

# Fiscal 2015 First Quarter Financial Results

July 31, 2014

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 ending March 31, 2015.*

## Summary of FY15 1Q Results

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- Sales up : in real terms (excluding the effects of exchange rates and business transfers)
  - ✓ Housing/Automotive-related businesses expanded
  - ✓ Sales increased in all regions except Europe
  
- OP up : benefitted from sales increases in real terms and fixed-cost reductions
  - ✓ Management structure has strengthened steadily due mainly to business restructuring
  - ✓ Sales increases directly now enhance profitability following corporate structure changes

## FY15 1Q Financial Results

(1Q = Apr. to Jun.)

(yen: billions)

		FY15 1Q	FY14 1Q	vs. FY14 1Q/ difference	
Sales	Domestic	857.4	864.9	-1%	
	Overseas	994.9	959.6	+4%	(+1%)*
Sales		1,852.3	1,824.5	+2%	(±0%)* +27.8
Operating profit		82.3 (4.4%)	64.2 (3.5%)	+28%	+18.1
Pre-tax income		55.1 (3.0%)	122.6 (6.7%)	-55%	-67.5
Net income **		37.9 (2.0%)	107.8 (5.9%)	-65%	-69.9

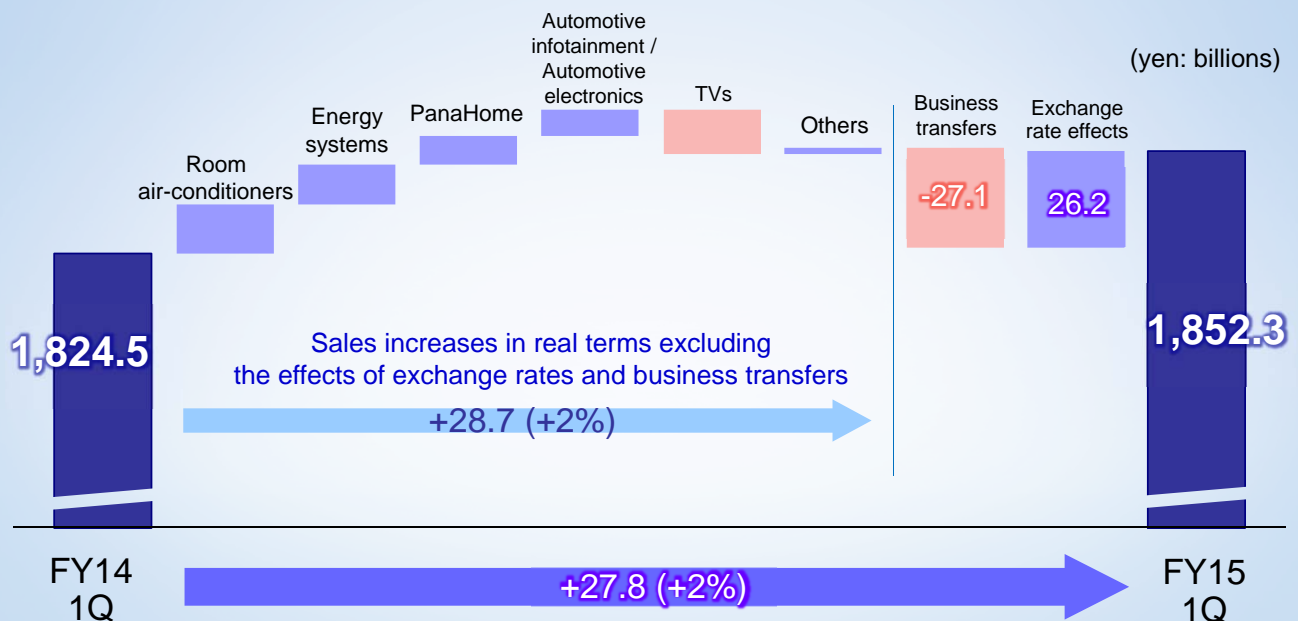
Exchange rates		FY15 1Q	FY14 1Q
1 US dollar		102 yen	99 yen
1 Euro		140 yen	129 yen
1 Renminbi		16.40 yen	16.05 yen

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

\*\* Net income attributable to Panasonic Corporation

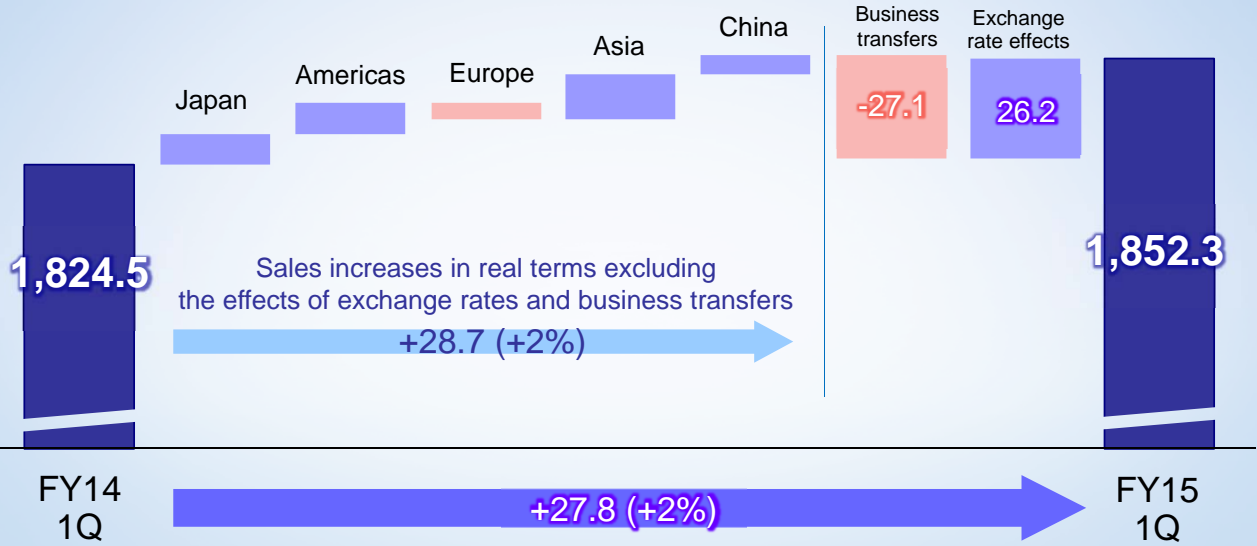
## FY15 1Q Sales Analysis by Major Product (vs. FY14 1Q)

(yen: billions)



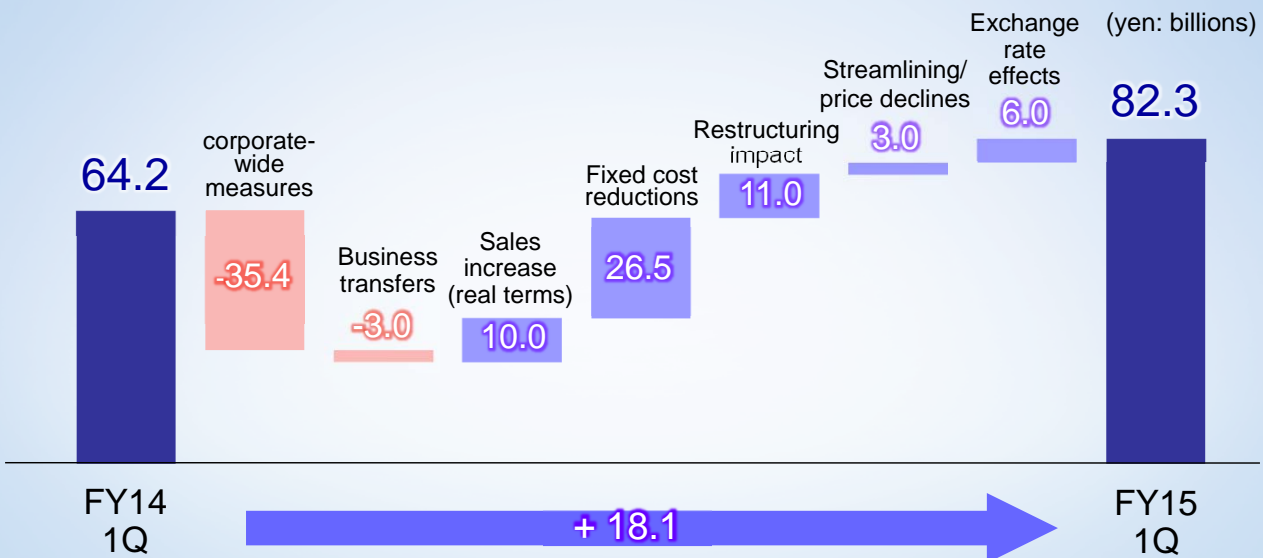
### FY15 1Q Sales Analysis by Region (vs. FY14 1Q)

(yen: billions)

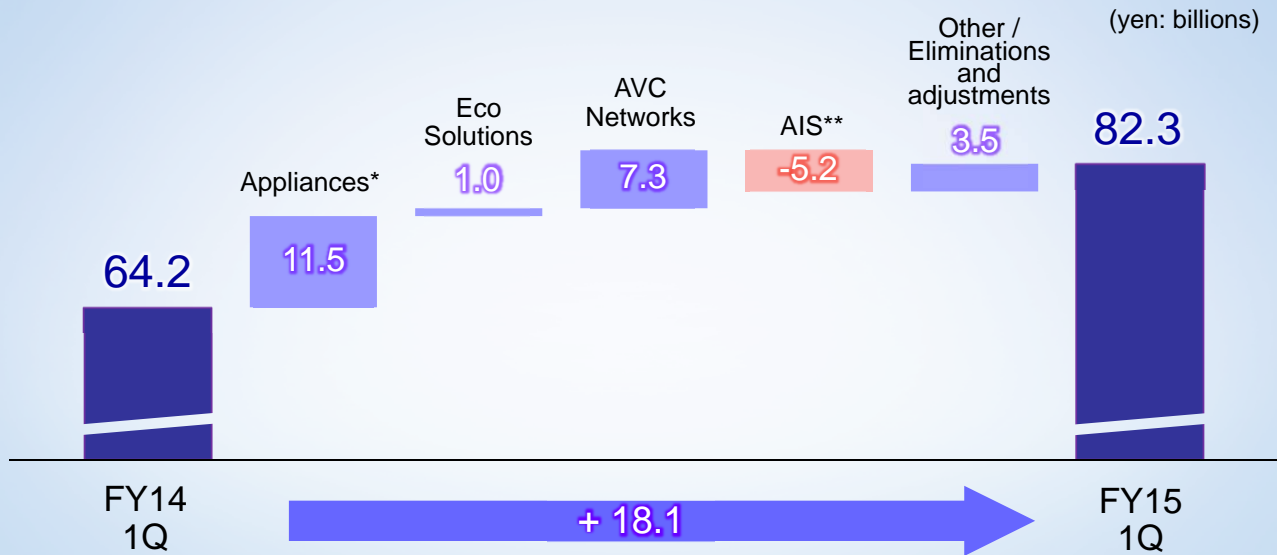


### FY15 1Q Operating Profit Analysis (vs. FY14 1Q)

(yen: billions)



## FY15 1Q Operating Profit Analysis by Segment (vs. FY14 1Q)



\* On a production and sales consolidated basis  
 \*\* AIS = Automotive & Industrial Systems

## FY15 1Q Pre-tax and Net Income Analysis

(1Q = Apr. to Jun.)

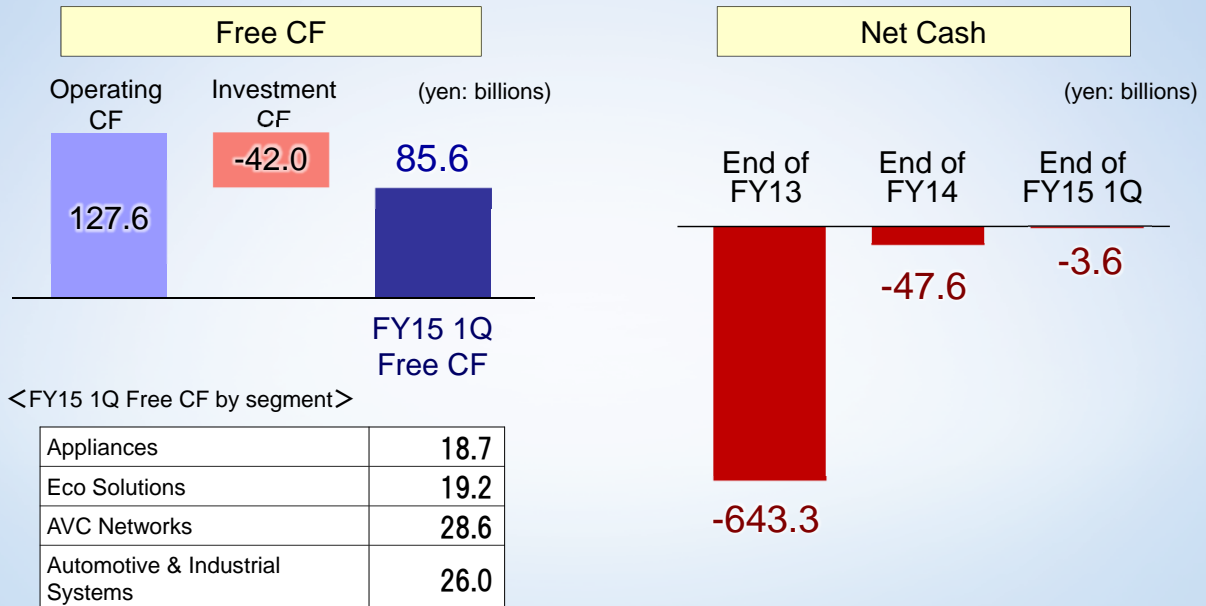
(yen: billions)

	FY15 1Q	vs. FY14 1Q
Operating profit	82.3	+18.1
Non-operating income / loss *	-27.2	-85.6
Pre-tax income	55.1	-67.5
Provision for income taxes	15.0	+0.9
Equity in earnings of associated companies	2.0	+0.7
Net income	42.1	-67.7
Less net income attributable to noncontrolling Interests	4.2	+2.2
Net income attributable to Panasonic Corporation	37.9	-69.9

\* Detail of non-operating income / loss

Business restructuring expenses	-6.2	-1.9
Early retirement charges	-3.8	-3.6

## FY15 1Q Free CF and Net Cash



## FY15 1Q Results by Segment

(1Q = Apr. to Jun.)

(yen: billions)

	FY15 1Q			
	Sales	vs. FY14 1Q	OP	vs. FY14 1Q
Appliances	465.4	+1%	22.5	+11.3
Eco Solutions	384.4	+4%	16.2	+1.0
AVC Networks	273.8	+1%	-8.1	+7.3
Automotive & Industrial Systems	680.4	+2%	23.5	-5.2
Other	143.2	-18%	-2.0	-0.3
Eliminations and adjustments	-94.9	-	30.2	+4.0
Consolidated total	1,852.3	+2%	82.3	+18.1
Appliances (production and sales consolidated) *	606.7	+2%	32.5	+11.5

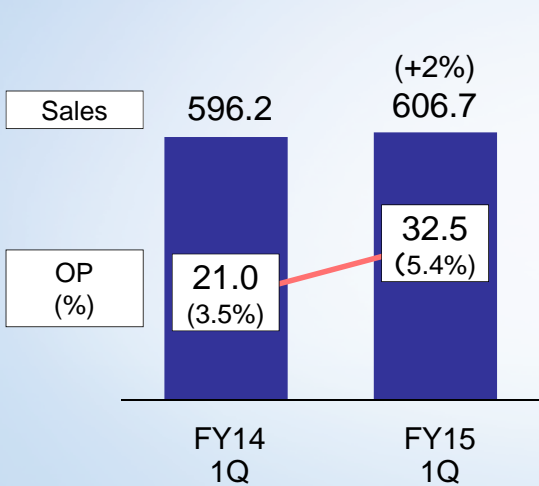
\* The figures in "Appliances (production and sales consolidated)" include the sales and profits of sales division for consumer products, which are included in "Eliminations and adjustments."

Results by segment

# Appliances (production and sales consolidated)

(yen: billions)

<FY15 1Q>



**Sales**

**UP**

- Shipments up for distributors' restocking after strong demand prior to the consumption tax increase in Japan.
- Sales recovery in air-conditioners in China.

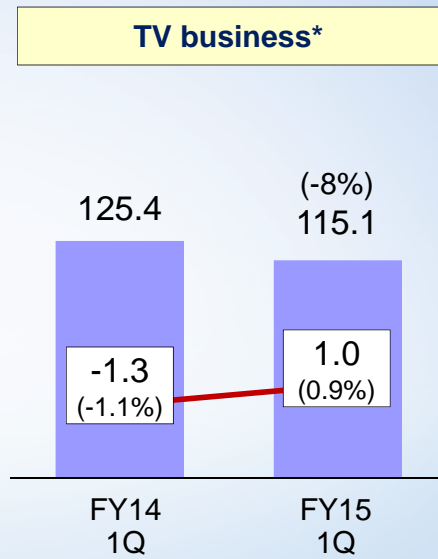
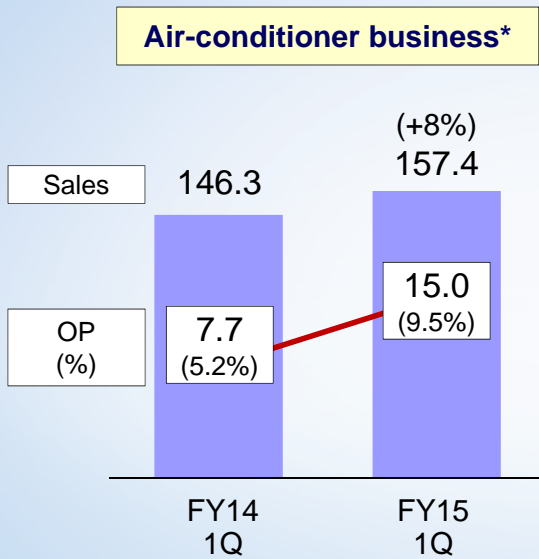
**Operating profit**

**UP**

- Profitability improved in the challenging businesses.
- Profitability in device businesses increased.

# Major Challenging Businesses

(yen: billions)



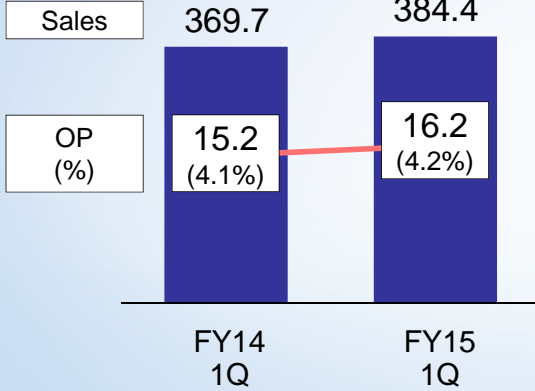
\* Production and sales consolidated

Results by segment

# Eco Solutions

(yen: billions)

<FY15 1Q>



**Sales**

**UP**

- The Company steadily captured demand in the housing-related business in Japan.
- Overseas sales expanded due to additionally-consolidated VIKO. There were also sales increases in strategic regions.

**Operating profit**

**UP**

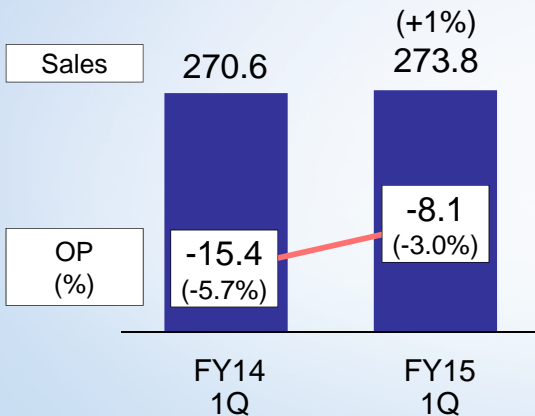
- Benefitted from sales increases and rationalization.
- Profitability in solar business for housing continued to be favourable.

Results by segment

# AVC Networks

(yen: billions)

<FY15 1Q>



**Sales**

**UP**

- Sales up in core businesses such as Vertical Solution\* and Mobility\*\*.

**Operating profit**

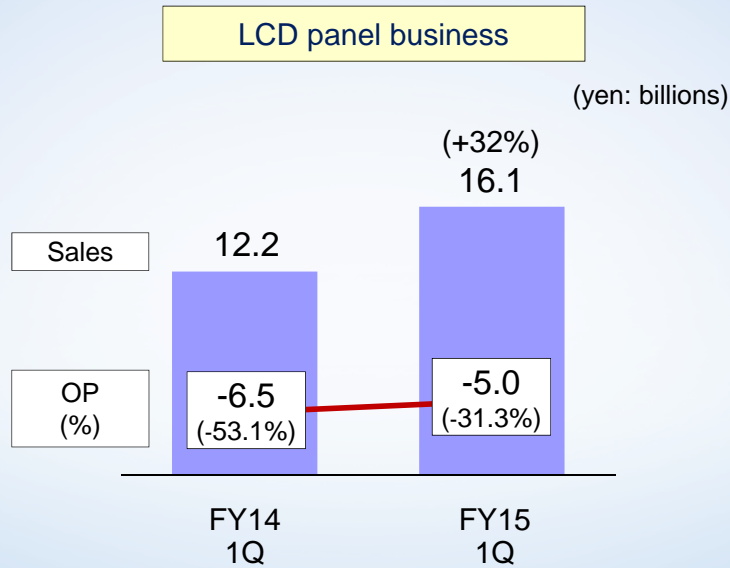
**UP**

- OP up due to sales increases in core businesses.
- Improved by reforms in challenging businesses.

\* Avionics and Infrastructure Systems

\*\* IT Products and Storage

## Major Challenging Business

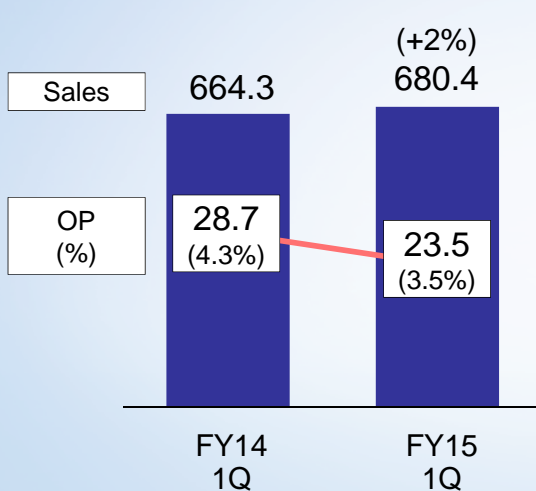


## Results by segment

## Automotive & Industrial Systems (AIS)

(yen: billions)

<FY15 1Q>



### Sales

UP

- Favourable sales for automotive-related businesses, including Infotainment Systems and Portable Rechargeable Batteries.

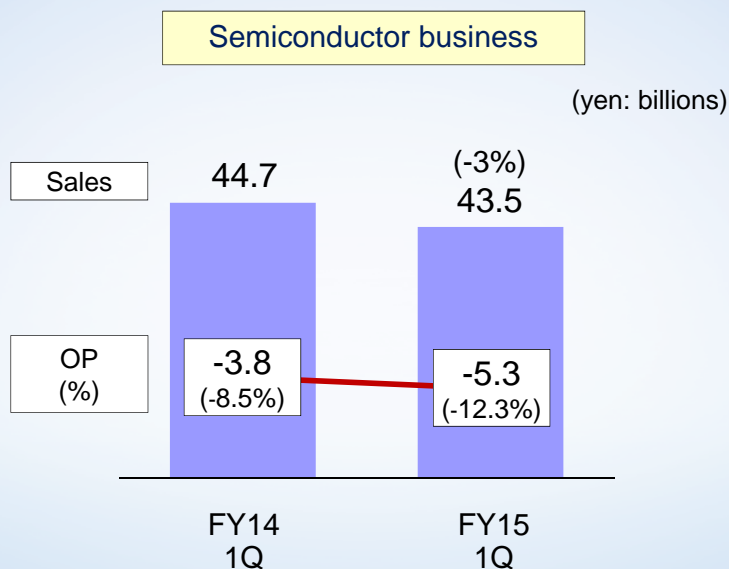
### Operating profit

DOWN

- Impacted by fixed-cost increases due to the termination of corporate-wide measures.



## Major Challenging Business



## Reclassified FY15 Full Year Forecast by Segment following Reorganization

Reflected reorganization on July 1, 2014

(yen: billions)

	FY15 full year				Revised figures	
	Sales	vs. FY14	OP	vs. FY14	Sales	OP
Appliances	1,819.0	+2%	37.5	+8.0	+30.0	+2.5
Eco Solutions	1,637.0	-2%	62.5	-29.6	-	-
AVC Networks	1,140.0	-1%	47.0	+11.3	-91.0	+4.0
Automotive & Industrial Systems (AIS)	2,766.0	+2%	100.5	+31.3	-11.0	-6.5
Other	700.0	-21%	10.0	-14.3	-	-
Eliminations and adjustments	-312.0	-	52.5	-1.8	+72.0	-
Consolidated total	7,750.0	±0%	310.0	+4.9	-	-
Appliances (production and sales consolidated)	2,309.0	-1%	54.5	+13.4	+29.0	+2.5

## Summary of FY15 1Q Results

(yen: billions)

	FY15 1Q	vs. FY14 1Q	FY15 full year forecast
Sales	1,852.3	+27.8	7,750.0
Operating profit	82.3	+18.1	310.0
Pre-tax income	55.1	-67.5	120.0
Net income *	37.9	-69.9	140.0

\* Net income attributable to Panasonic Corporation

# Panasonic

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(Reference)

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## Segments and Business Divisions

Appliances	AVC Networks	Automotive & Industrial Systems
Air-Conditioner BD	Imaging Network BD	Automotive Infotainment Systems BD
Refrigeration and Air-Conditioning Devices BD	Storage BD	Automotive Electronics BD
Refrigerator BD	Visual Systems BD	Energy Device BD
Cold Chain BD	Avionics BD	Panasonic Storage Battery Co., Ltd.
Laundry Systems and Vacuum Cleaner BD	IT Products BD	Portable Rechargeable Battery BD
Kitchen Appliances BD	Security Systems BD	Automotive Battery BD
Beauty and Living BD	Communication Products BD	Capacitor BD
Home Entertainment BD	Office Products BD	Circuit Components BD
Motor BD	Infrastructure Systems BD	Electromechanical Components BD
Smart Energy System BD	System Solutions Company (Japan)	Electronic Materials BD
Panasonic Cycle Technology Co., Ltd.		Automation Controls BD
		Panasonic Semiconductor Solutions Co., Ltd.
		Panasonic Precision Devices Co., Ltd.
		Panasonic Factory Solutions Co., Ltd.
		Panasonic Welding Systems Co., Ltd.
		Panasonic Liquid Crystal Display Co., Ltd.
Eco Solutions	Other	
Lighting BD	PanaHome Corporation	
Energy Systems BD	System LSI BD	
Housing Systems BD		
Panasonic Ecology Systems Co., Ltd.		

BD : Business Division

As of July 1, 2014