

Fiscal 2013 Second Quarter and Six Months Financial Results

October 31, 2012
Panasonic Corporation
Hideaki Kawai

*Notes: 1. This is an English translation from the original presentation in Japanese.
2. In this presentation, "fiscal 2013" or "FY13" refers to the year ending March 31, 2013. In addition, "fiscal 2013 six months" or "FY13 6M" refers to the period from April to September 2012.*

FY13 Summary of Six Months Results

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- 1. Worsening market conditions in digital consumer products* and economic slowdown in emerging countries contributed to a significant overall sales decline.**
- 2. Operating profit was almost in line with the original forecast due to significant fixed cost reductions.**
- 3. A significant net loss was recorded mainly as a result of impairment of goodwill and intangible assets as well as an increase in valuation allowances to deferred tax assets.**

* Digital products for consumers as well as devices and production facilities to be used for these products

1. Summary of second quarter and six months financial results

2. Revision of full year forecasts for fiscal 2013

FY13 Six Months Results

(yen: billions)

	FY13 6M (Apr. to Sept.)	FY12 6M (Apr. to Sept.)	vs. FY12 /difference	Original forecasts (May 11)
Domestic	1,878.2	2,036.4	-8%	-
Overseas	1,760.0	1,968.8	-11% (-7%)*	-
Sales	3,638.2	4,005.2	-9% (-8%)* -367.0	3,960.0
Operating profit	87.4 (2.4%)	47.6 (1.2%)	+84% +39.8	90.0
Pre-tax income / loss	-278.7 (-7.7%)	-159.3 (-4.0%)	- -119.4	60.0
Net income / loss**	-685.2 (-18.8%)	-136.2 (-3.4%)	- -549.0	15.0

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

** Net income / loss attributable to Panasonic Corporation

FY13 2nd Quarter Results (July to Sept.) 5

(yen: billions)

		FY13 2Q (July to Sept.)	FY12 2Q (July to Sept.)	vs. FY12/ difference	
Sales	Domestic	956.1	1,068.8	-11%	
	Overseas	867.6	1,006.9	-14%	(-12%)*
		1,823.7	2,075.7	-12%	(-11%)* -252.0
Operating profit		48.8 (2.7%)	42.0 (2.0%)	+16%	+6.8
Pre-tax income / loss		-316.5 (-17.4%)	-141.9 (-6.8%)	-	-174.6
Net income / loss**		-698.0 (-38.3%)	-105.8 (-5.1%)	-	-592.2

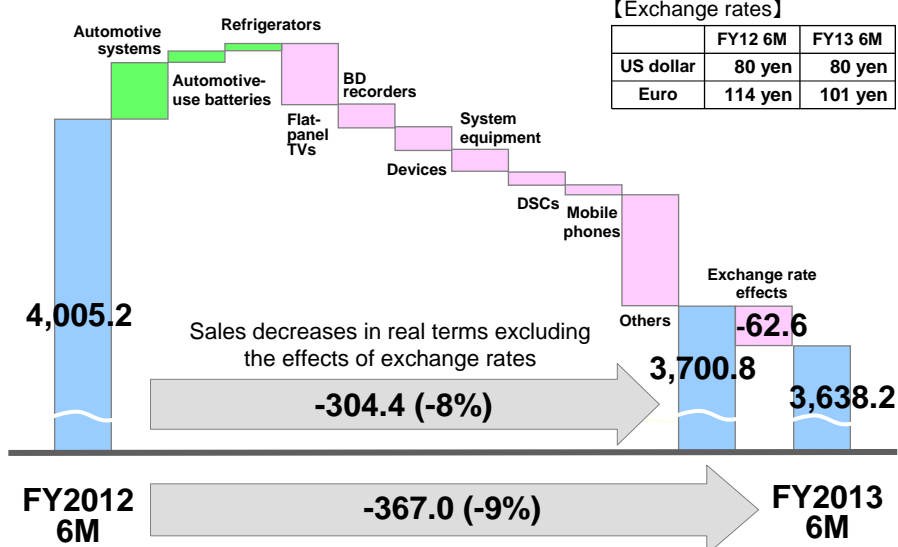
* Real terms excluding the effects of exchange rates (unreviewed)

** Net income / loss attributable to Panasonic Corporation

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FY13 6M Sales Analysis by Products (vs. FY12 6M) 6

(yen: billions)



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FY13 6M Global Sales by Region

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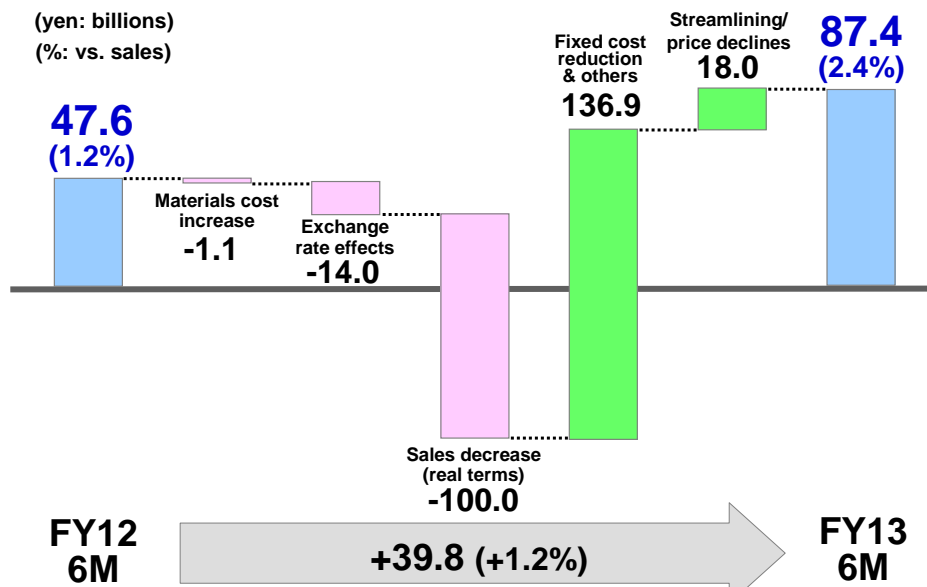
(yen: billions)

	Sales	vs. FY12		Sales proportion by region (vs. FY12)	
		Yen basis	Local currency basis		
Japan	1,878.2	-8%	-	52%	(+1%)
Americas	486.6	+1%	+3%	13%	48% (-1%)
Europe	320.4	-17%	-7%	9%	
Asia	438.4	-15%	-11%	12%	
China	514.6	-12%	-12%	14%	
Total	3,638.2	-9%	-8%	100%	

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FY13 6M Operating Profit Analysis (vs. FY12 6M)

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FY13 6M Results by Segment

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(yen: billions)

	6M (Apr. to Sept.)			
	Sales	vs. FY12	Operating profit/loss	vs. FY12
AVC Networks	690.0	-24%	19.9	+35.6
Appliances	814.0	+2%	51.0	-1.8
Systems & Communications	357.3	-12%	-10.0	-3.4
Eco Solutions	740.3	±0%	18.6	-0.8
Automotive Systems	382.7	+38%	8.7	+8.0
Industrial Devices	693.6	-8%	17.9	+18.5
Energy	292.5	-5%	2.8	+12.6
Other	698.3	-29%	9.4	-5.3
Subtotal	4,668.7	-10%	118.3	+63.4
Corporate and eliminations	-1,030.5	—	-30.9	-23.6
Consolidated Total	3,638.2	-9%	87.4	+39.8

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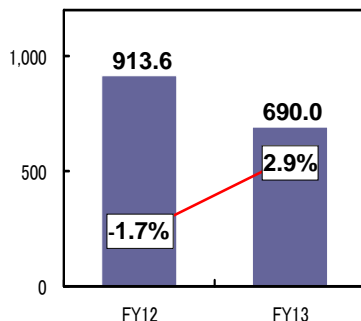
AVC Networks

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Profitability improved due to restructuring benefits and fixed cost reductions.

6M (Apr. to Sept.)

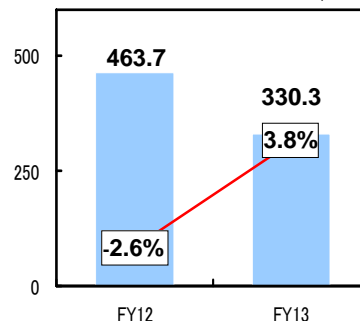
(sales = billion yen) (OP = %)



Sales : 690.0 (vs. FY12: -24%)
OP : 19.9 (2.9%)

2Q (July to Sept.)

(sales = billion yen) (OP = %)



Sales : 330.3 (vs. FY12: -29%)
OP : 12.5 (3.8%)

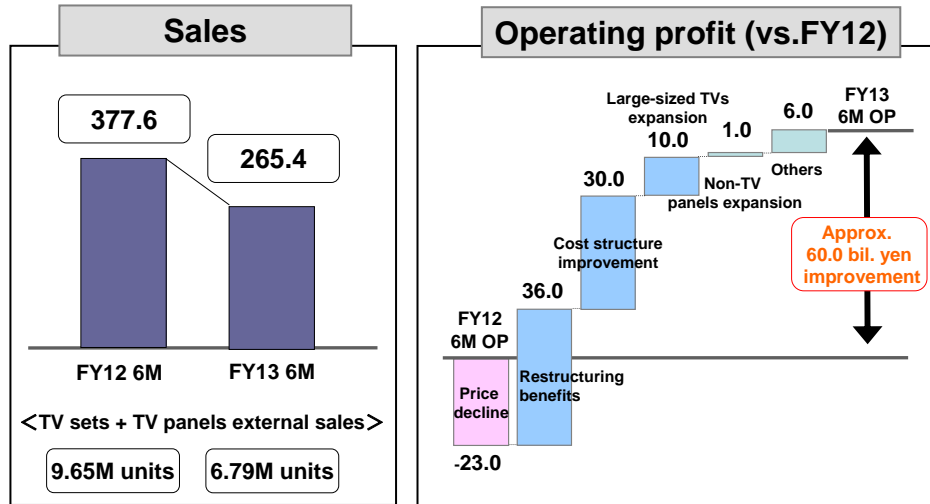
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TV / Panel Business

11

Structural change is making steady progress.

(yen: billions)

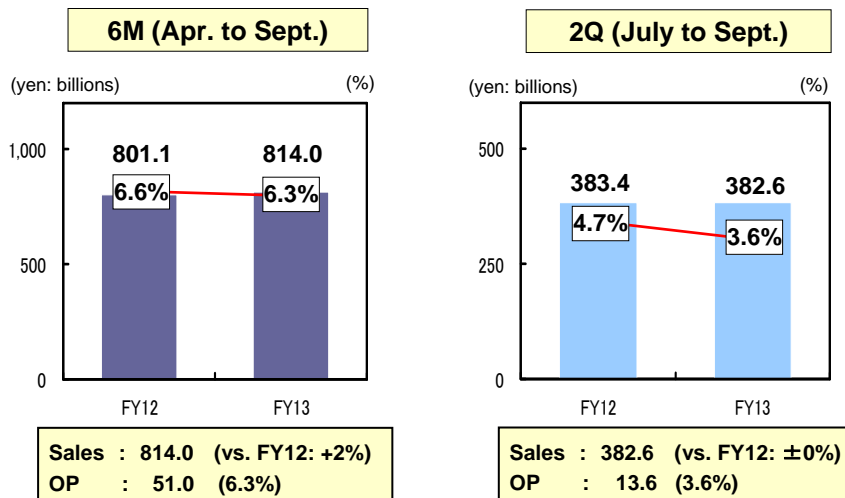


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Appliances

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Operating profit declined due to weak sales in air conditioners.



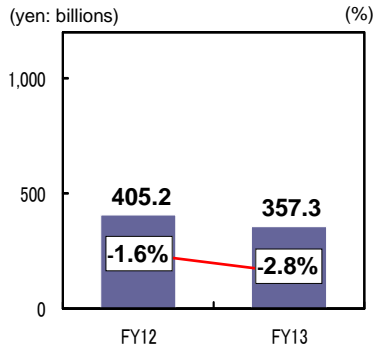
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Systems & Communications

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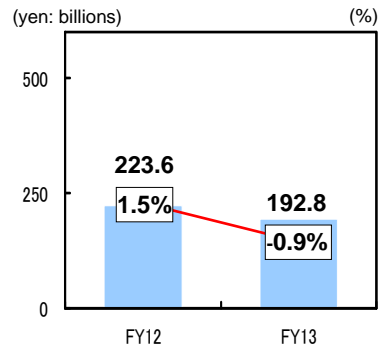
Operating loss was recorded due to sluggish sales in system-relating equipment and mobile phones.

6M (Apr. to Sept.)



Sales : 357.3 (vs. FY12: -12%)
OP : -10.0 (-2.8%)

2Q (July to Sept.)



Sales : 192.8 (vs. FY12: -14%)
OP : -1.7 (-0.9%)

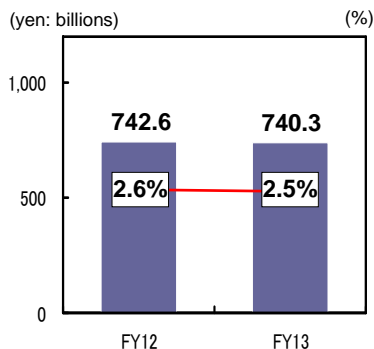
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Eco Solutions

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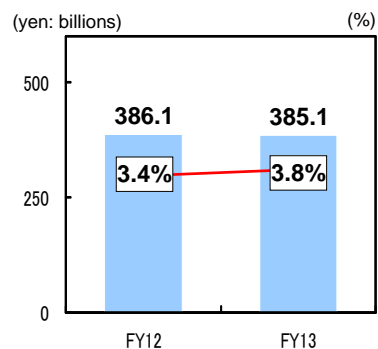
Although sales were unchanged from last year, operating profit declined.

6M (Apr. to Sept.)



Sales : 740.3 (vs. FY12: ±0%)
OP : 18.6 (2.5%)

2Q (July to Sept.)



Sales : 385.1 (vs. FY12 ±0%)
OP : 14.7 (3.8%)

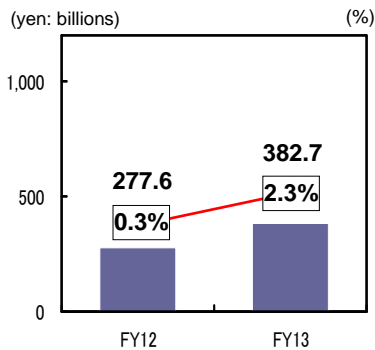
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Automotive Systems

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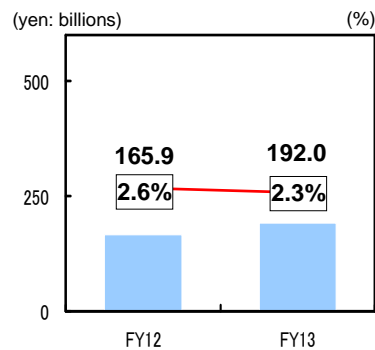
Both sales and profit increased compared with last year when results were affected by the Great East Japan Earthquake.

6M (Apr. to Sept.)



Sales : 382.7 (vs. FY12: +38%)
OP : 8.7 (2.3%)

2Q (July to Sept.)



Seles : 192.0 (vs. FY12: +16%)
OP : 4.5 (2.3%)

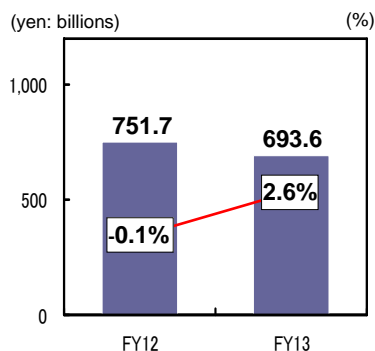
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Industrial Devices

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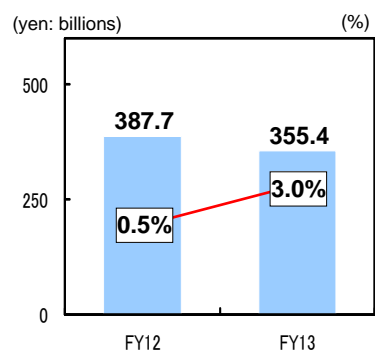
Profitability improved due to restructuring benefits and fixed cost reductions.

6M (Apr. to Sept.)



Seles : 693.6 (vs. FY12: -8%)
OP : 17.9 (2.6%)

2Q (July to Sept.)



Sales : 355.4 (vs. FY12: -8%)
OP : 10.6 (3.0%)

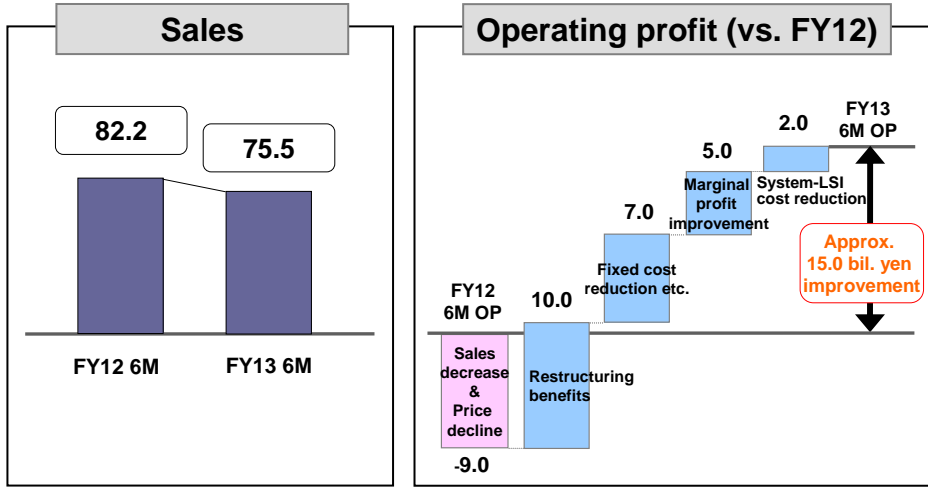
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Semiconductor Business

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Despite lower sales, profitability improved due mainly to restructuring benefits.

(yen: billions)

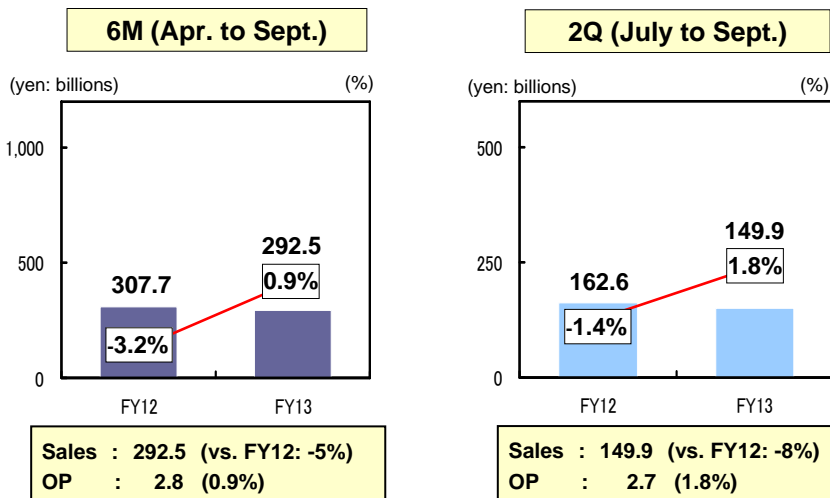


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Energy

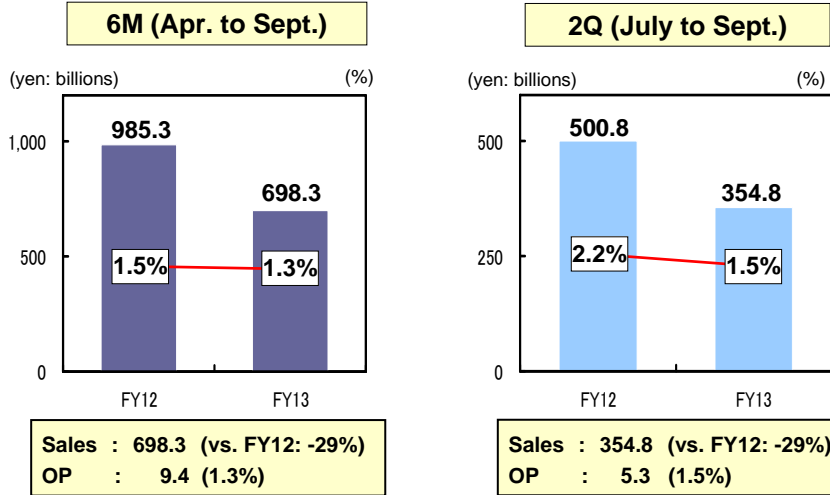
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Profitability improved due to fixed cost reduction and streamlining material costs.



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Profitability decreased due to lower sales in Manufacturing Solutions Company.



		Healthcare Company		MS Company*	
(yen: billions)		FY13 6M	vs. FY12/ difference	FY13 6M	vs. FY12/ difference
6M (Apr. to Sept.)	Sales	65.3	-2%	82.1	-12%
	Operating profit	3.9	+0.9	11.3	-3.2
2Q (July to Sept.)	Sales	33.0	-6%	37.5	-19%
	Operating profit	2.1	0.0	5.0	-2.8

*Manufacturing Solutions Company

FY13 6M Pre-tax Analysis

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【6M】

(yen: billions)

	FY13	vs. FY12
Operating profit	87.4	+39.8
Financial income / loss	-4.4	-0.8
Early retirement charges *	-14.5	+8.8
Other *	-347.2	-167.2
Non-operating income / loss	-366.1	-159.2
Pre-tax income / loss	-278.7	-119.4

*Total business restructuring expenses which are included in 'Early retirement charges' and 'Other': -355.5 billion yen

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Breakdown of Business Restructuring Expenses 22

**Impairment of goodwill and intangible assets
as a result of reviews in future business performance.**

【6M】

(yen: billions)

Details	Solar batteries	Consumer-use lithium-ion batteries	Mobile phones	Other businesses	Total
Impairment of goodwill	72.2	74.6	91.0	-	237.8
Impairment of intangible assets	73.9	13.7	-	-	87.6
Early retirement charges & others	1.9	7.3	4.6	16.3	30.1
Total	148.0	95.6	95.6	16.3	355.5

* 334.8 billion yen of business restructuring expenses do not affect the cash position.

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Increase in Valuation Allowances to DTA 23

**Increase in valuation allowances to deferred tax assets
as a result of rapidly worsening business environment**

【6M】

(yen: billions)

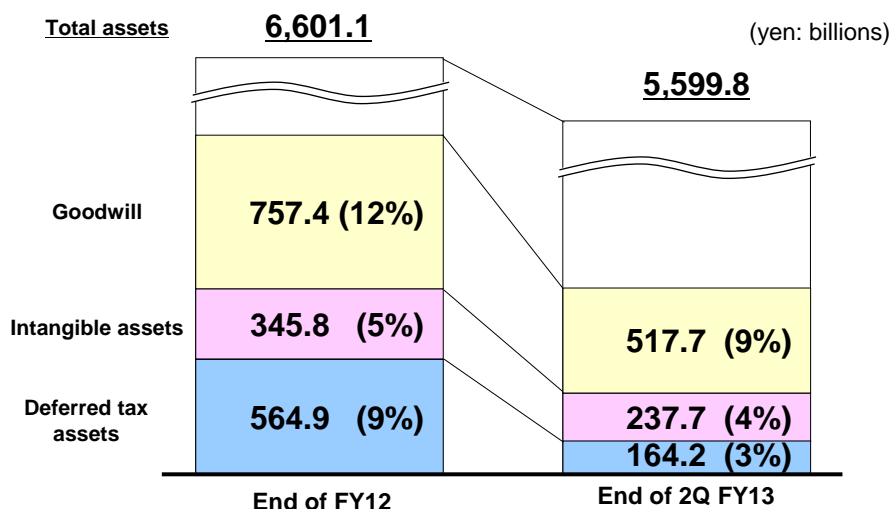
	FY13	vs. FY12
Pre-tax income / loss	-278.7	-119.4
Provision for income taxes *	411.4	+412.8
Equity in earnings of associated companies	2.6	-2.2
Net income / loss	-687.5	-534.3
Less net income / loss attributable to noncontrolling interests	-2.3	+14.7
Net income / loss attributable to Panasonic Corporation	-685.2	-549.0

* The increase in valuation allowances to DTA which is included in 'Provision for income taxes': 412.5 billion yen
of which Panasonic Corporation : 371.5 billion yen
Panasonic Mobile Communications Co., Ltd. : 41.0 billion yen

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Main Assets at the end of 2Q FY2013 24

**Adjustment of excessive
goodwill, intangible assets and DTA**



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1. Summary of second quarter and six months financial results

2. Revision of full year forecasts for fiscal 2013

(yen: billions)

	Revised forecast	Original forecast	Difference	FY2012	vs. FY2012
Sales	7,300.0	8,100.0	-800.0	7,846.2	-546.2
Operating profit	140.0 (1.9%)	260.0 (3.2%)	-120.0	43.7 (0.6%)	+96.3
Pre-tax income / loss	-365.0 (-5.0%)	160.0 (2.0%)	-525.0	-812.8 (-10.4%)	+447.8
Net income / loss*	-765.0 (-10.5%)	50.0 (0.6%)	-815.0	-772.2 (-9.8%)	+7.2

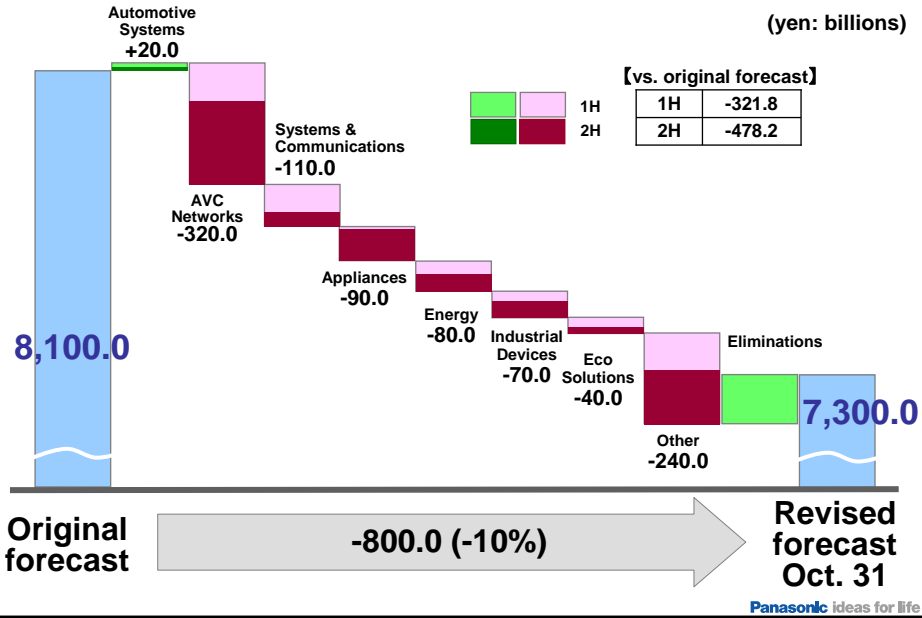
* Net income / loss attributable to Panasonic Corporation

【Exchange rates】

	1H	2H	Full year	Original forecast
US dollar	80 yen	78 yen	79 yen	78 yen
Euro	101 yen	97 yen	99 yen	103 yen

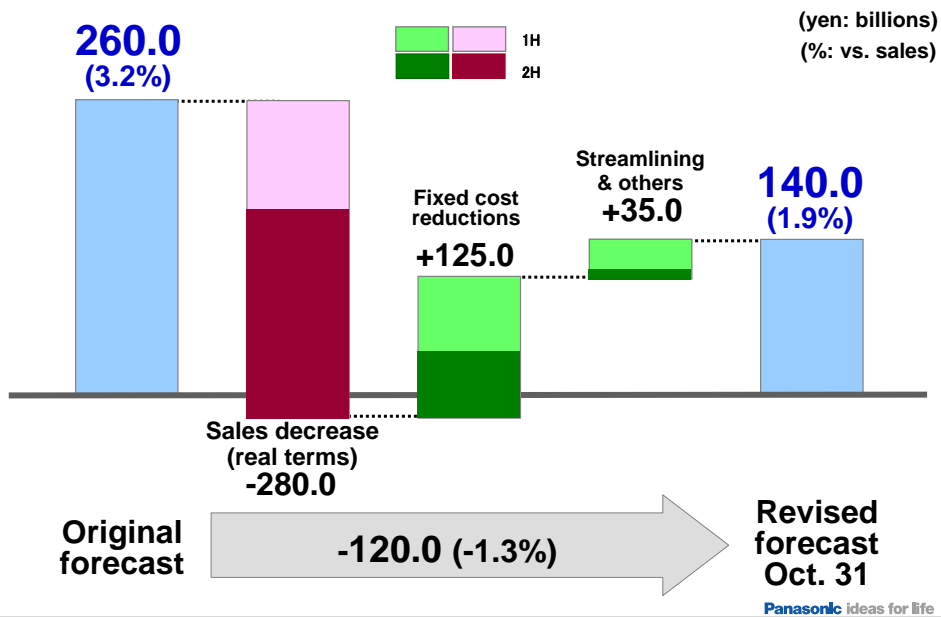
FY13 Revised Sales Analysis by Segment (vs. original forecast)

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FY13 Revised Operating Profit Analysis (vs. original forecast)

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FY13 Revised Forecast by Segment

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(yen: billions)

	Sales			Operating profit/loss		
		vs. original forecast	vs. FY12		vs. original forecast	vs. FY12
AVC Networks	1,410.0	-320.0	-303.5	22.0	-38.0	+89.8
Appliances	1,540.0	-90.0	+5.8	82.0	-18.0	+0.5
Systems & Communications	790.0	-110.0	-50.8	9.0	-15.0	-8.3
Eco Solutions	1,560.0	-40.0	+34.2	55.0	-5.0	-3.9
Automotive Systems	740.0	+20.0	+86.8	13.0	-5.0	+8.1
Industrial Devices	1,350.0	-70.0	-54.6	23.0	-17.0	+39.6
Energy	580.0	-80.0	-34.9	0.0	-3.0	+20.9
Other	1,420.0	-240.0	-460.9	10.0	-14.0	-13.6
Subtotal	9,390.0	-930.0	-777.9	214.0	-115.0	+133.1
Corporate and eliminations	-2,090.0	+130.0	+231.7	-74.0	-5.0	-36.8
Consolidated Total	7,300.0	-800.0	-546.2	140.0	-120.0	+96.3

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FY13 Revised Pre-tax and Net Income Analysis

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(yen: billions)

Details	Revised forecast	Original forecast	difference
Operating profit	140.0	260.0	-120.0
Restructuring expenses	-440.0	-41.0	-399.0
Others	-65.0	-59.0	-6.0
Non-operating income / loss	-505.0	-100.0	-405.0
Pre-tax income / loss	-365.0	160.0	-525.0
Net income / loss attributable to Panasonic Corporation *	-765.0	50.0	-815.0

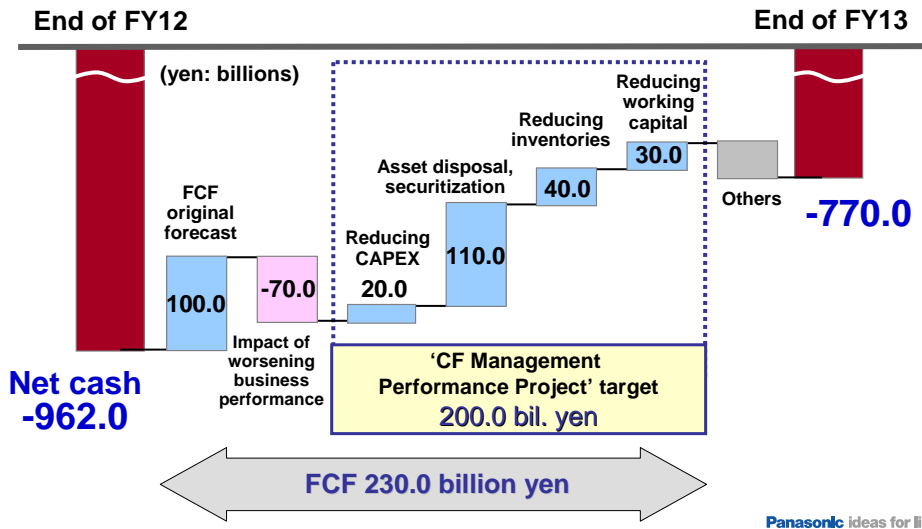
* Increase in valuation allowances to deferred tax asset : -412.5 billion yen

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Generating Cash

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Generating cash through 'Cash Flow Management Performance Project'



Thoroughly Implementing Cash Flow Management 32

- Adjustment of excessive goodwill, intangible assets & DTA
- Preparation for securing funds liquidity

- Setting a credit line : 600.0 billion yen
 - Registration of unsecured straight bond finance: 150.0 billion yen

Thoroughly
implementing
CF
Management

- Allocating cash optimally on a Company basis
- Reducing CAPEX and controlling investment return
- Improving cash conversion cycle
- Shrinking B/S size through reducing assets

**Implementing cash generating activities
in the mid to long term by controlling ROIC**

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