

Panasonic Corporation
Consolidated Statements of Cash Flows *
(Nine months ended December 31)

	<u>Yen (millions)</u>	
	<u>2014</u>	<u>2013</u>
<i><u>Cash flows from operating activities:</u></i>		
Net income	¥ 155,663	¥ 250,633
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	209,748	249,724
Net (gain) loss on sale of investments	(7,420)	(25,559)
Cash effects of changes in, excluding acquisition:		
Trade receivables	45,802	(17,346)
Inventories	(60,441)	(20,146)
Trade payables	22,581	15,908
Retirement and severance benefits	(28,694)	(124,628)
Other	31,769	26,569
Net cash provided by operating activities	<u>369,008</u>	<u>355,155</u>
<i><u>Cash flows from investing activities:</u></i>		
Proceeds from disposition of investments and advances	41,390	57,207
Increase in investments and advances	(6,363)	(6,431)
Capital expenditures	(156,049)	(141,911)
Proceeds from disposals of property, plant and equipment	25,796	27,660
(Increase) decrease in time deposits	(8,631)	1,674
Other	(3,780)	(15,163)
Net cash used in investing activities	<u>(107,637)</u>	<u>(76,964)</u>
<i><u>Cash flows from financing activities:</u></i>		
Increase (decrease) in short-term debt	(23,595)	(154,506)
Increase (decrease) in long-term debt	(41,378)	(125,487)
Dividends paid to Panasonic Corporation shareholders	(36,984)	(11,558)
Dividends paid to noncontrolling interests	(17,784)	(10,093)
(Increase) decrease in treasury stock	(79)	(68)
Purchase of noncontrolling interests and Other	(2,978)	(912)
Net cash used in financing activities	<u>(122,798)</u>	<u>(302,624)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>84,564</u>	<u>48,301</u>
Net increase (decrease) in cash and cash equivalents	223,137	23,868
Cash and cash equivalents at beginning of period	<u>592,467</u>	<u>496,283</u>
Cash and cash equivalents at end of period	<u>¥ 815,604</u>	<u>¥ 520,151</u>

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