

Panasonic IR Day 2012

Global Consumer Marketing Sector Business Strategy

May 23, 2012

Panasonic Corporation
Global Consumer Marketing Sector
Director Yoshiiku Miyata

*Notes: 1. This is an English translation from the original presentation in Japanese.
2. In this presentation, "fiscal 2012" or "FY 2012" refers to the year ended March 31, 2012. In addition, "fiscal 2013" or "FY 2013" refers to the year ending March 31, 2013.*

Agenda

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- 1. GCM Sector Overview**
- 2. FY2013 Business Plan**
- 3. FY2013 Key Initiatives**

Agenda

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1. GCM Sector Overview

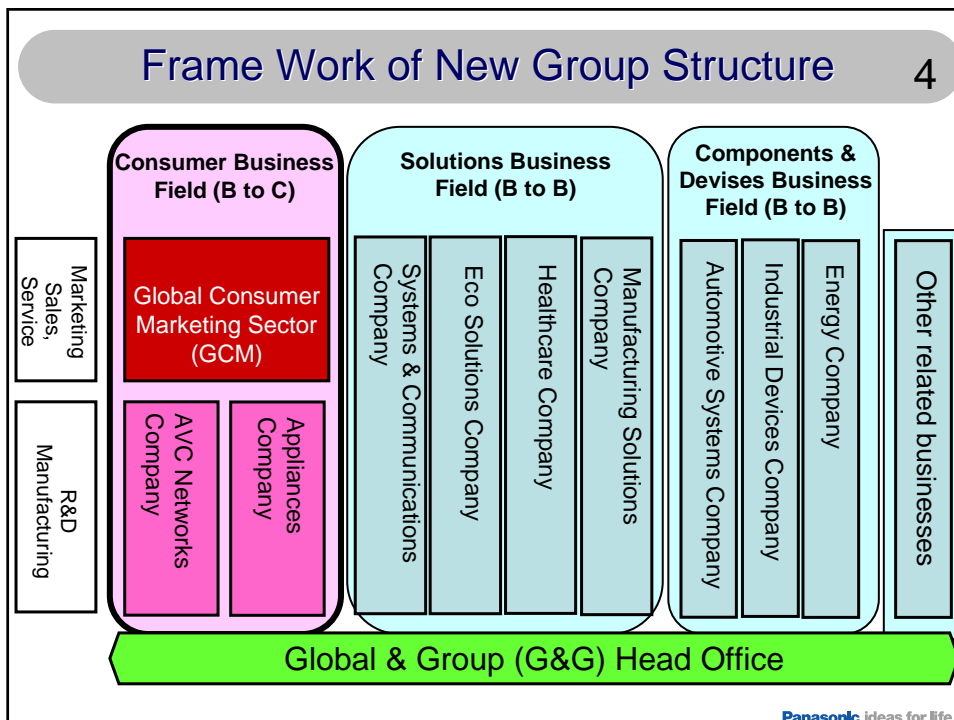
2. FY2013 Business Plan

3. FY2013 Key Initiatives

Panasonic ideas for life

Frame Work of New Group Structure

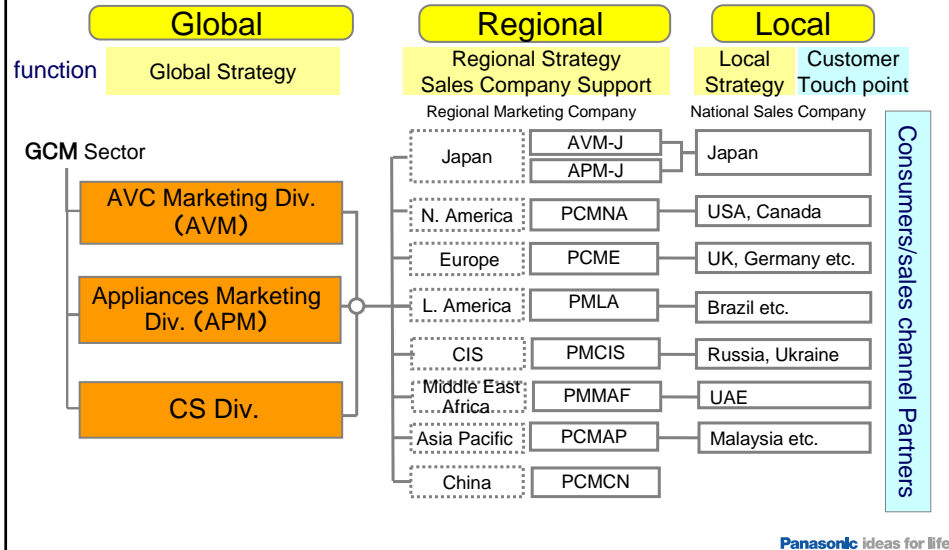
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GCM Sector Overview

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Number of employees as of March 31, 2012:
approx. 15,000 (Japan: 7,000, overseas: 8,000)



Mission of GCMS

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- 1. GCM Sector Overview
- 2. FY2013 Business Plan**
- 3. FY2013 Key Initiatives

	GDP	Industry Growth Ratio	
	CY12 forecast	FY12 estimate	FY13 forecast
Japan	2.0%	-23.1%	-13.0%
US	2.1%	-2.5%	-5.0%
Europe	-0.3%	-13.0%	-10.0%
Brazil	3.0%	5.2%	5.0%
India	6.9%	15.0%	10.0%
China	8.2%	9.0%	3.0%

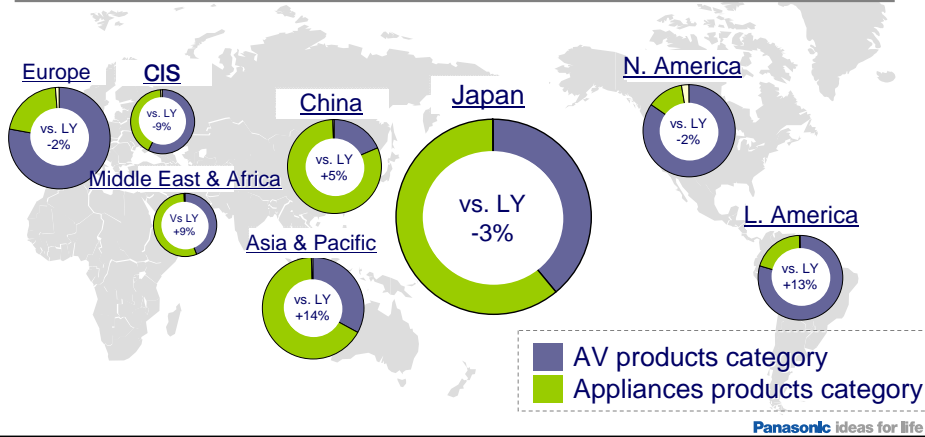
IMF Outlook
As of April 17, 2012

Note: Consumer electronics sector
(excl. Cell phones, IT related products)
USA: Panasonic estimate based on CEA(AV products)
Europe: Panasonic Estimate based on GFK(EU5 CE total)
Japan, Brazil, India, China: Panasonic estimate

FY2013 Business Plan

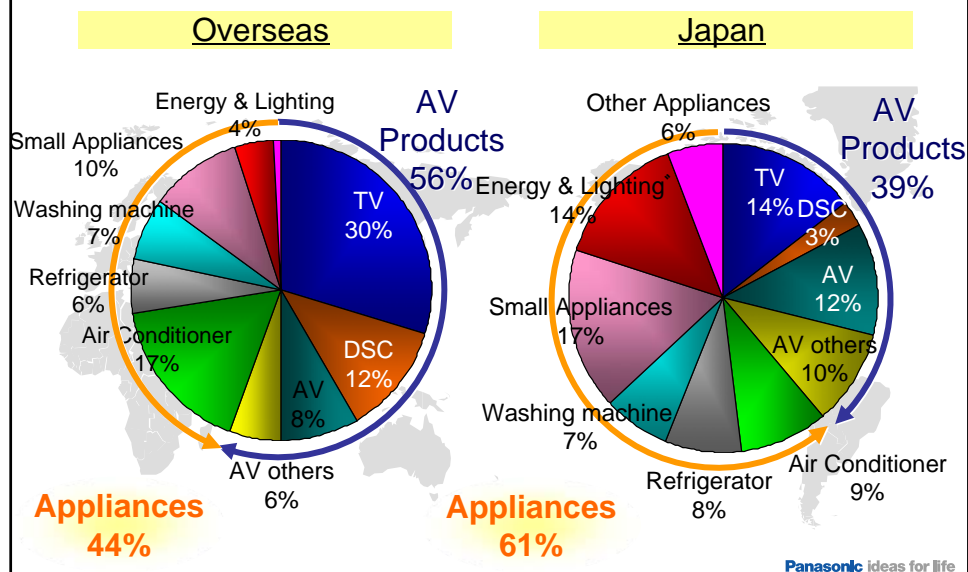
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- Sales: 2,385.0 bil. yen (+/-0% vs. FY12)
- Double-digit growth: Latin America, Asia
- Positive growth: Middle East, Africa, China
- Overseas Sales ratio: 53% (FY12) ⇒ 55% (FY13)



FY2013 Sales by Product Category

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1. GCM Sector Overview

2. FY2013 Business Plan

3. FY2013 Key Initiatives

1. Products Strategy: Grow with appliances

2. Market Strategy: Grow in emerging markets

3. Marketing: Strengthen 'PULL strategy'

■ Increase appliances sales with air conditioners

■ Shift to value added product lineup to maintain profitability in TV business

Appliances

Globally expand large appliance business with eco marketing, promoting air conditioner in emerging market

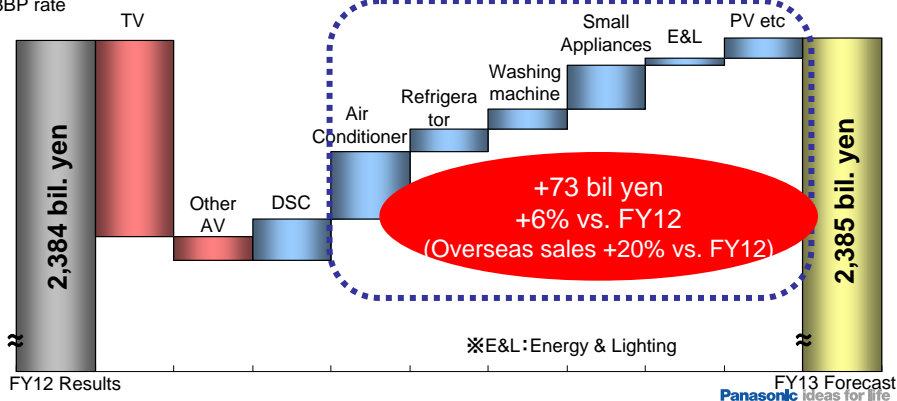
TV

Shift to value added product lineup to maintain profitability

DSC

Increase sales with mirror-less SLR to gain market share

FY13BP rate



- Expand business in emerging market with locally oriented room air conditioners and other products
- Expand sales channel especially in US and Europe with commercial-use air conditioner



Room Air Conditioner



Commercial-use Air Conditioner

Establish Eco brand promoting ECONAVI

Promote our superior energy saving technologies

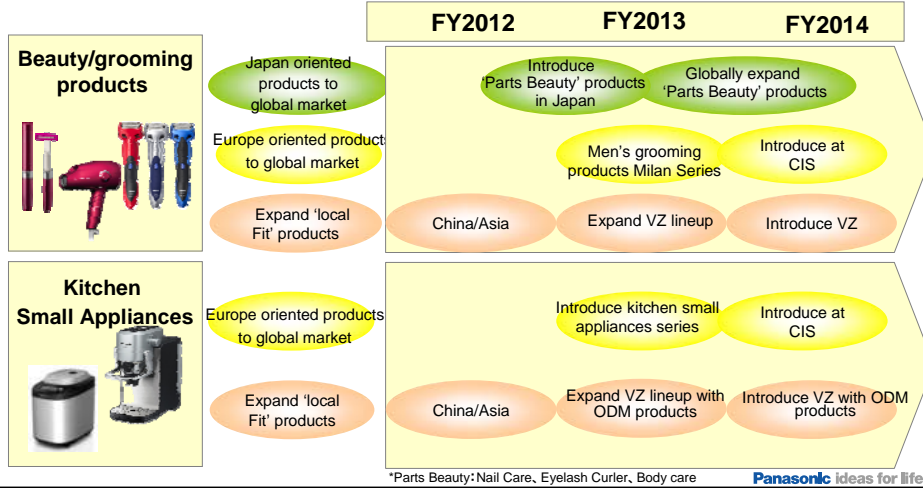
	Marketing concept	FY2012	FY2013	FY2014
Japan	ECONAVI	→		
Asia Pacific	ECONAVI	→		
CIS	ECONAVI	→		
India	ECONAVI	→		
Middle East	ECONAVI	→		
Brazil	ECONAVI	→		
China	智冷导航	→		
Europe	INVERTER	→		

Introduce approx. 270 models in more than 90 countries

1. Products **Small Appliances**

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1. Globally introduce Japan and Europe oriented products
2. Expand 'Local Fit' product lineup with ODM products
3. Strengthen 'bundle' promotion

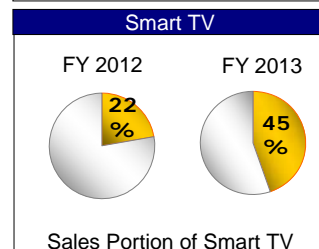
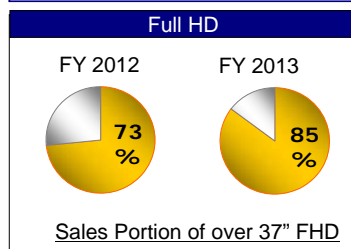
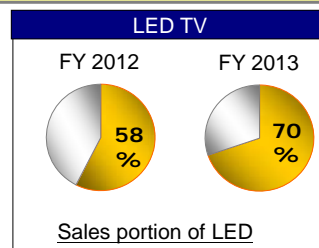
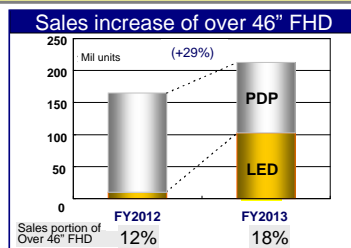


1. Products

TV

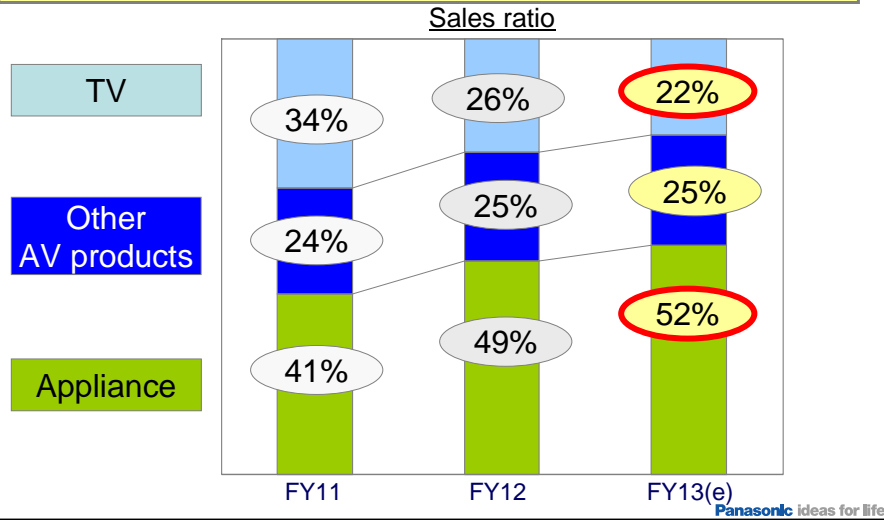
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- Increase sales as core product in home appliance, focusing on profitability
- Shift strategies to higher value added product lineup with larger screen, LED, FHD and Smart TV



Appliance sales ratio	41%(FY2011)⇒52%(FY2013)
TV sales ratio	34%(FY2011)⇒22%(FY2013)

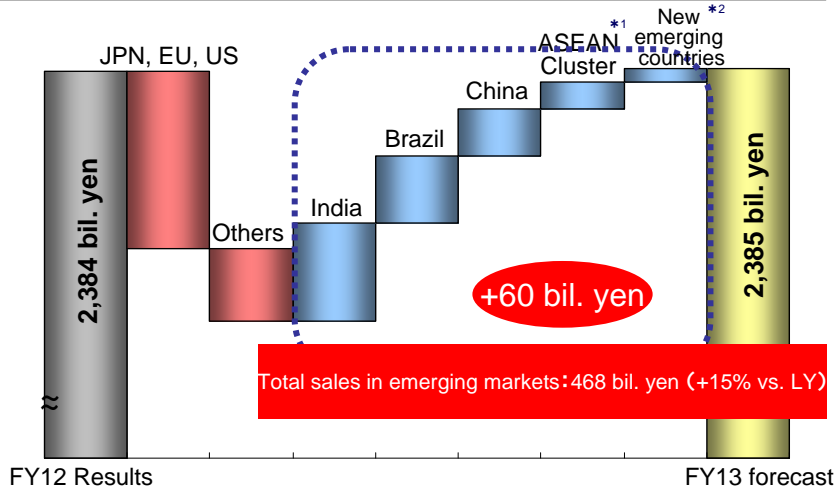
TV sales ratio	34%(FY2011)⇒22%(FY2013)
Appliance sales ratio	41%(FY2011)⇒52%(FY2013)



- Increase sales for middle class clientele, and in suburban area

- Capture demand with 'Local Fit' products

■ Sales in emerging market makes up sales drop in Japan, US and E.U.



*1 ASEAN cluster: Vietnam, Indonesia, Philippine, Malaysia, Singapore, Thai, Cambodia, Myanmar
 *2 New emerging countries: Bangladesh, Sri Lanka, African region

■ Strengthen product lineup with local production, ODM and import from other regions and capture demand in middle class clientele

1. India, Brazil, China Invest capitals as corporate project

<p>India</p> <p>A/C, Washing machine FY13 commence production</p> <p>Expand lineup (Local Production, ODM)</p> <p>Capture demand in suburban area</p>	<p>China</p> <p>Expand product cluster lineup</p> <p>Capture demand in 2nd and 3rd tier cities (Local retailers, SEIKATU-KAN)</p>	<p>Brazil</p> <p>Refrigerator FY13 Washing machine FY14 Commence local production</p> <p>Expand lineup (Commence local production)</p>
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2. ASEAN cluster Further increase sales with strong products and marketing

3. New Emerging country Stay ahead in the Competition by faster Commitment to the market

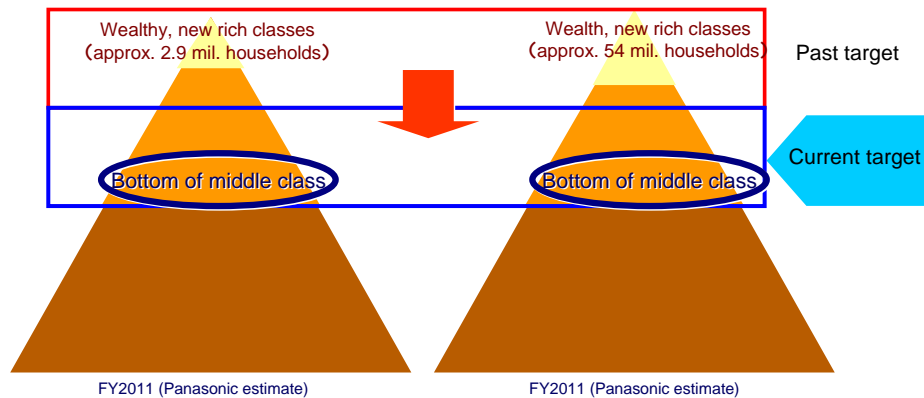
<p>Washing machine: FY13 commence local production Establish washing machine, refrigerator R&D site</p> <p>ASEAN: Integrate merchandising and cluster marketing incl. Mekong Delta Sub-Region (Cambodia・Myanmar)</p>	<p>Expand business with TVs and air conditioners</p> <p>Introduce lineups for India to: - India neighbors (Bangladesh, Sri Lanka) - Africa (Angora, Kenya, Nigeria)</p>
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2. Market
Emerging Market

Capture Demand with 'Local Fit' Products 23

■ Capture demand in top to bottom of middle class clientele

India (approx. 220 mil. households) China (approx. 400 mil. households)



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2. Market
Emerging Market

Locally-Oriented Product (AV) 24

'Local Fit': local planning, local production and local consumption
Promote R&D, manufacturing, marketing and customer services by local staffs

LCD TV 'Sound for India'

Introduce IPTV with 32" model at affordable price (compared with others)
High end and large screen products)
⇒ differentiate with 'Sound' and 'Easy IP TV'



Latin America Audio

Introduce high end product with large size speakers suitable for home parties at less than 800K peso
⇒ differentiate with 'Powerful and clear sound'



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2. Market
Emerging Market

Locally Oriented Product (Appliances)

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India: air conditioner 'CUBE'

Introduce separate type A/C at same price level as window type A/C

⇒ differentiate with 'Silent sound' and 'energy saving'



China: air purifier (G10)

Introduce product with timer and cigarette deodorization at less than

1,000 RMB price level

⇒ differentiate with 'Design' and 'cigarette deodorization'



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2. Market
Emerging Market

ODM Products (India)

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■ Strengthen product lineup with in-house and ODM products

Air Conditioner



Refrigerator



Washing machines

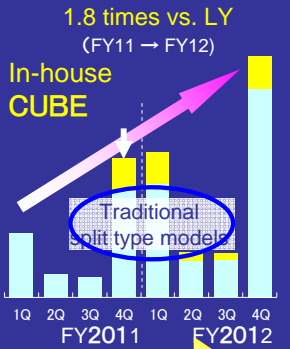


*RAC : Room Air Conditioner

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Introduce 'Local Fit' Products, expanding sales channels and lineup to increase sales

Air conditioner

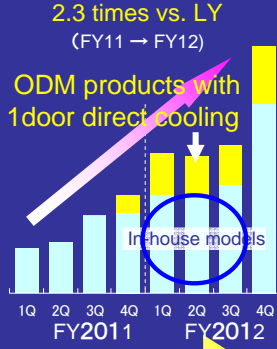


Doubled number of sales channels

Launched in-house CUBE in Jan, 2011



Refrigerator

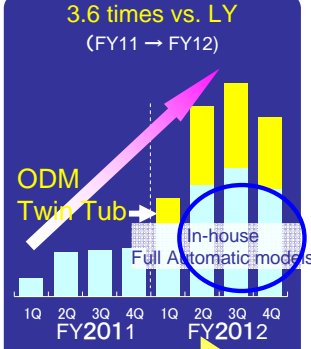


Increased 1.5 times of number of sales channels

Launched ODM products with 1 door direct cooling in Dec., 2010



Washing machine

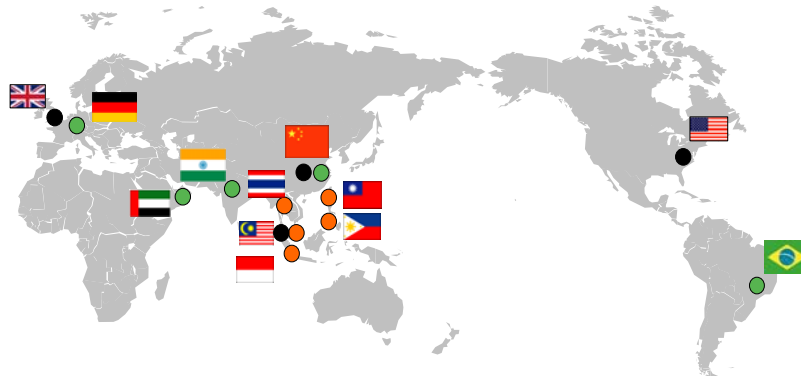


Increased 1.5 times of number of sales channels

Launched ODM Twin Tub in May, 2011



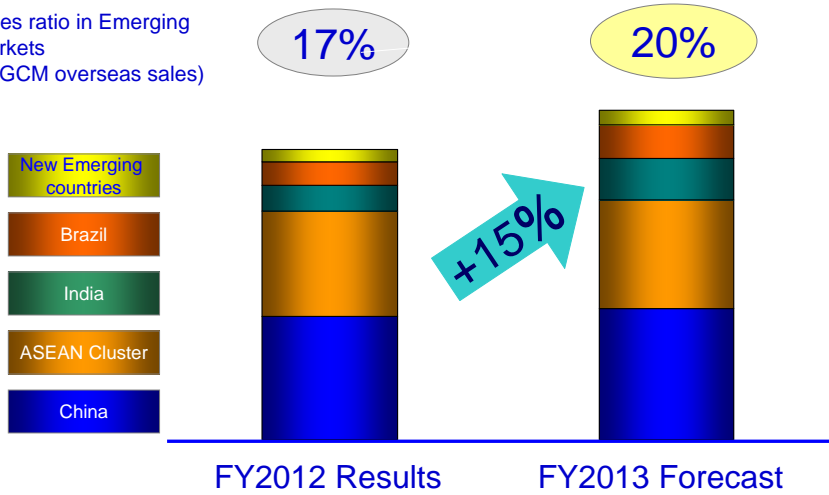
Develop 'Local Fit' products at local lifestyle research and design sites



- Local design sites (China, Malaysia, US, UK)
- Local lifestyle research sites (Brazil, India, China, UAE, Germany)
- Lifestyle research group of overseas manufacturing companies (Thailand, Malaysia, Indonesia, Philippines, Taiwan)

2. Market Sales Forecast in Emerging Markets 29

Sales ratio in Emerging markets
(in GCM overseas sales)

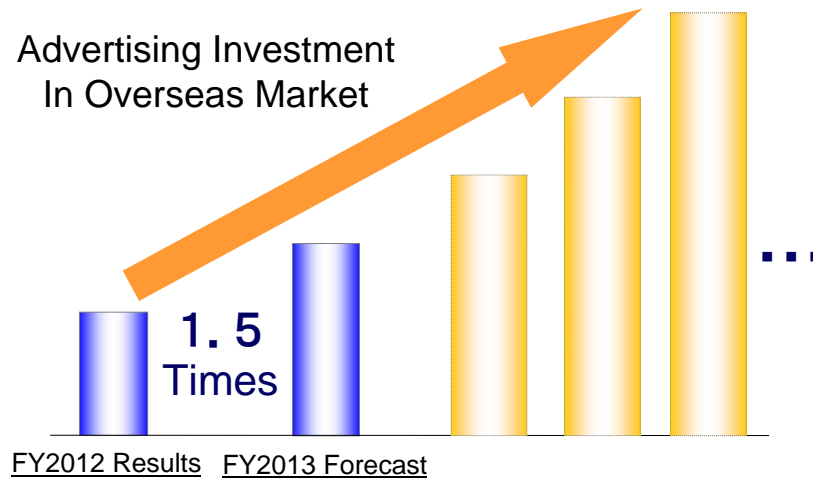


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3. Marketing Strengthen 'PULL Strategy' 30

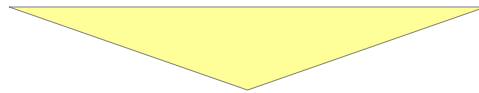
Strengthen advertising and branding in overseas

Advertising Investment
In Overseas Market



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Strengthen Market perspective 'product planning'
and 'PULL marketing' in overseas



Promote global marketing strategy
collaborating with business domain companies

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