This presentation gives Panasonic’s consolidated financial results for the first quarter of fiscal 2021 (FY21) ended June 30, 2020, and its current financial forecast for FY21 ending March 31, 2021.
First, the summary of the consolidated financial results for the first quarter of FY21.

- Overall sales decreased due to deconsolidation in business portfolio reform and the COVID-19 impact.
- Overall operating profit decreased with largely decreased sales, despite steady progress in enhancing the management structure.
- As for the COVID-19 impact, both sales and profit have improved since June 2020.

Second, the summary of the full-year consolidated forecast for FY21. Overall sales and profit are expected to decrease for the full-year, despite an outlook of gradual lessening of the COVID-19 impact from the second quarter onward.

- Regarding the profitability improvement in line with the Mid-term strategy, the Company will steadily promote to enhance the management structure and strengthen efforts to capture business opportunities from changes in society brought about by COVID-19.
I will explain the details of consolidated financial results for the first quarter of FY21 from the next slide.
Overall sales were 1,391.9 billion yen due to the deconsolidation impact and the COVID-19 impact.

Adjusted operating profit decreased with largely decreased sales.

Operating profit decreased, despite achieving profitability by the recording of one-time gains.

Net profit also decreased.
This slide shows our sales analysis.

1. Overall sales decreased by 499.2 billion yen (-26%). Excluding the effect of exchange rates and the deconsolidation impact, sales decreased by 370.5 billion yen (-21%).

2. Of which, the COVID-19 impact of 350.0 billion yen was seen mainly in Automotive, Appliances, and Connected Solutions which includes the Avionics business.

3. However, the COVID-19 impact has lessened from June 2020. Monthly sales compared with the previous year for April and May were: -26% and -28%, respectively. June was -9%, showing a noticeable recovery mainly in Japan and China.
This slide shows our operating profit analysis.

Adjusted operating profit decreased by 68.3 billion yen. However, excluding the COVID-19 impact, profit increased by 11.7 billion yen.

Mid-term strategy initiatives of profitability improvement are showing steady progress.

For example, fixed cost reduction was a factor of an increase of 9.0 billion yen, and taking measures to businesses with loss-making structures was another factor of an increase of 8.0 billion yen.

Automotive business contributed to an improvement of 8.0 billion yen.

On the other hand, the COVID-19 impact led to a decrease of 80.0 billion yen. Automotive, Connected Solutions and Appliances accounted for a large portion of the impact.

Operating profit achieved profitability due to one-time gains, although it decreased by 52.6 billion yen overall, compared to the same period last year.
This slide shows the results by segment.
I will explain the details from the next slide.
This slide shows major increase/decrease factors by segment.

- **Sales decreased at all segments.**
- **Adjusted operating profit increased in Industrial Solutions, however other four segments saw a decrease.**
  - In Appliances, sales and profit decreased, despite recovery trends in some products in regions such as China and Japan.
  - In Life Solutions, sales and profit decreased.
  - In Connected Solutions, sales decreased mainly in Avionics as a result of reduced flight operations. Profit largely decreased, despite thorough efforts to reduce fixed costs.
  - In Automotive, sales largely decreased. This is due to the impact by reduced production of vehicles by customers, despite steady progress made with product portfolio replacement at Automotive Solutions. Profit decreased overall due to decreased sales, despite profit of Automotive Batteries maintaining the same level as the previous year with improved productivity at North America factory, and Automotive Solutions achieving significant fixed cost reductions.
  - In Industrial Solutions, sales decreased overall impacted by decreased sales for automotive-use products, despite increases in power storage systems and capacitors for information- and communication-infrastructure. Profit increased with efforts to reduce fixed costs and effects of contract alteration of semiconductor business offset decreased sales.
- **As a result, Company-wide sales, in real terms excluding the effect of exchange rates and deconsolidation impact, decreased by 21%, and adjusted operating profit decreased by 68.3 billion yen.**
- **Operating profit decreased by 52.6 billion yen, despite improvements in other income/loss.**
This slide shows the situation for FCF and cash.

- FCF was an outflow of 54.2 billion yen.
- Operating cash flow became negative due mainly to decreased profit and short-term factors such as a temporary increase of inventory, resulting from the COVID-19 impact.
- On the other hand, investing cash flow was positive. This is due mainly to one-time proceeds.
- FCF was negative overall for the first quarter, however it recovered to be positive in June on a single-month basis.
- The graph on the right describes our cash position.
- The Company maintains sufficient liquidity: Gross cash was secured over 1 trillion yen. In addition, there is no borrowing under the commitment line agreements.
- Net cash balance has been improved compared to the previous year. This is due to the exclusion of lease liabilities related to housing business (Panasonic Homes, etc.) as a result of the deconsolidation in promoting business portfolio reform.
Next, I will explain the full-year financial forecast for FY21.
The details of the consolidated forecast are as follows.

- Overall sales and profit are expected to decrease for the full-year, despite the outlook of a gradual lessening of the COVID-19 impact from the second quarter onward.
- Sales is expected to decrease by 990.6 billion yen to 6,500.0 billion yen.
- Excluding the effect of exchange rates and special factors such as the deconsolidation, sales is expected to decrease by 496.3 billion yen.
- Adjusted operating profit is expected at 220.0 billion yen. Operating profit is expected at 150.0 billion yen. Net profit is expected at 100.0 billion yen.
- Although the COVID-19 impact is expected to remain in FY21, we will steadily promote the enhancement of management structure.
Now I will explain our assumptions regarding the COVID-19 impact, which we used in formulating the FY21 full-year forecast.

In terms of sales, we assume a gradual recovery. However, the impact is expected to remain in the second half on businesses for: aviation, housing-related, and automotive industries.

The details are shown in this slide.
Next, I will explain our assumptions regarding the COVID-19 impact on profit.

We assume the negative impact on profit will lessen in the second quarter and toward the second half of FY21.

As shown in this slide, the impact for the second quarter is expected to be half of that of the first quarter.

For the second half, we expect some impact to remain in certain businesses. However, this impact is expected to be largely alleviated compared to the first half. And it is expected to be at the same level as that of the second half of FY20.
Based on the assumptions regarding the COVID-19 impact, I will explain the sales analysis of the FY21 forecast.

- Overall sales is expected to decrease by 990.6 billion yen. Excluding the effect of exchange rates and deconsolidation impact, sales is expected to decrease by 496.3 billion yen.
- Among the overall sales decrease, we factor in a decrease of 650.0 billion yen of COVID-19 impact in FY21. In FY20, the decreased amount was 140.0 billion yen. Therefore, the net amount of 510.0 billion yen is the difference compared to the previous year.
This slide shows our analysis of the FY21 operating profit forecast.

Operating profit is expected to decrease by 143.8 billion yen.

Of which, adjusted operating profit is expected to decrease by 66.7 billion yen.

However, excluding the COVID-19 impact amounts, we aim to achieve an increase of slightly over 50.0 billion yen in adjusted operating profit, from the level of approximately 320.0 billion yen in FY20.

For example, we will reduce fixed costs, take measures to businesses with loss-making structures. In addition, for our automotive business, we will improve the efficiency of R&D at Automotive Solutions, as well as improve productivity at Automotive Batteries.

On the other hand, in terms of COVID-19 impact, a decrease of 150.0 billion yen is factored into FY21 compared to 30.0 billion yen in FY20.

The net amount of 120.0 billion yen will be the decrease factor from the previous year.

Other income/loss is expected to decrease by 77.1 billion yen from the previous year, mainly impacted by 122.6 billion yen of gains from the establishment of a joint venture and others in FY20.

Restructuring expenses of 50.0 billion yen is expected in FY21.
This slide shows the FY21 full-year financial forecasts by segment. I will explain details from the next slide.
This slide shows our FY21 full-year forecast by segment.

Sales is expected to decrease at all segments due mainly to COVID-19 impact.

Adjusted operating profit is expected to decrease overall due to a large decrease in Connected Solutions, despite expected increases in Appliances and Industrial Solutions, as well as maintaining the same level as the previous year in Automotive.

In Appliances, sales is expected to decrease. On the other hand, profit is expected to increase, through initiatives to enhance the management structure, mainly with air-conditioning and white goods business.

In Life Solutions, sales and profit are expected to decrease due mainly to decreased sales of housing related business, despite certain businesses being strong.

In Connected Solutions, sales and profit are expected to decrease impacted by large sales decrease at Avionics.

In Automotive, sales is expected to decrease, with a loss at the same level as the previous year. At Automotive Solutions, profit is expected to decrease, despite efforts to reduce fixed costs. But at Automotive Batteries, profit is expected to increase due mainly to improved productivity effect at the North America factory.

In Industrial Solutions, sales is expected to decrease due to decreased sales of automotive-use products, despite favorable demand of products for information- and communication-infrastructure. Profit is expected to increase due mainly to the effect from restructuring in semiconductor business.

As a result, Company-wide sales is expected to decrease by 496.3 billion yen, in real terms excluding the effect of exchange rates and deconsolidation impact. Adjusted operating profit is expected to decrease by 66.7 billion yen.

Operating profit is expected to decrease by 143.8 billion yen due to one-time gains in the previous year.
- This slide shows the FY21 guidance of FCF.
- From the second quarter onward, we will secure profit. At the same time, we will also continue efforts to promote optimizing inventory level and narrowing down capital investment.
- With regard to strategic investment, we will execute them within the proceeds generated mainly by business portfolio reform. For the full-year, we are aiming for the level of FCF above net profit.
This slide shows our business portfolio reform progress. I will explain the major changes after the FY20 full-year announcements in May 2020.

- In terms of investment for growth, in July 2020, we executed a strategic investment in Blue Yonder, a leading supply chain software company, related to Gemba (operational frontlines) process business.

- Regarding our solar business, the Company resolved to end the partnership with GS-Solar in China, which was agreed in May 2019, as described in the press release announced today.

- We will consider various measures, aiming to restore profitability at an early stage.
Finally, this is a summary of our key initiatives for FY21.

With regard to the Mid-term strategy initiatives, we will continue steady progress in the enhancement of management structure, profitability improvement of our automotive business and business portfolio reform.

In terms of addressing the COVID-19 situation, we will respond to business risks and make efforts to capture business opportunities.

In terms of responding to business risks, we will reduce costs, mainly fixed costs, and promote countermeasures to structural changes, accordingly.

At the same time, to capture certain business opportunities arising from changes in society brought about by COVID-19, we will develop products and services, and invest in expanded capacity.

While the COVID-19 impact is expected to remain in FY21, we will steadily promote these initiatives toward overcoming the low-profitability structure.
Thank you for your kind attention.
Disclaimer Regarding Forward-Looking Statements

This presentation includes forward-looking statements about Panasonic and its Group companies (the "Panasonic Group"). To the extent that statements in this presentation do not relate to historical or current facts, they constitute forward-looking statements. These forward-looking statements are based on the current assumptions and beliefs of the Panasonic Group in light of the information currently available to it, and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause the Panasonic Group's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. Panasonic undertakes no obligation to publicly update any forward-looking statements after the date of this presentation. Investors are advised to consult any further disclosures by Panasonic in its subsequent filings under the Financial Instrument and Exchange Act of Japan (the "FIEA") and other publicly disclosed documents.

The risks, uncertainties and other factors referred to above include, but are not limited to, economic conditions, particularly consumer spending and corporate capital expenditures in the Americas, Europe, Japan, China and other Asian countries, volatility in demand for electronic equipment and components from business and industrial customers, as well as consumers in many product and geographical markets; the possibility that the spread of the novel coronavirus infection may adversely affect business activities of the Panasonic Group; the possibility that excessive currency rate fluctuations of the U.S. dollar, the euro, the Chinese yuan and other currencies against the yen may adversely affect costs and prices of Panasonic's products and services and certain other transactions that are denominated in these foreign currencies; the possibility that the Panasonic Group may incur additional costs or raising funds, because of changes in the fundraising environment; 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 arrangements with other companies, including due to the pressure of price reduction exceeding that which can be achieved by its efforts and decrease in demand for products from business partners which Panasonic highly depends on in B-to-B business areas; 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 claims by third parties; current and potential, direct and indirect restrictions imposed by other countries over trade, manufacturing, labor and operations, restrictions, costs or legal liability relating to laws and regulations or failures in internal controls; fluctuations in market prices of securities and other financial assets in which the Panasonic Group has holdings or changes in valuation of non-financial assets, including property, plant and equipment, goodwill and deferred tax assets, future changes or revisions to accounting policies or accounting rules; the possibility of incurring expenses resulting from a leakage of customers' or confidential information from Panasonic Group systems due to unauthorized access or a detection of vulnerability of network-connected products of the Panasonic Group; as well as natural disasters including earthquakes, prevalence of infectious diseases throughout the world, disruption of supply chain and other events that may negatively impact business activities of the Panasonic Group. The factors listed above are not all-inclusive and further information is contained in the most recent English translated version of Panasonic's securities reports under the FIEA and any other documents which are disclosed on its website.
(Reference) FY21 1Q Operating Profit Analysis

(yen: billions)

- Sales increase/decrease in real terms
  - FY20 1Q: Adjusted OP: -68.3
  - FY21 1Q: OP: -52.6

- Fixed cost
  - +72.3

- Deconsolidation impact
  - -3.7

- Price declines/rationalization/sales mix, etc.
  - -137.2

- Effect of exchange rates
  - +0.6

- Other income/loss
  - +16.7

- Panasonic

Panasonic 2021 First Quarter Financial Results (Full-Year Forecast)
<table>
<thead>
<tr>
<th></th>
<th>FY21 1Q</th>
<th>FY20 1Q</th>
<th>vs. FY20 Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit</td>
<td>3.8</td>
<td>56.4</td>
<td>-52.6</td>
</tr>
<tr>
<td>Non-operating income/loss</td>
<td>-0.7</td>
<td>-0.2</td>
<td>-0.5</td>
</tr>
<tr>
<td>Profit before income taxes</td>
<td>3.1</td>
<td>56.2</td>
<td>-53.1</td>
</tr>
<tr>
<td>Income taxes</td>
<td>-10.0</td>
<td>-2.4</td>
<td>-7.6</td>
</tr>
<tr>
<td>Net profit</td>
<td>-6.9</td>
<td>63.8</td>
<td>-60.7</td>
</tr>
<tr>
<td>Net profit attributable to Panasonic Corporation stockholders</td>
<td>-9.8</td>
<td>49.8</td>
<td>-59.6</td>
</tr>
<tr>
<td>Net profit attributable to non-controlling interests</td>
<td>2.9</td>
<td>4.0</td>
<td>-1.1</td>
</tr>
</tbody>
</table>
### Appliances

#### Overview (yen: billions)

<table>
<thead>
<tr>
<th></th>
<th>FY21 1Q</th>
<th>FY20 1Q</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>707.9</td>
<td>563.1</td>
<td>-20% (-19%)*</td>
</tr>
<tr>
<td>Adjusted operating profit (Adjusted OPM)</td>
<td>14.3</td>
<td>14.5</td>
<td>-14.5</td>
</tr>
<tr>
<td>Other income/loss</td>
<td>0.6</td>
<td>0.0</td>
<td>-0.0</td>
</tr>
<tr>
<td>Operating profit (OPM)</td>
<td>13.7</td>
<td>14.5</td>
<td>-14.5</td>
</tr>
</tbody>
</table>

* May include some effects of temporary suspension of factories in Malaysia. **Effect of exchange rates included.

### Major increase/decrease factors

- **Heating and Cooling Solutions**
  - Sales and profit decreased. Strong sales of room air conditioners in China, in Japan, recovery trends seen in May onward, but sales impacted by market deterioration due to lockdowns in Europe, Asia, etc. and by a temporary suspension at factories in Malaysia.

- **Home Appliances**
  - Sales decreased: Despite stable sales of personal-care products in China, COVID-19 mainly affected refrigerators and washing machines in Asia and Latin America.
  - Profits increased due mainly to reducing fixed costs and sales promotion expenses, despite decreased sales.

- **Smart Life Network**
  - Sales and profit decreased: Digital still camera sales decreased due to market deterioration mainly in Europe, along with TV supply shortage caused by temporary suspension at factories and other factors.

- **Commercial Refrigeration & Food Equipment**
  - Sales and profit decreased mainly in showcases for large-scale stores affected by COVID-19 in Japan and North America.

### (Reference) Segment Information

#### FY20 1Q

- 707.9 Home Appliances
- Commercial Refrigeration & Food Equipment
- Other income/loss

#### FY21 1Q

- 563.1 Home Appliances
- Commercial Refrigeration & Food Equipment
- Other income/loss

OP: Decreased due to decreased sales, but negative impact mitigated by management enhancement initiatives (e.g. reducing fixed costs and sales promotion expenses).

**OP: -14.5**

**Effect of exchange rates:**

- Refrigeration and Air Conditioning Devices BD, Smart Energy System BD, sales of other Univenal Camera products, headquarter-related, eliminations, etc.

Panasonic

Footnote: FY2021 First Quarter Financial Results (Full-Year Forecast)
### (Reference) Segment Information

**Overview**

<table>
<thead>
<tr>
<th>Segment</th>
<th>FY21 1Q (¥ billion)</th>
<th>vs. FY20 (%)</th>
<th>Difference (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>325.1</td>
<td>-30%</td>
<td>(-20%)²</td>
</tr>
<tr>
<td>Adjusted operating profit (Adjusted OPM)</td>
<td>7.3 (2.3%)</td>
<td>-5.2</td>
<td></td>
</tr>
<tr>
<td>Other income/loss</td>
<td>1.7</td>
<td>1.0</td>
<td></td>
</tr>
<tr>
<td>Operating profit (OPM)</td>
<td>5.6 (1.7%)</td>
<td>-7.1</td>
<td></td>
</tr>
</tbody>
</table>

*In real terms excluding the effect of exchange rate, sales and deconsolidation impact*

### Major increase/decrease factors

**Lighting**
- Despite sales decrease due to weak demand caused by lockdowns and temporary suspensions at factories (especially in China) and business transfer in Europe, profit increased with lower manufacturing costs and reduced expenses, etc.

**Energy Systems**
- Sales and profit decreased due to decreased sales from COVID-19 impact, including market deterioration caused by lockdowns and temporary suspensions at factories (especially in India).

**Panasonic Ecology Systems**
- Sales decrease due to decreases sales of air purifiers/sterilizers in Japan.
- Profit increased; efforts to reduce fixed costs, etc. offset decreased sales.

**Housing Systems**
- Sales and profit decreased due to market deterioration caused by COVID-19 impact and delayed product supply, etc.
- Restructuring expenses, etc.

---

**Sales**

- Decreased due to deconsolidation (e.g. Panasonic Homes) as well as increased sales affected due to market deterioration, etc. caused by COVID-19.

**OP**

- Decreased due mainly to decreased sales caused by COVID-19 impact, despite progress in efforts to reduce fixed costs.

---

*Figures are as of March 31, 2020 (1st quarter of the fiscal year ending March 31, 2021)*

---

**Data Source**

- Reprinted with permission from Panasonic's 1Q FY18/19 Financial Results Release (4th Year Forecast)
## Connected Solutions

### Sales: Decreased mainly at Avionics, affected by sharp decline of flight operations

<table>
<thead>
<tr>
<th>Sales</th>
<th>FY21 1Q (yen: billions)</th>
<th>FY20 1Q (yen: billions)</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>185.3</td>
<td>266.2</td>
<td>-80.9</td>
</tr>
<tr>
<td>Adjusted operating profit (Adjusted OPM)</td>
<td>-16.0 (-8.8%)</td>
<td>-30.8</td>
<td>14.8</td>
</tr>
<tr>
<td>Other income/loss</td>
<td>0.6</td>
<td>-1.1</td>
<td>1.7</td>
</tr>
<tr>
<td>Operating profit (OPM)</td>
<td>-16.6 (-8.4%)</td>
<td>-29.7</td>
<td>13.1</td>
</tr>
</tbody>
</table>

*In real terms excluding the effect of exchange rates

### Major increase/decrease factors

- **Avionics**
  - Sales decreased due to decreased sales of IFEC**, hardware, and repair & maintenance services, caused by airline companies holding back investments, etc., due to a sharp decline of flight operations.
  - Profit decreased despite thorough efforts to reduce costs, mainly personnel costs.

- **Process Automation**
  - Sales and profit decreased due to weak automobile market conditions, despite increased sales of servers and mounting machines for 5G base stations in China.

- **Media Entertainment**
  - Sales and profit decreased with decreased sales of projectors and professional AV equipment due to negative impact of deterioration in sales of home appliances and home audiovisual equipment due to COVID-19 and other factors.

- **Mobile Solutions**
  - Sales and profit decreased: notebook PC demand increased with more people working remotely; however, a negative impact (FA Ex) relative to last year’s special demand for the end of Windows 7 support; furthermore, production affected by component procurement issues.

- **Other income/loss**
  - Sales and profit decreased: delays in project promotion activities caused by COVID-19; and negative impact relative to special demand for the end of Windows 7 support

- **Deconsolidation of security systems business, etc.**

---

Fiscal 2021 First Quarter Financial Results / Full-Year Forecast

---

Copyright (C) 2020 Panasonic Corporation All Rights Reserved.
(Reference) Segment Information

Overview (yen: billions)

| FY21 1Q | vs. FY20/
| Sales | 210.8 | -46% | (-40%) |
| Adjusted operating profit (Adjusted OPM) | -29.5 | 10.7 |
| Other income/loss | 20.0 | +20.7 |
| Operating profit (OPM) | -9.3 | +0.5 |

In real terms, excluding the impact of exchange rates

Major Increase/decrease factors

- **Automotive Batteries**
  - Decreased largely due to COVID-19, steady progress made with portfolio replacement to IFV, on which we focus our resources and in-fact product sales
  - Significant fixed-cost reductions with accelerated management enhancement measures unable to offset decreased sales from COVID-19 impact

- **Automotive Solutions**
  - Decreased largely due to COVID-19: North America factory for cylindrical batteries resumed production at beginning of April; all production lines returned to near-normal capacity
  - Same level as previous year with rationalization efforts at North America factory for cylindrical batteries; improved productivity and reduced losses offset COVID-19 impact

- **Other income/loss**
  - Automotive product, battery unit, venture equity, credit loss, and profits from transactions related to joint venture establishment

Note: Grouping of businesses whose sales are disclosed

Sales: Nearly halved due to COVID-19 impact; In Automotive Solutions, steady progress made with portfolio replacement to IFV, which is our focus area

OP: Decreased in Automotive Solutions, significant fixed-cost reductions unable to offset COVID-19 impact; achieved same level as previous year in Automotive Batteries through improved productivity at North America factory for cylindrical batteries, etc.

| (yen: billions) |
| FY20 1Q |
| Automotive Batteries |
| Automotive Solutions |
| Others*** |
| FY21 1Q |
| Automotive Batteries |
| Automotive Solutions |
| Others*** |

---

Copyright (C) 2020 Panasonic Corporation All Rights Reserved.
### (Reference) Segment Information

#### Overview (yen: billions)

<table>
<thead>
<tr>
<th></th>
<th>FY21 1Q</th>
<th>FY20 1Q</th>
<th>Difference</th>
<th>% Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>288.8</td>
<td>107.4</td>
<td>-211.4</td>
<td>-128%</td>
</tr>
<tr>
<td>Adjusted operating profit</td>
<td>16.7</td>
<td>19.7</td>
<td>-3.0</td>
<td>-15.4%</td>
</tr>
<tr>
<td>Other income/loss</td>
<td>-1.5</td>
<td>-0.1</td>
<td>1.4</td>
<td>+135%</td>
</tr>
<tr>
<td>Operating profit (OPM)</td>
<td>9.2</td>
<td>3.6</td>
<td>-3.4</td>
<td>-94%</td>
</tr>
</tbody>
</table>

* *In real terms excluding the effect of exchange rates

#### Major Increase/decrease factors

<table>
<thead>
<tr>
<th>Sales/Adjusted OPM</th>
<th>Systems</th>
<th>Devices</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Systems</td>
<td>Sales decreased with automotive-use products (e.g. relays) impacted by COVID-19, however, profit increased with increased sales of power storage systems for data centers and growth in industrial-use motors, and efforts to reduce fixed costs offset decreased sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Devices</td>
<td>Sales and profit decreased mainly with weak sales of automotive-use products (e.g. coils, sensors) impacted by COVID-19; despite growth in capactitors and circuit board materials for information- and communication-infrastructure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>Sales decreased due to market deterioration, but profit increased due mainly to reduced fixed costs and contract alteration effect of semiconductor business</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Note: Grouping of Businesses: sales are disclosed by Systemal Electromechanical Control, Industrial Device, Energy Solutions [Devices] Device Solutions, Energy Device, Electronic Materials

**Includes semiconductor, LCD sales of other Non-Industrial Company products, depreciation, etc.**
### Reference List of Sub-segments (formerly Businesses whose sales are disclosed) in FY21

<table>
<thead>
<tr>
<th>Sub-segments</th>
<th>Major Business Divisions, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AP</strong></td>
<td></td>
</tr>
<tr>
<td>Heating and Cooling Solutions</td>
<td>Heating and Cooling Solutions BD</td>
</tr>
<tr>
<td>Home Appliances</td>
<td>Kitchen Appliances BD, Laundry Systems and Vacuum Cleaner BD, Beauty and Personal Care BD</td>
</tr>
<tr>
<td>Smart Life Network</td>
<td>Smart Life Network BD</td>
</tr>
<tr>
<td>Commercial Refrigeration &amp; Food Equipment</td>
<td>L &amp; V Chain (J), Hussmann Corporation</td>
</tr>
<tr>
<td>Others</td>
<td>Refrigeration and Air-Conditioning Devices BD, Smart Energy System BD, sales of other Divisional Company products, headquarter-related, eliminations, etc.</td>
</tr>
<tr>
<td><strong>LS</strong></td>
<td></td>
</tr>
<tr>
<td>Lighting</td>
<td>Lighting BD</td>
</tr>
<tr>
<td>Energy Systems</td>
<td>Energy Systems BD</td>
</tr>
<tr>
<td>Housing Systems</td>
<td>Housing Systems BD</td>
</tr>
<tr>
<td>Others</td>
<td>Bicycle, nursing-care, sales &amp; marketing, eliminations, etc.</td>
</tr>
<tr>
<td><strong>CNS</strong></td>
<td></td>
</tr>
<tr>
<td>Avionics</td>
<td>Panasonic Avionics Corporation, Avionics BU</td>
</tr>
<tr>
<td>Process Automation</td>
<td>Process Automation BD</td>
</tr>
<tr>
<td>Media Entertainment</td>
<td>Media Entertainment BU</td>
</tr>
<tr>
<td>Mobile Solutions</td>
<td>Mobile Solutions BD</td>
</tr>
<tr>
<td>POQJ</td>
<td>Panasonic System Solutions Japan Co., Ltd.</td>
</tr>
<tr>
<td>Others</td>
<td>Other businesses, eliminations, etc.</td>
</tr>
<tr>
<td><strong>AM</strong></td>
<td></td>
</tr>
<tr>
<td>Automotive Batteries</td>
<td>Tesla Energy BD, Automotive prismatic battery business</td>
</tr>
<tr>
<td>Others</td>
<td>Sales of other Divisional Company products, etc.</td>
</tr>
<tr>
<td><strong>IS</strong></td>
<td></td>
</tr>
<tr>
<td>Systems</td>
<td>Electromechanical Control BD, Industrial Device BD, Energy Solutions BD</td>
</tr>
<tr>
<td>Devices</td>
<td>Device Solutions BD, Energy Device BD, Electronic Materials BD</td>
</tr>
<tr>
<td>Others</td>
<td>Semiconductor, LCD, sales of other Divisional Company products, eliminations, etc.</td>
</tr>
</tbody>
</table>

**Other**

- Sales of raw materials, etc.
- Revenues and expenses which are not attributable to any reportable segments for the purposes of evaluating operating results of each segment, consolidation adjustments, and eliminations of intersegment transactions.

**Notes**

1. Sales and profit of China & Northeast Asia Company are mainly included in AP and LS segments. Sales and profit of US Company are mainly included in AP and AM segments.

2. Panasonic ceremonies were downsized in 2020. Automotive Energy BD was deconsolidated in April 2020.

3. Share of profit or loss is accounted for using the equity method for Prime Life Technologies Corporation and Prime Planet Energy & Solutions Inc. included in "Eliminations & adjustments" and "AM segment," respectively.