

# **FY2014-16 New Midterm Management Plan FY2014 Business Policy**

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## **FY2014-16 New Midterm Management Plan**

## Action Items

# My determination

Immediately Eliminate unprofitable businesses

Simultaneously Look forward to the future

## Introduce Business Division System (Effective April 1)

Each business division has  
Global responsibility for R&D, production and sales

'Manage thoroughly from R&D to sales'

Responsibility for sustainable increase in cash and profit

88BU



49

Business divisions

Basic  
management unit

4 Companies supporting business divisions

**AP**

Appliances

**ES**

Eco Solutions

**AVC**

AVC Networks

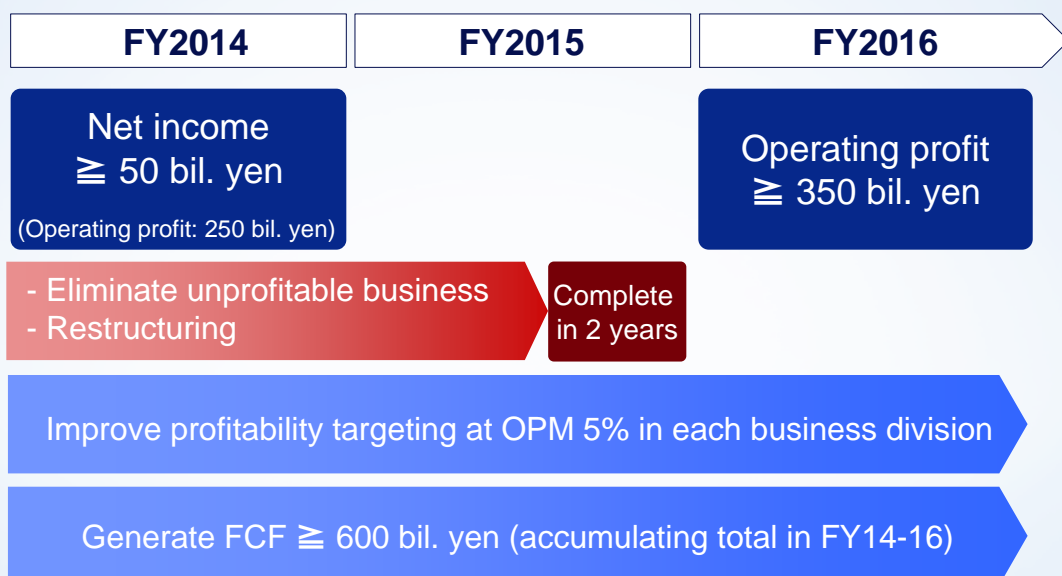
**AIS**

Automotive & Industrial Systems

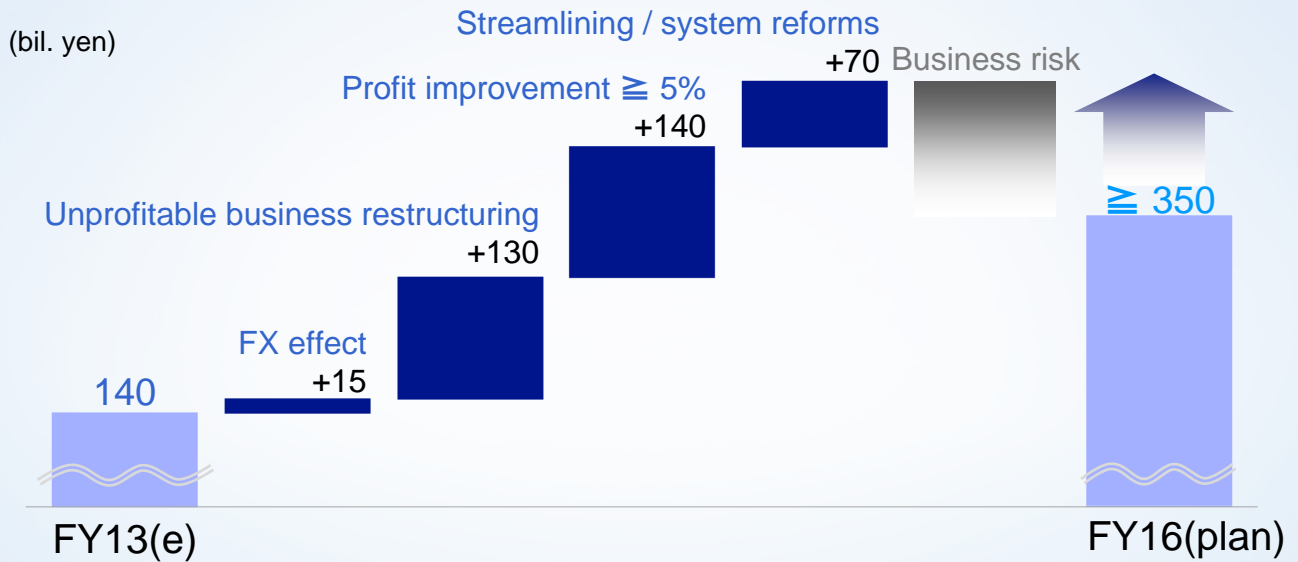
## Financial Target

FY2014	Net income attributable to Panasonic Corporation	$\geq$ 50 bil. yen
	FCF	$\geq$ 200 bil. yen
FY2016	Operating profit	$\geq$ 350 bil. yen
		$\geq$ OPM 5%
	FCF	$\geq$ 600 bil. yen (Accumulating total in FY14-16)

## Towards FY2016



## Operating Profit: 350 Billion Yen (FY2016)



## Major Midterm Actions

### 1. Eliminate unprofitable businesses

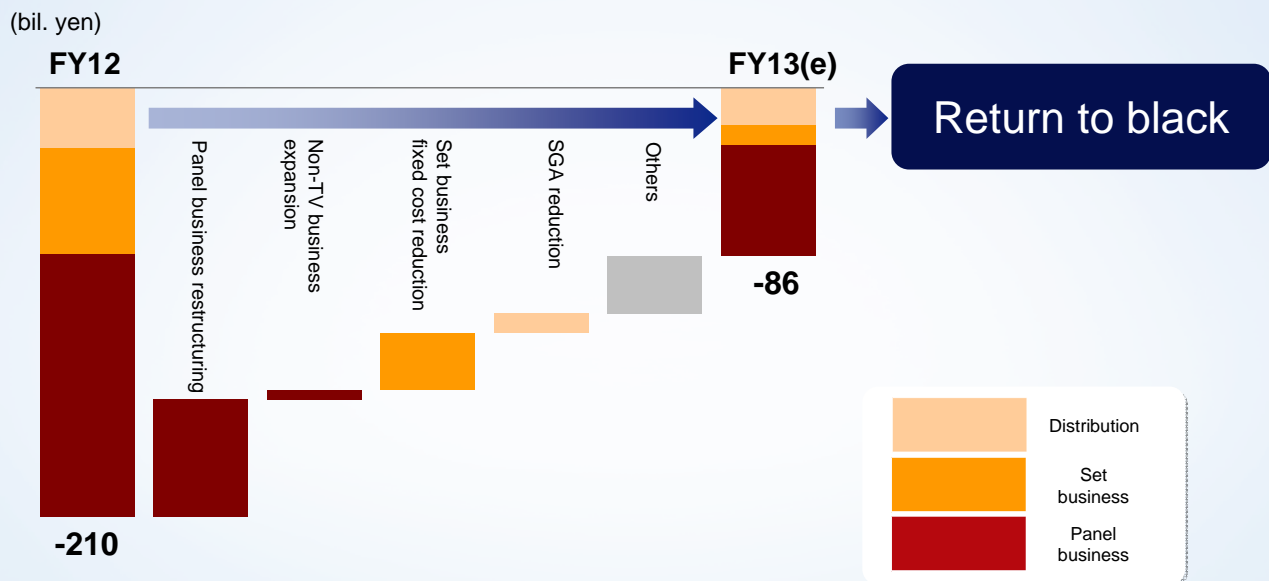
# Restructure Unprofitable Businesses

Improve operating profit 130 bil. yen, eliminating unprofitable business divisions

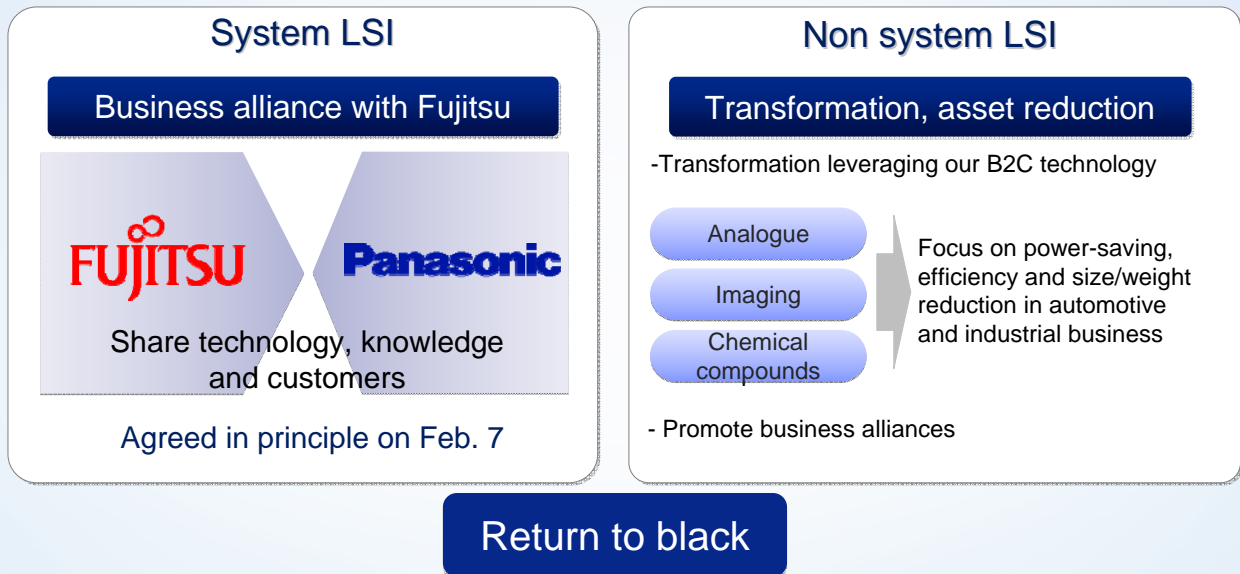
TV	Focus on major market, expand non-TV business
Semiconductor	Transfer business, promote business alliance, promote asset light strategy
Mobile phone	Transfer to B2B, improve R&D efficiency in B2C
Circuit board	Transfer to business packaging with base material and semiconductor
Optical product (drive, pickup)	Expand outsource, restructure domestic sites

Restructuring expense: 250 bil. yen (FY14 and 15)

## TV Business



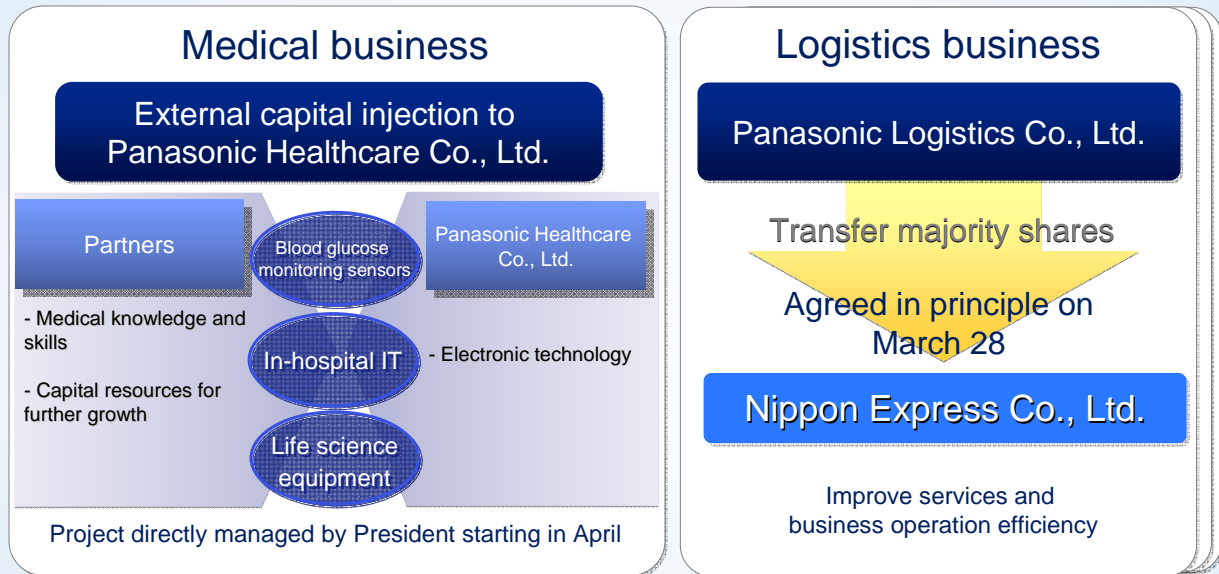
## Semiconductor Business



## Major Midterm Actions

2. Expand business and improve efficiency shifting from in-house approach

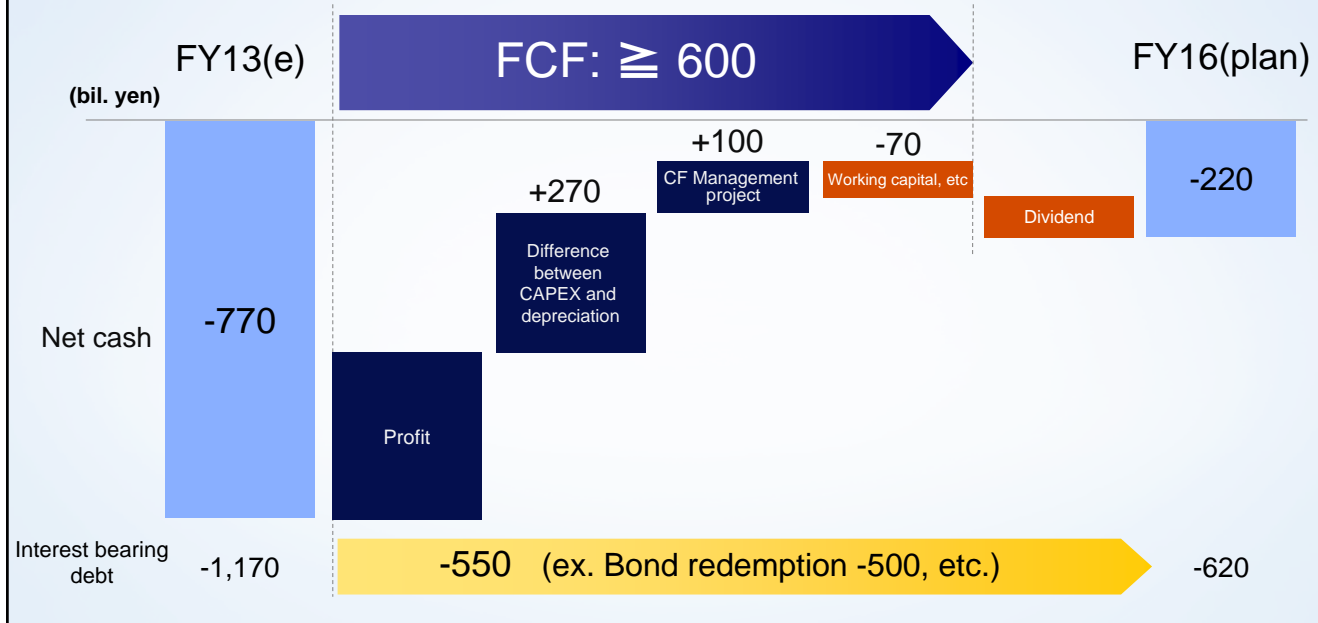
## Expand Business and Improve Efficiency Shifting from In-House Approach



## Major Midterm Actions

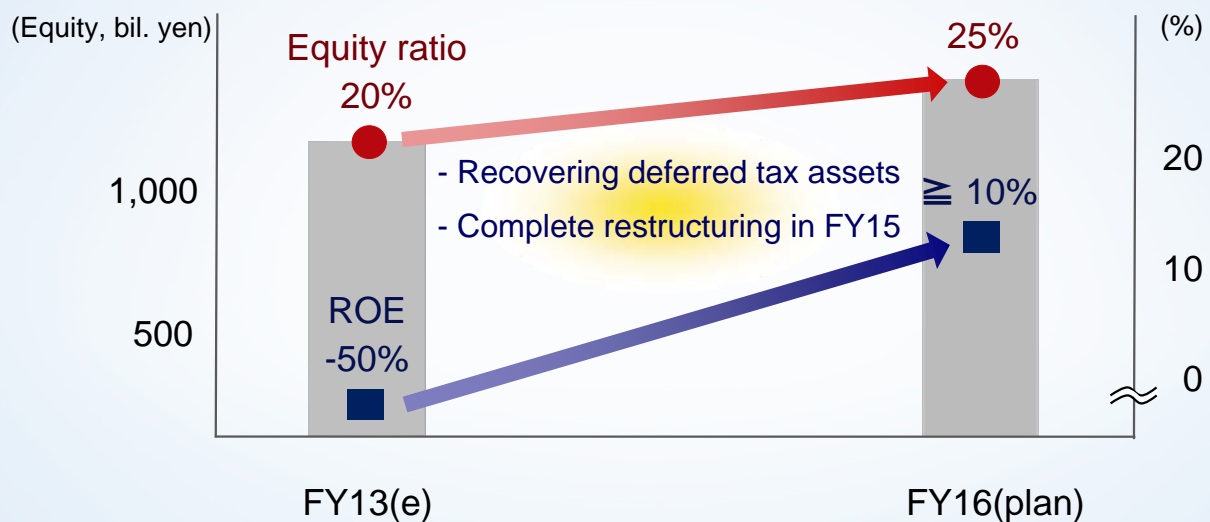
### 3. Improve financial position

## FCF: 600 Billion Yen (FY2014-16)



## Equity Ratio and ROE

Improve Equity ratio and ROE, completing restructuring





## Major Midterm Actions

### 4. Growth strategy from customers viewpoint

## Panasonic in Future

Offer 'better life' to customers, partnering with 'industry'



## Automotive Business



Concentrate company-wide resources to expand automotive business

**Expand to 2-trillion yen business in 2018**

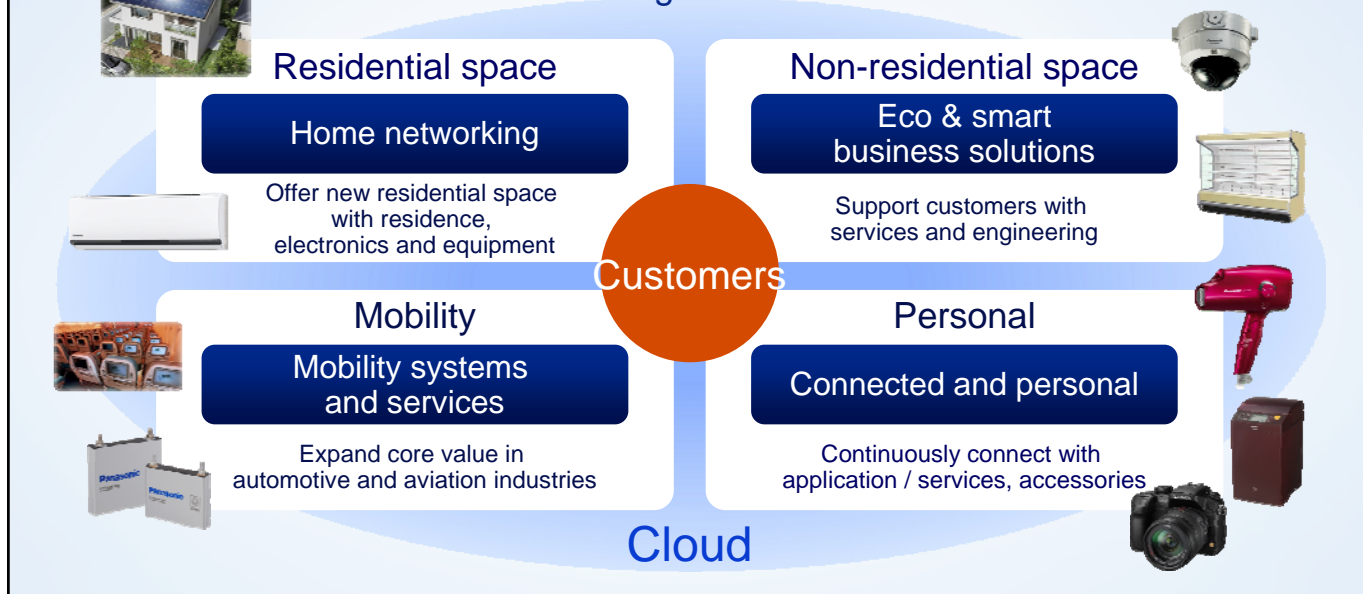
## Housing Business



**Expand to 2-trillion yen business in 2018**

## Four Major Business Areas

Transform from digital consumer business



## Device Business (1)

LED, air conditioners, displays - Everywhere!



## Device Business (2)

Solar panels, storage batteries, energy saving devices - Everywhere!



# Panasonic

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