

# **Fiscal 2013 Financial Results**

## **Fiscal 2014 Financial Forecast**

May 10, 2013  
Panasonic Corporation  
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*Notes: 1. This is an English translation from the original presentation in Japanese.  
2. In this presentation, "fiscal 2013" or "FY2013" refers to the year ended March 31, 2013.*

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### **1. Fiscal 2013 Financial Results**

### **2. Fiscal 2014 Financial Forecast**

## Summary of FY13 Results

1. While overall sales declined significantly, operating profit improved from last year due to extensive reductions in fixed costs.
2. A large amount of net loss\* was recorded as a result of impairment loss of goodwill and intangible assets as well as an increase in valuation allowances to deferred tax assets.
3. Net cash improved significantly due to the Company's substantial efforts to generate cash, including the disposal of investments and assets, and the securitization of assets.

\* net loss attributable to Panasonic Corporation

## FY13 Annual Results

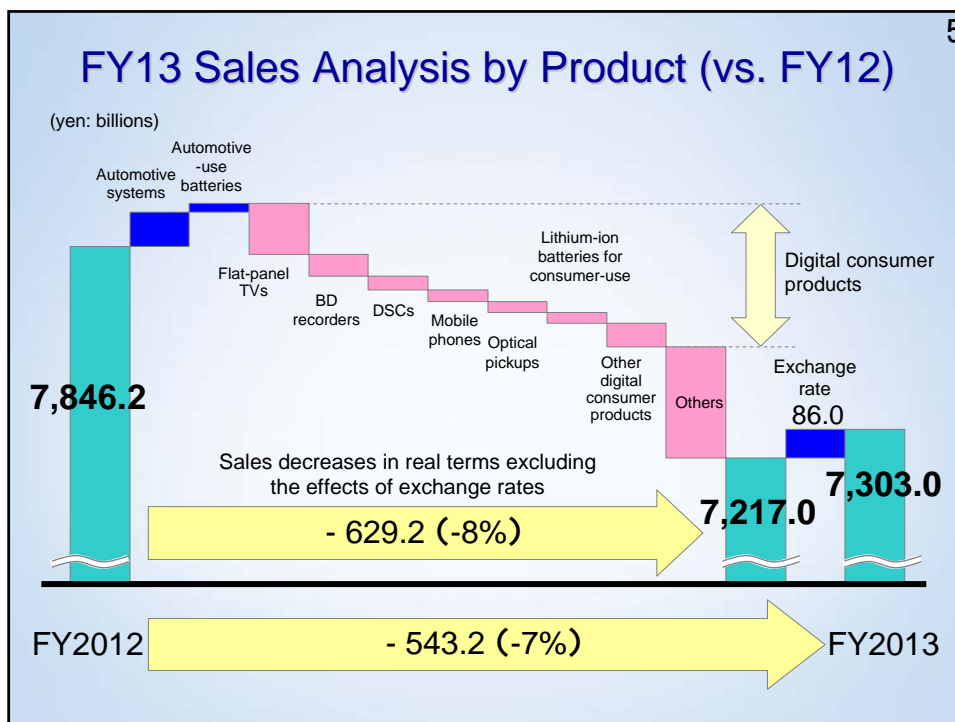
(yen: billions)

	FY13	FY12	vs. FY12/ difference		Forecast (Oct. 31, 2012)
<b>Domestic</b>	3,790.4	4,162.0	-9%		—
<b>Overseas</b>	3,512.6	3,684.2	-5%	(-7%)*	—
<b>Sales</b>	7,303.0	7,846.2	-7%	(-8%)* - 543.2	7,300.0
<b>Operating profit</b>	160.9 (2.2%)	43.7 (0.6%)	+268%	+ 117.2	140.0
<b>Pre-tax income/loss</b>	- 398.4 (- 5.5%)	- 812.8 (-10.4%)	-	+ 414.4	- 365.0
<b>Net income/loss**</b>	- 754.3 (- 10.3%)	- 772.2 (- 9.8%)	-	+ 17.9	- 765.0

\* Real terms excluding the effects of exchange rates (unaudited)

\*\* Net income / loss attributable to Panasonic Corporation

Exchange rates	1 US dollar	83 yen	79 yen
	1 Euro	107 yen	109 yen



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### FY13 Global Sales by Region (vs. FY12)

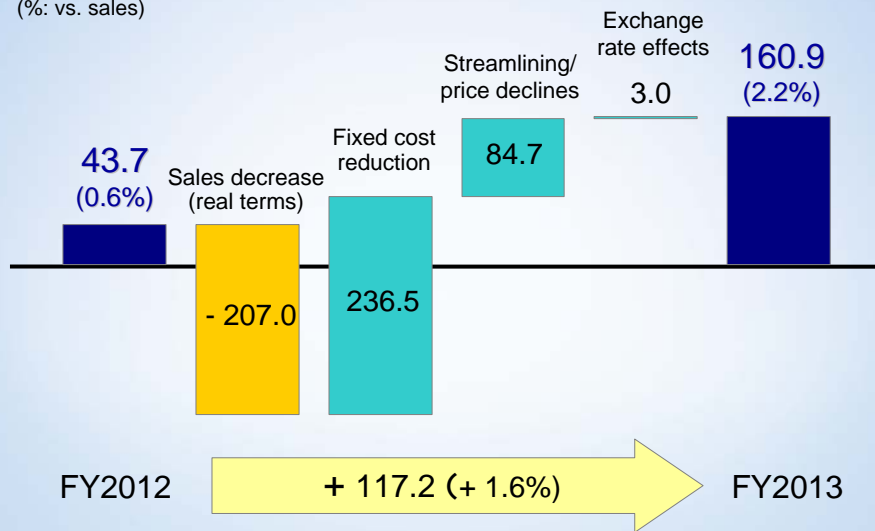
(yen: billions)

	Sales	vs. FY12		Sales proportion by region (vs. FY12)	
		Yen basis	Local currency basis		
Japan	3,790.4	-9%	-	52%	(-1%)
Americas	1,022.3	+6%	+2%	14%	48% (+1%)
Europe	665.8	-10%	-9%	9%	
Asia	883.7	-5%	-7%	12%	
China	940.8	-10%	-14%	13%	
<b>Total</b>	<b>7,303.0</b>	<b>-7%</b>	<b>-8%</b>	<b>100%</b>	

## FY13 Operating Profit Analysis (vs. FY12)

(yen: billions)

(%: vs. sales)



## FY13 Pre-tax and Net Income Analysis

(yen: billions)

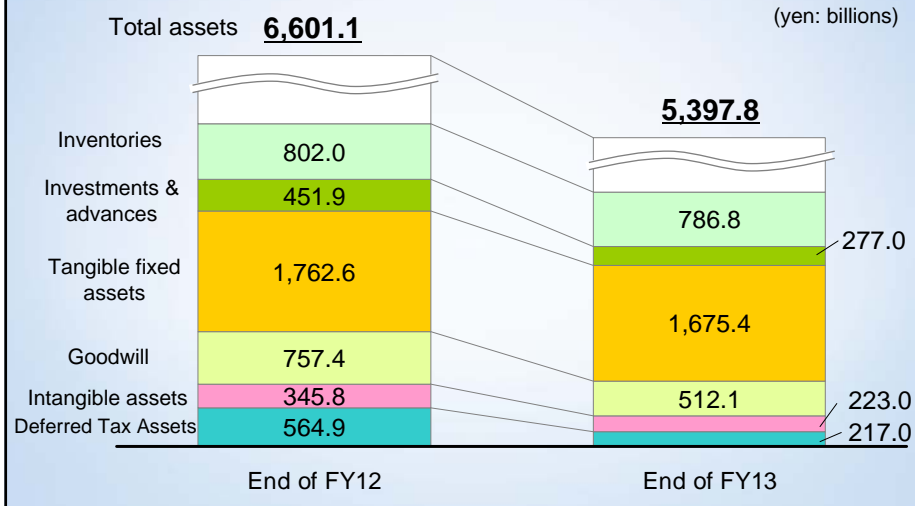
	FY13	vs. FY12
Operating profit	160.9	+ 117.2
Non-operating income / loss *	- 559.3	+ 297.2
Pre-tax income / loss	- 398.4	+ 414.4
Provision for income taxes	384.7	+ 374.9
Equity in earnings of associated companies	7.9	+ 1.4
Net income / loss	- 775.2	+ 40.9
Less net income / loss attributable to noncontrolling interests	- 20.9	+ 23.0
Net income / loss attributable to Panasonic Corporation	- 754.3	+ 17.9

\* Details of non-operating income / loss

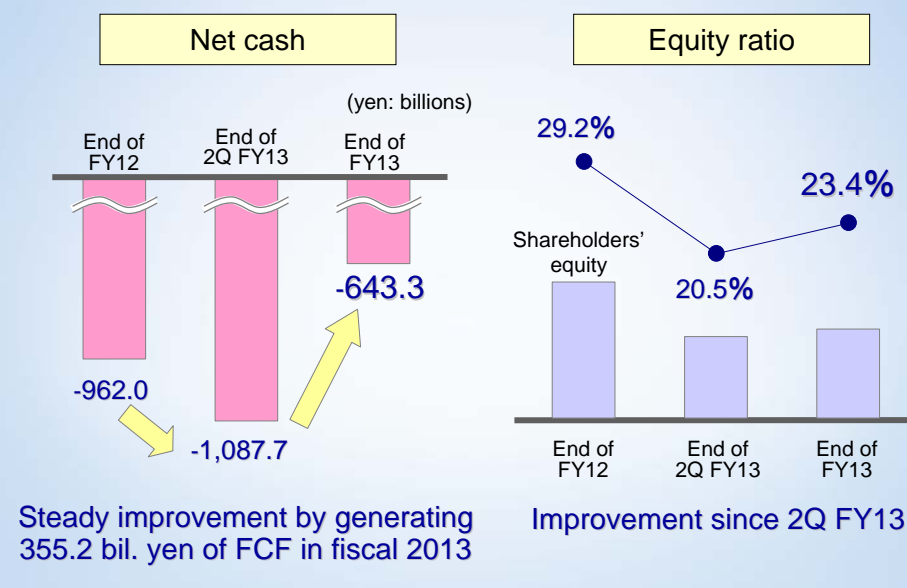
Business restructuring expenses	- 508.8	+ 258.3
Early retirement charges	- 38.4	+ 62.6

## Main Assets

Total assets have been reduced significantly as a result of disposal and securitization of assets, and impairment of assets.



## Net Cash and Equity Ratio



## FY13 Results by Segment

(yen: billions)

	FY13			
	Sales	vs. FY12	Operating profit/loss	vs. FY12
AVC Networks	1,373.9	-20%	19.9	+ 87.7
Appliances	1,554.4	+1%	66.5	- 15.0
Systems & Communications	740.9	-12%	12.4	- 4.9
Eco Solutions	1,547.9	+1%	59.1	+ 0.2
Automotive Systems	782.9	+20%	16.6	+ 11.7
Industrial Devices	1,361.4	-3%	19.2	+ 35.8
Energy	592.3	-4%	8.3	+ 29.2
Other	1,442.8	-23%	25.0	+ 1.4
<b>Subtotal</b>	<b>9,396.5</b>	<b>-8%</b>	<b>227.0</b>	<b>+ 146.1</b>
Corporate and eliminations	- 2,093.5	—	- 66.1	- 28.9
<b>Consolidated Total</b>	<b>7,303.0</b>	<b>-7%</b>	<b>160.9</b>	<b>+ 117.2</b>

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**1. Fiscal 2013 Financial Results**

**2. Fiscal 2014 Financial Forecast**

## FY14 Full Year Forecasts

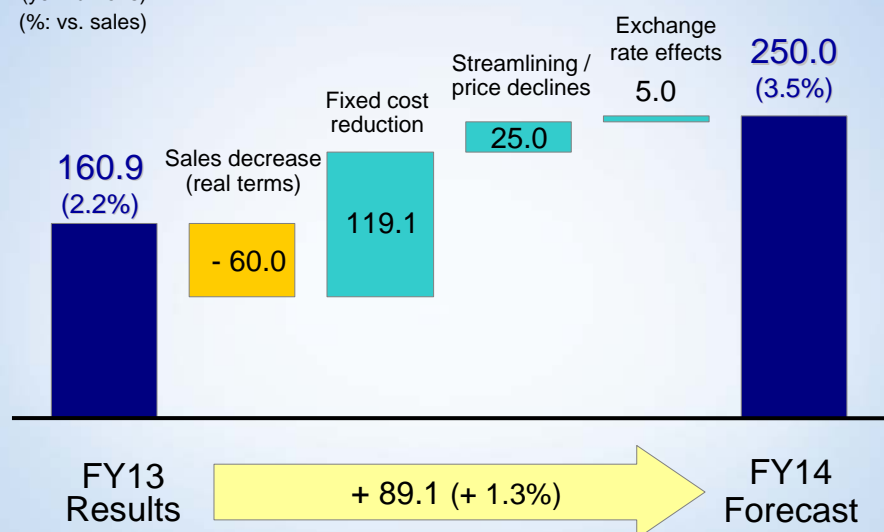
(yen: billions)

	FY14 Forecasts	FY13 Results	Difference
Sales	7,200.0	7,303.0	- 103.0
Operating profit	250.0 (3.5%)	160.9 (2.2%)	+ 89.1
Pre-tax income / loss	140.0 (1.9%)	- 398.4 (- 5.5%)	+ 538.4
Net income / loss*	50.0 (0.7%)	- 754.3 (10.3%)	+ 804.3

\* Net income / loss attributable to Panasonic Corporation

Exchange rates	1 US dollar	85 yen	83 yen
	1 Euro	110 yen	107 yen
	1 Renminbi	13.70 yen	13.25 yen

## FY14 Operating Profit Analysis (vs. FY13)

(yen: billions)  
(%: vs. sales)

## FY14 Pre-tax and Net Income Analysis

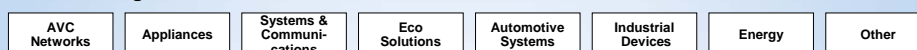
(yen: billions)

	FY14 Forecast	FY13 Results	difference
<b>Operating profit</b>	250.0	160.9	+ 89.1
<b>Restructuring expenses</b>	- 120.0	- 508.8	+ 388.8
<b>Others *</b>	10.0	- 50.5	+ 60.5
<b>Non-operating income / loss</b>	- 110.0	- 559.3	+ 449.3
<b>Pre-tax income / loss</b>	140.0	- 398.4	+ 538.4
<b>Net income / loss attributable to Panasonic Corporation</b>	50.0	- 754.3	+ 804.3

\* With regard to the companies which are the members of Panasonic Corporate Pension Fund, some of their pension plan will be transferred to the defined contribution pension plan. As a result, a one-off gain of 79.8 billion yen will be recognized in fiscal 2014.

## Changes in Segments

&lt;FY13&gt; 8 segments



&lt;After FY14&gt; 5 segments

Appliances	Eco Solutions	AVC Networks	Automotive & Industrial Systems
Air conditioner BD	Lighting BD	TV BD	Automotive infotainment systems BD
Refrigerator BD	Energy system BD	AV Network BD	Automotive electronics BD
Cold chain BD	Housing system BD	DSC BD	Energy device BD
Refrigeration device BD	Panasonic Ecology Systems Co.	Imaging BD	Panasonic Storage Battery Co.
Laundry and vacuum cleaner BD		Media BD	Portable rechargeable battery BD
Kitchen appliance BD		Visual systems BD	Automotive battery BD
Beauty and living BD		Avionics BD	Capacitor BD
Motor BD		IT products BD	Circuit board BD
Smart energy system BD		Panasonic Plasma Display Co.	Printed circuit component BD
		Panasonic Liquid Crystal Display Co.	Electromechanical components BD
		Security system BD	Electronic materials BD
		Communication products BD	Automation controls BD
		Office products BD	Semiconductor BD
		Infrastructure system BD	Panasonic Precision Device Co.
		Panasonic Mobile Communications Co.	Optical pickup BD
			Panasonic Factory Solutions Co.
			Panasonic Welding Systems Co.
			Panasonic Cycle Technology Co.
<b>Other</b>			
PanaHome Corporation			
Panasonic Healthcare Co.			
System LSI BD			

BD : Business Division



## Changes in Segments

1. The Company has shifted to Business Division-based management. In conjunction with this, the segments will be based on "Company" which is the aggregation of the Business Divisions.
2. Consolidated (production and sales) figures for "Appliances" and "AVC Networks" will be separately disclosed. They will include sales and profits of the Sales Division for consumer products in "Corporate and eliminations".
3. The sales results of the major business divisions will be disclosed from the 1Q.
4. Sales and operating profits in the major unprofitable businesses in the Midterm business plan will be disclosed to improve transparency.
5. Adjustments on the consolidated accounting\* and administrative expenses at the corporate headquarters level, which had been allocated to each segment, are included in "Corporate and eliminations."

\* amortization of intangible assets etc.

## FY14 Segment Forecast

(yen: billions)

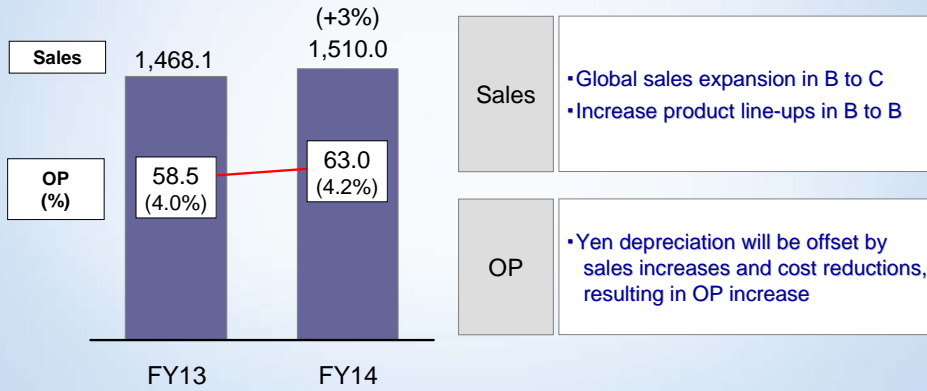
	FY14			
	Sales	vs. FY13	Operating profit	vs. FY13
<b>Appliances</b>	1,120.0	+3%	43.0	+ 6.6
<b>Eco solutions</b>	1,710.0	+2%	58.0	- 4.8
<b>AVC Networks</b>	1,690.0	+4%	30.0	+ 21.7
<b>Automotive &amp; Industrial Systems</b>	2,540.0	+1%	76.0	+ 46.5
<b>Other</b>	900.0	-11%	8.0	+ 4.6
<b>Subtotal</b>	7,960.0	+1%	215.0	+ 74.6
<b>Corporate and eliminations</b>	- 760.0	—	35.0	+ 14.5
<b>Consolidated total</b>	7,200.0	-1%	250.0	+ 89.1
<b>Appliance (production and sales consolidated) *</b>	1,510.0	+3%	63.0	+ 4.5
<b>AVC Networks (production and sales consolidated) *</b>	1,830.0	±0%	24.0	+55.6

• The figures in "Appliances (production and sales consolidated)" and "AVC Networks (production and sales consolidated)" include the sales and profits of sales division for consumer products, which are included in "Corporate and eliminations."

## FY14 Forecast by Segment

### Appliances (production and sales consolidated)

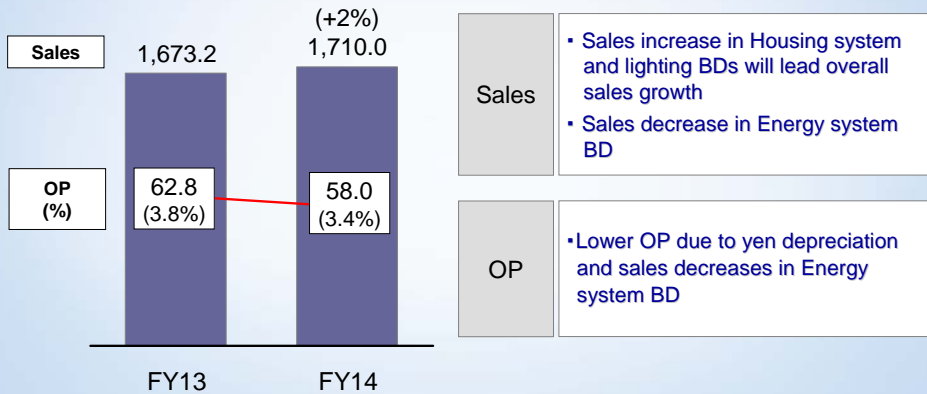
(yen: billions)



## FY14 Forecast by Segment

### Eco Solutions

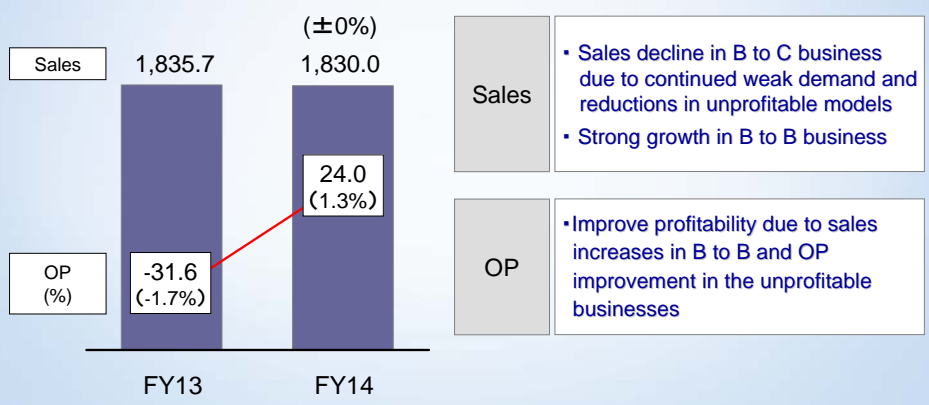
(yen: billions)



## FY14 Forecast by Segment

AVC Networks (production and sales consolidated)

(yen: billions)

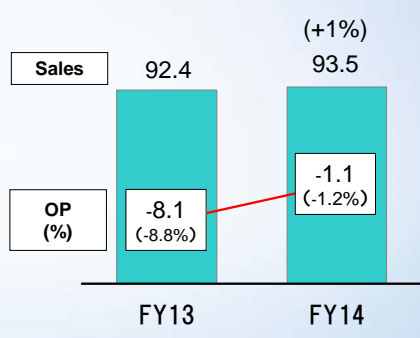
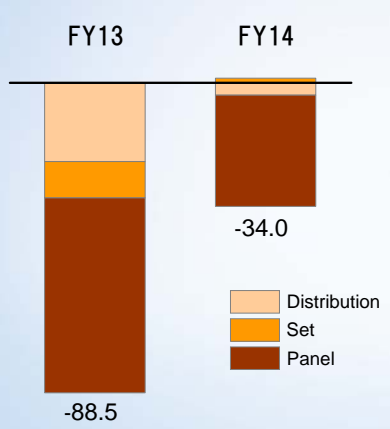


## FY14 Major Unprofitable Businesses

(yen: billions)

<TV/Panel Business >  
(OP of production and sales consolidated)

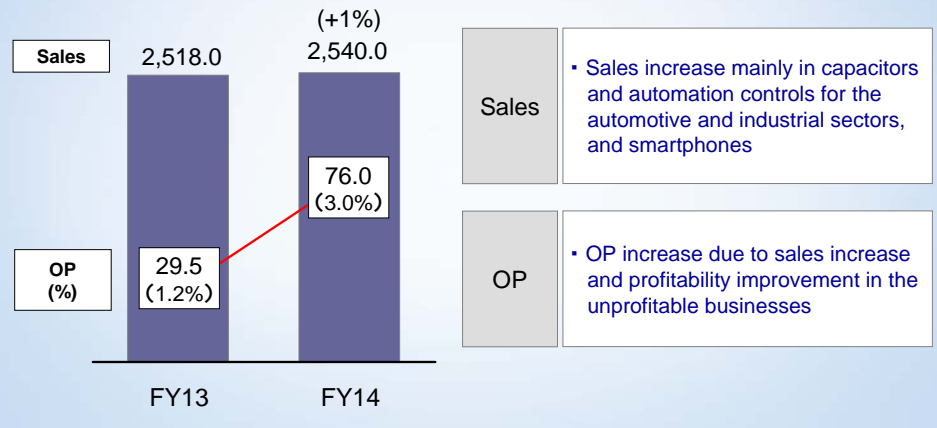
<Panasonic Mobile Communications Co.>



## FY14 Forecast by Segment

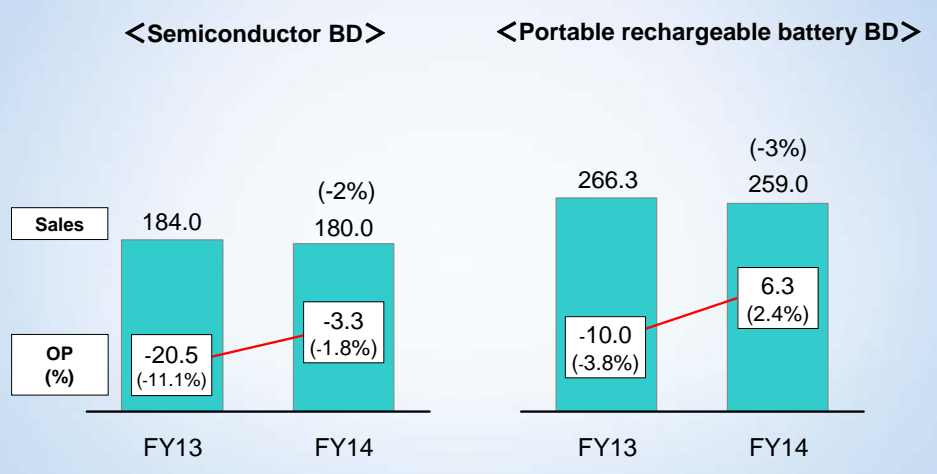
### Automotive & Industrial Systems

(yen: billions)



## FY14 Forecast of Major Unprofitable Businesses

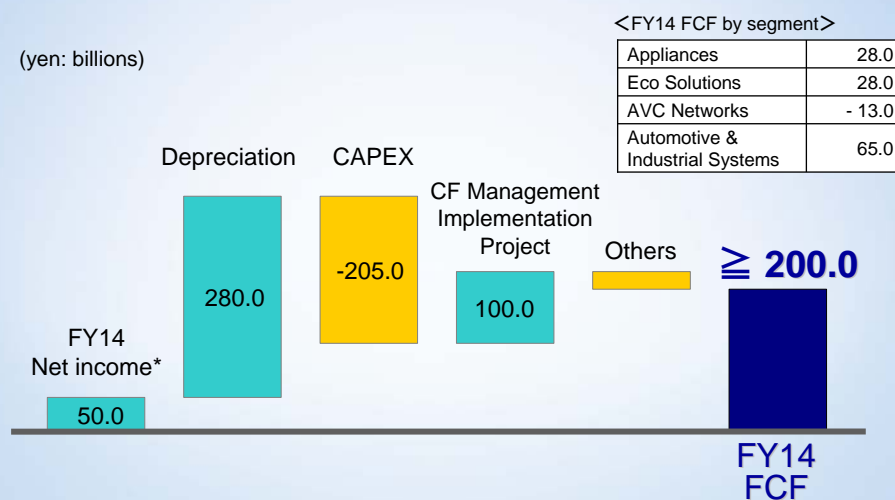
(yen: billions)



## Free Cash Flow Forecast

Generation of more than 200 billion yen cash through CAPEX reduction and 'CF Management Implementation Project'

(yen: billions)



\* Net income attributable to Panasonic Corporation

## FY14 Financial Targets

Operating profit  $\geq$  250 billion yen

Net income\*  $\geq$  50 billion yen

FCF  $\geq$  200 billion yen

\* Net income attributable to Panasonic Corporation

# Panasonic

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*In order to be consistent with generally accepted financial reporting practices in Japan, operating profit (loss) is presented in accordance with generally accepted accounting principles in Japan. The company believes that this is useful to investors in comparing the company's financial results with those of other Japanese companies. Under United States generally accepted accounting principles, expenses associated with the implementation of early retirement programs at certain domestic and overseas companies, and impairment losses on long-lived assets are usually included as part of operating profit (loss) in the statement of income.*