

**Consolidated Statements of Income and  
Consolidated Statements of Comprehensive Income (Loss)**

**Consolidated Statements of Income**

Yen (millions)

	Fiscal 2017 Three Months ended June 30, 2016		Fiscal 2016 Three Months ended June 30, 2015		Percentage 2017/2016
		%		%	
Net sales	1,748,513	100.0	1,857,843	100.0	94
Cost of sales	1,246,934	71.3	1,334,065	71.8	
<b>Gross profit</b>	<b>501,579</b>	<b>28.7</b>	<b>523,778</b>	<b>28.2</b>	<b>96</b>
Selling, general and administrative expenses	434,647	24.9	447,220	24.1	
<b>Operating profit *</b>	<b>66,932</b>	<b>3.8</b>	<b>76,558</b>	<b>4.1</b>	<b>87</b>
Other income (deductions)	(8,097)	(0.4)	(3,883)	(0.2)	
Interest income	3,751	0.2	5,930	0.3	
Dividends received	1,318	0.1	1,058	0.1	
Interest expense	(3,159)	(0.2)	(4,656)	(0.3)	
Expenses associated with the implementation of early retirement programs **	(543)	(0.0)	(192)	(0.0)	
Other income (deductions), net	(9,464)	(0.5)	(6,023)	(0.3)	
<b>Income before income taxes</b>	<b>58,835</b>	<b>3.4</b>	<b>72,675</b>	<b>3.9</b>	<b>81</b>
Provision for income taxes	36,839	2.1	11,306	0.6	
Equity in earnings of associated companies	3,130	0.1	4,359	0.2	
<b>Net income</b>	<b>25,126</b>	<b>1.4</b>	<b>65,728</b>	<b>3.5</b>	<b>38</b>
Less net income attributable to noncontrolling interests	3,385	0.2	6,209	0.3	
<b>Net income attributable to Panasonic Corporation</b>	<b>21,741</b>	<b>1.2</b>	<b>59,519</b>	<b>3.2</b>	<b>37</b>

Notes: 1. In other income (deductions), the Company incurred expenses associated with the implementation of early retirement programs of certain domestic and overseas companies.

2. Depreciation (tangible assets)	54,353 million yen	58,024 million yen
3. Capital investment	44,095 million yen	42,478 million yen
4. R&D expenditures	111,509 million yen	111,050 million yen
5. Number of employees	256,795	253,864

\* \*\* See Notes to consolidated financial statements on page 8.

**Consolidated Statements of Comprehensive Income (Loss)**

Yen (millions)

	Fiscal 2017 Three Months ended June 30, 2016	Fiscal 2016 Three Months ended June 30, 2015	Percentage 2017/2016
<b>Net income</b>	<b>25,126</b>	<b>65,728</b>	<b>% 38</b>
Other comprehensive income (loss), net of tax:			
Translation adjustments	(180,136)	38,011	
Unrealized holding gains (losses) of available-for-sale securities	(7,371)	15,257	
Unrealized holding gains (losses) of derivative instruments	3,553	(3,016)	
Pension liability adjustments	8,449	30,716	
Subtotal	(175,505)	80,968	
<b>Comprehensive income (loss)</b>	<b>(150,379)</b>	<b>146,696</b>	<b>--</b>
Less comprehensive income (loss) attributable to noncontrolling interests	(8,159)	6,195	
<b>Comprehensive income (loss) attributable to Panasonic Corporation</b>	<b>(142,220)</b>	<b>140,501</b>	<b>--</b>