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FOR IMMEDIATE RELEASE

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ANNOUNCEMENT OF FINANCIAL RESULTS

PANASONIC REPORTS THIRD QUARTER AND NINE-MONTH RESULTS

- Sales downturn led to a decrease in earnings -

Osaka, Japan, February 4, 2009 -- Panasonic Corporation[1] (Panasonic [NYSE symbol: PC]) today reported its consolidated financial results for the third quarter and nine months ended December 31, 2008, of the current fiscal year ending March 31, 2009 (fiscal 2009).

Consolidated Third-quarter Results

Consolidated group sales for the third quarter decreased 20% to 1,879.9 billion yen, from 2,344.6 billion yen in the same three-month period a year ago. Of the consolidated group total, domestic sales decreased 10% to 1,023.4 billion yen, from 1,138.3 billion yen a year ago. Overseas sales decreased 29% to 856.5 billion yen, from 1,206.3 billion yen in the third quarter of fiscal 2008.

The current financial crisis originated in the United States has spread across the world and the company's outlook of the business environment has been extremely uncertain. The company's business conditions have worsened particularly since last

[1] As of October 1, 2008, the company changed its name from "Matsushita Electric Industrial Co., Ltd." to "Panasonic Corporation."

October, due mainly to the rapid appreciation of the yen, sluggish consumer spending worldwide and ever-intensified price competition. Under these severe circumstances, aiming at getting out of this difficult situation and getting growth back on original track, Panasonic is implementing initiatives for achieving further progress and strengthening management structure.

Regarding earnings, operating profit[2] for the third quarter was down 84%, to 26.4 billion yen, from 165.4 billion yen in the same period a year ago. This decrease was due mainly to the negative effects of sales declines caused by a sharp downturn of consumer spending both in Japan and overseas, ever-intensified global price competition, rising prices for raw materials and a stronger yen. The company's comprehensive cost reduction activities including materials costs and fixed costs were not sufficient to offset these negative factors. In other income (deductions), the company incurred impairment losses of tangible fixed assets. As a result of these and other factors, pre-tax income for this period turned to a loss of 59.1 billion yen, compared with a profit of 176.6 billion yen in the same period a year ago. Accordingly, net income turned to a loss of 63.1 billion yen, compared with a profit of 115.2 billion yen in the same quarter of the previous year.

Consolidated Nine-month Results

Consolidated group sales for the nine months ended December 31, 2008 decreased 9% to 6,223.7 billion yen, compared with 6,869.9 billion yen in the same nine-month period a year ago. Domestic sales amounted to 3,134.1 billion yen, down 6% from 3,326.1 billion yen in the previous year's nine months, while overseas sales decreased 13% to 3,089.6 billion yen from 3,543.8 billion yen a year ago.

For reasons similar to those given for third quarter results, the company's operating profit for the nine months decreased 34% to 254.5 billion yen, from 385.4 billion yen in the comparable period a year ago. In other income (deductions), the company incurred impairment losses of tangible fixed assets. These and other factors resulted in pre-tax income of 144.2 billion yen, down 60% from 364.2 billion yen in the same period a year ago. Net income decreased 70% to 65.4 billion yen, compared with

[2] For information about operating profit, see Note 2 of Notes to consolidated financial statements on page 15.

220.3 billion yen in the nine months of the previous year. The company's net income per common share was 31.40 yen on a diluted basis, versus 103.65 yen in the nine months of last year.

Consolidated Nine-month Sales Breakdown by Product Category

The company's nine-month consolidated sales by product category, compared with prior year amounts, are summarized as follows:

Digital AVC Networks[3]

Digital AVC Networks sales decreased 7% to 2,838.9 billion yen, from 3,051.5 billion yen in last year's nine months. Within this category, despite increased sales of flat-panel TVs and DVD recorders, overall sales of video and audio equipment decreased 1% from the previous year's nine months, due mainly to a sales decline of digital cameras and audio equipment.

In information and communications equipment, sluggish sales of PCs and peripherals, and automotive electronics led to a 13% decrease in overall sales.

Home Appliances

Sales of Home Appliances decreased 4% to 932.5 billion yen, compared with 972.9 billion yen in last year's nine months, due mainly to sluggish sales of compressors, microwave ovens and electric lamps.

PEW and PanaHome[4]

Sales of PEW and PanaHome decreased 4% to 1,222.0 billion yen, from 1,277.4 billion yen last year. At Panasonic Electric Works Co., Ltd. (PEW)[5] and its subsidiaries, sales decreased mainly in home appliances such as health-enhancing products, electronic and plastic materials, and automation controls. At PanaHome Corporation and its subsidiaries, steady demand for housing construction led to an increase in sales.

Components and Devices

Sales of Components and Devices were down 14% to 760.8 billion yen, compared

[3] From fiscal 2009, the name of "AVC Networks" was changed to "Digital AVC Networks."
[4] The name of "MEW and PanaHome" was changed to "PEW and PanaHome" as of October 1, 2008.
[5] The name of Matsushita Electric Works, Ltd. (MEW) was changed to Panasonic Electric Works Co., Ltd. (PEW) as of October 1, 2008.

with 881.4 billion yen in the same period of the previous year. Sluggish sales in general electronic components and semiconductors led to a decrease in overall sales.

Other

Sales of Other totaled 469.5 billion yen, down 7% from 506.2 billion yen in the same period a year ago, due mainly to a sales decline in factory automation equipment.

Consolidated Financial Condition

Net cash provided by operating activities in the fiscal 2009 nine months ended December 31, 2008 amounted to 123.9 billion yen. Despite an increase in inventories, this result was due mainly to cash inflows from net income, depreciation and a decrease in trade receivables. Net cash used in investing activities amounted to 355.6 billion yen. This was due primarily to capital expenditures for tangible fixed assets, mainly consisting of manufacturing facilities for priority business areas such as plasma and liquid crystal display panels, and semiconductors. Net cash used in financing activities was 198.2 billion yen. Major factors included the repurchase of the company's own shares and the payment of cash dividends. All these activities resulted in cash and cash equivalents of 724.1 billion yen at the end of the third quarter of fiscal 2009, down 490.7 billion yen from the end of the last fiscal year (March 31, 2008).

The company's consolidated total assets as of December 31, 2008 amounted to 6,590.9 billion yen, a decrease of 852.7 billion yen compared with the end of the last fiscal year. This result was due primarily to a decrease of cash and cash equivalents as a consequence of implementing capital investment and return to shareholders, and a decrease of investments and advances due to a decline in stock prices. Stockholders' equity decreased 429.0 billion yen, compared with the end of the last fiscal year, to 3,313.3 billion yen as of December 31, 2008. This was due mainly to a decrease in accumulated other comprehensive income and an increase in treasury stock on repurchases of the company's own shares.

Outlook for the Full Fiscal Year 2009

On November 27, 2008, the company announced a revision of financial results forecast for fiscal 2009, ending March 31, 2009. However, both domestic and overseas markets conditions have further deteriorated since then, therefore the company expects a further sales decrease. The company also expects a profit decrease due to changes in expected foreign exchange rates, caused by continuous appreciation of the yen. Considering these and other factors, including an additional implementation of business restructuring initiatives for improving profitability, Panasonic today announced a downward revision of the consolidated financial forecast for the full fiscal year 2009, ending March 31, 2009, from the previous forecast announced on November 27, 2008. Regarding net sales on a consolidated basis, the company has revised its previous forecast of 8,500 billion yen downward to 7,750 billion yen. Consolidated operating profit is expected to amount to 60 billion yen, down from the previous forecast of 340 billion yen. Consolidated income before income taxes[6] is forecast to be a loss of 380 billion yen, down from the previous forecast of a profit of 100 billion yen. Net income is now expected to be a loss of 380 billion yen, down from the previous forecast of a profit of 30 billion yen.

Outlook for the Year-end Dividend

Panasonic, in principle, distributes profits to shareholders based on its consolidated business performance, and will aim for stable and continuous growth in dividends, targeting a consolidated dividend payout ratio of between 30% and 40%. Regarding the year-end dividend, considering the downward revision of the fiscal 2009 financial forecast as mentioned above, the company plans to decrease the year-end dividend from 22.5 yen per common share to 7.5 yen per common share. Total dividends for fiscal 2009 ending March 31, 2009, including an interim dividend of 22.5 yen per common share paid November 2008, are expected to be 30.0 yen per common share, down from 35.0 yen per common share for fiscal 2008.

[6] Factors affecting the forecast for other income (deductions) of 440 billion yen (the difference between operating profit and income before income taxes) include 345 billion yen as business restructuring expenses and 78 billion yen as a write-down of investment securities. The business restructuring expenses of 345 billion yen, in particular, mainly consists of the expenditures related to the integration or the closure of the company’s operating sites in Japan and abroad, impairment losses of fixed assets and expenses associated with the employment structural reforms.

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, Osaka, Nagoya and New York 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 (within the meaning of Section 27A of the U.S. Securities Act of 1933 and 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 with the U.S. Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934.

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 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; 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 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 Panasonic's latest annual report on Form 20-F, which is on file with the U.S. Securities and Exchange Commission.

(Financial Tables and Additional Information Attached)