

Panasonic Business Strategy

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Panasonic Corporation
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*Notes: 1. This is an English translation from the original presentation in Japanese.
2. In this presentation, "fiscal 2014" or "FY2014" refers to the year ending March 31, 2014.*

Measures Taken So Far

FY2013

- In the red for 2 consecutive years
- Funding risk
- No dividend

Reorganized 'Corporate structure'

- ▶ Head Office reform, introduction of Business Divisions & Divisional Companies

Unprofitable businesses

- ▶ Guidelines for major unprofitable businesses & reform

Reviewed transferring businesses / growth strategy

- ▶ Formulated and started new mid-term plan 'CV2015'

Escaping from financial crisis

- ▶ Group-wide activity to generate cash

Introduce Business Division System

Each business division has responsibility for

- global R&D, production and sales
- sustainable increase in cash and profit

9 business domains
88 BUs

49 BDs

Basic management unit

4 Divisional Companies support Business Divisions



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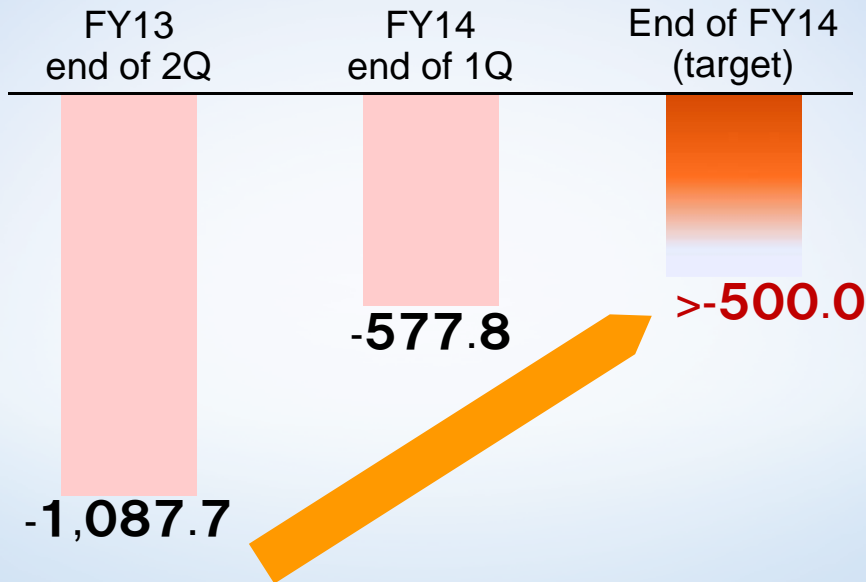
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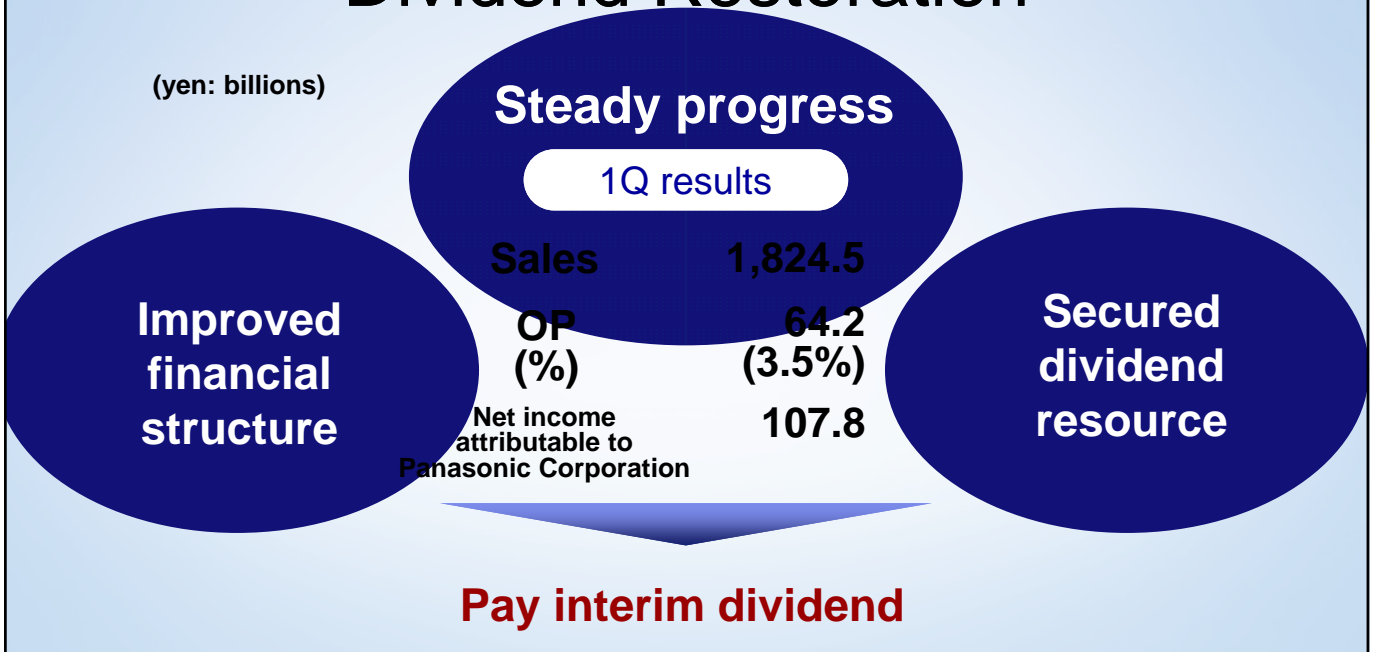
Improve Net Cash

(yen: billions)



Dividend Restoration

(yen: billions)



Mid-term Plan 'CV2015'

Action Items in 'CV2015'

CV2015 : Cross-Value Innovation 2015

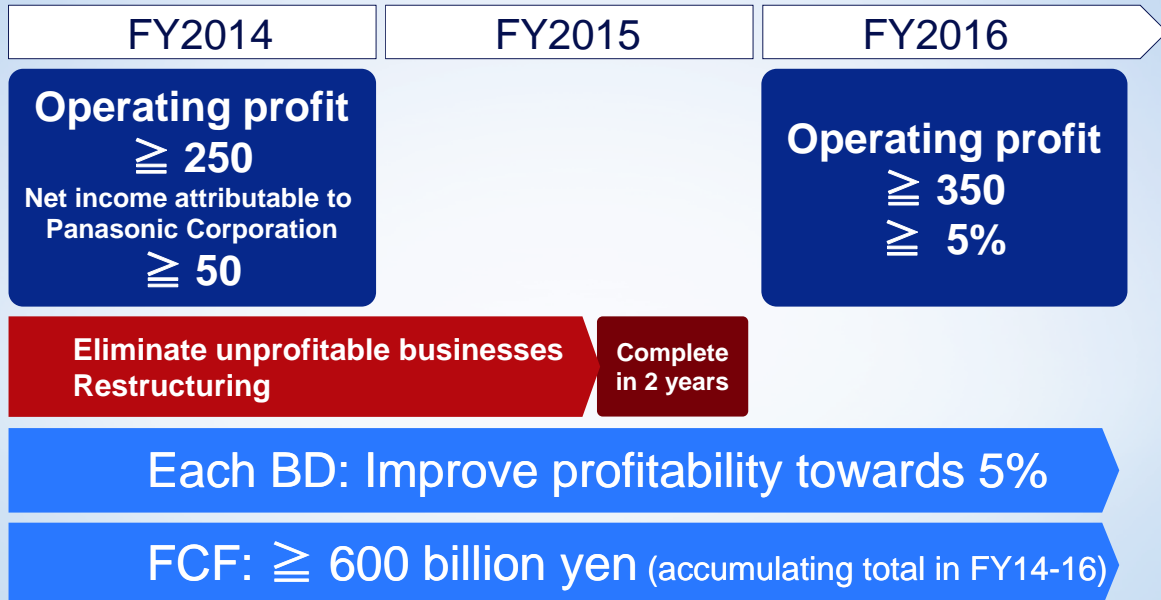
As soon as possible **Eliminate unprofitable businesses**

Simultaneously **Concrete plan for the future**

My determination

3-Year Mid-term Plan

(yen: billions)



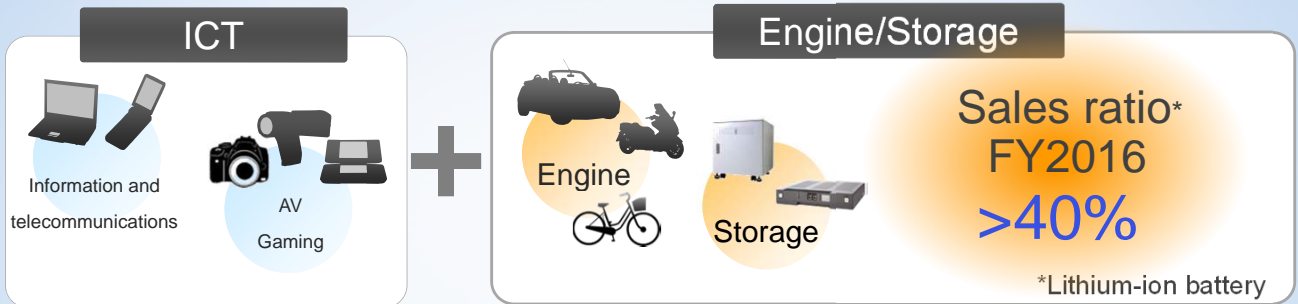
Eliminate Unprofitable Businesses

TV / Panel	<ul style="list-style-type: none"> • Focus on major market, expand non-TV business
Semiconductor	<ul style="list-style-type: none"> • Transfer businesses, promote business alliances and asset reduction
Mobile phone	<ul style="list-style-type: none"> • Transfer to BtoB, improve R&D efficiency in BtoC

Eliminate all unprofitable businesses in FY16

Restructure Unprofitable Business

Portable Rechargeable Battery Business



Recent Situation

- EV battery: increase orders and expand production in Japan
- Storage battery: receive orders and ship for base stations in India

FY2014 1Q
Returned to black
OPM 5.8%

Growth strategy from customers' viewpoint

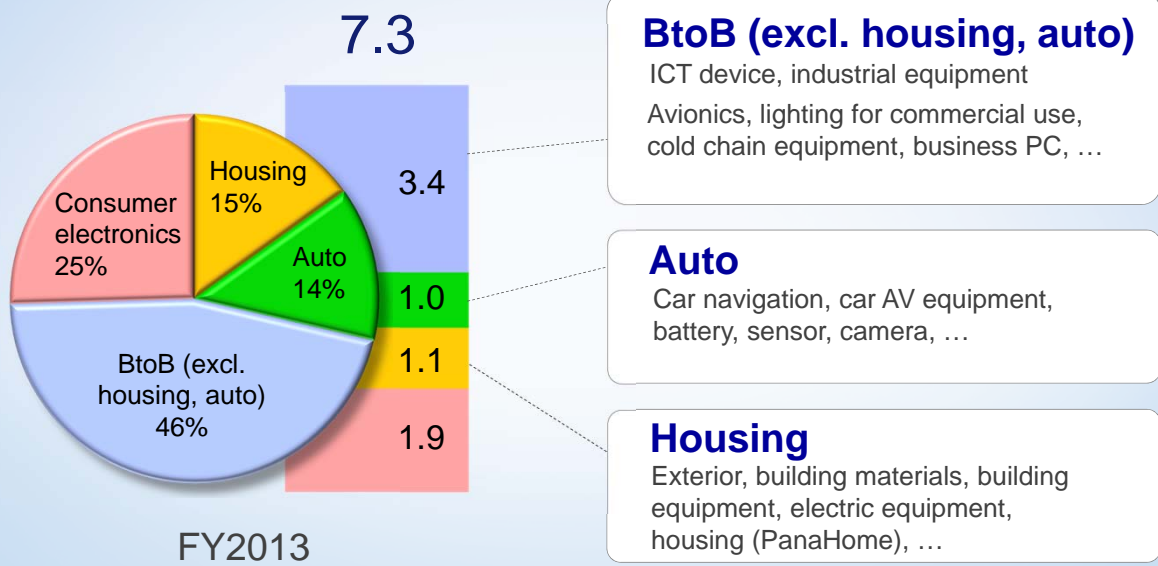
Panasonic in Future

Offer 'better life' to customers, partnering with 'industry'

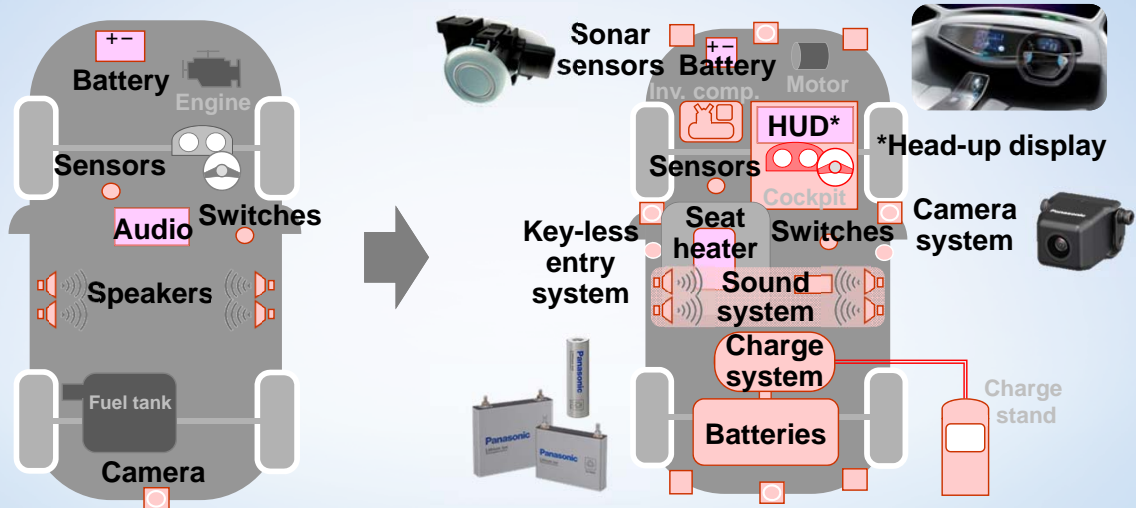


Sales Breakdown

(yen: trillions)

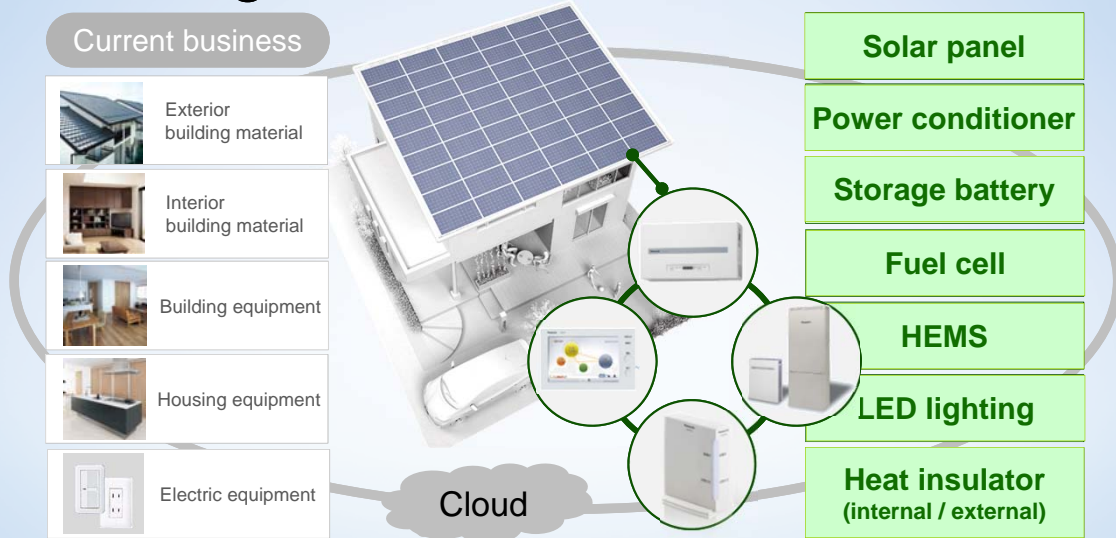


Automotive Business with Computerized and Electric Cars



Expand business more than 10 times per car

Housing Business with 'Smarthouse'



Double business per house

'Smarthouse'



'CASART ECO CORDIS'

Launched in April 2013

Fully equipped with
10Kw 'HIT'

Smart HEMS
Control energy for
energy saving

'Smartcity'

'Smartcity' Shioashiya, Japan



'Net zero energy' town



Develop and manage approx. 1,000 households

Products Designed for Regional Customers

Global Home Appliance Business

Europe

China

Asia

Brazil

Average annual growth 14% in 2013-15

Offer 'what regional customers want'

- Lifestyle research and R&D by region
ex. Air purifier in China
- Alliance with local corporations
ex. Alliance with Gorenje in Europe

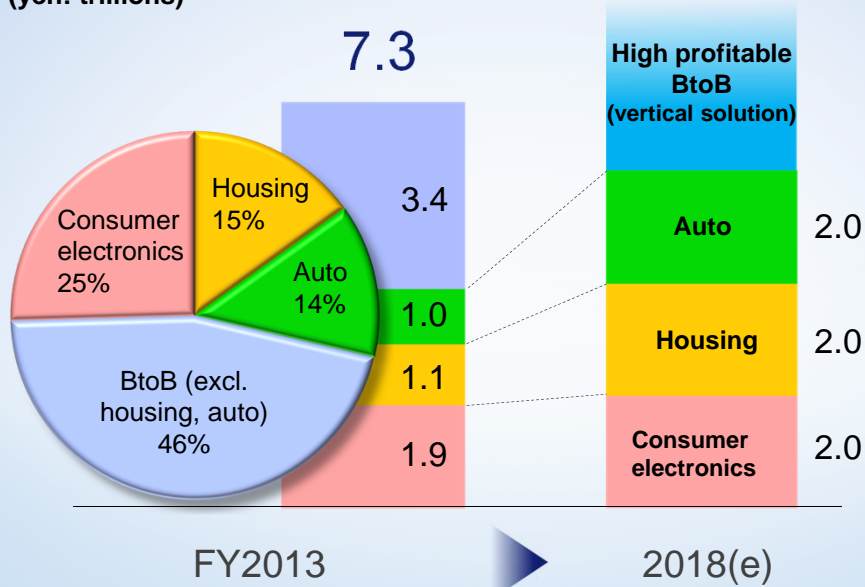


Gain top market shares



Towards 2018

(yen: trillions)



A Better Life, A Better World

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