

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

**For the nine months ended
December 31, 2019**

**Panasonic Corporation
Osaka, Japan**

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Disclaimer Regarding Forward-Looking Statements

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

I Corporate Information

1. Consolidated Financial Summary

	Yen (millions), except per share amounts		
	Nine months ended December 31, 2019	Nine months ended December 31, 2018	Year ended March 31, 2019
Net sales	5,755,634	6,082,985	8,002,733
Profit before income taxes	238,062	294,323	416,456
Net profit attributable to Panasonic Corporation stockholders	178,148	173,715	284,149
Comprehensive income attributable to Panasonic Corporation stockholders	154,856	177,100	278,477
Panasonic Corporation stockholders' equity	1,977,052	1,809,396	1,913,513
Total equity	2,144,337	1,979,560	2,084,615
Total assets	6,710,685	6,261,873	6,013,931
Earnings per share attributable to Panasonic Corporation stockholders, basic (yen)	76.37	74.48	121.83
Earnings per share attributable to Panasonic Corporation stockholders, diluted (yen)	76.33	74.43	121.75
Panasonic Corporation stockholders' equity / total assets (%)	29.5	28.9	31.8
Net cash provided by (used in) operating activities	287,830	78,047	203,677
Net cash provided by (used in) investing activities	(159,280)	(142,659)	(193,387)
Net cash provided by (used in) financing activities	(7,041)	(166,481)	(341,761)
Cash and cash equivalents at the end of the period	864,303	868,882	772,264

	Three months ended December 31, 2019	Three months ended December 31, 2018
Net sales	1,911,210	2,074,807
Net profit attributable to Panasonic Corporation stockholders	77,229	60,096
Earnings per share attributable to Panasonic Corporation stockholders, basic (yen)	33.11	25.77

Notes: 1. The Company's condensed quarterly consolidated financial statements and consolidated financial statements are prepared in conformity with International Financial Reporting Standards (IFRS).
2. Net sales do not include consumption tax, etc.

2. Principal Businesses

The Panasonic Group is comprised primarily of the parent Panasonic Corporation and 568 consolidated subsidiaries in and outside of Japan, operating in close cooperation with each other. As a comprehensive electronics manufacturer, Panasonic 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, "Appliances," "Life Solutions," "Connected Solutions," "Automotive," "Industrial Solutions," and other business activities which are not included in the reportable segments. The reportable segment classification was changed on April 1, 2019. Details about each segment and business transfers are described in "IV Condensed Quarterly Consolidated Financial Statements, Note 3. Segment Information."

During the nine months ended December 31, 2019, there were changes in major affiliated companies as follows.

Connected Solutions:

In May 2019, the Company concluded the liquidation of its consolidated subsidiary, MT Picture Display Co., Ltd.

Industrial Solutions:

On April 1, 2019, the Company absorbed Panasonic Precision Devices Co., Ltd. through a merger.

The Company's condensed quarterly consolidated financial statements have been prepared in conformity with IFRS and the scopes of affiliates are disclosed based on the definition of those accounting principles. The same applies to "II The Business Overview."

II The Business Overview

1. Risk Factors

There was no risk newly identified during the nine months ended December 31, 2019.

There were no significant changes with regard to the "Risk Factors" stated in the annual securities report of the previous fiscal year.

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

(1) Operating Results

During the nine months ended December 31, 2019 (fiscal 2020), the global economy continued to grow moderately as a whole, due mainly to favorable personal spending in the U.S. and to the Japanese economy supported by favorable employment conditions. On the other hand, the Chinese economy saw a slowdown in spending and investment. Regarding the outlook for the global economy, various risk factors can be seen, such as the politics and financial circumstances in each country, widespread protectionism, and downward economic swings in emerging countries.

Under such a management environment, in fiscal 2020, as the first year of the new Mid-term strategy, the Group will execute business portfolio reform, and aim at both profit growth and profitability improvement.

During the nine months ended December 31, 2019, the Company came to an agreement with Toyota Motor Corporation in May 2019 to establish a joint venture related to town development business, and accordingly, Prime Life Technologies Corporation was established in January, 2020. The integration of respective housing businesses is aimed to reinforce the foundation for such housing business in the face of severe market competition, and to grow business in the field of town development, which is expected to grow in the future. In photovoltaic business, the Company reached an agreement to collaborate with GS-Solar (China) Company Ltd. in May, 2019. Through this collaboration, the Company will optimize the development and production capability. In November, 2019, the Company announced it will end LCD panel production by 2021 and transfer the semiconductor business to Nuvoton Technology Corporation, under the umbrella of Winbond Electronics Corporation in Taiwan.

Furthermore, from October 1, 2019, business execution under the new business management structure was started. In order to clarify management roles and responsibilities, the management structure was reorganized into a group of executive officers, who will lead the reform of the Panasonic Group's business structure for the group-wide optimization, and a business execution layer, which will lead the transformation of individual businesses for strengthening the respective businesses. This reorganization is aimed to improve profitability and secure advantages of future competitiveness for the Group and its respective businesses.

For the nine months ended December 31, 2019, the Company's consolidated group sales decreased by 5% to 5,755.6 billion yen from a year ago. Domestic sales decreased due mainly to sluggish sales in Electromechanical Control resulting from the deteriorating market conditions in China, despite stable sales of housing-related businesses. Overseas sales decreased due mainly to factors such as sluggish TV sales, sales declines in automotive-related products and electronic-component-mounting-equipment, which were impacted by the deteriorating market conditions in China and the effect of exchange rates, despite sales growth in Automotive Batteries.

Operating profit decreased by 18% to 240.7 billion yen from a year ago. This is due mainly to lower sales in China, sluggish overseas TV sales, increased costs related to development expenses in Automotive Solutions in Europe, impact of gains from the sale of land in the previous year and recording of restructuring expenses, despite stable sales of domestic housing-related businesses. Profit before income taxes decreased by 19% to 238.1 billion yen, and net profit attributable to Panasonic Corporation stockholders increased by 3% to 178.1 billion yen from a year ago, contributed by improvements in income taxes.

(2) Operating Results by Segment

The Company's nine-month consolidated sales and profits by segment with previous year comparisons are summarized as follows:

On April 1, 2019, "Automotive & Industrial Systems" was reorganized to "Automotive" and "Industrial Solutions." "Eco Solutions" was renamed as "Life Solutions." In addition, certain businesses were transferred among segments. The figures of segment information in fiscal 2019 have been reclassified to conform to the presentation for fiscal 2020.

Appliances

Sales decreased by 4% to 2,059.0 billion yen from a year ago. Despite increased sales such as room air-conditioners in Asia and Europe as well as refrigerators, overall sales decreased due to sluggish overseas sales of TVs, in addition to the effect of exchange rates.

Operating profit decreased by 7% to 82.7 billion yen from a year ago, since initiatives such as rationalization efforts were unable to offset the lower sales.

Life Solutions

Sales increased by 3% to 1,505.2 billion yen from a year ago. This increase was driven by favorable sales including air purifiers at Panasonic Ecology Systems Co., Ltd., and Panasonic Homes Co., Ltd.

Operating profit increased by 42% to 70.9 billion yen from a year ago due mainly to increased sales and rationalization efforts.

Connected Solutions

Sales decreased by 6% to 770.3 billion yen from a year ago. This is due to sales declines at Process Automation which was impacted by postponed investment resulting from weak market conditions in China, despite increased sales of PCs in Japan.

Operating profit increased by 4% to 76.6 billion yen from a year ago. This is due mainly to gains from the transfer of security systems business despite impact of lower sales mainly at Process Automation.

Automotive

Sales decreased by 1% to 1,113.4 billion yen from a year ago. Despite sales increase at Automotive Batteries, resulting from the effect of investments in capacity expansion, overall sales slightly decreased due to lower sales at Automotive Solutions which were impacted by deteriorating market conditions in China as well as the effect of exchange rates. .

Operating profit was a loss of 29.2 billion yen, compared to a loss of 9.2 billion yen a year ago, due mainly to an increase in costs related to development expenses at Automotive Solutions despite profit increases at Automotive Batteries.

Industrial Solutions

Sales decreased by 10% to 984.1 billion yen from a year ago. This was due mainly to sluggish sales of Electromechanical Control, decreased sales of portable rechargeable batteries resulting from strategically reducing ICT-usage and sales declines mainly in capacitors, which were impacted by deteriorating overseas market conditions.

Operating profit decreased by 85% to 9.8 billion yen from a year ago due to the impact of lower sales as well as the recording of an impairment loss related to semiconductor business, despite fixed cost reductions and materials rationalization efforts.

(3) Financial Conditions

The Company's consolidated total assets as of December 31, 2019 were 6,710.7 billion yen, an increase of 696.8 billion yen from March 31, 2019. The Company's consolidated total liabilities were 4,566.3 billion yen, an increase of 637.0 billion yen from March 31, 2019. These were due mainly to an increase of right-of-use-assets, investment properties (disclosed in "Assets held for sale" as of the third quarter ended December 31, 2019. For further details, please refer to "IV Condensed Quarterly Consolidated Financial Statements, Note 9. Disposal groups held for sale") and lease liabilities, by applying IFRS 16.

Panasonic Corporation stockholders' equity increased by 63.5 billion yen to 1,977.1 billion yen, compared to March 31, 2019. This was due mainly to the recording of "Net profit attributable to Panasonic Corporation stockholders." With non-controlling interests added to Panasonic Corporation stockholders' equity, total equity was 2,144.3 billion yen.

(4) Cash Flows

Cash flows from operating activities

Net cash provided by operating activities for the nine months ended December 31, 2019, amounted to 287.8 billion yen, compared with an inflow of 78.0 billion yen a year ago. This was due mainly to improved working capital and payment of one-off legal costs a year ago, in addition to the impact of applying IFRS 16, "Leases". For further details, please refer to "IV Condensed Quarterly Consolidated Financial Statements, Note 2. Basis of Preparation, (5) Application of new standards and interpretations, (i) IFRS 16, Leases, (b) Lease accounting treatment as a lessee."

Cash flows from investing activities

Net cash used in investing activities amounted to 159.2 billion yen, compared with an outflow of 142.6 billion yen a year ago. This was due mainly to decreased collection of lease receivables, despite an increase of account payable-facility and gains from business transfers.

Accordingly, free cash flow (net cash provided by operating activities and investing activities) improved by 193.2 billion yen from a year ago to an inflow of 128.6 billion yen.

Cash flows from financing activities

Net cash used in financing activities amounted to 7.0 billion yen, compared with an outflow of 166.5 billion yen a year ago. This was due mainly to the issuance of U.S. dollar-denominated senior notes totaling approximately 270.0 billion yen despite a reimbursement of bonds, a decreased balance of short-term bonds and the impact of applying IFRS 16.

Taking factors such as exchange fluctuations into consideration, cash and cash equivalents totaled 864.3 billion yen as of December 31, 2019, increased by 92.0 billion yen, compared with March 31, 2019.

(5) Research and Development

Panasonic's R&D expenditures for the nine months ended December 31, 2019 totaled 352.8 billion yen, down 3% from a year ago. There were no significant changes in R&D activities for the period.

(6) Capital Investment

Panasonic's capital investment (tangible assets) for the nine months ended December 31, 2019 totaled 189.0 billion yen, down 3% from a year ago.

(7) Depreciation (tangible assets only)

Panasonic's depreciation for the nine months ended December 31, 2019 totaled 154.3 billion yen, down 8% from a year ago.

(8) Number of Employees

Number of employees at the end of the third quarter of fiscal 2020 was 269,435, a decrease of 2,434 compared with the end of the fiscal 2019.

III Shares and Shareholders

1. Shares of Common Stock Issued as of December 31, 2019: 2,453,326,997 shares

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

2. Amount of Common Stock (Stated Capital) as of December 31, 2019: 258,867 million yen

IV Condensed Quarterly Consolidated Financial Statements

**PANASONIC CORPORATION
AND SUBSIDIARIES**
Condensed Quarterly Consolidated Statements of Financial Position
December 31 and March 31, 2019

	Yen (millions)	
	December 31, 2019	March 31, 2019
<u>Assets</u>		
Current assets:		
Cash and cash equivalents.....	864,303	772,264
Trade receivables and contract assets.....	1,125,572	1,190,620
Other financial assets.....	140,110	131,305
Inventories.....	877,913	1,016,437
Other current assets (Note 2).....	180,017	150,395
Assets held for sale (Note 2 and 9).....	809,176	13,072
Total current assets.....	3,997,091	3,274,093
Non-current assets:		
Investments accounted for using the equity method.....	132,971	136,486
Other financial assets.....	206,512	216,225
Property, plant and equipment.....	1,090,049	1,324,374
Right-of-use assets (Note 2).....	260,018	-
Goodwill and intangible assets.....	663,480	719,557
Deferred tax assets.....	305,638	288,538
Other non-current assets.....	54,926	54,658
Total non-current assets.....	2,713,594	2,739,838
Total assets.....	6,710,685	6,013,931

PANASONIC CORPORATION
AND SUBSIDIARIES
Condensed Quarterly Consolidated Statements of Financial Position
December 31 and March 31, 2019

	Yen (millions)	
	December 31, 2019	March 31, 2019
<u>Liabilities and Equity</u>		
Current liabilities:		
Short-term debt, including current portion of long-term debt (Note 2).....	269,307	382,301
Lease liabilities (Note 2).....	63,212	7,654
Trade payables.....	1,021,436	1,151,174
Other financial liabilities.....	212,278	273,817
Income taxes payable.....	67,502	55,355
Provisions.....	155,864	184,512
Contract liabilities.....	98,452	113,649
Other current liabilities (Note 2).....	755,684	812,251
Liabilities directly associated with the assets held for sale (Note 2 and 9).....	565,056	8,737
Total current liabilities.....	3,208,791	2,989,450
Non-current liabilities:		
Long-term debt (Note 2).....	855,919	600,750
Lease liabilities (Note 2).....	200,825	8,016
Other financial liabilities.....	16,642	16,667
Retirement benefit liabilities.....	229,816	256,289
Provisions.....	4,240	6,116
Deferred tax liabilities.....	35,082	38,192
Contract liabilities.....	10,473	5,686
Other non-current liabilities.....	4,560	8,150
Total non-current liabilities.....	1,357,557	939,866
Total liabilities.....	4,566,348	3,929,316
Equity:		
Panasonic Corporation stockholders' equity :		
Common stock.....	258,867	258,740
Capital surplus.....	527,685	528,880
Retained earnings (Note 2).....	1,589,706	1,500,870
Other components of equity (Note 4).....	(189,010)	(164,417)
Treasury stock.....	(210,196)	(210,560)
Total Panasonic Corporation stockholders' equity (Note 5).....	1,977,052	1,913,513
Non-controlling interests.....	167,285	171,102
Total equity.....	2,144,337	2,084,615
Total liabilities and equity.....	6,710,685	6,013,931

PANASONIC CORPORATION
AND SUBSIDIARIES
Condensed Quarterly Consolidated Statements of Profit or Loss
Nine months ended December 31, 2019 and 2018

	Yen (millions)	
	Nine months ended December 31	
	2019	2018
Net sales (Note 7).....	5,755,634	6,082,985
Cost of sales.....	(4,109,756)	(4,382,673)
Gross profit.....	1,645,878	1,700,312
Selling, general and administrative expenses.....	(1,394,095)	(1,429,817)
Share of profit of investments accounted for using the equity method.....	3,547	6,284
Other income (expenses), net (Note 8).....	(14,657)	16,010
Operating profit.....	240,673	292,789
Finance income.....	24,672	19,241
Finance expenses.....	(27,283)	(17,707)
Profit before income taxes.....	238,062	294,323
Income taxes (Note 8).....	(47,470)	(106,961)
Net profit.....	190,592	187,362
Net profit attributable to:		
Panasonic Corporation stockholders.....	178,148	173,715
Non-controlling interests.....	12,444	13,647
Earnings per share attributable to Panasonic Corporation stockholders (Note 5)	Yen	
Basic.....	76.37	74.48
Diluted.....	76.33	74.43

PANASONIC CORPORATION
AND SUBSIDIARIES
Condensed Quarterly Consolidated Statements of Comprehensive Income
Nine months ended December 31, 2019 and 2018

	Yen (millions)	
	Nine months ended December 31	
	2019	2018
Net Profit.....	190,592	187,362
Other comprehensive income, net of tax		
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit plans.....	(981)	2,015
Financial assets measured at fair value through other comprehensive income.....	16,620	1,230
Subtotal.....	15,639	3,245
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations.....	(45,574)	(2,216)
Net changes in fair value of cash flow hedges.....	1,796	(1,991)
Subtotal.....	(43,778)	(4,207)
Other comprehensive income (loss), net of tax	(28,139)	(962)
Total comprehensive income.....	162,453	186,400
Total comprehensive income attributable to:		
Panasonic Corporation stockholders.....	154,856	177,100
Non-controlling interests.....	7,597	9,300

Condensed Quarterly Consolidated Statements of Profit or Loss
Three months ended December 31, 2019 and 2018

	Yen (millions)	
	Three months ended December 31	
	2019	2018
Net sales (Note 7).....	1,911,210	2,074,807
Cost of sales.....	(1,350,750)	(1,494,696)
Gross profit.....	560,460	580,111
Selling, general and administrative expenses.....	(465,131)	(483,446)
Share of profit of investments accounted for using the equity method.....	1,215	3,021
Other income (expenses), net (Note 8).....	3,837	(2,137)
Operating profit.....	100,381	97,549
Finance income.....	9,199	5,845
Finance expenses.....	(9,422)	(6,331)
Profit before income taxes.....	100,158	97,063
Income taxes (Note 8).....	(18,765)	(31,401)
Net profit.....	81,393	65,662
Net profit attributable to:		
Panasonic Corporation stockholders.....	77,229	60,096
Non-controlling interests.....	4,164	5,566
Earnings per share attributable to Panasonic Corporation stockholders (Note 5)	Yen	
Basic.....	33.11	25.77
Diluted.....	33.09	25.75

Condensed Quarterly Consolidated Statements of Comprehensive Income
Three months ended December 31, 2019 and 2018

	Yen (millions)	
	Three months ended December 31	
	2019	2018
Net Profit.....	81,393	65,662
Other comprehensive income, net of tax		
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit plans.....	(440)	88
Financial assets measured at fair value through other comprehensive income.....	21,567	3,262
Subtotal.....	21,127	3,350
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations.....	53,257	(51,287)
Net changes in fair value of cash flow hedges.....	(1,006)	1,190
Subtotal.....	52,251	(50,097)
Other comprehensive income (loss), net of tax	73,378	(46,747)
Total comprehensive income.....	154,771	18,915
Total comprehensive income attributable to:		
Panasonic Corporation stockholders.....	146,437	16,482
Non-controlling interests.....	8,334	2,433

PANASONIC CORPORATION
AND SUBSIDIARIES
Condensed Quarterly Consolidated Statements of Changes in Equity
Nine months ended December 31, 2019 and 2018

Nine months ended December 31, 2019							Yen (millions)	
	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, 2019.....	258,740	528,880	1,500,870	(164,417)	(210,560)	1,913,513	171,102	2,084,615
Comprehensive income:								
Net profit.....	-	-	178,148	-	-	178,148	12,444	190,592
Remeasurements of defined benefit plans.....	-	-	-	(1,108)	-	(1,108)	127	(981)
Financial assets measured at fair value through other comprehensive income.....	-	-	-	16,615	-	16,615	5	16,620
Exchange differences on translation of foreign operations.....	-	-	-	(40,577)	-	(40,577)	(4,997)	(45,574)
Net change in fair value of cash flow hedges.....	-	-	-	1,778	-	1,778	18	1,796
Total comprehensive income	-	-	178,148	(23,292)	-	154,856	7,597	162,453
Transfer to hedged non-financial assets.....	-	-	-	156	-	156	-	156
Transfer from other components of equity to retained earnings.....	-	-	1,457	(1,457)	-	-	-	-
Cash dividends (Note 4).....	-	-	(69,979)	-	-	(69,979)	(11,186)	(81,165)
Purchase of treasury stock.....	-	-	-	-	(25)	(25)	-	(25)
Disposal of treasury stock.....	-	(2)	-	-	3	1	-	1
Share-based payment transactions (Note 2).....	127	(346)	-	-	386	167	-	167
Transactions with non-controlling interests and other.....	-	(847)	-	-	-	(847)	(228)	(1,075)
Cumulative effects of a new accounting standard applied (Note 2).....	-	-	(20,790)	-	-	(20,790)	-	(20,790)
Balances as of December 31, 2019....	258,867	527,685	1,589,706	(189,010)	(210,196)	1,977,052	167,285	2,144,337

Nine months ended December 31, 2018

Yen (millions)

	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, 2018.....	258,740	527,408	1,300,336	(168,259)	(210,674)	1,707,551	174,734	1,882,285
Comprehensive income:								
Net profit.....	-	-	173,715	-	-	173,715	13,647	187,362
Remeasurements of defined benefit plans.....	-	-	-	1,892	-	1,892	123	2,015
Financial assets measured at fair value through other comprehensive income.....	-	-	-	1,218	-	1,218	12	1,230
Exchange differences on translation of foreign operations...	-	-	-	2,265	-	2,265	(4,481)	(2,216)
Net change in fair value of cash flow hedges.....	-	-	-	(1,990)	-	(1,990)	(1)	(1,991)
Total comprehensive income.....	-	-	173,715	3,385	-	177,100	9,300	186,400
Transfer to hedged non-financial assets.....	-	-	-	136	-	136	-	136
Transfer from other components of equity to retained earnings.....	-	-	5,112	(5,112)	-	-	-	-
Cash dividends (Note 4).....	-	-	(81,633)	-	-	(81,633)	(12,974)	(94,607)
Purchase of treasury stock.....	-	-	-	-	(40)	(40)	-	(40)
Disposal of treasury stock.....	-	(42)	-	-	101	59	-	59
Transactions with non-controlling interests and other.....	-	(927)	-	-	-	(927)	(896)	(1,823)
Cumulative effects of a new accounting standard applied	-	-	7,150	-	-	7,150	-	7,150
Balances as of December 31, 2018....	258,740	526,439	1,404,680	(169,850)	(210,613)	1,809,396	170,164	1,979,560

PANASONIC CORPORATION
AND SUBSIDIARIES
Condensed Quarterly Consolidated Statements of Cash Flows
Nine months ended December 31, 2019 and 2018

	Yen (millions)	
	Nine months ended December 31	
	2019	2018
Cash flows from operating activities (Note 2) :		
Net profit.....	190,592	187,362
Depreciation and amortization.....	283,137	218,733
Impairment losses on property, plant and equipment, goodwill and intangible assets (Note 8).....	28,551	9,094
Income tax expenses (Note 8).....	47,470	106,961
(Increase) decrease in trade receivables and contract assets.....	6,971	(106,552)
(Increase) decrease in inventories.....	(15,865)	(119,505)
Increase (decrease) in trade payables.....	(50,606)	64,175
Increase (decrease) in provisions.....	(25,013)	(53,943)
Increase (decrease) in contract liabilities.....	18,337	35,256
Increase (decrease) in retirement benefit liabilities.....	(19,216)	(25,627)
Other - net (Note 8).....	(88,401)	(152,266)
Subtotal.....	375,957	163,688
Interests received.....	17,645	16,792
Dividend income received.....	2,201	2,449
Interest expenses paid.....	(26,632)	(16,346)
Income taxes paid.....	(81,341)	(88,536)
Net cash provided by (used in) operating activities.....	287,830	78,047
Cash flows from investing activities :		
Purchase of property, plant and equipment.....	(198,779)	(235,003)
Proceeds from sale of property, plant and equipment.....	13,844	32,575
Purchase of intangible assets.....	(53,064)	(56,949)
Collection of lease receivables.....	23,623	119,031
Purchase of investments accounted for using the equity method and other financial assets.....	(9,963)	(23,163)
Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets.....	32,959	24,792
Proceeds from sales of subsidiaries (Note 8).....	33,237	-
Acquisition of subsidiaries, net of cash acquired.....	-	(500)
Other - net.....	(1,137)	(3,442)
Net cash provided by (used in) investing activities.....	(159,280)	(142,659)

PANASONIC CORPORATION
AND SUBSIDIARIES
Condensed Quarterly Consolidated Statements of Cash Flows
Nine months ended December 31, 2019 and 2018

	Yen (millions)	
	Nine months ended December 31	
	2019	2018
Cash flows from financing activities :		
Increase (decrease) in short-term debt.....	(95,932)	(75,768)
Proceeds from long-term debt (Note 8).....	277,475	940
Repayments of long-term debt (Note 2).....	(32,134)	(1,166)
Payments for lease liabilities (Note 2).....	(76,217)	(5,662)
Dividends paid to Panasonic Corporation stockholders (Note 4).....	(69,979)	(81,633)
Dividends paid to non-controlling interests.....	(11,186)	(12,974)
Purchase of treasury stock.....	(25)	(40)
Proceeds from sales of treasury stock.....	1	59
Transactions with non-controlling interests	(155)	(2,167)
Other - net.....	1,111	11,930
Net cash provided by (used in) financing activities.....	(7,041)	(166,481)
Effect of exchange rate changes on cash and cash equivalents.....	(12,022)	10,390
Net increase (decrease) in cash and cash equivalents.....	109,487	(220,703)
Cash and cash equivalents at the beginning of the period.....	772,264	1,089,585
Net decrease in cash and cash equivalents		
due to transfer to assets held for sale (Note 9).....	(17,448)	-
Cash and cash equivalents at the end of the period.....	864,303	868,882

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

1. Reporting Entity

Panasonic Corporation is a company incorporated in Japan. As a comprehensive electronics manufacturer, Panasonic Corporation 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 in close cooperation with domestic and overseas group companies.

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

2. Basis of Preparation

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

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

The Company's condensed quarterly consolidated financial statements do not include all of the information and disclosures required for a complete set of financial statements prepared in accordance with IFRS, and should be used in conjunction with the consolidated financial statements and the notes included in the Company's annual securities report for the year ended March 31, 2019.

The condensed quarterly consolidated financial statements were approved on February 13, 2020 by Representative Director and President, Kazuhiro Tsuga and Director (CFO), Hirokazu Umeda.

(2) Functional currency and presentation currency

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

(3) Significant accounting policies

Significant accounting policies applied in preparation of the condensed quarterly consolidated financial statements are consistent with those used in the preparation of the Company's annual consolidated financial statements for the year ended March 31, 2019 except for the following "Investment property," "Share based payments," "Non-current assets or disposal groups held for sale" and "(5) Application of new standards and interpretations."

(Investment property)

The right-of-use assets recognized in accordance with IFRS 16, "Leases" includes those that meet the requirements of IAS 40, "Investment property." Investment property is held by the Company to earn rentals. Investment property is measured using the cost model and presented at the amount of cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated to systematically allocate the cost of investment property using the straight-line method over the lease term.

Investment property is classified as held for sale and included as part of "Assets held for sale" on December 31, 2019.

(Share based payments)

The Company has introduced the Restricted Stock Compensation plan as an incentive plan for its Directors (excluding Outside Directors), Executive Officers and certain other officers. The cost of the restricted stock

compensation is measured by reference to the fair value of the shares granted on the grant date and recognized as expenses over the vesting period, with a corresponding increase in equity.

In accordance with the introduction of the new stock compensation plan, the share option plan had been abolished except for the share options already granted.

(Non-current assets or disposal groups held for sale)

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through sale transactions rather than through continuing use. The Company considers the above criteria to be met only if it is highly probable that they will be sold within one year and can be sold immediately in their present condition. Non-current assets or disposal groups classified as held for sale are measured at the lower of their carrying amount or fair value less costs to sell and are not depreciated or amortized.

Since "Assets held for sale," which were included as part of "Other current assets" and "Liabilities directly associated with the assets held for sale," which were included as part of "Other current liabilities" as of March 31, 2019, have become material due to the business restructuring, they are separately presented from the nine months ended December 31, 2019. The Consolidated Statements of Financial Position as of March 31, 2019 is reclassified to conform to this change in presentation. As a result, the amount of 13,072 million yen as of March 31, 2019, which was presented in "Other current assets," and the amount of 8,737 million yen as of March 31, 2019, which was presented in "Other current liabilities," have been reclassified and presented as "Assets held for sale" and "Liabilities directly associated with the assets held for sale," respectively.

(4) Significant accounting estimates and judgments involving estimations

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

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

The estimates and judgments, which have a material effect on the Company's condensed quarterly consolidated financial statements, are consistent with those used in the preparation of the Company's annual consolidated financial statements for the year ended March 31, 2019 except for "Non-current assets or disposal groups held for sale" described in "(3) Significant accounting policies" and the items described in "(5) Application of new standards and interpretations."

(5) Application of new standards and interpretations

(i) IFRS 16, "Leases"

The Company applies IFRS 16, "Leases" from April 1, 2019. The Company has recognized the cumulative effect of applying the standard at the date of initial application as a transition method permitted under the standard. Accordingly, the comparative information prepared in accordance with IAS 17, "Leases" is not restated.

(a) Definition of a lease

Previously, the Company determined whether a contract is, or contains, a lease in accordance with IAS 17 and IFRIC 4, "Determining whether an Arrangement contains a Lease." In adopting IFRS 16, the Company determines whether a contract is, or contains, a lease in accordance with the following definition of a lease.

- The Company has an identified asset
- The Company has the right to obtain substantially all of the economic benefits from use of the identified asset
- The Company has the right to direct the use of the identified asset

(b) Lease accounting treatment as a lessee

Previously the Company, as a lessee, classified leases as an operating lease or a finance lease based on the assessment of whether all of the risks and rewards incidental to ownership of an underlying asset are substantially transferred to the Company in accordance with IAS 17.

Following the application of IFRS 16, the Company applies the single lease accounting model required by the standard. In principle, for all leases, right-of-use assets that represent a right to use an underlying asset and lease liabilities that represent the obligation for lease payments are recognized.

Lease liabilities are initially measured at the present value of unpaid lease payments at the lease commencement date discounted using the interest rate implicit in the lease or the lessee's incremental borrowing rate. Right-of-use assets are initially measured at cost, which comprises the amount of the initial measurement of the lease liability and prepaid lease payments, etc. Right-of-use assets are depreciated using the straight-line method over the lease term. As a result, the lease payments under operating lease that were previously recorded as expenses when incurred are recorded as depreciation for the right-of-use assets and interest expense on the lease liability from the current fiscal year. Also, in the condensed quarterly consolidated statements of cash flows, the cash payments of the lease liability excluding interest portion that were previously classified in operating activities are classified within financing activities. Furthermore, the Company does not recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases in which the underlying asset is of low value, and recognizes lease payments as an expense when incurred in the same way as previous years.

(c) Treatment on transition

The methods for measuring right-of-use assets and lease liabilities on transition are as follows. Note that, on the application of IFRS 16, the Company applies a practical expedient to the definition of lease. The Company applies IFRS 16 to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 and does not apply IFRS 16 to contracts that were previously not.

(Leases previously classified as operating leases under IAS 17)

Lease liabilities on transition are measured at the present value of the total remaining lease payments at the date of initial application, discounted using discount rate at the date of initial application. Also, right-of-use assets on transition are measured at either:

- the carrying amount as if IFRS 16 had been applied since the commencement date, but discounted using discount rate at the date of initial application; or
- an amount equal to the lease liability, adjusted by the amount of any prepaid lease payments, etc.

In addition, on the application of IFRS 16, the Company applies the following practical expedients taking into account region and business.

- A lessee may account for leases for which the lease term ends within 12 months of the date of initial application in the same way as short-term leases.
- A lessee shall adjust the right-of-use asset by the amount of any provision for onerous leases applying IAS 37, "Provisions, Contingent Liabilities and Contingent Assets" recognized immediately before the date of initial application as an alternative to performing an impairment test.
- A lessee may exclude initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- A lessee may use hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.

(Leases previously classified as finance leases under IAS 17)

The carrying amounts of right-of-use assets and the lease liabilities at the date of initial application are determined at the carrying amount of the leased assets and lease liabilities immediately before that date measured under IAS 17.

(d) Impacts on the condensed quarterly consolidated financial statements

At the date of initial application of IFRS 16, the Company additionally recognized right-of-use assets of 307,132 million yen, investment property of 281,182 million yen, and lease liabilities of 636,271 million yen. As a result, the balance of retained earnings decreased by 20,790 million yen.

Investment property are included as part of "Assets held for sale" from the nine months ended December 31, 2019.

In accordance with the application of IFRS 16, "Lease liabilities," which were included in "Short-term debt, including current portion of long-term debt" and "Long-term debt" as of March 31, 2019, have become material and are separately presented from the current fiscal year. Consolidated Statements of Financial Position as of March 31, 2019 is reclassified to conform to this change in presentation. As a result, the amount of 7,654 million yen as of March 31, 2019, which was presented in "Short-term debt, including current portion of long-term debt," and the amount of 8,016 million yen as of March 31, 2019, which was presented in "Long-term debt," have been reclassified and presented as "Lease liabilities" (Current liabilities) and "Lease liabilities" (Non-current liabilities), respectively.

Also, "Payments for lease liabilities," which was included in "Payments of long-term debt" within "Cash flows from financing activities" for the year ended March 31, 2019 has become material and is separately presented from the current fiscal year. Condensed Quarterly Consolidated Statements of Cash Flows for the nine months ended December 31, 2018 is reclassified to conform to this change in presentation. As a result, the amount of (5,662) million yen for the nine months ended December 31, 2018, which was presented in "Repayments of long-term debt" within "Cash flows from financing activities," has been reclassified and presented as "Payments for lease liabilities" within "Cash flows from financing activities."

Furthermore, there is a difference of 518,021 million yen between future minimum lease payments of 118,250 million yen under non-cancellable operating leases disclosed applying IAS 17 as of March 31, 2019, which was immediately before the date of initial application, and the lease liabilities of 636,271 million yen measured as of the date of initial application. These differences are due to reasons such as, in the application of IFRS 16, recording lease liabilities for cancelable operating lease and recording lease liabilities for variable lease payments, which were not included in future minimum lease payments under IAS 17, measured using an index or a rate at the date of initial application.

(ii) IFRIC 23, "Uncertainty over Income Tax Treatments"

The Company applies IFRIC 23, "Uncertainty over Income Tax Treatments" from April 1, 2019. IFRIC 23 aims to clarify the application of IAS 12, "Income taxes" when there is uncertainty over income tax treatment. The impact of the application of IFRIC 23 on the condensed quarterly consolidated financial statements was not material.

3. Segment Information

(1) Reportable segments

The 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 "Appliances," "Life Solutions," "Connected Solutions," "Automotive" and "Industrial Solutions."

"Appliances" is comprised of developing, manufacturing, selling and providing services of products such as room air-conditioners, large-sized air-conditioners, TVs, digital cameras, video equipment, home audio equipment, fixed-phones, refrigerators, washing machines, vacuum cleaners, microwave ovens, rice cookers, personal-care products, compressors, fuel cells and showcases. "Life Solutions" is comprised of developing, manufacturing, selling and providing services of products such as lighting fixtures, lamps, wiring devices, solar photovoltaic systems, water-related products, interior furnishing materials, exterior finishing materials, ventilation and air-conditioning equipment, air purifiers, detached housing, rental apartment housing, land and buildings for sale, home remodeling, bicycles, and nursing-care-related products. "Connected Solutions" is comprised of developing, manufacturing, selling and providing services of products such as aircraft in-flight entertainment systems and communications services, electronic-components-mounting machines, welding equipment, projectors, professional AV systems, PCs and tablets, surveillance cameras. "Automotive" is comprised of developing, manufacturing, selling and providing services of products such as car navigation systems, car AV systems, meter cluster displays, head-up displays, telematics communication units, switches, sensing devices, ECUs, energy management devices and batteries for automobiles. "Industrial Solutions" is comprised of developing, manufacturing, selling and providing services of products such as automation controls, electric motors, FA sensors and components, small lithium-ion batteries, battery modules for power storage, electronic components, dry batteries, micro batteries, electronic materials, semiconductors and LCD panels.

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

The reportable segment classification has been changed from the four segments of "Appliances," "Eco Solutions," "Connected Solutions" and "Automotive and Industrial Systems" to the five segments as listed above due to a reorganization on April 1, 2019.

The former "Eco Solutions" segment has changed its name to "Life Solutions." Additionally, the former "Automotive and Industrial Systems" segment has been divided into "Automotive" and "Industrial Solutions."

Accordingly, the segment information for the nine months and the three months ended December 31, 2018 has been reclassified to conform to the presentation for the nine months and the three months ended December 31, 2019.

(2) Information by reportable segments

Information by segment for the nine months ended December 31, 2019 and 2018 is shown in the tables below.

(i) For the nine months ended December 31, 2019

Yen (millions)								
	The reportable segments						Eliminations and adjustments	Consolidated Total
	Appliances	Life Solutions	Connected Solutions	Automotive	Industrial Solutions	Other		
Sales:								
Customers.....	1,899,419	1,365,396	685,960	1,087,061	826,052	163,856	(272,110)	5,755,634
Intersegment.....	159,573	139,843	84,371	26,356	158,006	6,430	(574,579)	-
Total.....	<u>2,058,992</u>	<u>1,505,239</u>	<u>770,331</u>	<u>1,113,417</u>	<u>984,058</u>	<u>170,286</u>	<u>(846,689)</u>	<u>5,755,634</u>
Segment profit (loss)...	82,689	70,927	76,637	(29,230)	9,792	3,357	26,501	240,673

(ii) For the nine months ended December 31, 2018

Yen (millions)								
	The reportable segments						Eliminations and adjustments	Consolidated Total
	Appliances	Life Solutions	Connected Solutions	Automotive	Industrial Solutions	Other		
Sales:								
Customers.....	1,974,456	1,326,569	722,576	1,093,570	928,893	166,607	(129,686)	6,082,985
Intersegment.....	164,578	141,858	93,190	27,813	164,597	6,700	(598,736)	-
Total.....	<u>2,139,034</u>	<u>1,468,427</u>	<u>815,766</u>	<u>1,121,383</u>	<u>1,093,490</u>	<u>173,307</u>	<u>(728,422)</u>	<u>6,082,985</u>
Segment profit (loss)...	88,626	50,112	73,479	(9,198)	64,524	1,937	23,309	292,789

The accounting policies for reportable segments are the same as the Company's accounting policies that are described in Note 2 "(3) Significant accounting policies" except for management accounting adjustments referred to below.

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

Profit of the reportable segments is calculated on an operating profit basis.

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

Adjustments to segment sales to customers for the nine months ended December 31, 2019 and 2018 mainly include price differences between sales prices to external customers and the internal sales prices adopted for performance measurement purposes for the sales of consumer products through certain sales departments, management accounting adjustments for sales price and revenue of corporate headquarters, etc.

Adjustments to segment profit for the nine months ended December 31, 2019 and 2018 include profit of corporate headquarters (including gain on sales of certain property, plant and equipment for the nine months ended December 31, 2018), and profit which is attributable to certain sales departments of consumer products. Consolidation adjustments also include amortization of certain intangible assets acquired in business combination, share of profit of investments accounted for using the equity method which are not attributable to any specific segments.

Information by segment for the three months ended December 31, 2019 and 2018 is shown in the tables below.

(i) For the three months ended December 31, 2019

Yen (millions)								
The reportable segments								
	Appliances	Life Solutions	Connected Solutions	Automotive	Industrial Solutions	Other	Eliminations and adjustments	Consolidated Total
Sales:								
Customers.....	632,768	461,439	225,490	359,722	270,005	52,455	(90,669)	1,911,210
Intersegment.....	50,385	50,612	26,247	6,446	56,197	2,244	(192,131)	-
Total.....	683,153	512,051	251,737	366,168	326,202	54,699	(282,800)	1,911,210
Segment profit (loss)...	29,781	29,778	40,357	(6,502)	(6,646)	836	12,777	100,381

(ii) For the three months ended December 31, 2018

Yen (millions)								
The reportable segments								
	Appliances	Life Solutions	Connected Solutions	Automotive	Industrial Solutions	Other	Eliminations and adjustments	Consolidated Total
Sales:								
Customers.....	678,135	464,500	236,179	385,798	302,796	52,946	(45,547)	2,074,807
Intersegment.....	52,074	52,866	30,455	9,746	58,879	2,784	(206,804)	-
Total.....	730,209	517,366	266,634	395,544	361,675	55,730	(252,351)	2,074,807
Segment profit (loss)...	27,023	27,324	21,659	(625)	26,990	305	(5,127)	97,549

The accounting policies for reportable segments are the same as the Company's accounting policies that are described in Note 2 "(3) Significant accounting policies" except for management accounting adjustments referred to below.

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

Profit of the reportable segments is calculated on an operating profit basis.

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

Adjustments to segment sales to customers for the three months ended December 31, 2019 and 2018 mainly include price differences between sales prices to external customers and the internal sales prices adopted for performance measurement purposes for the sales of consumer products through certain sales departments, management accounting adjustments for sales price and revenue of corporate headquarters, etc.

Adjustments to segment profit for the three months ended December 31, 2019 and 2018 include profit of corporate headquarters and profit which is attributable to certain sales departments of consumer products. Consolidation adjustments also include amortization of certain intangible assets acquired in business combination, share of profit of investments accounted for using the equity method which are not attributable to any specific segments.

4. Equity

(1) Other components of equity

A breakdown of other components of equity is as follows:

	Yen (millions)	
	December 31, 2019	March 31, 2019
Remeasurements of defined benefit plans (*).....	-	-
Financial assets measured at fair value through other comprehensive income.....	54,984	40,934
Exchange differences on translation of foreign operations.....	(244,700)	(204,123)
Net changes in fair value of cash flow hedges.....	706	(1,228)
Total.....	<u>(189,010)</u>	<u>(164,417)</u>

(*)As the result of remeasurements of defined benefit plans, other components of equity decreased by 1,108 million yen (net of tax), which was directly transferred from other components of equity to retained earnings for the nine months ended December 31, 2019.

(2) Dividends

(i) Dividends for the nine months ended December 31, 2019 are summarized as follows:

Amount of cash dividends paid

Resolution date	Class	Cash dividends (millions of yen)	Dividends resource	Cash dividends per share (yen)	Record date	Effective date
The Board of Directors meeting held on May 9, 2019	Common stock	34,986	Retained Earnings	15.0	March 31, 2019	June 7, 2019
The Board of Directors meeting held on October 31, 2019	Common stock	34,993	Retained Earnings	15.0	September 30, 2019	November 29, 2019

(ii) Dividends for the nine months ended December 31, 2018 are summarized as follows:

Amount of cash dividends paid

Resolution date	Class	Cash dividends (millions of yen)	Dividends resource	Cash dividends per share (yen)	Record date	Effective date
The Board of Directors meeting held on May 10, 2018	Common stock	46,647	Retained Earnings	20.0	March 31, 2018	June 8, 2018
The Board of Directors meeting held on October 31, 2018	Common stock	34,986	Retained Earnings	15.0	September 30, 2018	November 30, 2018

5. Per share information

Panasonic Corporation stockholders' equity per share is as follows:

	Yen	
	December 31, 2019	March 31, 2019
Panasonic Corporation stockholders' equity per share.....	847.48	820.41

The reconciliation for the basic and diluted earnings per share attributable to Panasonic Corporation stockholders is as follows:

(1) For the nine months ended December 31, 2019 and 2018

	Yen (millions)	
	2019	2018
Net profit attributable to Panasonic Corporation stockholders.....	178,148	173,715
Adjustment to net profit.....	(6)	-
Net profit used to calculate basic earnings per share.....	178,142	173,715
Adjustment to net profit.....	6	-
Net profit used to calculate diluted earnings per share.....	178,148	173,715

	Number of shares	
	2019	2018
Average common shares outstanding.....	2,332,552,812	2,332,361,553
Dilutive effect:		
Stock acquisition rights.....	1,448,166	1,498,374
Restricted stock	70,230	-
Diluted common shares outstanding.....	2,334,071,208	2,333,859,927

	Yen	
	2019	2018
Earnings per share attributable to Panasonic Corporation stockholders:		
Basic.....	76.37	74.48
Diluted.....	76.33	74.43

(2) For the three months ended December 31, 2019 and 2018:

	Yen (millions)	
	2019	2018
Net profit attributable to Panasonic Corporation stockholders.....	77,229	60,096
Adjustment to net profit.....	(4)	-
Net profit used to calculate basic earnings per share.....	77,225	60,096
Adjustment to net profit.....	4	-
Net profit used to calculate diluted earnings per share.....	77,229	60,096

	Number of shares	
	2019	2018
Average common shares outstanding.....	2,332,729,108	2,332,368,601
Dilutive effect:		
Stock acquisition rights.....	1,351,404	1,613,832
Restricted stock	128,525	-
Diluted common shares outstanding.....	2,334,209,037	2,333,982,433

	Yen	
	2019	2018
Earnings per share attributable to Panasonic Corporation stockholders:		
Basic.....	33.11	25.77
Diluted.....	33.09	25.75

6. Fair values of financial instruments

(1) The comparison between fair values and the carrying amounts is as follows:

	Yen (millions)			
	December 31, 2019		March 31, 2019	
	Book value	Fair value	Book value	Fair value
Long-term debt, including current portion of long-term debt.....	1,101,969	1,113,114	873,432	882,425

Fair values shown above are estimated, based on the market price or the present value of the future cash flows, which is calculated using the observable discount rate at December 31 and March 31, 2019. They are all categorized as level 2 (refer to "(2) Fair value measurement hierarchy").

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

(2) Fair value measurement hierarchy

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

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

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

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

Yen (millions)				
December 31, 2019				
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets measured at FVTPL				
Derivative assets				
Foreign exchange contracts.....	-	4,884	-	4,884
Cross currency interest rate swaps.....	-	10,237	-	10,237
Commodity futures.....	3,372	970	-	4,342
Subtotal.....	3,372	16,091	-	19,463
Financial assets measured at FVTOCI				
Equity securities.....	105,430	-	63,081	168,511
Others.....	-	281	-	281
Subtotal.....	105,430	281	63,081	168,792
Total financial assets.....	108,802	16,372	63,081	188,255
Financial liabilities:				
Financial liabilities measured at FVTPL				
Derivative liabilities				
Foreign exchange contracts.....	-	5,398	-	5,398
Cross currency swaps.....	-	33	-	33
Commodity futures.....	5,060	4,274	-	9,334
Total financial liabilities.....	5,060	9,705	-	14,765

Yen (millions)				
March 31, 2019				
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets measured at FVTPL				
Derivative assets				
Foreign exchange contracts.....	-	5,295	-	5,295
Cross currency swaps.....	-	36	-	36
Commodity futures.....	4,295	1,099	-	5,394
Subtotal.....	4,295	6,430	-	10,725
Financial assets measured at FVTOCI				
Equity securities.....	85,739	-	85,580	171,319
Others.....	-	2,344	-	2,344
Subtotal.....	85,739	2,344	85,580	173,663
Total financial assets.....	90,034	8,774	85,580	184,388
Financial liabilities:				
Financial liabilities measured at FVTPL				
Derivative liabilities				
Foreign exchange contracts.....	-	2,514	-	2,514
Cross currency swaps.....	-	16	-	16
Commodity futures.....	4,457	5,504	-	9,961
Total financial liabilities.....	4,457	8,034	-	12,491

The Company's marketable equity securities 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 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.

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

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

Transfers between levels are recognized on the day when the event or change in circumstances that caused the transfer occurred. In the nine months ended December 31, 2019, there were no financial instruments of which a significant transfer was made between levels.

The main movement in financial instruments, classified as Level 3 in the fair value measurement hierarchy for the nine months ended December 31, 2019, is caused by a sale of certain equity instruments.

7. Revenue

Disaggregation of revenue

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

The products of Appliances are categorized into "B2C" and "B2B." "B2C" includes products such as room air-conditioners, TVs, digital cameras, video equipment, home audio equipment, fixed-phones, refrigerators, washing machines, vacuum cleaners, microwave ovens, rice cookers and personal-care products. "B2B" includes products such as compressors, fuel cells and showcases.

The products of Life Solutions are categorized into "Electrical construction materials," "Architecture" and "Other (including home building products)." "Electrical construction materials" includes products such as lighting fixtures, lamps, wiring devices, solar photovoltaic systems, ventilation and air-conditioning equipment and air purifiers. "Architecture" includes products such as detached housing, rental apartment housing, land and buildings for sale and home remodeling. "Other (including home building products)" includes products such as water-related products, interior furnishing materials, exterior furnishing materials, bicycles, and nursing-care-related products.

The products of Connected Solutions are categorized into "Vertical solutions" and "Product solutions." "Vertical solutions" is the solution business provided directly by business divisions where development, production and sales are integrated and it includes products such as aircraft in-flight entertainment systems and communications services, electronic-components-mounting machines and welding equipment. "Product solutions" is the solution business provided by developing and manufacturing business divisions through sales departments, and it includes products such as projectors, professional AV systems, PCs and tablets and surveillance cameras.

The products of Automotive are categorized into "Automotive solutions" and "Automotive batteries." "Automotive solutions" includes products such as automotive-use infotainment systems, electrical components and automotive mirrors. "Automotive batteries" includes products related to automotive-use batteries.

The products of Industrial Solutions are categorized into "Systems," "Device" and "Other." "Systems" includes products such as automation controls, electric motors and lithium-ion batteries, which are the group of businesses focused on system and modules. "Device" includes products such as electronic components, electronic materials and dry batteries, which are the group of businesses that differentiates in materials and processes. "Other" includes products such as semiconductors, LCD panels.

The disaggregated revenue of each reportable segments for the nine months and the three months ended December 31, 2018 have been reclassified to conform to the presentation for the nine months and the three months ended December 31, 2019.

The disaggregated revenue for the nine months ended December 31, 2019 and 2018 is as follow:

(i) For the nine months ended December 31, 2019

Yen (millions)			
By product category	Sales	By geographical area	Sales
The reportable segments			
Appliances			
B2C.....	1,195,661	Japan.....	706,913
B2B.....	376,910	North and South America.....	197,235
		Europe.....	187,327
		Asia, China and others.....	481,096
Total.....	1,572,571	Total.....	1,572,571
Life Solutions			
Electrical construction materials.....	583,970	Japan.....	1,152,509
Architecture.....	326,891	North and South America.....	40,577
Other (including home building products).....	458,572	Europe.....	34,704
		Asia, China and others.....	141,643
Total.....	1,369,433	Total.....	1,369,433
Connected Solutions			
Vertical solutions.....	309,713	Japan.....	250,749
Product solutions.....	429,992	North and South America.....	281,506
		Europe.....	79,082
		Asia, China and others.....	128,368
Total.....	739,705	Total.....	739,705
Automotive			
Automotive solutions.....	666,637	Japan.....	302,886
Automotive batteries.....	345,419	North and South America.....	469,223
		Europe.....	136,659
		Asia, China and others.....	103,288
Total.....	1,012,056	Total.....	1,012,056
Industrial Solutions			
Systems.....	371,412	Japan.....	253,479
Device.....	401,861	North and South America.....	85,028
Other.....	107,906	Europe.....	107,371
		Asia, China and others.....	435,301
Total.....	881,179	Total.....	881,179
Other.....	180,690	Other.....	180,690
Consolidated total.....	5,755,634	Consolidated total.....	5,755,634

(ii) For the nine months ended December 31, 2018

Yen (millions)			
By product category	Sales	By geographical area	Sales
The reportable segments			
Appliances			
B2C.....	1,266,641	Japan.....	705,854
B2B.....	392,968	North and South America.....	217,540
		Europe.....	209,936
		Asia, China and others.....	526,279
Total.....	1,659,609	Total.....	1,659,609
Life Solutions			
Electrical construction materials.....	589,231	Japan.....	1,106,043
Architecture.....	305,591	North and South America.....	46,218
Other (including home building products).....	443,975	Europe.....	36,121
		Asia, China and others.....	150,415
Total.....	1,338,797	Total.....	1,338,797
Connected Solutions			
Vertical solutions.....	348,816	Japan.....	235,621
Product solutions.....	435,577	North and South America.....	305,143
		Europe.....	93,030
		Asia, China and others.....	150,599
Total.....	784,393	Total.....	784,393
Automotive			
Automotive solutions.....	713,958	Japan.....	274,427
Automotive batteries.....	302,352	North and South America.....	473,846
		Europe.....	142,804
		Asia, China and others.....	125,233
Total.....	1,016,310	Total.....	1,016,310
Industrial Solutions			
Systems.....	423,848	Japan.....	275,170
Device.....	439,469	North and South America.....	97,850
Other.....	119,667	Europe.....	112,918
		Asia, China and others.....	497,046
Total.....	982,984	Total.....	982,984
Other.....	300,892	Other.....	300,892
Consolidated total.....	6,082,985	Consolidated total.....	6,082,985

The disaggregated revenue for the three months ended December 31, 2019 and 2018 is as follow:

(i) For the three months ended December 31, 2019

Yen (millions)			
By product category	Sales	By geographical area	Sales
The reportable segments			
Appliances			
B2C.....	397,477	Japan.....	225,456
B2B.....	123,600	North and South America.....	68,302
		Europe.....	71,050
		Asia, China and others.....	156,269
Total.....	521,077	Total.....	521,077
Life Solutions			
Electrical construction materials.....	207,687	Japan.....	388,965
Architecture.....	103,335	North and South America.....	13,511
Other (including home building products).....	152,909	Europe.....	11,806
		Asia, China and others.....	49,649
Total.....	463,931	Total.....	463,931
Connected Solutions			
Vertical solutions.....	100,594	Japan.....	83,808
Product solutions.....	141,487	North and South America.....	94,186
		Europe.....	25,822
		Asia, China and others.....	38,265
Total.....	242,081	Total.....	242,081
Automotive			
Automotive solutions.....	207,384	Japan.....	93,593
Automotive batteries.....	125,489	North and South America.....	157,195
		Europe.....	47,981
		Asia, China and others.....	34,104
Total.....	332,873	Total.....	332,873
Industrial Solutions			
Systems.....	117,875	Japan.....	87,033
Device.....	137,049	North and South America.....	28,838
Other.....	39,822	Europe.....	36,890
		Asia, China and others.....	141,985
Total.....	294,746	Total.....	294,746
Other.....	56,502	Other.....	56,502
Consolidated total.....	1,911,210	Consolidated total.....	1,911,210

(ii) For the three months ended December 31, 2018

Yen (millions)

By product category	Sales	By geographical area	Sales
The reportable segments			
Appliances			
B2C.....	426,711	Japan.....	236,070
B2B.....	135,164	North and South America.....	77,797
		Europe.....	81,490
		Asia, China and others.....	166,518
Total.....	561,875	Total.....	561,875
Life Solutions			
Electrical construction materials.....	213,455	Japan.....	396,131
Architecture.....	101,759	North and South America.....	16,616
Other (including home building products).....	159,469	Europe.....	12,417
		Asia, China and others.....	49,519
Total.....	474,683	Total.....	474,683
Connected Solutions			
Vertical solutions.....	109,313	Japan.....	82,437
Product solutions.....	146,584	North and South America.....	99,591
		Europe.....	30,011
		Asia, China and others.....	43,858
Total.....	255,897	Total.....	255,897
Automotive			
Automotive solutions.....	241,176	Japan.....	101,104
Automotive batteries.....	113,994	North and South America.....	169,785
		Europe.....	43,619
		Asia, China and others.....	40,662
Total.....	355,170	Total.....	355,170
Industrial Solutions			
Systems.....	133,787	Japan.....	98,929
Device.....	154,275	North and South America.....	33,348
Other.....	39,853	Europe.....	37,488
		Asia, China and others.....	158,150
Total.....	327,915	Total.....	327,915
Other.....	99,267	Other.....	99,267
Consolidated total.....	2,074,807	Consolidated total.....	2,074,807

The reconciliation of "Disaggregated revenue" by reportable segments with the "Sales to customers" in Note 3 "(2) Information by reportable segments" for the nine months ended December 31, 2019 and 2018 is as follows.

"Disaggregated revenue" of each reportable segment with the adjustments for "Adjustments for management accounting," "Cross-selling" and "Sales of third party's products, etc." matches with "Sales to customers" in Note 3 "(2) Information by reportable segments." "Adjustments for management accounting" mainly includes the adjustment for sales price for management accounting. "Cross-selling" mainly includes the adjustment for sales of products through other segments. "Sales of third party's products, etc." mainly includes the adjustment for sales of products manufactured by third parties which are not included in sales for management accounting purpose.

(i) For the nine months ended December 31, 2019

	Yen (millions)				
	Appliances	Life Solutions	Connected Solutions	Automotive	Industrial Solutions
Disaggregation of revenue.....	1,572,571	1,369,433	739,705	1,012,056	881,179
Adjustments for management accounting.....	258,489	34,999	6,983	6,837	18,949
Cross-selling.....	85,226	(39,094)	(61,900)	67,280	(77,272)
Sales of third party's products, etc.	(16,867)	58	1,172	888	3,196
Note 3 "(2) Information by reportable segments" Sales to customers.....	<u>1,899,419</u>	<u>1,365,396</u>	<u>685,960</u>	<u>1,087,061</u>	<u>826,052</u>

(ii) For the nine months ended December 31, 2018

	Yen (millions)				
	Appliances	Life Solutions	Connected Solutions	Automotive	Industrial Solutions
Disaggregation of revenue.....	1,659,609	1,338,797	784,393	1,016,310	982,984
Adjustments for management accounting.....	245,622	36,323	5,397	7,719	20,101
Cross-selling.....	94,618	(49,220)	(64,561)	70,295	(74,687)
Sales of third party's products, etc.	(25,393)	669	(2,653)	(754)	495
Note 3 "(2) Information by reportable segments" Sales to customers.....	<u>1,974,456</u>	<u>1,326,569</u>	<u>722,576</u>	<u>1,093,570</u>	<u>928,893</u>

The reconciliation of "Disaggregated revenue" by reportable segments with the "Sales to customers" in Note 3 "(2) Information by reportable segments" for the three months ended December 31, 2019 and 2018 is as follows.

(i) For the three months ended December 31, 2019

	Yen (millions)				
	Appliances	Life Solutions	Connected Solutions	Automotive	Industrial Solutions
Disaggregation of revenue.....	521,077	463,931	242,081	332,873	294,746
Adjustments for management accounting.....	82,818	18,910	2,241	2,606	7,148
Cross-selling.....	39,706	(21,429)	(19,231)	23,665	(32,906)
Sales of third party's products, etc.	(10,833)	27	399	578	1,017
Note 3 "(2) Information by reportable segments" Sales to customers.....	632,768	461,439	225,490	359,722	270,005

(ii) For the three months ended December 31, 2018

	Yen (millions)				
	Appliances	Life Solutions	Connected Solutions	Automotive	Industrial Solutions
Disaggregation of revenue.....	561,875	474,683	255,897	355,170	327,915
Adjustments for management accounting.....	85,572	15,490	2,157	3,834	8,192
Cross-selling.....	45,524	(25,965)	(20,458)	26,794	(33,017)
Sales of third party's products, etc.	(14,836)	292	(1,417)	-	(294)
Note 3 "(2) Information by reportable segments" Sales to customers.....	678,135	464,500	236,179	385,798	302,796

8. Supplementary Information

(1) Other income (expenses)

"Other income (expenses), net" for the nine months and the three months ended December 31, 2019 include impairment losses of 22,635 million yen and 23,820 million yen, respectively, which are mainly in relation to its semiconductor business.

Panasonic resolved at the board of directors meeting on November 28, 2019 to transfer the semiconductor business and entered into a stock and assets transfer agreement on the same day. Accordingly, Panasonic recognized the losses expected to incur in connection with the business transfer.

In addition, "Other income (expenses), net" for the nine months and the three months ended December 31, 2019 both includes a gain on business transfer of 23,062 million yen, which is mainly in relation to the security system business.

Panasonic resolved at the board of directors meeting held on May 31, 2019 to transfer the security system business. On November 20, 2019, Panasonic transferred the shares of Panasonic i-PRO Sensing Solution Co., Ltd., which was a 100%-owned consolidated subsidiary company that operated the security system business, to PSP Holdings Co., Ltd. which is a subsidiary company of Polaris Capital Group Co., Ltd.

The gain on business transfer is presented in "Other - net" within cash flows from operating activities in the condensed quarterly consolidated statements of cash flows.

"Other income (expenses), net" for the nine months ended December 31, 2018 includes a gain on sales of property, plant and equipment of 25,761 million yen.

The amount of each individual item included in "Other income (expenses), net" was immaterial for the three months ended December 31, 2018.

The gain on sales of property, plant and equipment is presented in "Other - net" within cash flows from operating activities in the condensed quarterly consolidated statements of cash flows.

(2) Income taxes

Included in provision for "Income taxes" for the nine months ended December 31, 2019 is an income tax benefit of 21,458 million yen in Panasonic Corporation on consolidation. This benefit is a result of the write-off of the Company's loan to MT Picture Display Co., Ltd (MTPD) as part of the liquidation procedures of MTPD, which were completed during the nine months ended December 31, 2019.

In addition, as a result of the board of directors' resolution on November 28, 2019 to transfer its semiconductor business, included in provision for "Income taxes" for the nine months and the three months ended December 31, 2019 is an income tax benefit of 27,536 million yen in Panasonic Corporation on consolidation, due to the recognition of a deferred tax asset for the deductible temporary differences in investments in certain subsidiaries in the semiconductor business that have become probable to reverse in the foreseeable future. Also included in provision for "Income taxes" for the nine months and the three months ended December 31, 2019 is an income tax expense of 15,223 million yen in those consolidated subsidiaries in the semiconductor business, for which certain deferred tax assets were written down due to the reassessment of their recoverability because these subsidiaries will become ineligible to participate in the consolidated tax-return group in Japan.

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

The increases in the carrying amounts of "Property, plant and equipment" due to acquisition in the nine months ended December 31, 2019 and 2018 are 189,004 million yen and 194,988 million yen, respectively.

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

The decreases in the carrying amounts of "Property, plant and equipment" due to sales or disposal in the nine months ended December 31, 2019 and 2018 are 39,095 million yen and 72,767 million yen, respectively, including a decrease due to recognition of finance lease as a lessor.

(5) The issuance of USD-denominated senior notes

The Company issued senior notes denominated in U.S. dollars (total amount of US\$ 2.5 billion) in the overseas markets outside Japan on July 19, 2019.

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."

9. Disposal groups held for sale

Components of "Assets held for sale" and "Liabilities directly associated with the assets held for sale" are as follows:

	Yen (millions)	
	December 31, 2019	March 31, 2019
Assets held for sale:		
Trade receivables and contract assets.....	42,865	74
Inventories.....	149,512	5,085
Property, plant and equipment.....	184,854	4,738
Right-of-use assets.....	33,228	-
Investment property.....	284,896	-
Other.....	113,821	3,175
Total.....	809,176	13,072
Liabilities directly associated with the assets held for sale:		
Trade payables.....	71,045	3,929
Lease liabilities.....	371,264	-
Other.....	122,747	4,808
Total.....	565,056	8,737

"Assets held for sale" and "Liabilities directly associated with the assets held for sale" as of December 31, 2019 are assets and liabilities mainly related to the automotive prismatic battery business and the town development business.

The Company and Toyota Motor Corporation (Toyota) concluded on January 22, 2019, a business-integration contract and a joint venture contract toward the establishment of a new joint venture related to its automotive prismatic battery business. The ratio of equity participation was agreed to be 51% for Toyota and 49% for the Company. The Company resolved at the board of directors meeting held on February 3, 2020, to reorganize Prime Planet Energy & Solutions, Inc. (PPES), a 100%-owned consolidated subsidiary, into a joint venture on April 1, 2020. PPES will be no longer a consolidated subsidiary of the Company upon the share transfer giving effect to forming the joint venture. At December 31, 2019, assets and liabilities of the Panasonic group to be transferred to PPES and the companies thereunder are classified as "Assets held for sale" and "Liabilities directly associated with the assets held for sale."

In addition, the Company resolved at the board of directors meeting on May 9, 2019, to enter into a business-integration contract toward the establishment of a new joint venture related to its town development business with Toyota, and the contract was concluded on the same day. The Company and Toyota will have the same ratio of equity participation in the joint venture. On January 7, 2020, Panasonic Homes Co., Ltd., Panasonic Construction Engineering Co., Ltd, Matsumura-Gumi Corporation, and their subsidiaries became subsidiaries of the joint venture, Prime Life Technologies Corporation (PLT) through a joint share transfer. Accordingly, they are no longer consolidated subsidiaries of the Company and became thereafter entities accounted for using the equity method. At December 31, 2019, assets and liabilities of those subsidiaries to be transferred to PLT group are classified as "Assets held for sale" and "Liabilities directly associated with the assets held for sale." The Company expects to record a gain of approximately 90 billion yen in "Other income (expenses), net" in the consolidated statement of profit or loss during the three months ending March 31, 2020, upon execution of the joint share transfer and other related transactions.

10. Contingent Liabilities

Litigation, etc.

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

Panasonic Corporation and one of its subsidiaries, SANYO Electric Co., Ltd., are subject to relevant litigations in North America related to an anti-trust matter concerning their rechargeable battery business.

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

The ability to predict the outcome of these actions and proceedings is difficult to assess given that certain of the investigations and legal proceedings are still at an early stage, present novel legal theories, involving a large number of parties or 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 where there is only a reasonable possibility that a loss exceeding the amounts already recognized may have been incurred.

11. Subsequent Events

Issuance of straight bonds

Panasonic resolved at the board of directors meeting held on March 3, 2020 to issue straight bonds. While details, including the aggregate principal amount, issue price, coupon rate, maturity and date of issue, are yet to be determined at this stage, the following table outlines the planned issue:

Type of securities	: Unsecured straight bonds
Aggregate principal amount	: Up to 100 billion yen
Date of issue	: In or after February 2020
Offering method	: Public offering in Japan (planned)
Use of proceeds	: Redemption of bonds