

Panasonic April-December operating profit hit by China sales

February 3 2020



Panasonic maintained its full-year forecasts unchanged despite China's worsening coronavirus outbreak

Panasonic said on Monday its operating profit for the April-December period dropped 18 percent on lower sales in China but it left its full-year forecast intact despite the deadly coronavirus outbreak.

The Japanese consumer electronics giant said its nine-month sales fell

5.4 percent to 5.76 trillion yen (\$53.04 billion) as the weakness of the Chinese market also pressured the performance of the firm's sales in Japan.

"Domestic sales decreased due mainly to sluggish sales in electromechanical control equipment resulting from the deteriorating market conditions in China," Panasonic said.

Sluggish sales of televisions and automotive-related products also dented overall sales.

Slower sales saw the firm's operating profit fall to 240.67 billion yen, while net [profit](#) came to 178.15 billion yen, which marked an increase of 2.6 percent, thanks largely to reduced [income taxes](#).

The company left unchanged its full-year forecast, which sees [net profit](#) falling 29.6 percent to 200 billion yen, and [operating profit](#) sagging 27.1 percent to 300 billion yen on sales at 7.7 trillion yen, down 3.8 percent.

The unchanged forecast comes despite the impact of the new coronavirus, which has sent markets plunging and forced manufacturers to keep plants closed.

Panasonic did not reference the outbreak in its earnings.

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