

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

Consolidated Statements of Income

Yen (millions)

	Fiscal 2017		Fiscal 2016		Percentage 2017/2016
	Six Months ended September 30, 2016		Six Months ended September 30, 2015		
		%		%	%
Net sales	3,495,491	100.0	3,760,428	100.0	93
Cost of sales	2,491,857	71.3	2,682,023	71.3	
Gross profit	1,003,634	28.7	1,078,405	28.7	93
Selling, general and administrative expenses	859,007	24.6	877,955	23.4	
Operating profit *	144,627	4.1	200,450	5.3	72
Other income (deductions)	8,558	0.3	(36,310)	(0.9)	
Interest income	6,979	0.2	10,951	0.3	
Dividends received	1,464	0.0	1,390	0.0	
Interest expense	(6,842)	(0.2)	(9,063)	(0.2)	
Expenses associated with the implementation of early retirement programs **	(1,476)	(0.0)	(4,228)	(0.1)	
Other income (deductions), net	8,433	0.3	(35,360)	(0.9)	
Income before income taxes	153,185	4.4	164,140	4.4	93
Provision for income taxes	30,117	0.9	48,424	1.3	
Equity in earnings of associated companies	5,404	0.2	8,134	0.2	
Net income	128,472	3.7	123,850	3.3	104
Less net income attributable to noncontrolling interests	8,570	0.3	12,517	0.3	
Net income attributable to Panasonic Corporation	119,902	3.4	111,333	3.0	108

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)	108,432 million yen	117,040 million yen
3. Capital investment	112,205 million yen	104,297 million yen
4. R&D expenditures	226,255 million yen	227,783 million yen
5. Number of employees	256,133	254,606

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

Consolidated Statements of Comprehensive Income (Loss)

Yen (millions)

	Fiscal 2017 Six Months ended September 30, 2016	Fiscal 2016 Six Months ended September 30, 2015	Percentage 2017/2016
Net income	128,472	123,850	% 104
Other comprehensive income (loss), net of tax:			
Translation adjustments	(219,663)	(63,980)	
Unrealized holding gains (losses) of available-for-sale securities	(7,027)	8,538	
Unrealized holding gains (losses) of derivative instruments	1,857	(784)	
Pension liability adjustments	12,383	34,181	
Subtotal	(212,450)	(22,045)	
Comprehensive income (loss)	(83,978)	101,805	--
Less comprehensive income (loss) attributable to noncontrolling interests	(5,990)	4,328	
Comprehensive income (loss) attributable to Panasonic Corporation	(77,988)	97,477	--