others	32,285
	Total (Note 1)	253,605	Total (Note 1)	253,605
	Other (Note 2)	283,388		
	Consolidated total	2,160,592		

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 99,608 million yen and sales of Housing products of 102,825 million yen.

## 8. Supplementary information

### (1) Other income (expenses)

"Other income (expenses), net" for the nine months ended December 31, 2023 include a reversal of impairment losses of 10,352 million yen and gains on sales of property, plant and equipment of 13,740 million yen.

The reversal of impairment losses and the gains on sales of property, plant and equipment in the consolidated statement of profit or loss are presented as part of "Other - net" within cash flows from operating activities as an adjustment to "Net profit" in the condensed quarterly consolidated statement of cash flows.

"Other income (expenses), net" for the three months ended December 31, 2023 include the gains on sales of property, plant and equipment of 12,223 million yen.

The amounts of each individual item included in "Other income (expenses), net" are immaterial for the nine months and the three months ended December 31, 2022.

### (2) Income taxes

For the nine months ended December 31, 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) The issuance of bonds

In September 2023, the Company issued unsecured straight bonds totaling 260,000 million yen in the domestic market.

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

The increases in the carrying amounts of "Property, plant and equipment" due to acquisition in the nine months ended December 31, 2023 and 2022 are 365,106 million yen and 180,400 million yen, respectively.

### (5) 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 nine months ended December 31, 2023 is 30,546 million yen.

The decreases in the carrying amounts of "Property, plant and equipment" due to sales or disposal in the nine months ended December 31, 2022 is 23,273 million yen, including a decrease due to the recognition of a finance lease as a lessor.

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

The expected amount of tax credits to be directly refundable under the Inflation Reduction Act in the U.S. (the "US IRA") 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," and is presented as part of "Other non-current assets" in the condensed quarterly consolidated statement of financial position. The amounts recognized as a reduction from "Cost of sales" for the nine months and the three months ended December 31, 2023 are 139,284 million yen and 47,799 million yen, respectively. In the condensed quarterly consolidated statement of cash flows, an (increase)/decrease in tax credits refundable under US IRA of (139,284) million yen is included in "Other - net" within cash flows from operating activities.

In addition, of the expected amount of tax credits under the US IRA, the amount to be effectively utilized with customers to strengthen and expand the business in North America in the future is recognized as a reduction from "Net sales" in accordance with IFRS 15, "Revenue from Contracts with Customers," and is presented as part of non-current "Contract liabilities" in the condensed quarterly consolidated statement of financial position, though the method of "effective use" was yet to be determined. The amounts recognized as a reduction from

"Net sales" for the nine months and the three months ended December 31, 2023 are 75,062 million yen and 25,764 million yen, respectively. In the condensed quarterly consolidated statement of cash flows, the amount is included in "Increase (decrease) in contract liabilities" within cash flows from operating activities.

## 9. Contingent liabilities

An internal investigation revealed that Panasonic HD's subsidiary, Panasonic Industry Co., Ltd. (hereinafter "PID") has identified instances of irregularities in the process of the third-party certification by UL Solutions (hereinafter "UL") for 52 part numbers of molding materials, semiconductor encapsulation materials and electronic circuit board laminate products manufactured and sold by PID's Electronic Materials Business Division.

In response to this, PID has established an external investigation committee comprised of external experts to conduct thorough investigations, analyze the root causes, and formulate measures to prevent re-occurrence on January 12, 2024.

With regard to this, PID received a notification from LRQA limited, a registered certification body for the International Organization for Standardization (ISO) and IATF 16949, that the ISO 9001 and the IATF 16949 certifications of its Koriyama Plant, Koriyama West Plant, Yokkaichi Plant and South Yokkaichi Plant were suspended on February 2, 2024, in response to the discovery of identified instances of irregularities in the process of certification by UL Solutions for electronic materials manufactured by PID. Following this, PID takes this action seriously and will make every effort to promptly lift the suspension of the certifications.

PID communicates directly with customers who have purchased the identified products and discuss future actions and will also continue to fully cooperate with investigations possible to uncover all irregularities in the process.

The financial position and financial results of the Company may be affected depending on the outcome of ongoing investigations. The Company has not incorporated any potential impacts into the condensed quarterly consolidated financial statements for the nine months ended December 31, 2023 as it is impracticable to make a reasonable estimate of the impacts at present.

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.