

[English summary with full translation of consolidated financial information]

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

**For the six months ended
September 30, 2024**

**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.....	6
(1) Operating Results.....	6
(2) Operating Results by Segment.....	7
(3) Financial Conditions.....	8
(4) Cash Flows.....	8
(5) Significant Accounting Estimates and Assumptions.....	8
(6) Research and Development.....	8
(7) Capital Investment.....	9
(8) Depreciation (tangible assets).....	9
(9) Number of Employees.....	9
(10) Policy on Control of the Company.....	9
(11) Prioritized Business and Financial Challenges.....	9
III Shares and Shareholders.....	10
1. Shares of Common Stock Issued	10
2. Amount of Common Stock (Stated Capital)	10
IV Condensed Interim Consolidated Financial Statements.....	11
Condensed Interim Consolidated Statements of Financial Position.....	11
Condensed Interim Consolidated Statements of Profit or Loss and Condensed Interim Consolidated Statements of Comprehensive Income.....	13
Condensed Interim Consolidated Statements of Changes in Equity.....	15
Condensed Interim Consolidated Statements of Cash Flows.....	17
Notes to Condensed Interim Consolidated Financial Statements	19

Disclaimer Regarding Forward-looking Statements

This semi-annual report includes forward-looking statements about Panasonic Holdings Corporation (the "Company") and its Group companies (the "Panasonic Group"). To the extent that statements in this semi-annual 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. The Company undertakes no obligation to publicly update any forward-looking statements after the date of this semi-annual report. Investors are advised to consult any further disclosures by the Company 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 demands for corporate capital expenditures in the major markets including, but not limited to, the Americas, Europe, Japan, China and other Asian countries as well as changes of demands for a wide range of electronic products & parts from the industrial world and consumers in various regional markets; excessive currency rate fluctuations of the U.S. dollar, the euro, the Chinese yuan and other currencies against the yen having an impact on costs and prices of the Panasonic Group's products & services as well as certain other transactions that are denominated in these foreign currencies; increased costs of or limitations on raising funds, because of changes in the fund raising environment including interest rate fluctuations; current or future political or social trends in and outside Japan or changes in rules & regulations of international trade, commerce, R&Ds, production or sales having impact on the Panasonic Group or the business activities in its supply chain; introduction or enhancement of rules & regulations or abolition or reduction of tax benefit or subsidy related mainly to the environment issues including the climate change as well as to responsible supply chain (in terms of human rights, labor, health & safety global environmental conservation, information security, business ethics and others); increased costs resulting from a leakage of customers' or confidential information from IT systems of the Panasonic Group or its supply chain or business suspension caused by unauthorized access, cyberattacks or any other form of malicious actions on the IT systems or from vulnerability of network-connected products; failure to secure or retain enough workforces to execute its business strategy; failure to retain its competitiveness in a wide range of products & services or in major countries & regions; failure to produce expected results in alliances with other companies or M&A (mergers & acquisitions) activities; failure to produce expected results in current or future business transformations of the Panasonic Group; occurrence or lengthening of disruptions in its supply chain or logistics for or price hikes in parts & materials; downward price pressure or decrease in demands for the products at a level that can be offset with efforts by the Company; failure to respond to future changes in the market needs with technological innovations or to timely utilize new technologies such as AI (Artificial Intelligence); increased costs or losses caused by occurrence of events such as compliance violations (including those related to human rights or labor issues) or serious health & safety accidents in workplaces; increased costs or losses resulting from any defects or quality frauds in products or services of the Panasonic Group; infringement by third parties of intellectual property owned by the Panasonic Group or restrictions on the use of intellectual property owned by third parties; administrative/criminal penalties or compensations/damages claims resulting from violations of laws and regulations; large-scale natural disasters, global pandemics of infectious diseases, terrorism or wars; fluctuations in market prices of securities and other financial assets in which the Panasonic Group has holdings, excessive fluctuations of valuation of non-financial assets, including property, plant and equipment, goodwill and deferred tax assets, or changes or tightening of accounting policies or rules; The factors listed above are not all-inclusive and further information is contained in the most recent English translated version of the Company'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		
	Six months ended September 30, 2024	Six months ended September 30, 2023	Year ended March 31, 2024
Net sales	4,251,310	4,119,424	8,496,420
Profit before income taxes	250,959	224,331	425,239
Net profit attributable to Panasonic Holdings Corporation stockholders	188,909	288,379	443,994
Comprehensive income (loss) attributable to Panasonic Holdings Corporation stockholders	(63,470)	725,576	1,012,295
Panasonic Holdings Corporation stockholders' equity	4,439,017	4,303,279	4,544,076
Total equity	4,612,310	4,479,134	4,721,903
Total assets	9,315,405	9,125,122	9,411,195
Earnings per share attributable to Panasonic Holdings Corporation stockholders, basic (yen)	80.92	123.55	190.21
Earnings per share attributable to Panasonic Holdings Corporation stockholders, diluted (yen)	80.90	123.51	190.15
Panasonic Holdings Corporation stockholders' equity / total assets (%)	47.7	47.2	48.3
Net cash provided by (used in) operating activities	457,584	391,754	866,898
Net cash provided by (used in) investing activities	(495,777)	(230,246)	(578,843)
Net cash provided by (used in) financing activities	(121,945)	103,064	(83,494)
Cash and cash equivalents at the end of the period	922,960	1,164,996	1,119,625

Note: The Company's condensed interim 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 514 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. On April 1, 2024, certain businesses were transferred among segments. The details of each segment are described in "IV Condensed Interim Consolidated Financial Statements, Note 3. Segment information."

During the six months ended September 30, 2024, there were no changes in major affiliates.

The Company's condensed interim 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 six months ended September 30, 2024, the following paragraphs are the significant changes made to the "Risk Factors" described in the Company's annual securities report for the fiscal year ended March 31, 2024. The unchanged descriptions above and below the changed section are omitted.

Future expectations included in this section are assessed as of November 11, 2024, the filing date of this semi-annual 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, 2024.

(Omitted)

(4) Risks Related to Compliance, Litigations and Reputation

a. Risks of particular importance

Compliance

(Omitted)

Human rights/labor compliance

(Omitted)

Risks Related to Supply Chain

(Omitted)

Quality Compliance

Per our Basic Management Policy, the Group considers always ensuring the safety of the products we manufacture and sell and delivering safety and security to our customers as essential management issues and social responsibility. Panasonic states in its Groupwide Quality Policy that the Company will "truly serve customers by way of providing products and services that continuously meet and satisfy the needs of customers and society." Each Operating Company has established and operates its own quality management system and takes responsibility for the quality of its products. In particular, our approach to quality issues focuses on compliance with laws, regulations, and corporate ethics, as stated in the Panasonic Group Code of Ethics & Compliance. This code specifies our adherence to laws and regulations, including industry standards and promises to customers.

However, an internal investigation has revealed that our subsidiary, Panasonic Industry Co., Ltd. (hereinafter "PID"), identified instances of irregularities (hereinafter, the "Irregularities") in the process of third-party certification by UL Solutions (hereinafter, "UL") in PID's Electronic Materials Business Division. In response to this, PID established an external investigation committee comprised of external experts to conduct thorough investigations, analyze the root causes, and formulate measures to prevent re-occurrence, and PID released this investigation report on November 1, 2024

(https://news.panasonic.com/uploads/tmg_block_page_image/file/27943/en241101-4-1.pdf).

The report includes multiple points of concern regarding quality irregularities in divisions other than the Electronics Materials Business Division, along with recommendations for preventive measures based on a root cause analysis. Furthermore, company-wide inspection activities at PID will continue, and PID will respond appropriately to any issues that arise. In addition, the Group is conducting inspections in light of the Irregularities.

PID will continue to engage sincerely with customers who have purchased the subject products and remain accountable regarding the Irregularities. Additionally, PID has formulated preventive measures based on the root cause analysis of the issues identified by the external investigation committee, which issues include a lack of understanding of the essence of quality assurance, organizational culture problems, and deficiencies in the quality compliance system. With a strong commitment and ongoing efforts as the Group, we will implement

these preventive measures and strive to restore trust. The preventive measures being implemented at PID are published on its website.

As a result of reporting the Irregularities to UL, UL certification for some of the products has been withdrawn as of June 28, 2024 following the withdrawal of UL certification for some products on May 31, 2024. Discussions between PID and UL regarding the handling of UL certification for certain products are on going. For PID products that do not have UL certification but need to be sold as UL-certified products, PID will continue to work towards reinstating these certifications.

With regard to the Irregularities, PID received a notification of withdrawal of the ISO 9001 ^(Note 1) and the IATF 16949 ^(Note 2) certifications for the Koriyama Plant, Koriyama West Plant, Yokkaichi Plant and South Yokkaichi Plant from LRQA Limited, a registered certification body for ISO 9001 and IATF 16949. In response, PID also pledges to work toward reinstating these certifications.

Losses related to the Irregularities or resulting from new quality issues uncovered may occur, which may have a negative impact on the Group's business, operating results, and financial condition.

- Notes:
1. ISO (International Organization for Standardization) 9001 is the international standard for quality management systems.
 2. IATF (International Automotive Task Force) 16949 is the international standard for quality management systems specializing in the automotive industry.

(Omitted)

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

Future expectations included in this section are as of November 11, 2024, the filing date of this semi-annual report.

(1) Operating Results

During the six months ended September 30, 2024 of the current fiscal year ending March 31, 2025 (fiscal 2025), the overall global economy lacked momentum and saw a gradual slowdown, despite the trend of gradual economic recovery in Japan and Europe along with slowing inflation. On the other hand, the U.S. was in a phase of moderate economic slowdown and China faced continuing weak economy due to a downturn in the real estate market. As for the outlook, economic slowdown is expected to continue globally, especially in the U.S. and China, while the overall Japanese economy is expected to continue a gradual recovery.

Under such management conditions, the Company focuses on initiatives aimed at improving ROE (Return on Equity) in the final year of the medium-term strategy started in fiscal 2023. In particular, the Company is working to improve profitability in order to further strengthen the business foundations of the three businesses identified as its investment areas: automotive batteries, air quality & air-conditioning, and supply chain management (SCM) software. The Company is also working to enhance the management structure of the Group through initiatives to accelerate strengthening human capital management and competitiveness.

In the first half of fiscal 2025, Panasonic Energy Co., Ltd. ("Panasonic Energy") announced in May 2024 the start of its lithium-ion battery supply to heavy-duty EV trucks for the U.S. market, which are distributed by Hexagon Purus ASA based in Norway and HINO MOTORS SALES U.S.A., INC. In addition, in September 2024, Panasonic Energy announced the start of preparations including establishing new factories and strengthening production capacity in Japan for its lithium-ion batteries through the collaborations with SUBARU CORPORATION and Mazda Motor Corporation, respectively. Furthermore, in August 2024, Blue Yonder Holding, Inc., a subsidiary of Panasonic Connect Co., Ltd. completed its acquisition of One Network Enterprises, Inc., based in the U.S. (for further details, please refer to "Note 9. Business combination" within the "Notes to Condensed Interim Consolidated Financial Statements").

For the first half of fiscal 2025, the Company's consolidated sales increased by 3% to 4,251.3 billion yen from a year ago. This is due to increased sales in Lifestyle, Connect and Industry as well as the effect of currency translation, despite decreased sales in Automotive and Energy.

Operating profit increased by 12% to 216.0 billion yen and profit before income taxes increased by 12% to 251.0 billion yen from a year ago. This is due mainly to the progress of rationalization, improvement in share of profit (loss) of investments accounted for using the equity method and improvement in other income (expenses), despite an increase in fixed costs with inflation and an increase in strategic investments.

Net profit attributable to Panasonic Holdings Corporation stockholders decreased by 34% to 188.9 billion yen from a year ago. This is due to the impact of decreased income tax in fiscal 2024 with the Company's resolution to liquidate Panasonic Liquid Crystal Display Co., Ltd. ("PLD") through Special Liquidation (as defined in the Japanese Companies Act) and to waive PLD's debt (for further details, please refer to "Note 8. Supplementary information" within the "Notes to Condensed Interim Consolidated Financial Statements").

(2) Operating Results by Segment

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

On April 1, 2024, certain businesses were transferred among segments. Accordingly, the segment information for the six months ended September 2023 has been reclassified to conform to the current segment composition as of April 1, 2024.

Lifestyle

Sales increased by 5% to 1,744.0 billion yen from a year ago. This is due mainly to steady sales of consumer electronics in Japan and electrical construction materials, as well as the effect of currency translation, despite decreased sales of products including consumer electronics in China with demand slowdown and heat pump type water heaters (A2W) in Europe. Operating profit decreased by 18% to 49.4 billion yen from a year ago. This is due mainly to decreased sale of consumer electronics in China and A2W in Europe, along with deterioration of exchange rate, despite increased sales of electrical construction materials and others.

Automotive

Sales slightly increased by 1% to 714.4 billion yen from a year ago with the effect of currency translation, despite decreased sales in real terms, due to such factors as the discontinuation of production for certain models, sluggish sales mainly in China and others. Operating profit increased by 58% to 24.2 billion yen from a year ago. This is due mainly to improved product mix, rationalization and efforts in price revisions to offset price hikes in parts & materials, despite decreased sales and an increase in fixed costs.

Connect

Sales increased by 13% to 619.6 billion yen from a year ago. This is due mainly to increased sales in Gemba Solutions with steady orders including large-scale projects, as well as increased sales primarily in Process Automation, Avionics and Blue Yonder, along with the effect of currency translation. Operating profit increased by 69% to 25.1 billion yen from a year ago. This is due mainly to increased sales in Process Automation and Gemba Solutions, despite such factors in Avionics as upfront investments and the impact of delivery delays due to slower manufacturing of aircraft, as well as strategic investments in Blue Yonder and decreased sales in Media Entertainment with deteriorated market conditions.

Industry

Sales increased by 7% to 546.7 billion yen from a year ago. This is due mainly to increased sales of products for generative AI servers as well as the effect of currency translation, despite decreased sales of industrial-use relays as well as decreased sales of relays and capacitors for automotive use with market downturn mainly in Europe. Operating profit increased by 134% to 30.9 billion yen from a year ago. This is due mainly to increased sales, rationalization, price revisions and the effect of depreciation of the yen.

Energy

Sales decreased by 10% to 430.4 billion yen from a year ago. This is due to decreased sales of automotive batteries with reduced production at Japan factory and price revisions reflecting lower raw material prices, despite increased sales in Industrial / Consumer with favorable sales of energy storage systems for data centers. Operating profit increased by 3% to 54.3 billion yen from a year ago. This is due mainly to increased sales of energy storage systems in Industrial / Consumer and improvements in material market prices, despite decreased sales of automotive batteries with reduced production at Japan factory as well as increased ramp-up costs for Kansas and Wakayama factories.

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

Sales increased by 7% to 671.6 billion yen from a year ago. Operating profit increased by 6% to 34.6 billion yen from a year ago.

(3) Financial Conditions

The Company's consolidated total assets as of September 30, 2024, were 9,315.4 billion yen, a decrease of 95.8 billion yen from March 31, 2024. This is due mainly to the impact of fluctuations in exchange rates caused by appreciation of the yen, despite an increase in property, plant and equipment as well as other factors.

The Company's consolidated total liabilities increased by 13.8 billion yen to 4,703.1 billion yen from March 31, 2024. This is due mainly to a temporary increase in other current liabilities, despite a decrease in the balance of straight bonds and the impact of fluctuations in exchange rates caused by appreciation of the yen.

Panasonic Holdings Corporation stockholders' equity decreased by 105.1 billion yen to 4,439.0 billion yen, compared with March 31, 2024. This is due mainly to a decrease in exchange differences on translation of foreign operations with appreciation of the yen, despite recording of net profit for the interim period attributable to Panasonic Holdings Corporation stockholders. With noncontrolling interests added to Panasonic Holdings Corporation stockholders' equity, total equity was 4,612.3 billion yen.

(4) Cash Flows

Cash flows from operating activities

Net cash provided by operating activities for the six months ended September 30, 2024 increased to 457.6 billion yen, compared with an inflow of 391.8 billion yen a year ago. This is due mainly to monetization of US IRA tax credit through third-party credit transfer, despite unfavorable changes in working capital and other factors.

Cash flows from investing activities

Net cash used in investing activities amounted to 495.8 billion yen, compared with an outflow of 230.3 billion yen a year ago. This is due to such factors as an increase in capital investments mainly for automotive batteries and payment for the acquisition of One Network Enterprises, Inc.

Accordingly, free cash flows (net cash provided by operating activities and investment activities) were a negative of 38.2 billion yen, with a decrease of 199.7 billion yen from a year ago.

Cash flows from financing activities

Net cash used in financing activities amounted to 121.9 billion yen, compared with an inflow of 103.1 billion yen a year ago. This is due mainly to the issuance of unsecured straight bonds, which exceeded the repayment amount of straight bonds during the six months of the previous fiscal year.

Taking into consideration such factors as exchange rate fluctuations, cash and cash equivalents totaled 923.0 billion yen as of September 30, 2024, which is a decrease of 196.6 billion yen from March 31, 2024.

(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, 2024.

(6) Research and Development

The Company's R&D expenditures for the six months ended September 30, 2024 totaled 254.6 billion yen, up 8% 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 six months ended September 30, 2024 totaled 360.1 billion yen, up 68% from a year ago.

(8) Depreciation (tangible assets)

The Company's depreciation for the six months ended September 30, 2024 totaled 108.2 billion yen, up 8% from a year ago.

(9) Number of Employees

The number of the Company's employees at the end of the September 30, 2024 was 229,249, an increase of 829 compared with the end of the fiscal 2024.

(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, 2024, during the six months ended September 30, 2024.

(11) Prioritized Business and Financial Challenges

There were no significant changes with regard to the "Prioritized Business and Financial Challenges" during the six months ended September 30, 2024.

III Shares and Shareholders

1. Shares of Common Stock Issued as of September 30, 2024: 2,454,446,497 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 September 30, 2024: 259,566 million yen

IV Condensed Interim Consolidated Financial Statements

**PANASONIC HOLDINGS CORPORATION
AND SUBSIDIARIES**
Condensed Interim Consolidated Statements of Financial Position
September 30 and March 31, 2024

<u>Assets</u>	Yen (millions)	
	September 30, 2024	March 31, 2024
Current assets:		
Cash and cash equivalents.....	922,960	1,119,625
Trade receivables and contract assets.....	1,253,603	1,361,050
Other financial assets	175,340	227,456
Inventories.....	1,211,190	1,208,898
Other current assets (Note 8).....	384,212	235,729
Total current assets.....	3,947,305	4,152,758
Non-current assets:		
Investments accounted for using the equity method.....	424,432	423,981
Other financial assets.....	178,410	207,394
Property, plant and equipment (Note 8).....	1,745,099	1,559,041
Right-of-use assets.....	267,755	270,728
Goodwill and intangible assets.....	2,004,491	1,983,833
Deferred tax assets (Note 8).....	409,177	376,910
Other non-current assets (Note 8).....	338,736	436,550
Total non-current assets.....	5,368,100	5,258,437
Total assets.....	9,315,405	9,411,195

PANASONIC HOLDINGS CORPORATION
AND SUBSIDIARIES
Condensed Interim Consolidated Statements of Financial Position
September 30 and March 31, 2024

	Yen (millions)	
	September 30, 2024	March 31, 2024
<u>Liabilities and Equity</u>		
Current liabilities:		
Short-term debt, including current portion of long-term debt.....	107,589	262,099
Lease liabilities.....	59,541	68,760
Trade payables.....	1,129,287	1,166,155
Other payables and accrued expenses.....	443,703	524,194
Other financial liabilities.....	147,487	148,158
Income taxes payable.....	81,553	66,760
Provisions.....	131,627	138,531
Contract liabilities (Note 8).....	194,695	240,209
Other current liabilities (Note 8).....	780,597	506,821
Total current liabilities.....	3,076,079	3,121,687
Non-current liabilities:		
Long-term debt (Note 8).....	1,150,408	1,084,037
Lease liabilities.....	211,903	211,383
Other financial liabilities.....	55,638	14,198
Retirement benefit liabilities.....	42,542	44,922
Provisions.....	6,973	7,057
Deferred tax liabilities.....	80,400	81,104
Contract liabilities (Note 8).....	38,121	113,892
Other non-current liabilities (Note 8).....	41,031	11,012
Total non-current liabilities.....	1,627,016	1,567,605
Total liabilities.....	4,703,095	4,689,292
Equity:		
Panasonic Holdings Corporation stockholders' equity:		
Common stock.....	259,566	259,445
Capital surplus.....	508,136	508,274
Retained earnings.....	3,189,299	3,037,982
Other components of equity (Note 4)	691,028	947,512
Treasury stock.....	(209,012)	(209,137)
Total Panasonic Holdings Corporation stockholders' equity (Note 5)	4,439,017	4,544,076
Non-controlling interests.....	173,293	177,827
Total equity.....	4,612,310	4,721,903
Total liabilities and equity.....	9,315,405	9,411,195

PANASONIC HOLDINGS CORPORATION
AND SUBSIDIARIES
Condensed Interim Consolidated Statements of Profit or Loss
Six months ended September 30, 2024 and 2023

	Yen (millions)	
	Six months ended September 30	
	2024	2023
Net sales (Note 7 and 8).....	4,251,310	4,119,424
Cost of sales (Note 8).....	(2,971,243)	(2,924,475)
Gross profit.....	1,280,067	1,194,949
Selling, general and administrative expenses.....	(1,073,570)	(1,002,694)
Share of profit (loss) of investments accounted for using the equity method.....	4,809	2,642
Other income (expenses), net (Note 8).....	4,740	(2,062)
Operating profit.....	216,046	192,835
Finance income.....	47,939	43,139
Finance expenses.....	(13,026)	(11,643)
Profit before income taxes.....	250,959	224,331
Income taxes (Note 8).....	(52,010)	73,634
Net profit.....	<u>198,949</u>	<u>297,965</u>
Net profit attributable to:		
Panasonic Holdings Corporation stockholders.....	188,909	288,379
Non-controlling interests.....	10,040	9,586
Yen		
Earnings per share attributable to Panasonic Holdings Corporation stockholders (Note 5)		
Basic.....	80.92	123.55
Diluted.....	80.90	123.51

PANASONIC HOLDINGS CORPORATION
AND SUBSIDIARIES
Condensed Interim Consolidated Statements of Comprehensive Income
Six months ended September 30, 2024 and 2023

	Yen (millions)	
	Six months ended September 30	
	2024	2023
Net profit.....	198,949	297,965
Other comprehensive income, net of tax		
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit plans.....	(673)	(1,370)
Financial assets measured at fair value through other comprehensive income.....	(16,307)	19,681
Subtotal.....	(16,980)	18,311
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations.....	(243,496)	428,712
Net changes in fair value of cash flow hedges.....	5,313	(1,654)
Subtotal.....	(238,183)	427,058
Other comprehensive income (loss), net of tax.....	(255,163)	445,369
Total comprehensive income (loss).....	<u>(56,214)</u>	<u>743,334</u>
 Total comprehensive income (loss) attributable to:		
Panasonic Holdings Corporation stockholders.....	(63,470)	725,576
Non-controlling interests.....	7,256	17,758

PANASONIC HOLDINGS CORPORATION
AND SUBSIDIARIES
Condensed Interim Consolidated Statements of Changes in Equity
Six months ended September 30, 2024 and 2023

Six months ended September 30, 2024

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, 2024.....	259,445	508,274	3,037,982	947,512	(209,137)	4,544,076	177,827	4,721,903
Comprehensive income:								
Net profit.....	—	—	188,909	—	—	188,909	10,040	198,949
Remeasurements of defined benefit plans.....	—	—	—	(467)	—	(467)	(206)	(673)
Financial assets measured at fair value through other comprehensive income.....	—	—	—	(14,092)	—	(14,092)	(2,215)	(16,307)
Exchange differences on translation of foreign operations.....	—	—	—	(243,313)	—	(243,313)	(183)	(243,496)
Net change in fair value of cash flow hedges.....	—	—	—	5,493	—	5,493	(180)	5,313
Total comprehensive income (loss).....	—	—	188,909	(252,379)	—	(63,470)	7,256	(56,214)
Transfer to hedged non-financial assets.....	—	—	—	(846)	—	(846)	—	(846)
Transfer from other components of equity to retained earnings.....	—	—	3,259	(3,259)	—	—	—	—
Cash dividends (Note 4).....	—	—	(40,851)	—	—	(40,851)	(11,788)	(52,639)
Purchase of treasury stock.....	—	—	—	—	(19)	(19)	—	(19)
Disposal of treasury stock.....	—	(0)	—	—	1	1	—	1
Share-based payments.....	121	(128)	—	—	143	136	—	136
Transactions with non-controlling interests and other.....	—	(10)	—	—	—	(10)	(2)	(12)
Balances as of September 30, 2024.....	259,566	508,136	3,189,299	691,028	(209,012)	4,439,017	173,293	4,612,310

Six months ended September 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.....	—	—	288,379	—	—	288,379	9,586	297,965
Remeasurements of defined benefit plans.....	—	—	—	(1,019)	—	(1,019)	(351)	(1,370)
Financial assets measured at fair value through other comprehensive income.....	—	—	—	17,903	—	17,903	1,778	19,681
Exchange differences on translation of foreign operations.....	—	—	—	421,901	—	421,901	6,811	428,712
Net change in fair value of cash flow hedges.....	—	—	—	(1,588)	—	(1,588)	(66)	(1,654)
Total comprehensive income (loss).....	—	—	288,379	437,197	—	725,576	17,758	743,334
Transfer to hedged non-financial assets.....	—	—	—	(1,385)	—	(1,385)	—	(1,385)
Transfer from other components of equity to retained earnings.....	—	—	17,724	(17,724)	—	—	—	—
Cash dividends (Note 4).....	—	—	(35,012)	—	—	(35,012)	(10,248)	(45,260)
Purchase of treasury stock.....	—	—	—	—	(28)	(28)	—	(28)
Disposal of treasury stock.....	—	(0)	—	—	1	1	—	1
Share-based payments.....	171	(44)	—	—	20	147	—	147
Transactions with non-controlling interests and other.....	—	(4,422)	—	—	—	(4,422)	(3,211)	(7,633)
Balances as of September 30, 2023.....	259,445	511,294	2,859,891	881,852	(209,203)	4,303,279	175,855	4,479,134

PANASONIC HOLDINGS CORPORATION
AND SUBSIDIARIES
Condensed Interim Consolidated Statements of Cash Flows
Six months ended September 30, 2024 and 2023

	Yen (millions)	
	Six months ended September 30	
	2024	2023
Cash flows from operating activities:		
Net profit.....	198,949	297,965
Depreciation and amortization.....	202,189	195,331
Impairment losses on property, plant and equipment, right-of-use assets, goodwill and intangible assets.....	105	209
Income tax expenses (Note 8).....	52,010	(73,634)
(Increase) decrease in trade receivables and contract assets.....	75,393	68,591
(Increase) decrease in inventories.....	(28,823)	(5,290)
Increase (decrease) in trade payables.....	(22,224)	26,099
Increase (decrease) in provisions.....	(5,939)	(1,627)
Increase (decrease) in contract liabilities (Note 8).....	(11,361)	52,918
Increase (decrease) in retirement benefit liabilities.....	(4,880)	(4,483)
Other - net (Note 8).....	48,907	(124,325)
Subtotal.....	<u>504,326</u>	<u>431,754</u>
Interest received.....	24,627	18,741
Dividend income received.....	847	3,369
Interest expenses paid.....	(13,657)	(10,411)
Income taxes paid.....	<u>(58,559)</u>	<u>(51,699)</u>
Net cash provided by (used in) operating activities.....	<u>457,584</u>	<u>391,754</u>
Cash flows from investing activities:		
Purchase of property, plant and equipment.....	(381,719)	(234,276)
Proceeds from sale of property, plant and equipment.....	9,221	5,066
Purchase of intangible assets.....	(52,854)	(43,094)
Purchase of investments accounted for using the equity method and other financial assets.....	(25,056)	(7,430)
Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets.....	25,875	48,176
Acquisition of subsidiaries, net of cash acquired (Note 9).....	(78,182)	—
Proceeds from loss of control of subsidiaries or other businesses.....	—	2,577
Other - net.....	<u>6,938</u>	<u>(1,265)</u>
Net cash provided by (used in) investing activities.....	<u>(495,777)</u>	<u>(230,246)</u>

PANASONIC HOLDINGS CORPORATION
AND SUBSIDIARIES
Condensed Interim Consolidated Statements of Cash Flows
Six months ended September 30, 2024 and 2023

	Yen (millions)	
	Six months ended September 30	
	2024	2023
Cash flows from financing activities:		
Increase (decrease) in short-term debt	(2,495)	(420)
Proceeds from long-term debt (Note 8).....	85,534	264,078
Repayments of long-term debt.....	(109,954)	(71,538)
Payments for lease liabilities.....	(42,046)	(39,129)
Dividends paid to Panasonic Holdings Corporation stockholders (Note 4).....	(40,851)	(35,012)
Dividends paid to non-controlling interests.....	(11,788)	(10,248)
Purchase of treasury stock.....	(19)	(28)
Proceeds from sales of treasury stock.....	1	1
Transactions with non-controlling interests.....	—	(6,004)
Other - net.....	(327)	1,364
	(121,945)	103,064
Effect of exchange rate changes on cash and cash equivalents.....	(36,527)	80,925
Net increase (decrease) in cash and cash equivalents.....	(196,665)	345,497
Cash and cash equivalents at the beginning of the period.....	1,119,625	819,499
Cash and cash equivalents at the end of the period.....	922,960	1,164,996

PANASONIC HOLDINGS CORPORATION
AND SUBSIDIARIES
Notes to Condensed Interim 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 interim consolidated financial statements with International Accounting Standard 34, "Interim Financial Reporting" (hereinafter, "IAS 34")

Pursuant to the provision of Article 312 of the Ordinance on Terminology, Forms, and Preparation Methods of Interim Consolidated Financial Statements, the condensed interim 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 interim 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, 2024.

The condensed interim consolidated financial statements were approved on November 11, 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 interim 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 interim 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, 2024, except for the following items.

Effective April 1, 2024, the Company has adopted the following amendments to IFRS standards and interpretations. The impact of the application of those standards and interpretations on the condensed interim consolidated financial statements is not material.

Standards and interpretations	Title	Description of new standards, interpretations and amendments
IAS 1	Presentation of Financial Statements	Clarification of the classification requirements for liabilities as current or non-current Enhancement of disclosure related to long-term liabilities with restrictive covenants
IAS 7 IFRS 7	Statement of Cash Flows Financial Instruments: Disclosures	Additional disclosures about supplier finance arrangements
IFRS 16	Leases	Clarification of the subsequent measurement requirements for lease liability in sale and leaseback transactions

(4) Significant accounting estimates and judgments involving estimations

The Company makes judgments, estimates and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, income and expenses for the preparation of the condensed interim 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 judgements, estimates and assumptions which have a material effect on the Company's condensed interim 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, 2024.

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, 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, professional AV systems, video equipment, audio equipment, telephones, kitchen & bath, interior furnishing materials, exterior finishing materials, and sales of raw materials.

On April 1, 2024, certain businesses were transferred among segments, and the segment information for the six months ended September 30, 2023 has been reclassified to conform to the current segment composition as of April 1, 2024.

(2) Information by reportable segment

Information by reportable segment is shown in the tables below.

(i) For the six months ended September 30, 2024

Yen (millions)								
	Reportable segments						Eliminations and adjustments	Consolidated Total
	Lifestyle	Automotive	Connect	Industry	Energy	Other		
Sales:								
External customers...	1,640,403	709,012	583,719	438,499	407,143	472,534	—	4,251,310
Intersegment.....	103,579	5,398	35,910	108,197	23,268	199,026	(475,378)	—
Total.....	<u>1,743,982</u>	<u>714,410</u>	<u>619,629</u>	<u>546,696</u>	<u>430,411</u>	<u>671,560</u>	<u>(475,378)</u>	<u>4,251,310</u>
Segment profit (loss)..	49,445	24,194	25,135	30,853	54,279	34,632	(2,492)	216,046

(ii) For the six months ended September 30, 2023

Yen (millions)								
	Reportable segments						Eliminations and adjustments	Consolidated Total
	Lifestyle	Automotive	Connect	Industry	Energy	Other		
Sales:								
External customers...	1,575,890	703,619	513,012	418,800	454,253	453,850	—	4,119,424
Intersegment.....	92,025	4,585	37,599	91,601	22,580	174,952	(423,342)	—
Total.....	<u>1,667,915</u>	<u>708,204</u>	<u>550,611</u>	<u>510,401</u>	<u>476,833</u>	<u>628,802</u>	<u>(423,342)</u>	<u>4,119,424</u>
Segment profit (loss)..	60,231	15,322	14,840	13,200	52,456	32,671	4,115	192,835

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 six months ended September 30, 2024 and 2023 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)	
	September 30, 2024	March 31, 2024
Remeasurements of defined benefit plans (*).....	—	—
Financial assets measured at fair value through other comprehensive income.....	6,900	24,718
Exchange differences on translation of foreign operations.....	685,258	928,571
Net changes in fair value of cash flow hedges.....	(1,130)	(5,777)
Total.....	<u>691,028</u>	<u>947,512</u>

(*)As the result of remeasurements of defined benefit plans, other components of equity decreased by 467 million yen (net of tax), which was directly transferred from other components of equity to retained earnings for the six months ended September 30, 2024.

(2) Dividends

1) Dividends for the six months ended September 30, 2024 are summarized as follows:

(i) 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 9, 2024	Common stock	40,851	Retained earnings	17.5	March 31, 2024	June 3, 2024

(ii) Cash dividends resolved in the six months ended September 30, 2024 but effective after the period

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 October 31, 2024	Common stock	46,692	Retained earnings	20.0	September 30, 2024	December 2, 2024

2) Dividends for the six months ended September 30, 2023 are summarized as follows:

(i) 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) Cash dividends resolved in the six months ended September 30, 2023 but effective after the period

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 October 30, 2023	Common stock	40,850	Retained earnings	17.5	September 30, 2023	November 30, 2023

5. Per share information

Panasonic HD stockholders' equity per share is as follows:

	Yen	
	September 30, 2024	March 31, 2024
Panasonic Holdings Corporation stockholders' equity per share.....	1,901.40	1,946.62

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

	Yen (millions)	
	Six months ended September 30	
	2024	2023
Net profit attributable to Panasonic Holdings Corporation stockholders.....	188,909	288,379
Adjustment to net profit.....	(6)	(10)
Net profit used to calculate basic earnings per share.....	188,903	288,369
Adjustment to net profit.....	6	10
Net profit used to calculate diluted earnings per share.....	188,909	288,379

	Number of shares	
	2024	2023
Average common shares outstanding.....	2,334,372,615	2,334,115,675
Dilutive effect:		
Stock acquisition rights.....	600,020	694,100
Restricted stock.....	76,043	80,200
Diluted common shares outstanding.....	2,335,048,678	2,334,889,975

	Yen	
	2024	2023
Earnings per share attributable to Panasonic Holdings Corporation stockholders:		
Basic.....	80.92	123.55
Diluted.....	80.90	123.51

6. Fair values of financial instruments

(1) Comparison between fair values and the carrying amounts

	Yen (millions)			
	September 30, 2024		March 31, 2024	
	Book value	Fair value	Book value	Fair value
Long-term debt, including current portion of long-term debt.....	1,254,949	1,233,732	1,340,220	1,314,196

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 September 30 and March 31, 2024. 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)			
	September 30, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets measured at FVTPL				
Derivative assets				
Foreign exchange forward contracts.....	-	12,052	-	12,052
Cross currency swaps.....	-	1,880	-	1,880
Cross currency interest rate swaps.....	-	17,573	-	17,573
Commodity futures.....	15,975	4,175	-	20,150
Subtotal.....	15,975	35,680	-	51,655
Financial assets measured at FVTOCI				
Shares.....	55,124	-	65,135	120,259
Others.....	-	351	-	351
Subtotal.....	55,124	351	65,135	120,610
Total financial assets.....	71,099	36,031	65,135	172,265
Financial liabilities:				
Financial liabilities measured at FVTPL				
Derivative liabilities				
Foreign exchange forward contracts.....	-	9,575	-	9,575
Cross currency interest rate swaps.....	-	8,870	-	8,870
Commodity futures.....	11,421	14,444	-	25,865
Others.....	-	-	2,443	2,443
Total financial liabilities.....	11,421	32,889	2,443	46,753

	Yen (millions)			
	March 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets measured at FVTPL				
Derivative assets.....				
Foreign exchange forward contracts.....	-	13,163	-	13,163
Cross currency swaps.....	-	82	-	82
Cross currency interest rate swaps.....	-	63,761	-	63,761
Commodity futures.....	9,882	3,510	-	13,392
Subtotal.....	<u>9,882</u>	<u>80,516</u>	<u>-</u>	<u>90,398</u>
Financial assets measured at FVTOCI				
Shares.....	58,896	-	92,394	151,290
Others.....	-	286	-	286
Subtotal.....	<u>58,896</u>	<u>286</u>	<u>92,394</u>	<u>151,576</u>
Total financial assets.....	<u><u>68,778</u></u>	<u><u>80,802</u></u>	<u><u>92,394</u></u>	<u><u>241,974</u></u>
Financial liabilities:				
Financial liabilities measured at FVTPL				
Derivative liabilities				
Foreign exchange forward contracts.....	-	5,710	-	5,710
Commodity futures.....	4,308	12,266	-	16,574
Others.....	-	-	6,974	6,974
Total financial liabilities.....	<u><u>4,308</u></u>	<u><u>17,976</u></u>	<u><u>6,974</u></u>	<u><u>29,258</u></u>

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 swaps, 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 use of external assessment organizations.

Other financial liabilities classified as Level 3 are measured at fair value by estimating 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.

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 six months ended September 30, 2024, as well as for the year ended March 31, 2024, there were no financial instruments for which a significant transfer was made between levels.

There were no significant movements during the interim period for 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, 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 (conductive polymer capacitors, film capacitors for xEV, and hybrid aluminum electrolytic capacitors) and EV relays. "FA Solutions" includes products such as industrial motors (motors for industrial application (servomotors), motors for automotive, and motors for HVAC) and FA devices (programmable controllers (PLC), photoelectric sensors, and laser markers)."Electronic Materials" includes products such as multilayer circuit board materials, semiconductor device materials, and molding compounds. "Other" includes products such as other companies' products.

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, professional AV systems, video equipment, audio equipment, telephones, and Housing includes products such as kitchen & bath, interior furnishing materials, and exterior furnishing materials.

As described in Note "3. Segment information," on April 1, 2024, certain businesses were transferred among segments, and the disaggregated revenue for the six months ended September 30, 2023 has been reclassified to conform to the current segment composition as of April 1, 2024.

The disaggregated revenue for the six months ended September 30, 2024 and 2023 is as follow:

(1) For the six months ended September 30, 2024

(million yen)

Reportable segments	By product category	Sales	By geographical area	Sales
Lifestyle	Living Appliances and Solutions	455,583	Japan	757,732
	Heating & Ventilation A/C	408,817	Americas	201,428
	Cold Chain Solutions	187,436	Europe	97,586
	Electric Works	314,907	Asia, China and others	517,194
	Other	207,197		
	Total (Note 1)	1,573,940	Total (Note 1)	1,573,940
Automotive	Automotive Cockpit Systems	267,995	Japan	209,747
	Automotive Electronics Systems	283,708	Americas	188,963
	Other	72,689	Europe	143,927
			Asia, China and others	81,755
	Total (Note 1)	624,392	Total (Note 1)	624,392
Connect	Hardware Solutions	393,299	Japan	145,822
	SCM Solutions	195,975	Americas	261,992
			Europe	82,043
			Asia, China and others	99,417
	Total (Note 1)	589,274	Total (Note 1)	589,274
Industry	Electronic Devices	276,717	Japan	113,968
	FA Solutions	43,223	Americas	30,711
	Electronic Materials	85,090	Europe	81,962
	Other	64,941	Asia, China and others	243,330
		Total (Note 1)	469,971	Total (Note 1)
Energy	In-vehicle	244,978	Japan	41,761
	Industrial / Consumer	192,094	Americas	321,308
			Europe	19,292
			Asia, China and others	54,711
	Total (Note 1)	437,072	Total (Note 1)	437,072
	Other (Note 2)	556,661		
	Consolidated total	4,251,310		

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 170,112 million yen and sales of Housing products of 188,649 million yen.

(2) For the six months ended September 30, 2023

(million yen)

Reportable segments	By product category	Sales	By geographical area	Sales
Lifestyle	Living Appliances and Solutions	446,988	Japan	722,744
	Heating & Ventilation A/C	365,642	Americas	193,415
	Cold Chain Solutions	173,808	Europe	107,275
	Electric Works	314,142	Asia, China and others	472,161
	Other	195,015		
	Total (Note 1)	1,495,595	Total (Note 1)	1,495,595
Automotive	Automotive Cockpit Systems	265,751	Japan	219,962
	Automotive Electronics Systems	281,677	Americas	185,925
	Other	77,089	Europe	131,115
			Asia, China and others	87,515
	Total (Note 1)	624,517	Total (Note 1)	624,517
Connect	Hardware Solutions	357,571	Japan	129,904
	SCM Solutions	167,283	Americas	230,895
			Europe	82,108
			Asia, China and others	81,947
	Total (Note 1)	524,854	Total (Note 1)	524,854
Industry	Electronic Devices	269,585	Japan	122,501
	FA Solutions	39,385	Americas	33,458
	Electronic Materials	73,319	Europe	81,622
	Other	65,204	Asia, China and others	209,912
		Total (Note 1)	447,493	Total (Note 1)
Energy	In-vehicle	328,250	Japan	40,271
	Industrial / Consumer	156,716	Americas	378,162
			Europe	13,533
			Asia, China and others	53,000
	Total (Note 1)	484,966	Total (Note 1)	484,966
	Other (Note 2)	541,999		
	Consolidated total	4,119,424		

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 168,201 million yen and sales of Housing products of 195,064 million yen.

8. Supplementary information

(1) Other income (expenses)

The amounts of each individual item included in "Other income (expenses), net" are immaterial for the six months ended September 30, 2024.

"Other income (expenses), net" for the six months ended September 30, 2023 included a reversal of impairment losses of 10,352 million yen, and the amount recognized in profit or loss is presented as part of "Other - net" within cash flows from operating activities as an adjustment to "Net profit" in the condensed interim consolidated statement of cash flows.

(2) Income taxes

For the six months ended September 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 the 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 senior notes denominated in U.S. dollars

For the six months ended September 30, 2024, the Company issued senior notes denominated in U.S. dollars (total amount of US\$ 500 million) in the overseas markets outside Japan in July 2024. The Company signed cross currency interest rate swap contracts to hedge the risk of changes in currency exchange rates associated with the senior notes. Hedge accounting is applied for these cross currency interest rate swaps and a portion of the change in their fair value that is determined to be effective in offsetting the designated hedged risk is recognized as "Other comprehensive income."

For the six months ended September 30, 2023, the Company issued unsecured straight bonds (total amount of 260,000 million yen) in the domestic market in September 2023.

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

The increases in the carrying amounts of "Property, plant and equipment" due to acquisition in the six months ended September 30, 2024 and 2023 are 360,144 million yen and 214,225 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 six months ended September 30, 2024 and 2023 are 5,384 million yen and 5,429 million yen, respectively.

(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." The amounts reduced for the six months ended September 30, 2024 and 2023 are 87,371 million yen and 91,485 million yen, respectively. The amount expected to be received are included in "Other non-current assets" in the condensed interim consolidated statement of financial position and the amounts as of September 30, 2024 and March 31, 2024 are 90,178 million yen and 197,013 million yen, respectively. The effects of these on the condensed interim consolidated statement of cash flows are included in "Other - net" within cash flows from operating activities.

During the six months ended September 30, 2024, the right related to tax credits earned in the previous fiscal year was transferred to a third party and the transfer proceed of 182,631 million yen is included in "Other - net" within cash flows from operating activities in the condensed interim consolidated statement of cash flows. Since certain transfer procedures have not been completed, the expected amount of tax credits subject to transfer was reclassified from "Other non-current assets" to "Other current assets" and the transfer proceed is presented as an advance received in "Other current liabilities" in the condensed interim consolidated statement of financial position as of September 30, 2024.

In addition, of the expected amount of tax credits to be received under the US IRA, the amount expected to be utilized with customers is recognized as a reduction from "Net sales" in accordance with IFRS 15, "Revenue from Contracts with Customers." The amount reduced for the six months ended September 30, 2024 and 2023 are 47,547 million yen and 49,298 million yen, respectively. In the condensed interim consolidated statement of financial position, these amounts are included as refund liabilities in "Other current liabilities" and "Other non-current liabilities" as of September 30, 2024 and in "Contract liabilities" as of March 31, 2024. The balance of refund liabilities included in "Other current liabilities" as of September 30, 2024 and the balance included in "Contract liabilities (current)" as of March 31, 2024 are 105,428 million yen and 22,906 million yen, respectively. The balance of refund liabilities included in "Other non-current liabilities" as of September 30, 2024 and the balance included in "Contract liabilities (non-current)" as of March 31, 2024 are 34,293 million yen and 83,235 million yen, respectively. The effects of these on the condensed interim consolidated statement of cash flows are included in "Other - net" within cash flows from operating activities for the six months ended September 30, 2024 and in "Increase (decrease) in contract liabilities" within cash flows from operating activities for the six months ended September 30, 2023.

9. Business combination

Acquisition of Control of One Network Enterprises, Inc.

On August 1, 2024, Blue Yonder Holding, Inc. ("Blue Yonder"), a subsidiary of Panasonic Connect, Inc., a consolidated subsidiary of the Company, acquired all shares of One Network Enterprises, Inc. ("One Network") in the U.S., and accordingly, obtained control of One Network.

Through this transaction Blue Yonder became able to combine One Network's digital supply chain network with Blue Yonder's supply chain functions, and accordingly, will be able to provide an end-to-end integrated supply chain ecosystem that combines innovative and future-oriented technologies. Through this, the Company aims to solve customer management issues and contribute to a sustainable society through energy use reduction and effective utilization of resources.

The provisional amount at fair value of the considerations paid for the acquisition of a controlling interest in One Network was 121,514 million yen. The considerations includes cash as well as the right to acquire Blue Yonder's shares under certain conditions ("Units"). Since the Units also have the right to demand cash redemption to Blue Yonder under certain conditions ("put option"), they are recognized as a liability at the present value of the expected put option exercise price and are included in "Other financial liabilities (non-current)" in the condensed interim consolidated statement of financial position. Expenses incurred in connection with the acquisition of shares are not material.

	<u>Yen (millions)</u>
Cash.....	85,079
Unit.....	36,435
Total.....	<u>121,514</u>

The provisional amounts of assets acquired and liabilities assumed as of the acquisition date are set forth below. The fair values of assets acquired and liabilities assumed as of the acquisition date are currently being determined and the following amounts are subject to change.

	<u>Yen (millions)</u>
Cash and cash equivalents.....	6,901
Trade receivables and contract assets.....	2,912
Goodwill.....	89,660
Intangible assets.....	31,675
Other acquired assets.....	789
Total assets acquired.....	<u>131,937</u>
Trade payables.....	1,737
Deferred tax liabilities.....	6,375
Other assumed liabilities.....	2,311
Total liabilities assumed.....	<u>10,423</u>
Total net assets acquired.....	<u>121,514</u>

Goodwill is mainly attributable to expected future earnings potential. The total amount of goodwill is allocated to the "Connect" segment and is not expected to be deductible for tax purpose. Intangible assets include proprietary technologies and customer relationships.

Net sales and profit or loss of One Network that were included in the condensed interim consolidated statement of profit or loss for the six months ended September 30, 2024 were not material.

Pro forma information has been omitted as the amounts not reflected in the condensed interim consolidated statement of profit or loss for the six months ended September 30, 2024 were not material.

10. Contingent liabilities

An internal investigation revealed that Panasonic Industry Co., Ltd. (hereinafter "PID"), a subsidiary of the Company, has identified instances of irregularities (hereinafter, the "Irregularities") in the process of the US-based third-party certification by UL Solutions (hereinafter "UL") for 153 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 discovery, PID has established an external investigation committee comprised of external experts on January 12, 2024 to conduct thorough investigations, analyze the root causes, and formulate measures to prevent re-occurrence, and PID released the investigation report on November 1, 2024. The report raises multiple points of concern including quality irregularities in divisions other than the Electronics Materials Business Division, and also suggests recommendations for preventive measures based on a root cause analysis. Furthermore, company-wide inspection activities at PID will continue, and PID will respond appropriately to any issues that arise. In addition, the Company is conducting inspections in light of the Irregularities.

As a result of reporting the Irregularities to UL, UL certification for some of the products has been withdrawn as of June 28, 2024 following the withdrawal of UL certification for some products on May 31, 2024. Discussions between PID and UL regarding the handling of UL certification for certain products are on going. PID pledges to work toward reinstating certification for those PID products that do not have UL certification but need to continue to be sold as UL certified products.

With regard to the Irregularities, PID received a notification of withdrawal of the ISO 9001 and the IATF 16949 certifications for Koriyama Plant, Koriyama West Plant, Yokkaichi Plant and South Yokkaichi Plant from LRQA limited, a registered certification body for the ISO 9001 and the IATF 16949. In response, PID also pledges to work towards reinstatement of these certifications.

PID continues to engage sincerely with customers who have purchased the subject products and remain accountable for the Irregularities. Additionally, PID has formulated preventive measures based on the root cause analysis of the issues identified by the external investigation committee, which identified issues including a lack of understanding of the essence of quality assurance, organizational culture problems, and deficiencies in the quality compliance system. With a strong commitment and ongoing efforts as the Company, we will implement these preventive measures and strive to restore trust.

The Company's financial position and financial results may be affected by the Irregularities or any other quality issues that may be uncovered. The Company has not incorporated any potential impacts into the Company's condensed interim consolidated financial statements as of September 30, 2024 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 interim 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.