

Panasonic Corporation
Consolidated Statements of Cash Flows *
(Year ended March 31)

	<u>Yen (millions)</u>	
	<u>2014</u>	<u>2013</u>
<i><u>Cash flows from operating activities:</u></i>		
Net income (loss)	¥ 121,645	¥ (775,168)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	331,083	339,367
Net (gain) loss on sale of investments	(25,769)	(29,125)
Cash effects of changes in, excluding acquisition:		
Trade receivables	(34,882)	128,088
Inventories	64,601	64,625
Trade payables	124,467	(68,282)
Retirement and severance benefits	(140,422)	(8,811)
Other	<u>141,227</u>	<u>688,056</u>
Net cash provided by operating activities	<u>581,950</u>	<u>338,750</u>
<i><u>Cash flows from investing activities:</u></i>		
Proceeds from disposition of investments and advances	63,185	195,401
Increase in investments and advances	(18,226)	(4,144)
Capital expenditures	(201,735)	(320,168)
Proceeds from disposals of property, plant and equipment	53,321	146,562
(Increase) decrease in time deposits	1,674	36,795
Other	<u>113,909</u>	<u>(38,040)</u>
Net cash provided by investing activities	<u>12,128</u>	<u>16,406</u>
<i><u>Cash flows from financing activities:</u></i>		
Increase (decrease) in short-term debt	(159,393)	(242,286)
Increase (decrease) in long-term debt	(342,761)	(225,672)
Dividends paid to Panasonic Corporation shareholders	(11,558)	(11,559)
Dividends paid to noncontrolling interests	(13,628)	(10,549)
(Increase) decrease in treasury stock	(109)	(27)
Purchase of noncontrolling interests and Other	<u>(4,866)</u>	<u>(965)</u>
Net cash used in financing activities	<u>(532,315)</u>	<u>(491,058)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>34,421</u>	<u>57,774</u>
Net increase (decrease) in cash and cash equivalents	96,184	(78,128)
Cash and cash equivalents at beginning of period	<u>496,283</u>	<u>574,411</u>
Cash and cash equivalents at end of period	<u>¥ 592,467</u>	<u>¥ 496,283</u>

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