

Fiscal 2017 Financial Results Fiscal 2018 Financial Forecast

May 11, 2017
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 ended March 31, 2017.
In addition, "Fiscal 2018" or "FY18" refer to the year ending March 31, 2018.*

Contents

1. FY17 Financial Results

2. FY18 Financial Forecast

Summary of FY17 Financial Results

- Sales in real terms increased due mainly to the expanded sales in the automotive-related business.
- Adjusted operating profit increased mainly in the favorable sales of white goods business and the Industrial Business for the automotive and industrial markets.
However, overall adjusted operating profit decreased mainly as a result of the effect of upfront investment.
- Net profit* exceeded the revised FY17 forecast by 19.4 billion yen; therefore, annual dividends are raised to 25 yen.

* Net profit attributable to Panasonic Corporation stockholders

FY17 Full-Year Results

(yen: billions)

	FY17	FY16	vs. FY16		FY17 Forecast (As of Feb. 2, 2017)	Difference
Sales	7,343.7	7,626.3	-4% (+2%)*	-282.6	7,350.0	-6.3
Adjusted operating profit **	343.6	413.2	-17%	-69.6	340.0	+3.6
Other income/loss ***	-66.8	-182.9	-	+116.1	-75.0	+8.2
Operating profit	276.8	230.3	+20%	+46.5	265.0	+11.8
Non-operating income/loss	-1.7	-2.8	-	+1.1	-5.0	+3.3
Profit before income taxes	275.1	227.5	+21%	+47.6	260.0	+15.1
Net profit ****	149.4	165.2	-10%	-15.8	130.0	+19.4
ROE	9.9%	11.1%	-	-1.2%	-	-

Exchange rates	1 US dollar	108 yen	120 yen
	1 Euro	119 yen	133 yen
	1 Renminbi	16.1 yen	18.9 yen

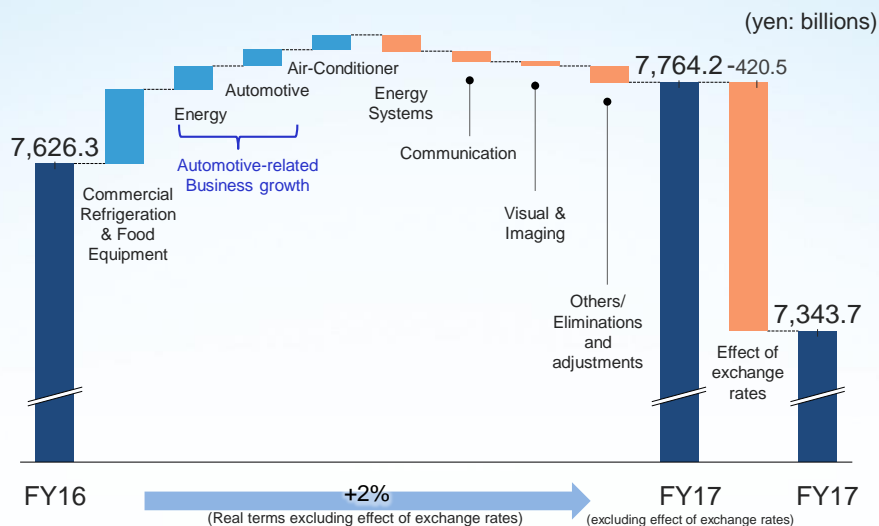
* Real terms excluding the effect of exchange rates

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

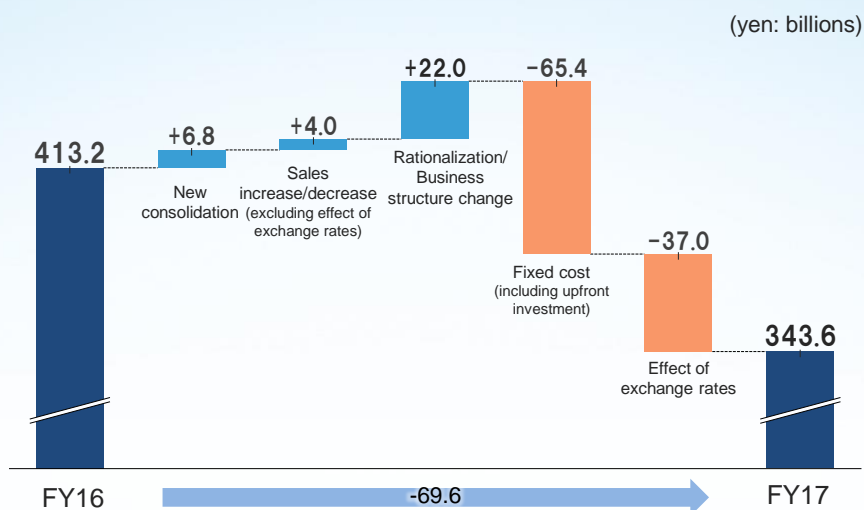
*** Other income/loss = Other income (expenses) + Share of profit of investments accounted for using the equity method

**** Net profit attributable to Panasonic Corporation stockholders

FY17 Sales Analysis by Business



FY17 Adjusted Operating Profit Analysis



FY17 Results by Segment

(yen: billions)

	FY17							
	Sales	vs. FY16	Adjusted operating profit	vs. FY16	Other Income/loss	vs. FY16	Operating profit	vs. FY16
Appliances	2,324.5	+45.7	109.5	+28.1	-5.2	+16.6	104.3	+44.7
Eco Solutions	1,545.7	-47.0	74.3	-13.6	-11.8	-0.2	62.5	-13.8
AVC Networks	1,040.7	-132.0	66.9	-15.7	-37.3	-23.7	29.6	-39.4
Automotive & Industrial Systems	2,561.2	-146.1	85.0	-50.2	24.3	+109.3	109.3	+59.1
Other *	656.6	+9.5	13.0	-3.2	-5.0	-2.9	8.0	-6.1
Subtotal	8,128.7	-269.9	348.7	-54.6	-35.0	+99.1	313.7	+44.5
Eliminations and adjustments	-785.0	-12.7	-5.1	-15.0	-31.8	+17.0	-36.9	+2.0
Total	7,343.7	-282.6	343.6	-69.6	-66.8	+116.1	276.8	+46.5
Appliances (production and sales consolidated)	2,539.6	+33.9	108.8	+32.5	-5.6	+16.1	103.2	+48.6

* PanaHome is included in Other segment.

Segment Information

FY17 TV and Six Large-Scale BDs

(yen: billions)

	FY17							
	Sales	vs. FY16	Adjusted operating profit	vs. FY16	Other Income/loss	vs. FY16	Operating profit	vs. FY16
Air-Conditioner *	462.2	-3.1	28.4	+9.4	0.2	+3.2	28.6	+12.6
Lighting	307.9	-12.4	21.5	-1.0	0.4	+9.9	21.9	+8.9
Housing Systems	367.1	+0.1	16.1	+0.8	-0.6	+1.1	15.5	+1.9
Automotive Infotainment Systems	506.3	-27.7	24.6	-9.0	0.0	-0.3	24.6	-9.3
Rechargeable Battery **	362.6	+9.8	-12.9	-16.4	17.5	+84.1	4.6	+67.7
PanaHome	359.6	+6.6	11.8	-3.9	-0.4	-0.3	11.4	-4.2
TV *	307.1	-43.7	5.7	+3.8	-1.1	+9.5	4.6	+13.3

* Including sales division (production & sales consolidated)

** Rechargeable Battery BD + Tesla BU

FY17 FCF and Net Cash

(yen: billions)

	FY17	FY16	vs. FY16
FCF * Figure excludes strategic investment	-34.7 (190.3)*	125.6 (224.1)*	-160.3 (-33.8)*
Cash Conversion Cycle (CCC)	30 days	31 days	-1 day
Net cash (end of fiscal year)	196.6	333.0	-136.4

FY17 Dividends

	Interim dividends	Year-end dividends	Total dividends
FY17	10 yen	15 yen	25 yen
FY17(e) (as of Feb. 28, 2017)	10 yen	10 yen	20 yen
FY16	10 yen	15 yen	25 yen

Contents

1. FY17 Financial Results

2. FY18 Financial Forecast

Summary of FY18 Financial Forecast

- The rewards of initiatives towards growth to date are expected to produce results and achieve “both sales and profit growth” .
- All segments are anticipated to contribute sales increase, particularly automotive-related businesses to make significant growth.
- Operating profit is expected to increase through the sales growth in automotive-related and home appliance businesses as well as the impact of new consolidations and improvement of other income/loss.

FY18 Full-Year Forecast

(yen: billions)

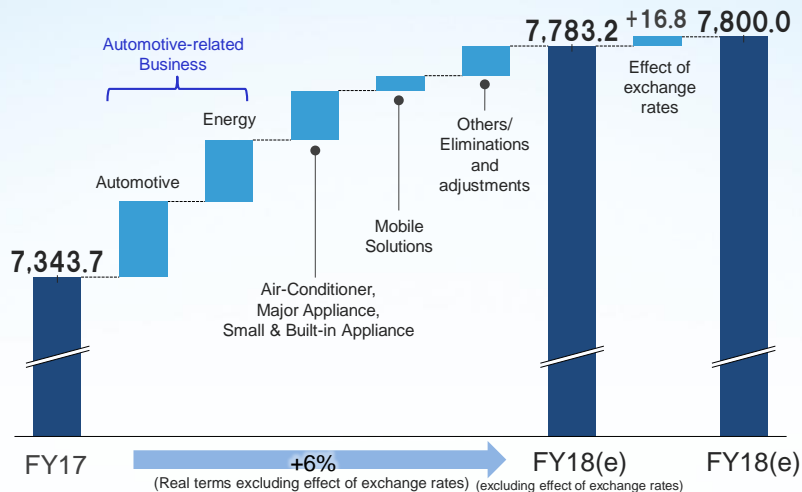
	FY18(e)	vs. FY17	
Sales	7,800.0	+6% (+6%)*	+456.3
Operating profit	335.0	+21%	+58.2
Non-operating income/loss	-10.0	-	-8.3
Profit before income taxes	325.0	+18%	+49.9
Net profit attributable to Panasonic Corporation stockholders	160.0	+7%	+10.6

* Real terms excluding effect of exchange rates

Exchange rates	1 US dollar	110 yen
	1 Euro	120 yen
	1 Renminbi	15.9 yen

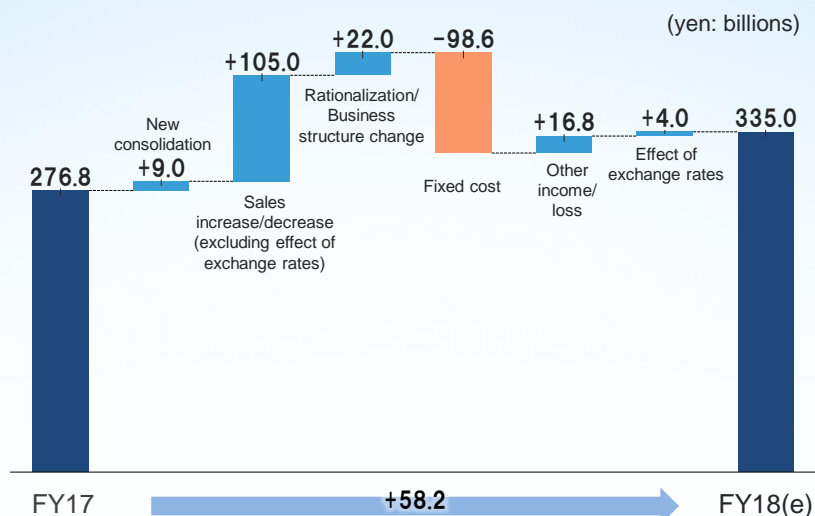
FY18 Sales Analysis by Business

(yen: billions)



Reference: 'List of Businesses whose sales are disclosed in FY18' on page 30.

FY18 Operating Profit Analysis



FY18 Forecast by Segment

(yen: billions)

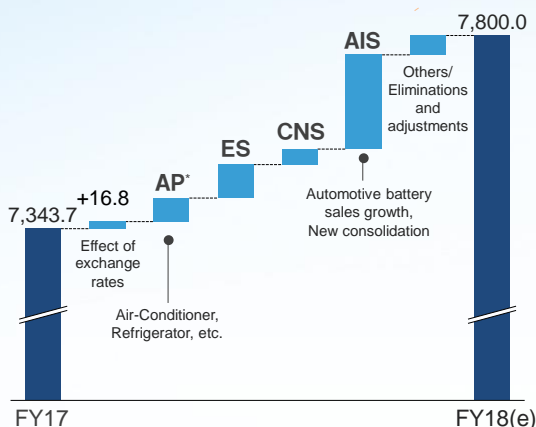
	FY18(e)			
	Sales	vs. FY17	Operating profit	vs. FY17
Appliances	2,550.0	+46.6	111.0	+12.1
Eco Solutions	1,626.0	+78.7	72.0	+7.8
Connected Solutions	1,103.0	+51.8	69.0	+18.6
Automotive & Industrial Systems	2,660.0	+243.4	93.0	+0.0
Other *	680.0	+5.6	7.0	-1.0
Subtotal	8,619.0	+426.1	352.0	+37.5
Eliminations and adjustments	-819.0	+30.2	-17.0	+20.7
Total	7,800.0	+456.3	335.0	+58.2
Appliances (production and sales consolidated)	2,750.0	+52.8	112.0	+12.3

* PanaHome is included in Other segment.

FY18 Sales and Operating Profit Analysis by Segment

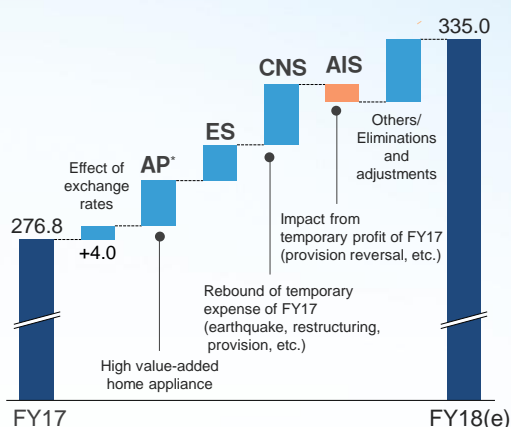
Sales

(yen: billions)



Operating profit

(yen: billions)



* production and sales consolidated

Segment Information

Appliances(production & sales consolidated)

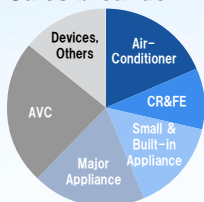
<Sales and OP>

(yen: billions)

	Sales	Operating profit
FY18(e)	2,750.0	112.0 4.1%
vs. FY17	+2% *(+2%)	+12.3

* Real terms excluding effect of exchange rates

<Sales breakdown>



<Summary>

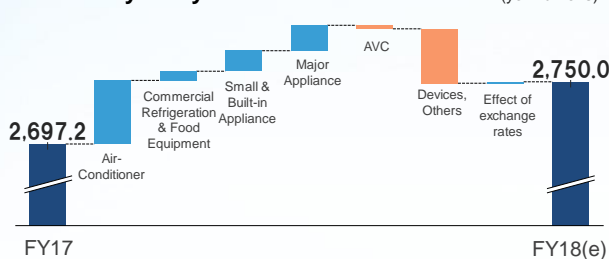
Sales	Sales increase mainly in further increase in Japanese market share and home appliances in Asia, China and India is expected to lead sales expansion.
OP	OP is expected to increase from last year due to the shift to high value-added home appliances and acceleration of B2B profitability strengthening despite the risk factors such as raw materials price hikes.

<Strategy by business>

Air-Conditioner	Tries to achieve significant growth of both sales and profit through promoting "healthy air conditioning" values by "Nanoe X" and strengthening sales channels specialized for air conditioning.
Commercial Refrigeration & Food Equipment	Achieves sales and profit growth by offering high value-added proposals in Japan and developing new overseas customers through the synergy between Panasonic and Hussmann.
Small & Built-in Appliance	Tries to achieve sales growth and maintaining profitability in Japan and investing overseas aggressively.
Major Appliance	Shifts resources to highly growing region, Asia, China and India. Achieves sales and profit growth through strengthening premium products fit for each region.
AVC	Keeps positive profit by premium products fit for each region / country in addition to downsizing the management structure.

<Sales analysis by business>

(yen: billions)



Segment Information

Eco Solutions

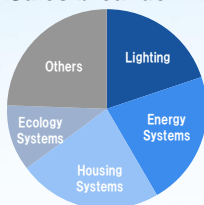
<Sales and OP>

(yen: billions)

	Sales	Operating profit
FY18(e)	1,626.0	72.0 4.4%
vs. FY17	+5% *(+5%)	+7.8

* Real terms excluding effect of exchange rates

<Sales breakdown>

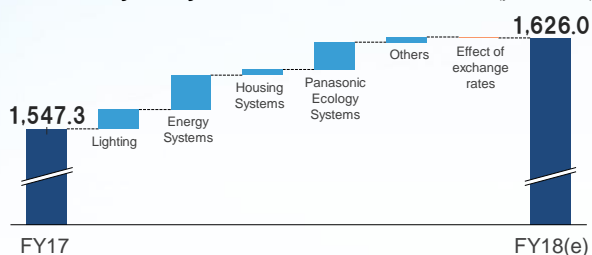


<Summary>

Sales	Focuses on high-growth overseas market mainly in electrical construction materials including wiring devices and lighting equipment. Expected to grow steadily in Japan by strengthening product competitiveness and sales force.
OP	OP is expected to increase through sales expansion of such businesses as electrical construction materials.

<Sales analysis by business>

(yen: billions)



<Strategy by business>

Lighting	Increases sales in overseas and new businesses, keeping the same size of sales in Japan.
Energy Systems	Expands overseas business in electrical construction materials and strengthens solar business leveraging collaboration with Tesla.
Housing Systems	Focuses on remodeling market by strengthening products and contact points with customers. Pursues creation of oligopolies in high share products and develops new products.
Panasonic Ecology Systems	Promotes quick business expansion by accelerating creation of new markets through utilization of overseas sites and capital expenditure in the US.

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Fiscal 2017 Financial Results / Fiscal 2018 Financial Forecast

Panasonic

Segment Information

Connected Solutions

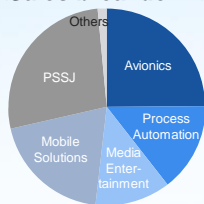
<Sales and OP>

(yen: billions)

	Sales	Operating profit
FY18(e)	1,103.0	69.0 6.3%
vs. FY17	+5% *(+3%)	+18.6

* Real terms excluding effect of exchange rates

<Sales breakdown>



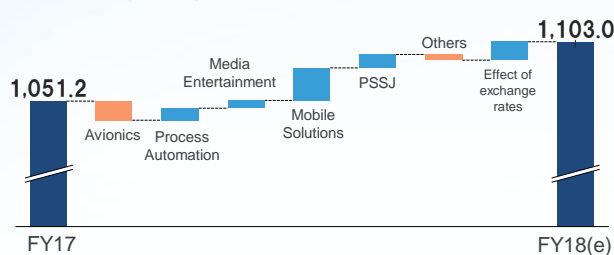
<Summary>

Sales	Overall sales are expected to increase mainly due to the results of the new consolidation in the mobile solutions business and increased sales by PSSJ*.
OP	OP is expected to increase mainly due to the major projects achieved by PSSJ* and the effect of the new consolidation, although OP decrease excluding the recovery from the negative impact of the Kumamoto earthquake and allowance last year.

* Panasonic System Solutions Japan Co., Ltd.

<Sales analysis by business>

(yen: billions)



<Strategy by business>

Avionics	Develops the next generation IFE system and strengthens the global communication service business.
Process Automation	Facing the manufacturing industry, shifts from selling electronic component mounting equipment on a stand-alone basis to offering proposals and services for whole factory improvement.
Media Entertainment	Strengthens the solutions business focusing on the entertainment industry in the US.
Mobile Solutions	Increases sales in Japan, the US, and Europe, and expands the logistics solutions business in Europe centered on newly acquired Zetes.
PSSJ	Expands sales in business areas for public, retail & logistics and others, reaps demand related to the 2020 Tokyo Olympics Games, and expands the service business.

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Fiscal 2017 Financial Results / Fiscal 2018 Financial Forecast

Panasonic

Segment Information

Automotive & Industrial Systems

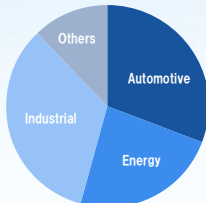
<Sales and OP>

(yen: billions)

<Sales breakdown>

<Summary>

	Sales	Operating profit
FY18(e)	2,660.0	93.0 3.5%
vs. FY17	+10% *(+9%)	+0.0

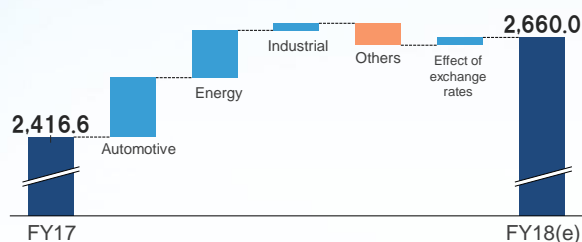


Sales	Sales are expected to increase through the contribution of growing sales in the batteries, systems, and devices businesses for automotive and the new consolidation of Ficosa.
OP	OP is expected to increase in all three businesses due to expanded sales for the automotive and industrial markets although overall OP is expected to stay at the same level as last year.

* Real terms excluding effect of exchange rates

<Sales analysis by business>

(yen: billions)



<Strategy by business>

Automotive	Aims to realize the synergy with newly consolidated Ficosa and to grow businesses focusing mainly on IVI* and ADAS**
Energy	Plans to expand sales and profits by enhancing the production capacity and sales of automotive lithium-ion batteries
Industrial	Plans to improve profitability by expanding the sales of devices for automotive and industrial use

* IVI: In-Vehicle Infotainment System ** ADAS: Advanced Driver Assistance System

Segment Information

FY18 TV and Six Large-Scale BDs

(yen: billions)

	FY18(e)			
	Sales	vs. FY17	Operating profit	vs. FY17
Air-Conditioner *	514.5	+52.2	30.7	+2.1
Lighting	325.0	+17.1	24.3	+2.4
Housing Systems	372.0	+4.9	16.9	+1.3
Automotive Infotainment Systems	515.5	+9.2	27.0	+2.4
Rechargeable Battery **	471.5	+108.9	6.6	+1.9
PanaHome	370.0	+10.4	12.7	+1.3
TV *	304.9	-2.2	3.2	-1.4

* Including sales division (production & sales consolidated)

** Rechargeable Battery BD + Tesla BU



A Better Life, A Better World

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). 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. Furthermore, figures in the presentation, at the time of the disclosure, are under the audit procedure based on Financial Instruments and Exchange Act. 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 financial assets in which the Panasonic Group has holdings or changes in valuation of non-financial assets, including property, plant and equipment, goodwill and deferred tax assets; 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 Group 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.

(Reference)

FY17 Operating Profit and Net Profit

(yen: billions)

	FY17	vs. FY16
Adjusted operating profit *	343.6	-69.6
Other income/loss **	-66.8	+116.1
Operating profit	276.8	+46.5
Non-operating income/loss	-1.7	+1.1
Profit before income taxes	275.1	+47.6
Income taxes	102.7	+66.4
Net profit	172.4	-18.8
Less net profit attributable to non-controlling interests	23.0	-3.0
Net profit attributable to Panasonic Corporation stockholders	149.4	-15.8

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

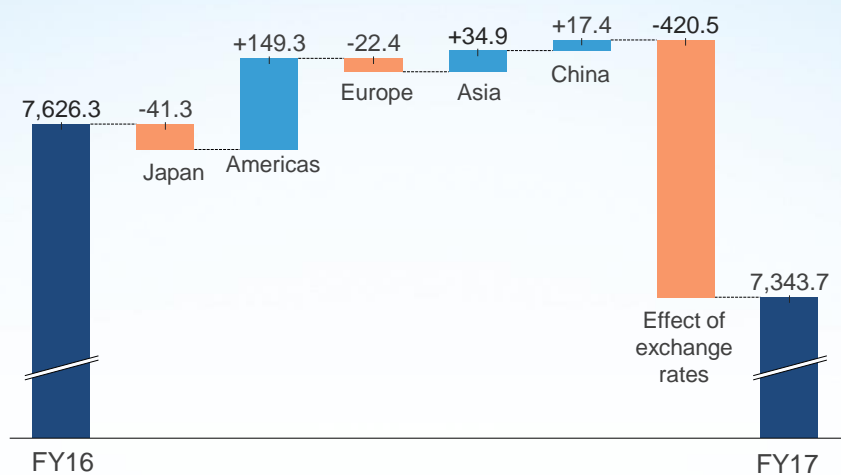
** Other income/loss = Other income (expenses) + Share of profit of investments accounted for using the equity method

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(Reference)

FY17 Sales Analysis by Region

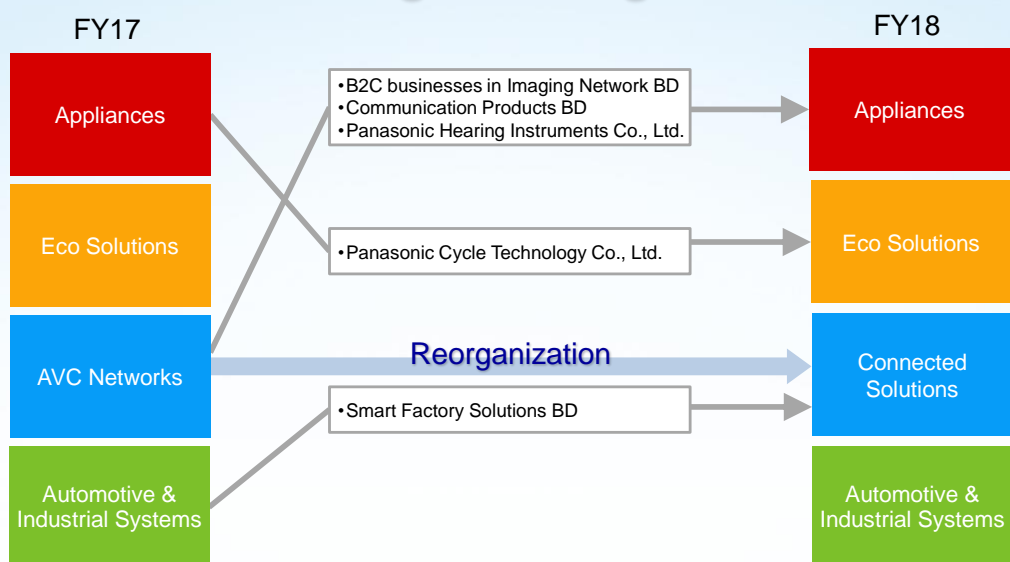
(yen: billions)



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(Reference)

Changes in Segment



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(Reference)

Changes in Segment

	FY17 (Old Segment)	
	Sales	Operating profit
Appliances	2,324.5	104.3
Eco Solutions	1,545.7	62.5
AVC Networks	1,040.7	29.6
Automotive & Industrial Systems	2,561.2	109.3
Other	656.6	8.0
Subtotal	8,128.7	313.7
Eliminations and adjustments	-785.0	-36.9
Total	7,343.7	276.8
Appliances (production and sales consolidation)	2,539.6	103.2



	FY17 (New Segment)	
	Sales	Operating profit
Appliances	2,503.4	98.9
Eco Solutions	1,547.3	64.2
Connected Solutions	1,051.2	50.4
Automotive & Industrial Systems	2,416.6	93.0
Other	674.4	8.0
Subtotal	8,192.9	314.5
Eliminations and adjustments	-849.2	-37.7
Total	7,343.7	276.8
Appliances (production and sales consolidation)	2,697.2	99.7

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(Reference)

Segments and Business Divisions

Appliances

Air-Conditioner Company
TV BD
Imaging Network BD
Home Entertainment BD
Communication Products BD
Refrigerator BD
Laundry Systems and Vacuum Cleaner BD
Kitchen Appliances BD
Beauty and Living BD
Refrigeration and Air-Conditioning Devices BD
Smart Energy System BD
Cold Chain BD
Husmann Corporation

Connected Solutions

Panasonic Avionics Corporation
Process Automation BD
Media Entertainment BD
Mobile Solutions BD
Security Systems BD
Panasonic System Solutions Japan Co., Ltd.

Automotive & Industrial Systems

Automotive Infotainment Systems BD
Automotive Electronics Systems BD
Rechargeable Battery BD
Energy Device BD
Electromechanical Control BD
Panasonic Semiconductor Solutions Co., Ltd.
Device Solutions BD
Electronic Materials BD
Panasonic Liquid Crystal Display Co., Ltd.

Eco Solutions

Lighting BD
Energy Systems BD
Housing Systems BD
Panasonic Ecology Systems Co., Ltd.
Panasonic Cycle Technology Co., Ltd.

Other

PanaHome Corporation

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Notes: As of May 11, 2017

(Reference)

List of Businesses whose sales are disclosed in FY17

Appliances

- Air-Conditioner Business : Air-Conditioner Company
- Commercial Refrigeration & Food Equipment Business : Cold Chain BD, Husmann 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

Eco Solutions

- Lighting BD
- Energy Systems BD
- Housing Systems BD
- Panasonic Ecology Systems Co., Ltd

AVC Networks

- Mobility Business : IT Products BD, Storage BD
- Visual & 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

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(Reference)

List of Businesses whose sales are disclosed in FY18

Appliances	<ul style="list-style-type: none">•Air-Conditioner Business•Commercial Refrigeration & Food Equipment Business•Small & Built-in Appliance Business•Major Appliance Business•AVC Business	<ul style="list-style-type: none">: Air-Conditioner Company: Cold Chain BD, Hussmann Corporation: Kitchen Appliances BD, Beauty and Living BD: Refrigerator BD, Laundry Systems and Vacuum Cleaner BD: TV BD, Imaging Network BD, Home Entertainment BD, Communication Products BD
Eco Solutions	<ul style="list-style-type: none">•Lighting BD•Energy Systems BD•Housing Systems BD•Panasonic Ecology Systems Co., Ltd	
Connected Solutions	<ul style="list-style-type: none">•Avionics Business•Process Automation BD•Media Entertainment BD•Mobile Solutions BD•PSSJ	<ul style="list-style-type: none">: Panasonic Avionics Corporation, Avionics BU: Panasonic System Solutions Japan Co., Ltd.
Automotive & Industrial Systems	<ul style="list-style-type: none">•Automotive Business•Energy Business•Industrial Business	<ul style="list-style-type: none">: Automotive Infotainment Systems BD, Automotive Electronics Systems BD: Rechargeable Battery BD, Energy Device BD: Electromechanical Control BD, Panasonic Semiconductor Solutions Co., Ltd., Device Solutions BD, Electronic Materials BD, Panasonic Liquid Crystal Display Co., Ltd.