Panasonic IR Day 2014

Overseas Business Strategy

May 21, 2014
Panasonic Corporation
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Notes: 1. This is an English translation from the original presentation in Japanese.
2. In this presentation, “fiscal year 2015” or “FY15” refers to the year ended March 31, 2015.

Contents

1. Strategic regions
2. Challenges and targets
3. Towards FY2019
4. Organizational structure
Positioning of Strategic Regions

<table>
<thead>
<tr>
<th>Strategic regions (Asia, China, Middle East &amp; Africa)</th>
<th>Japan</th>
<th>Americas / EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number(s) of country</td>
<td>1</td>
<td>83</td>
</tr>
<tr>
<td>Population (billions) 2013 vs 2018</td>
<td>0.12</td>
<td>1.8</td>
</tr>
<tr>
<td>Nominal GDP* (USD: trillions) 2013 vs 2018</td>
<td>5.0</td>
<td>46.0</td>
</tr>
<tr>
<td>FY14 Panasonic sales (yen: trillions)</td>
<td>3.9</td>
<td>19</td>
</tr>
</tbody>
</table>

High potential in strategic regions

*Source: IMF estimates
Our Advantages

Market growth
Electronics industry growth estimate: AAGR 5.4%* from 2013 to 2018
AAGR: Average Annual Growth Rate
Source*: Panasonic estimates

China, Asia, Middle East and Africa

Resources
- R&D
- Production site
- Sales company

Trustworthy relationship
- Contribution to regions
- Partnership
- Brand recognition

Familiarity
- Culture, lifestyle
- Economic relationship
- Pro-Japan

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Comparison with Competitors in Strategic Regions

(from 2000 to 2003)

(AAGR, %)

(Sales amount in 2003, yen trillions)

Note: Size of circles indicates sales amount, including sales in Latin America except for Panasonic
Source: Corporate websites

Comparison with Competitors in Strategic Regions

(from 2009 to 2012)

(AAGR, %)

(Sales amount in 2012, yen trillions)

Panasonic fell behind competitors

Note: Size of circles indicates sales amount, including sales in Latin America except for Panasonic
Source: Corporate websites
Our Challenges in Emerging Market

FY05 Mid-term plan ‘Leap ahead 21’
‘1 trillion sales in China’

FY08 Mid-term plan ‘GP3’
‘Double digit growth in overseas sales’
Promoted BRICs + V

FY11 Mid-term plan ‘GT21’
‘Overseas sales ratio of 55%’
Promoted BRICs + V, MINTS + B

Have never achieved any mid-term plan in emerging market

Japan vs Strategic Regions

Key to success in strategic regions:
step out from Japan
Achieve Overseas Growth

Create new business opportunity
Establish fully functioning structure

Establish ‘Strategic Regions Business Promotion Division’
Delegate authority to executive vice president in charge of Strategic Regions, stationed in Delhi, India from April 1

Stop being dependent on Japan

New management based on Business unit plus regional axis
Establish strategy overseas, not in Japan

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Towards FY2019

Sales in strategic regions leading Panasonic growth

5 Business Arias X 3 Global Regions

Focus on Consumer electronics, Housing and BtoB solutions in strategic regions
Strategic Regions:
Create New Business Opportunity

(Yen: trillions)

<table>
<thead>
<tr>
<th>FY14</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic regions 1.9</td>
<td>Strategic regions 2.9</td>
</tr>
<tr>
<td>7.7</td>
<td>10.0</td>
</tr>
</tbody>
</table>

1 trillion sales growth

Consumer Electronics

Promote consumer electronics business by region

Marketing and product development from lifestyle perspective to differentiate from competitors

AP Company
- Shilicom Japan
- Establish independent management system by region

AP Asia
- Planning
- Marketing
- Development
- Manufacturing Sites

Regional Head
- Sales Companies
- Partnership with others

Each region has own function, authority and responsibility
Executives respond to customers in timely manner

BtoB Solutions (1)

Promote regional business from customer perspective
Create new business model with partners

Promote business development | Expand engineering function focusing on specific industry

India | ASEAN | China

BtoB Solutions (2)

Storage system for BTS (Base Transceiver Station of mobile phone ) in unelectrified regions
Solar/Li-ion battery for unelectrified district and alternative generator fuel

Food distribution store solutions: monitoring and control
Energy saving with fridge showcase, air conditioning and lighting with energy management system
India (1)

Introduce ‘authority delegation to each region’ first to India

- Establish business development center
- Develop product from regional perspective
- Leverage executives for BtoB business expansion

Expand consumer electronics + BtoB businesses in regional perspective

India (2)

Introduce products suitable for Indian lifestyle

- TV
- Camcorder
- Microwave oven
- Air Conditioner
- Appliance
- Smart phone
- Traditional cell phone

Dynamic sound system
‘Sound for India’

Wedding ceremony shot

64 Indian cuisine recipe

Air purifier against PM 2.5
Establish controlling function in India over South Asia, Middle East and Africa

From India to Middle East and Africa

Develop business model preceding in India to other regions

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Collaborate with Four Companies

All strategic region promotion leaders of 4 Companies joining ‘Strategic Regions Business Promotion Division’

Companies collaborate with regions

Region-Driven Business Promotion Structure

All 3 regions need promoting region-driven business

Japan supporting all activity

Towards double digit growth under region-driven structure
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