

# **Fiscal 2014 Third Quarter and Nine-month Financial Results**

February 4, 2014  
Panasonic Corporation

*Notes: 1. This is an English translation from the original presentation in Japanese.  
2. In this presentation, "fiscal 2014" or "FY2014" refers to the year ending March 31, 2014.  
In addition, "fiscal 2014 nine-month" or "FY14 9M" refer to the period from April to December 2013.*

## Contents

- 1. Summary of third quarter  
and nine-month financial results**
- 2. Full year segment forecasts  
for fiscal 2014**

## FY14 3Q Summary (Oct. to Dec.)

### ➤ Significant increase in operating profit due mainly to improvement of unprofitable businesses

- Improved profitability in TV/Panel and Portable Rechargeable Battery businesses contributed to overall profit increase.

Implementing radical restructurings steadily, such as contraction of printed circuit board business and re-organization of semiconductor business.

- Undertaking Company-wide fixed-cost reductions and streamlining initiatives.

### ➤ Steadily progressing the transformation of business structure

- Successful sales expansion with profit increases in housing- and automotive-related businesses.
- Sales decrease in the digital consumer-related business due to focusing more on profitability than sales increase.

## FY14 3Q Results (Oct. to Dec.)

(yen: billions)

		FY14 3Q	FY13 3Q	vs. FY13 3Q/ difference	
Sales	Domestic	970.3	917.2	+6%	
	Overseas	1,003.2	884.3	+13%	(-7%) *
		1,973.5	1,801.5	+10%	(-1%) *
				+172.0	
Operating profit		116.6 (5.9%)	34.6 (1.9%)	+237%    +82.0	
Pre-tax income		99.6 (5.0%)	9.3 (0.5%)	+974%    +90.3	
Net income **		73.7 (3.7%)	61.4 (3.4%)	+20%    +12.3	
Exchange rates	1 US dollar	100 yen	81 yen	* Real terms excluding the effects of exchange rates (unreviewed) ** Net income attributable to Panasonic Corporation	
	1 Euro	137 yen	105 yen		
	1 Renminbi	16.52 yen	13.02 yen		

## FY14 9M Results (Apr. to Dec.)

(yen: billions)

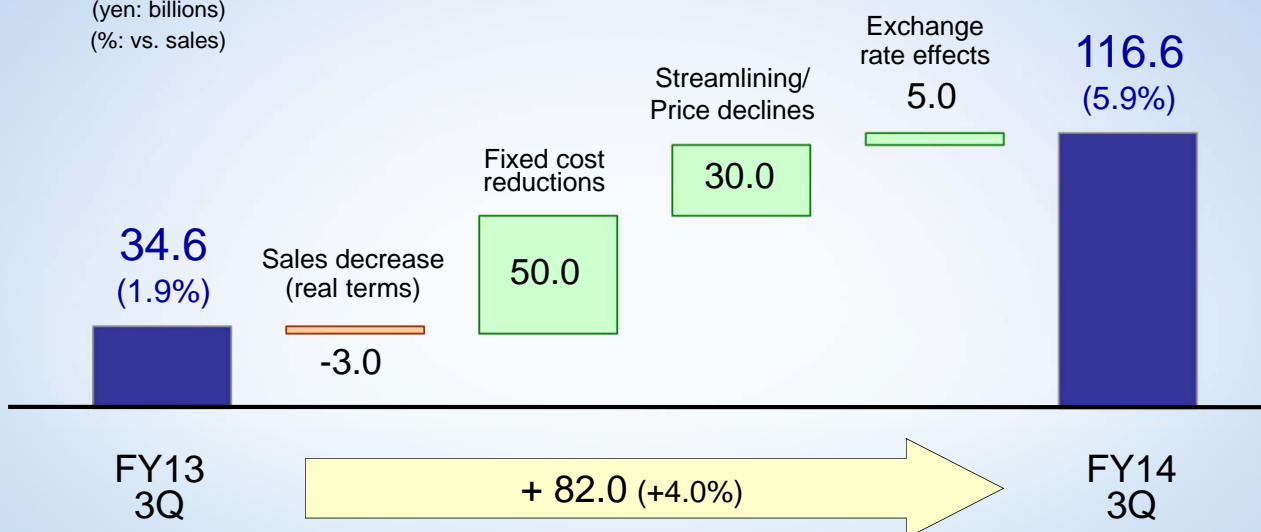
		FY14 9M	FY13 9M	vs. FY13 9M/ difference	
	<b>Domestic</b>	2,757.6	2,795.4	-1%	
	<b>Overseas</b>	2,922.2	2,644.3	+11%	(-10%) *
<b>Sales</b>		5,679.8	5,439.7	+4%	(-6%) * +240.1
<b>Operating profit</b>		263.2 (4.6%)	122.0 (2.2%)	+116%	+141.2
<b>Pre-tax income / loss</b>		307.0 (5.4%)	-269.4 (-5.0%)	—	+576.4
<b>Net income / loss **</b>		243.0 (4.3%)	-623.8 (-11.5%)	—	+866.8

Exchange rates	1 US dollar	99 yen	80 yen
	1 Euro	132 yen	102 yen
	1 Renminbi	16.25 yen	12.71 yen

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

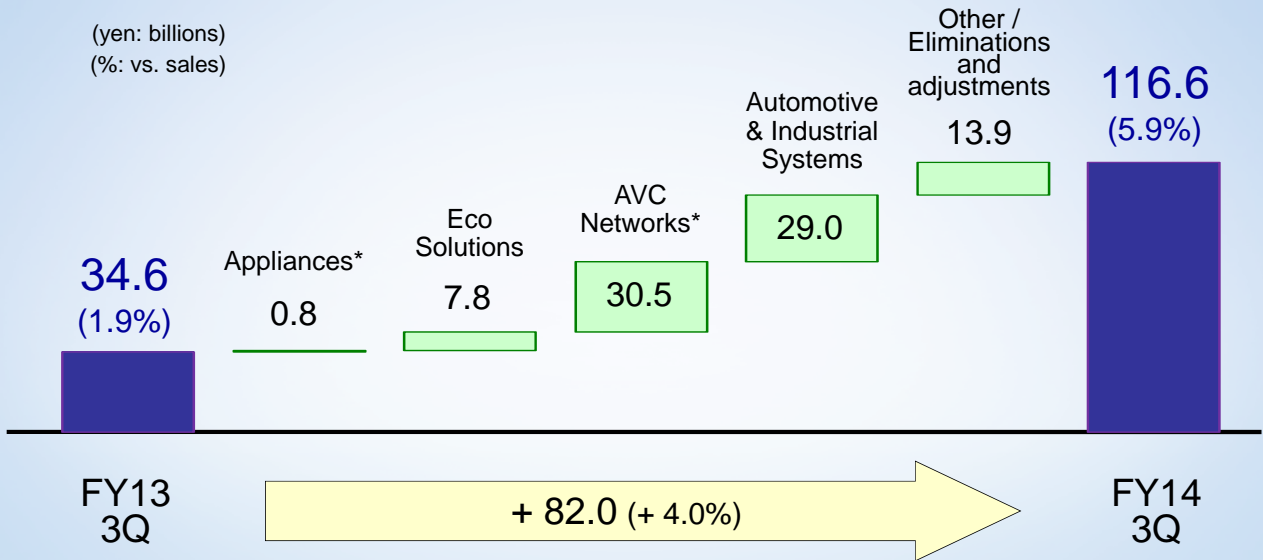
\*\* Net income / loss attributable to Panasonic Corporation

## FY14 3Q Operating Profit Analysis (vs. FY13 3Q)

(yen: billions)  
(%: vs. sales)

### FY14 3Q Operating Profit Analysis by Segment (vs. FY13 3Q)

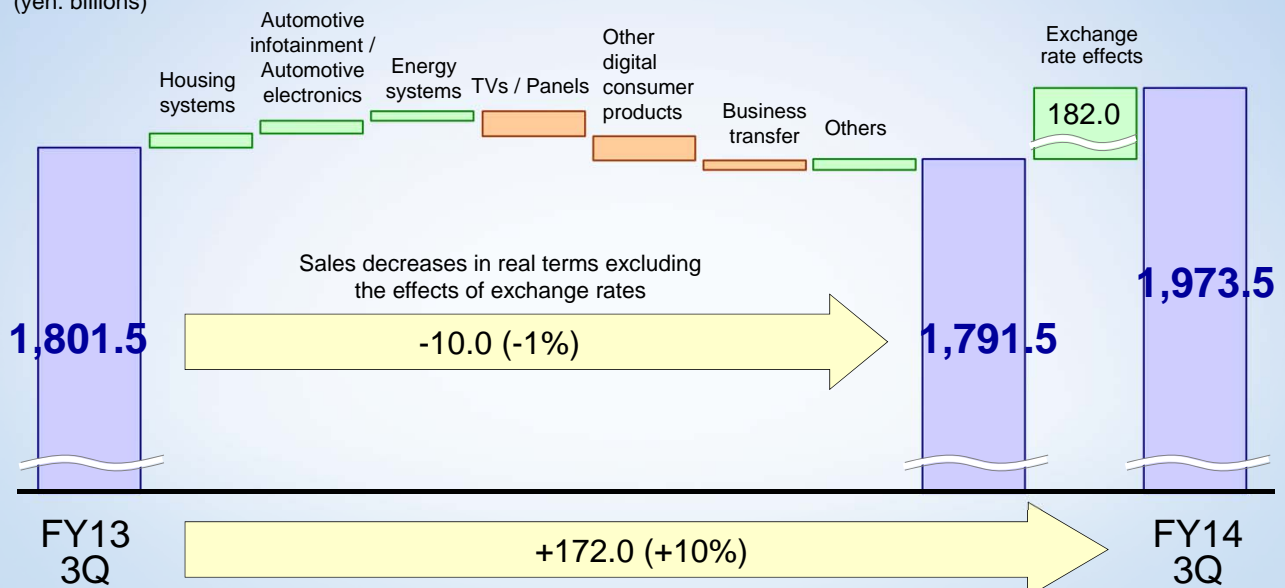
(yen: billions)  
(%: vs. sales)



\* Appliances and AVC Networks are on a production and sales consolidated basis.

### FY14 3Q Sales Analysis by Major Product (vs. FY13 3Q)

(yen: billions)



## FY14 3Q Pre-tax and Net Income Analysis

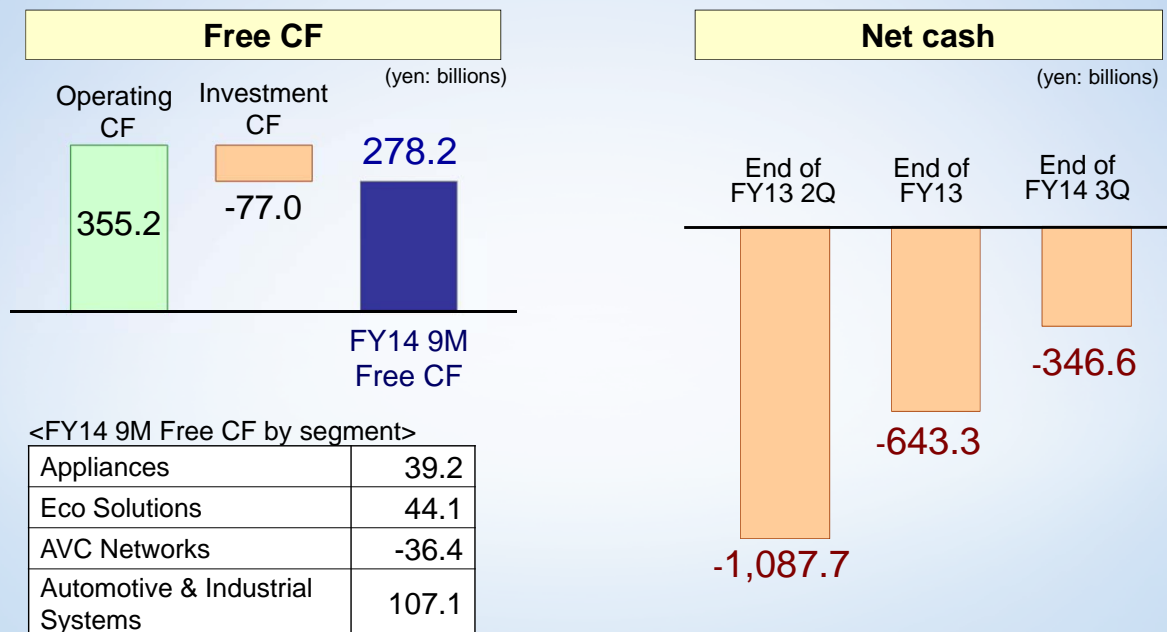
(yen: billions)

	FY14 3Q	vs. FY13 3Q
Operating profit	116.6	+82.0
Non-operating income / loss *	-17.0	+8.3
Pre-tax income	99.6	+90.3
Provision for income taxes	24.4	+67.2
Equity in earnings of associated companies	2.2	+0.2
Net income	77.4	+23.3
Less net income attributable to noncontrolling interests	3.7	+11.0
Net income attributable to Panasonic Corporation	73.7	+12.3

\* Details of non-operating income / loss

Business restructuring expenses	-38.1	-5.2
Early retirement charges	-6.7	+1.9

## Free CF and Net Cash



## FY14 3Q & 9M Results by Segment

(yen: billions)

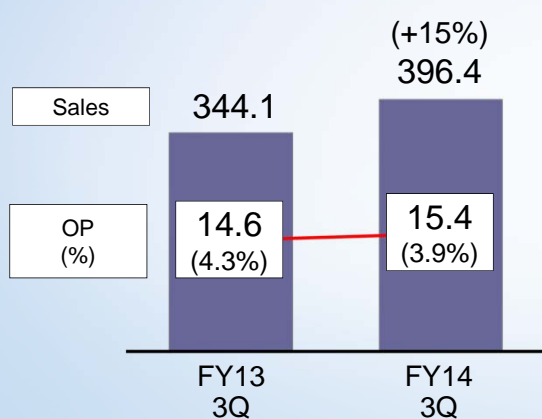
	FY14 3Q (Oct. to Dec.)				FY14 9M (Apr. to Dec.)			
	Sales	vs. FY13	OP	vs. FY13	Sales	vs. FY13	OP	vs. FY13
<b>Appliances</b>	292.8	+15%	9.8	+3.6	903.2	+8%	27.0	-7.9
<b>Eco Solutions</b>	475.6	+10%	32.1	+7.8	1,331.3	+8%	73.5	+29.5
<b>AVC Networks</b>	413.7	+7%	10.1	+21.0	1,169.1	-4%	-6.4	+17.7
<b>Automotive &amp; Industrial Systems</b>	694.9	+14%	28.2	+29.0	2,050.8	+9%	86.4	+59.2
<b>Other</b>	201.4	-3%	3.7	+7.2	594.8	-8%	9.1	+19.0
<b>Subtotal</b>	2,078.4	+10%	83.9	+68.6	6,049.2	+4%	189.6	+117.5
<b>Eliminations and adjustments</b>	-104.9	-	32.7	+13.4	-369.4	-	73.6	+23.7
<b>Consolidated total</b>	1,973.5	+10%	116.6	+82.0	5,679.8	+4%	263.2	+141.2
<b>Appliances (production and sales consolidated) *</b>	396.4	+15%	15.4	+0.8	1,222.5	+9%	44.5	-10.4
<b>AVC Networks (production and sales consolidated) *</b>	496.7	+6%	11.7	+30.5	1,341.0	±0%	-10.1	+32.0

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

## FY14 3Q Results by Segment

### Appliances (production and sales consolidated)

(yen: billions)



#### Sales

UP

- Favorable sales in BtoC business due mainly to demand increase in white goods in Japan.

#### Operating profit

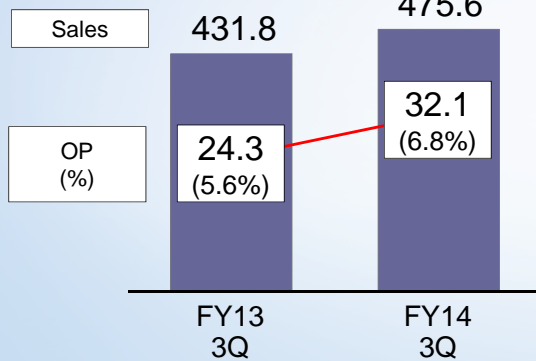
UP

- Sales increase and cost reductions offset the negative impact of yen depreciation on products manufactured in overseas factories for the Japanese market.

## FY14 3Q Results by Segment

### Eco Solutions

(yen: billions)



#### Sales

**UP**

- Sales increases in all BDs due mainly to a demand surge prior to the consumption tax increase in Japan.

#### Operating profit

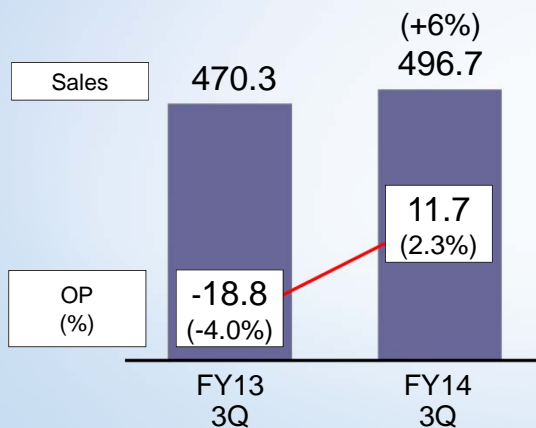
**UP**

- Negative impact of yen depreciation was offset mainly by sales increases and cost reduction initiatives.

## FY14 3Q Results by Segment

### AVC Networks (production and sales consolidated)

(yen: billions)



#### Sales

**UP**

- Sales decreases in BtoC business associated with restructuring was offset mainly by sales increases in BtoB business and the positive impact of yen depreciation.

#### Operating profit

**UP**

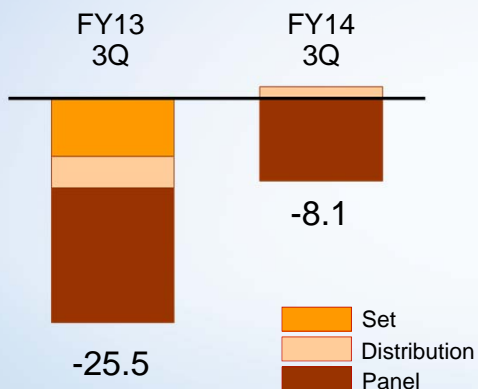
- Due to sales increases in BtoB business.
- Due to business restructuring benefit from TV/Panel, mobile phones and distribution.



# FY14 3Q Major Challenging Businesses

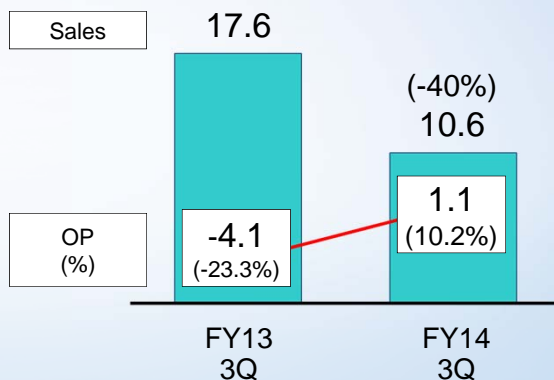
## <TV/Panel Business > (OP of production and sales consolidated)

(yen: billions)



## <Panasonic Mobile Communications Co.>

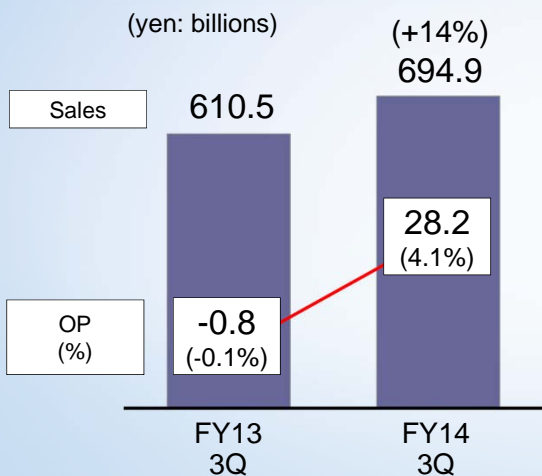
(yen: billions)



# FY14 3Q Results by Segment

## Automotive & Industrial Systems

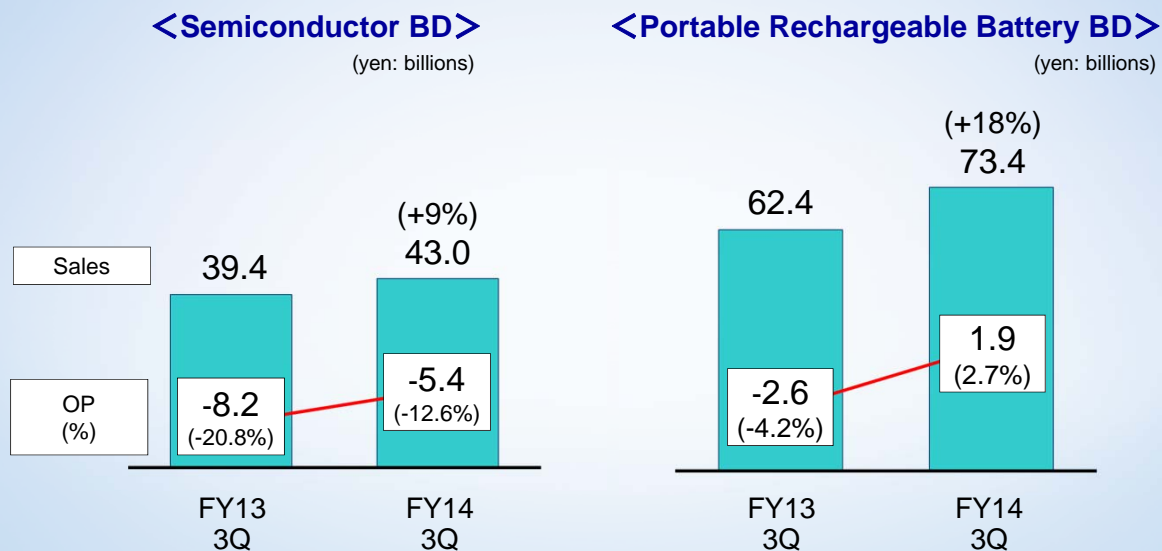
(yen: billions)



Sales	
<b>UP</b>	<ul style="list-style-type: none"> <li>Led by sales growth in auto-related businesses, including Automotive Infotainment Systems BD in line with car makers' increased production.</li> </ul>
Operating profit	
<b>UP</b>	<ul style="list-style-type: none"> <li>Due to sales increase in auto-related business.</li> <li>Due to the positive impact of yen depreciation.</li> </ul>



## FY14 3Q Major Challenging Businesses



## Contents

1. Summary of third quarter and nine-month financial results
2. Full year segment forecasts for fiscal 2014

## By Segment: FY14 Full Year Forecast Revision

(yen: billions)

	FY14 revised forecasts (as of Feb 4, 2014)				Revised figures		As of July 31, 2013	
	Sales	vs. FY13	OP	vs. FY13	Sales	OP	Sales	OP
<b>Appliances</b>	1,170.0	+7%	28.0	-8.4	+50.0	-21.1	1,120.0	49.1
<b>Eco Solutions</b>	1,794.0	+7%	86.5	+23.7	+84.0	+16.1	1,710.0	70.4
<b>AVC Networks</b>	1,584.0	-2%	18.0	+9.7	-106.0	-25.0	1,690.0	43.0
<b>Automotive &amp; Industrial Systems</b>	2,711.0	+8%	85.5	+56.0	+171.0	-9.6	2,540.0	95.1
<b>Other</b>	930.0	-8%	15.0	+11.6	+30.0	-2.6	900.0	17.6
<b>Subtotal</b>	8,189.0	+4%	233.0	+92.6	+229.0	-42.2	7,960.0	275.2
<b>Eliminations and adjustments</b>	-789.0	—	37.0	+16.5	-29.0	+62.2	-760.0	-25.2
<b>Consolidated total</b>	7,400.0	+1%	270.0	+109.1	+200.0	+20.0	7,200.0	250.0

## Major Challenging Businesses: FY14 Full Year Forecast Revision

(yen: billions)

	FY14 revised forecasts (as of Feb 4, 2014)				Revised figures		As of May 10, 2013	
	Sales	vs. FY13	OP	vs. FY13	Sales	OP	Sales	OP
<b>TV BD*</b>	298.0	-14%	-3.4	-2.0	-32.0	-4.7	330.0	1.3
<b>Panasonic Mobile Communications Co., Ltd.</b>	49.6	-46%	-4.5	+3.7	-43.9	-3.4	93.5	-1.1
<b>Semiconductor BD</b>	180.0	-2%	-27.8	-7.3	-	-24.5	180.0	-3.3
<b>Portable Rechargeable Battery BD</b>	281.2	+6%	9.2	+19.2	+22.2	+2.9	259.0	6.3

\* "TV BD" manufactures TV sets. Sales and profits of distribution and TV panels sectors are not included.

# Panasonic

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