Panasonic

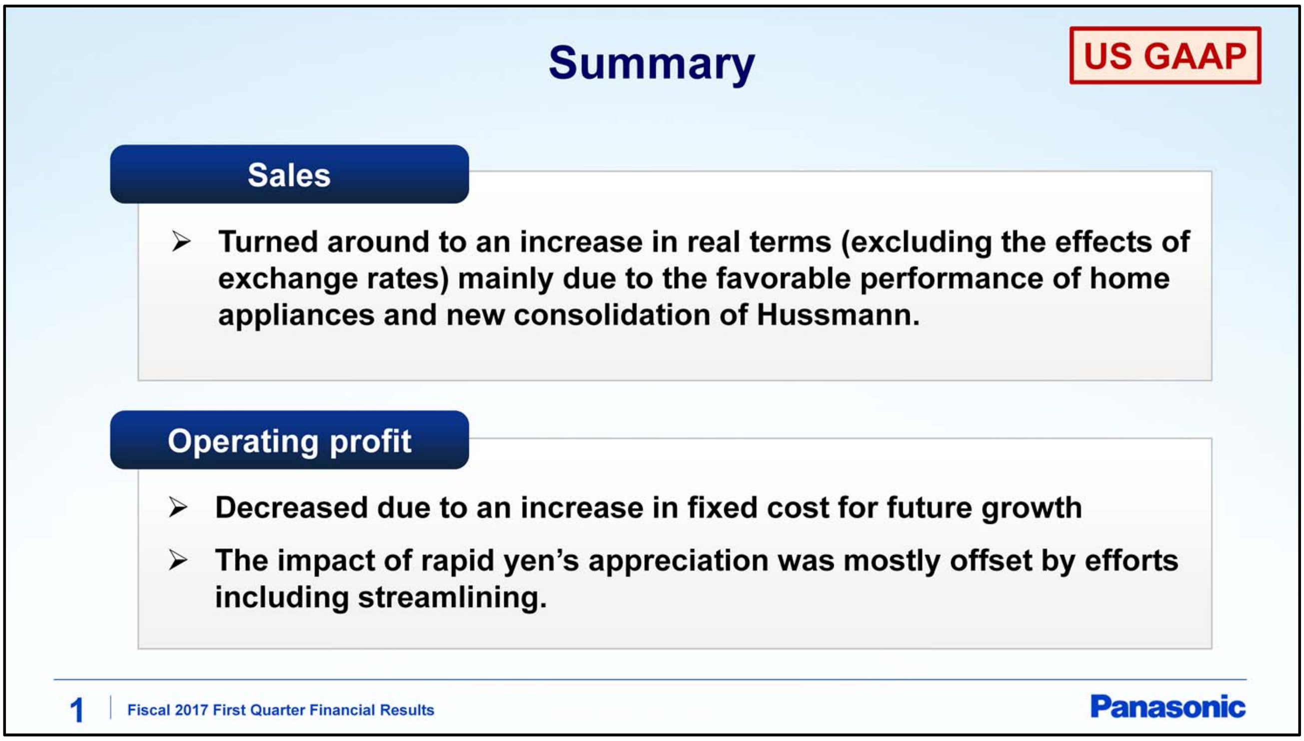
Fiscal 2017 First Quarter Financial Results

July 29, 2016

Panasonic Corporation

Notes: 1. This is an English translation from the original presentation in Japanese.
2. In this presentation, "fiscal 2017" or "FY17" refers to the year ending March 31, 2017.

- This presentation contains consolidated financial results for the first quarter of the fiscal year 2017, ending March 31, 2017.



- The slide shows the main points of the today's presentation.
  As announced earlier, Panasonic will be adopting accounting standard to IFRS from the year-end financial results of fiscal 2017. However, US GAAP applies to quarterly results until the third quarter.
- The sales of the first quarter decreased due to the significant impact of exchange rate fluctuation. However, in real terms excluding the effects of exchange rates, the sales increased for the first time in eight quarters since the first quarter of fiscal 2015 due to factors such as favorable performance in home appliances in Japan and Asia and the new consolidation of Hussmann as a subsidiary.
- The operating profit decreased due to an increase in fixed cost resulting from the implementation of upfront investment for future growth based on the business policy of fiscal 2017.
  The impact of the recent rapid yen's appreciation has been mostly offset by efforts including streamlining.

FY17 1Q Financial Results

(yen: billions)

	US GAAP				<Reference> IFRS (unreviewed)			
	FY17 1Q	FY16 1Q	vs. FY16 1Q		FY17 1Q	FY16 1Q	vs. FY16 1Q	
Sales	1,748.5	1,857.8	-6% (+1%)*	-109.3	1,774.8	1,885.6	-6% (+1%)*	-110.8
Adjusted operating profit **	–	–	–	–	76.8	81.7	-6%	-4.9
Other income/loss	–	–	–	–	-5.0	-4.3	–	-0.7
Operating profit	66.9	76.6	-13%	-9.7	71.8	77.4	-7%	-5.6
Non-operating income/loss	-8.1	-3.9	–	-4.2	2.8	3.0	-7%	-0.2
Pre-tax income	58.8	72.7	-19%	-13.9	74.6	80.4	-7%	-5.8
Net income ***	21.7	59.5	-63%	-37.8	29.2	63.0	-54%	-33.8

		FY17 1Q	FY16 1Q
FCF		-166.1	13.9
Exchange rates	1 US dollar	108 yen	121 yen
	1 Euro	122 yen	134 yen
	1 Renminbi	16.5 yen	19.6 yen

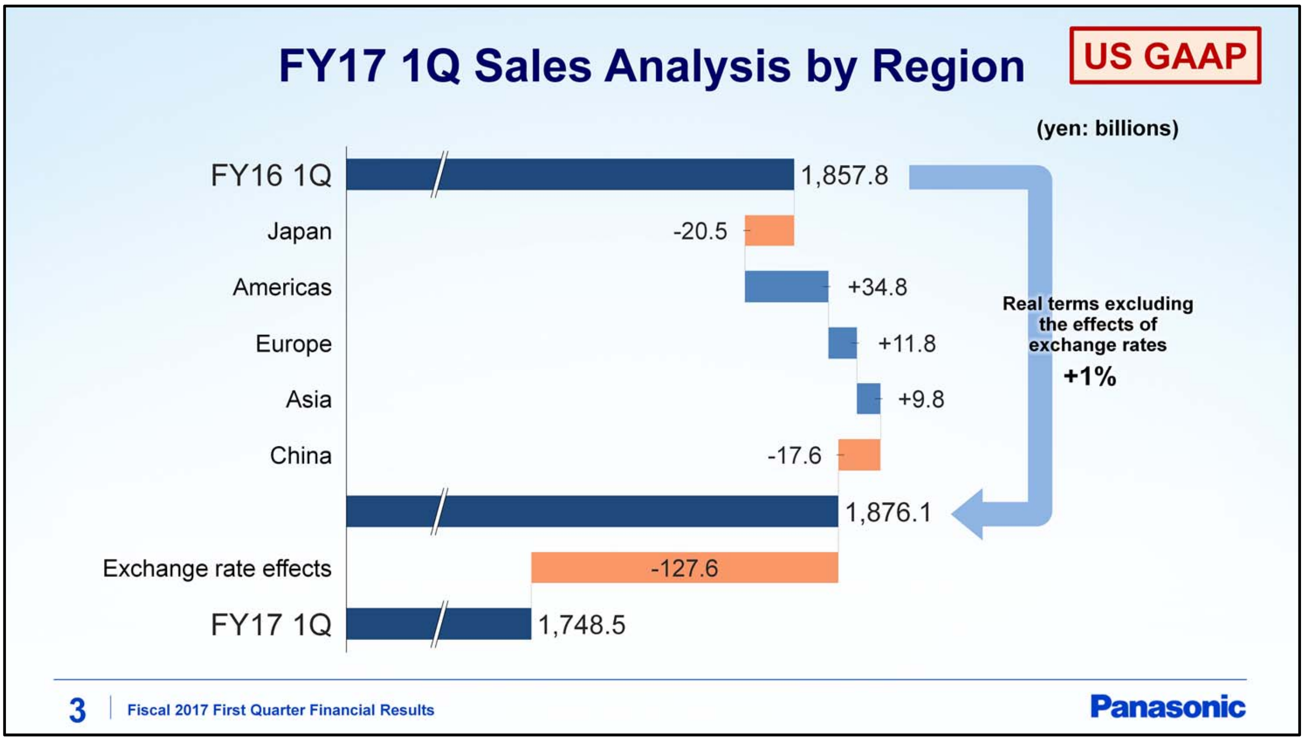
* Real terms excluding the effects of exchange rates (unreviewed)

** IFRS: Adjusted operating profit = sales-cost of sales-SG&A

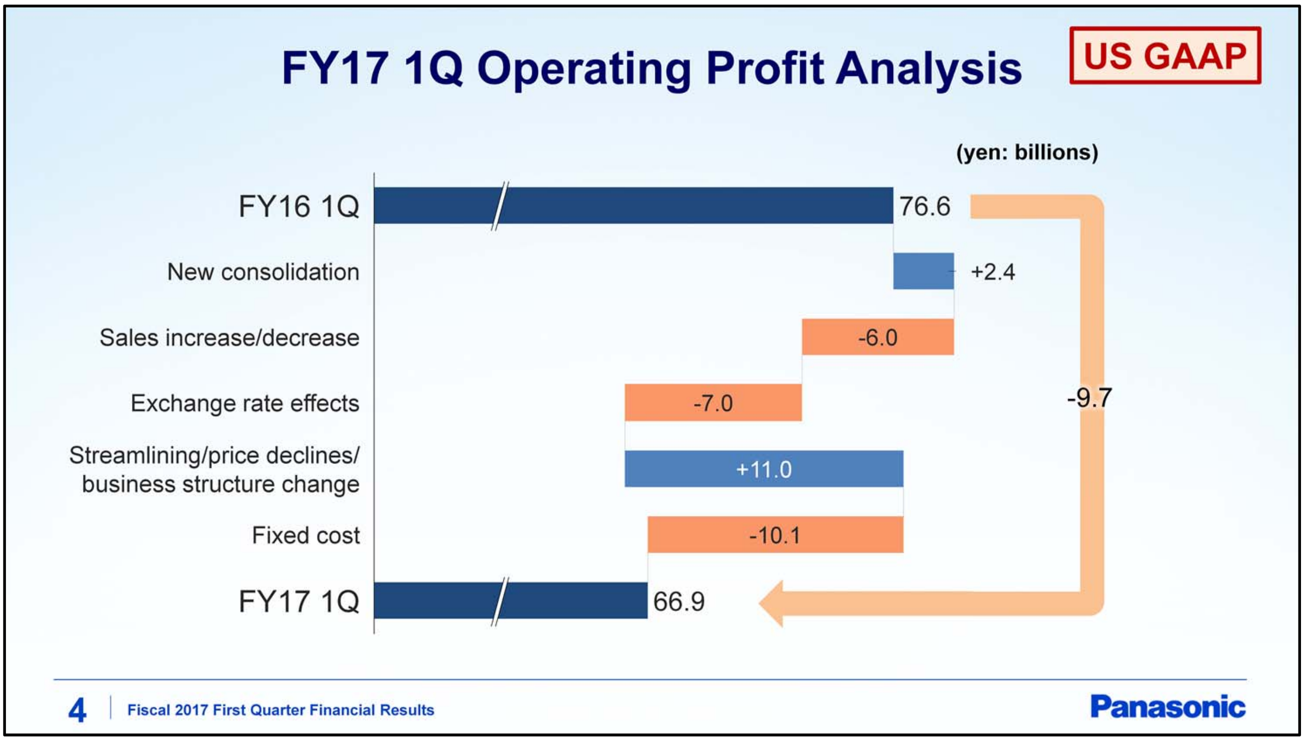
*** Net income attributable to Panasonic Corporation (US GAAP)/ Net income attributable to the owners of the parent (IFRS)

2 | Fiscal 2017 First Quarter Financial Results Panasonic

- While the sales of the first quarter decreased from last year by 6%, they increased by 1% in real terms excluding the effects of exchange rates due to the favorable performance of home appliances and benefits from the consolidation of Hussmann.
- Meanwhile, the operating profit decreased by 9.7 billion yen to 66.9 billion yen due to an increase in fixed cost, and the net income attributable to Panasonic Corporation decreased by 37.8 billion yen to 21.7 billion yen.
- The free cash flow was outflow of 166.1 billion yen due to the acquisition of Hussmann's stock.
- Please note that unreviewed IFRS-based figures are shown as reference values on the right side of the table.
- The adjusted operating profit, which closely corresponds to the operating profit on US GAAP basis, decreased by 4.9 billion yen to 76.8 billion yen.
- Other income/loss was loss of 5.0 billion yen, whereas the IFRS-based operating profit decreased by 5.6 billion yen to 71.8 billion yen.



- First, I'll explain sales analysis by region.
- Let's look at sales by region in real terms excluding the effects of exchange rates. In Japan, although sales in home appliances were favorable, overall sales were down mainly due to a sales decrease in solar-related products.
- In the Americas, sales increased due to the consolidation of Hussmann as well as automotive-related and PC sales increases.
- Sales also increased in Europe mainly due to favorable performance in air conditioners.
- In Asia, sales increased due to favorable performance in home appliances.
- Finally, in China, sales decreased due to struggles in air conditioner and device-related businesses.
- As a result, overall sales excluding the effects of exchange rates increased by 1% from last year.



- Next, this is an operating profit analysis.
- First, the operating profit increased by 2.4 billion yen due to the consolidation of Hussmann.
  Meantime, the operating profit decreased as a result of sales decreases in LCD panels and devices for ICT and rapid yen's appreciation, which was mostly offset by efforts including the streamlining of material-related process.
  However, fixed cost including upfront investment for future growth increased, and as a result, the overall operating profit decreased by 9.7 billion yen.
- Most of the increase in fixed cost is attributed to upfront investment. Our efforts including personnel enhancement and advanced development, have been implemented in housing, automotive and B2B businesses as originally projected.

FY17 1Q Pre-tax and Net Income Analysis

US GAAP

(yen: billions)

	FY17 1Q	vs. FY16 1Q
Operating profit	66.9	-9.7
Non-operating income / loss*	-8.1	-4.2
Pre-tax income	58.8	-13.9
Provision for income taxes	36.8	+25.5
Equity in earnings of associated companies	3.1	-1.2
Net income	25.1	-40.6
Less net income attributable to noncontrolling interests	3.4	-2.8
Net income attributable to Panasonic Corporation	21.7	-37.8

*Detail of non-operating income / loss

Business restructuring expenses	-1.0	+3.8

- This is a pre-tax and net income analysis.
- Non-operating income/loss was loss of 8.1 billion yen.
  Although business restructuring expenses decreased, the non-operating income/loss declined by 4.2 billion yen from last year mainly due to losses resulting from the liquidation of overseas subsidiaries.
  As a result, pre-tax income decreased by 13.9 billion yen to 58.8 billion yen.
- Provision for income taxes was 36.8 billion yen, recording an increase of 25.5 billion yen due to the revaluation of deferred tax asset during the same period last year.
- As a result, the net income attributable to Panasonic Corporation in the first quarter of fiscal 2017 was 21.7 billion yen, which decreased by 37.8 billion yen from last year.

FY17 1Q Results by Segment

(yen: billions)

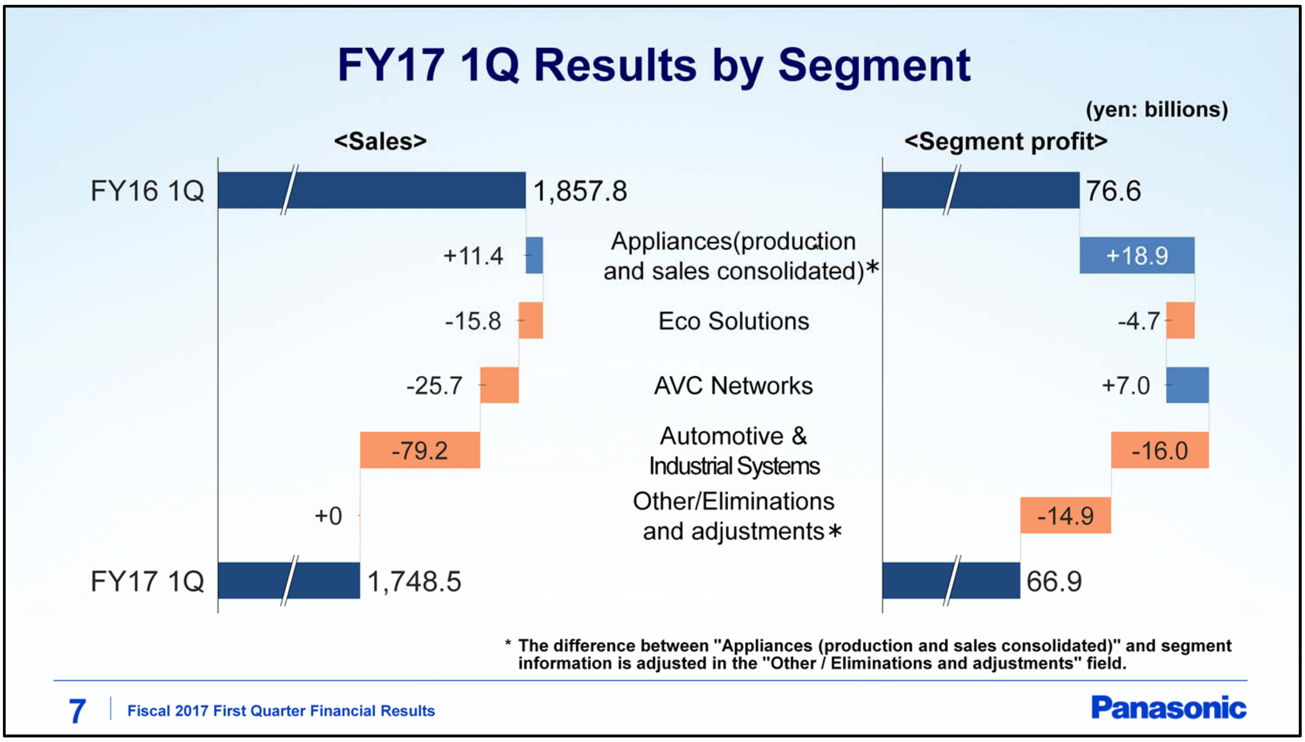
	FY17 1Q							
	Sales	vs. FY16 1Q	Adjusted operating profit	vs. FY16 1Q	Other income / loss	vs. FY16 1Q	Segment profit	vs. FY16 1Q
Appliances	616.3	+9.8	45.5	+19.2	-1.1	-0.6	44.4	+18.6
Eco Solutions	350.2	-15.8	2.5	-9.6	2.5	+4.9	5.0	-4.7
AVC Networks	249.9	-25.7	11.9	+2.5	1.0	+4.5	12.9	+7.0
Automotive & Industrial Systems	617.4	-79.2	11.9	-24.0	6.3	+8.0	18.2	-16.0
Other	117.0	-2.5	-2.9	+2.3	-0.6	-4.5	-3.5	-2.2
Subtotal	1,950.8	-113.4	68.9	-9.6	8.1	+12.3	77.0	+2.7
Eliminations and adjustments	-202.3	+4.1	-	-	-	-	-10.1	-12.4
Consolidated total (US GAAP)	1,748.5	-109.3	-	-	-	-	66.9	-9.7
Appliances (production and sales consolidated)	672.0	+11.4	43.5	+19.6	-1.2	-0.7	42.3	+18.9
Reference: Consolidated total (IFRS)	1,774.8	-110.8	76.8	-4.9	-5.0	-0.7	71.8	-5.6

* Business segment results are indicated on an IFRS basis. "Segment profit" refers to IFRS operating profit.
* Total of "Segment profit (loss)" corresponds to operating profit (US GAAP) of consolidated financial statements. Differences are adjusted in the "Eliminations and adjustments" field.
* The figures in "Eliminations and adjustments of Segment profit (loss)" include earnings and expenses which are not attributable to any reportable segments, for the purpose of evaluating operating results of each segment, and consolidation adjustments (including a part of amortization of intangible assets and differences of accounting principles)

6 | Fiscal 2017 First Quarter Financial Results

Panasonic

- These are the results by segment.
- From this first quarter, internal management has been implemented using IFRS. The figures of the segments and Business Divisions are indicated on an IFRS basis.
- As you can see, adjusted operating profit and other income/loss are shown in addition to sales and segment profit.



- These graphs show year-on-year changes in sales and profits by segment.
- Sales increased in Appliances following last year, led by home appliances in Japan and Asia and also due to the benefit of the consolidation of Hussmann. The segment profit increased due to the sales expansion of high value-added products mainly in Japan and Asia, improved TV profitability, as well as Hussmann .
- In Eco Solutions, both sales and segment profit decreased under the significant impact of a sales decrease in solar-related products.
- Sales decreased in AVC Networks due to struggles in communication businesses and the impact of the Kumamoto Earthquake in April 2016 in Japan, as well as the effects of exchange rates. On the other hand, the segment profit increased mainly due to the improvement of product mix including its shift to high value-added products, and the reduction of fixed cost.
- Sales decreased in Automotive & Industrial Systems due mainly to a sales decrease in the industrial business as well as the effects of exchange rates. The segment profit decreased due to an increase in the upfront R&D investment for automotive in addition to the significant impact of sales decreases and price declines.

Segment information

Appliances (production and sales consolidated)

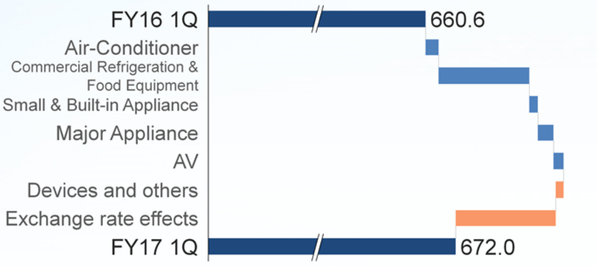
IFRS

<Overview> (yen: billions)

	Sales	Adjusted operating profit	Segment profit
FY17 1Q	672.0	43.5 6.5%	42.3 6.3%
vs. FY16 1Q	+2% *(+7%)	+19.6 +2.9%	+18.9 +2.8.%

* Real terms excluding the effects of exchange rates

<Changes in sales by business>



<Sales> * Real terms excluding the effects of exchange rates

Air-Conditioner	• Sales expansion in Japan and Asia offset the impact of sluggish market demand in China.
Commercial Refrigeration & Food Equipment	• Consolidated Hussmann as a subsidiary.
Small & Built-in Appliance	• Contribution from sales expansion in Japan and overseas mainly in beauty products.
Major Appliance	• Led by strong sales in washing machines in Japan. Sales also expanded in Asia against the backdrop of favorable market conditions.
AV	• Increased mainly due to favorable performance of 4K TVs in Japan.

<Segment profit>

Increased due to sales increases in Japan and Asia, strengthening of premium consumer products such as home appliances and TVs, as well as consolidation of Hussmann.

Panasonic

- Next, I'll explain segment by segment.
  Let's start with Appliances based on production and sales consolidated.
- The business environments in the first quarter were as follows. In Japan, the industry demand showed a moderate growth.
  With regard to overseas, markets remain sluggish in China, whereas Asia maintains favorable conditions.
- Under these environments, particularly in Japan, the Company won the demand higher than the industry's average. As a result, sales increased by 7% from the last year in real terms excluding the effects of exchange rates.
  Let's look at results by business. In the Air-Conditioner business, sales expansion in Japan and Asia offset sales declines in China, partially from the effect of an extreme summer heat.
  With regard to the Commercial Refrigeration & Food Equipment, sales increased due to the newly-consolidated Hussmann.
  In the Small and Built-in Appliance business, sales expansion in Japan and overseas mainly in beauty products contributed.
  Sales increase in the Major Appliance business was led by drum-type washing machines in Japan, and sales in refrigerators and washing machines also increased in Asia from the effect of an extreme summer heat against the backdrop of favorable market conditions.
  The AV business was led by sales increases of 4K TVs in Japan.
- The segment profit increased due to improved profitability achieved through the shift to high value-added products such as 4K TVs in the TV business, sales increases in home appliances, and contribution of premium consumer products, as well as benefits from the consolidation of Hussmann and the effect of yen’s appreciation.
- We will keep on making efforts to maintain this sales and profit expansion path.

Segment information

Eco Solutions

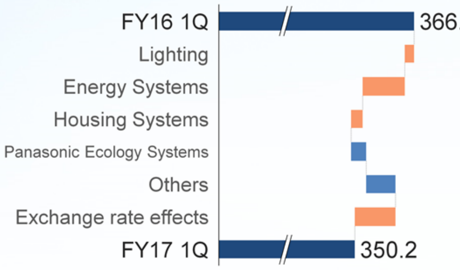
IFRS

<Overview> (yen: billions)

	Sales	Adjusted operating profit	Segment profit
FY17 1Q	350.2	2.5 0.7%	5.0 1.4%
vs. FY16 1Q	-4% *(-1%)	-9.6 -2.6%	-4.7 -1.3%

* Real terms excluding the effects of exchange rates

<Changes in sales by business>



<Sales> * Real terms excluding the effects of exchange rates

Lighting	• Impacted by sales decreases in the lighting source business, and the devices business in Europe.
Energy Systems	• Significantly impacted by sales decreases due to the shrinking solar market. • Businesses other than the solar business such as wiring devices performed at the same level as last year.
Housing Systems	• Impacted by sales decreases owing to the supply problems of building materials supplier.
Panasonic Ecology Systems	• Led by sales increases in air purifiers and heat exchange units in China and dehumidifiers and pumps in Asia.
Others	• Led by the Age Free (elderly care) and overseas engineering businesses

<Segment profit>

Down due to sales decreases mainly in the solar business and an increase in fixed cost resulting from upfront investment for growing business.

Panasonic

- Next, let's examine Eco Solutions.
- As the business environment in the first quarter, new housing starts in Japan were showing signs of recovery compared with last year.
  However, the residential solar market in Japan is estimated to have shrunk by more than 20% and its conditions are very tough due to price declines and intensified competition.
- Under such circumstances, sales remained at the same level as last year, decreasing by 1% from the last year, in real terms excluding the effects of exchange rates.
  Let's look at the results by business. Sales in the Lighting business were down due to the impact of sales decreases in the lighting source business, and the devices business in Europe.
  The Energy Systems business was significantly impacted by sales decreases owing to the shrinking solar market. However, businesses other than the solar business such as wiring devices performed at the same level as last year.
  Sales in the Housing Systems business were down due to the impact of the supply problems of building materials supplier.
  Sales by Panasonic Ecology Systems were up, led by sales increases in air purifiers in China and pumps in Asia.
- The segment profit was down due to sales decreases mainly in the solar business and an increase in fixed cost resulting from upfront investment for growing business.
- We expect that the solar market in Japan will remain sluggish. Under these circumstances, we will work on overseas sales expansion and implement additional segment-wide efforts, such as streamlining, to secure profit.

Segment information

AVC Networks

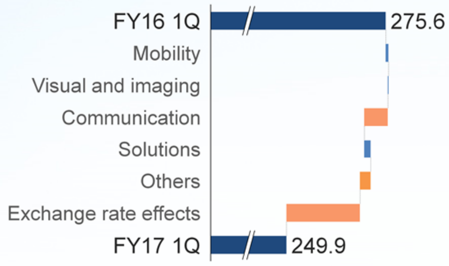
IFRS

<Overview> (yen: billions)

	Sales	Adjusted operating profit	Segment profit
FY17 1Q	249.9	11.9 4.8%	12.9 5.1%
vs. FY16 1Q	-9% *(-3%)	+2.5 +1.4%	+7.0 +3.0%

* Real terms excluding the effects of exchange rates

<Changes in sales by business>



<Sales> * Real terms excluding the effects of exchange rates

Mobility	• Increased as a result of expanding efforts to win projects and accelerating harvesting efforts via the reestablishment of sales force in the U.S.
Visual and Imaging	• Sales in high brightness projectors and 4K camera products were robust despite the negative impact of the Kumamoto Earthquake on some products.
Communi-cation	• The fixed-line phone and conventional analog PBX markets continued to shrink, leading to a significant decline in overseas sales.
Solutions	• Favorable performance in the Avionics and overseas solutions businesses.

<Segment profit>

Increased as the improvement of product mix including a shift to high value-added products and the reduction of fixed cost, offset the negative impact of the Kumamoto Earthquake and sales decreases in the Communication business.

Panasonic

- Next, let's look at AVC Networks.
- As the business environment in the first quarter, the production and sales of some products were impacted by the Kumamoto Earthquake. Manufacturing companies' local factories were hit by the earthquake, affecting component procurement for image sensors, display devices, microcontrollers, etc.
- Under these circumstances, sales were down by 3% year-on-year in real terms excluding the effects of exchange rates.
  Looking at the figures by business, the Mobility business increased sales as a result of strong performance in Japan as well as of efforts to expand projects and accelerate order increases via the reestablishment of sales force in the U.S.
  Sales in the Visual and Imaging business remained at the same level as last year. Sales in high brightness projectors and 4K camera products such as digital cameras including mirrorless-type were robust despite the negative impact of the Kumamoto Earthquake on some products.
  The Communication business decreased in sales, particularly in the U.S. and Asia, as the fixed-line phone and conventional analog PBX markets continued to shrink.
  In the Solutions business, the Avionics and overseas solutions businesses had stable performance.
- The segment profit increased mainly due to the improvement of product mix including a shift to high value-added products and the reduction of fixed cost, despite the negative impact of the Kumamoto Earthquake and sales decreases in the Communication business.
- Please note that the Mobility business, which has been positioned as a "low profitability business," is improving in profitability through the recovery in the U.S. where sales force has been enhanced, and the selection and concentration of new development investment.
  In the Communication business, where sales declines are significant, efforts including a fixed-cost reduction are being made to improve profitability.

Segment information

Automotive & Industrial Systems

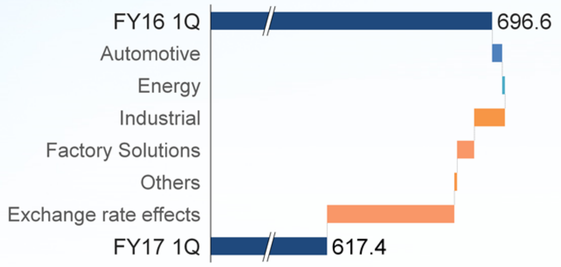
IFRS

<Overview> (yen: billions)

	Sales	Adjusted operating profit	Segment profit
FY17 1Q	617.4	11.9 1.9%	18.2 3.0%
vs. FY16 1Q	-11% *(-3%)	-24.0 -3.3%	-16.0 -1.9%

* Real terms excluding the effects of exchange rates

<Changes in sales by business>



<Sales> * Real terms excluding the effects of exchange rates

Automotive	• Increased due to the strong performance of overseas vehicle sales despite the negative impact of the Kumamoto Earthquake on vehicle production in Japan.
Energy	• Increased as the demand for lithium-ion batteries slumped for ICT application but grew for automotive use, and the demand for dry batteries also expanded.
Industrial	• Favorable performance by automotive and industrial devices. • Decreased due to the sluggish ICT market and impact of business withdrawal as well as the downsizing of the LCD panel business.
Factory Solutions	• Decreased due to the backlash of special demand for smartphones in China during the same period last year and sluggish sales in PC-related products.

<Segment profit>

Decreased as efforts including the streamlining of material-related processes could not offset the impact of sales decreases in the Industrial and Factory Solutions businesses.

Panasonic

- Finally, Automotive & Industrial Systems.
- As the business environment in the first quarter, while vehicles sales were stagnant in Japan due to the sluggish performance of light vehicles, vehicle sales were strong in Europe and China. With regard to ICT-related products, the notebook PC market continued to contract, and the smartphone market remained stagnant.
- Under these circumstances, sales were down by 3% year-on-year in real terms excluding the effects of exchange rates.
  Looking at the figures by business, the Automotive business achieved increased sales due to the strong performance of vehicle sales in the U.S., Europe, China, and etc., despite the impact of reduced vehicle production in Japan due to the Kumamoto Earthquake.
  In the Energy business, overall sales increased. The demand for lithium-ion batteries slumped for ICT application but grew for automotive use, and the demand for dry batteries also expanded.
  The Industrial business decreased in sales due to the significant impact of the downsizing of the LCD panel business, and the sluggish ICT market and the impact of business withdrawal, despite favorable performance by automotive and industrial devices.
  In the Factory Solutions business ,the sales decreased mainly due to the backlash of special demand for smartphones in China during the same period last year and sluggish sales in PC-related products.
- The segment profit decreased as efforts including the streamlining of material-related processes could not offset the impact of price declines in LCD panels for TVs, sales decreases in the Industrial and Factory Solutions businesses, and the increase in the upfront R&D investment for automotive.
- We will implement recovery efforts such as moving up the production increase of lithium-ion batteries for automotive use and expanding sales in the Factory Solutions business, as well as furthering the streamlining of material-related process.

TV and Six Large-Scale BDs

IFRS

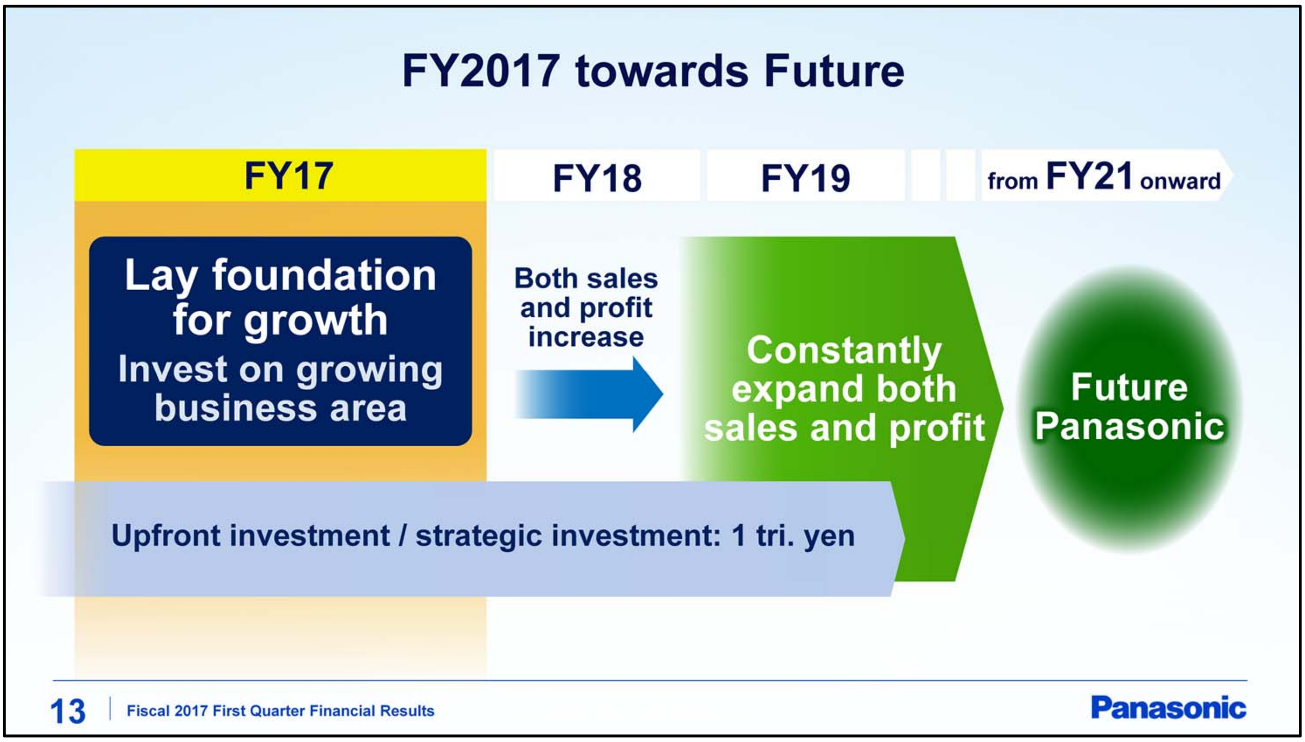
(yen: billions)

	FY17 1Q							
	Sales	vs. FY16 1Q	Adjusted operating profit ***	vs. FY16 1Q	Other income / loss ***	vs. FY16 1Q	BD profit ***	vs. FY16 1Q
TV *	76.6	-5.1	3.4	+6.2	-0.4	-0.5	3.0	+5.7
Air-Conditioner *	155.1	-6.7	18.0	+2.2	-0.4	+0.2	17.6	+2.3
Lighting	67.0	-4.5	0.5	-0.7	1.9	+4.5	2.4	+3.8
Housing Systems	82.4	-3.2	1.2	-0.4	0.3	+0.0	1.5	-0.3
Automotive Infotainment Systems	124.4	-6.5	6.0	-0.7	0.0	-0.3	6.0	-1.1
Rechargeable Battery **	76.8	-5.6	-5.0	-6.5	5.8	+10.7	0.7	+4.2
PanaHome	69.3	+4.9	-2.5	-0.8	-0.3	-0.1	-2.7	-0.9

* : Including sales division (production & sales consolidated)
** : Rechargeable Battery + Tesla BU
*** : BD results are indicated on an IFRS basis. "BD profit" refers to IFRS operating profit.

Panasonic

- Here are the results of the six large-scale and TV Business Divisions. We continue to disclose these results this fiscal year.



- This concludes my explanation of the financial results in the first quarter.
  Despite rapid exchange rate fluctuations, we believe that the overall situation has been transitioning as expected.
- As described in our business policy presentation in March, the fiscal 2017 is a year for laying foundation for future growth.
- In this first quarter, personnel enhancement and advanced development were executed as upfront investment mainly in the housing, automotive, and B2B businesses. Strategic investment such as the acquisition of Hussmann's stock has also been implemented as planned.
- Although business environments including exchange rates face future uncertainty, we will continue to implement measures for growth from the mid- and long-term viewpoints.
- As shown in the news release, the Board of Directors of the Company resolved to issue unsecured straight bonds as of July 29, 2016. The purpose of funding is expected to prepare for capital expenditures mainly for automotive batteries which are ahead of schedule, as we aim to achieve profitable growth in the future, developing our growth strategy from the financial aspects.

- Thank you for your cooperation.

Disclaimer Regarding Forward-Looking Statements

This presentation includes forward-looking statements (that include those within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934), as amended about Panasonic and its Group companies (the Panasonic Group). Panasonic discloses its consolidated financial forecasts for fiscal 2017 based on International Financial Reporting Standards (IFRS). To the extent that statements in this presentation do not relate to historical or current facts, they constitute forward-looking statements. These forward-looking statements are based on the current assumptions and beliefs of the Panasonic Group in light of the information currently available to it, and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause the Panasonic Group's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. Panasonic undertakes no obligation to publicly update any forward-looking statements after the date of this presentation. Investors are advised to consult any further disclosures by Panasonic in its subsequent filings under the Financial Instrument and Exchange Act of Japan (the FIEA) and other publicly disclosed documents.

The risks, uncertainties and other factors referred to above include, but are not limited to, economic conditions, particularly consumer spending and corporate capital expenditures in the Americas, Europe, Japan, China and other Asian countries; volatility in demand for electronic equipment and components from business and industrial customers, as well as consumers in many product and geographical markets; the possibility that excessive currency rate fluctuations of the U.S. dollar, the euro, the Chinese yuan and other currencies against the yen may adversely affect costs and prices of Panasonic's products and services and certain other transactions that are denominated in these foreign currencies; the possibility of the Panasonic Group incurring additional costs of raising funds, because of changes in the fund raising environment; the possibility of the Panasonic Group not being able to respond to rapid technological changes and changing consumer preferences with timely and cost-effective introductions of new products in markets that are highly competitive in terms of both price and technology; the possibility of not achieving expected results or incurring unexpected losses in connection with the alliances or mergers and acquisitions; the possibility of not being able to achieve its business objectives through joint ventures and other collaborative agreements with other companies, including due to the pressure of price reduction exceeding that which can be achieved by its effort and decrease in demand for products from business partners which Panasonic highly depends on in BtoB business areas; the possibility of the Panasonic Group not being able to maintain competitive strength in many product and geographical areas; the possibility of incurring expenses resulting from any defects in products or services of the Panasonic Group; the possibility that the Panasonic Group may face intellectual property infringement claims by third parties; current and potential, direct and indirect restrictions imposed by other countries over trade, manufacturing, labor and operations; fluctuations in market prices of securities and other assets in which the Panasonic Group has holdings or changes in valuation of long-lived assets, including property, plant and equipment and goodwill, deferred tax assets and uncertain tax positions; future changes or revisions to accounting policies or accounting rules; the possibility of incurring expenses resulting from a leakage of customers' or confidential information from Panasonic's systems due to unauthorized access or a detection of vulnerability of network-connected products of the Panasonic Group; as well as natural disasters including earthquakes, prevalence of infectious diseases throughout the world, disruption of supply chain and other events that may negatively impact business activities of the Panasonic Group. The factors listed above are not all-inclusive and further information is contained in the most recent English translated version of Panasonic's securities reports under the FIEA and any other documents which are disclosed on its website.

In order to be consistent with generally accepted financial reporting practices in Japan, operating profit (loss) is presented in accordance with generally accepted accounting principles in Japan. The company believes that this is useful to investors in comparing the company's financial results with those of other Japanese companies. Under United States generally accepted accounting principles, expenses associated with the implementation of early retirement programs at certain domestic and overseas companies, and impairment losses on long-lived assets are usually included as part of operating profit (loss) in the statement of income.

(Reference) Main Changes in Accounting Standards（P/L）

(yen: billions)

	FY17 1Q（IFRS）*	FY17 1Q（US GAAP）
Sales	1,774.8	1,748.5
Adjusted operating profit	76.8	—
Other income/loss	-5.0	—
Operating profit	71.8	66.9
Non-operating income/loss	2.8	-8.1
Pre-tax income	74.6	58.8
Provision for income taxes	40.4	36.8
Equity in earnings of associated companies	—	3.1
Less net income attributable to noncontrolling interests	5.0	3.4
Net income attributable to owners of parent company	29.2	** 21.7

Difference of consolidation scope etc.

Capitalization of R&D expenses etc.

Non-operating income/loss excluding financial income/loss and exchange gains/losses

* Unreviewed

** Net income attributable to Panasonic Corporation

(Reference)

FY17 1Q Results by Segment

IFRS

(yen: billions)

	FY17 1Q							
	Sales	vs. FY16 1Q	Adjusted operating profit	vs. FY16 1Q	Other Income/ loss	vs. FY16 1Q	Segment profit	vs. FY16 1Q
Appliances	616.3	+9.8	45.5	+19.2	-1.1	-0.6	44.4	+18.6
Eco Solutions	350.2	-15.8	2.5	-9.6	2.5	+4.9	5.0	-4.7
AVC Networks	249.9	-25.7	11.9	+2.5	1.0	+4.5	12.9	+7.0
Automotive & Industrial Systems	617.4	-79.2	11.9	-24.0	6.3	+8.0	18.2	-16.0
Other	117.0	-2.5	-2.9	+2.3	-0.6	-4.5	-3.5	-2.2
Subtotal	1,950.8	-113.4	68.9	-9.6	8.1	+12.3	77.0	+2.7
Eliminations and adjustments	-176.0	+2.6	7.9	+4.7	-13.1	-13.0	-5.2	-8.3
Consolidated total (IFRS)	1,774.8	-110.8	76.8	-4.9	-5.0	-0.7	71.8	-5.6
Appliances (production and sales consolidated)	672.0	+11.4	43.5	+19.6	-1.2	-0.7	42.3	+18.9

∗ Unreviewed

(Reference) **Segments and Business Divisions**

Appliances

Air-Conditioner Company
TV BD
Home Entertainment BD
Refrigerator BD
Laundry Systems and Vacuum Cleaner BD
Kitchen Appliances BD
Beauty and Living BD
Panasonic Cycle Technology Co., Ltd.
Refrigeration and Air-Conditioning Devices BD
Smart Energy System BD
Cold Chain BD
Hussmann Corporation

AVC Networks

Imaging Network BD
Storage BD
Visual Systems BD
Panasonic Avionics Corporation
IT Products BD
Security Systems BD
Communication Products BD
Office Products 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, 2016

(Reference) Sales disclosure businesses in FY17

Appliances

- Air-Conditioner Business : Air-Conditioner Company
- Commercial Refrigeration & Food Equipment Business : Cold Chain BD, Hussmann Corporation
- Small & Built-in Appliance Business : Kitchen Appliances BD, Beauty and Living BD
- Major Appliance Business : Refrigerator BD, Laundry Systems and Vacuum Cleaner BD
- AV Business : TV BD, Home Entertainment BD

AVC Networks

- Mobility Business : IT Products BD, Storage BD
- Visual and Imaging Business : Imaging Network BD, Visual Systems BD, Security Systems BD
- Communication Business : Communication Products BD, Office Products BD
- Solutions Business : Panasonic Avionics Corporation, Domestic/Overseas Solutions

Automotive & Industrial Systems

- Automotive Business : Automotive Infotainment Systems BD, Automotive Electronics Systems BD
- Energy Business : Rechargeable Battery BD, Energy Device BD
- Industrial Business : Electromechanical Control BD, Panasonic Semiconductor Solutions Co., Ltd., Device Solutions BD, Electronic Materials BD, Panasonic Liquid Crystal Display Co., Ltd.
- Factory Solutions Business : Smart Factory Solutions BD