

# **Fiscal 2016 First Quarter Financial Results**

July 29, 2015

Panasonic Corporation

- Notes:** 1. *This is an English translation from the original presentation in Japanese.*  
2. *In this presentation, “fiscal 2016” or “FY2016” refers to the year ending March 31, 2016.*

## **Summary of FY16 1Q Results**

- ✓ **S a l e s** : Increased, in particular in automotive- and industrials-use, and solutions business. Yen depreciation also helped overall sales improvement.
- ✓ **O P** : Decreased due mainly to slower recovery in the housing market in Japan. However, profits in industrial-use and solutions business improved.
- ✓ **Net income\*** : Increased due mainly to reduction in non-operating expenses.
- ✓ **Six Large scale BDs** : As planned with the exception of housing-related businesses.

\* Net income attributable to Panasonic Corporation

## FY16 1Q Financial Results

(1Q = Apr. to Jun.)

(yen: billions)

	FY16 1Q	FY15 1Q	vs. FY15 1Q/ difference	
Sales	1,857.8	1,852.3	±0%	(-5%)* +5.5
Operating profit	76.6 (4.1%)	82.3 (4.4%)	-7%	-5.7
Pre-tax income	72.7 (3.9%)	55.1 (3.0%)	+32%	+17.6
Net income *	59.5 (3.2%)	37.9 (2.0%)	+57%	+21.6

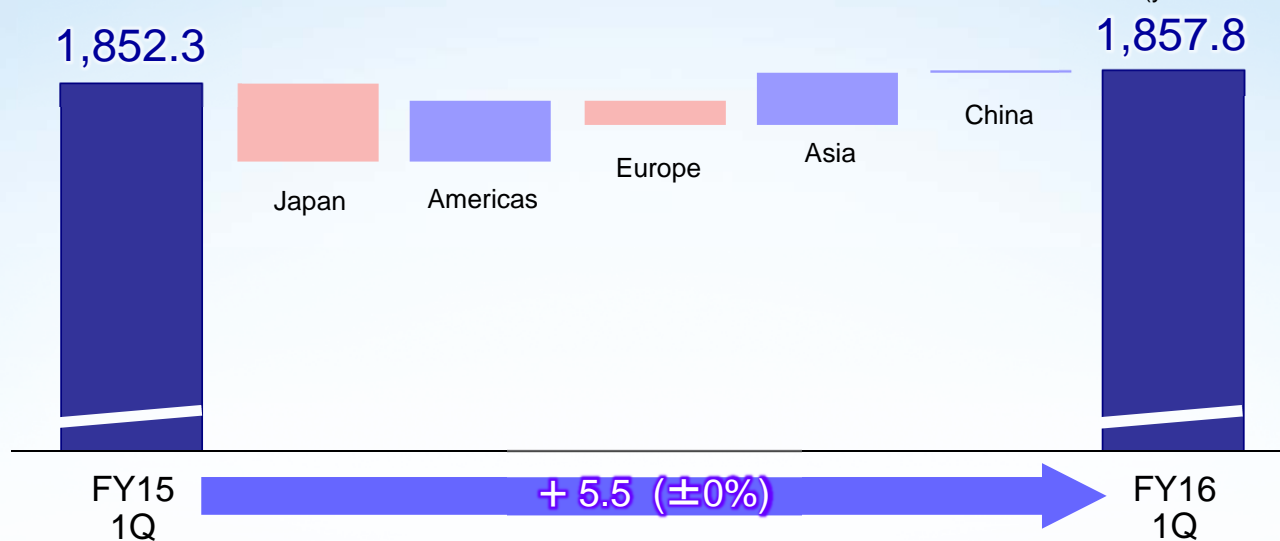
Exchange rates	1 US dollar	121 yen	102 yen
	1 Euro	134 yen	140 yen
	1 Renminbi	19.56 yen	16.40 yen

\* Local currency basis excluding the effects of exchange rate (unreviewed)

\*\* Net income attributable to Panasonic Corporation

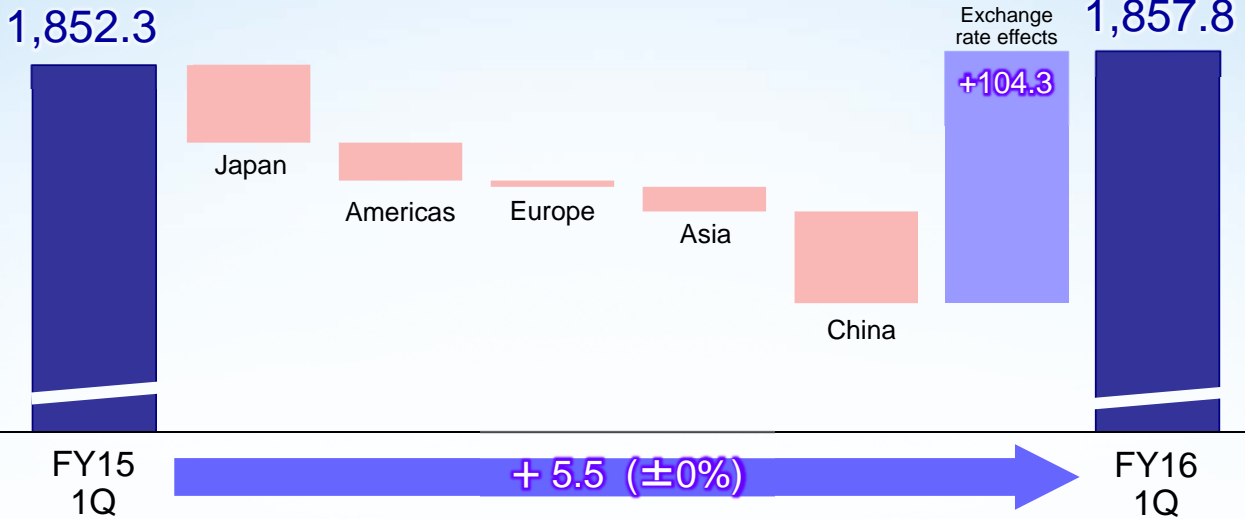
## FY16 1Q Sales Analysis by Region (vs. FY15 1Q) yen basis

(yen: billions)



## FY16 1Q Sales Analysis by Region (vs. FY15 1Q) local currency basis

(yen: billions)

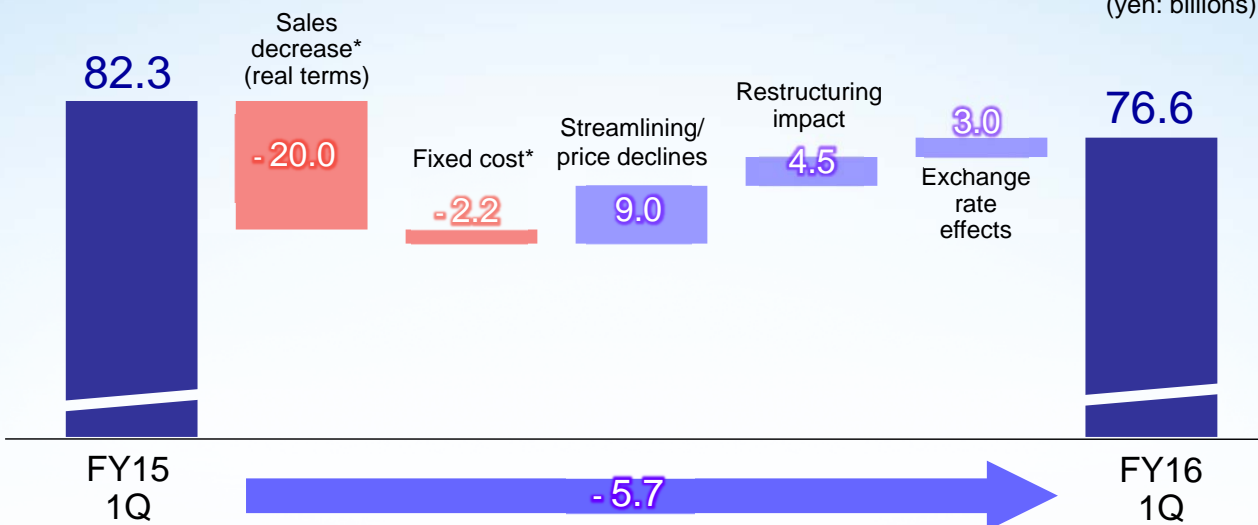


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## FY16 1Q Operating Profit Analysis (vs. FY15 1Q)

(yen: billions)



\* Real impact excluding withdrawn businesses

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## FY16 1Q Pre-tax and Net Income Analysis

(1Q = Apr. to Jun.)

(yen: billions)

	FY16 1Q	vs. FY15 1Q
Operating profit	76.6	-5.7
Non-operating income / loss *	-3.9	+23.3
Pre-tax income	72.7	+17.6
Provision for income taxes	11.3	-3.7
Equity in earnings of associated companies	4.3	+2.3
Net income	65.7	+23.6
Less net income attributable to noncontrolling interests	6.2	+2.0
Net income attributable to Panasonic Corporation	59.5	+21.6
* Detail of non-operating income / loss		
Business restructuring expenses	-4.8	+1.4

## FY16 1Q Results by Segment

(1Q = Apr. to Jun.)

(yen: billions)

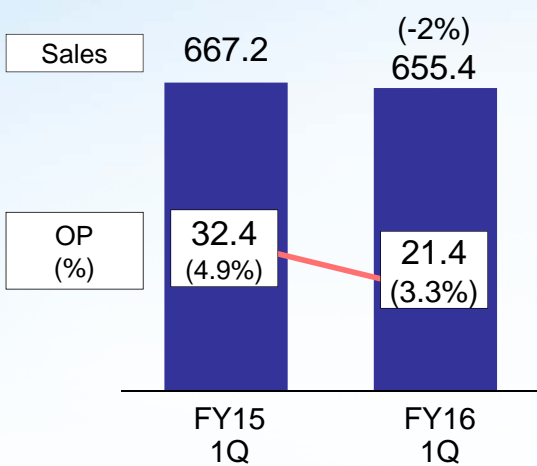
	FY16 1Q			
	Sales	vs. FY15 1Q	OP	vs. FY15 1Q
Appliances	599.0	-3%	23.8	-7.2
Eco Solutions	370.2	-4%	9.2	-7.0
AVC Networks	271.2	+5%	5.1	+8.2
Automotive & Industrial Systems	696.6	+2%	28.5	+7.4
Other	123.1	-14%	-5.2	-3.2
Eliminations and adjustments	-202.3	-	15.2	-3.9
Consolidated total	1,857.8	±0%	76.6	-5.7
Appliances (production and sales consolidated) *	655.4	-2%	21.4	-11.0

\* 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."

Results by segment

# Appliances (production and sales consolidated)

(yen: billions)



## <FY16 1Q>

### Sales

DOWN

- Sales in TV business were down
- Sales in appliances were favorable

### Operating profit

DOWN

- Impacted by sales decreases
- Suddenly worsened due to exchange rate fluctuations

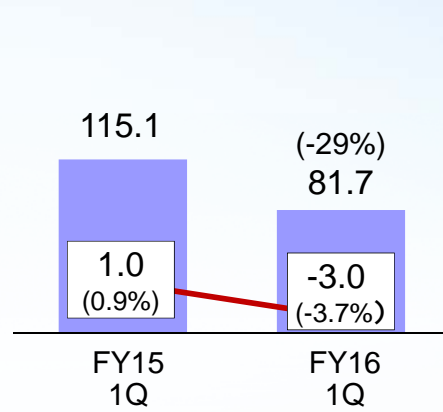
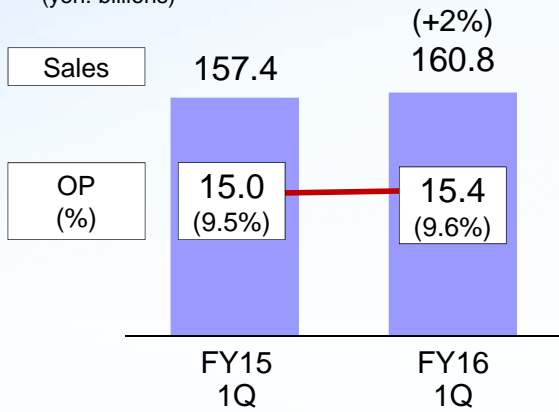
# Appliances, Individual businesses

(production and sales consolidated)

## Air-conditioner business

## TV business

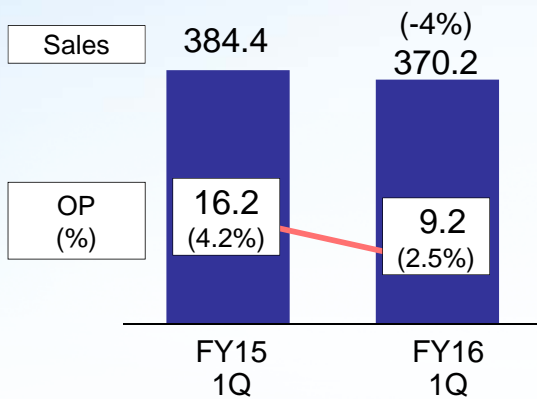
(yen: billions)



Results by segment

# Eco Solutions

(yen: billions)



<FY16 1Q>

### Sales

**DOWN** ■ Due mainly to slower recovery in housing market in Japan

### Operating profit

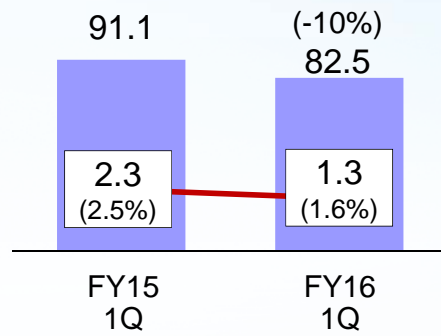
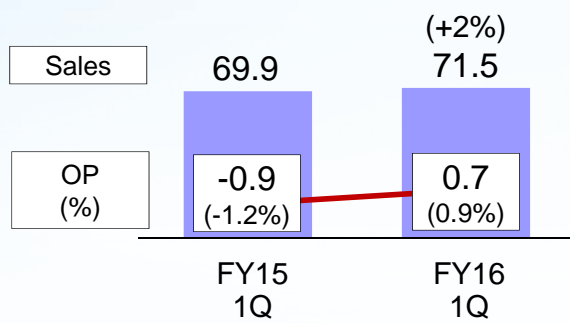
**DOWN** ■ Due to sales decreases, product price declines and negative impact of exchange rate fluctuations

## Eco Solutions, Individual businesses

### Lighting BD

### Housing Systems BD

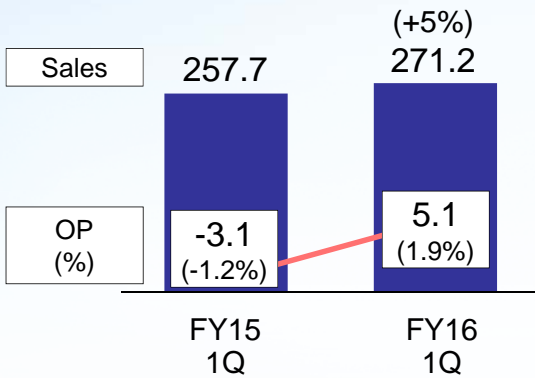
(yen: billions)



Results by segment

# AVC Networks

(yen: billions)



<FY16 1Q>

### Sales

UP

■ Mainly in the Vertical Solution and Visual and Imaging Businesses

### Operating profit

UP

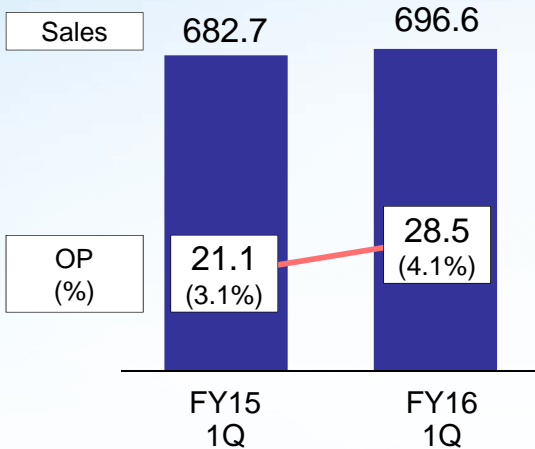
■ Due to sales increases

\* Consisting BDs  
 - Vertical Solution Business : Avionics BD, Infrastructure Systems BD  
 - Visual & Imaging Business : Imaging Network BD, Security Systems BD, Visual Systems BD

Results by segment

# Automotive & Industrial Systems (AIS)

(yen: billions)



<FY16 1Q>

### Sales

UP

■ For automotive- and industrial-use such as automotive electronics, LCD panels and FA business

### Operating profit

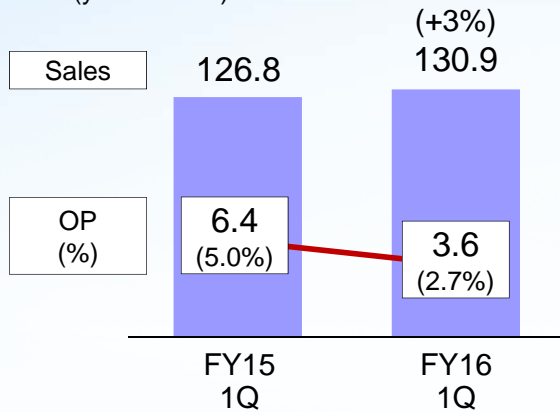
UP

■ R&D cost increases mainly in automotive-use were offset by rationalization in materials and fixed-cost reductions

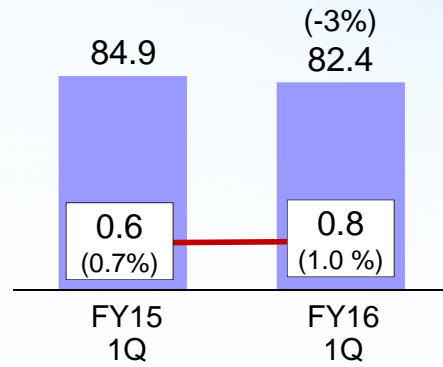
## AIS, Individual businesses

### Automotive Infotainment Systems BD

(yen: billions)



### Rechargeable Battery BD \*



\* Rechargeable Battery BD + Tesla BU

## Sales and OP in Six Large Scale BDs

(yen: billions)

	FY16 1Q				
	Sales	vs. FY15	OP	%	vs. FY15
Air-Conditioner <sup>*1</sup>	160.8	+2%	15.4	9.6%	+0.4
Lighting	71.5	+2%	0.7	0.9%	+1.5
Housing Systems	82.5	-10%	1.3	1.6%	-1.0
Automotive Infotainment Systems	130.9	+3%	3.6	2.7%	-2.8
Rechargeable Battery <sup>*2</sup>	82.4	-3%	0.8	1.0%	+0.2
PanaHome	64.4	-7%	-1.7	-2.6%	-1.8
<b>Total of six BDs</b>	<b>592.5</b>	<b>-1%</b>	<b>20.1</b>	<b>3.4%</b>	<b>-3.5</b>

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

\*2: Rechargeable Battery BD + Tesla BU



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(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 July 29, 2015