

Fiscal 2014 Second Quarter and Six Months Financial Results

October 31, 2013
Panasonic Corporation

*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.
In addition, "fiscal 2014 six months" or "FY14 6M" refer to the period from April to September 2013.*

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- 1. Summary of second quarter
and six months financial results**
2. Revision of full year forecasts
for fiscal 2014

FY14 2Q (July to Sept.) Summary

- Profits improved significantly by thoroughly enhancing earning power
 - Operating profit increased due to group-wide fixed cost reductions and streamlining efforts.
 - By business, the overall profit improvement was led by Eco Solutions (due to favorable housing-related business) and Automotive & Industrial Systems (due to favorable automotive-related business).

- Financial structure improved steadily
 - Net cash at the end of 2Q improved by 56.5 billion yen compared with that of the end of 1Q FY14.

FY14 2Q Results (July to Sept.)

(yen: billions)

		FY14 2Q	FY13 2Q	vs. FY13 2Q/ difference	
	Domestic	922.4	956.1	-4%	
	Overseas	959.4	867.6	+11%	(-11%) [†]
Sales		1,881.8	1,823.7	+3%	(-7%)* + 58.1
Operating profit		82.4 (4.4%)	48.8 (2.7%)	+69%	+ 33.6
Pre-tax income / loss		84.8 (4.5%)	-316.5 (-17.4%)	-	+ 401.3
Net income / loss **		61.5 (3.3%)	-698.0 (-38.3%)	-	+ 759.5

Exchange rates	1 US dollar	99 yen	79 yen
	1 Euro	131 yen	98 yen
	1 Renminbi	16.17 yen	12.39 yen

* Real terms excluding the effects of exchange rates (unreviewed)

** Net income / loss attributable to Panasonic Corporation

FY14 Six Months Results

(yen: billions)

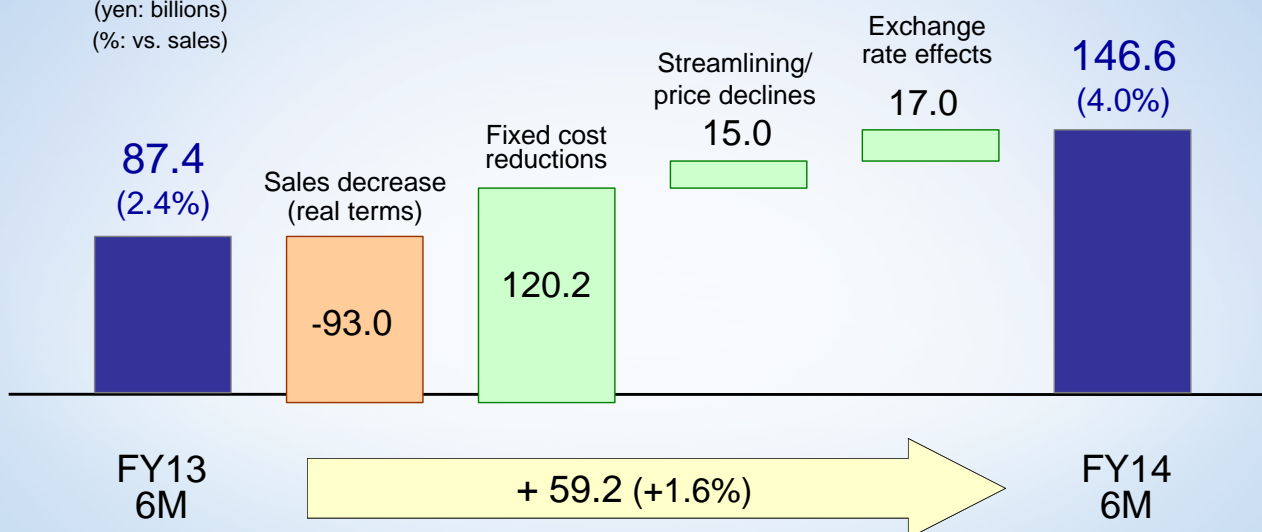
	FY14 6M	FY13 6M	vs. FY13 6M/ difference	
Domestic	1,787.3	1,878.2	-5%	
Overseas	1,919.0	1,760.0	+9%	(-12%)*
Sales	3,706.3	3,638.2	+2%	(-8%)* + 68.1
Operating profit	146.6 (4.0%)	87.4 (2.4%)	+68%	+ 59.2
Pre-tax income / loss	207.4 (5.6%)	-278.7 (-7.7%)	-	+ 486.1
Net income / loss **	169.3 (4.6%)	-685.2 (-18.8%)	-	+ 854.5

Exchange rates	1 US dollar	99 yen	80 yen
	1 Euro	130 yen	101 yen
	1 Renminbi	16.11 yen	12.55 yen

* Real terms excluding the effects of exchange rates (unreviewed)

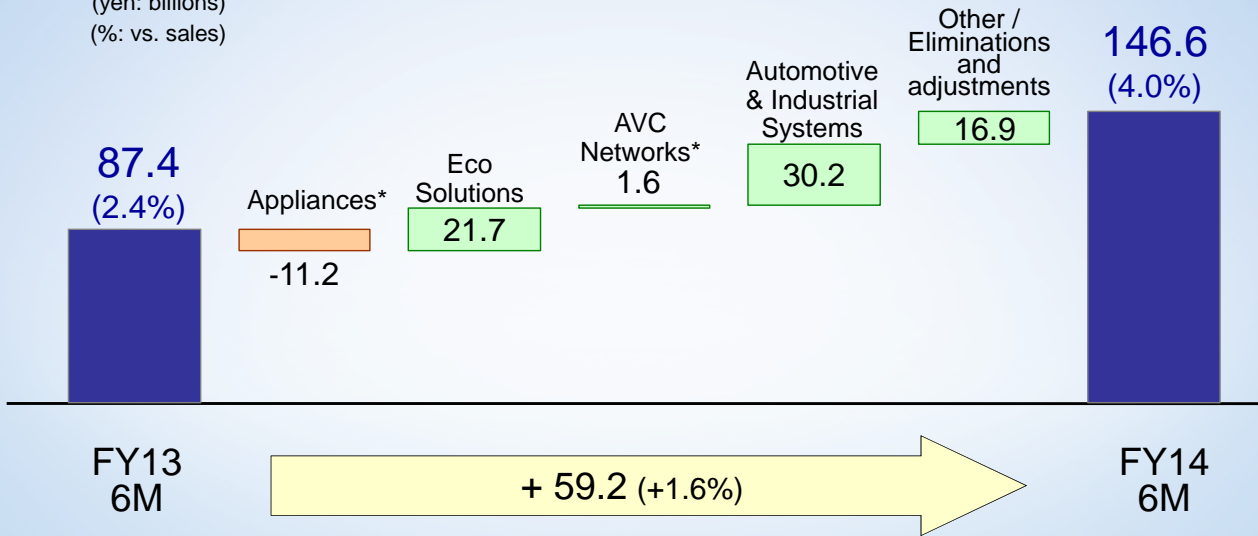
** Net income / loss attributable to Panasonic Corporation

FY14 6M Operating Profit Analysis (vs. FY13 6M)

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

FY14 6M Operating Profit Analysis by Segment (vs. FY13 6M)

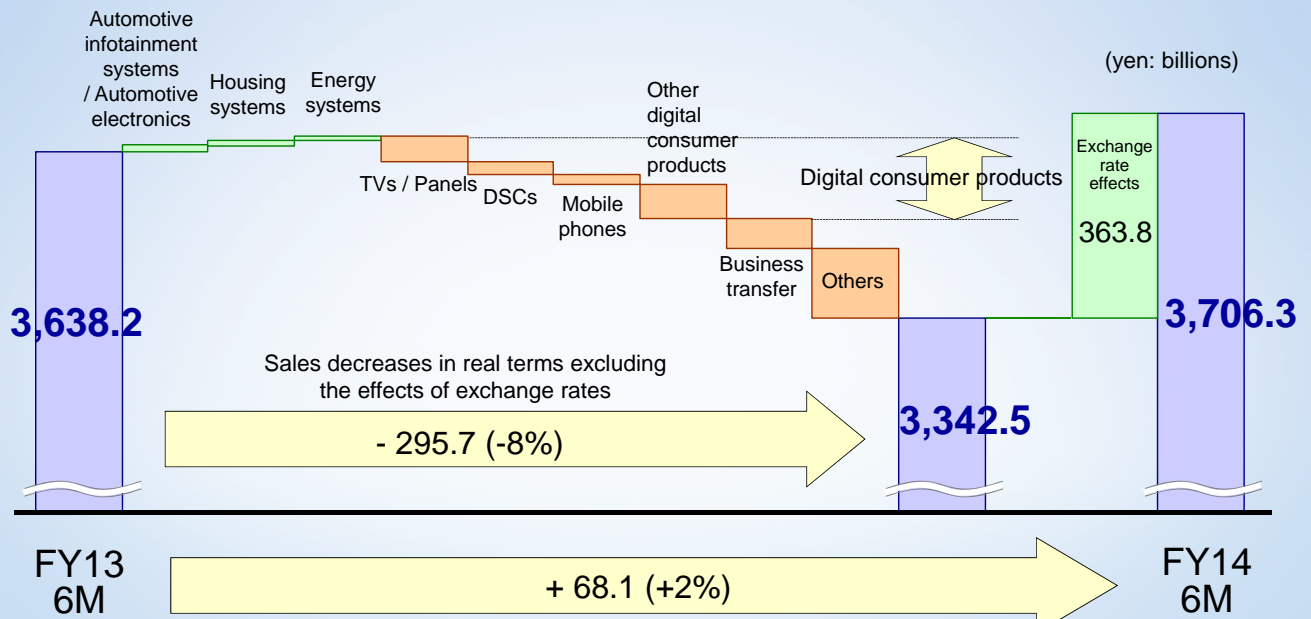
(yen: billions)
(%: vs. sales)



* Appliances and AVC Networks are on a production and sales consolidated basis.

FY14 6M Sales Analysis by Major Product (vs. FY13 6M)

(yen: billions)



FY14 6M Pre-tax and Net Income Analysis

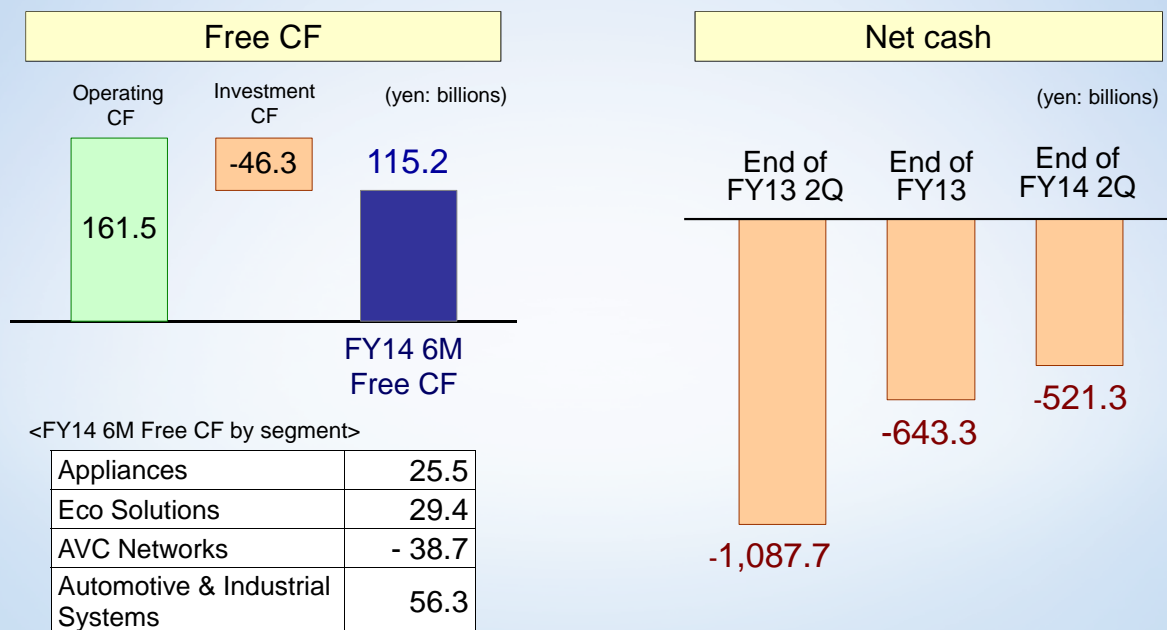
(yen: billions)

	FY14 6M	vs. FY13 6M
Operating profit	146.6	+ 59.2
Non-operating income *	60.8	+ 426.9
Pre-tax income	207.4	+ 486.1
Provision for income taxes	37.3	- 374.1
Equity in earnings of associated companies	3.1	+ 0.5
Net income	173.2	+ 860.7
Less net income attributable to noncontrolling interests	3.9	+ 6.2
Net income attributable to Panasonic Corporation	169.3	+ 854.5

* Details of non-operating income

Business restructuring expenses	- 10.1	+ 345.4
Early retirement charges	- 1.8	+ 12.7

Free CF and Net Cash



FY14 6M Results by Segment

(yen: billions)

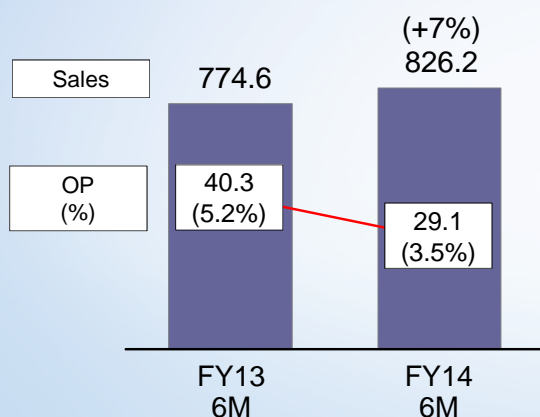
	FY14 6M			
	Sales	vs. FY13 6M	Operating profit	vs. FY13 6M
Appliances	610.4	+ 5%	17.2	-11.5
Eco Solutions	855.7	+ 7%	41.4	+21.7
AVC Networks	755.4	- 9%	- 16.5	- 3.3
Automotive & Industrial Systems	1,355.9	+ 6%	58.2	+30.2
Other	393.4	- 10%	5.4	+11.8
Subtotal	3,970.8	+ 1%	105.7	+48.9
Eliminations and adjustments	- 264.5	-	40.9	+10.3
Consolidated total	3,706.3	+ 2%	146.6	+59.2
Appliances (production and sales consolidated) *	826.2	+ 7%	29.1	- 11.2
AVC Networks (production and sales consolidated) *	844.3	- 4%	- 21.7	+ 1.6

* 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 "Eliminations and adjustments."

FY14 6M Results by Segment

Appliances (production and sales consolidated)

(yen: billions)



Sales

- Although sales were up due to yen depreciation, the Company faced difficult business conditions on a local currency basis.
- Affected by lower sales in air conditioners in China.

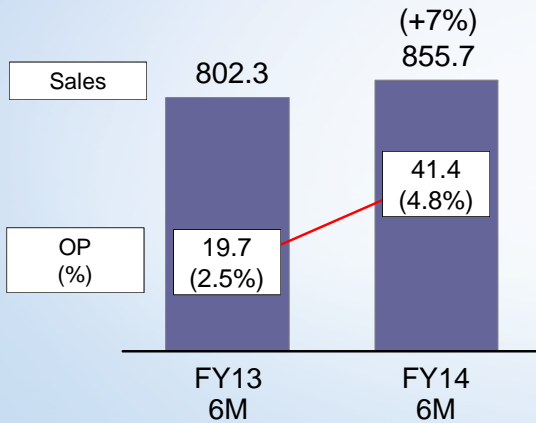
OP

- Streamlining efforts and cost reductions were unable to offset the negative impact of yen depreciation on products manufactured in the overseas factories for the Japanese market and business deterioration in the Air-conditioner BD.

FY14 6M Results by Segment

Eco Solutions

(yen: billions)



Sales

- Increased due to favorable sales in the Energy Systems BD and Housing Systems BD thanks to a demand surge prior to the consumption tax increase in Japan.

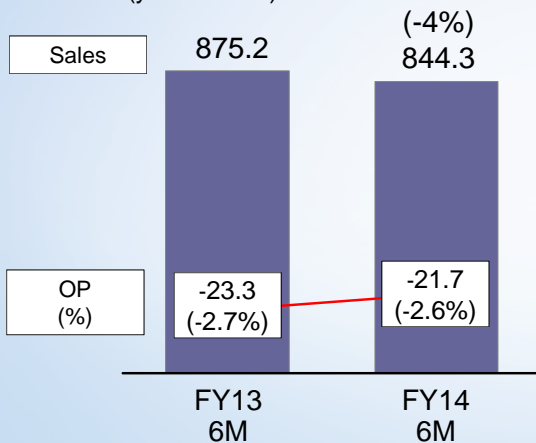
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- Increased. Negative impact of yen depreciation was offset mainly by sales increases and cost reduction initiatives.

FY14 6M Results by Segment

AVC Networks (production and sales consolidated)

(yen: billions)



Sales

- Declined due to lower sales in PMC* and DSC BD which were affected by environmental changes, and reductions in unprofitable TV models because of prioritizing profitability more than sales increase.
- Favorable sales in the B to B business were unable to offset the overall sales decrease.

OP

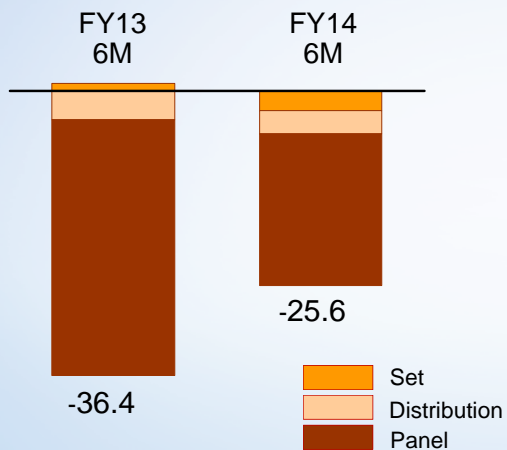
- Steady improvement in the panel business.
- The level of loss improved due mainly to sales increase in B to B business and fixed cost reduction despite lower sales.

*PMC: Panasonic Mobile Communications Co., Ltd.

FY14 6M Major Unprofitable Businesses

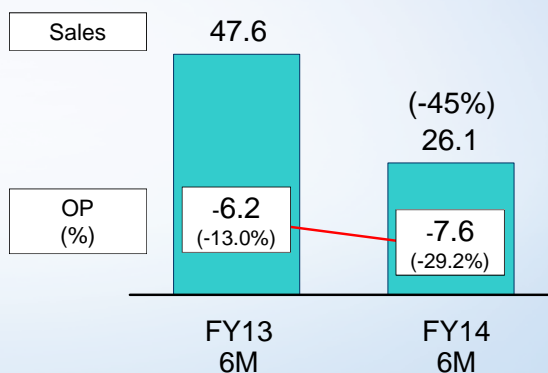
<TV/Panel Business > (OP of production and sales consolidated)

(yen: billions)



<Panasonic Mobile Communications Co.>

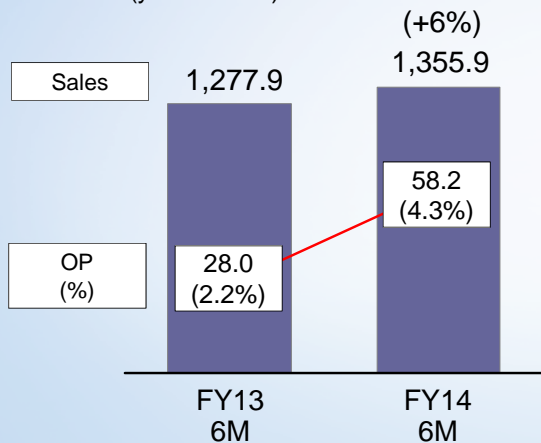
(yen: billions)



FY14 6M Results by Segment

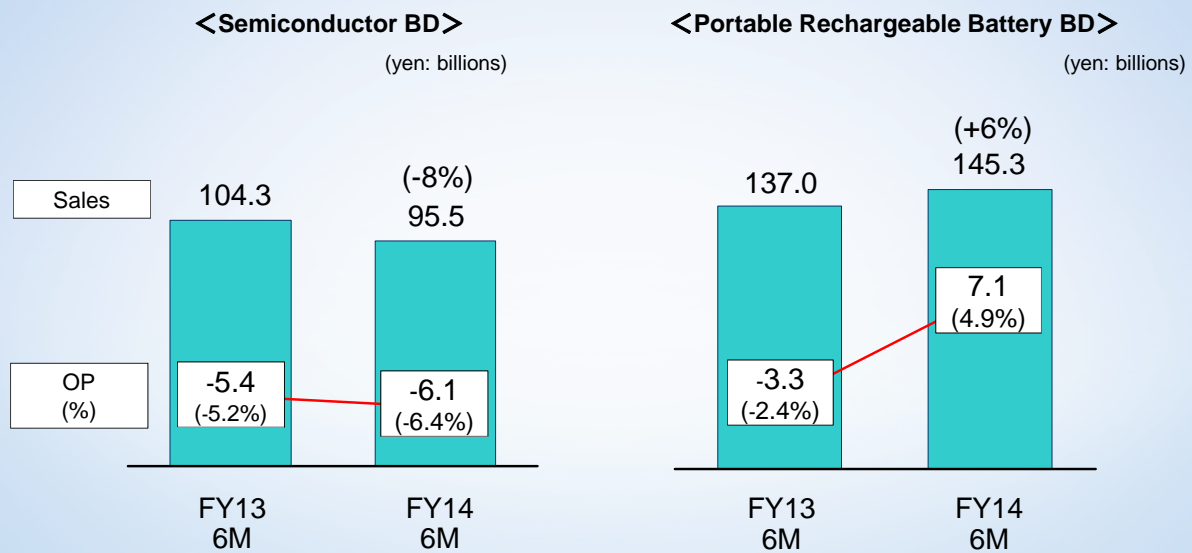
Automotive & Industrial Systems

(yen: billions)



- Sales**
 - Increased due to sales growth in Automotive-related business including Automotive Infotainment Systems BD and the positive impact of yen depreciation.
- OP**
 - Increased due mainly to expansion of automotive-related business and the positive impact of yen depreciation.

FY14 6M Major Unprofitable Businesses



Contents

1. Summary of second quarter and six months financial results
2. Revision of full year forecasts for fiscal 2014

FY14 Revised Full Year Forecasts

Upward revisions in sales and profits

(yen: billions)

	Revised Forecast	Original Forecast	difference
Sales	7,400.0	7,200.0	+ 200.0
Operating profit	270.0 (3.6%)	250.0 (3.5%)	+ 20.0
Pre-tax income	210.0 (2.8%)	140.0 (1.9%)	+ 70.0
Net income attributable to Panasonic Corporation	100.0 (1.4%)	50.0 (0.7%)	+ 50.0
Net cash	- 400.0 or less	- 500.0 or less	

Panasonic

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(Reference) List of Business Divisions

Appliances	AVC Networks	Automotive & Industrial Systems
Air-conditioner BD	TV BD	Automotive infotainment systems BD
Refrigerator BD	AV Network BD	Automotive electronics BD
Cold chain BD	DSC BD	Energy device BD
Refrigeration device BD	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 systems 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.
Eco Solutions		
Lighting BD		
Energy systems BD		
Housing systems BD		
Panasonic Ecology Systems Co.		
Other		
PanaHome Corporation		
Panasonic Healthcare Co.		
System LSI BD		

BD : Business Division

As of September 30, 2013