

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

	<u>Yen (millions)</u>	
	<u>2015</u>	<u>2014</u>
<i><u>Cash flows from operating activities:</u></i>		
Net income	¥ 196,366	¥ 121,645
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	286,528	331,083
Net (gain) loss on sale of investments	(8,261)	(25,769)
Cash effects of changes in, excluding acquisition:		
Trade receivables	68,901	(34,882)
Inventories	5,993	64,601
Trade payables	6,509	124,467
Retirement and severance benefits	(40,634)	(140,422)
Other	(23,939)	141,227
Net cash provided by operating activities	<u>491,463</u>	<u>581,950</u>
<i><u>Cash flows from investing activities:</u></i>		
Proceeds from disposals of investments and advances	43,625	63,185
Increase in investments and advances	(19,647)	(18,226)
Capital expenditures	(224,162)	(201,735)
Proceeds from disposals of property, plant and equipment	80,168	53,321
(Increase) decrease in time deposits	(18,470)	1,674
Other	478	113,909
Net cash (used in) provided by investing activities	<u>(138,008)</u>	<u>12,128</u>
<i><u>Cash flows from financing activities:</u></i>		
Increase (decrease) in short-term debt	(30,231)	(159,393)
Increase (decrease) in long-term debt	356,217	(342,761)
Dividends paid to Panasonic Corporation shareholders	(36,985)	(11,558)
Dividends paid to noncontrolling interests	(22,244)	(13,628)
(Increase) decrease in treasury stock	(417)	(109)
Purchase of noncontrolling interests and Other	(8,725)	(4,866)
Net cash provided by (used in) financing activities	<u>257,615</u>	<u>(532,315)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>76,871</u>	<u>34,421</u>
Net increase in cash and cash equivalents	687,941	96,184
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>¥ 1,280,408</u>	<u>¥ 592,467</u>

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