

Panasonic

Fiscal 2015 Financial Results

Fiscal 2016 Financial Forecast

April 28, 2015
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 ended March 31, 2015.
In addition, "fiscal 2016" or "FY16" refers to the year ending March 31, 2016.*

Contents

1. Fiscal 2015 Financial Results

2. Fiscal 2016 Financial Forecast

Summary of FY2015 Results

- ✓ Sales : despite overall sales decrease, sales in automotive business were strong
- ✓ O P : achieved 5% OP ratio, a mid-term plan target
- ✓ F C F : steadily generating free-cash flow following the previous year

FY2015 Annual Results

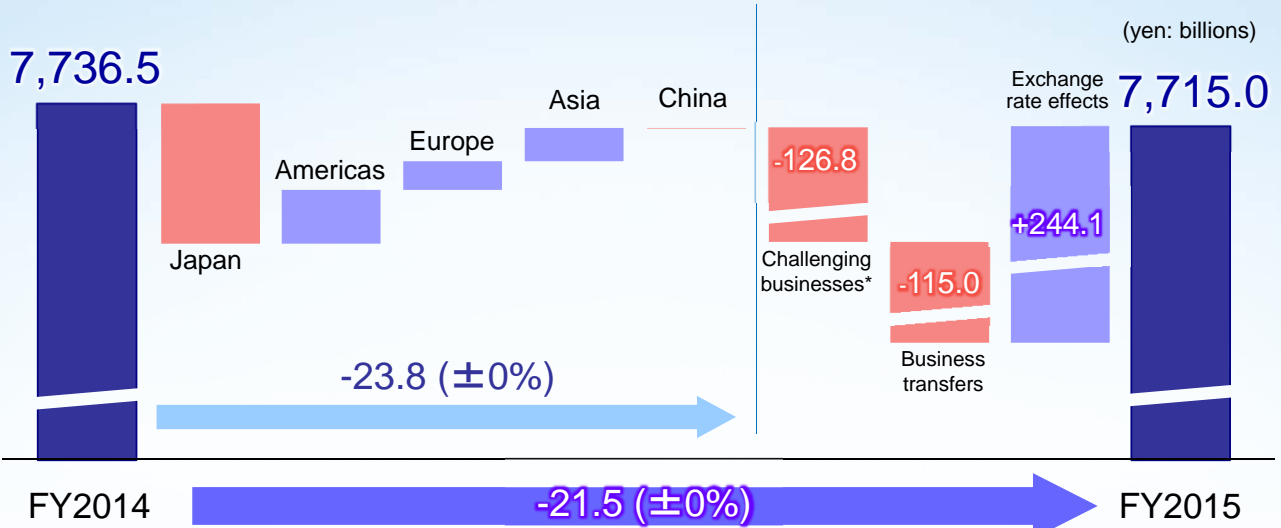
(yen: billions)

	FY15	FY14	vs. FY14/difference		FY15 forecast
Sales	7,715.0	7,736.5	±0%(-3%)*	-21.5	7,750.0
Operating profit	381.9 (5.0%)	305.1 (3.9%)	+25%	+76.8	350.0 (4.5%)
Pre-tax income	182.5 (2.4%)	206.2 (2.7%)	-12%	-23.7	160.0 (2.1%)
Net income **	179.5 (2.3%)	120.4 (1.6%)	+49%	+59.1	175.0 (2.3%)
ROE	10.6%	8.6%	-	+2.0%	-
Exchange rates	1 US dollar	110 yen	100 yen		
	1 Euro	139 yen	134 yen		
	1 Renminbi	17.74 yen	16.41 yen		

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

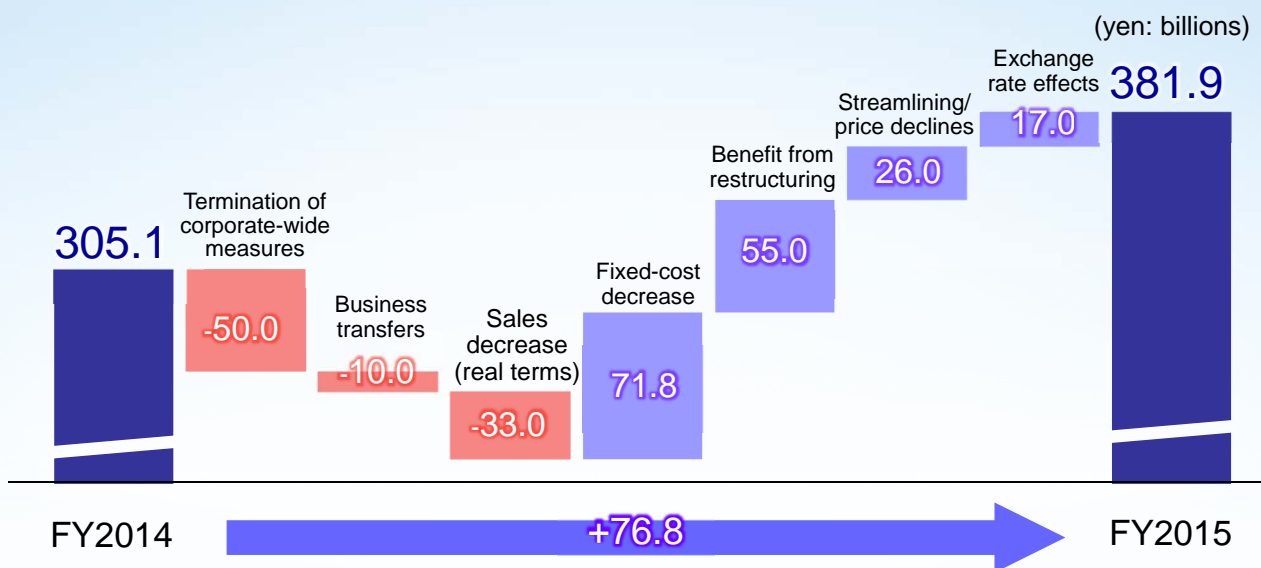
** Net income attributable to Panasonic Corporation

FY2015 Sales Analysis by Region (vs. FY14)



* TV/Plasma panel, Semiconductor, Circuit board, Optical device, Mobile phone, DSC

FY2015 Operating Profit Analysis (vs. FY14)



FY2015 Results by Segment

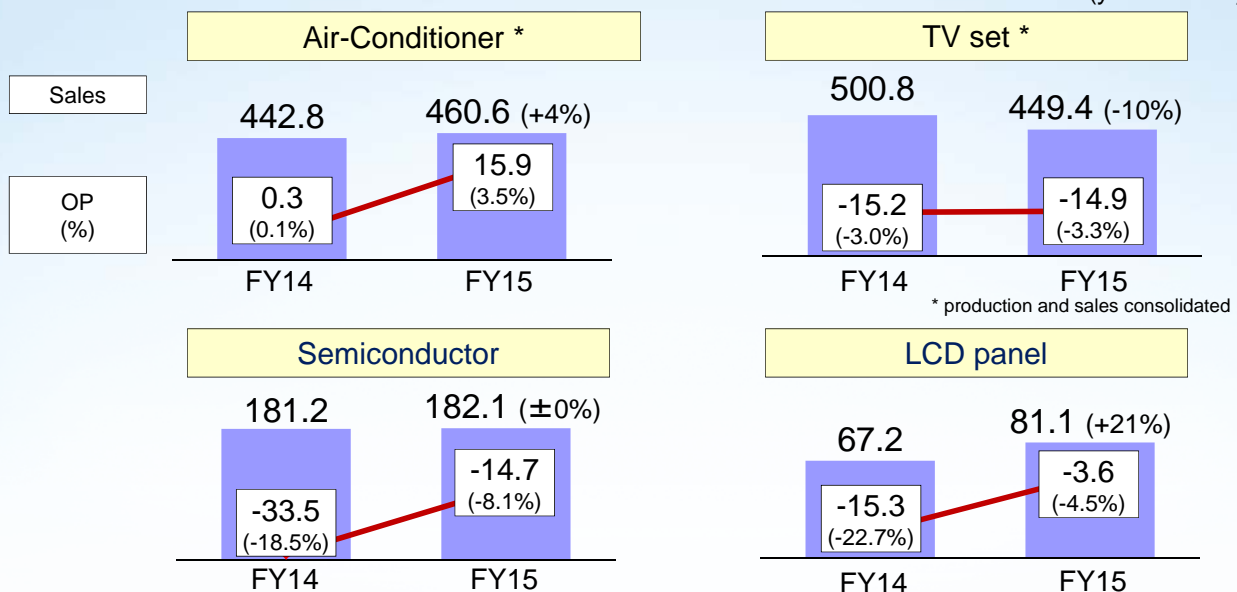
(yen: billions)

	FY15			
	Sales	vs. FY14	OP	vs. FY14
Appliances	1,769.7	±0%	40.5	+11.0
Eco Solutions	1,666.0	-1%	95.3	+3.2
AVC Networks	1,154.3	±0%	51.8	+16.1
Automotive & Industrial Systems (AIS)	2,782.5	+2%	105.7	+36.5
Other	764.5	-14%	14.6	-9.7
Eliminations and adjustments	-422.0	-	74.0	+19.7
Consolidated total	7,715.0	±0%	381.9	+76.8
Appliances (production and sales consolidated) *	2,308.6	-1%	55.2	+14.2

* 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."

FY2015 Major Challenging Businesses

(yen: billions)



FY2015 Pre-tax and Net Income Analysis

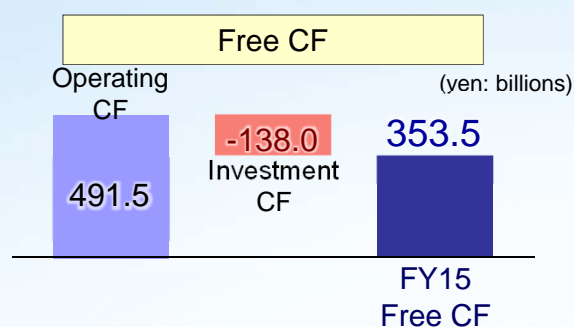
(yen: billions)

	FY15	vs. FY14
Operating profit	381.9	+76.8
Non-operating income / loss *	-199.4	-100.5
Pre-tax income	182.5	-23.7
Provision for income taxes	-2.0	-91.7
Equity in earnings of associated companies	11.9	+6.8
Net income	196.4	+74.8
Less net income attributable to noncontrolling interests	16.9	+15.7
Net income attributable to Panasonic Corporation	179.5	+59.1

* Detail of non-operating income / loss

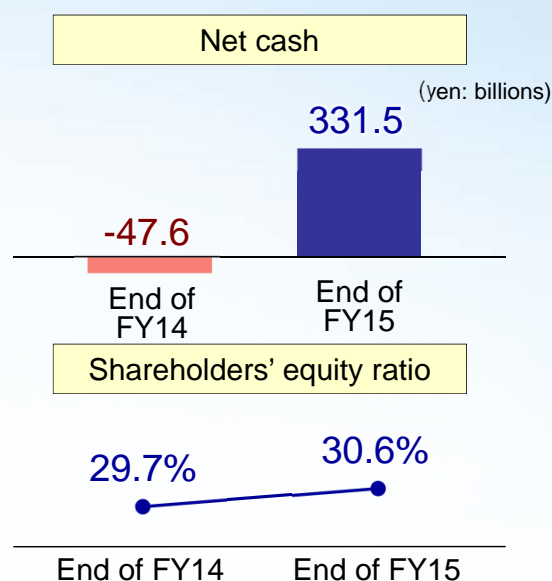
Business restructuring expenses	-94.9	+112.5
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Free CF, Net Cash and Shareholders' Equity Ratio



<FY15 Free CF by segment>

Appliances	1.9
Eco Solutions	68.8
AVC Networks	79.1
Automotive & Industrial Systems	89.9



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FY2016 Full Year Forecasts

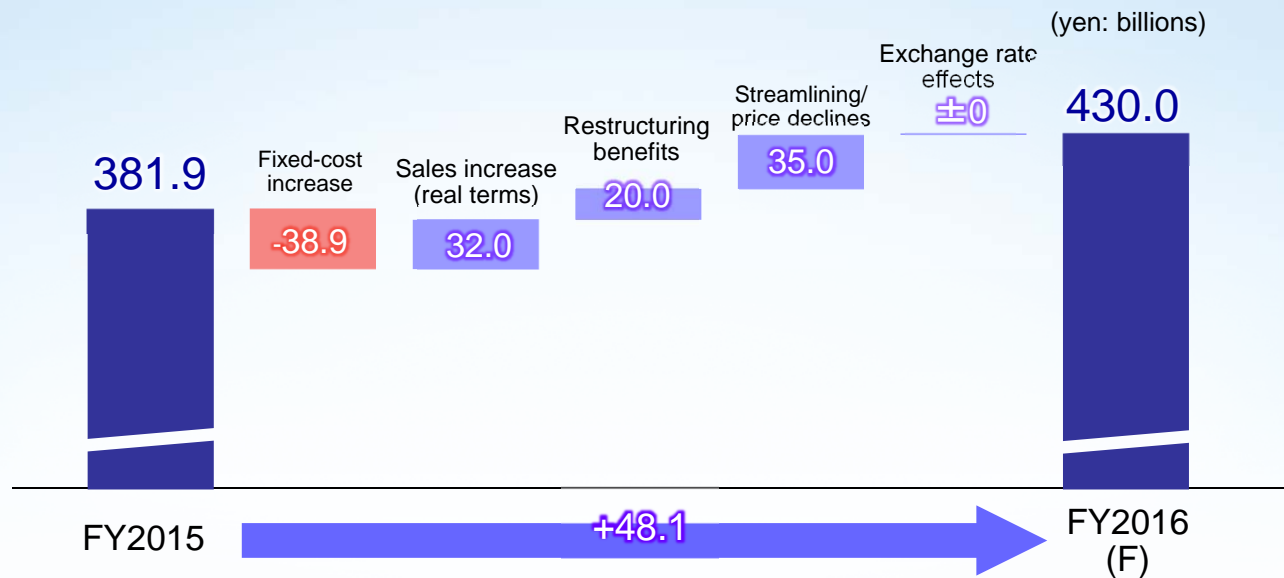
(yen: billions)

	FY16 Forecasts	FY15 Results	vs. FY15 / difference	
Sales	8,000.0	7,715.0	+4%	+285.0
Operating profit	430.0 (5.4%)	381.9 (5.0%)	+13%	+48.1
Pre-tax income	300.0 (3.8%)	182.5 (2.5%)	+64%	+117.5
Net income*	180.0 (2.3%)	179.5 (2.3%)	±0%	+0.5

Exchange rates		FY16 Forecasts	FY15 Results
	1 US dollar	115 yen	110 yen
	1 Euro	135 yen	139 yen
	1 Renminbi	19.50 yen	17.74 yen

* Net income attributable to Panasonic Corporation

FY2016 Operating Profit Analysis (vs. FY2015)



13 | FY2015 Results / FY2016 Forecast

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FY2016 Pre-tax and Net Income Analysis

(yen: billions)

	FY16 Forecast	FY15 Results	difference
Operating profit	430.0	381.9	+48.1
Non-operating income / loss *1	-130.0	-199.4	+69.4
Pre-tax income	300.0	182.5	+117.5
Net income attributable to Panasonic Corporation	180.0	179.5 *2	+0.5

*1: Detail of non-operating income / loss

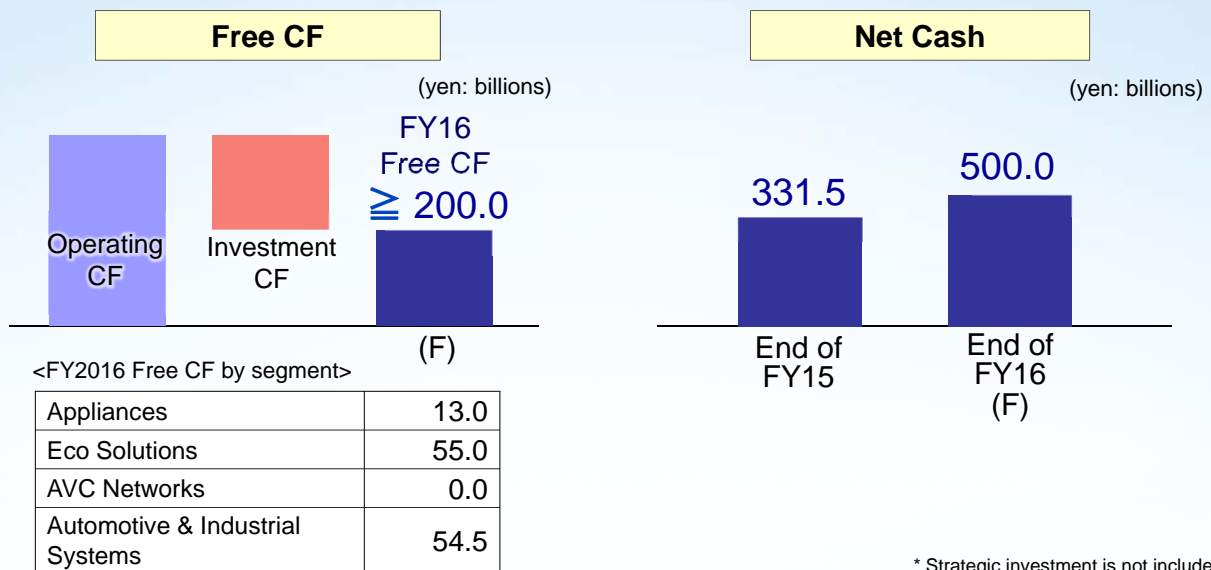
Business restructuring expenses	-40.0	-94.9	+54.9
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*2: recording of 130.2 billion yen in deferred tax assets was included

14 | FY2015 Results / FY2016 Forecast

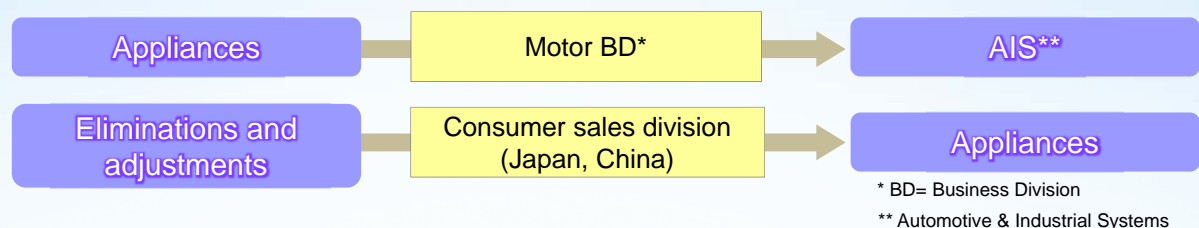
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FY2016 Free CF and Net Cash *

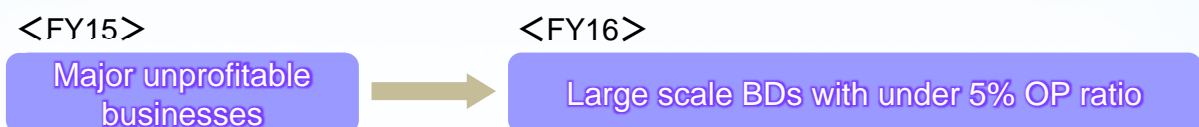


Changes in Segments

1. Business transfers associated with reorganization



2. Changes in the businesses for disclosure of results



Re-clarification following Changes in Segments

□ : changes (yen: billions)

	FY15 (former segments)		FY15 (new segments)	
	Sales	OP	Sales	OP
Appliances	1,769.7	40.5	2,334.8	49.8
Eco Solutions	1,666.0	95.3	1,666.0	95.3
AVC Networks	1,154.3	51.8	1,154.3	51.8
Automotive & Industrial Systems	2,782.5	105.7	2,796.8	116.4
Other	764.5	14.6	764.5	14.6
Eliminations and adjustments	-422.0	74.0	-1,001.4	54.0
Consolidated total	7,715.0	381.9	7,715.0	381.9
Appliance (production and sales consolidated)*	2,308.6	55.2	2,552.5	50.8

* 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."

FY2016 Full Year Segment Forecast (yen: billions)

	FY16 forecast			
	Sales	vs. FY15	OP	vs. FY15
Appliances	2,320.0	-1%	71.0	+21.2
Eco Solutions	1,726.0	+4%	104.5	+9.2
AVC Networks	1,236.0	+7%	67.5	+15.7
Automotive & Industrial Systems	2,835.0	+1%	142.5	+26.1
Other	670.0	-12%	12.0	-2.6
Eliminations and adjustments	-787.0	-	32.5	-21.5
Consolidated total	8,000.0	+4%	430.0	+48.1
Appliances (production and sales consolidated) *	2,590.0	+1%	73.6	+22.8

* 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."

Sales and OP Forecasts in 6 Large Scale BDs

(yen: billions)

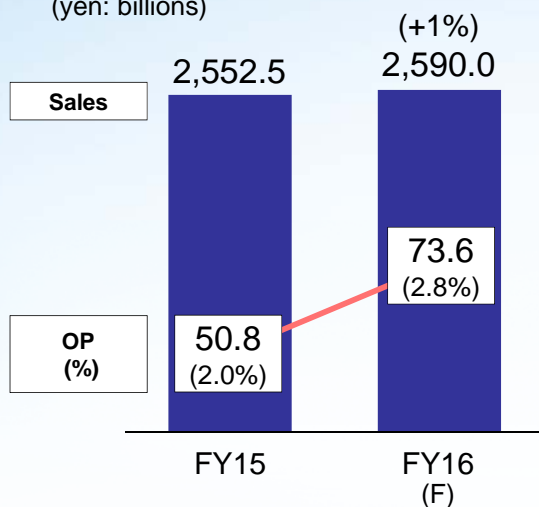
	FY16 forecasts				
	Sales	vs. FY15	OP	%	vs. FY15
Air-Conditioner ^{*1}	513.3	+11%	19.8	3.8%	+3.9
Lighting	342.3	+8%	21.0	6.1%	+6.1
Housing Systems	374.6	+2%	18.6	5.0%	+7.4
Automotive Infotainment Systems	540.0	+2%	25.3	4.7%	+4.8
Rechargeable Battery ^{*2}	406.0	+7%	22.7	5.6%	+15.3
PanaHome	345.0	+6%	17.1	5.0%	+4.3
Total of 6 BDs	2,521.2	+6%	124.5	4.9%	+41.8

*1: Air-Conditioner Company + its sales division (production & sales consolidated)

*2: Rechargeable Battery BD + Tesla BU

FY2016 Appliances (production and sales consolidated)

(yen: billions)



<FY16 forecast>

Sales

UP

- increase mainly in Asia and China
- strengthen sales in BtoB business (large sized air-conditioning, cold-chain)

Operating profit

UP

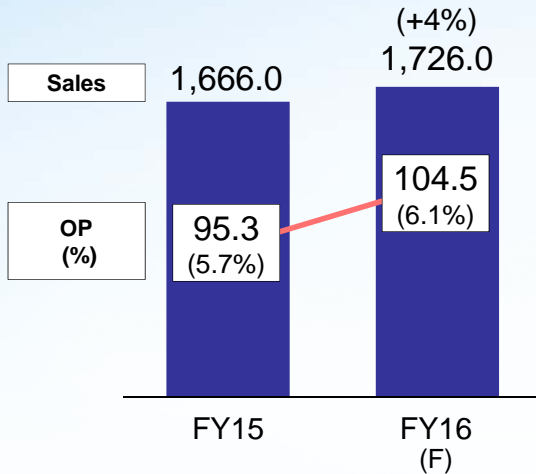
- profit structure change by shifting resources to BtoB & overseas businesses
- profit improvement in challenging businesses

<TV set business forecast (production & sales consolidated)>

	FY16	vs. FY15
Sales	360.9	-20%
OP	0.3	+15.2

FY2016 Eco Solutions

(yen: billions)



<FY16 forecast>

Sales

UP

- favourable after the impact of consumption tax hike disappear in Japan
- overseas sales expand mainly in strategic regions

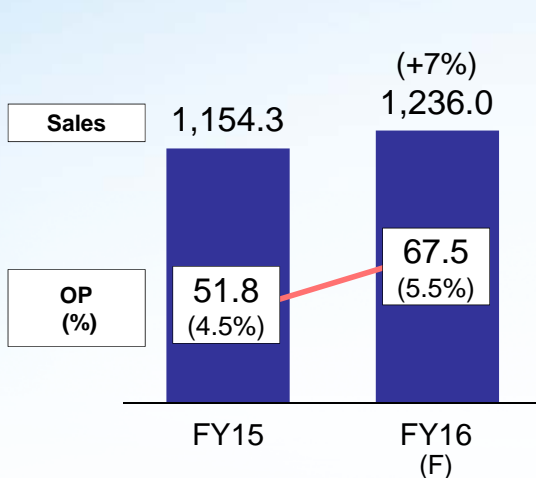
Operating profit

UP

- sales expansion and rationalization offset price decline and the negative impact of currency fluctuation.

FY2016 AVC Networks

(yen: billions)



<FY16 forecast>

Sales

UP

- expand mainly in Visual & Imaging and Mobility Businesses*

Operating profit

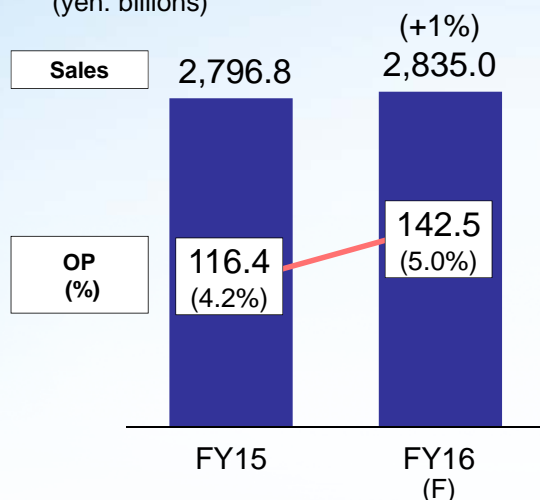
UP

- increase due to sales expansion

* Consisting BDs
 - Visual & Imaging Business : Imaging Network BD, Security Systems BD, Visual Systems BD
 - Mobility Business : IT Products BD, Storage BD

FY2016 Automotive & Industrial Systems

(yen: billions)



<FY16 forecast>

Sales

UP

- growing businesses mainly for automotive and industrial lead to the sales increase

Operating profit

UP

- development investment and depreciation expenses will be offset mainly by sales increases in growing businesses

IFRS Voluntary Adoption

IFRS will be adopted voluntarily from year-end financial results for fiscal 2017

<Disclosing schedule (plan)>

Financial result period		Disclosing materials	Adopted accounting standards
Fiscal 2017	Q1, Q2 and Q3	<ul style="list-style-type: none"> Quarterly financial results Quarterly report 	U.S. GAAP
	Year end	<ul style="list-style-type: none"> Financial results Financial documents under the Companies Act Annual securities report 	IFRS

- ✓ By adopting group-wide common accounting rules, the Company will achieve high standardization of measures to control group companies, enhance corporate governance, and increase the corporate value by focusing on the cash flows.

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Disclaimer Regarding Forward-Looking Statements

This presentation includes forward-looking statements (that include those within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended about Panasonic and its Group companies (the Panasonic Group). To the extent that statements in this presentation do not relate to historical or current facts, they constitute forward-looking statements. These forward-looking statements are based on the current assumptions and beliefs of the Panasonic Group in light of the information currently available to it, and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause the Panasonic Group's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. Panasonic undertakes no obligation to publicly update any forward-looking statements after the date of this presentation. Investors are advised to consult any further disclosures by Panasonic in its subsequent filings under the Financial Instrument and Exchange Act of Japan (the FIEA) and other publicly disclosed documents.

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 reduction exceeding that which can be achieved by its effort and decrease in demand for products from business partners which Panasonic highly depends on in BtoB 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 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.

(Reference) Segments and Business Divisions

Appliances

Air-Conditioner Company
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
TV BD
Panasonic Cycle Technology Co., Ltd.
Smart Energy System BD

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 Systems BD
Rechargeable Battery BD
Energy Device BD
Panasonic Storage Battery Co., Ltd.
Electromechanical Control BD
Panasonic Semiconductor Solutions Co., Ltd.
Device Solutions BD
Electronic Materials BD
Panasonic Liquid Crystal Display Co., Ltd.
Smart Factory Solutions BD

Eco Solutions

Lighting BD
Energy Systems BD
Housing Systems BD
Panasonic Ecology Systems Co., Ltd.

Other

PanaHome Corporation

As of April 1, 2015