

PANASONIC MANUFACTURING PHILIPPINES CORPORATION
ORTIGAS AVENUE EXTENSION, TAYTAY, RIZAL

NOTICE OF STOCKHOLDERS' MEETING

Notice is hereby given that the 2016 Annual Stockholders' Meeting of **PANASONIC MANUFACTURING PHILIPPINES CORPORATION**, will be held at the Auditorium Building, Panasonic Manufacturing Philippines Corporation, Ortigas Avenue Extension, Taytay, Rizal on June 17, 2016 at 5:00 P.M.

The Agenda of the meeting is as follows:

1. National Anthem
2. Call to Order
3. Establishment of the Quorum
4. Approval of Minutes of 2015 Annual Stockholders' Meeting
5. President's Annual Report
6. Financial Report
7. Ratification of all acts, resolutions and proceedings of the Board of Directors and Management since 2015 Annual Stockholders' Meeting
8. Election of new members of the Board of Directors
9. Appointment of External Auditors
10. Other Business
11. Adjournment

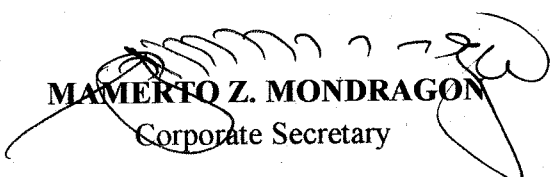
The Board of Directors has fixed the close of business on June 02, 2016 as record date for the determination of stockholders entitled to notice and to vote at said Annual Meeting.

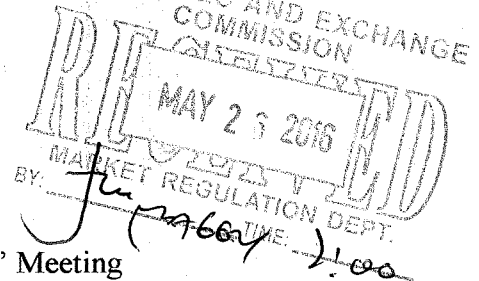
Stockholders who will not be able to attend the meeting may designate their respective proxies and send the proxy forms to the Office of the Corporate Secretary not later than June 14, 2016.

MANAGEMENT, HOWEVER, IS NOT SOLICITING YOUR PROXY. Corporate stockholders should attach to their proxies their board resolution designating authorized representative.

Registration starts at 3:00 P.M. on the scheduled meeting. For your convenience in registering your attendance, please present any form of identification such as your Professional I.D., Passport or Driver's License.

Taytay, Rizal, May 12, 2016.


MAMERTO Z. MONDRAGON
Corporate Secretary



1
COVER SHEET

for
DEFINITIVE INFORMATION STATEMENTS

SEC Registration Number

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Company Name

P	A	N	A	S	O	N	I	C		M	A	N	U	F	A	C	T	U	R	I	N	G		P	H	I	L	I	P
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R	Y																												

Principal Office (No./Street/Barangay/City/Town/Province)

O	r	t	i	g	a	s		A	v	e	n	u	e		E	x	t	e	n	s	i	o	n	,		S	a	n	
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Form Type

20	-	I	S
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Department requiring the report

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Secondary License Type, If Applicable

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COMPANY INFORMATION

Company's Email Address

www.panasonic.com/ph

Company's Telephone Number/s

635-2260 to 65

Mobile Number

N/A

No. of Stockholders

448

Annual Meeting
Month/Day

June 17

Fiscal Year
Month/Day

March 31

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Mr. Marlon M. Molano

Email Address

**marlon.mo-
lano@ph.panasonic.com**

Telephone Number/s

635-2260 to 65

Mobile Number

**(+63) 0917 500
1261**

Contact Person's Address

Ortigas Avenue Extension, Taytay, Rizal

Note: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

Information Statement Pursuant to Section 20
of the Securities Regulation Code

1. Check the appropriate box:

✓ Preliminary Information Sheet
 Definitive Information Sheet

2. Name of Registrant as specified in this Charter:

PANASONIC MANUFACTURING PHILIPPINES CORPORATION

3. Province, country and other jurisdiction or incorporation or organization:

PASAY CITY, METRO MANILA, PHILIPPINES

4. SEC Identification Number: 23022

5. BIR Tax Identification Code: 000-099-692-000

6. Address of Principal Office: Ortigas Avenue Extension, San Isidro
-
- Taytay, Rizal 1901

7. Registrant's telephone number, including area code: (632) 635-22-60 to 65

8. Date, time and place of meeting of security holders:

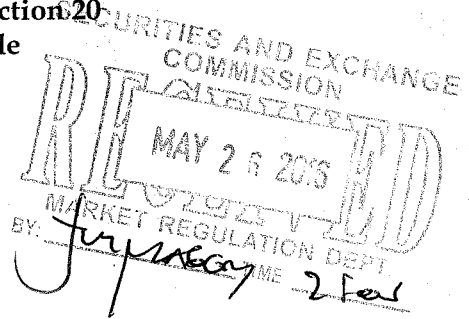
Date : June 17, 2016 (Friday)
 Time : 5:00 P.M.
 Place : Auditorium Building
 PMPC Taytay, Rizal

9. Approximate date of which the Information Statement is first to be sent or given to security holders:

May 26, 2016

10. In case of Proxy solicitations:

Name of Persons Filing the Statement/Solicitor: NOT APPLICABLE
 Address and Telephone No:



11. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec 4 and 8 of the RSA

a.	Authorized Capital Stock	P 847,000,000 (P1.00 par value)
	Common Class A shares (Listed)	169,400,000
	Class "B" shares	677,600,000

Only Class "A" shares are listed

- b. Number of Shares Outstanding as of March 31, 2016

<u>Common Shares @ P1.00/share</u>	
Class "A"	P 84,723,432
Class "B"	<u>337,994,588</u>
Total	<u>P422,718,020</u>

- c. Amount of Debt Outstanding as of March 31, 2016 - NONE

12. Are any of the registrant's securities listed on a Stock Exchange?

✓ yes no

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

As of April 30, 2016, a total of 104,988,723 Class "A" shares are listed in Philippine Stock Exchange.

INFORMATION STATEMENT

A. GENERAL INFORMATION

1. Date, time and place of meeting of security holders.

Date: June 17, 2016 (Friday)
Time: 5:00 P.M.
Place: PMPC Auditorium Building
Ortigas Avenue Extension Taytay, Rizal

Complete mailing address of principal office:

Panasonic Manufacturing Philippines Corporation
Ortigas Avenue Extension, San Isidro
Taytay, Rizal 1901

The Information Statement and the proxy form are first to be sent to security holders on or before May 26, 2016.

2. Dissenters' Right of Appraisal

There are no matters or proposed corporate actions included in the Agenda of the Meeting which may give rise to a possible exercise by security holders of their appraisal rights as provided under Title X of the Corporation Code.

However, in the instances where the appraisal right may be exercised, any stockholder voting against the proposed corporate action should make a written demand for payment of the fair value of his shares within thirty (30) days after the date of meeting on which the vote was taken. Failure to make the demand within such a period shall be deemed a waiver of the appraisal right.

3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

The directors and executive officers do not have any substantial interest, direct or indirect, in any matter to be acted upon in the stockholders' meeting, other than election to office.

The registrant has not received any written information from anyone that intends to oppose any action to be taken by the registrant at the meeting.

B. CONTROL AND COMPENSATION INFORMATION

4. Voting Securities and Principal Holders Thereof

a. As of April 30, 2016, the Company's outstanding numbers of shares are as follows:

Common shares:	No. of Shares <u>Outstanding</u>	No. of Votes to <u>which entitled</u>
Class "A"	84,723,432	84,723,432
Class "B"	<u>337,994,588</u>	<u>337,994,588</u>
Total	<u>422,718,020</u>	<u>422,718,020</u>

b. Record date for which are entitled to vote

All stockholders of record as of May 31, 2016 shall be entitled to vote at the Annual Stockholders' Meeting. Notice to stockholders shall be sent out thru courier on or before May 19, 2016.

c. Election of Directors

All stockholders as of record date are entitled to cumulative voting right with respect to the election of directors.

Each stockholder is entitled to one vote for each share of stock standing in his name on the books of the corporation; provided, however, that in the election of Directors, each stockholder is entitled to cumulate his votes in the manner provided by law. Each stockholder is entitled to vote by proxy at the stockholders' meeting provided the proxy has been appointed in writing by the stockholder himself or by his duly authorized attorney. The instrument appointing the proxy shall be exhibited to and lodged with the Secretary at the time of the meeting.

d. Security Ownership of Certain Record and Beneficial Owners of more than 5%

Owners of record of more than 5% of the voting securities as of April 30, 2016:

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial Ownership and Relationship with Record Owner	Citizenship	No. of Shares	Percentage
Common "B"	<ul style="list-style-type: none"> o Panasonic Corporation o 1006 Oaza Kadoma, Kadoma, Osaka 571-8501, Japan o Parent Company 	Various Stockholders	Non-Filipino	337,994,588	79.96%

Panasonic Corporation (PC) has the power to decide how the PC shares in Panasonic Manufacturing Philippines are to be voted and has authorized Mr. Shinichi Hayashi - Chairman of the Board to vote on the shares.

e. Security Ownership of Management and Directors

The following are the number of shares of which Company's stock owned of record by the Chairman, Directors and Officers, and nominees for election as director, as of April 30, 2016.

Title of Class	Name of Beneficial Owner	Amount of Beneficial Ownership (Php)	Nature of Beneficial Ownership	Citizenship	Percent
Common "B"	Shinichi Hayashi	1	Direct	Japanese	NIL
Common "B"	Yoshiyuki Takahashi	1	Direct	Japanese	NIL
Common "B"	Hiroshi Yamada	1	Direct	Japanese	NIL
Common "B"	Masaru Toyota	1	Direct	Japanese	NIL
Common "B"	Hiroyuki Tagishi	1	Direct	Japanese	NIL
Common "B"	Eiji Fukumori	1	Direct	Japanese	NIL.
Common "A"	Koji Takatori	1	Direct	Filipino	NIL
Common "A"	Emiliano Volante	9,879	Direct	Filipino	NIL
Common "A"	Elizabeth Gildore	1,000	Direct	Filipino	.0024
Common "A"	Atty. Mamerto Mondragon	85,360	Direct	Filipino	.0202

The aggregate number of shares owned of record by all or key officers and directors as a group as of April 30, 2016 is 96,246 shares or approximately 0.023% of the Company's outstanding capital stock.

f. Voting Trust Holders of 5% or More

There are no voting trust holders / arrangements holding 5% or more of the Company's outstanding shares.

g. Change in Control of the Registrant since beginning of last Fiscal Year

There are no change in control or arrangement that may result in change in control of the Company since the beginning of its last fiscal year.

5. Directors and Executive Officers

a. Final list of Nominees for Election

Name	Office/Position	Citizenship	Age
Shinichi Hayashi	Chairman / President	Japanese	52
Yoshiyuki Takahashi	Executive Director / Treasurer	Japanese	54
Hiroshi Yamada	Executive Director	Japanese	54
Masaru Toyota	Executive Director / VP - PPH	Japanese	58
Hiroyuki Tagishi	Director	Japanese	55
Eiji Fukumori	Director	Japanese	57
Koji Takatori	Director	Japanese	51
Emiliano S. Volante	Independent Director	Filipino	72
Elizabeth Gildore	Independent Director	Filipino	58
Mamerto Z. Mondragon	Corporate Secretary	Filipino	72

Directors and Executive Officers / (Nominees)

Shinichi Hayashi, Japanese, 52, was elected to the Board and appointed as the President on January 6, 2016. He is the Chairman of the Board since January 22, 2016. Before his transfer to the Company, he was a former Managing Director of Panasonic Corporation ("PC") Malaysian subsidiary, Panasonic Management Malaysia Sdn hd ("PMAM") – Panasonic Asia Pacific Procurement Management Center from January – December 2015. Prior to PMAM, he was assigned to Material Purchasing Center, Procurement Company, PC, as Director (Jan – Dec 2013). He was the General Manager of PC's Procurement Company's Centralized Purchasing Group, Deice Procurement Center (Jan – Dec 2012). He was the Director of PC's Global Sourcing Center, Corporate Procurement Division (April – Dec 2011). He was the President of Matsushita Techno Trading Co., Ltd. ("MTT"), a subsidiary of PC from April 2006 – May 2011. He graduated from the University of Dosisha, Japan with a Bachelor's Degree in Commerce.

Yoshiyuki Takahashi, Japanese, 54, was elected as Director and appointed as the Vice – Chairman, Treasurer and Executive Director for Finance and Administration Department on June 22, 2015. He is the Chairman of Remuneration & Risk Management Committees and a member of the Audit, Nomination and Corporate Governance Committees. Prior to joining the Company, he was a former General Manager of Panasonic Corporation's regional office ("PC"), Panasonic Asia Pacific Pte Ltd ("PA") Accounting Department from August 2013 to May 2015. He was the Manager of Panasonic Corporation – Equity Management Team, Global Finance Administration Center (April – July 2013) and Councilor of PC HQ Finance Management Team, Corporate Finance & IR Group (June 2010 – March 2013). He is a graduate of the Osaka City University in Osaka, Japan with a Degree in Business Administration.

Hiroshi Yamada, Japanese, 54, was elected as PMPC – Executive Director since February 01, 2014. He was a former Councilor for Refrigerator Business Division, Appliances Company, PC – Japan from October 2012 to August 2013. He was the General Manager of Refrigerator Business Unit, Home Appliances Company, PC – Japan from October 2010 to September 2013. He was also the General Manager of Engineering Group, Refrigerator Business Unit, PC – Japan from April 2008 to September 2010 and from July 2005 to March 2008 he was assigned Engineering Group, Refrigerator Division, PC – Japan as the General Manager. He is a graduate of the Toyama University in Japan with a Degree in Science of Engineering.

Masaru Toyota, Japanese, 58, was elected as a Executive Director and Vice- President of PPH Sales & Marketing Division last April 23, 2014. Prior to his assignment to PMPC, he was the Vice-President of Panasonic Corporation – Japan (PC) Panamanian subsidiary, Panasonic Marketing Latin America from January 2012 to April 2014. He is a former General Manager for PC's Latin America Administration Group, Corporate Management Division for Latin America from June to December 2011. He was assigned as Councilor to Overseas Marketing Group, PC's AVC Networks Company from July 2009 to June 2011. He was the Vice-President of PC's Russian subsidiary, Panasonic Russia Ltd. from April 2004 to May 2011. He graduated from Otaru University.

Eiji Fukumori, Japanese, 57, was elected to the Board on April 1, 2016. He is currently the General Director of PC's Vietnamese subsidiary, Panasonic Vietnam Co., Ltd. ("PV") since June 2013. He was assigned to Global Marketing Division, Appliances Company (Apr - May 2013). He was a former Group Manager of PC's Global Marketin Group, Global Consumer Marketing Division from Jan. 2012 - Mar 2013. He was assigned to Planning Group, Corporate Management Division for Europe as the Group Manager (Apr - Dec 2011). He was the Deputy Managing Director - Sales & Marketing of PC's French subsidiary, Panasonic France S.A. ("PFS") from April 2006 - March 2011. He graduated from Kobe University of Commerce in Hyogo, Japan with a Degree in Commerce & Economics.

Koji Takatori, Japanese, 51, was elected to the Board on April 1, 2016. He is currently the Chief of PC's Appliances Company's Accounting Center from October 2014. He was a former CFO of PC's American subsidiary, Panasonic AVC Networks Company America ("PAVCA"), Finance Department from Aug. 2009 - Sept. 2014. Prior to PAVCA, he was the Councilor for PC HQ's Accounting Group from April 2007 - July 2009. He graduated from Dosisha University in Kyoto, Japan with a Degree in Commerce.

Hiroyuki Tagishi, Japanese, 55, was elected to the Board on April 1, 2016. Presently, he is the Leader of PC's Appliances Company ("AP") for AP Asia Project since October 2014. Prior to PC's AP, he was the Business Unit Executive of PC's AP for Beauty and Living Business Unit from Jan. - Dec. 2012 and was promoted to Director from Jan. 2013. He was assigned to Product Planning Department, Beauty Business Division of Panasonic Electric Work Co., Ltd. ("PEW"), an affiliated Company of PC as a Councilor from Oct. 2008 - Dec. 2011. He graduated from Kobe University in Hyogo, Japan with a Degree in Engineering.

Independent Directors / (Nominees)

Emiliano S. Volante, Filipino, 72, was elected as Director on October 2010. He is the Chairman of Audit and Corporate Governanc Committees. He is a member of the Compensation/Remuneration Committee. He was a former Financial Consultant for Expresslane Brokerage Corporation from 2003 - 2010. He was also a former Internal Audit Manager of PMPC from 2000-2002. He graduated from Far Eastern University with a Degree in Commerce.

Elizabeth Gildore, Filipino, 58, was elected as Director on May 4, 2015. She is a member of the Nomination, Renumeration and CorporateGovernance Committees. Currently, she is the Finance Manager of Moduvi Inc. since March 2014. Ms. Gildore is a former General Manager - PPH Accounting from September 2007 to August 2012. She was the Finance Manager of PMPC - PPH Accounting from June 2000 to August 2007. She is a graduate of B. S. in Commerce, Major in Accounting.

Corporate Secretary

Atty. Mamerto Z. Mondragon, Filipino, 72, has been the corporate secretary of the Company since 1968 and its Subsidiary since 1984. He is also the Corporate Secretary of Panasonic Precision Devices Philippines Corporation (PPRDPH) since 2000. He is a graduate of the University of the East with a Bachelor Degree of Law.

The members of the Board of Directors are elected at the annual stockholders' meeting to hold office until the next annual meeting and until their respective successors have been elected and qualified. The Company's Corporate Governance Committee evaluated and reviewed each nominee-director's qualifications based on the guidelines spelled out in SRC Implementing Rule 38 (as amended) and unanimously resolved that said nominees are qualified for election/re-election.

b. Independent Directors

The independent directors of the Company are as follows:

- 1) Mr. Emiliano Volante
- 2) Ms. Elizabeth Gildore

The Company's Corporate Governance Committee evaluated and reviewed each nominee-director's qualifications based on the guidelines spelled out in the SRC Rule 38.1 (as amended) and BSP Circular No. 456 and unanimously resolved that said nominees are qualified for election/re-election.

Mr. Emiliano Volante was nominated by Mr. Marlon M. Molano. Messrs. Volante and Molano are not related to each other.

Ms. Elizabeth Gildore was nominated by Ms. Imelda Garcia. Ms. Gildore and Garcia are not related to each other.

Executive Officers

<u>POSITION</u>	<u>NAME</u>	<u>AGE</u>	<u>CITIZENSHIP</u>
Chairman & President	Shinichi Hayashi	52	Japanese
Vice - Chairman, Treasurer & Executive Director	Yoshiyuki Takahashi	54	Japanese
Executive Director	Hiroshi Yamada	54	Japanese
Executive Director & Vice-President PPH Division	Masaru Toyota	58	Japanese
Corporate Secretary	Mamerto Mondragon	72	Filipino

Nomination Committee

Chairman	Emiliano Volante	Independent Director
Member	Yoshiyuki Takahashi	Treasurer & Executive Director
Member	Elizabeth Gildore	Independent Director

Compensation/Remuneration Committee

Chairman	Yoshiyuki Takahashi	Treasurer & Executive Director
Member	Elizabeth Gildore	Independent Director
Member	Emiliano Volante	Independent Director

Audit Committee

Chairman	Emiliano Volante	Independent Director
Member	Yoshiyuki Takahashi	Treasurer & Executive Director
Member	Elizabeth Gildore	Independent Director

Term of Office

Executive Officers are appointed/elected annually during the annual stockholders meeting, each to hold office for a period of one (1) year until the next succeeding annual meeting and until their respective successors have been elected and qualified.

d. Significant Employee

The Company has no employee who is not an executive officer but who is expected to make a significant contribution to the business.

e. Family relationship

There are no family relationships up to the fourth civil degree either by consanguinity or affinity among the Company's directors, executive officers or persons nominated or chosen by the Company to become its directors or executive officers.

f. Certain Relationship and Related Transactions

There were no transactions with directors, executive officers or any principal stockholders that are not in the Company's ordinary course of business for the past two (2) years.

g. Involvement in Certain Legal Proceedings

The above-named executive officers and directors have not been involved in any material legal proceeding during the past five years that will affect their ability as directors and officers of the Company.

6. Compensation of Directors and Executive Officers

The aggregate annual compensation during the last two fiscal years and to be paid in ensuing fiscal year 2016 of the Company's Chief Executive Officer and four others most highly compensated executive officers and all other officers and directors as a group are as follows:

Chief Executive Officer and four other most highly compensated executive officers:

	Compensation	Bonuses	Others	Total
FY 2016***	Php36,213,835	Php12,150,000	Php330,000	Php48,693,835
FY 2015**	36,038,275	13,133,245	1,198,404	50,369,924
FY 2014*	35,467,717	7,089,481	1,173,759	43,730,957

* Refers to Messrs. Nobuo Yasuhira, Hiroyoshi Fukutomi, Hiroshi Yamada, Masaru Toyota, Kunihiro Nimura

**Refers to Messrs. Shinichi Hayashi, Yoshiyuki Takahashi, Hiroshi Yamada, Masaru Toyota, Kunihiro Nimura

***Estimated amount

All officers and directors as a group unnamed:

	Compensation	Bonuses	Others	Total
FY 2016*	Php55,126,500	Php17,010,000	Php1,360,000	Php73,496,500
FY 2015	52,379,345	17,860,460	2,149,492	72,389,297
FY 2014	37,408,065	7,391,747	1,503,759	46,303,571

**Estimated amount*

For ensuing year 2016, no significant change is anticipated in the compensation of Directors and Officers.

The Company has no standard arrangement regarding the remuneration of its existing directors and officers aside from the compensation herein stated.

The directors and executive officers receive salaries, bonuses and other usual benefits that are also already included in the amounts stated above. Aside from the said amounts, they have no other compensation plan or arrangement with the registrant.

The Company has not granted any warrant or options to any of its Directors or Executive Officers.

7. Independent Public Accountants

The Company, upon the recommendation of the Audit Committee of the Board of Directors composed of Emiliano Volante as Chairman and Yoshiyuki Takahashi and Elizabeth Gildore as members, has approved the engagement Sycip, Gorres, Velayo & Co. (SGV) as external auditors of the Company for fiscal year 2015 ended March 31, 2016 and will submit such engagement to its stockholders for ratification. SGV was also the external auditor of the Company for fiscal years 2014, 2013 and 2012.

The audit partner-in-charge, Mr. Aris C. Malantic was appointed in 2013. In accordance with SRC Rule 68, par. 3 (b) (IV), there is no need to change the audit partner of the Company and its domestic subsidiary.

The representatives of the SGV & Co. are expected to be present at the stockholders' meeting and to be available to respond to appropriate questions. They will have the opportunity to make a statement if they so desire to do so.

It is expected that Management will make the recommendation for the appointment of the external auditor for fiscal year 2016 in compliance with the SEC Rules on the Rotation of the External Auditors.

Changes in and disagreements with accountants on accounting and financial disclosure

There were no changes in and disagreements with accountants on accounting and financial disclosure.

The representatives of the SGV & Co. are expected to be present at the stockholders' meeting and to be available to respond to appropriate questions. They will have the opportunity to make a statement if they so desire to do so.

Audit-Related Fees

I. Audit Fees and Other-related Fees

The Company engaged SGV & Co. to audit its annual financial statements and perform related reviews. The following fees, exclusive of VAT were incurred:

		(Amounts in Php millions)					
		<u>2016</u>		<u>2015</u>		<u>2014</u>	
Annual Audit	P	2.0	P	1.7		1.6	
Audit - Related		-		-		-	
Total	P	<u>2.0</u>	P	<u>1.7</u>	P	<u>1.6</u>	

II. Tax Fees

There were no tax fees paid to external auditors other than for annual audit services.

Management presents proposals on possible external auditors to be engaged together with their respective proposed audit fees to the Audit Committee for proper consideration. The Audit Committee evaluates and thereafter, upon its recommendation, the appointment of the external auditor is presented to the Board of Directors and/or stockholders for confirmation. However, financial statements duly approved by the Audit Committee are still subject to confirmation of the Board of Directors prior to submission to the respective government regulatory agencies.

8. Compensation Plans

There are no actions to be taken up in the meeting with respect to any compensation plan

C. ISSUANCE AND EXCHANGE OF SECURITIES

9. Authorization or issuance of Securities other than for Exchange

There are no matters or actions to be acted upon in the meeting with respect to the authorization or issuance of securities other than for exchange.

10. Modification or Exchange of Securities

There are no matters or actions to be acted upon in the meeting with respect to the modification or exchange of securities.

11. Financial and Other Information

The Audited Financial Statements of the Company as of March 31, 2016, FY 2015 interim report (SEC Form 17-Q) as of December 31, 2015 and other data related financial information are attached hereto as Annexes "A" and "B" respectively.

12. Mergers, Consolidations, Acquisitions and Similar Matters

There are no matters or actions to be taken up in the meeting with respect to merger, consolidation, acquisition and similar matters.

13. Acquisition or Disposition of Property

There are no matters or actions to be taken up in the meeting with respect to acquisition or disposition of any property.

14. Restatement of Accounts

There are no matters or actions to be taken up in the meeting relating to restatement of accounts.

D. OTHER MATTERS**15. Action with Respect to Reports**

Financial Statements and Management Report – Management shall report on the significant business transactions undertaken by Management and the financial targets and achievements for the fiscal year 2015. Attached as Annexes "A" and "B" are the Audited Annual Financial Statements for the period ending March 31, 2016 and unaudited interim report as of December 31, 2015 of the Company are reflected in the accompanying Annual Report to Stockholders.

16. Matters Not required to be Submitted

There are no actions to be taken with respect to any matter which is not required to be submitted to a vote of the security holders.

17. Amendment of Charter, Bylaws or other Documents

There are no matters or actions to be taken up in the meeting relating to restatement of accounts.

18. Other Proposed Actions

a) Approval of the Minutes of the Previous Annual Stockholders' Meeting – Minutes of the Annual Stockholders' Meeting dated June 19, 2015 will be submitted for the approval of the shareholders. Among the matters included in the Minutes of the June 19, 2015 meeting are the following:

1. Approval of the Minutes of the Previous Annual Stockholders' Meeting
2. President's Annual and Financial Reports
3. Approval of the fiscal year 2015 Management Annual Report
4. Election of the Board of Directors, including the two (2) Independent Directors
5. Appointment of External Auditor

Copies of the same will be made available at the annual stockholders' meeting on June 17, 2016 for any stockholder desiring to review the same.

The Board of Directors recommends that the stockholders Approve the minutes of the last annual stockholders' meeting held on June 19, 2015.

b) Ratification of All Acts, Resolutions and Proceedings of the Board and Management since 2015 Annual Meeting. For transparency and good corporate practice, the acts of Management are presented for approval of the stockholders, to wit:

Date Filed	Item Reported
04/16/2015	Ratification of Minutes of BOD dated March 19, 2015 Approval of 2014 Audited Financial Statements Election of Ms. Elizabeth Gildore as new Independent Director Nomination of Corporate Officers for 2015 - 2016 Mr. Nobuo Yasuhira President & Chairman Mr. Hiroyoshi Fukutomi Treasurer, Executive Director & Vice-Chairman Mr. Hiroshi Yamada Executive Director Mr. Masaru Toyota Director & Vice - President of PPH Mr. Mamerto Mondragon Corporate Secretary & Complian Officer
04/24/2015	Nomination for Chairman & Members of Board Committees Audit Committee: Chairman Mr. Emiliano Volante Member Ms. Elizabeth Gildore Member Mr. Hiroyoshi Fukutomi Nomination Committee: Chairman Mr. Miguel Castro Member Ms. Elizabeth Gildore Member Mr. Hiroyoshi Fukutomi

	<p>Compensation/Remuneration Committee:</p> <table> <tr> <td>Chairman</td><td>Mr. Hiroyoshi Fukutomi</td></tr> <tr> <td>Member</td><td>Mr. Miguel Castro</td></tr> <tr> <td>Member</td><td>Ms. Elizabeth Gildore</td></tr> </table> <p>Risk Management Committee:</p> <table> <tr> <td>Chairman</td><td>Mr. Hiroyoshi Fukutomi</td></tr> <tr> <td>Member</td><td>Mr. Miguel Castro</td></tr> <tr> <td>Member</td><td>Ms. Elizabeth Gildore</td></tr> </table> <p>Corporate Governance Committee:</p> <table> <tr> <td>Chairman</td><td>Mr. Emiliano Volante</td></tr> <tr> <td>Member</td><td>Mr. Miguel Castro</td></tr> <tr> <td>Member</td><td>Mr. Hiroyoshi Fukutomi</td></tr> </table> <p>Amendment of Articles of Incorporation – Exact principal address: Ortigas Avenue Extension, San Isidro, Taytay, Rizal</p>	Chairman	Mr. Hiroyoshi Fukutomi	Member	Mr. Miguel Castro	Member	Ms. Elizabeth Gildore	Chairman	Mr. Hiroyoshi Fukutomi	Member	Mr. Miguel Castro	Member	Ms. Elizabeth Gildore	Chairman	Mr. Emiliano Volante	Member	Mr. Miguel Castro	Member	Mr. Hiroyoshi Fukutomi
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Chairman	Mr. Emiliano Volante																		
Member	Mr. Miguel Castro																		
Member	Mr. Hiroyoshi Fukutomi																		
05/22/2015	Authority to extend payment term for Precision Electronics Realty Corporation (“PERC”)																		
06/11/2015	Authorization of Atty. Mamerto Mondragon to preside in the election of directors during the annual stockholders’ meeting																		
06/19/2015	<p>Ratification of the Minutes of June 20, 2014</p> <p>President’s Annual and Financial Reporting</p> <p>Ratification of the Annual Reports and Acts of the Board</p> <p>Election of Directors for year 2015 – 2016</p> <p>Regular Directors:</p> <ol style="list-style-type: none"> 1. Mr. Nobuo Yasuhira 2. Mr. Hiroyoshi Fukutomi 3. Mr. Hiroshi Yamada 4. Mr. Masaru Toyota 5. Mr. Yoichi Takemoto 6. Mr. Toshikazu Kudo 7. Mr. Miguel Castro <p>Independent Directors:</p> <ol style="list-style-type: none"> 1. Mr. Emiliano Volante 2. Ms. Elizabeth Gildore <p>Appointment of Sycip, Gorres, Velayo & Co. as the Co.’s external auditor for fiscal year 2015 – 2016</p>																		

06/22/2015	<p>Ratification of the Minutes dated June 19, 2015</p> <p>Resignation of Mr. Hiroyoshi Fukutomi as Executive Director, Treasurer & Vice - Chairman effective June 22, 2015</p> <p>Election of Mr. Yoshiyuki Takahashi as Executive Director, Treasurer & Vice - Chairman effective June 22, 2015</p> <p>Election of Corporate Officers & Chairman/Members of Various Board Committees for FY 2015 - 2016</p> <table> <tr> <td>Mr. Nobuo Yasuhira</td><td>President & Chairman</td></tr> <tr> <td>Mr. Yoshiyuki Takahashi</td><td>Vice-Chairman of the Board</td></tr> <tr> <td></td><td>Executive Director & Treasurer</td></tr> <tr> <td>Mr. Hiroshi Yamada</td><td>Executive Director</td></tr> <tr> <td>Mr. Masaru Toyota</td><td>Executive Director & Vice - President PPH</td></tr> <tr> <td>Atty. Mamerto Mondragon</td><td>Corporate Secretary</td></tr> </table> <p>Election of Chairmen and Members</p> <p>Audit Committee:</p> <table> <tr> <td>Chairman</td><td>Mr. Emiliano Volante</td></tr> <tr> <td>Member</td><td>Mr. Yoshiyuki Takahashi</td></tr> <tr> <td>Member</td><td>Ms. Elizabeth Gildore</td></tr> </table> <p>Nomination Committee:</p> <table> <tr> <td>Chairman</td><td>Mr. Miguel Castro</td></tr> <tr> <td>Member</td><td>Mr. Yoshiyuki Takahashi</td></tr> <tr> <td>Member</td><td>Ms. Elizabeth Gildore</td></tr> </table> <p>Compensation/Remuneration Committee:</p> <table> <tr> <td>Chairman</td><td>Mr. Yoshiyuki Takahashi</td></tr> <tr> <td>Member</td><td>Mr. Miguel Castro</td></tr> <tr> <td>Member</td><td>Ms. Elizabeth Gildore</td></tr> </table> <p>Risk Management Committee:</p> <table> <tr> <td>Chairman</td><td>Mr. Yoshiyuki Takahashi</td></tr> <tr> <td>Member</td><td>Mr. Miguel Castro</td></tr> <tr> <td>Member</td><td>Ms. Elizabeth Gildore</td></tr> </table> <p>Corporate Governance Committee:</p> <table> <tr> <td>Chairman</td><td>Mr. Emiliano Volante</td></tr> <tr> <td>Member</td><td>Mr. Miguel Castro</td></tr> <tr> <td>Member</td><td>Mr. Yoshiyuki Takahashi</td></tr> </table> <p>Approval of Gratuity pay for retiring Directors & Corporate Secretary</p> <p>Designation of authorized signatories with Security Bank Corporation, Rizal Commercial Banking Corporation, Bank of the Philippine Islands, Banco de Oro, Bank of Tokyo - Mitsubishi UFJ, Ltd., & Citibank</p>	Mr. Nobuo Yasuhira	President & Chairman	Mr. Yoshiyuki Takahashi	Vice-Chairman of the Board		Executive Director & Treasurer	Mr. Hiroshi Yamada	Executive Director	Mr. Masaru Toyota	Executive Director & Vice - President PPH	Atty. Mamerto Mondragon	Corporate Secretary	Chairman	Mr. Emiliano Volante	Member	Mr. Yoshiyuki Takahashi	Member	Ms. Elizabeth Gildore	Chairman	Mr. Miguel Castro	Member	Mr. Yoshiyuki Takahashi	Member	Ms. Elizabeth Gildore	Chairman	Mr. Yoshiyuki Takahashi	Member	Mr. Miguel Castro	Member	Ms. Elizabeth Gildore	Chairman	Mr. Yoshiyuki Takahashi	Member	Mr. Miguel Castro	Member	Ms. Elizabeth Gildore	Chairman	Mr. Emiliano Volante	Member	Mr. Miguel Castro	Member	Mr. Yoshiyuki Takahashi
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Member	Mr. Yoshiyuki Takahashi																																										

06/26/2015	Authorization to enter into Citibank's electronic banking facilities and designation of authorized signatories Ratification of the Minutes dated June 23, 2014
07/06/2015	Resignation of Mr. Miguel Castro and Toshikazu Kudo as members of the Board of Directors effective July 6, 2015 Election of Mr. Terumitsu Morimoto and Tadashi Nakamura as new members of the Board of Directors effective July 6, 2015 Expiration of contract with BPI Stock & Transfer Office Extension of of Transfer Agency Agreement upto and until December 2015 Authority to sell one Toyota Camry
08/13/15	Authority to sell company written - off vehicles Authorization of Mr. Peter John Aninipot to secure and apply PNP permit
09/01/15	Designation of new authorized officers with Security Bank Corporation With SBC's security digibanker system Ms. Roda Borja - Password Administrator Ms. Imelda Garcia - System Administrator
10/16/15	Authority to apply and secure PNP permit
11/25/15	Authorization of Mr. Francis Valencia to apply for temporary power shut down with Visayan Electric Company Inc
12/18/15	Resignation of Mr. Nobuo Yasuhira as President & Chairman of the Board effective January 2, 2016 Appointment of Stock Transfer Service Ince. (STSI) as the new stock transfer agent of PMPC effective January 2, 2016 replacing BPI Stock Transfer Agency
12/22/15	Authorization of Ms. Dinaflor Manalaoatao transact with Makati Shang-la
01/06/16	Election of Mr. Shinichi Hayashi as President effective January 6, 2016
01/22/16	Election of Mr. Shinichi Hayashi as Chairman of the Board
01/29/16	Authorization of Mr. Shinichi Hayashi to sign contracts/agreements
02/03/16	Authorization of Mr. Shinichi Hayashi to sign contract with Globe Telecom, Smart Communications Inc and Sun Cellular
02/11/16	Authorization of Mr. Marlon Molano to sign all document with BIR

02/29/16	Authorization of Mr. Dennis Picar as representative to LTO
03/18/2016	Authorization of Mr. Shinichi Hayashi to sign contract / agreement with Meralco Local Retail Electricity Supplier
03/22/2016	Declaration of 20% cash dividend to all stockholders of record as of April 7, 2016 and payable on April 26, 2016
03/31/2016	Authorization to appropriate a net of additional One Hundred seventy-five Million Pesos (P175,000,000.00) from its Retained Earnings for future projects
04/01/2016	Election of Messrs. Hiroyuki Tagishi, Eiji Fukumori & Koji Takatori as new members of the Board effective April 1, 2016 Resignation of Messrs. Yoichi Takemoto, Terumitsu Morimoto & Tadashi Nakamura as Directors effective April 1, 2016

Copies of the Minutes of the Meetings may be examined by all stockholders on record as of Record Date at the office of the Corporate Secretary.

The Board of Directors recommends that the stockholders Approve, Confirm and Ratify all acts proceedings and resolutions of the Board of Directors since the last annual stockholders' meeting to the present.

c) Election of Directors - The Regular and Independent members of the Board of Directors are elected at the Annual Stockholders' Meeting to hold office until the next stockholders' meeting and until their respective successors have been elected and qualified.

19. Voting Procedures

In the election of directors, the nine (9) nominees with the greatest number of votes will be elected directors.

Except in cases where a higher vote is required under the Corporation Code, the approval of any corporate action shall require the majority vote of all stockholders present and proxy in the meeting, if constituting a quorum.

Except in cases where voting by ballot is applicable, voting and counting shall be by viva voce. If by ballot, the counting shall be supervised by the Corporate Secretary and independent auditors of the Company.

UNDERTAKING

THE COMPANY UNDERTAKES TO PROVIDE WITHOUT CHARGE TO EACH PERSON SOLICITED, UPON WRITTEN REQUEST, A COPY OF THE COMPANY'S ANNUAL REPORT ON SEC FORM 17 - A. REQUEST SHOULD BE SENT TO: PMPC OFFICE OF THE CORPORATE SECRETARY AT 8TH FLOOR, RAHA SULAYMAN BLDG., 108 BENAVIDEZ ST., LEGASPI VILLAGE, MAKATI CITY.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and behalf, I certify that the information set forth in this report is true, complete and correct. This report is signed in Taytay, Rizal on May 24, 2016.


MARLON M. MOLANO
Finance Assistant Director


YOSHIYUKI TAKAHASHI
Executive Director & Treasurer

OPERATIONAL AND FINANCIAL INFORMATION

Market for Issuer's Common Equity and Related Stockholder Matters

□ MARKET INFORMATION

Common shares outstanding as of April 30, 2016 were:

Class "A"	84,723,432
Class "B"	337,994,588
	422,718,020

The Parent Company's common equity is traded in the Philippine Stock Exchange.

The following table shows the market prices in Philippine pesos of the Parent Company's Class A shares listed in the Philippine Stock Exchange for fiscal years 2015 and 2014 and the first quarter of year 2016:

<u>Period</u>	<u>2015</u>		<u>2014</u>	
	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>
Jan - Mar	4.47	4.00	6.29	5.00
Apr - Jun	4.47	3.82	5.10	3.38
Jul - Sept	4.00	3.50	4.80	3.37
Oct - Dec	4.42	3.81	4.88	4.00
	<u>2016</u>			
Jan - Mar	5.04	4.00		
April 30	5.00	4.11		
Last trading date	Closing price			
May 12, 2016	4.45			

□ DIVIDENDS

The payment of dividend, either in the form of cash or stock, will depend upon the Company's earnings, cash flow and financial condition, among other factors. The Company may declare dividends only out of its unrestricted retained earnings. These represent the net accumulated earnings of the Company, with its capital unimpaired, that are not appropriated for any other purpose.

Dividends paid are subject to the approval by the Board of Directors. The Company's Board of Director declared cash dividends as follows:

Declaration Date	Cash Dividend	Record Date	Payment Date
<u>2016</u> March 22, 2016	20%	April 7, 2016	April 26, 2016
<u>2015</u> March 19, 2015	10%	April 7, 2015	May 4, 2015
<u>2014</u> March 20, 2014	10%	April 10, 2014	May 8, 2014
<u>2013</u> March 21, 2013	10%	April 12, 2013	May 8, 2013

□ HOLDERS

As of April 30, 2016, there were 444 holders of the Company's common shares. The following table sets forth the top 20 shareholders.

Rank / Name of Holder	Number of Shares	Percentage of Ownership
1. Panasonic Corporation (Japanese)	337,994,588	79.96 %
2. PCD Nominee Corporation (Filipino)	36,493,733	8.63 %
3. PMPC Employees Retirement Plan	21,586,360	5.11 %
4. Pan Malayan Management & Investment	4,606,076	1.09%
5. Jesus V. Del Rosario Foundation, Inc.	3,876,083	0.92%
6. Vergon Realty Investment Corporation	3,389,453	0.80 %
7. J.B. Realty and Development Corporation	1,778,915	0.42 %
8. So Sa Gee	855,716	0.20 %
9. David S. Lim	656,393	0.16 %
10. Efren M. Sangalang	619,607	0.15 %
11. Wellington James So Lim	595,905	0.14%
12. Edward Steven So Lim	587,141	0.14%
13. Vicente L. Co	577,245	0.14 %
14. Jenny So Lim	518,179	0.12%
15. Jason S. Lim	500,000	0.12%
16. Jonathan Joseph Lim	500,000	0.12%
17. Vicente S. Lim	500,000	0.12%
18. Victoria H. Martinez	363,000	0.09%
19. Rodolfo P. Tagle	354,192	0.08%
20. Falek Enterprises, Inc.	271,006	0.06%

□ RECENT SALE OF UNREGISTERED SECURITIES

The Company has neither sold any securities nor reacquired or issued new securities in exchange of properties within the past three (3) years.

MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Management's Discussion and Analysis of Financial Condition and Results of Operations

Top 5 Key Performance Indicators of the Company

Name of Index	Calculation	FY 2015	FY 2014	FY 2013
1. Rate of Sales Increase	$\frac{\text{CY Sales} - \text{LY Sales}}{\text{LY Sales}} \times 100\%$	21.0%	1.8%	2.9%
2. Rate of Profit Increase	$\frac{\text{CY Profit After Tax} - \text{LY Profit After Tax}}{\text{LY Profit After Tax}} \times 100\%$	54.4%	0.3%	93.3%
3. Rate of Profit on Sales	$\frac{\text{Profit After Tax}}{\text{Total Sales}} \times 100\%$	3.1%	2.4%	2.5%
4. Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	3.3	3.7	3.1
5. Dividend Ratio to Capital	$\frac{\text{Dividend}}{\text{Average Capital}} \times 100\%$	20%	10%	10%

- (a) Rate of Sales Increase - This measures the sales growth versus the same period last year. Sales increased by 21.0%. Such was achieved due to improved domestic market and stable inflation.
- (b) Rate of Profit Increase - This measures the increase in profit after tax versus the same period last year. Rate of profit for the year slightly increased by 54.4% due mainly to achievement of sales and the Company's effort to improve profitability.
- (c) Rate of Profit on Sales - This measures the percentage of profit after tax versus net sales for the period. Rate of profit increased to 3.1% vs. 2.4% last year due to lower cost of sales ratio.
- (d) Current Ratio - This measures the liquidity of the Company and its ability to pay off current liabilities. Current ratio as of March 31, 2016 decreased to 3.3:1 versus 3.7:1 of last year.
- (e) Dividend Ratio to Capital - This measures the dividend payout ratio versus capital for the period. The Group declared a 20% and 10% cash dividend for the fiscal year 2015 and 2014.

INTRODUCTION

Panasonic Manufacturing Philippines Corporation (the Parent Company) was incorporated in the Philippines on May 14, 1963 and is a subsidiary of Panasonic Corporation (PC or the ultimate Parent Company) which is incorporated in Japan on December 15, 1935. The Securities and Exchange Commission (SEC) approved on March 19, 2013 the extension of Parent Company's corporate life for another fifty (50) years or until May 15, 2063. The Parent Company holds 40.0% interest in Precision Electronics Realty Corporation (PERC or the Subsidiary), over which the Parent Company is exposed, or has rights, to variable returns from its involvement with the Subsidiary and has the ability to affect those returns through its power over the Subsidiary.

The Parent Company is a manufacturer, importer and distributor of electronic, electrical, mechanical, electro-mechanical appliances, other types of machinery, parts and components, battery and other related products bearing the "Panasonic" brand. The Subsidiary is in the business of realty brokerage and leases out the land to the Parent Company in which the latter's manufacturing facilities are located.

The following are discussions on the Consolidated Financial Conditions and Results of the Company and its Subsidiary (The Group) based on the Audited Financial Statements as of and for the years ended March 31, 2016, 2015 and 2014.

This discussion summarizes the significant factors affecting the consolidated operating results, financial condition, liquidity and cash flows of the Group for the fiscal year 2015 ended March 31, 2016. The following discussion should be read in conjunction with the attached audited consolidated financial statements of the Company as of and for the year ended March 31, 2016 (Annex "A").

Fiscal Year 2015 vs. 2014

Financial Positions

Material Changes (+/-5% or more) in the financial statements (in thousands)

Accounts	March 31, 2016	March 31, 2015	Difference (%)
Cash and cash equivalent	3,292,423	2,822,927	16.6%
Receivables	993,452	811,799	22.4%
Inventories	692,094	714,234	-3.1%
Other current assets	32,734	60,237	-45.7%
Property & equipment	752,800	811,335	-7.2%
Deferred tax assets	140,974	149,948	-6.0%
Other assets	26,360	27,997	-5.8%
Accounts payable & accrued expenses	1,510,804	1,200,504	25.8%
Provision for estimated liabilities	278,731	159,176	75.1%
Retirement liability	187,498	281,603	-33.4%
Stockholders' equity	3,991,497	3,804,128	4.9%

The Group continues to maintain its strong financial position with total assets amounting to P5.987 billion and P5.455 billion as of March 31, 2016 & 2015, respectively while total equity amounted to P3.991 billion and P3.804 billion as of the same period.

Current ratio decreased at 3.3:1 as of March 31, 2016 compared to 3.7:1 as of March 31, 2015 due to increase in accounts payable and accrues expenses.

Total current assets increased by P601.5 million (13.6%) due mainly to increase in Cash by P470.0 million (16.6%) and accounts receivable by P181.7 million brought by 21% increased in sales. On the other hand, other current assets decreased by P27.5 million (45.7%) due to reduction of allowance for impairment losses.

Property, plant and equipment decreased by P58.5 million (net) (7.2%) due to retirement and disposal of phased out & defective assets. Capital expenditures amounted to P91.8 million during the year as the Group continues to upgrade its factory facilities, machinery and equipment to improve productivity.

Deferred tax assets increased by P9.0 million (6.0%) due to decrease in retirement liability of the Company as per actuarial valuation computation.

Other non-current assets decreased by P1.6 million (5.8%) due to utilization of advances for software depreciation cost for the period.

Accounts payable and accrued expenses increased by P310.3 million (25.8%) mainly due to high volume sales requirement for the last quarter of fiscal year 2015.

Provision for estimated liabilities increased by P119.6 million (75.1%) due to warranty expense. Finance lease liability decrease due to yearly depreciation cost.

Retirement liability decreased by P94.1 million due to fund contribution amounting to P100.0 million for the period.

Income tax liability and technical assistance fee increased due to increase in sales achievement.

Appropriated retained earnings for plant expansion increased by P175.0 million for continuous factory development and IT facilities and change of accounting system to SAP.

Results of Operation

Material Changes (+/-5% or more) in the financial statements (in thousands)

Accounts	FY 2015	FY 2014	Difference (%)
Sales	8,124,341	6,713,425	21.0%
Cost of sales	6,320,824	5,271,770	19.9%
Gross profit	1,803,517	1,441,655	25.1%
Selling expenses	756,704	720,634	5.0%
General administrative	826,891	621,027	33.2%
Other income - net	179,772	116,954	53.7%
Income before tax	399,693	216,948	84.2%
Income tax expense	148,718	54,373	173.5%
Income after tax	250,975	162,576	54.4%

Consolidated sales for FY 2015 ended March 31, 2016 increased by ₱1,411 million (21.0%) This was mainly due to high sales achievement of Consumer products. Local and imported appliances are making good in the market with the Company's inverter models ad sell out activities.

With good sales result, Cost of sales and gross profit increased by 19.9% and 25.1% respectively versus last year.

Selling expenses increased by ₱36.1 million (5.0%) due to increase in freight cost by ₱57.4 million and advertising by ₱49.1 million. On the other hand, sales promotion cost decreased by ₱87.3 million

General administrative expenses increased ₱205.9 million (33.2%) mainly due to increase in provision for other estimated liabilities amounting to ₱97.9 million for inventory write-down due to increase in slow moving products at the end of this year. In addition, technical assistance and brand license fee by ₱21.2 million and ₱7.2 million respectively. Salaries and wages also increased by ₱38.6 million.

Other income - net increased by ₱62.8 million against 2015 mainly due to recovery of allowance for credit and impairment losses by ₱53.7 million. In addition, bank interest earned from time deposits also increased by ₱9.4 million.

Net income before tax and ncome tax increased by ₱182.8 million (84.2%) and ₱94.4million (173.5%) respectively mainly due to 21.0% increase in sales achievement.

Fiscal Year 2014 vs. 2013**Financial Positions****Material Changes (+/-5% or more) in the financial statements
(in thousands)**

Accounts	March 31, 2015	March 31, 2014	Difference (%)
Cash and cash equivalent	2,822,927	2,861,084	-1.3%
Receivables	811,799	840,550	-3.4%
Inventories	714,234	552,036	29.4%
Other current assets	60,237	53,384	12.8%
Property & equipment	811,335	792,053	2.4%
Investment property	53,703	57,741	-7.0%
Deferred tax assets	149,948	119,131	25.9%
Accounts payable & accrued expenses	1,174,875	1,242,120	-5.4%
Provision for estimated liabilities	159,176	101,282	57.2%
Finance lease liability	8,112	6,848	18.5%
Technical assistance liability	48,113	44,674	7.7%
Retirement liability	259,118	177,877	45.7%

The Group continues to maintain its strong financial position with total assets amounting to P5.455 billion and P5.329 billion as of March 31, 2015 & 2014, respectively while total equity amounted to P3.804 billion and P3.756 billion as of the same period.

Current ratio slightly increased at 3.2:1 as of March 31, 2015 compared to 3.1:1 as of March 31, 2014 due to decrease in accounts payable and accrues expenses.

Total current assets increased by P102.1 million (2.4%) due mainly to increase in inventories by P162.2 million (29.4%) brought by port congestion. Other current assets also increased by P6.9 million for prepaid expenses.

Investment property decreased by P4.0 million (7.0%) due to depreciation for the year. Deferred tax assets increased by P30.8 million (25.9%) due to increase in retirement liability of the Company as per actuarial valuation computation.

Other non-current assets decreased by P22.5 million due to utilization of advances to contractors during the period.

Accounts payable and accrued expenses decreased by P67.2 million (5.4%) mainly due to decrease in accrued expenses to third parties.

Provision for estimated liabilities increased by P57.9 million (57.2%) due to increase promo and advertising expenses versus last year. Finance lease liability increases due to additional lease of vehicle for the year.

Income tax liability and technical assistance fee increased due to increase in sales achievement and decrease in selling expenses.

Capital expenditures amounted to P204.0 million during the year as the Group continues to upgrade its factory facilities, machinery and equipment to improve productivity.

Appropriated retained earnings for plant expansion increased by P100.0 million for continuous factory development.

Results of Operation

Material Changes (+/-5% or more) in the financial statements (in thousands)

Accounts	FY 2014	FY 2013	Difference (%)
Sales	6,713,425	6,596,393	1.8%
Cost of sales	5,287,770	4,864,017	8.4%
Gross profit	1,425,655	1,732,376	-16.8%
Selling expenses	704,634	1,009,064	-28.6%
General administrative	621,027	650,879	-4.6%
Other income - net	116,954	129,088	-9.4%
Income before tax	216,948	201,521	7.7%
Income tax expense	54,373	39,468	37.8%
Income after tax	162,576	162,053	0.3%

Consolidated sales for FY 2014 ended March 31, 2015 increased by ₱117.0 million (1.8%) due to the introduction of certain product models with improved features and the impact of sales reduction last year due to typhoon Yolanda.

Cost of sales increased by 8.4% amounting to ₱407.8 million mainly due to increase in direct material usage by ₱268.7 million due to increase in sales requirement. Along with this, depreciation cost also increased by ₱39.7 million due to additional purchase equipment to improve operations of the Company. In addition, finished goods provision for inventory write-down increased by ₱90.0 million due to increase in slow moving products at the end of this year.

Gross profit decreased by 16.8% mainly due to increase in cost of sales (8.4%) and sales achievement of 1.8% only versus last year.

Selling expenses decreased by 28.6% amounting to ₱288.4 million mainly due to change in marketing strategy in providing discounts as deduction to sales not anymore shown as selling expenses.

General administrative expenses decreased by ₱29.9million (4.6%) due mainly to decrease in provision for other estimated liabilities by ₱50.4 million. On the other hand provision for impairment losses increased by ₱5.0 million.

Other income - net decreased by ₱12.1 million against 2014 mainly due to service income by ₱9.0 million and proceeds from sale of scraps by ₱6.8 million.

Income before tax increased by ₱15.4million (7.7%) due to increase in sales achievement by 1.8% and decrease in selling expense.

Fiscal Year 2013 vs. 2012**Financial Positions****Material Changes (+/-5% or more) in the financial statements
(in thousands)**

Accounts	March 31, 2014	March 31, 2013	Difference (%)
Cash and cash equivalent	2,861,084	3,042,774	-6.0%
Receivables	840,550	790,683	6.3%
Inventories	552,036	615,148	-10.3%
Other current assets	53,384	40,309	32.4%
Property & equipment	792,053	492,918	60.7%
Investment property	57,741	62,351	-7.4%
Accounts payable & accrued expenses	1,242,120	1,275,911	-2.7%
Provision for estimated liabilities	101,282	87,254	16.1%
Finance lease liability	6,848	7,965	-14.2%

The Group continues to maintain its strong financial position with total assets amounting to P5.327 billion and P5.216 billion as of March 31, 2014 & 2013, respectively while total equity amounted to P3.756 billion and P3.618 billion as of the same period.

Current ratio slightly decreased at 3.1:1 as of March 31, 2014 compared to 3.2:1 as of March 31, 2013 due to cash reduction for investments made of property, plant and equipment for the factory renovation activities such as the new Refrigerator factory, covered court, the renovated integrated office, etc.

Total current assets decreased by P183.1 million (4.1%) due mainly to decrease in cash and cash equivalents by P181.7 million (9.8%) as explained above.

Accounts receivable increased by P49.9 million (6.3%) due to higher sales in March 2014.

Inventories decreased by P63.1 million (10.3%) due mainly to build-up inventory of Refrigerator in preparation for its transfer to a new building last year. On the other hand, other current assets increased by P13.1 million (32.4%) mainly due to increase in prepaid expenses.

Total non-current assets increased by P295.0 million (40.6%) due mainly to the investments made for property, plant and equipment.

Investment property decreased by P4.6 million (7.4%) due to depreciation for the year.

Total current liabilities decreased by P22.2 million (1.6%) due mainly to the decreased in accounts payable and accrued expenses by P76.0 million (6.0%) because of the reduction in purchase of inventory. Provision for estimated liabilities increased by P14.0 million (16.1%) due to increase promo and advertising expenses versus last year. Finance lease liability decreases due to amortization.

Capital expenditures amounted to P424.4 million during the year as the Group continues to upgrade its factory facilities, machinery and equipment to improve productivity.

Appropriated retained earnings for plant expansion increased by P100.0 million for continuous factory development.

Results of Operation

Material Changes (+/-5% or more) in the financial statements (in thousands)

Accounts	FY 2013	FY 2012 Restated	Difference (%)
Sales	6,596,393	6,409,393	2.9%
Cost of sales	4,864,017	4,720,260	3.0%
Gross profit	1,732,376	1,689,133	2.6%
Selling expenses	1,009,064	1,004,745	0.4%
General administrative	650,879	653,497	-0.4%
Other income - net	129,088	131,576	-1.9%
Income before tax	201,521	162,467	24.0%
Income tax expense	39,468	78,624	-49.8%
Income after tax	162,053	83,843	93.3%

Despite the strong typhoons and floods that devastated the Visayas & Mindanao in 2013, the consolidated sales of the Group for the FY 2013 increased by ₱187.0 million because of the favorable turnover in the first half of our operation (April - September 2013) particularly our window airconditioner which captured the market share of other brand. The Company managed to maintain its promotional activities as that of last year to keep it at par with competitors.

Cost of sales ratio at 73.7% in FY2013 is within the level of last year at 73.6%. The increase of 3.0% is due to the increase in sales versus last year.

Selling expenses increased by 0.4% mainly due to freight cost caused by the continuous fuel price hike during the current year.

Other income in FY 2013 decreased by 1.9% versus FY 2012 mainly due to decrease in interest income earned for time deposits for the period.

Income tax expense went down from ₱78.6 million last year to ₱39.4 million or a decrease of ₱39.2 million because of the write-off of deferred tax asset in FY 2012 amounting to ₱34.0 million.

- **Known Trends**

There are no known events, trends, and demands, commitments or uncertainties that might affect the Company's liquidity or cash flows within the next twelve (12) months.

There are no trends, events or uncertainties known to management that are reasonably expected to have material favorable or unfavorable impact on the net income or revenues from continuing operations of the Company.

- **Events that will trigger direct or contingent financial obligation**

In the normal course of business, the Group has various commitments and contingent liabilities that are not presented in the accompanying financial statements.

The management believes that these actions are without merit or that the ultimate liability, if any, resulting from these cases will not adversely affect the financial position or results of operation of the Parent Company.

The Group does not anticipate material losses as a result of these commitments and contingent liabilities.

- **Material off-balance transactions, arrangements or obligations**

There were no material off-balance transactions, arrangement or obligations that had a material effect on the Company's financial conditions or result of operations.

- **Capital expenditures**

The Parent Company has commitments for capital expenditures. Among these are investments on IT-related projects, relocation and renovation of branch premises, acquisition and repairs of furniture, fixtures and equipment needed to bring the Company at par with competitors.

- **Significant Elements of Income or Loss**

Significant elements of income or loss will come from continuing operations.

- **Seasonal Aspects**

There was no seasonal aspect that had a material effect on the Company's financial conditions or result of operations.

CASHFLOWS

A brief summary of cash flow movement is shown below

<i>(In thousands)</i>	2016	2015	2014
Net cash provided by operating activities	625,758	187,048	292,527
Net cash used in investing activities	(95,868)	(180,087)	(423,662)
Net cash used in financing activities	(46,400)	(45,781)	(50,268)

Net cash flow from operations consists of income for the period less change in non-cash current assets, certain current liabilities and others, which include decrease in inventory level.

Net cash provided by (used in) investing activities included the following:

<i>In thousands</i>	2016	2015	2014
Proceeds from sale of PPE	87	286	5,313
Acquisitions of property, plant and equipment	(90,680)	(199,240)	(424,439)
Acquisitions of investment properties	(4,940)	(625)	-
Acquisition of software	(294)	(1,630)	(505)
Decrease (increase) in other assets	(41)	21,122	(4,031)
Total	(95,868)	(180,087)	(423,662)

Major components of net cash used in financing activities are as follows:

<i>In thousands</i>	2016	2015	2014
Cash dividends paid	(42,272)	(42,272)	(42,272)
Finance lease liabilities paid	(3,075)	(3,509)	(7,996)
Total	(45,347)	(45,781)	(50,268)

Despite the stagnant Philippines GDP, financial crisis and slow economic recovery affecting the Group's operations in general, the Group can internally provide its own cash requirements for its operation for the next twelve months and in succeeding years. Various cash flow improvements such as aggressive operational cost reduction, cost negotiation, productivity and system enhancements are being implemented to maintain the Group's loan-free operation.

RETAINED EARNINGS

Retained Earnings in excess of 100% of paid-in capital will be declared as dividends and/or appropriated for plant expansion and modernization and upgrading of factory facilities and equipment in the future.

The appropriated retained earnings pertain to the appropriation for plant expansion and modernization and upgrade of factory facilities and equipment of the Parent Company and for purchase of industrial land for future business expansion of PERC.

CORPORATE GOVERNANCE

Financial Reporting 2015

The corporate governance practices of Panasonic Manufacturing Philippines Corp. (PMPC) has remarkably improve from its inception in the past. PMPC is committed to adhere itself with the global best practice of corporate governance and full and fair disclosure to provide and deliver sustained growth and profitability for its shareholders and stakeholders. PMPC, being a public corporation and, complies with the corporate governance requirements of Security and Exchange Commission (SEC) and Philippine Stocks Exchange (PSE) specifically, the SEC's Revised Code of Corporate Governance, and the PSE Corporate Governance Guidelines.

PMPC's current internal governance framework embodies all the principles needed to ensure that the company's businesses are managed and supervised in a manner consistent with good corporate governance, including the necessary checks and balances. Currently, the focus of the company is to benchmark its corporate governance practices consistent with the ASEAN Corporate Governance practices. PMPC will continue to strive to achieve beyond mere compliance and promote sound ethical corporate culture which is guided by principles of accountability, integrity, fairness, legal and transparent behavior.

Board Governance

The Corporate Governance structure of the Board prescribes the authority and responsibilities. It is the company's highest governance body which ensures there is an effective governance framework and system in place. It is also responsible for the stewardship of the company, which means that it oversees the day-to-day management delegated to the President and the other officers of the company. The Board as well as in their individual capacity, foster the long-term success of the company, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the best interest of its stockholders.

PMPC Board is a combination of executive and non-executive that are possessed with qualifications and stature that enable them to effectively participate in the deliberations of the Board. It is composed of qualified and competent individuals that provide complementary skills from their respective areas of expertise in the exercise of their fiduciary responsibilities. The Board has two independent directors who were selected by Nomination Committee on the basis of independence criteria as set forth under the SEC's revised Securities Regulation Code and implementing rules and regulation, PMPC By-laws and Code of Governance Manual.

The Board met 21 times in 2015. The Chairman of the Board, the President and Independent Directors attended all of the Board meetings. The collective attendance by directors in all meetings is 100%. During the annual stockholders' meeting all directors were present.

Board of Director, Board Committee and relevant senior management evaluations, in accordance with the Code of Corporate Governance self-assessment, have been undertaken with respect to the FY 2015 reporting period. It was put in place by the Board since 2009 and has

since been consistently implemented. The corporate governance self-assessment is annually conducted to measure performance and benchmark its compliance with the best Corporate Governance practices in the industry. The actions agreed upon by the Board in response to the performance review were documented and the completion of these items was monitored by the Board. In accordance with SEC's implementing rules and regulations, PMPC directors have attended at least one corporate governance seminar conducted by accredited agency. Our directors keep abreast with the latest developments relevant with their duties and responsibilities to ensure good corporate governance practices.

Board Diversity

PMPC recognizes and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between Directors. These differences are considered in determining the optimum composition of the Board and balanced appropriately. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective. PMPC implemented the Board Diversity policy in 2015.

Board Committees

Our Board of Directors is the highest governance body of the company. It provides direction and delegates the conduct of business to the company's management and operating levels under the leadership of the President. PMPC has standing committees to support the Board. The Audit Committee, Corporate Governance Committee, Risk Management Committee, Nomination Committee and Compensation Committee have their respective charters approved by the Board. Charters delineate the objectives of the committees, define its functions, composition and procedures. These charters were prepared and benchmarked consistent with SEC's Corporate Governance. Every PMPC committee has at least one independent director. The Board convenes regular meeting on a monthly basis and special meetings may be called for as needed.

Audit Committee

The purpose and authority of the Audit Committee is to assist the Board in fulfilling its responsibilities for general oversight of: (1) PMPC's financial reporting processes and the audit of financial statements, (2) PMPC's compliance with legal and regulatory requirements, (3) the external auditors' qualifications and independence, (4) the performance of PMPC's internal audit function and external auditors, and (5) risk assessment and risk management. The Audit Committee is composed of two independent directors and one executive director. The Chairman of Audit Committee is an independent director and a Certified Public Accountant (CPA).

As for Internal Audit function, the Audit Committee reviewed and approved the Internal Audit performance report in 2015, internal audit plan for 2015, and the revised internal audit charter. The Internal Audit periodically reports on the status of relevant auditable areas and

recommendations which includes the current status of internal control over financial reporting. The quarterly Audit Committee meetings were conducted to report significant audit issues and accomplishments of the Internal Audit. The Audit Committee through its Internal Audit reviewed the audited consolidated financial statements in accordance with Philippine Financial Reporting Standard (PFRS) and Philippine Accounting Standards (PAS) for Board approval. The Internal Audit reports functionally to the Audit Committee Chairman.

Corporate Governance Committee

The Corporate Governance Committee is appointed by the Board of Directors to assist the Board in fulfilling this responsibility with respect to four (4) fundamental issues: (i) overseeing the development and the regular assessment of the Corporation's approach to corporate governance issues, (ii) ensuring that such approach supports the effective functioning of the Corporation with a view to the best interests of the Corporation's shareholders and effective communication between the Board of Directors and management of the Corporation, (iii) overseeing the process, structure and effective system of accountability by management to the Board of Directors and by the Board to the shareholders, in accordance with applicable laws, regulations and industry standards for good governance practices, and (iv) carrying out the functions and responsibilities of a nomination committee to recommend to the Board of Directors candidates for election or appointment to the Board of Directors. The Corporate Governance Committee is composed of three members, one of whom is an independent director.

Risk Management Committee

The Risk Management Oversight Committee monitors the risk environment for PMPC and provides direction for the activities to mitigate, to an acceptable level, the risks that may adversely affect company's ability to achieve its goals. The committee facilitates continuous improvement of the company's capabilities around managing its priority risks. In addition, the committee supports the Audit Committee's efforts to monitor and evaluate, as mandated by the SEC's Code of Corporate Governance, the risk management processes of the company. The Risk Management Committee is composed of three members, one of whom is an independent director.

Compensation Committee

The purpose and authority of the Compensation Committee is to establish policies with respect to the compensation of the Company's officers including, (1) evaluation and approval of the officer's compensation plan, and (2) preparation of annual report on executive compensation for inclusion in the Company's proxy statement. The Compensation Committee is composed of three members, one of whom is an independent director.

Nomination Committee

The purpose and authority of the Nomination Committee is to ensure that the Board of Directors is made up of individuals of proven integrity and competence, and that each possess the ability and resolve to effectively oversee the company. It also reviews and evaluates the qualifications of all persons nominated to positions in PMPC which require approval of the

Board. The Nomination Committee is composed of three members, one of whom is an Independent director.

Risk Management

PMPC recognizes risks are associated with achieving value-based objectives. Managing these risks forms an essential part of PMPC's business. The aim of risk management within PMPC is to provide reasonable assurance that it understand the risks associated with achieving its business objectives and that it responds appropriately to these risks at all levels within the organization. This is achieved by ensuring that at all times:

- Risks are properly identified, assessed, managed and reported;
- Risk ownership is taken and communicated;
- Resources are effectively and efficiently allocated to manage risks;
- Risks that could significantly affect our employees, the company, our suppliers or our clients are suitably managed;
- The company is compliant with regulatory and legal requirements.

Related Party Transaction

PMPC in the normal course of business transacts with related parties, particularly, its affiliates as defined in the company's policy on related party transaction. The company is exercising extensive effort to ensure that all significant related party transactions with related parties are done at arm's length. The transaction with related parties involve the supply of raw materials, service and management consulting. Significant related party transaction is prospectively reviewed by the Board Audit Committee or by management committee, depending on materiality prior to implementation. PMPC discloses significant related party relationships and transactions in PMPC's financial statements based on Philippine Accounting Standards (PAS) No. 24 requirements.

Internal Audit

Our Internal Audit unit is an independent body that evaluates the effectiveness of the company's internal controls, governance processes, and risk management. It ensures that operating and business units adhere to internal processes and procedures and to regulatory and legal requirements. Internal Audit reports directly to the Board through its Audit Committee. Its audit activities conform to the International Standards for the Professional Practice of Internal Auditing.

Code of Business Conduct and Ethics

Our business environment is constantly changing. We can count on changes in our products, our people, our customers, and our suppliers. What will not change is our commitment to our company values. Our basic business philosophy helps us determine our objectives, our approach to business activities, and the general direction of our company. It serves as a compass, helping us set and maintain the right direction for our business. It is timeless and remains valid regardless of where our business takes us. Our values are the foundation for sustaining our business environment within the Company. Among them, include:

- Contribution to society
- Fairness & honesty
- Cooperation & team spirit
- Untiring effort for improvement
- Courtesy and humility
- Adaptability
- Gratitude

These values define who we are as a company — to each other, to our customers, to our suppliers and to our shareholders. They define what we stand for, and they are guiding principles for behavior.

Internal policies such as conflict of interest policy, insider trading policy, whistleblower policy and related party transaction lend guidance, provide support and lay the proper context in PMPC's adherence to Code of Business Conduct and Ethics.

Conflict of Interest. It is PMPC's policy that all employees avoid any activity that is or has the appearance of being hostile, adverse or competitive with the company, or that interferes with the proper performance of duties, responsibilities or loyalty to the company. PMPC has in place conflict of interest policy that elevate the interest of the company above that of the personal interest of directors, officers, and employees. The policy covers specific conflict of interest situations and it also support that directors, officers and employees do not tolerate corruption or any form of bribery nor provide or accept improper inducement in the course of any business dealing.

Insider Trading. It is the policy of the Company to oppose the unauthorized disclosure of any nonpublic information acquired in the work-place and the misuse of Material Nonpublic Information in securities trading. The company prohibits director, officer, or employee of, or consultant or contractor to, the Company, and no member of the immediate family or household of any such person, shall engage in any transaction involving a purchase or sale of Company's securities, including any offer to purchase or offer to sell, during any period commencing with the date that he or she possesses Material Nonpublic Information concerning the Company, and ending at the close of business on the second Trading Day following the date of public disclosure of that information, or at such time as such nonpublic information is no longer material.

Whistleblower. PMPC has whistleblower policy in place, another important mechanism for preventing the incident of fraud, bribery and misconduct. All stakeholders which include the board, officers, and employees, as well as customers, and suppliers can report any violation of conduct of business conduct, policies, procedures and applicable laws and regulations.

A whistleblower can raise their concerns of violations of the code of business conduct and ethical guidelines, or other illegal or unethical conduct, without fear that they will be disciplined or terminated. The company does not permit retaliation of any kind against an employee for reporting information in good faith. The whistleblower may approach the internal audit or any officers of the company who are designated contact person for the purpose of whistleblowing.

Investor Relation

PMPC strives to maintain its corporate credibility and instill investor confidence in the Company by practicing a structured approach to the communication of material information. It assists in achieving a fair market value for PMPC's securities – a benefit to both shareholders and the Company. PMPC will make every effort to ensure that all material information concerning the Company is made as freely and widely available as possible. PMPC encourages an exchange of opinion between itself and its principal stakeholders, and will organize its communications to facilitate that dialogue.

Measure to fully comply with Corporate Governance

In 2015, PMPC substantially complied with its Manual on Corporate Governance, the provisions of the Code of Corporate Governance of the Securities and Exchange Commission (SEC) and the Corporate Governance Guidelines Disclosure Template of the Philippine Stock Exchange (PSE). As a mechanism to comply with Corporate Governance, the company has a Corporate Governance Committee, which comprises the company's President, Compliance Officer, Audit Committee, Internal Audit, and Risk Management Committee. The Corporate Governance Committee has taken various initiatives to comply with the ASEAN Corporate Governance practices.

PMPC's Corporate Governance is exercised by a duly appointed Compliance Officer who is responsible for monitoring compliance with the provisions and requirements of corporate governance law, rules and regulations, reporting violations and recommending the imposition of disciplinary actions, and adopting measures to prevent repetition of violations. He also ensures that corporate governance education and communication program, promotes the development of knowledge, skills, attitudes, and culture that would enhance observance of corporate governance policies.

No Material Deviation

The Company has established Internal Control procedures and mechanism to ensure compliance with the Code of Corporate Governance and to avert any possible deviation thereof. PMPC shall continue to monitor, adopt and evolve in conjunction with corporate governance developments. There have been no material deviations noted by the compliance officer for the fiscal year 2015.

Plans to improve Corporate Governance

Areas for improvement noted during the preparation of SEC and PSE corporate governance reports and the result of Corporate Governance audit conducted by the Company's Internal Audit Department will be addressed with positive action.

The Corporate Governance Committee shall principally and periodically review the provisions and enforcement of the company's Manual on Corporate Governance. The said manual is subject to annual review and amendment to continuously improve the company's corporate governance practices by assessing their effectiveness and comparing them with evolving best practices, standards identified by leading governance authorities and the company's changing circumstances and needs. Specifically, PMPC plans to fully comply with the ASEAN Corporate Governance practices to reflect global principles and internationally recognized good practices in corporate governance applicable to public listed corporations.

Panasonic

Panasonic Manufacturing Philippines Corporation
Ortigas Avenue Extension, Taytay, Rizal, 1920 Philippines

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Panasonic Manufacturing Philippines Corporation** and Subsidiary (the "Group") is responsible for the preparation and fair presentation of the consolidated financial statements for the years ended March 31, 2016, 2015 and 2014, including the additional components attached therein, in accordance with Philippine Financial Reporting Standards. This responsibility includes designing and implementing internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The Board of Directors reviews and approves the consolidated financial statements and submits the same to the stockholders.

SyCip Gorres Velayo & Co, the independent auditors, appointed by the stockholders has examined the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such examination.

Signed under oath by the following:


SHINICHI HAYASHI
Chairman & President


YOSHIYUKI TAKAHASHI
Treasurer & Executive Director


HIROSHI YAMADA
Executive Director

Signed on this 4th day of May, 2016

MAY 24 2016

SUBSCRIBED AND SWORN to before me this _____
affiants exhibiting to me their passport numbers as follows:

NAMES	PASSPORT NO.	DATE ISSUED	PLACE ISSUED
Shinichi Hayashi	TH9641280	July 08, 2009	Japan
Yoshiyuki Takahashi	TZ1094063	December 15, 2015	Japan
Hiroshi Yamada	TH5907844	May 9, 2008	Japan

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NOTARY PUBLIC

ATTY. JOHN KENNETH T. MORENO
NOTARY PUBLIC
Roll No. 35640
IBP No. 1010752-5 Nov. 2015
PTR No. 4961501-4 Jan. 2016
MCLE No. V-17886-03 March 2016
Appt. No. 16-04-Dec. 2015
Until Dec. 31, 2017
For Antipolo City, Taytay, Cainta
Province of Rizal