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FOR IMMEDIATE RELEASE

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ANNOUNCEMENT OF FINANCIAL RESULTS

PANASONIC REPORTS SECOND-QUARTER AND SIX-MONTH RESULTS

- Profits Improved Significantly by Enhancing Earning Power,

Revised Full Year Forecasts Upward -

Osaka, Japan, October 31, 2013 -- Panasonic Corporation (Panasonic [TSE:6752]) today reported its consolidated financial results for the second quarter and six months ended September 30, 2013, of the current fiscal year ending March 31, 2014 (fiscal 2014).

Consolidated Second-quarter Results

Consolidated group sales for the second quarter increased by 3% to 1,881.8 billion yen compared with 1,823.7 billion yen for the second quarter of the year ended March 31, 2013 (fiscal 2013). Sales of digital consumer products including flat-panel TVs decreased with its severe global competition and weak demand. Focusing on profitability rather than sales volume was another factor for lower sales. Meantime, sales of automotive related business increased with global market recovery, and sales of housing business in Japan was stable. Yen depreciation also contributed to overall sales increase. Of the consolidated group total, domestic sales amounted to 922.4 billion yen, down by 4% from 956.1 billion yen a year ago. Overseas sales increased by 11% to 959.4 billion yen from 867.6 billion yen a year ago.

During the second quarter under review, despite economic slowdown in some

- more -

emerging countries including India, the economy continued to expand in the U.S. and Japan, and to moderately recover in China and Europe.

Under such business circumstances, Panasonic has been promoting four initiatives in a new group formation through its business division system to revitalize each business: 'eliminating unprofitable business,' 'expanding business and improving efficiency by shifting from in-house approach,' 'improving its financial position,' and 'enhancing its growth strategy from customer's viewpoint.'

Reviewing its mobile phone business, Panasonic announced its suspension of new product development for smartphone carriers in Japan and strategically reallocate its operating resources such as mobile communication technology to new business and growing business areas. In healthcare business, Panasonic decided to transfer its shares of Panasonic Healthcare Co., Ltd., a consolidated subsidiary of Panasonic to PHC Holdings Co., Ltd., a company affiliated with the investment funds advised by Kohlberg Kravis Roberts & Co. L.P., since Panasonic concluded that expanding this business with the partner's knowledge and skills would be better than doing by its own.

Operating profit¹ increased to 82.4 billion yen from 48.8 billion yen a year ago, due to group-wide fixed cost reduction, streamlining and positive impact of yen depreciation. Pre-tax income improved significantly to 84.8 billion yen from a loss of 316.5 billion yen, recovering from a year ago when large business restructuring expenses occurred. Net income attributable to Panasonic Corporation also improved to 61.5 billion yen from a loss of 698.0 billion yen, rebounding from fiscal 2013 when the increase in valuation allowances to deferred tax assets was recognized.

Consolidated Six-month Results

Consolidated group sales for six months ended September 30, 2013 increased by 2% to 3,706.3 billion yen, compared with 3,638.2 billion yen in the same period of fiscal 2013. Domestic sales amounted to 1,787.3 billion yen, down by 5% from 1,878.2 billion yen a year ago, while overseas sales increased by 9% to 1,919.0 billion yen, up from 1,760.0 billion yen a year ago.

The company's operating profit for the first six months increased by 68% to 146.6 billion yen, from 87.4 billion yen a year ago. In other income (deductions), one-off gain of 79.8 billion yen from pension scheme change was incurred in the first quarter ended

¹ For information about operating profit, see Note 2 of the Notes to consolidated financial statements on page 12.

June 30, 2013. Accordingly, pre-tax income and net income attributable to Panasonic Corporation improved significantly to 207.4 billion yen from a loss of 278.7 billion yen, and to 169.3 billion yen from a loss of 685.2 billion yen, respectively.

Consolidated Six-month Breakdown by Segment

The company changed its group organization on April 1, 2013, resulting in the five reportable segments from eight. Accordingly, segment information for fiscal 2013 has been reclassified to conform to the presentation for fiscal 2014.

The company's six-month consolidated sales and profits by segment with previous year comparisons are summarized as follows:

Appliances

Sales increased by 5% to 610.4 billion yen, compared with 578.9 billion yen a year ago. This was due mainly to positive effect of yen depreciation although sales in most products were disappointing especially in household air conditioners in China. Segment profit decreased by 40% to 17.2 billion yen, compared with 28.7 billion yen a year ago. This was due mainly to the negative impact of yen depreciation which could not be offset by implementation of streamlining and cost reduction.

Eco Solutions

Sales increased by 7% to 855.7 billion yen from 802.3 billion yen a year ago, due mainly to favorable sales in Energy Systems Business Unit (BD) and Housing Systems BD from a surge in consumer spending before the consumption tax hike in Japan. Segment profit increased significantly by 110% to 41.4 billion yen from 19.7 billion yen a year ago due mainly to sales increase and cost reduction despite negative impact of yen depreciation.

AVC Networks

Sales decreased significantly by 9% to 755.4 billion yen from 829.9 billion yen a year ago. This result was due mainly to sales decline in digital consumer related business including TVs, DSCs and mobile phones, and eliminating unprofitable product models. Segment loss was 16.5 billion yen worsened from 13.2 billion yen a year ago due mainly to sales decrease despite panel business improvement.

Automotive & Industrial Systems

Sales increased by 6% to 1,355.9 billion yen from 1,277.9 billion yen a year ago. Sales increased due mainly to positive impact of yen depreciation and sales growth in automotive related business including automotive infotainment systems with car makers' stable automotive production overseas. Segment profit significantly increased by 108% to 58.2 billion yen from 28.0 billion yen a year ago due mainly to sales increase.

Other

Sales decreased by 10% to 393.4 billion yen from 437.6 billion yen a year ago due mainly to the SANYO-related business transfers implemented in the fiscal 2013. Segment profit was 5.4 billion yen compared with a loss of 6.4 billion yen a year ago.

Consolidated Financial Condition

Net cash provided by operating activities for six months ended September 30, 2013 amounted to 161.5 billion yen, an increase of 141.2 billion yen from a year ago due mainly to increase in operating profit and curbing increasing inventories. Net cash used in investing activities amounted to 46.3 billion yen, a decrease of 33.6 billion yen from a year ago. This was due mainly to decrease in capital expenditures, despite decrease in proceeds from disposals of property, plant and equipment. Net cash used in financing activities amounted to 170.2 billion yen, an increase of 123.8 billion yen from a year ago due mainly to decrease in short-term bonds balance. Taking into consideration exchange rate fluctuations, cash and cash equivalents totaled 458.6 billion yen as of September 30, 2013, down 37.7 billion yen, compared with the end of the fiscal 2013.

The company's consolidated total assets as of September 30, 2013 decreased by 54.6 billion yen to 5,343.2 billion yen from March 31, 2013. This was due mainly to decrease in cash and cash equivalents, and property, plant and equipment, despite yen depreciation and seasonal increase in inventories. The company's consolidated total liabilities as of September 30, 2013 decreased by 257.4 billion yen to 3,836.1 billion yen from March 31, 2013. This was due mainly to reducing interest-bearing debt including short-term bond maturity, and decrease in retirement and severance benefits. Panasonic Corporation shareholders' equity increased by 202.9 billion yen, compared with March 31, 2013, to 1,467.0 billion yen. This was due mainly to incurring net

income and improvement in accumulated other comprehensive income (loss) along with yen depreciation. Adding Noncontrolling interests to Panasonic Corporation shareholders' equity, total equity was 1,507.1 billion yen.

Interim and Year-end Dividend

As dividend forecast was announced on August 29, 2013, the Board of Directors of the company resolved today to distribute an interim (semiannual) cash dividend of 5.0 yen per common share to shareholders of record as of September 30, 2013, payable December 5, 2013. The year-end dividend has not been decided.

Forecast for Fiscal 2014

Regarding full year forecast for fiscal 2014, the company revised its original sales forecast of 7,200.0 billion yen upward to 7,400.0 billion yen, due mainly to positive effect of yen depreciation and sales increase expected in stable housing and automotive related businesses, despite of sales decline in digital consumer related business including TVs, DSCs and mobile phones.

The company revised operating profit forecast of 250.0 billion yen upward to 270.0 billion yen, due mainly to sales increase.

In other income (deductions), the company recognizes its gain from sale of share transfer of Panasonic Healthcare Co., Ltd. agreed on September 27, 2013 as a non-operating profit, while it expects to incur additional expenses from accelerated restructuring. Taking all these facts into consideration, the company revised pre-tax income forecast of 140.0 billion yen upward to 210.0 billion yen, and net income attributable to Panasonic Corporation forecast of 50.0 billion yen upward to 100.0 billion yen, respectively.

Net income attributable to Panasonic Corporation, per share is anticipated to be 43.26 yen, compared with the previous forecast of 21.63 yen.

Panasonic Corporation is one of the world's leading manufacturers of electronic and electric products for consumer, business and industrial use. Panasonic's shares are listed on the Tokyo and Nagoya stock exchanges. For more information, please visit the following web sites:

Panasonic home page URL: <http://panasonic.net/>
Panasonic IR web site URL: <http://panasonic.net/ir/>

Disclaimer Regarding Forward-Looking Statements

This press release includes forward-looking statements (that include those within the meaning of Section 21E of the U.S. Securities Exchange Act of 1934) about Panasonic and its Group companies (the Panasonic Group). To the extent that statements in this press release 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 press release. 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 United States, 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; currency rate fluctuations, notably between the yen, the U.S. dollar, the euro, the Chinese yuan, Asian currencies and other currencies in which the Panasonic Group operates businesses, or in which assets and liabilities of the Panasonic Group are denominated; the possibility of the Panasonic Group incurring additional costs of raising funds, because of changes in the fund raising environment; the ability of the Panasonic Group 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 on the alliances or mergers and acquisitions including the business reorganization after the acquisition of all shares of Panasonic Electric Works Co., Ltd. and SANYO Electric Co., Ltd.; the ability of the Panasonic Group to achieve its business objectives through joint ventures and other collaborative agreements with other companies; the ability of the Panasonic Group 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; 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.

(Financial Tables and Additional Information Attached)

Panasonic Corporation
Consolidated Statements of Operations and
Consolidated Statements of Comprehensive Income (Loss) *
(Three months ended September 30)

Consolidated Statements of Operations

	<u>Yen (millions)</u>		<u>Percentage 2013/2012</u>
	<u>2013</u>	<u>2012</u>	
Net sales	¥ 1,881,805	¥ 1,823,662	103%
Cost of sales	(1,383,032)	(1,359,018)	
Selling, general and administrative expenses	(416,385)	(415,881)	
Interest income	2,608	2,343	
Dividends received	207	310	
Interest expense	(5,784)	(6,456)	
Expenses associated with the implementation of early retirement programs *	(1,615)	(14,091)	
Other income (deductions), net *	<u>6,989</u>	<u>(347,365)</u>	
Income (loss) before income taxes	84,793	(316,496)	--
Provision for income taxes	(23,284)	(383,968)	
Equity in earnings of associated companies	<u>1,822</u>	<u>1,915</u>	
Net income (loss)	63,331	(698,549)	--
Less net income (loss) attributable to noncontrolling interests	<u>1,828</u>	<u>(570)</u>	
Net income (loss) attributable to Panasonic Corporation	<u>¥ 61,503</u>	<u>¥ (697,979)</u>	--
Net income (loss) attributable to Panasonic Corporation, basic per common share	26.61 yen	(301.93) yen	
per ADS	26.61 yen	(301.93) yen	
Net income (loss) attributable to Panasonic Corporation, diluted per common share *	--	--	
per ADS *	--	--	

<Supplementary Information *>

Depreciation (tangible assets)	¥ 69,135	¥ 69,779
Capital investment **	¥ 46,752	¥ 86,312
R&D expenditures	¥ 116,269	¥ 125,983
Number of employees (September 30)	289,756	321,896

Consolidated Statements of Comprehensive Income (Loss)

	<u>Yen (millions)</u>		<u>Percentage 2013/2012</u>
	<u>2013</u>	<u>2012</u>	
Net income (loss)	¥ 63,331	¥ (698,549)	--
Other comprehensive income (loss), net of tax			
Translation adjustments	(6,417)	(16,405)	
Unrealized holding gains (losses) of available-for-sale securities	(2,272)	(4,591)	
Unrealized gains (losses) of derivative instruments	138	(421)	
Pension liability adjustments	<u>3,698</u>	<u>894</u>	
	<u>(4,853)</u>	<u>(20,523)</u>	
Comprehensive income (loss)	58,478	(719,072)	--
Less comprehensive income (loss) attributable to noncontrolling interests	<u>1,230</u>	<u>(1,500)</u>	
Comprehensive income (loss) attributable to Panasonic Corporation	<u>¥ 57,248</u>	<u>¥ (717,572)</u>	--

(Parentheses indicate expenses, deductions or losses.)

* See Notes to consolidated financial statements on pages 12-13.

** These figures are calculated on an accrual basis.

Panasonic Corporation
Consolidated Statements of Operations and
Consolidated Statements of Comprehensive Income (Loss) *
(Six months ended September 30)

Consolidated Statements of Operations

	<u>Yen (millions)</u>		<u>Percentage 2013/2012</u>
	<u>2013</u>	<u>2012</u>	
Net sales	¥ 3,706,320	¥ 3,638,160	102%
Cost of sales	(2,719,436)	(2,710,013)	
Selling, general and administrative expenses	(840,295)	(840,781)	
Interest income	4,831	5,146	
Dividends received	1,510	2,538	
Interest expense	(11,884)	(12,082)	
Expenses associated with the implementation of early retirement programs *	(1,813)	(14,483)	
Other income (deductions), net *	<u>68,172</u>	<u>(347,156)</u>	
Income (loss) before income taxes	207,405	(278,671)	--
Provision for income taxes	(37,326)	(411,421)	
Equity in earnings of associated companies	<u>3,096</u>	<u>2,618</u>	
Net income (loss)	173,175	(687,474)	--
Less net income (loss) attributable to noncontrolling interests	<u>3,841</u>	<u>(2,304)</u>	
Net income (loss) attributable to Panasonic Corporation	<u>¥ 169,334</u>	<u>¥ (685,170)</u>	--
Net income (loss) attributable to Panasonic Corporation, basic per common share	73.25 yen	(296.39) yen	
per ADS	73.25 yen	(296.39) yen	
Net income (loss) attributable to Panasonic Corporation, diluted per common share *	--	--	
per ADS *	--	--	
 <Supplementary Information *>			
Depreciation (tangible assets)	¥ 138,874	¥ 137,616	
Capital investment **	¥ 88,029	¥ 156,898	
R&D expenditures	¥ 228,930	¥ 248,473	
Number of employees (September 30)	289,756	321,896	

Consolidated Statements of Comprehensive Income (Loss)

	<u>Yen (millions)</u>		<u>Percentage 2013/2012</u>
	<u>2013</u>	<u>2012</u>	
Net income (loss)	¥ 173,175	¥ (687,474)	--
Other comprehensive income (loss), net of tax			
Translation adjustments	55,005	(67,152)	
Unrealized holding gains (losses) of available-for-sale securities	12,521	(30,834)	
Unrealized gains (losses) of derivative instruments	2,032	4,764	
Pension liability adjustments	<u>(31,074)</u>	<u>5,351</u>	
	<u>38,484</u>	<u>(87,871)</u>	
Comprehensive income (loss)	211,659	(775,345)	--
Less comprehensive income (loss) attributable to noncontrolling interests	<u>7,868</u>	<u>(6,811)</u>	
Comprehensive income (loss) attributable to Panasonic Corporation	<u>¥ 203,791</u>	<u>¥ (768,534)</u>	--

(Parentheses indicate expenses, deductions or losses.)

* See Notes to consolidated financial statements on pages 12-13.

** These figures are calculated on an accrual basis.

Panasonic Corporation
Consolidated Balance Sheets **
September 30, 2013
With comparative figures for March 31, 2013

<u>Assets</u>	<u>Yen (millions)</u>	
	<u>Sept. 30, 2013</u>	<u>March 31, 2013</u>
Current assets:		
Cash and cash equivalents	¥ 458,570	¥ 496,283
Time deposits	32	1,674
Trade receivables:		
Notes	78,521	56,752
Accounts	891,593	905,973
Allowance for doubtful receivables	(23,466)	(23,398)
Inventories	846,652	786,845
Other current assets	<u>275,996</u>	<u>269,954</u>
Total current assets	<u>2,527,898</u>	<u>2,494,083</u>
Investments and advances	277,151	276,978
Property, plant and equipment, net of accumulated depreciation	1,619,447	1,675,428
Other assets	<u>918,731</u>	<u>951,323</u>
Total assets	<u>¥ 5,343,227</u>	<u>¥ 5,397,812</u>
<u>Liabilities and Equity</u>		
Current liabilities:		
Short-term debt, including current portion of long-term debt	¥ 412,022	¥ 480,304
Trade payables:		
Notes	101,492	52,205
Accounts	678,320	739,581
Other current liabilities	<u>1,308,936</u>	<u>1,327,069</u>
Total current liabilities	<u>2,500,770</u>	<u>2,599,159</u>
Noncurrent liabilities:		
Long-term debt	569,729	663,091
Other long-term liabilities	<u>765,598</u>	<u>831,289</u>
Total noncurrent liabilities	<u>1,335,327</u>	<u>1,494,380</u>
Total liabilities	<u>3,836,097</u>	<u>4,093,539</u>
Panasonic Corporation shareholders' equity:		
Common stock	258,740	258,740
Capital surplus	1,109,836	1,110,686
Retained earnings	939,194	769,863
Accumulated other comprehensive income (loss) *	(593,772)	(628,229)
Treasury stock, at cost	<u>(247,048)</u>	<u>(247,028)</u>
Total Panasonic Corporation shareholders' equity	<u>1,466,950</u>	<u>1,264,032</u>
Noncontrolling interests	<u>40,180</u>	<u>40,241</u>
Total equity	<u>1,507,130</u>	<u>1,304,273</u>
Total liabilities and equity	<u>¥ 5,343,227</u>	<u>¥ 5,397,812</u>

* Accumulated other comprehensive income (loss) breakdown:

	<u>Yen (millions)</u>	
	<u>Sept. 30, 2013</u>	<u>March 31, 2013</u>
Cumulative translation adjustments	¥ (244,849)	¥ (297,015)
Unrealized holding gains (losses) of available-for-sale securities	12,318	(218)
Unrealized gains (losses) of derivative instruments	(2,541)	(4,573)
Pension liability adjustments	(358,700)	(326,423)

** See Notes to consolidated financial statements on pages 12-13.

Panasonic Corporation
Consolidated Information by Segment *
(Six months ended September 30)

By Segment:

[Sales]	<u>Yen (billions)</u>		Percentage <u>2013/2012</u>
	<u>2013</u>	<u>2012</u>	
Appliances	¥ 610.4	¥ 578.9	105%
Eco Solutions	855.7	802.3	107%
AVC Networks	755.4	829.9	91%
Automotive & Industrial Systems	1,355.9	1,277.9	106%
Other	<u>393.4</u>	<u>437.6</u>	90%
Subtotal	3,970.8	3,926.6	101%
Eliminations and adjustments	<u>(264.5)</u>	<u>(288.4)</u>	--
Consolidated total	<u>¥ 3,706.3</u>	<u>¥ 3,638.2</u>	102%

[Segment Profit (Loss)]*

Appliances	¥ 17.2	¥ 28.7	60%
Eco Solutions	41.4	19.7	210%
AVC Networks	(16.5)	(13.2)	--
Automotive & Industrial Systems	58.2	28.0	208%
Other	<u>5.4</u>	<u>(6.4)</u>	--
Subtotal	105.7	56.8	186%
Eliminations and adjustments	<u>40.9</u>	<u>30.6</u>	--
Consolidated total	<u>¥ 146.6</u>	<u>¥ 87.4</u>	168%

* See Notes to consolidated financial statements on pages 12-13.

Panasonic Corporation
Consolidated Statements of Cash Flows *
(Six months ended September 30)

	<u>Yen (millions)</u>	
	<u>2013</u>	<u>2012</u>
<i><u>Cash flows from operating activities:</u></i>		
Net income (loss)	¥ 173,175	¥ (687,474)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	165,976	170,063
Net (gain) loss on sale of investments	(24,010)	(7,707)
Cash effects of changes in, excluding acquisition:		
Trade receivables	11,539	14,452
Inventories	(46,691)	(74,760)
Trade payables	(11,150)	862
Retirement and severance benefits	(101,416)	(3,821)
Other	(5,956)	608,702
Net cash provided by operating activities	<u>161,467</u>	<u>20,317</u>
<i><u>Cash flows from investing activities:</u></i>		
Proceeds from disposition of investments and advances	53,477	57,586
Increase in investments and advances	(5,122)	(1,899)
Capital expenditures	(99,830)	(175,553)
Proceeds from disposals of property, plant and equipment	12,518	46,625
(Increase) decrease in time deposits	1,642	7,599
Other	(8,937)	(14,236)
Net cash used in investing activities	<u>(46,252)</u>	<u>(79,878)</u>
<i><u>Cash flows from financing activities:</u></i>		
Increase (decrease) in short-term debt	(126,100)	17,654
Increase (decrease) in long-term debt	(34,958)	(44,112)
Dividends paid to Panasonic Corporation shareholders	--	(11,559)
Dividends paid to noncontrolling interests	(8,165)	(7,918)
(Increase) decrease in treasury stock	(23)	(12)
Purchase of noncontrolling interests and Other	(924)	(499)
Net cash used in financing activities	<u>(170,170)</u>	<u>(46,446)</u>
Effect of exchange rate changes on cash and cash equivalents	17,242	(24,505)
Net increase (decrease) in cash and cash equivalents	(37,713)	(130,512)
Cash and cash equivalents at beginning of period	496,283	574,411
Cash and cash equivalents at end of period	<u>¥ 458,570</u>	<u>¥ 443,899</u>

* See Notes to consolidated financial statements on pages 12-13.

Notes to consolidated financial statements:

1. The company's consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles (U.S. GAAP).
2. In order to be consistent with generally accepted financial reporting practices in Japan, operating profit, a non-GAAP measure, is presented as net sales less cost of sales and selling, general and administrative expenses. The company believes that this is useful to investors in comparing the company's financial results with those of other Japanese companies. Please refer to the accompanying consolidated statement of operation and Note 3 for the U.S. GAAP reconciliation.
3. Under U.S. GAAP, expenses associated with the implementation of early retirement programs at certain domestic and overseas companies and the impairment losses on goodwill and fixed assets would be included as part of operating profit in the statement of operations.
4. In other income (deductions), the company incurred expenses associated with the implementation of early retirement programs of certain domestic and overseas companies.
5. The impairment losses of goodwill and intangible assets are included in Other income (deductions), net in fiscal 2013.
6. The impairment losses of goodwill and intangible assets, and an increase in the valuation allowances to deferred tax assets are included in Other of cash flows from operating activities in fiscal 2013.
7. In conformity with U.S. GAAP, the company increased the valuation allowances to deferred tax assets and incurred provision for income taxes in fiscal 2013.
8. Diluted net income (loss) per share attributable to Panasonic Corporation common shareholders has been omitted because the company did not have potentially dilutive common shares that were outstanding for the period.
9. The figures in Eliminations and adjustments 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 amortization of intangible assets and differences of accounting principles).
10. In the first quarter of fiscal 2014, the company's management and labor unions agreed to reduce the employee's bonuses. As a result of the agreements, the company and certain domestic subsidiaries reversed accrued employee's bonus expenses, included in Other current liabilities in the consolidated balance sheet as of March 31, 2013. This revision is change in accounting estimate under U.S. GAAP. Accordingly, the amounts of Operating profit and Income before income taxes are increased by 20.1 billion yen, respectively, for the first quarter of the fiscal 2014.
11. In the first quarter of fiscal 2014, the company and certain domestic subsidiaries decided to make a transition from the defined benefit pension plan to the defined contribution pension plan, effective from future contributions made on or after July 1, 2013. Under the U.S. GAAP, upon this decision, any decrease in projected benefit obligations (PBO) due to a plan amendment in the

past is required to be immediately recognized in the profit and loss. Accordingly, the company posted a gain of 79.8 billion yen in Other income (deductions), net in the consolidated statement of income for the first quarter of the fiscal 2014. This gain in other income represents a decrease in PBO due to a plan amendment in the past, and it does not have any impact on payments to employees.

12. With the aim of realizing a flexible capital policy, the company resolved a reduction of the capital reserve and the legal reserve at the 106th Ordinary General Meeting of Shareholders held on June 26, 2013. Effective on August 31, 2013, the full amount of the capital reserve and the full amount of the legal reserve were reduced and the reduced amounts were allocated to other capital surplus and other retained earnings, respectively, in the parent-alone balance sheet of Panasonic, pursuant to Article 448, Paragraph 1 of the Companies Act. These transactions were transfers within Net Assets section and Panasonic Corporation shareholders' equity remained unchanged. Therefore, the both consolidated and parent-alone financial results of the company were not be affected.
13. From fiscal 2014, Retained earnings on the consolidated balance sheets present the total amount of Legal reserve and Retained earnings which were separately presented until fiscal 2013.
14. On August 30, 2013, the company terminated the agreements which were signed with several banks as of October 1, 2012 to set a credit line. Total amount of unsecured line of credit on this agreement was 600.0 billion yen. The company did not have any credit taking on the agreements.
15. The company's segments are classified according to a divisional company-based management system, which focuses on global consolidated management by each divisional company, in order to ensure consistency of its internal management structure and disclosure.

The company restructured its Group organization on April 1, 2013, under which the company changed the number of segments from eight to five. Accordingly, the figures for each segment in fiscal 2013 have been reclassified to conform to the presentation for fiscal 2014.

16. Number of consolidated companies: 526 (including parent company)
17. Number of associated companies under the equity method: 91

Supplemental Consolidated Financial Data for Fiscal 2014 Second Quarter and Six Months, ended September 30, 2013

Note: The company restructured its Group organization on April 1, 2013, under which the company changed the number of segments from eight to five. Accordingly, the figures for each segment in fiscal 2013 have been reclassified to conform to the presentation for fiscal 2014.

1. Segment Information

	Fiscal 2014 Second Quarter					Fiscal 2014 Six Months ended September 30, 2013				
	Sales	14/13	Segment Profit	% of sales	14/13	Sales	14/13	Segment Profit	% of sales	14/13
Appliances	297.1	109%	4.5	1.5%	56%	610.4	105%	17.2	2.8%	60%
Eco Solutions	444.1	107%	25.3	5.7%	157%	855.7	107%	41.4	4.8%	210%
AVC Networks	394.9	92%	0.2	0.1%	9%	755.4	91%	-16.5	-2.2%	-
Automotive & Industrial Systems	691.6	108%	29.5	4.3%	192%	1,355.9	106%	58.2	4.3%	208%
Other	208.1	92%	8.2	4.0%	-	393.4	90%	5.4	1.4%	-
Total	2,035.8	102%	67.7	3.3%	163%	3,970.8	101%	105.7	2.7%	186%
Eliminations and Adjustments *1	-154.0	-	14.7	-	-	-264.5	-	40.9	-	-
Consolidated Total	1,881.8	103%	82.4	4.4%	169%	3,706.3	102%	146.6	4.0%	168%

Appliances (production and sales consolidated) *2	394.8	108%	6.8	1.7%	89%	826.2	107%	29.1	3.5%	72%
AVC Networks (production and sales consolidated) *2	439.0	100%	-4.1	-0.9%	-	844.3	96%	-21.7	-2.6%	-

*1 The figures in "Eliminations and Adjustments" 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 amortization of intangible assets and differences of accounting principles).

*2 The figures in "Appliances (production and sales consolidated)" and "AVC Networks (production and sales consolidated)" include the sales and profits of sales division for consumer products, which are included in "Eliminations and Adjustments."

2. Business Division Information

		Fiscal 2014 Second Quarter		Fiscal 2014 Six Months ended September 30, 2013	
		Sales	14/13	Sales	14/13
Appliances	Air-conditioner BD	89.3	107%	201.7	101%
	Refrigerator BD	34.1	103%	67.2	107%
	Laundry Systems and Vacuum Cleaner BD	46.7	112%	87.4	106%
	Cold Chain BD	23.5	98%	46.5	101%
Eco Solutions	Lighting BD	74.8	104%	143.5	102%
	Energy Systems BD	93.4	107%	185.4	110%
	Housing Systems BD	99.5	107%	189.1	107%
	Panasonic Ecology Systems Co., Ltd.	32.6	109%	67.4	118%
AVC Networks	AV Network BD	30.2	76%	62.5	84%
	DSC BD	19.4	73%	35.8	60%
	IT Products BD	26.0	127%	49.3	112%
	Security Systems BD	16.3	108%	29.7	107%
Automotive & Industrial Systems	Automotive Infotainment Systems BD	114.4	126%	228.7	126%
	Capacitor BD	29.7	94%	58.3	92%
	Automation Controls BD	59.2	108%	116.6	107%
	Panasonic Factory Solutions Co., Ltd.	27.8	95%	58.5	89%

3. Additional Information

	Fiscal 2014 Second Quarter					Fiscal 2014 Six Months ended September 30, 2013				
	Sales	14/13	Segment Profit	% of sales	14-13	Sales	14/13	Segment Profit	% of sales	14-13
TV BD *	75.9	80%	-2.1	-2.7%	-5.3	163.8	86%	-2.6	-1.6%	-6.2
Panasonic Mobile Communications Co., Ltd.	10.9	36%	-2.3	-20.9%	+0.2	26.1	55%	-7.6	-29.2%	-1.4
Semiconductor BD	50.8	98%	-2.3	-4.5%	-0.8	95.5	92%	-6.1	-6.4%	-0.7
Portable Rechargeable Battery BD	74.7	104%	3.0	4.1%	+4.3	145.3	106%	7.1	4.9%	+10.4

* "TV BD" manufactures TV sets. Sales and profits of distribution and TV panels sectors are not included.

4. Sales by Region

	Fiscal 2014 Second Quarter			Fiscal 2014 Six Months ended September 30, 2013		
	Yen basis 14/13	Local currency basis 14/13		Yen basis 14/13	Local currency basis 14/13	
Domestic	922.4	96%	-	1,787.3	95%	-
Overseas	959.4	111%	89%	1,919.0	109%	88%
North and South America	281.6	116%	94%	553.9	114%	93%
Europe	177.1	116%	90%	354.3	111%	88%
Asia	242.3	115%	95%	500.2	114%	94%
China	258.4	99%	78%	510.6	99%	80%
Total	1,881.8	103%	93%	3,706.3	102%	92%

5. Capital Investment by Segment

	Fiscal 2014 Second Quarter		Fiscal 2014 Six Months ended September 30, 2013	
	14-13		14-13	
Appliances	6.7	-4.7	12.0	-8.8
Eco Solutions	10.0	-9.7	20.9	-8.4
AVC Networks	6.6	-10.0	12.6	-14.7
Automotive & Industrial Systems	18.1	-18.0	32.3	-39.1
Other	5.3	+2.8	10.2	+2.1
Total	46.7	-39.6	88.0	-68.9

Note: These figures are calculated on an accrual basis.

6. Foreign Currency Exchange Rates/Transactions

<Export Rates>

	Fiscal 2013 2nd quarter	Six Months ended September 30, 2012	Fiscal 2013 Full Year	Fiscal 2014 2nd quarter	Six Months ended September 30, 2013
U.S. Dollars	¥80	¥79	¥80	¥98	¥95
Euro	¥104	¥103	¥102	¥128	¥125

<Rates Used for Consolidation>

	Fiscal 2013 2nd quarter	Six Months ended September 30, 2012	Fiscal 2013 Full Year	Fiscal 2014 2nd quarter	Six Months ended September 30, 2013
U.S. Dollars	¥79	¥80	¥83	¥99	¥99
Euro	¥98	¥101	¥107	¥131	¥130

<Foreign Currency Transactions>

	Fiscal 2013 2nd quarter	Six Months ended September 30, 2012	Fiscal 2013 Full Year	Fiscal 2014 2nd quarter	Six Months ended September 30, 2013
U.S. Dollars	US\$0.6 billion	US\$1.2 billion	US\$2.0 billion	US\$0.3 billion	US\$0.5 billion
Euro	€0.5 billion	€0.9 billion	€1.7 billion	€0.4 billion	€0.8 billion

7. Number of Employees

	End of Sep. 2012	End of March 2013	End of June 2013	End of Sep. 2013
Domestic	131,143	125,067	124,736	122,541
Overseas	190,753	168,675	167,427	167,215
Total	321,896	293,742	292,163	289,756

8. Fiscal 2014 Annual Forecasts

Fiscal 2014 annual forecasts (foreign currency exchange rates) were revised as follows.

	Foreign Currency Exchange Rates	
	As of May 10, 2013	As of Oct.31, 2013
U.S. Dollars	¥85	¥97
Euro	¥110	¥128

Disclaimer Regarding Forward-Looking Statements

This document includes forward-looking statements (that include those within the meaning of Section 21E of the U.S. Securities Exchange Act of 1934) about Panasonic and its Group companies (the Panasonic Group). To the extent that statements in this document 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 document. 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 United States, 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; currency rate fluctuations, notably between the yen, the U.S. dollar, the euro, the Chinese yuan, Asian currencies and other currencies in which the Panasonic Group operates businesses, or in which assets and liabilities of the Panasonic Group are denominated; the possibility of the Panasonic Group incurring additional costs of raising funds, because of changes in the fund raising environment; the ability of the Panasonic Group 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 on the alliances or mergers and acquisitions including the business reorganization after the acquisition of all shares of Panasonic Electric Works Co., Ltd. and SANYO Electric Co., Ltd.; the ability of the Panasonic Group to achieve its business objectives through joint ventures and other collaborative agreements with other companies; the ability of the Panasonic Group 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 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.

<Attachment 1> Reference

Segment Information for Fiscal 2014

Note: The company restructured its Group organization on April 1, 2013, under which the company changed the number of segments from eight to five.

Sales

	yen(billions)	
	1st quarter (Apr.-June)	2nd quarter (July -Sep.)
Appliances	313.3	297.1
Eco Solutions	411.6	444.1
AVC Networks	360.5	394.9
Automotive & Industrial Systems	664.3	691.6
Other	185.3	208.1
Total	1,935.0	2,035.8
Eliminations and Adjustments *1	-110.5	-154.0
Consolidated Total	1,824.5	1,881.8
Appliances (production and sales consolidated) *2	431.4	394.8
AVC Networks (production and sales consolidated) *2	405.3	439.0

Segment profit

	yen(billions)	
	1st quarter (Apr.-June)	2nd quarter (July -Sep.)
Appliances	12.7	4.5
Eco Solutions	16.1	25.3
AVC Networks	-16.7	0.2
Automotive & Industrial Systems	28.7	29.5
Other	-2.8	8.2
Total	38.0	67.7
Eliminations and Adjustments *1	26.2	14.7
Consolidated Total	64.2	82.4
Appliances (production and sales consolidated) *2	22.3	6.8
AVC Networks (production and sales consolidated) *2	-17.6	-4.1

*1 The figures in "Eliminations and Adjustments" 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 amortization of intangible assets and differences of accounting principles).

*2 The figures in "Appliances (production and sales consolidated)" and "AVC Networks (production and sales consolidated)" include the sales and profits of sales division for consumer products, which are included in "Eliminations and Adjustments."

<Attachment 2> Reference

Segment Information for Fiscal 2013

Note: The company restructured its Group organization on April 1, 2013, under which the company changed the number of segments from eight to five. Accordingly, the figures for each segment in fiscal 2013 have been reclassified to conform to the presentation for fiscal 2014.

Sales

	yen(billions)				
	1st quarter (Apr.-June)	2nd quarter (July -Sep.)	3rd quarter (Oct.-Dec.)	4th quarter (Jan.-Mar.)	Full year (Apr.-Mar.)
Appliances	305.2	273.7	255.0	255.5	1,089.4
Eco Solutions	387.9	414.4	431.8	439.1	1,673.2
AVC Networks	398.6	431.3	387.6	403.9	1,621.4
Automotive & Industrial Systems	634.6	643.3	610.5	629.6	2,518.0
Other	211.4	226.2	208.2	363.0	1,008.8
Total	1,937.7	1,988.9	1,893.1	2,091.1	7,910.8
Eliminations and Adjustments *	-123.2	-165.2	-91.6	-227.8	-607.8
Consolidated Total	1,814.5	1,823.7	1,801.5	1,863.3	7,303.0

Segment profit

	yen(billions)				
	1st quarter (Apr.-June)	2nd quarter (July -Sep.)	3rd quarter (Oct.-Dec.)	4th quarter (Jan.-Mar.)	Full year (Apr.-Mar.)
Appliances	20.7	8.0	6.2	1.5	36.4
Eco Solutions	3.6	16.1	24.3	18.8	62.8
AVC Networks	-16.4	3.2	-10.9	32.4	8.3
Automotive & Industrial Systems	12.6	15.4	-0.8	2.3	29.5
Other	-5.5	-0.9	-3.5	13.3	3.4
Total	15.0	41.8	15.3	68.3	140.4
Eliminations and Adjustments *	23.6	7.0	19.3	-29.4	20.5
Consolidated Total	38.6	48.8	34.6	38.9	160.9

* The figures in "Eliminations and Adjustments" 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 amortization of intangible assets and differences of accounting principles).

<Attachment 3> Reference

Business Division Information for Fiscal 2014 (Sales)

		yen(billions)	
		1st quarter (Apr.-June)	2nd quarter (July -Sep.)
Appliances	Air-conditioner BD	112.4	89.3
	Refrigerator BD	33.1	34.1
	Laundry Systems and Vacuum Cleaner BD	40.7	46.7
	Cold Chain BD	23.1	23.5
Eco Solutions	Lighting BD	68.8	74.8
	Energy Systems BD	91.9	93.4
	Housing Systems BD	89.6	99.5
	Panasonic Ecology Systems Co., Ltd.	34.8	32.6
AVC Networks	AV Network BD	32.3	30.2
	DSC BD	16.4	19.4
	IT Products BD	23.4	26.0
	Security Systems BD	13.4	16.3
Automotive & Industrial Systems	Automotive Infotainment Systems BD	114.3	114.4
	Capacitor BD	28.6	29.7
	Automation Controls BD	57.4	59.2
	Panasonic Factory Solutions Co., Ltd.	30.7	27.8

Additional Information for fiscal 2014

Sales

	yen(billions)	
	1st quarter (Apr.-June)	2nd quarter (July -Sep.)
TV BD *	87.9	75.9
Panasonic Mobile Communications Co., Ltd.	15.3	10.9
Semiconductor BD	44.7	50.8
Portable Rechargeable Battery BD	70.6	74.7

Profit

	yen(billions)	
	1st quarter (Apr.-June)	2nd quarter (July -Sep.)
TV BD *	-0.6	-2.1
Panasonic Mobile Communications Co., Ltd.	-5.4	-2.3
Semiconductor BD	-3.8	-2.3
Portable Rechargeable Battery BD	4.1	3.0

* "TV BD" manufactures TV sets. Sales and profits of distribution and TV panels sectors are not included.

<Attachment 4> Reference

Business Division Information for Fiscal 2013 (Sales)

		yen(billions)				
		1st quarter (Apr.-June)	2nd quarter (July -Sep.)	3rd quarter (Oct.-Dec.)	4th quarter (Jan.-Mar.)	Full year (Apr.-Mar.)
Appliances	Air-conditioner BD	116.7	83.4	69.6	87.3	357.0
	Refrigerator BD	29.8	33.2	26.3	20.7	110.1
	Laundry Systems and Vacuum Cleaner BD	40.8	41.6	48.1	39.0	169.5
	Cold Chain BD	22.2	23.9	19.3	19.9	85.3
Eco Solutions	Lighting BD	68.8	71.7	84.0	75.7	300.3
	Energy Systems BD	81.3	87.4	87.0	100.2	356.0
	Housing Systems BD	84.9	92.6	98.7	88.1	364.4
	Panasonic Ecology Systems Co., Ltd.	27.5	29.8	32.9	39.8	130.0
AVC Networks	AV Network BD	34.9	39.6	37.8	28.8	141.0
	DSC BD	33.2	26.7	20.2	12.9	93.0
	IT Products BD	23.8	20.4	21.6	29.9	95.6
	Security Systems BD	12.6	15.1	13.9	17.1	58.7
Automotive & Industrial Systems	Automotive Infotainment Systems BD	90.5	90.7	97.3	110.9	389.4
	Capacitor BD	31.9	31.5	27.8	29.4	120.5
	Automation Controls BD	54.3	55.0	53.9	54.1	217.3
	Panasonic Factory Solutions Co., Ltd.	36.3	29.2	19.9	20.0	105.4

Additional Information for fiscal 2013

Sales

		yen(billions)				
		1st quarter (Apr.-June)	2nd quarter (July -Sep.)	3rd quarter (Oct.-Dec.)	4th quarter (Jan.-Mar.)	Full year (Apr.-Mar.)
TV BD *		96.1	95.2	99.3	54.2	344.8
Panasonic Mobile Communications Co., Ltd.		17.7	29.8	17.6	27.2	92.4
Semiconductor BD		52.4	51.9	39.4	40.3	184.0
Portable Rechargeable Battery BD		65.1	71.8	62.4	67.0	266.4

Profit

		yen(billions)				
		1st quarter (Apr.-June)	2nd quarter (July -Sep.)	3rd quarter (Oct.-Dec.)	4th quarter (Jan.-Mar.)	Full year (Apr.-Mar.)
TV BD *		0.4	3.2	-7.4	2.4	-1.4
Panasonic Mobile Communications Co., Ltd.		-3.7	-2.5	-4.1	2.1	-8.1
Semiconductor BD		-3.9	-1.5	-8.2	-6.8	-20.5
Portable Rechargeable Battery BD		-2.0	-1.3	-2.6	-4.1	-10.0

* "TV BD" manufactures TV sets. Sales and profits of distribution and TV panels sectors are not included.