Fiscal 2015 First Quarter
Financial Results

July 31, 2014
Panasonic Corporation

Notes: 1. This is an English translation from the original presentation in
Japanese.
2. In this presentation, “fiscal 2015” or “FY2015” refers to the year
ending March 31, 2015.

• This presentation contains consolidated financial results for
the first quarter of the fiscal year 2015, ending March 31, 2015.
• This slide shows two main points regarding the first quarter of fiscal 2015.

• Firstly, sales increased in real terms (excluding the effects of exchange rates and business transfers). Sales decrease after the consumption tax increase in Japan was smaller than expected and sales in particular housing/automotive-related businesses continued to be favourable. Sales increased in all regions except Europe.

• The sales decrease trend in real terms over the last few years finally hit bottom and sales are now on an upward trend.

• Secondly, operating profit increased. Sales increases in real terms and fixed-cost reductions contributed to profit increase, offsetting the impact of the termination of corporate-wide measures.

• Ongoing business restructuring and measures to address challenging businesses are now bearing fruit and the Company’s management structure is steadily strengthening. Sales increases directly now enhance profitability following these changes in corporate structure.
• Consolidated group sales and operating profit for the first quarter were up compared with the previous year. Both pre-tax income and net income attributable to Panasonic Corporation decreased as a one-off gain from the transition to the defined contribution pension plan was recorded in the same period last year.
• First, this slide shows sales analysis by major product in the first quarter.

• Sales, in real terms excluding the effects of exchange rates and business transfers, increased by 28.7 billion yen from last year due to sales recovery in room air-conditioners which suffered last year in China. In addition, sales increased steadily in housing-related business such as energy systems and PanaHome, as well as automotive infotainment systems in automotive-related business.
• Sales analysis by region is shown here.

• Although sales in Europe were down due to weaker sales in TVs and DSCs as well as the impact of political instability in Ukraine, sales in the other regions increased from last year.

• In Japan, the impact of demand decrease after the consumption tax hike was smaller than expected and sales in housing-related business such as PanaHome and housing systems increased. In the Americas, automotive-related business including infotainment systems and batteries led to a strong positive impact on sales. In Asia, sales in LCD panels and wiring equipment were favourable. In China, sales in air-conditioners recovered significantly compared to last year when sales had decreased.
• Next, operating profit analysis compared with last year.

• Although the termination of corporate-wide measures and business transfers negatively impacted profitability, operating profit improved by 18.1 billion yen in total. This was due mainly to profitability improvement on the back of sales increases in real terms, reductions in fixed-costs and benefits from business restructuring.
• Next, operating profit analysis by segment.

• Although profitability in AIS declined, profitability in Appliances and AVC Networks improved significantly.

• Results by segment follow later.
• Next, pre-tax and net income analysis.

• Non-operating loss was 27.2 billion yen of which 6.2 billion yen was business restructuring expenses.

• With regard to measures to prevent further accidents of residential water heating systems, the Company is devoting all its effort to reassure its customers about the safety. This action is estimated to cost 9.2 billion yen which has been included in non-operating loss.

• Pre-tax income was 55.1 billion yen and net income attributable to Panasonic Corporation was 37.9 billion yen. Decreases in both profit figures were because of a one-off gain from the transition to the defined contribution pension plan recorded in the same period last year.
Next, free cash flow and net cash.

Free cash flow on the left hand side of the slide was 85.6 billion yen. As a result, net cash on the right hand side of the slide was minus 3.6 billion yen at the end of the first quarter of fiscal 2015.
### FY15 1Q Results by Segment

(1Q = Apr. to Jun.)

<table>
<thead>
<tr>
<th></th>
<th>FY15 1Q</th>
<th>(yen: billions)</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Sales vs. FY14 1Q OP vs. FY14 1Q</td>
<td></td>
</tr>
<tr>
<td>Appliances</td>
<td>465.4 +1% 22.5 +11.3</td>
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<tr>
<td>Eco Solutions</td>
<td>384.4 +4% 16.2 +1.0</td>
<td></td>
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<tr>
<td>AVC Networks</td>
<td>273.8 +1% -8.1 +7.3</td>
<td></td>
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<tr>
<td>Automotive &amp; Industrial Systems</td>
<td>680.4 +2% 23.5 -5.2</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>143.2 -18% -2.0 -0.3</td>
<td></td>
</tr>
<tr>
<td>Eliminations and adjustments</td>
<td>-94.9 - 30.2 +4.0</td>
<td></td>
</tr>
<tr>
<td>Consolidated total</td>
<td>1,852.3 +2% 82.3 +18.1</td>
<td></td>
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<tr>
<td>Appliances (production and sales consolidated) *</td>
<td>606.7 +2% 32.5 +11.5</td>
<td></td>
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</tbody>
</table>

*The figures in "Appliances (production and sales consolidated)" include the sales and profits of sales division for consumer products, which are included in "Eliminations and adjustments."

- Next, results by segment.
First, Appliances based on a production and sales consolidated.

Overall sales increased. In Japan, although lower demand after the consumption tax increase had a negative impact, shipments in air-conditioners and some other products were favourable. This was due to restocking distributors’ inventory which had been at a low level after strong demand prior to the consumption tax increase. Overseas sales also increased due to sales recovery in air-conditioners in China compared with last year when sales had sharply decreased.

Operating profit increased due to improvements in the profitability of the challenging businesses including air-conditioners and TVs. The device businesses such as motors and compressors, which are shifting to higher margin products range, also contributed to the overall profit increase.
Next, results in air-conditioner and TV businesses.

Sales in air-conditioner business on the left hand side of the slide increased due to shipment increases on the back of retailers’ restocking in Japan and sales recovery in China. Operating profit also improved due mainly to positive impacts from enhanced sales and rationalization.

In particular, in the challenging market of China, the Company achieved sales exceeding its target due to wide acclaim for the new products and enhancing sales promotion. The Company continues to enhance sales promotion in stores in order to steadily improve profitability.

Results in the TV business are shown on the right hand side of the slide. Sales increased in Japan but overall sales including in North America decreased owing to the termination of PDP business. Operating profit turned into the black due mainly to distribution reform and rationalization.

Increasing line-ups in large-sized LCD TVs and distribution reform in North America continue to contribute to the stable profit improvement.
• Next, Eco Solutions.

• Sales increased in all business divisions.

• In Japan, despite deceleration of growth in the housing market after the consumption tax rate hike, sales were favourable as the Company steadily captured demand. Backlog orders associated with a demand surge at the end of last quarter also contributed to sales increase. Overseas sales expanded due to newly-consolidated VIKO. There were also sales increases in strategic regions such as India and Asia.

• Operating profit increased attributable mainly to sales increases and rationalization. In particular, profitability in solar business for housing continues to be strong and contributes to overall operating profit.
• Next, AVC Networks.

• Sales decreased as a result of reforms in the challenging businesses such as PDPs and smartphones for consumer-use. However, overall sales increased due to favourable sales in core businesses such as Vertical Solution (Avionics and Infrastructure Systems) and Mobility (IT Products and Storage).

• Although operating loss was recorded in the first quarter due to the seasonal nature of the business, the level of profitability improved significantly compared with last year. Profitability increased in the core businesses centring on Mobility business. In the challenging businesses such as DSCs and mobile phones, profitability improved due to the impact of new products and cutbacks in products. Profitability in LCD panels also contributed to overall operating profit improvement due to steady sales increase.
• This slide shows results of LCD panel business.

• A significant sales increase for industrial-use panels as well as sales expansion for TV-use panels contributed to overall sales increase. Operating profit also improved as a consequence of marginal profit improvement and reductions in fixed-costs.

• The Company makes every effort to improve profitability through measures such as enhancing sales for industrial-use panels.
• Lastly, results of AIS.

• Sales decreased in cutback and withdrawal businesses such as optical pick-ups and circuit boards. However, overall sales increased thanks to favourable sales for automotive-related businesses such as Infotainment Systems and Portable Rechargeable Batteries. Positive impact of exchange rates also contributed to sales increase.

• Operating profit decreased. Although profitability for automotive-related business continues to be strong, it was unable to offset fixed-cost increases associated with the termination of corporate-wide measures.
• Next, results of semiconductor business.

• Although sales for automotive and industrial use were favourable, overall sales were down owing to sales decreases in semiconductors for AV and ICT use.

• Although operating profit decreased, this was largely attributable to last year’s corporate-wide measures. If the impact of this is excluded, profitability improved.

• The Company aims to improve profitability by prioritizing efforts in automotive and industrial use semiconductors, offsetting sales decrease for AV and ICT use. At the same time, the Company focuses on reaping the benefits of business restructuring carried out last year.
Lastly, full year segment forecast revision.

The April forecasts for fiscal 2015 have been reclassified following reorganization among segments on July 1, 2014.

Panasonic Liquid Crystal Display Co., Ltd. has been moved from AVC Networks to AIS while Panasonic Cycle Technology Co., Ltd. has moved from AIS to Appliances.

<table>
<thead>
<tr>
<th>FY15 full year</th>
<th>Revised figures</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sales</td>
</tr>
<tr>
<td>Appliances</td>
<td>1,819.0</td>
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<tr>
<td>Eco Solutions</td>
<td>1,637.0</td>
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<tr>
<td>AVC Networks</td>
<td>1,140.0</td>
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<tr>
<td>Automotive &amp; Industrial Systems (AIS)</td>
<td>2,766.0</td>
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<tr>
<td>Other</td>
<td>700.0</td>
</tr>
<tr>
<td>Eliminations and adjustments</td>
<td>-312.0</td>
</tr>
<tr>
<td>Consolidated total</td>
<td>7,750.0</td>
</tr>
<tr>
<td>Appliances (production and sales consolidated)</td>
<td>2,309.0</td>
</tr>
</tbody>
</table>
• Fiscal 2015 got off to a good start with better-than-expected first quarter results.

• On the other hand, the Company forecasts the second quarter cautiously taking account of demand decreases in particular in the housing-related business in Japan.

• The Company makes every effort to expand profitability by monitoring demand carefully and setting the published forecasts as minimum targets.
• Thank you for your continued support.
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The risks, uncertainties and other factors referred to above include, but are not limited to, economic conditions, particularly consumer spending and corporate capital expenditures in the Americas, Europe, Japan, China and other Asian countries; volatility in demand for electronic equipment and components from business and industrial customers, as well as consumers in many product and geographical markets; the possibility that excessive currency rate fluctuations of the U.S. dollar, the euro, the Chinese yuan and other currencies against the yen may adversely affect costs and prices of Panasonic’s products and services and certain other transactions that are denominated in these foreign currencies; the possibility of the Panasonic Group incurring additional costs of raising funds, because of changes in the fund raising environment; the possibility of the Panasonic Group not being able to respond to rapid technological changes and changing consumer preferences with timely and cost-effective introductions of new products in markets that are highly competitive in terms of both price and technology; the possibility of not achieving expected results on the alliances or mergers and acquisitions; the possibility of not being able to achieve its business objectives through joint ventures and other collaborative agreements with other companies, including due to the pressure of price reductions exceeding that which can be achieved by its effort and decrease in demand for products from business partners which Panasonic highly depends on in B2B business areas; the possibility of the Panasonic Group not being able to maintain competitive strength in many product and geographical areas; the possibility of incurring expenses resulting from any defects in products or services of the Panasonic Group; the possibility that the Panasonic Group may face intellectual property infringement claims by third parties; current and potential, direct and indirect restrictions imposed by other countries over trade, manufacturing, labor and operations; fluctuations in market prices of securities and other assets in which the Panasonic Group has holdings or changes in valuation of long-lived assets, including property, plant and equipment and goodwill, deferred tax assets and uncertain tax positions; future changes or revisions to accounting policies or accounting rules; as well as other natural disasters including earthquakes, prevalence of infectious diseases throughout the world, disruption of supply chain and other events that may negatively impact business activities of the Panasonic Group. The factors listed above are not all-inclusive and further information is contained in the most recent English translated version of Panasonic’s securities reports under the FIEA and any other documents which are disclosed on its website.

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.
### Segments and Business Divisions

#### Appliances
- Air-Conditioner BD
- Refrigeration and Air-Conditioning Devices BD
- Refrigerator BD
- Cold Chain BD
- Laundry Systems and Vacuum Cleaner BD
- Kitchen Appliances BD
- Beauty and Living BD
- Home Entertainment BD
- Motor BD
- Smart Energy System BD
- Panasonic Cycle Technology Co., Ltd.

#### AVC Networks
- Imaging Network BD
- Storage BD
- Visual Systems BD
- Avionics BD
- IT Products BD
- Security Systems BD
- Communication Products BD
- Office Products BD
- Infrastructure Systems BD
- System Solutions Company (Japan)

#### Automotive & Industrial Systems
- Automotive Infotainment Systems BD
- Automotive Electronics BD
- Energy Device BD
- Panasonic Storage Battery Co., Ltd.
- Portable Rechargeable Battery BD
- Automotive Battery BD
- Capacitor BD
- Circuit Components BD
- Electromechanical Components BD
- Electronic Materials BD
- Automation Controls BD
- Panasonic Semiconductor Solutions Co., Ltd.
- Panasonic Precision Devices Co., Ltd.
- Panasonic Factory Solutions Co., Ltd.
- Panasonic Welding Systems Co., Ltd.
- Panasonic Liquid Crystal Display Co., Ltd.

#### Eco Solutions
- Lighting BD
- Energy Systems BD
- Housing Systems BD
- Panasonic Ecology Systems Co., Ltd.

#### Other
- PanaHome Corporation
- System LSI BD

*BD : Business Division*

As of July 1, 2014