

October 31, 2017

FOR IMMEDIATE RELEASE

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Panasonic Reports its Consolidated Financial Results
for the Six-month ended September 30, 2017

Osaka, Japan, October 31, 2017 -- Panasonic Corporation (Panasonic [TSE:6752]) today reported its consolidated financial results for the six months ended September 30, 2017, of the current fiscal year ending March 31, 2018 (fiscal 2018).

Summary

Yen (billions)

	Fiscal 2018 Six Months ended September 30, 2017	Fiscal 2017 Six Months ended September 30, 2016	Percentage 2018/2017
Net sales	3,857.9	3,539.8	109%
Domestic	1,754.8	1,729.5	101%
Overseas	2,103.1	1,810.3	116%
Operating profit	196.6 5.1%	178.1 5.0%	110%
Profit before income taxes	194.8 5.0%	181.1 5.1%	108%
Net profit	126.0 3.3%	144.9 4.1%	87%
Net profit attributable to Panasonic Corporation stockholders	118.9 3.1%	133.5 3.8%	89%
Earnings per share attributable to Panasonic Corporation stockholders			
Basic	50.98 yen	57.50 yen	(6.52) yen
Diluted	50.96 yen	57.49 yen	(6.53) yen

- Notes:
1. The Company's consolidated financial statements are prepared in conformity with International Financial Reporting Standards (IFRS).
 2. Number of consolidated companies: 581 (including parent company)
Number of companies under the equity method: 91
 3. One ADS represents one share of common share. Earnings per share attributable to Panasonic Corporation stockholders per ADS is same amount as Earnings per share attributable to Panasonic Corporation stockholders.

**Condensed Quarterly Consolidated Statements of Profit or Loss and
Condensed Quarterly Consolidated Statements of Comprehensive Income (Loss)**

Condensed Quarterly Consolidated Statements of Profit or Loss

Yen (millions)

	Fiscal 2018 Six Months ended September 30, 2017		Fiscal 2017 Six Months ended September 30, 2016		Percentage 2018/2017
		%		%	
Net sales	3,857,864	100.0	3,539,804	100.0	109
Cost of sales	(2,720,955)	(70.5)	(2,496,890)	(70.5)	
Gross profit	1,136,909	29.5	1,042,914	29.5	109
Selling, general and administrative expenses	(934,208)	(24.2)	(878,963)	(24.9)	
Share of profit of investments accounted for using the equity method	3,993	0.1	3,384	0.1	
Other income (expenses), net	(10,143)	(0.3)	10,753	0.3	
Operating profit	196,551	5.1	178,088	5.0	110
Finance income	12,366	0.3	13,520	0.4	
Finance expenses	(14,132)	(0.4)	(10,497)	(0.3)	
Profit before income taxes	194,785	5.0	181,111	5.1	108
Income taxes	(68,750)	(1.7)	(36,178)	(1.0)	
Net profit	126,035	3.3	144,933	4.1	87
Net profit attributable to:					
Panasonic Corporation stockholders	118,911	3.1	133,455	3.8	89
Non-controlling interests	7,124	0.2	11,478	0.3	62

Notes: 1. Depreciation (tangible assets)	112,957 million yen	110,222 million yen
2. Capital investment	185,437 million yen	113,880 million yen
3. R&D expenditures	222,449 million yen	213,152 million yen
4. Number of employees	273,298	259,362

Condensed Quarterly Consolidated Statements of Comprehensive Income (Loss)

Yen (millions)

	Fiscal 2018 Six Months ended September 30, 2017	Fiscal 2017 Six Months ended September 30, 2016	Percentage 2018/2017
Net Profit	126,035	144,933	87
Other comprehensive income (loss)			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plans	40,035	4,658	
Financial assets measured at fair value through other comprehensive income	14,504	(7,006)	
Subtotal	54,539	(2,348)	
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	60,825	(220,367)	
Net changes in cash flow hedges	(802)	1,419	
Subtotal	60,023	(218,948)	
Total other comprehensive income (loss)	114,562	(221,296)	
Comprehensive income (loss)	240,597	(76,363)	--
Comprehensive income (loss) attributable to :			
Panasonic Corporation stockholders	226,674	(70,671)	--
Non-controlling interests	13,923	(5,692)	--

Information by Segment

Yen (billions)

	Fiscal 2018 Six Months ended September 30, 2017					Fiscal 2017 Six Months ended September 30, 2016		
	Sales	18/17	Operating Profit	% of Sales	18/17	Sales	Operating Profit	% of Sales
		%		%	%			%
Appliances	1,327.4	104	72.7	5.5	105	1,277.2	69.5	5.4
Eco Solutions	757.3	104	21.3	2.8	99	726.6	21.5	3.0
Connected Solutions	531.3	107	40.4	7.6	111	497.2	36.5	7.3
Automotive & Industrial Systems	1,343.0	114	38.5	2.9	69	1,177.8	55.8	4.7
Other	287.5	105	2.2	0.8	338	274.7	0.6	0.2
Subtotal	4,246.5	107	175.1	4.1	95	3,953.5	183.9	4.7
Eliminations and adjustments	(388.6)	--	21.5	--	--	(413.7)	(5.8)	--
Total	3,857.9	109	196.6	5.1	110	3,539.8	178.1	5.0

- 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.

Certain businesses were transferred among segments on April 1, 2017. Accordingly, the figures for segment information in fiscal 2017 have been reclassified to conform to the presentation for fiscal 2018.

2. The figures in "Eliminations and adjustments" include revenues and expenses which are not attributable to any reportable segments for the purpose of evaluating operating results of each segment, consolidation adjustments, and eliminations of intersegment transactions.
3. AVC Networks segment has been renamed as Connected Solutions segment from fiscal 2018.

Condensed Quarterly Consolidated Statements of Financial Position

			Yen (millions)
	September 30, 2017	March 31, 2017	Difference
Current assets:	3,336,778	3,204,819	131,959
Cash and cash equivalents	1,035,216	1,270,787	(235,571)
Trade receivables	1,028,247	847,003	181,244
Other financial assets	144,392	143,519	873
Inventories	971,760	806,309	165,451
Other current assets	157,163	137,201	19,962
Non-current assets:	2,946,243	2,778,142	168,101
Investments accounted for using the equity method	142,827	155,987	(13,160)
Other financial assets	187,673	161,986	25,687
Property, plant and equipment	1,420,012	1,323,282	96,730
Other non-current assets	1,195,731	1,136,887	58,844
Total assets	6,283,021	5,982,961	300,060
Current liabilities:	2,920,577	2,712,063	208,514
Short-term debt, including current portion of long-term debt	183,652	177,038	6,614
Trade payables	1,097,736	955,965	141,771
Other financial liabilities	293,562	329,625	(36,063)
Other current liabilities	1,345,627	1,249,435	96,192
Non-current liabilities:	1,486,813	1,510,963	(24,150)
Long-term debt	971,603	946,966	24,637
Other non-current liabilities	515,210	563,997	(48,787)
Total liabilities	4,407,390	4,223,026	184,364
Panasonic Corporation stockholders' equity:	1,686,610	1,571,889	114,721
Common stock	258,740	258,740	--
Capital surplus	553,401	636,905	(83,504)
Retained earnings	1,179,351	1,051,445	127,906
Other components of equity	(94,259)	(164,632)	70,373
Treasury stock	(210,623)	(210,569)	(54)
Non-controlling interests	189,021	188,046	975
Total equity	1,875,631	1,759,935	115,696
Total liabilities and equity	6,283,021	5,982,961	300,060

Note: Other components of equity breakdown:

			Yen (millions)
	September 30, 2017	March 31, 2017	Difference
Remeasurements of defined benefit plans*	--	--	--
Financial assets measured at fair value through other comprehensive income	56,019	38,716	17,303
Exchange differences on translation of foreign operations	(149,154)	(203,106)	53,952
Net changes in cash flow hedges	(1,124)	(242)	(882)

* Remeasurements of defined benefit plans is directly transferred to Retained earnings from Other components of equity.

Condensed Quarterly Consolidated Statements of Changes in Equity

Yen (millions)

Fiscal 2018 Six Months ended September 30, 2017	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Panasonic Corporation stockholders' equity	Non- controlling interests	Total equity
Balances as of April 1, 2017	258,740	636,905	1,051,445	(164,632)	(210,569)	1,571,889	188,046	1,759,935
Comprehensive income (loss):								
Net profit	--	--	118,911	--	--	118,911	7,124	126,035
Remeasurements of defined benefit plans	--	--	--	40,117	--	40,117	(82)	40,035
Financial assets measured at fair value through other comprehensive income	--	--	--	14,482	--	14,482	22	14,504
Exchange differences on translation of foreign operations	--	--	--	53,952	--	53,952	6,873	60,825
Net changes in cash flow hedges	--	--	--	(788)	--	(788)	(14)	(802)
Total comprehensive income	--	--	118,911	107,763	--	226,674	13,923	240,597
Transfer from other components of equity to retained earnings	--	--	43,981	(43,981)	--	--	--	--
Cash dividends	--	--	(34,986)	--	--	(34,986)	(16,417)	(51,403)
Changes in treasury stock	--	(1)	--	--	(54)	(55)	--	(55)
Transactions with non-controlling interests and other	--	(83,503)	--	6,591	--	(76,912)	3,469	(73,443)
Balances as of September 30, 2017	258,740	553,401	1,179,351	(94,259)	(210,623)	1,686,610	189,021	1,875,631

Yen (millions)

Fiscal 2017 Six Months ended September 30, 2016	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Panasonic Corporation stockholders' equity	Non- controlling interests	Total equity
Balances as of April 1, 2016	258,740	645,949	878,208	(107,922)	(230,533)	1,444,442	202,791	1,647,233
Comprehensive income (loss):								
Net profit	--	--	133,455	--	--	133,455	11,478	144,933
Remeasurements of defined benefit plans	--	--	--	4,682	--	4,682	(24)	4,658
Financial assets measured at fair value through other comprehensive income	--	--	--	(6,982)	--	(6,982)	(24)	(7,006)
Exchange differences on translation of foreign operations	--	--	--	(203,222)	--	(203,222)	(17,145)	(220,367)
Net changes in cash flow hedges	--	--	--	1,396	--	1,396	23	1,419
Total comprehensive income	--	--	133,455	(204,126)	--	(70,671)	(5,692)	(76,363)
Transfer from other components of equity to retained earnings	--	--	4,833	(4,833)	--	--	--	--
Cash dividends	--	--	(34,815)	--	--	(34,815)	(11,738)	(46,553)
Changes in treasury stock	--	(2)	--	--	(14)	(16)	--	(16)
Transactions with non-controlling interests and other	--	638	--	438	--	1,076	1,752	2,828
Cumulative effect of new accounting standards applied	--	--	9,032	(9,372)	--	(340)	--	(340)
Balances as of September 30, 2016	258,740	646,585	990,713	(325,815)	(230,547)	1,339,676	187,113	1,526,789

Condensed Quarterly Consolidated Statements of Cash Flows

Yen (millions)

	Fiscal 2018 Six Months ended September 30, 2017	Fiscal 2017 Six Months ended September 30, 2016
<u>Cash flows from operating activities</u>		
Net profit	126,035	144,933
Adjustments to reconcile net profit to net cash provided by operating activities		
Depreciation and amortization	142,085	131,544
(Increase) decrease in trade receivables	(132,904)	(66,499)
(Increase) decrease in inventories	(133,520)	(67,150)
Increase (decrease) in trade payables	94,867	13,510
Other	45,477	(114,416)
Net cash provided by operating activities	142,040	41,922
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(206,681)	(138,567)
Proceeds from sale of property, plant and equipment	10,840	7,898
Purchase of investments accounted for using the equity method and other financial assets	(14,892)	(12,123)
Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets	4,832	12,981
Other	(45,245)	(149,768)
Net cash used in investing activities	(251,146)	(279,579)
<u>Cash flows from financing activities</u>		
Increase (decrease) in short-term debt	(2,522)	6,218
Increase (decrease) in long-term debt	(2,435)	354,168
Dividends paid to Panasonic Corporation stockholders	(34,986)	(34,815)
Dividends paid to non-controlling interests	(16,417)	(11,738)
(Increase) decrease in treasury stock	(55)	(16)
Other	(87,455)	23,108
Net cash (used in) provided by financing activities	(143,870)	336,925
Effect of exchange rate changes on cash and cash equivalents	17,405	(97,481)
Net increase (decrease) in cash and cash equivalents	(235,571)	1,787
Cash and cash equivalents at beginning of period	1,270,787	1,012,666
Cash and cash equivalents at the end of the period	1,035,216	1,014,453

Notes to consolidated financial statements:

1. The Company reorganized AVC Networks Company to establish a new internal company named Connected Solutions Company as of April 1, 2017. Accordingly, AVC Networks segment is renamed as Connected Solutions segment in fiscal 2018.
2. The Company conducted an absorption-type company split to succeed the B2B solution related business of Panasonic System Networks Co., Ltd. (PSN), a wholly-owned consolidated subsidiary of Panasonic, as of April 1, 2017. Subsequently, PSN was renamed as Panasonic System Solutions Japan Co., Ltd.
3. The Company's specified subsidiary*, SANYO Asia Pte. Ltd., has been dissolved as of April 3, 2017, as a result of an absorption-type merger with Panasonic Asia Pacific Pte. Ltd., which is the surviving company. Accordingly, SANYO Asia Pte. Ltd. is excluded from the Company's specified subsidiaries.

* Specified subsidiaries are the subsidiaries defined in the Financial Instruments and Exchange Act of Japan.

4. In April 2017, the Company made Ficosa International S.A. (Ficosa), one of the companies under the equity method of Panasonic, a consolidated subsidiary of Panasonic, as the terms and condition for consolidation were satisfied. In July, Panasonic acquired an additional 20% of Ficosa's issued shares after going through necessary procedures. The Company currently owns 69% of the issued shares.
5. In April 2017, the Company acquired 56.66% of shares in Zetes Industries S.A. (Zetes), an European company of goods and people identification and mobility solutions businesses. (The percentage of the total number of issued shares excluding treasury shares.) With this acquisition, Zetes became a consolidated subsidiary of Panasonic. The Company then launched a mandatory takeover bid under Belgian law and came to hold more than 95% of the issued shares as of June 2017. Subsequently, Panasonic conducted a squeeze-out procedure in July 2017 and successfully completed the acquisition of 100% ownership of Zetes.
6. The Company resolved at the Board of Directors meeting held on April 21, 2017, to acquire shares of common stock of PanaHome Corporation (PanaHome) through a tender offer in accordance with the Financial Instruments and Exchange Act. The tender offer was conducted commencing on April 28 and was completed on June 13, 2017. As a result of the tender offer, ownership percentage of PanaHome shares became approximately 80.1%. Subsequently, PanaHome resolved at the extraordinary shareholders meeting held on August 31, 2017, to consolidate shares, abolish provisions relating to the share unit number and amend part of the Articles of Incorporation. Through the October 2, 2017 share consolidation, the Company has gained all voting rights. Shares of PanaHome have been delisted from the Tokyo Stock Exchange as of September 27, 2017.
7. Assumption for going concern : None
8. Number of consolidated subsidiaries as of September 30, 2017: 580
Number of companies under the equity method as of September 30, 2017: 91

Consolidated Financial Results**1. Six months ended September 30, 2017****A. Operating Results**

	Yen (billions)		
	Fiscal 2018 Six Months ended Sep. 30, 2017	Fiscal 2017 Six Months ended Sep. 30, 2016	Percentage 2018/2017
Net sales	3,857.9	3,539.8	109%
Operating profit	196.6	178.1	110%
Profit before income taxes	194.8	181.1	108%
Net profit attributable to Panasonic Corporation stockholders	118.9	133.5	89%

During the six months ended September 30, 2017 (fiscal 2018) under review, the global economy showed signs of recovery as the U.S. economy continued to perform favorably with stable personal spending and recovering capital investments. The Chinese economy also showed a steady recovery, supported by various policies. The Japanese economy has made a moderate recovery due to stable employment and personal income. However, concerns about geopolitical risks are increasing and uncertainties persist in the economic outlook with factors such as downward economic swings in emerging countries as well as changes in financial market conditions, politics and policies in various countries.

Under such business circumstances, in fiscal 2018, Panasonic is promoting its growth strategies aimed at sustainable sales and profit increase, identifying the growth areas where the Company will concentrate its management resources.

For the B2B business, the Company implemented organizational restructuring under the former AVC Networks Company and established a new internal company, named the Connected Solutions Company on April 1. The aim was to develop a customer-oriented structure for the business that will play a central role in the growth of group-wide B2B business.

For the automotive-related business, Panasonic opened a new factory for

automotive lithium-ion batteries in Dalian, China in April. To further expand production capacity, Panasonic has decided to start production of automotive lithium-ion batteries at the Himeji factory of Panasonic Liquid Crystal Display Co., Ltd. Panasonic continues to strengthen its global competitiveness with production sites in Japan, the U.S. and China.

For the housing-related business, Panasonic acquired common stock of PanaHome through a tender offer that was completed in June. The Company has acquired all voting rights of PanaHome in accordance with the share consolidation taking effect as of October 2. The Company will promote its business strategies by exerting synergy of management resources in both Panasonic and PanaHome. In the solar business, Panasonic has decided to start sales of individual cells during fiscal 2018, in addition to its conventional way of selling modules only. The Company will review its global production structure for modules including the plan to terminate module production at the Shiga plant by the end of March 2018.

For the six months ended September 30, 2017, the Company achieved increases in both sales and operating profit due mainly to the growth of automotive- and industry-related business.

Consolidated group sales increased by 9% to 3,857.9 billion yen from fiscal 2017 (a year ago). Domestic sales increased year on year. Overseas sales significantly increased due mainly to the large growth in the automotive-related business such as automotive infotainment systems and Energy, which includes rechargeable batteries. Effects from the new consolidations of Ficosa and Zetes as well as from foreign exchange rates also contributed to increasing sales.

Operating profit increased by 10% to 196.6 billion yen from a year ago. Despite the negative impact from increased fixed-costs due to upfront investments and material cost hikes in addition to one-off gains recorded in the previous year, profitability improvements mainly in Industrial had a positive impact on increasing profits. Profit before income taxes increased by 8% to 194.8 billion yen. However, net profit attributable to Panasonic Corporation stockholders decreased by 11% to 118.9 billion yen from a year ago influenced by re-recording deferred tax assets in the same period last year.

B. Breakdown by Segment

Appliances

	Yen (billions)		
	Fiscal 2018 Six months ended Sep. 30, 2017	Fiscal 2017 Six months ended Sep. 30, 2016	Percentage 2018/2017
Sales	1,327.4	1,277.2	104%
Operating profit	72.7	69.5	105%

Sales increased by 4% to 1,327.4 billion yen from a year ago due mainly to favorable sales of air-conditioners in China and Europe, steady sales of refrigerators in Japan and Asia, in addition to favorable sales of digital cameras in Europe, the U.S. and Asia. Operating profit increased to 72.7 billion yen from a year ago due mainly to sales increase in spite of the negative effect of raw material cost hikes.

Eco Solutions

	Yen (billions)		
	Fiscal 2018 Six months ended Sep. 30, 2017	Fiscal 2017 Six months ended Sep. 30, 2016	Percentage 2018/2017
Sales	757.3	726.6	104%
Operating profit	21.3	21.5	99%

Sales increased by 4% to 757.3 billion yen from a year ago. Despite a sales decrease in solar photovoltaic systems, Housing Systems showed favorable domestic sales. Electrical construction materials business, which turned to a sales increase in Asia, also contributed to increased sales. Operating profit decreased to 21.3 billion yen from a year ago influenced by recording business restructuring expenses in the solar business, despite offsetting negative impacts such as material cost hikes through sales expansion.

Connected Solutions

	Yen (billions)		
	Fiscal 2018 Six months ended Sep. 30, 2017	Fiscal 2017 Six months ended Sep. 30, 2016	Percentage 2018/2017
Sales	531.3	497.2	107%
Operating profit	40.4	36.5	111%

Sales increased by 7% to 531.3 billion yen from a year ago. Sales increased at Process Automation with electronic component mounting equipment for the smartphone industry showing favorable results. Mobile Solutions increased sales with its favorable PC business mainly in Japan in addition to the new consolidation of Zetes. Operating profit increased to 40.4 billion yen from a year ago due mainly to improved model mix in Media Entertainment and expanded sales in Mobile Solutions and other businesses, despite declined sales in Avionics, which is one of the highly profitable businesses.

Automotive & Industrial Systems

	Yen (billions)		
	Fiscal 2018 Six months ended Sep. 30, 2017	Fiscal 2017 Six months ended Sep. 30, 2016	Percentage 2018/2017
Sales	1,343.0	1,177.8	114%
Operating profit	38.5	55.8	69%

Sales increased by 14% to 1,343.0 billion yen from a year ago. All three Businesses expanded in sales: Automotive with its favorable sales in automotive infotainment systems, in addition to the new consolidation of Ficosa; Energy which achieved a large growth with its automotive batteries; and Industrial with its expansion in automotive and industrial devices. Operating profit decreased to 38.5 billion yen from a year ago influenced by increased fixed-costs such as upfront investments for automotive business, in addition to recording one-off gains such as reversal of provision and gains from business transfer in the previous year.

Other

	Yen (billions)		
	Fiscal 2018 Six months ended Sep. 30, 2017	Fiscal 2017 Six months ended Sep. 30, 2016	Percentage 2018/2017
Sales	287.5	274.7	105%
Operating profit	2.2	0.6	338%

Sales increased by 5% to 287.5 billion yen from a year ago. Operating profit increased to 2.2 billion yen from a year ago due to intellectual-property-related revenue.

C. Consolidated Financial Condition

Net cash provided by operating activities for the six months ended September 30, 2017 amounted to 142.0 billion yen, compared with an inflow of 41.9 billion yen a year ago. This was due mainly to a significant decrease in other current liabilities including provisions in the previous year, despite an increase in working capital in line with sales increase in real terms. Net cash used in investing activities amounted to 251.1 billion yen, compared with an outflow of 279.6 billion yen a year ago. This was due mainly to a significant increase in spending for acquiring Hussmann in the previous year, despite increase in capital investments in fiscal 2018. Accordingly, free cash flow (net cash provided by operating activities and investing activities) improved by 128.6 billion yen from a year ago to an outflow of 109.1 billion yen. Net cash used in financing activities amounted to 143.9 billion yen, compared with an inflow of 336.9 billion yen a year ago. This was due mainly to the issuance of straight bonds up to 400.0 billion yen in the previous year, as well as acquisition of additional PanaHome shares in fiscal 2018. Taking exchange rate movement into consideration, cash and cash equivalents totaled 1,035.2 billion yen as of September 30, 2017, decreased by 235.6 billion yen compared with the end of fiscal 2017.

The Company's consolidated total assets as of September 30, 2017 increased by 300.1 billion yen to 6,283.0 billion yen from March 31, 2017. This was due mainly to a seasonal increase in its trade receivables and inventory as well as an increase in property, plant and equipment, despite a decrease in cash and cash equivalents. The Company's consolidated total liabilities as of September 30, 2017 increased by 184.4 billion yen, compared with March 31, 2017, to 4,407.4 billion yen. Panasonic Corporation stockholders' equity increased by 114.7 billion yen, compared with March 31, 2017, to 1,686.6 billion yen. This is due mainly to recording of net profit attributable to Panasonic Corporation stockholders. Adding non-controlling interests to Panasonic Corporation stockholders' equity, total equity was 1,875.6 billion yen.

2. Forecast for fiscal 2018

The consolidated financial forecast for fiscal 2018 remains unchanged from the previous forecast announced on May 11, 2017.

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). 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 financial assets in which the Panasonic Group has holdings or changes in valuation of non-financial assets, including property, plant and equipment, goodwill and deferred tax assets; 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 Group 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 2018
Second Quarter and Six Months, ended September 30, 2017 【IFRS】(Consolidated)**

Note: Certain businesses were transferred among segments on April 1, 2017. Accordingly, the figures for segment information in fiscal 2017 have been reclassified to conform to the presentation for fiscal 2018.

1. Segment Information

		Fiscal 2018 2Q					Fiscal 2018 Six Months ended September 30, 2017				
		Sales	18/17	Operating Profit	% of sales	18/17	Sales	18/17	Operating Profit	% of sales	18/17
Appliances (AP)		644.1	106%	27.7	4.3%	106%	1,327.4	104%	72.7	5.5%	105%
Eco Solutions (ES)		396.1	105%	15.9	4.0%	98%	757.3	104%	21.3	2.8%	99%
Connected Solutions (CNS)		282.5	114%	24.3	8.6%	127%	531.3	107%	40.4	7.6%	111%
Automotive & Industrial Systems (AIS)		686.6	115%	20.8	3.0%	50%	1,343.0	114%	38.5	2.9%	69%
Other		160.1	107%	3.6	2.2%	86%	287.5	105%	2.2	0.8%	338%
Subtotal		2,169.4	110%	92.3	4.2%	86%	4,246.5	107%	175.1	4.1%	95%
Eliminations and Adjustments *1		-176.8	-	20.4	-	-	-388.6	-	21.5	-	-
Total		1,992.6	113%	112.7	5.7%	106%	3,857.9	109%	196.6	5.1%	110%
Appliances (production and sales consolidated) *2		691.3	108%	27.3	3.9%	111%	1,419.8	105%	69.9	4.9%	106%

*1 The figures in "Eliminations and Adjustments" include revenues and expenses which are not attributable to any reportable segments for the purpose of evaluating operating results of each segment, consolidation adjustments, and eliminations of intersegment transactions.

*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. Business Division Information

		Fiscal 2018 2Q		Fiscal 2018 Six Months ended September 30, 2017	
		Sales	18/17	Sales	18/17
AP*1	Air-Conditioner Business	115.9	106%	276.1	105%
	Commercial Refrigeration & Food Equipment Business	68.7	105%	135.5	99%
	Small & Built-in Appliance Business	98.4	106%	199.0	104%
	Major Appliance Business	136.8	106%	261.7	105%
	AVC Business	170.6	116%	341.0	111%
ES	Lighting BD	76.9	103%	145.1	103%
	Energy Systems BD	86.7	109%	165.8	107%
	Housing Systems BD	92.8	102%	181.7	105%
	Panasonic Ecology Systems Co., Ltd.	36.2	102%	73.1	99%
CNS**2	Avionics Business	71.0	107%	132.9	94%
	Process Automation BD	52.9	138%	98.2	132%
	Media Entertainment BD	34.5	117%	65.7	112%
	Mobile Solutions BD	56.9	137%	109.9	124%
	PSSJ	65.9	103%	120.8	105%
AIS**3	Automotive Business	220.3	138%	427.1	133%
	Energy Business	133.8	113%	261.1	115%
	Industrial Business	240.2	110%	467.3	107%

*1 Each business in Appliances consists of the following BDs. The figures of BDs are on 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
- AVC Business : TV BD, Imaging Network BD, Home Entertainment BD, Communication Products BD

*2 Each business in Connected Solutions consists of the following BDs.

- Avionics Business : Panasonic Avionics Corporation, Avionics BU
- Process Automation BD
- Media Entertainment BD
- Mobile Solutions BD
- PSSJ : Panasonic System Solutions Japan Co., Ltd.

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

- Automotive Business : Automotive Infotainment Systems BD, Automotive Electronics Systems BD, Ficosa International, S.A.
- 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.

3. Sales by Region

yen (billions)

	Fiscal 2018 2Q			Fiscal 2018 Six Months ended September 30, 2017		
		Yen basis 18/17	Local currency basis 18/17		Yen basis 18/17	Local currency basis 18/17
Domestic	905.8	101%	101%	1,754.8	101%	101%
Overseas	1,086.8	126%	116%	2,103.1	116%	110%
North and South America	341.6	113%	104%	659.0	107%	102%
Europe	192.2	145%	131%	377.4	127%	121%
Asia	291.0	127%	117%	564.6	115%	108%
China	262.0	132%	122%	502.1	123%	118%
Total	1,992.6	113%	108%	3,857.9	109%	106%

4. Capital Investment by Segments

yen (billions)

	Fiscal 2018 2Q		Fiscal 2018 Six Months ended September 30, 2017	
		18-17		18-17
Appliances	11.8	+0.8	21.4	+2.7
Eco Solutions	11.0	+2.1	17.7	+2.2
Connected Solutions	4.8	-1.4	8.0	-1.9
Automotive & Industrial Systems	59.1	+26.1	107.4	+52.3
Other	7.1	-2.9	30.9	+16.2
Total	93.8	+24.7	185.4	+71.5

Note: These figures are calculated on an accrual basis.

5. Foreign Currency Exchange Rates

	Rates Used for Consolidation				
	Fiscal 2017 2Q	Fiscal 2017 Six Months ended September 30, 2016	Fiscal 2017 Full Year	Fiscal 2018 2Q	Fiscal 2018 Six Months ended September 30, 2017
U.S. Dollars	¥102	¥105	¥108	¥111	¥111
Euro	¥114	¥118	¥119	¥130	¥126
Renminbi	¥15.4	¥16.0	¥16.1	¥16.6	¥16.4

Note: Average rate

6. Number of Employees

(persons)

	End of September 2016	End of March 2017	End of June 2017	End of September 2017
Domestic	106,818	104,832	106,370	105,907
Overseas	152,544	152,701	164,438	167,391
Total	259,362	257,533	270,808	273,298

<Attachment 1> Reference

Segment Information for Fiscal 2018

Sales

	yen (billions)	
	1st quarter (Apr.-June)	2nd quarter (July-Sep.)
Appliances	683.3	644.1
Eco Solutions	361.2	396.1
Connected Solutions	248.8	282.5
Automotive & Industrial Systems	656.4	686.6
Other	127.4	160.1
Subtotal	2,077.1	2,169.4
Eliminations and Adjustments *1	-211.8	-176.8
Total	1,865.3	1,992.6
Appliances (production and sales consolidated) *2	728.5	691.3

Operating profit

	yen (billions)	
	1st quarter (Apr.-June)	2nd quarter (July-Sep.)
Appliances	45.0	27.7
Eco Solutions	5.4	15.9
Connected Solutions	16.1	24.3
Automotive & Industrial Systems	17.7	20.8
Other	-1.4	3.6
Subtotal	82.8	92.3
Eliminations and Adjustments *1	1.1	20.4
Total	83.9	112.7
Appliances (production and sales consolidated) *2	42.6	27.3

*1 The figures in "Eliminations and Adjustments" include revenues and expenses which are not attributable to any reportable segments for the purpose of evaluating operating results of each segment, consolidation adjustments, and eliminations of intersegment transactions.

*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."

<Attachment 2> Reference

Segment Information for Fiscal 2017

Note: The figures for each segment in fiscal 2017 have been reclassified to conform to the presentation for fiscal 2018.

Sales

	yen (billions)		
	1st quarter (Apr.-June)	2nd quarter (July-Sep.)	Full year (Apr.-Mar.)
Appliances	667.1	610.1	2,503.4
Eco Solutions	349.2	377.4	1,547.3
Connected Solutions	249.9	247.3	1,051.2
Automotive & Industrial Systems	582.3	595.5	2,416.6
Other	125.3	149.4	674.4
Subtotal	1,973.8	1,979.7	8,192.9
Eliminations and Adjustments *1	-199.0	-214.7	-849.2
Total	1,774.8	1,765.0	7,343.7
Appliances (production and sales consolidated) *2	715.8	641.9	2,697.2

Operating profit

	yen (billions)		
	1st quarter (Apr.-June)	2nd quarter (July-Sep.)	Full year (Apr.-Mar.)
Appliances	43.3	26.2	98.9
Eco Solutions	5.3	16.2	64.2
Connected Solutions	17.4	19.1	50.4
Automotive & Industrial Systems	14.5	41.3	93.0
Other	-3.5	4.1	8.0
Subtotal	77.0	106.9	314.5
Eliminations and Adjustments *1	-5.2	-0.6	-37.7
Total	71.8	106.3	276.8
Appliances (production and sales consolidated) *2	41.2	24.7	99.7

*1 The figures in "Eliminations and Adjustments" include revenues and expenses which are not attributable to any reportable segments for the purpose of evaluating operating results of each segment, consolidation adjustments, and eliminations of intersegment transactions.

*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."

<Attachment 3> Reference

Business Division Information for Fiscal 2018 (Sales)

		yen (billions)	
		1st quarter (Apr.-June)	2nd quarter (July-Sep.)
AP ^{*1}	Air-Conditioner Business	160.3	115.9
	Commercial Refrigeration & Food Equipment Business	66.8	68.7
	Small & Built-in Appliance Business	100.6	98.4
	Major Appliance Business	124.8	136.8
	AVC Business	170.4	170.6
ES	Lighting BD	68.2	76.9
	Energy Systems BD	79.1	86.7
	Housing Systems BD	88.9	92.8
	Panasonic Ecology Systems Co., Ltd.	36.8	36.2
CNS ^{*2}	Avionics Business	61.9	71.0
	Process Automation BD	45.3	52.9
	Media Entertainment BD	31.2	34.5
	Mobile Solutions BD	53.0	56.9
	PSSJ	54.8	65.9
AIS ^{*3}	Automotive Business	206.8	220.3
	Energy Business	127.3	133.8
	Industrial Business	227.1	240.2

*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: 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
- AVC Business : TV BD, Imaging Network BD, Home Entertainment BD, Communication Products BD

*2 Each business in Connected Solutions consists of the following BDs.

- Avionics Business : Panasonic Avionics Corporation, Avionics BU
- Process Automation BD
- Media Entertainment BD
- Mobile Solutions BD
- PSSJ : Panasonic System Solutions Japan Co., Ltd.

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

- Automotive Business : Automotive Infotainment Systems BD, Automotive Electronics Systems BD, Ficosa International, S.A.
- 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.

<Attachment 4> Reference

Business Division Information for Fiscal 2017 (Sales)

Note: The figures for each Business Division in fiscal 2017 have been reclassified to conform to the presentation for fiscal 2018.

		yen (billions)		
		1st quarter (Apr.-June)	2nd quarter (July-Sep.)	Full year (Apr.-Mar.)
AP ^{*1}	Air-Conditioner Business	155.1	109.1	462.2
	Commercial Refrigeration & Food Equipment Business	72.2	65.3	261.6
	Small & Built-in Appliance Business	98.4	93.2	391.3
	Major Appliance Business	119.8	129.2	494.9
	AVC Business	161.2	146.7	652.3
ES	Lighting BD	67.0	74.5	307.9
	Energy Systems BD	75.0	79.9	325.2
	Housing Systems BD	82.4	91.3	367.1
	Panasonic Ecology Systems Co., Ltd.	37.9	35.6	152.5
CNS ^{*2}	Avionics Business	74.7	66.2	284.3
	Process Automation BD	35.9	38.4	149.8
	Media Entertainment BD	29.5	29.3	125.8
	Mobile Solutions BD	47.1	41.6	185.0
	PSSJ	51.4	63.8	287.9
AIS ^{*3}	Automotive Business	161.3	159.8	671.6
	Energy Business	107.6	118.8	493.6
	Industrial Business	218.8	219.4	870.8

*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 : 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
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- 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.