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FOR IMMEDIATE RELEASE

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Panasonic Reports its Consolidated Financial Results
for the Nine-month ended December 31, 2016

Osaka, Japan, February 2, 2017 -- Panasonic Corporation (Panasonic [TSE:6752]) today reported its consolidated financial results for the nine months ended December 31, 2016, of the current fiscal year ending March 31, 2017 (fiscal 2017).

Summary

Yen (billions)

	Fiscal 2017 Nine Months ended December 31, 2016	Fiscal 2016 Nine Months ended December 31, 2015	Percentage 2017/2016
Net sales	5,350.0	5,671.3	94%
Domestic	2,592.6	2,619.6	99%
Overseas	2,757.4	3,051.7	90%
Operating profit *	240.6 4.5%	320.3 5.6%	75%
Income before income taxes	231.8 4.3%	254.5 4.5%	91%
Net income attributable to Panasonic Corporation	175.4 3.3%	160.2 2.8%	109%
Net income attributable to Panasonic Corporation, basic per common share	75.56 yen	69.18 yen	6.38 yen
per ADS	75.56 yen	69.18 yen	6.38 yen
Net income attributable to Panasonic Corporation, diluted per common share	75.54 yen	69.17 yen	6.37 yen
per ADS	75.54 yen	69.17 yen	6.37 yen

Notes: 1. The Company's consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles (U.S. GAAP).

2. Number of consolidated companies: 498 (including parent company)
Number of associated companies under the equity method: 96

* For information about operating profit, see Note 1 of the Notes to consolidated financial statements on page 8.

**Consolidated Statements of Income and
Consolidated Statements of Comprehensive Income**

Consolidated Statements of Income

Yen (millions)

	Fiscal 2017		Fiscal 2016		Percentage 2017/2016
	Nine Months ended December 31, 2016		Nine Months ended December 31, 2015		
		%		%	%
Net sales	5,350,028	100.0	5,671,314	100.0	94
Cost of sales	3,809,201	71.2	4,031,383	71.1	
Gross profit	1,540,827	28.8	1,639,931	28.9	94
Selling, general and administrative expenses	1,300,270	24.3	1,319,677	23.3	
Operating profit *	240,557	4.5	320,254	5.6	75
Other income (deductions)	(8,718)	(0.2)	(65,758)	(1.1)	
Interest income	11,074	0.2	16,198	0.3	
Dividends received	1,715	0.0	1,602	0.0	
Interest expense	(10,773)	(0.2)	(13,587)	(0.2)	
Expenses associated with the implementation of early retirement programs **	(3,108)	(0.1)	(5,321)	(0.1)	
Other income (deductions), net	(7,626)	(0.1)	(64,650)	(1.1)	
Income before income taxes	231,839	4.3	254,496	4.5	91
Provision for income taxes	52,731	1.0	87,703	1.6	
Equity in earnings of associated companies	8,884	0.2	11,520	0.2	
Net income	187,992	3.5	178,313	3.1	105
Less net income attributable to noncontrolling interests	12,607	0.2	18,093	0.3	
Net income attributable to Panasonic Corporation	175,385	3.3	160,220	2.8	109

Notes: 1. In other income (deductions), the Company incurred expenses associated with the implementation of early retirement programs of certain domestic and overseas companies.

2. Depreciation (tangible assets)	162,859 million yen	175,463 million yen
3. Capital investment	196,750 million yen	160,909 million yen
4. R&D expenditures	339,296 million yen	344,204 million yen
5. Number of employees	255,975	252,604

* ** See Notes to consolidated financial statements on page 8.

Consolidated Statements of Comprehensive Income

Yen (millions)

	Fiscal 2017 Nine Months ended December 31, 2016	Fiscal 2016 Nine Months ended December 31, 2015	Percentage 2017/2016
Net income	187,992	178,313	% 105
Other comprehensive income (loss), net of tax:			
Translation adjustments	(12,723)	(71,453)	
Unrealized holding gains of available-for-sale securities	1,386	12,504	
Unrealized holding gains (losses) of derivative instruments	(1,220)	(1,284)	
Pension liability adjustments	19,552	31,496	
Subtotal	6,995	(28,737)	
Comprehensive income	194,987	149,576	130
Less comprehensive income attributable to noncontrolling interests	7,676	8,752	
Comprehensive income attributable to Panasonic Corporation	187,311	140,824	133

Information by Segment

Yen (billions)

	Fiscal 2017 Nine Months ended December 31, 2016					Fiscal 2016 Nine Months ended December 31, 2015		
	Sales	17/16	Segment Profit (loss)	% of Sales	17/16	Sales	Segment Profit	% of Sales
Appliances	1,805.2	101	102.5	5.7	151	1,788.5	68.1	3.8
Eco Solutions	1,118.7	96	46.1	4.1	78	1,169.7	58.7	5.0
AVC Networks	751.5	87	41.5	5.5	77	860.8	53.9	6.3
Automotive & Industrial Systems	1,902.9	92	85.5	4.5	96	2,063.2	88.9	4.3
Other	400.3	100	(2.4)	(0.6)	--	402.3	3.1	0.8
Subtotal	5,978.6	95	273.2	4.6	100	6,284.5	272.7	4.3
Eliminations and adjustments	(628.6)	--	(32.6)	--	--	(613.2)	47.6	--
Total	5,350.0	94	240.6	4.5	75	5,671.3	320.3	5.6

Notes: 1. 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.

As of April 1, 2016, there were some changes in the structure of its internal organization of the reportable segments. Accordingly, the figures for segment information in fiscal 2016 have been reclassified to conform to the presentation for fiscal 2017.

2. Total of Segment Profit corresponds to Operating Profit of consolidated financial statements. Each figure of segment profit consists of, instead of the ordinary Operating Profit, Operating Profit plus other income (deductions) excluding financial income (loss) and exchange gains (losses) from fiscal 2017. The segment profit figures in fiscal 2016 also have been calculated in the same manner as those for fiscal 2017.
3. The figures in Eliminations and adjustments of Segment Profit include eliminations such as other income (deductions) which is added to each segment profit, and 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 a part of amortization of intangible assets and differences of accounting principles).

Consolidated Balance Sheets

Yen (millions)

	December 31, 2016	March 31, 2016	Difference
Current assets:	3,407,664	3,054,359	+ 353,305
Cash and cash equivalents	1,146,300	1,014,264	+ 132,036
Time deposits	--	146	- 146
Trade receivables:			
Notes	75,438	58,715	+ 16,723
Accounts	891,792	787,033	+ 104,759
Allowance for doubtful receivables	(22,076)	(22,196)	+ 120
Inventories	833,275	756,448	+ 76,827
Other current assets	482,935	459,949	+ 22,986
Investments and advances	344,190	344,499	- 309
Property, plant and equipment, net of accumulated depreciation	1,310,282	1,301,175	+ 9,107
Other assets	1,082,871	896,949	+ 185,922
Total assets	6,145,007	5,596,982	+ 548,025
Current liabilities:	2,418,644	2,380,900	+ 37,744
Short-term debt, including current portion of long-term debt	24,782	21,728	+ 3,054
Trade payables:			
Notes	238,044	230,065	+ 7,979
Accounts	742,841	712,179	+ 30,662
Other current liabilities	1,412,977	1,416,928	- 3,951
Noncurrent liabilities:	1,744,559	1,361,768	+ 382,791
Long-term debt	1,100,036	704,191	+ 395,845
Other long-term liabilities	644,523	657,577	- 13,054
Total liabilities	4,163,203	3,742,668	+ 420,535
Panasonic Corporation shareholders' equity:	1,835,236	1,705,056	+ 130,180
Common stock	258,740	258,740	--
Capital surplus	980,822	979,895	+ 927
Retained earnings	1,282,640	1,165,282	+ 117,358
Accumulated other comprehensive income (loss)	(456,402)	(468,328)	+ 11,926
Treasury stock, at cost	(230,564)	(230,533)	- 31
Noncontrolling interests	146,568	149,258	- 2,690
Total equity	1,981,804	1,854,314	+ 127,490
Total liabilities and equity	6,145,007	5,596,982	+ 548,025

Note: Accumulated other comprehensive income (loss) breakdown:

	December 31, 2016	March 31, 2016	Difference
Cumulative translation adjustments	(146,540)	(138,921)	- 7,619
Unrealized holding gains of available-for-sale securities	21,573	20,205	+ 1,368
Unrealized gains of derivative instruments	371	1,646	- 1,275
Pension liability adjustments	(331,806)	(351,258)	+ 19,452

Consolidated Statements of Cash Flows

Yen (millions)

	Fiscal 2017 Nine Months ended December 31, 2016	Fiscal 2016 Nine Months ended December 31, 2015
<u>Cash flows from operating activities</u>		
Net income	187,992	178,313
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	194,385	205,166
Net (gain) loss on sale of investments	(174)	(1,600)
(Increase) decrease in trade receivables	(106,536)	29,704
(Increase) decrease in inventories	(64,250)	(86,198)
Increase (decrease) in trade payables	42,316	(9,434)
Increase (decrease) in retirement and severance benefits	(27,603)	(37,527)
Other	(114,423)	(55,786)
Net cash provided by operating activities	111,707	222,638
<u>Cash flows from investing activities</u>		
Proceeds from disposals of investments and advances	11,219	6,015
Increase in investments and advances	(7,037)	(29,180)
Capital expenditures	(201,494)	(173,863)
Proceeds from disposals of property, plant and equipment	29,372	18,115
(Increase) decrease in time deposits	146	18,470
Other	(142,447)	(46,870)
Net cash used in investing activities	(310,241)	(207,313)
<u>Cash flows from financing activities</u>		
Increase (decrease) in short-term debt	4,867	8,570
Increase (decrease) in long-term debt	352,493	(48,365)
Dividends paid to Panasonic Corporation shareholders	(58,025)	(46,322)
Dividends paid to noncontrolling interests	(10,835)	(14,774)
(Increase) decrease in treasury stock	(32)	(99)
Other	12,192	(4,292)
Net cash provided by (used in) financing activities	300,660	(105,282)
Effect of exchange rate changes on cash and cash equivalents	29,910	(32,517)
Net increase (decrease) in cash and cash equivalents	132,036	(122,474)
Cash and cash equivalents at beginning of period	1,014,264	1,280,408
Cash and cash equivalents at end of period	1,146,300	1,157,934

Notes to consolidated financial statements:

1. 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 statements of income and Note 2 for the U.S. GAAP reconciliation.
2. 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 statements of income.
3. Panasonic acquired all the shares of Hussmann Parent Inc., which had all the shares of Hussmann Corporation in the U.S., as of April 1, 2016. Both Hussmann Parent Inc. and Hussmann Corporation, and their subsidiaries became subsidiaries of Panasonic.
4. The Company decided at the Board of Directors meeting held on October 31, 2016 to liquidate its consolidated subsidiary, Panasonic Plasma Display Co., Ltd. (PPD), file a petition for the commencement of special liquidation, and forgive debts that PPD owes to Panasonic.
5. The Company resolved at the Board of Directors meeting held on December 20, 2016 that Panasonic would acquire PanaHome Corporation (PanaHome), one of the subsidiaries of the Company, as a wholly-owned subsidiary of Panasonic through a share exchange. On the same day, Panasonic and PanaHome executed a share exchange agreement; therefore, Panasonic shall become the wholly-owning parent company and PanaHome shall become the wholly-owned subsidiary. The share exchange is scheduled to be implemented after resolutions of the ordinary general meeting of shareholders of PanaHome scheduled in June 2017.
6. The Company resolved at the Board of Directors meeting held on December 20, 2016 that Panasonic would acquire Panasonic Industrial Devices SUNX Co., Ltd. (SUNX), one of the subsidiaries of the Company, as a wholly-owned subsidiary of Panasonic through a share exchange. On the same day, Panasonic and SUNX executed a share exchange agreement; therefore, Panasonic shall become the wholly-owning parent company and SUNX shall become the wholly-owned subsidiary. The share exchange is scheduled to be implemented after resolutions of the extraordinary general meeting of shareholders of SUNX scheduled in February 2017.
7. Assumption for going concern: None
8. Significant changes in Panasonic Corporation shareholders' equity: None
9. Significant subsequent events: None
10. Number of consolidated subsidiaries as of December 31, 2016: 497
Number of associated companies under the equity method as of December 31, 2016: 96
11. Panasonic will voluntarily adopt International Financial Reporting Standards (IFRS) from its year-end financial results for fiscal 2017. Accordingly, the Company discloses its consolidated financial forecasts for fiscal 2017 based on IFRS.

Consolidated Financial Results**1. Nine Months ended December 31, 2016****A. Operating Results**

	Yen (billions)		
	Fiscal 2017 Nine Months ended Dec. 31, 2016	Fiscal 2016 Nine Months ended Dec. 31, 2015	Percentage 2017/2016
Net sales	5,350.0	5,671.3	94%
Operating profit ¹	240.6	320.3	75%
Income before income taxes	231.8	254.5	91%
Net income attributable to Panasonic Corporation	175.4	160.2	109%

During the nine months ended December 31, 2016 under review, a global economy gradually recovered, as excessive concern for the Chinese economic slowdown eased and the U.S. economy started to recover on the back of its steady personal spending and improvement of capital investment. In Japan, although its personal spending remained at a standstill, signs of recovery in export were seen. While the global economy is expected to moderately recover, risk factors such as deterioration in emerging countries' economy, financial market fluctuation, and political and policy changes in some countries still remain.

Under such business circumstances, Panasonic positions its fiscal 2017 as “a year to lay a solid foundation for growth” toward its management targets in fiscal 2019 and focuses on its growth business. The Company has been executing various initiatives.

As one of the initiatives during the nine months ended December 31, 2016, for housing business, the Company unified the brands for the reform businesses of Panasonic and PanaHome Corporation (PanaHome) into Panasonic Reform in April

¹ For information about operating profit, see Note 1 of the Notes to consolidated financial statements on page 8.

2016. In December 2016, the Company announced that Panasonic would acquire PanaHome as a wholly owned subsidiary in August 2017 through a share exchange in order to further collaborate with PanaHome and promote business strategies by making the maximum use of their management resources. In December 2016, Panasonic also announced that the Company reached the agreement with Tesla Motors Inc. to collaborate in manufacturing solar cells and modules in the U.S.

For B2B business, in Commercial Refrigeration & Food Equipment business, one of the core businesses of Panasonic, the Company acquired Hussmann Corporation in the U.S. to have Hussmann Corporation and its subsidiaries as subsidiaries of Panasonic as of April 1, 2016. The Company announced in September 2016 the implementation of organizational restructuring in AVC Networks Company to establish a new internal company named 'Connected Solutions Company' in April 2017. In December 2016, the Company also announced that Panasonic would acquire Panasonic Industrial Devices SUNX Co., Ltd. as a wholly-owned subsidiary in March 2017 through a share exchange. By this action, Panasonic will further enhance group-wide strength of its factory automation equipment business.

Consolidated group sales for nine months ended December 31, 2016 decreased by 6% to 5,350.0 billion yen from the same period of fiscal 2016 (a year ago) due to the significant yen appreciation, although sales in real terms excluding the effect of exchange rates increased. Domestic sales decreased year on year due mainly to sales decrease of solar photovoltaic systems for household-use, while sales in home appliances and automotive-related products were stable. Overseas sales also decreased year on year due mainly to a considerable impact from exchange rates, even though the sales of newly-consolidated Hussmann were added and rechargeable battery and electromechanical control device businesses were favorable.

Operating profit decreased by 25% to 240.6 billion yen from a year ago due mainly to sales decline of solar photovoltaic systems for household-use, a fixed-cost increase such as an upfront investment toward future growth and a negative effect of exchange rates, while rationalization and other initiatives continued to be

implemented.

Income before income taxes decreased by 9% to 231.8 billion yen comparing with the same period of last year, due mainly to decrease of business restructuring expenses. Net income attributable to Panasonic Corporation increased by 9% to 175.4 billion yen from a year ago due mainly to the additional deferred-tax assets (a decrease in provision for income taxes) as a result of the board resolution to liquidate a consolidated subsidiary.

B. Breakdown by Segment

Appliances

	Yen (billions)		
	Fiscal 2017 Nine Months ended Dec. 31, 2016	Fiscal 2016 Nine Months ended Dec. 31, 2015	Percentage 2017/2016
Sales	1,805.2	1,788.5	101%
Segment profit *	102.5	68.1	151%

Sales increased by 1% to 1,805.2 billion yen from a year ago due mainly to newly-consolidated Hussmann and home appliance business in Japan and Asia which was continuously favorable, in spite of the negative effect of exchange rates. Segment profit increased to 102.5 billion yen from a year ago due mainly to Hussmann acquisition and profit improvement by shifting to high value-added products such as home appliances and 4K TVs.

Eco Solutions

	Yen (billions)		
	Fiscal 2017 Nine Months ended Dec. 31, 2016	Fiscal 2016 Nine Months ended Dec. 31, 2015	Percentage 2017/2016
Sales	1,118.7	1,169.7	96%
Segment profit *	46.1	58.7	78%

Sales decreased by 4% to 1,118.7 billion yen compared with the previous year. Sales in solar photovoltaic systems for household-use decreased, suffering from weak demand in Japan and price decline. Segment profit decreased to 46.1 billion

yen from a year ago due mainly to sales decrease in solar photovoltaic systems for household-use.

AVC Networks

	Yen (billions)		
	Fiscal 2017 Nine Months ended Dec. 31, 2016	Fiscal 2016 Nine Months ended Dec. 31, 2015	Percentage 2017/2016
Sales	751.5	860.8	87%
Segment profit *	41.5	53.9	77%

Sales decreased by 13% to 751.5 billion yen from a year ago due mainly to overseas sales decrease in Communication Business such as fixed-line phones and the negative effect of exchange rates. In addition, the Kumamoto Earthquake in April 2016 in Japan affected on device procurement in Visual and Imaging Business. Segment profit decreased to 41.5 billion yen from a year ago due mainly to the effect of exchange rates, as well as special demand in solutions business a year ago.

Automotive & Industrial Systems

	Yen (billions)		
	Fiscal 2017 Nine Months ended Dec. 31, 2016	Fiscal 2016 Nine Months ended Dec. 31, 2015	Percentage 2017/2016
Sales	1,902.9	2,063.2	92%
Segment profit *	85.5	88.9	96%

Sales decreased by 8% to 1,902.9 billion yen from a year ago due to the significant effect of exchange rates, an impact from downsizing LCD panel business, in addition to sales decrease in ICT-related device business during six months ended September 30, 2016, while sales of automotive-related business increased. Segment profit decreased to 85.5 billion yen from a year ago due mainly to the effect of exchange rates and a fixed-cost increase by an upfront investment for automotive business such as rechargeable batteries.

Other

	Yen (billions)		
	Fiscal 2017 Nine Months ended Dec. 31, 2016	Fiscal 2016 Nine Months ended Dec. 31, 2015	Percentage 2017/2016
Sales	400.3	402.3	100%
Segment profit (loss) *	-2.4	3.1	-

Sales were 400.3 billion yen in line with the same period a year ago. Segment profit turned to a loss of 2.4 billion yen due mainly to a negative impact from fixed-cost increase in PanaHome.

*Segment profit consists of, instead of the ordinary Operating Profit, Operating Profit plus other income (deductions) excluding financial income (loss) and exchange gains (losses) from fiscal 2017. The segment profit figures in fiscal 2016 also have been calculated in the same manner as those for fiscal 2017.

C. Consolidated Financial Condition

Net cash provided by operating activities for the nine months ended December 31, 2016 amounted to 111.7 billion yen compared with an inflow of 222.6 billion yen a year ago, due mainly to an increase of trade receivables. Net cash used in investing activities amounted to 310.2 billion yen compared with an outflow of 207.3 billion yen a year ago, due mainly to the acquisition of Hussmann. Accordingly, free cash flow (net cash provided by operating activities and investing activities) decreased by 213.9 billion yen from a year ago to an outflow of 198.5 billion yen. Net cash provided by financing activities amounted to 300.7 billion yen, compared with an outflow of 105.3 billion yen a year ago, due mainly to an issuance of unsecured straight bonds of total 400.0 billion yen. Taking into consideration the effect of exchange rates, cash and cash equivalents totaled 1,146.3 billion yen as of December 31, 2016, increased by 132.0 billion yen compared with the end of the fiscal 2016.

The Company's consolidated total assets as of December 31, 2016 increased by 548.0 billion yen to 6,145.0 billion yen from March 31, 2016. This was due mainly to an increase in other assets including recording goodwill by acquisition of Hussmann, a seasonal increase in trade receivables and inventories, and an

increase in cash and cash equivalents. The Company's consolidated total liabilities as of December 31, 2016 increased by 420.5 billion yen to 4,163.2 billion yen from March 31, 2016 due mainly to an issuance of unsecured straight bonds. Panasonic Corporation shareholders' equity increased by 130.2 billion yen, compared with March 31, 2016, to 1,835.2 billion yen due mainly to record of net income attributable to Panasonic Corporation. Adding noncontrolling interests to Panasonic Corporation shareholders' equity, total equity was 1,981.8 billion yen.

2. Forecast for Fiscal 2017

Panasonic revised upward its forecast of consolidated financial sales, operating profit, income before income taxes and net income attributable to owners of the parent company for fiscal 2017. The Company took into account the effect of exchange rates, as yen has become lower since the time of the last announcement on October 31, 2016.

The consolidated financial forecasts for fiscal 2017 (IFRS) as of February 2, 2017 are:

Sales: 7,350.0 billion yen

Operating profit: 265.0 billion yen

Income before income taxes: 260.0 billion yen

Net income attributable to owners of the parent company: 130.0 billion yen

Notes: The above figures of consolidated financial forecasts for fiscal 2017 are based on International Financial Reporting Standards (IFRS).

Disclaimer Regarding Forward-Looking Statements

This press release 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). Panasonic discloses its consolidated financial forecasts for fiscal 2017 based on International Financial Reporting Standards (IFRS). 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 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 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; the possibility of incurring expenses resulting from a leakage of customers' or confidential information from Panasonic's 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.

**Supplemental Consolidated Financial Data for Fiscal 2017
Third Quarter and Nine Months, ended December 31, 2016**

Note: As of April 1, 2016, there were some changes in the structure of its internal organization of the reportable segments. Accordingly, the figures for segment information in fiscal 2016 have been reclassified to conform to the presentation for fiscal 2017.

1. Segment Information

		Fiscal 2017 3Q					Fiscal 2017 Nine Months ended December 31, 2016				
		Sales	17/16	Segment Profit ^{*1}	% of sales	17/16	Sales	17/16	Segment Profit ^{*1}	% of sales	17/16
Appliances (AP)		620.1	102%	31.0	5.0%	123%	1,805.2	101%	102.5	5.7%	151%
Eco Solutions (ES)		392.8	97%	25.2	6.4%	100%	1,118.7	96%	46.1	4.1%	78%
AVC Networks (AVC)		259.1	91%	15.8	6.1%	79%	751.5	87%	41.5	5.5%	77%
Automotive & Industrial Systems (AIS)		652.5	96%	20.4	3.1%	118%	1,902.9	92%	85.5	4.5%	96%
Other		138.8	107%	-3.0	-2.2%	-	400.3	100%	-2.4	-0.6%	-
Subtotal		2,063.3	98%	89.4	4.3%	105%	5,978.6	95%	273.2	4.6%	100%
Eliminations and adjustments		-208.8	-	6.6	-	-	-628.6	-	-32.6	-	-
Total		1,854.5	97%	96.0	5.2%	80%	5,350.0	94%	240.6	4.5%	75%
Appliances (production and sales consolidated) ^{*2}		688.3	99%	31.3	4.6%	125%	1,968.3	100%	99.8	5.1%	157%

^{*1} Segment Profit consists of, instead of the ordinary Operating Profit, Operating Profit plus other income (deductions) excluding financial income (loss) and exchange gains (losses) from fiscal 2017. Segment Profit figures in fiscal 2016 also have been calculated in the same manner as those for fiscal 2017.

The figures in Eliminations and adjustments of Segment Profit include eliminations such as other income (deductions) which is added to each segment profit, and 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 a part of amortization of intangible assets and differences of accounting principles). Total of Segment Profit corresponds to Operating Profit of consolidated financial statements.

^{*2} The figures in "Appliances (production and sales consolidated)" include the sales and segment profit of sales division for consumer products, which are included in "Eliminations and adjustments."

2. Business Division Information

		Fiscal 2017 3Q		Fiscal 2017 Nine Months ended December 31, 2016	
		Sales	17/16	Sales	17/16
AP ^{*1}	Air-Conditioner Business	90.2	93%	354.4	97%
	Commercial Refrigeration & Food Equipment Business	65.0	183%	202.5	185%
	Small & Built-in Appliance Business	111.1	94%	301.0	95%
	Major Appliance Business	137.2	103%	386.2	100%
	AV Business	143.6	89%	352.0	90%
ES	Lighting BD	85.4	96%	226.9	95%
	Energy Systems BD	82.0	90%	236.6	86%
	Housing Systems BD	98.5	101%	272.2	99%
	Panasonic Ecology Systems Co., Ltd.	38.5	95%	112.0	98%
AVC ^{*2}	Mobility Business	46.4	93%	133.0	90%
	Visual and Imaging Business	63.9	91%	179.9	86%
	Communication Business	25.3	79%	79.1	76%
	Solutions Business	114.5	97%	329.6	92%
AIS ^{*3}	Automotive Business	167.9	95%	489.0	94%
	Energy Business	138.7	109%	365.1	100%
	Industrial Business	215.0	92%	653.2	88%
	Factory Solutions Business	36.4	98%	110.8	91%

^{*1} Each business in Appliances consists of the following BDs. The figures of BDs are production and sales consolidated basis.

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

^{*2} Each business in AVC Networks consists of the following BDs, etc.

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

^{*3} Each business in Automotive & Industrial Systems consists of the following BDs.

- 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

3. Sales by Region

yen(billions)

	Fiscal 2017 3Q			Fiscal 2017 Nine Months ended December 31, 2016		
		Yen basis 17/16	Local currency basis 17/16		Yen basis 17/16	Local currency basis 17/16
Domestic	912.7	100%	100%	2,592.6	99%	99%
Overseas	941.8	94%	105%	2,757.4	90%	103%
North and South America	322.0	103%	112%	932.2	100%	112%
Europe	158.5	81%	92%	455.1	84%	96%
Asia	240.7	92%	100%	731.2	90%	103%
China	220.6	97%	112%	638.9	84%	99%
Total	1,854.5	97%	103%	5,350.0	94%	101%

4. Capital Investment by Segments

yen(billions)

	Fiscal 2017 3Q		Fiscal 2017 Nine Months ended December 31, 2016	
		17-16		17-16
Appliances	13.0	+3.3	30.2	+1.0
Eco Solutions	7.1	-1.5	22.4	-3.2
AVC Networks	5.3	+0.2	15.3	-2.0
Automotive & Industrial Systems	49.5	+21.3	106.0	+29.6
Other	9.7	+4.7	22.9	+10.5
Total	84.6	+28.0	196.8	+35.9

Note: These figures are calculated on an accrual basis.

5. Foreign Currency Exchange Rates

	Rates Used for Consolidation				
	Fiscal 2016 3Q	Fiscal 2016 Nine Months ended December 31, 2015	Fiscal 2016 Full Year	Fiscal 2017 3Q	Fiscal 2017 Nine Months ended December 31, 2016
U.S. Dollars	¥122	¥122	¥120	¥109	¥107
Euro	¥133	¥134	¥133	¥118	¥118
Renminbi	¥18.9	¥19.3	¥18.9	¥16.0	¥16.0

Note: Average rate

6. Number of Employees

(persons)

	End of December 2015	End of March 2016	End of September 2016	End of December 2016
Domestic	104,853	104,067	104,898	104,526
Overseas	147,751	145,453	151,235	151,449
Total	252,604	249,520	256,133	255,975

7. Fiscal 2017 Forecast (IFRS)

Panasonic will voluntarily adopt International Financial Reporting Standards (IFRS) from its year-end financial results for the fiscal year ending March 31, 2017 (fiscal 2017).

Accordingly, the Company discloses its annual forecasts for fiscal 2017 based on IFRS.

The changes from fiscal 2016 are also calculated based on IFRS (unaudited).

(1) Segment Information (IFRS)

	yen(billions)									
	As of October 31, 2016					As of February 2, 2017				
	Sales	17/16	Segment Profit	% of sales	17/16	Sales	17/16	Segment Profit	% of sales	17/16
Appliances	2,280.0	100%	103.0	4.5%	173%	2,300.0	101%	103.0	4.5%	173%
Eco Solutions	1,570.0	99%	79.0	5.0%	104%	1,580.0	99%	79.0	5.0%	104%
AVC Networks	1,045.0	89%	50.0	4.8%	72%	1,075.0	92%	55.0	5.1%	80%
Automotive & Industrial Systems	2,470.0	91%	93.0	3.8%	185%	2,520.0	93%	105.0	4.2%	209%
Other	630.0	97%	5.0	0.8%	35%	640.0	99%	5.0	0.8%	35%
Subtotal	7,995.0	95%	330.0	4.1%	123%	8,115.0	97%	347.0	4.3%	129%
Eliminations and Adjustments *1	-795.0	-	-85.0	-	-	-765.0	-	-82.0	-	-
Consolidated total	7,200.0	94%	245.0	3.4%	106%	7,350.0	96%	265.0	3.6%	115%
Appliances (production and sales consolidated) *2	2,500.0	100%	103.0	4.1%	189%	2,530.0	101%	103.0	4.1%	189%

*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 a part of amortization of intangible assets and differences of accounting principles).

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

(2) Foreign Currency Exchange Rates

	Rates Used for Consolidation	
	As of October 31, 2016	As of February 2, 2017
U.S. Dollars	¥103	¥108
Euro	¥114	¥119
Renminbi	¥15.5	¥15.9

Note: Average rate

Disclaimer Regarding Forward-Looking Statements

This document 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). Panasonic discloses its consolidated financial forecasts for fiscal 2017 based on International Financial Reporting Standards (IFRS). 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 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 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; the possibility of incurring expenses resulting from a leakage of customers' or confidential information from the Company's systems due to unauthorized access or a detection of vulnerability of network-connected products of the Company; 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 2017

Sales

	yen(billions)		
	1st quarter (Apr.-June)	2nd quarter (July-Sep.)	3rd quarter (Oct.-Dec.)
Appliances	616.3	568.8	620.1
Eco Solutions	350.2	375.7	392.8
AVC Networks	249.9	242.5	259.1
Automotive & Industrial Systems	617.4	633.0	652.5
Other	117.0	144.5	138.8
Subtotal	1,950.8	1,964.5	2,063.3
Eliminations and adjustments	-202.3	-217.5	-208.8
Total	1,748.5	1,747.0	1,854.5
Appliances (production and sales consolidated) *1	672.0	608.0	688.3

Segment Profit *2

	yen(billions)		
	1st quarter (Apr.-June)	2nd quarter (July-Sep.)	3rd quarter (Oct.-Dec.)
Appliances	44.4	27.1	31.0
Eco Solutions	5.0	15.9	25.2
AVC Networks	12.9	12.8	15.8
Automotive & Industrial Systems	18.2	46.9	20.4
Other	-3.5	4.1	-3.0
Subtotal	77.0	106.8	89.4
Eliminations and adjustments	-10.1	-29.1	6.6
Total	66.9	77.7	96.0
Appliances (production and sales consolidated) *1	42.3	26.1	31.3

*1 The figures in "Appliances (production and sales consolidated)" include the sales and segment profit of sales division for consumer products, which are included in "Eliminations and adjustments."

*2 Segment Profit consists of, instead of the ordinary Operating Profit, Operating Profit plus other income (deductions) excluding financial income (loss) and exchange gains (losses) from fiscal 2017. Segment Profit figures in fiscal 2016 also have been calculated in the same manner as those for fiscal 2017.

The figures in Eliminations and adjustments of Segment Profit include eliminations such as other income (deductions) which is added to each segment profit, and 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 a part of amortization of intangible assets and differences of accounting principles).

Total of Segment Profit corresponds to Operating Profit of consolidated financial statements.

<Attachment 2> Reference

Segment Information for Fiscal 2016

Note: The figures for each segment in fiscal 2016 have been reclassified to conform to the presentation for fiscal 2017.

Sales

	yen(billions)		
	1st quarter (Apr.-June)	2nd quarter (July-Sep.)	3rd quarter (Oct.-Dec.)
Appliances	606.5	571.3	610.7
Eco Solutions	366.0	396.9	406.8
AVC Networks	275.6	300.5	284.7
Automotive & Industrial Systems	696.6	690.0	676.6
Other	119.5	153.2	129.6
Subtotal	2,064.2	2,111.9	2,108.4
Eliminations and adjustments	-206.4	-209.3	-197.5
Total	1,857.8	1,902.6	1,910.9
Appliances (production and sales consolidated) *1	660.6	614.7	693.3

Segment Profit *2

	yen(billions)		
	1st quarter (Apr.-June)	2nd quarter (July-Sep.)	3rd quarter (Oct.-Dec.)
Appliances	25.8	17.1	25.2
Eco Solutions	9.7	23.8	25.2
AVC Networks	5.9	28.1	19.9
Automotive & Industrial Systems	34.2	37.4	17.3
Other	-1.3	6.7	-2.3
Subtotal	74.3	113.1	85.3
Eliminations and adjustments	2.3	10.8	34.5
Total	76.6	123.9	119.8
Appliances (production and sales consolidated) *1	23.4	15.2	25.1

*1 The figures in "Appliances (production and sales consolidated)" include the sales and segment profit of sales division for consumer products, which are included in "Eliminations and adjustments."

*2 Segment Profit consists of, instead of the ordinary Operating Profit, Operating Profit plus other income (deductions) excluding financial income (loss) and exchange gains (losses) from fiscal 2017. Segment Profit figures in fiscal 2016 also have been calculated in the same manner as those for fiscal 2017.

The figures in Eliminations and adjustments of Segment Profit include eliminations such as other income (deductions) which is added to each segment profit, and 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 a part of amortization of intangible assets and differences of accounting principles).

Total of Segment Profit corresponds to Operating Profit of consolidated financial statements.

<Attachment 3> Reference

Business Division Information for Fiscal 2017 (Sales)

yen(billions)

		1st quarter (Apr.-June)	2nd quarter (July-Sep.)	3rd quarter (Oct.-Dec.)
AP ^{*1}	Air-Conditioner Business	155.1	109.1	90.2
	Commercial Refrigeration & Food Equipment Business	72.2	65.3	65.0
	Small & Built-in Appliance Business	97.4	92.5	111.1
	Major Appliance Business	119.8	129.2	137.2
	AV Business	107.6	100.8	143.6
ES	Lighting BD	67.0	74.5	85.4
	Energy Systems BD	74.8	79.7	82.0
	Housing Systems BD	82.4	91.3	98.5
	Panasonic Ecology Systems Co., Ltd.	37.9	35.6	38.5
AVC ^{*2}	Mobility Business	45.9	40.8	46.4
	Visual and Imaging Business	59.4	56.6	63.9
	Communication Business	27.1	26.7	25.3
	Solutions Business	106.1	108.9	114.5
AIS ^{*3}	Automotive Business	161.3	159.8	167.9
	Energy Business	107.6	118.8	138.7
	Industrial Business	218.8	219.4	215.0
	Factory Solutions Business	35.9	38.4	36.4

*1 Each business in Appliances consists of the following BDs. The figures of BDs are production and sales consolidated basis.

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

*2 Each business in AVC Networks consists of the following BDs, etc.

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

*3 Each business in Automotive & Industrial Systems consists of the following BDs.

- 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

<Attachment 4> Reference

Business Division Information for Fiscal 2016 (Sales)

Note: The figures for each Business Division in fiscal 2016 are conformed to the presentation for fiscal 2017.

		yen(billions)		
		1st quarter (Apr.-June)	2nd quarter (July-Sep.)	3rd quarter (Oct.-Dec.)
AP ^{*1}	Air-Conditioner Business	161.8	108.6	96.5
	Commercial Refrigeration & Food Equipment Business	39.3	34.5	35.6
	Small & Built-in Appliance Business	99.1	99.7	118.0
	Major Appliance Business	121.9	133.0	132.9
	AV Business	112.6	117.4	162.0
ES	Lighting BD	71.5	77.8	89.4
	Energy Systems BD	90.0	94.1	90.7
	Housing Systems BD	85.6	92.8	97.7
	Panasonic Ecology Systems Co., Ltd.	36.9	37.0	40.7
AVC ^{*2}	Mobility Business	48.0	50.7	49.8
	Visual and Imaging Business	64.3	75.3	70.4
	Communication Business	35.1	36.8	32.2
	Solutions Business	113.9	125.5	118.6
AIS ^{*3}	Automotive Business	170.9	173.0	177.1
	Energy Business	114.6	124.3	127.0
	Industrial Business	253.9	253.2	232.4
	Factory Solutions Business	45.7	38.4	37.3

*1 Each business in Appliances consists of the following BDs. The figures of BDs are production and sales consolidated basis.

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

*2 Each business in AVC Networks consists of the following BDs, etc.

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

*3 Each business in Automotive & Industrial Systems consists of the following BDs.

- 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