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**FOR IMMEDIATE RELEASE**

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**Panasonic Reports its Consolidated Financial Results**  
**for the Six Months ended September 30, 2021**

Osaka, Japan, October 28, 2021 -- Panasonic Corporation (Panasonic [TSE:6752]) today reported its consolidated financial results for the six months ended September 30, 2021, of the current fiscal year ending March 31, 2022 (fiscal 2022). The Company also announced the revision of its consolidated financial forecast for fiscal 2022.

## Summary

Yen (billions)

	Fiscal 2022 Six Months ended September 30, 2021	Fiscal 2021 Six Months ended September 30, 2020	Percentage 2022/2021
Net sales	3,533.6	3,059.2	116 %
Domestic	1,512.0	1,412.1	107 %
Overseas	2,021.6	1,647.1	123 %
Operating profit	201.2	96.6	208 %
% to sales	5.7 %	3.2 %	
Profit before income taxes	205.8	93.2	221 %
% to sales	5.8 %	3.0 %	
Net profit	161.1	57.0	283 %
% to sales	4.6 %	1.9 %	
Net profit attributable to Panasonic Corporation stockholders	153.0	48.9	313 %
% to sales	4.3 %	1.6 %	
Earnings per share attributable to Panasonic Corporation stockholders			
Basic	65.59 yen	20.94 yen	44.65 yen
Diluted	65.56 yen	20.93 yen	44.63 yen

- Notes: 1. The Company's consolidated financial statements are prepared in conformity with International Financial Reporting Standards (IFRS).
2. Number of consolidated companies: 537 (including parent company)  
Number of companies under the equity method: 67
3. One American depositary shares (ADS) represents one share of common share. Earnings per share attributable to Panasonic Corporation stockholders per ADS is same amount as Earnings per share attributable to Panasonic Corporation stockholders.

## **Consolidated Financial Results**

### **1. Fiscal 2022 2Q ended September 30, 2021**

#### **A. Operating Results**

	Yen (billions)		
	Fiscal 2022 Six Months ended Sep. 30, 2021	Fiscal 2021 Six Months ended Sep. 30, 2020	Percentage 2022/2021
Net sales	3,533.6	3,059.2	116%
Operating profit	201.2	96.6	208%
Profit before income taxes	205.8	93.2	221%
Net profit attributable to Panasonic Corporation stockholders	153.0	48.9	313%

During the six months ended September 30, 2021 (fiscal 2022), the global economy saw steady progress, with economic recovery in the U.S. and European countries, that have pursued COVID-19 vaccination programs and economic normalization following the steps that have been taken toward this aim. On the other hand, the outlook for economies worldwide remains unclear, given the uncertainties over factors such as ongoing concern regarding COVID-19 and price surges in natural resources, although the outlook for the global and Japanese economies seems to indicate a phase of moderate recovery.

Under such management conditions, Panasonic continues to control fixed costs according to business conditions and to make efforts to capture new business opportunities reflecting changes in society brought about by COVID-19. Through all these efforts, the Company will continue to enhance its management structure in the final year of the Mid-term strategy that started in fiscal 2020. Additionally, in all of our businesses, the Company will identify the areas in which the Company should be aggressive and thoroughly enhance the competitiveness in these areas.

For the six months ended September 30, 2021, in September 2021, the Company completed its acquisition of the 80% of shares of the U.S. company Blue Yonder Holding, Inc. ("Blue Yonder"), which is one of the leading global providers of specialized supply chain software. As a result, the Company made Blue Yonder a wholly-owned subsidiary, together with the 20% of its shares acquired in July 2020. The Company aims to create new value by combining Blue Yonder's software platform, which offers state-of-the-art artificial intelligence (AI) and machine learning (ML) capabilities, with Panasonic's manufacturing expertise, which has been cultivated over many years, as well as its edge devices, IoT applications, and sensing technologies. This acquisition will accelerate Panasonic's and Blue Yonder's shared vision for an "Autonomous Supply Chain™" and will provide solutions to customers' management issues. In addition, Panasonic aims to contribute to global environmental

conservation and to a sustainable society through energy-use reduction and effective utilization of recourses.

In October 2021, the Company terminated the current Divisional Company system and substantially started its operations based on the new structure toward the transition to a new organizational system in which Panasonic is a holding company from April 2022. Under the new structure, the Company will steadily execute the Mid-term strategy and prepare for the smooth operation of each operating company to be established on April 1, 2022.

For the six months ended September 30, 2021, the Company's consolidated group sales increased by 16% to 3,533.6 billion yen from a year ago. Domestic sales increased driven mainly by mounting machines in Process Automation. Overseas sales also increased due mainly to increased sales of automotive batteries with growing demand as well as increased sales in Systems and Devices, which captured business opportunities reflecting changes in society.

Operating profit increased to by 108% to 201.2 billion yen from a year ago. This is due mainly to increased sales as well as recognized gain from the re-evaluation of the existing equity in Blue Yonder upon its consolidation into Panasonic (for further details, please refer to Note 2. of "Note" section), despite impact of raw material price hikes and other factors. Profit before income taxes increased by 121% to 205.8 billion yen and Net profit attributable to Panasonic Corporation stockholders increased by 213% to 153.0 billion yen from a year ago.

## B. Breakdown by Reportable Segment

### Appliances

	Yen (billions)		
	Fiscal 2022 Second quarter	Fiscal 2021 Second quarter	Percentage 2022/2021
Sales	1,273.5	1,189.8	107%
Operating profit	45.5	51.0	89%

Sales increased by 7% to 1,273.5 billion yen from a year ago. This is due mainly to steady sales of refrigerators and washing machines in China as well as Commercial Refrigeration & Food Equipment in North America. Operating profit decreased to 45.5 billion yen from a year ago. This is due largely to factors such as the impact of raw material price hikes, despite increased sales and rationalization efforts.

### Life Solutions

Yen (billions)

	Fiscal 2022 Second quarter	Fiscal 2021 Second quarter	Percentage 2022/2021
Sales	727.8	698.3	104%
Operating profit	25.3	21.4	119%

Sales increased by 4% to 727.8 billion yen from a year ago. This is due to favorable sales of ceiling fan in overseas market as well as products such as wiring devices, which benefited from market recovery. Operating profit increased to 25.3 billion yen from a year ago. This is due mainly to increased sales and rationalization efforts, which offset factors such as the impact of raw material price hikes.

### Connected Solutions

Yen (billions)

	Fiscal 2022 Second quarter	Fiscal 2021 Second quarter	Percentage 2022/2021
Sales	425.5	376.3	113%
Operating profit (loss)	52.2	(17.2)	—

Sales increased by 13% to 425.5 billion yen from a year ago. This is due mainly to increased sales of ICT terminals, 5G-related equipment and mounting machine with growing EV related demand. Operating profit increased to 52.2 billion yen from a year ago. This is due mainly to increased sales as well as recognized gain from the re-evaluation of the existing equity in Blue Yonder upon its consolidation into Panasonic.

### Automotive

Yen (billions)

	Fiscal 2022 Second quarter	Fiscal 2021 Second quarter	Percentage 2022/2021
Sales	731.3	569.3	128%
Operating profit (loss)	7.1	(4.4)	—

Sales increased by 28% to 731.3 billion yen from a year ago. This is due to increased sales in Automotive Solutions with recovery in automotive production, and increased sales in Automotive Batteries with growing demand. Operating profit increased to 7.1 billion yen from a year ago due to increased sales.

## Industrial Solutions

	Yen (billions)		
	Fiscal 2022 Second quarter	Fiscal 2021 Second quarter	Percentage 2022/2021
Sales	701.0	596.5	118%
Operating profit	65.2	27.0	242%

Sales increased by 18% to 701.0 billion yen from a year ago. This is due mainly to increased sales of capacitors, industrial-use motors and power storage systems. Operating profit increase to 65.2 billion yen from a year ago. This is due mainly to increased sales and the effect of business restructuring, despite the impact of factors such as raw material price hikes.

### C. Consolidated Financial Condition

Net cash provided by operating activities for the six months ended September 30, 2021, amounted to 41.6 billion yen, compared with an inflow of 76.0 billion yen a year ago. This is due to an increase in payment for income taxes despite an increase in quarterly net profit. Net cash used in investing activities amounted to 702.8 billion yen, compared with an inflow of 27.9 billion yen a year ago. This is due to investment related to the consolidation of Blue Yonder, and one-time proceeds from the transfer of assets in the previous year. Accordingly, free cash flow (net cash provided by operating activities and investment activities) decreased by 765.1 billion yen from a year ago to an outflow of 661.2 billion yen.

Net cash provided by financial activities amounted to 29.4 billion yen, compared with an inflow of 116.8 billion yen a year ago. This is due to the repayment of straight bonds, the repayment of interest-bearing debt of Blue Yonder as well as a decrease in balance of short-term bonds (commercial paper), despite an increase in debt related to the consolidation of Blue Yonder.

Taking factors such as exchange fluctuations into consideration, cash and cash equivalent totaled 975.3 billion yen as of September 30, 2021, which is a decrease of 617.9 billion yen from March 31, 2021.

The Company's consolidated total assets of September 30, 2021 were 7,275.3 billion yen, which is an increase of 428.3 billion yen from March 31, 2021. This is due mainly to an increase in inventories as well as the consolidation of Blue Yonder.

The Company's consolidated total liability were 4,338.8 billion yen, which is an increase of 260.3 billion yen from March 31, 2021. This is due mainly to an increase in debt from raising funds related to the consolidation of Blue Yonder.

Panasonic Corporation stockholders' equity increased by 169.7 billion yen from March 31, 2021, to 2,763.8 billion yen. This is due mainly to recording of Net profit attributable to Panasonic Corporation stockholders. With non-controlling interests added to Panasonic Corporation stockholders' equity, total equity was 2,936.5 billion yen.

## **2. Interim and Year-end Dividends**

In line with the dividends forecast announced on August 27, 2021, the Board of Directors of the Company resolved today to distribute an interim cash dividends of 15 yen per share to shareholders of record as of September 30, 2021, payable November 30, 2021. The year-end dividends has not yet been decided.

## **3. Forecast for fiscal 2022**

The consolidated financial forecast for fiscal 2022 (from April 1, 2021 to March 31, 2022)

Yen (billions)

	Net sales	Operating profit	Profit before income taxes	Net profit attributable to Panasonic Corporation stockholders	Earnings per share attributable to Panasonic Corporation stockholders, basic	(Reference) Adjusted operating profit
Previous forecast as of May 10, 2021 (A)	7,000.0	330.0	330.0	210.0	90.00 yen	390.0
Revised forecast (B)	7,300.0	370.0	370.0	240.0	102.85 yen	400.0
Difference (B-A)	+300.0	+40.0	+40.0	+30.0		+10.0
Difference (%)	+4.3%	+12.1%	+12.1%	+14.3%		+2.6%
(Reference) Financial Results for fiscal 2021	6,698.8	258.6	260.8	165.1	70.75 yen	307.2

Note: Adjusted operating profit is calculated by subtracting cost of sales and selling, general and administrative expenses from sales.

For the consolidated financial forecast for fiscal 2022, the Company revises upward the sales forecast, which was announced on May 10, 2021, reflecting the effect of exchange rates during the first half of fiscal 2022 as well as increased sales in Industrial Solutions and other businesses.

Adjusted operating profit is expected to exceed the Company's assumption. This is due mainly to increased sales as well as the efforts in rationalization and cost reduction, which offset such factors as the impact of raw material price hikes. In addition, the Company revises upward the forecast for operating profit, profit before income taxes and net profit attributable to Panasonic Corporation stockholders, reflecting such factors as recognized gain from the re-evaluation of the existing equity in Blue Yonder upon its consolidation into Panasonic.

### **Disclaimer Regarding Forward-Looking Statements**

This press release includes forward-looking statements about Panasonic and its Group companies (the Panasonic Group). To the extent that statements in this press release 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 press release. 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 infections 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 of the Panasonic Group incurring additional costs of raising funds, because of changes in the fund raising 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 agreements with other companies, including due to the pressure of price reduction exceeding that which can be achieved by its effort and decrease in demand for products from business partners which Panasonic highly depends on in BtoB business areas; the possibility of not achieving expected benefits in connection with the transition to a new organizational system in which Panasonic is a holding company; the possibility of the Panasonic Group not being able to maintain competitive strength in many product and geographical areas; the possibility of incurring expenses 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.



**Condensed Quarterly Consolidated Statements of Financial Position**

	September 30, 2021	March 31, 2021	Yen (millions) Difference
<b>Current assets:</b>	<b>3,463,731</b>	<b>3,922,747</b>	<b>(459,016)</b>
Cash and cash equivalents	975,319	1,593,224	(617,905)
Trade receivables and contract assets	1,204,272	1,194,391	9,881
Other financial assets	141,040	149,629	(8,589)
Inventories	996,042	832,569	163,473
Other current assets	147,058	152,934	(5,876)
<b>Non-current assets:</b>	<b>3,811,613</b>	<b>2,924,326</b>	<b>887,287</b>
Investments accounted for using the equity method	406,147	455,960	(49,813)
Other financial assets	192,477	231,024	(38,547)
Property, plant and equipment	1,059,367	1,061,614	(2,247)
Right-of-use assets	248,793	249,954	(1,161)
Other non-current assets	1,904,829	925,774	979,055
<b>Total assets</b>	<b>7,275,344</b>	<b>6,847,073</b>	<b>428,271</b>
<b>Current liabilities:</b>	<b>3,156,616</b>	<b>2,804,328</b>	<b>352,288</b>
Short-term debt, including current portion of long-term debt	716,581	309,790	406,791
Lease liabilities	60,491	59,346	1,145
Trade payables	1,073,828	1,045,617	28,211
Other financial liabilities	194,596	220,583	(25,987)
Other current liabilities	1,111,120	1,168,992	(57,872)
<b>Non-current liabilities:</b>	<b>1,182,229</b>	<b>1,274,243</b>	<b>(92,014)</b>
Long-term debt	774,961	879,728	(104,767)
Lease liabilities	198,291	198,559	(268)
Other non-current liabilities	208,977	195,956	13,021
<b>Total liabilities</b>	<b>4,338,845</b>	<b>4,078,571</b>	<b>260,274</b>
<b>Panasonic Corporation stockholders' equity:</b>	<b>2,763,752</b>	<b>2,594,034</b>	<b>169,718</b>
Common stock	259,168	258,981	187
Capital surplus	528,928	529,157	(229)
Retained earnings	2,284,850	2,154,023	130,827
Other components of equity	(99,683)	(138,370)	38,687
Treasury stock	(209,511)	(209,757)	246
<b>Non-controlling interests</b>	<b>172,747</b>	<b>174,468</b>	<b>(1,721)</b>
<b>Total equity</b>	<b>2,936,499</b>	<b>2,768,502</b>	<b>167,997</b>
<b>Total liabilities and equity</b>	<b>7,275,344</b>	<b>6,847,073</b>	<b>428,271</b>

Note: Other components of equity breakdown:

	September 30, 2021	March 31, 2021	Yen (millions) Difference
Remeasurements of defined benefit plans*	—	—	—
Financial assets measured at fair value through other comprehensive income	28,450	34,832	(6,382)
Exchange differences on translation of foreign operations	(133,632)	(179,860)	46,228
Net changes in fair value of cash flow hedges	5,499	6,658	(1,159)

\* Remeasurements of defined benefit plans is directly transferred to Retained earnings from Other components of equity.

**Condensed Quarterly Consolidated Statements of Profit or Loss and  
Condensed Quarterly Consolidated Statements of Comprehensive Income**

**Condensed Quarterly Consolidated Statements of Profit or Loss**

Yen (millions)

	Fiscal 2022 Six Months ended September 30, 2021		Fiscal 2021 Six Months ended September 30, 2020		Percentage 2022/2021
		%		%	
Net sales	3,533,554	100.0	3,059,155	100.0	116
Cost of sales	(2,523,589)	(71.4)	(2,190,412)	(71.6)	
<b>Gross profit</b>	<b>1,009,965</b>	<b>28.6</b>	<b>868,743</b>	<b>28.4</b>	<b>116</b>
Selling, general and administrative expenses	(810,153)	(22.9)	(779,598)	(25.5)	
Share of profit (loss) of investments accounted for using the equity method	(10,427)	(0.3)	(14,920)	(0.5)	
Other income (expenses), net	11,817	0.3	22,402	0.8	
<b>Operating profit</b>	<b>201,202</b>	<b>5.7</b>	<b>96,627</b>	<b>3.2</b>	<b>208</b>
Finance income	13,752	0.4	8,194	0.2	
Finance expenses	(9,192)	(0.3)	(11,646)	(0.4)	
<b>Profit before income taxes</b>	<b>205,762</b>	<b>5.8</b>	<b>93,175</b>	<b>3.0</b>	<b>221</b>
Income taxes	(44,650)	(1.2)	(36,200)	(1.1)	
<b>Net profit</b>	<b>161,112</b>	<b>4.6</b>	<b>56,975</b>	<b>1.9</b>	<b>283</b>
Net profit attributable to:					
<b>Panasonic Corporation stockholders</b>	<b>153,043</b>	<b>4.3</b>	<b>48,864</b>	<b>1.6</b>	<b>313</b>
Non-controlling interests	8,069	0.3	8,111	0.3	99

Notes: 1. Depreciation (tangible)	87,425	million yen	88,022	million yen
2. Capital investment	91,859	million yen	69,796	million yen
3. R&D expenditures	200,913	million yen	209,861	million yen
4. Number of employees	244,479		246,512	

**Condensed Quarterly Consolidated Statements of Comprehensive Income**

Yen (millions)

	Fiscal 2022 Six Months ended September 30, 2021	Fiscal 2021 Six Months ended September 30, 2020	Percentage 2022/2021
			%
<b>Net Profit</b>	<b>161,112</b>	<b>56,975</b>	<b>283</b>
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plans	1,050	(2,066)	
Financial assets measured at fair value through other comprehensive income	(6,289)	163,440	
Subtotal	(5,239)	161,374	
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	48,026	(19,708)	
Net changes in fair value of cash flow hedges	(2,875)	2,142	
Subtotal	45,151	(17,566)	
Total other comprehensive income	39,912	143,808	
<b>Comprehensive income</b>	<b>201,024</b>	<b>200,783</b>	<b>100</b>
Comprehensive income attributable to :			
<b>Panasonic Corporation stockholders</b>	<b>191,162</b>	<b>191,084</b>	<b>100</b>
Non-controlling interests	9,862	9,699	102

### Condensed Quarterly Consolidated Statements of Changes in Equity

Yen (millions)

Fiscal 2022 Six Months ended September 30, 2021	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Panasonic Corporation stockholders' equity	Non- controlling interests	Total equity
Balances as of April 1, 2021	258,981	529,157	2,154,023	(138,370)	(209,757)	2,594,034	174,468	2,768,502
Comprehensive income:								
Net profit	—	—	153,043	—	—	153,043	8,069	161,112
Remeasurements of defined benefit plans	—	—	—	978	—	978	72	1,050
Financial assets measured at fair value through other comprehensive income	—	—	—	(6,243)	—	(6,243)	(46)	(6,289)
Exchange differences on translation of foreign operations	—	—	—	46,228	—	46,228	1,798	48,026
Net changes in fair value of cash flow hedges	—	—	—	(2,844)	—	(2,844)	(31)	(2,875)
Total comprehensive income	—	—	153,043	38,119	—	191,162	9,862	201,024
Transfer from other components of equity to retained earnings	—	—	1,117	(1,117)	—	—	—	—
Cash dividends	—	—	(23,333)	—	—	(23,333)	(11,743)	(35,076)
Changes in treasury stock	—	(0)	—	—	(22)	(22)	—	(22)
Share-based payment transactions	187	(287)	—	—	268	168	—	168
Transactions with non-controlling interests and other	—	58	—	1,685	—	1,743	160	1,903
Balances as of September 30, 2021	259,168	528,928	2,284,850	(99,683)	(209,511)	2,763,752	172,747	2,936,499

Yen (millions)

Fiscal 2021 Six Months ended September 30, 2020	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Panasonic Corporation stockholders' equity	Non- controlling interests	Total equity
Balances as of April 1, 2020	258,867	531,048	1,646,403	(227,957)	(210,012)	1,998,349	157,519	2,155,868
Comprehensive income:								
Net profit	—	—	48,864	—	—	48,864	8,111	56,975
Remeasurements of defined benefit plans	—	—	—	(2,442)	—	(2,442)	376	(2,066)
Financial assets measured at fair value through other comprehensive income	—	—	—	163,368	—	163,368	72	163,440
Exchange differences on translation of foreign operations	—	—	—	(20,904)	—	(20,904)	1,196	(19,708)
Net changes in fair value of cash flow hedges	—	—	—	2,198	—	2,198	(56)	2,142
Total comprehensive income	—	—	48,864	142,220	—	191,084	9,699	200,783
Transfer from other components of equity to retained earnings	—	—	83,496	(83,496)	—	—	—	—
Cash dividends	—	—	(34,994)	—	—	(34,994)	(9,530)	(44,524)
Changes in treasury stock	—	(1)	—	—	(11)	(12)	—	(12)
Share-based payment transactions	114	(162)	—	—	163	115	—	115
Transactions with non-controlling interests and other	—	(728)	—	511	—	(217)	(4,826)	(5,043)
Balances as of September 30, 2020	258,981	530,157	1,743,769	(168,722)	(209,860)	2,154,325	152,862	2,307,187

### Condensed Quarterly Consolidated Statements of Cash Flows

Yen (millions)

	Fiscal 2022 Six Months ended September 30, 2021	Fiscal 2021 Six Months ended September 30, 2020
<u>Cash flows from operating activities</u>		
Net profit	161,112	56,975
Adjustments to reconcile net profit to net cash provided by operating activities		
Depreciation and amortization	157,879	156,347
(Increase) decrease in trade receivables and contract assets	20,019	(37,342)
(Increase) decrease in inventories	(163,204)	(7,218)
Increase (decrease) in trade payables	25,130	(90,806)
Other	(159,360)	(1,949)
Net cash provided by operating activities	41,576	76,007
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(108,305)	(90,908)
Proceeds from sale of property, plant and equipment	4,698	9,718
Purchase of investments accounted for using the equity method and other financial assets	(24,230)	(100,931)
Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets	15,710	111,842
Other	(590,604)	98,125
Net cash provided by (used in) investing activities	(702,731)	27,846
<u>Cash flows from financing activities</u>		
Increase (decrease) in short-term debt	305,647	229,647
Increase (decrease) in long-term debt	(232,567)	(58,789)
Dividends paid to Panasonic Corporation stockholders	(23,333)	(34,994)
Dividends paid to non-controlling interests	(11,743)	(9,530)
(Increase) decrease in treasury stock	(22)	(12)
Other	(8,535)	(9,541)
Net cash provided by financing activities	29,447	116,781
Effect of exchange rate changes on cash and cash equivalents, and other	13,803	(10,823)
Net increase (decrease) in cash and cash equivalents	(617,905)	209,811
Cash and cash equivalents at beginning of period	1,593,224	1,016,504
Cash and cash equivalents at the end of the period	975,319	1,226,315

## **Notes to consolidated financial statements:**

1. The Board of Directors of Panasonic resolved on May 31, 2021 the transition to a holding company system through absorption-type company split, which is scheduled to take effect on April 1, 2022 as well as to enter into absorption-type company split agreements with each of nine succeeding companies, subject to necessary approvals from relevant government agencies.
2. The Company completed, on September 17, 2021 (September 16 in U.S. time), an additional acquisition of the remaining 80% of shares in Blue Yonder Holding, Inc. ("Blue Yonder"). Accordingly, with the 20% of shares Panasonic acquired in July 2020, the Company completed its acquisition of Blue Yonder. The consideration value related to the additional acquisition of 80% of shares including USD 1.42 billion of net interest-bearing debt of Blue Yonder amounted to USD 7.08 billion (776.0 billion yen). The total consideration value for acquiring all shares, by combining USD 0.81 billion (87.3 billion yen) for the 20% of shares that Panasonic acquired in July 2020 to the additional acquisition value, amounted to USD 7.89 billion (863.3 billion yen). The Company will make the adjustments of working capital and others accordingly.  
Furthermore, upon its additional acquisition, the Company re-evaluated the value of the existing 20% of shares and recognized a gain of 58.3 billion yen in other income. The market value for the above re-evaluation is tentative and there is a possibility to be adjusted in the future.
3. Significant subsequent events:  
The Company issued a total of 400.0 billion yen of public offering of hybrid bonds (subordinated bonds) on October 14, 2021. Upon the above acquisition (please see Note 2. of "Note" section), the capital for the acquisition was funded by reserved cash and a bridge loan. All of the cash raised from the bonds were used to repay the bridge loan.
4. Assumption for going concern: None
5. Number of consolidated subsidiaries as of September 30, 2021: 536  
Number of companies under the equity method as of September 30, 2021: 67

**Information by Segment**

Yen (billions)

	Fiscal 2022 Six Months ended September 30, 2021					Fiscal 2021 Six Months ended September 30, 2020		
	Sales	22/21	Operating Profit	% of Sales	22/21	Sales	Operating Profit (Loss)	% of Sales
Reportable Segments:		%		%	%			%
Appliances	1,273.5	107	45.5	3.6	89	1,189.8	51.0	4.3
Life Solutions	727.8	104	25.3	3.5	119	698.3	21.4	3.1
Connected Solutions	425.5	113	52.2	12.3	—	376.3	(17.2)	(4.6)
Automotive	731.3	128	7.1	1.0	—	569.3	(4.4)	(0.8)
Industrial Solutions	701.0	118	65.2	9.3	242	596.5	27.0	4.5
Subtotal	3,859.1	113	195.3	5.1	251	3,430.2	77.8	2.3
Other	133.2	126	1.6	1.2	203	105.8	0.8	0.8
Eliminations and adjustments	(458.7)	—	4.3	—	—	(476.8)	18.0	—
Total	3,533.6	116	201.2	5.7	208	3,059.2	96.6	3.2

Notes: 1. The Panasonic Group is divided into Divisional Companies for business management, and they support the autonomy of each business division and execute businesses in their respective areas on a global scale. The results of their performance are classified, evaluated and disclosed in the five reportable segments of "Appliances," "Life Solutions," "Connected Solutions," "Automotive" and "Industrial Solutions."

"Other" includes business activities not belonging to the reportable segments, such as sales of raw materials.

2. The figures in "Eliminations and adjustments" include revenue and expenses which are not attributable to any segments for the purpose of evaluating operating results of each segment, consolidation adjustments and eliminations of intersegment transactions.

3. On April 1, 2021, certain businesses were transferred among segments. Accordingly, the figures of segment information in fiscal 2021 have been reclassified to conform to the presentation for fiscal 2022.