

**FOR IMMEDIATE RELEASE**

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**Strategies for Business Domain Companies and Marketing Sector  
 based on 'Business Policy for FY2013'**

**Osaka, Japan, May 23, 2012** - Panasonic Corporation (NYSE : PC/TSE:6752,"Panasonic") announced business policy for fiscal FY2013 on May 11, 2012. Based on this business policy, the summary of strategies for nine domain companies and one marketing sector is following:

**1. AVC Networks Company**

1-1. FY2012 Results, FY2013 Targets (billion yen)

	FY2012 Results	FY2013 Targets
Sales	1,330.0	1,376.2
Operating Profit	-72.5	55.2

1-2. FY2013 Business policy

Target to move back into the black and grow further in the next mid-term

(1) Current business

- Selection and concentration by focusing on profitability

(2) New business

- Integrate core technology and IT to build next generation business

1-3. Business strategy

(1) Restructure TV business

- Transform business management focusing on from quantity to profitability
- Reduce fixed cost and downsize business structure to fair size

① TV set business

- Product : Create competitive products on its strength
- Cost structure : Thoroughly improve cost structure
- Restructuring : Completion of domestic sites integration and acceleration of overseas sites restructuring

② Panel business

- Fixed cost reduction : Downsize business structure to fair size
- Increase marginal profit ratio : Transform business structure from TV to non-TV products

- more-

- (2) DSC
  - Reestablish LUMIX brand
- (3) BD recorder/ player
  - Maintain top market share of BD recorder
- (4) Projector
  - Target top market share on sales amount
- (5) Notebook PC
  - Sustainably grow business in business and mobile market

1-4. Towards further growth

- Restructure current business, strengthen BtoB business and accelerate replacement of business portfolio through creation of new businesses
- Transform ideas based on from hardware to customer-oriented
- Create new value integrating our strength and next generation technology
- Expand business in imaging, AV network, business solution markets on 'Eco & Smart'

**2. Appliances Company**

2-1. FY2012 Results, FY2013 Targets (billion yen)

	FY2012 Results	FY2013 Targets
Sales	1,114.6	1,145.0
Operating profit	61.3	80.0

2-2. Business Vision

Acceleration of global development and expansion of business areas toward 'No.1 Green Innovation Company in Appliances' by 2018

2-3. Focuses in FY2013

- (1) Acceleration of global growth in BtoC business (finished products)
  - Acceleration of growth in BtoC business mainly in emerging countries
  - Achieving growth led by 3 main products (air-conditioner, refrigerator and washing machine)
  - Acceleration of global development in small products which are related to health, beauty/grooming and cooking
- (2) Expansion of BtoB business (equipment and devices)
  - Acceleration of global development in large-size air conditioners and cold chain
  - Business expansion in environmental and energy fields
- (3) Strengthening manufacturing ability which support competitive products
  - Strengthening core technology which support next generation products
  - Strengthening cost competitiveness

**3. Global Consumer Marketing Sector**

3-1. FY2012 Results, FY2013 Targets (billion yen)

	FY2012 Results	FY2013 Targets
Sales	2,384.0	2,385.0

3-2. Mission

Innovate our life as a challenger

3-3. FY2013 Growth strategy

- (1) Product: Expand appliance business
  - Increase appliance sales especially air-conditioning products
  - Transform TV business to value-added products
- (2) Market: Emerging countries
  - Expand market in middle income group and suburban area
  - Create locally oriented products
- (3) Marketing: Further 'pull' strategy
  - Strengthen overseas advertizing and branding

**4. Automotive Systems Company**

4-1. FY2012 Results, FY2013 Targets (billion yen)

	FY2012 Results	FY2013 Targets
Sales	653.2	720.0
Operating profit	4.9	18.0

4-2. Business policy

Contributing to the creation of a new motoring society through electronics

4-3. Growth strategies

- (1) Global multimedia business
  - ①Audio
    - Pursuing sound quality inside car : ELS/Fender collaboration
  - ②Display
    - Large screen information display/HMI (Human machine interface) : cockpit system
  - ③Connectivity
    - Compatible with smart-phones, using application : mirror link/compatible with iPhone application
  - ④Navi
    - Car navigation in new cars : software collaboration with car manufacturers and regions
    - Car navigation for self installment : designing for each car model, strengthening PND line-ups
    - Development of new markets (active navigation)
- (2) New businesses (EV-related business)
  - Transferring home environmental technology such as 'saving-, storing- and creating-energy' for houses to automobiles
  - Applying technologies, evaluation and verification which are used for electrical components to new businesses

## **5. Industrial Devices Company**

### 5-1. FY2012 Results, FY2013 Targets (billion yen)

	FY2012 Results	FY2013 Targets
Sales	1,404.6	1,420.0
Operating profit	-16.6	40.0

### 5-2. Management vision

- Target : Global No.1 device company
- Customer oriented : Offer customer-oriented products
- Business targets : Increase top market share product sales ratio to more than 70%  
Sustainable growth in sales and profitability with double digit operating profit

### 5-3. Focuses in FY2013

#### (1) Semiconductor business

- Move back into the black
- Transform business from AV/system LSI

#### (2) Optical device business

- Improve profitability
- Lead to thin product market

#### (3) Electronic component and electronic material businesses

- Create and expand core business
- Grow with new business
- Make profit with overseas business expansion

#### (4) Core field expansion

##### ① Mobile product

- Increase mobile product sales focusing on being thinner and more diversified

##### ② Eco friendly market

- Expand environmental infrastructure market with our strength with EV and increase sales in eco friendly products (EV and infrastructure)

### 5-4. Towards further growth

- Integrate core technologies
- Strengthen single business
- Expand into new growing areas

## **6. Energy Company**

### 6-1. FY2012 Results, FY2013 Targets (billion yen)

	FY2012 Results	FY2013 Targets
Sales	614.9	660.0
Operating profit	-20.9	3.0

### 6-2. Mission

As a growth engine business in Panasonic group, lead and contribute to become the `No.1 Green Innovation Company` in the Electronics Industry

### 6-3. Business strategy

#### (1) Selection and concentration

- Positioning solar and lithium-ion battery business (for consumer, eco-cars and storing battery) as core businesses and deploying management resources

#### (2) Acceleration of global development

- establishing global structures in development, designing, procurement, manufacturing and marketing

### 6-4. Growth strategies

#### (1) Solar

- Targeting the residential sector, where benefits of the high-conversion efficient HIT solar panels can be fully utilized
- Development of HIT and multi-crystal panels for industrial market
- Making full use of Panasonic Group sales channels
- Offering energy creation-storage coordination system
- Increasing cost competitiveness and expanding production capacity in new factory in Malaysia
- Further improvement of conversion efficiency, acceleration of new generation HIT

#### (2) Lithium-ion battery

##### ① For consumer-use

- Changing business structure and improvement of cost competitiveness
- Responding to market speedily and business expansion through optimal supply

##### ② For eco-cars

- Developing proactive multi-direction approach strategy

##### ③ For storage battery

- Expanding various areas from public and industrial use to residential use

## **7. Systems & Communications Company**

### 7-1. FY2012 Results, FY2013 Targets (billion yen)

	FY2012 Results	FY2013 Targets
Sales	840.8	900.0
Operating profit	17.3	24.0

### 7-2. Business policy

Aim for increases both in sales and profitability based on 'strengthening product competitiveness' and 'expansion of solution business'

#### (1) Main strategy for communication business

- Focus on smart-phone business thoroughly
- Expansion through solution : strengthening overall net work system in BtoB market

#### (2) Main strategy in security business

- Expansion of product line-up for net work security
- Expansion through solution : infrastructure global expansion and strengthening cloud business

#### (3) Sales increase in group products through solution

- Transferring 'comprehensive business model' in Japan to overseas markets

- (4) Overseas development of solutions
  - Strengthening marketing mainly in U.S., Europe, Asia and China
- (5) Strengthening profitability
  - Expand solution business mainly in overseas markets and increase profitability

## **8. Eco Solutions Company**

8-1. FY2012 Results, FY2013 Targets (billion yen)

	FY2012 Results	FY2013 Targets
Sales	1,525.8	1,600.0
Operating profit	58.9	60.0

8-2. Target

Expand global value chain and lead group wide sales with comprehensive solution business

8-3. Focuses in FY2013

- (1) Increase sales in environmental and energy solution related products
  - Differentiate our products in order to create comfortable space with energy saving electronic materials, equipment, building material and home appliances and strong linking technology
- (2) Accelerate global sales growth
  - Expand global solution business broadening sales channels
- (3) Further increase comprehensive solution business
  - ① '100 arrows' project
  - ② Corporate project
  - ③ Competitive product creation

## **9. Healthcare Company**

9-1. FY2012 Results, FY2013 Targets (billion yen)

	FY2012 Results	FY2013 Targets
Sales	133.6	139.8
Operating profit	8.8	9.1

9-2. Business vision

Contribute to healthy life

9-3. FY2013 Business policy

- (1) Strengthen diagnostic agent
  - Expand sales fully introducing next generation high accuracy sensors
- (2) Expand overseas sales
  - Establish domain sales companies in the U.S., Europe and China  
(Ultracold freezer, CO<sub>2</sub> incubator, automatic tablet-packing machine)
- (3) Further grow with strong tie to Biomedica and Medicom

9-4. Towards further growth in FY2016

- (1) Expand global sales channel
  - Strengthen tie to customers
  - Establish business structure for sustainable profit growth
- (2) Start up new business
  - Offer equipment for cellular therapy
  - Expand in-hospital service robot business

**10. Manufacturing Solutions Company**

10-1. FY2012 Results, FY2013 Targets (billion yen)

	FY2012 Results	FY2013 Targets
Sales	159.8	186.0
Operating profit	25.1	29.0

10-2. Targets

- (1) Mission (customer value)
  - Contributing development of global society with manufacturing solution
- (2) Vision (target)
  - Targeting top-class share in the industry in main products
  - Building strong management structure which can cope with economic change

10-3. FY2013 Business plan

- (1) Growth strategy
  - Strengthening main businesses thoroughly (electronic component mounting, welding/robot)
  - Expansion of business areas (new products, developing new customers)
- (2) Global strategy
  - Improvement of cost competitiveness (strengthening overseas locations – local production for local consumption)
  - Sales expansion in emerging countries (inland China, India, Eastern Europe, Brazil etc.)
- (3) Strengthening management structure
  - Demonstration of synergies

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