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FOR IMMEDIATE RELEASE

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Panasonic Reports its Consolidated Financial Results
for the Nine-month ended December 31, 2018

Osaka, Japan, February 4, 2019 -- Panasonic Corporation (Panasonic [TSE:6752]) today reported its consolidated financial results for the nine months ended December 31, 2018, of the current fiscal year ending March 31, 2019 (fiscal 2019).

Summary

Yen (billions)

	Fiscal 2019 Nine Months ended December 31, 2018	Fiscal 2018 Nine Months ended December 31, 2017	Percentage 2019/2018
Net sales	6,083.0	5,912.2	103%
Domestic	2,804.2	2,684.3	104%
Overseas	3,278.8	3,227.9	102%
Operating profit	292.8 4.8%	316.7 5.4%	92%
Profit before income taxes	294.3 4.8%	313.5 5.3%	94%
Net profit	187.4 3.1%	211.9 3.6%	88%
Net profit attributable to Panasonic Corporation stockholders	173.7 2.9%	200.1 3.4%	87%
Earnings per share attributable to Panasonic Corporation stockholders			
Basic	74.48 yen	85.80 yen	(11.32) yen
Diluted	74.43 yen	85.75 yen	(11.32) yen

- Notes:
1. The Company's consolidated financial statements are prepared in conformity with International Financial Reporting Standards (IFRS).
 2. Number of consolidated companies: 588 (including parent company)
Number of companies under the equity method: 90
 3. One ADS represents one share of common share. Earnings per share attributable to Panasonic Corporation stockholders per ADS is same amount as Earnings per share attributable to Panasonic Corporation stockholders.

**Condensed Quarterly Consolidated Statements of Profit or Loss and
Condensed Quarterly Consolidated Statements of Comprehensive Income**

Condensed Quarterly Consolidated Statements of Profit or Loss

Yen (millions)

	Fiscal 2019 Nine Months ended December 31, 2018		Fiscal 2018 Nine Months ended December 31, 2017		Percentage 2019/2018
		%		%	
Net sales	6,082,985	100.0	5,912,166	100.0	103
Cost of sales	(4,382,673)	(72.0)	(4,165,937)	(70.5)	
Gross profit	1,700,312	28.0	1,746,229	29.5	97
Selling, general and administrative expenses	(1,429,817)	(23.6)	(1,418,823)	(24.0)	
Share of profit of investments accounted for using the equity method	6,284	0.1	6,504	0.1	
Other income (expenses), net	16,010	0.3	(17,212)	(0.2)	
Operating profit	292,789	4.8	316,698	5.4	92
Finance income	19,241	0.3	18,136	0.3	
Finance expenses	(17,707)	(0.3)	(21,311)	(0.4)	
Profit before income taxes	294,323	4.8	313,523	5.3	94
Income taxes	(106,961)	(1.7)	(101,589)	(1.7)	
Net profit	187,362	3.1	211,934	3.6	88
Net profit attributable to:					
Panasonic Corporation stockholders	173,715	2.9	200,111	3.4	87
Non-controlling interests	13,647	0.2	11,823	0.2	115

Notes: 1. Depreciation	167,781 million yen	170,892 million yen
2. Capital investment	194,988 million yen	274,273 million yen
3. R&D expenditures	364,558 million yen	340,319 million yen
4. Number of employees	273,858	273,870

Condensed Quarterly Consolidated Statements of Comprehensive Income

Yen (millions)

	Fiscal 2019 Nine Months ended December 31, 2018	Fiscal 2018 Nine Months ended December 31, 2017	Percentage 2019/2018
Net Profit	187,362	211,934	88
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plans	2,015	38,788	
Financial assets measured at fair value through other comprehensive income	1,230	15,985	
Subtotal	3,245	54,773	
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	(2,216)	86,343	
Net changes in cash flow hedges	(1,991)	195	
Subtotal	(4,207)	86,538	
Total other comprehensive income (loss)	(962)	141,311	
Comprehensive income	186,400	353,245	53
Comprehensive income attributable to :			
Panasonic Corporation stockholders	177,100	331,156	53
Non-controlling interests	9,300	22,089	42

Information by Segment

Yen (billions)

	Fiscal 2019 Nine Months ended December 31, 2018					Fiscal 2018 Nine Months ended December 31, 2017		
	Sales	19/18	Operating Profit	% of Sales	19/18	Sales	Operating Profit	% of Sales
Reportable Segments:		%		%	%			%
Appliances	2,139.0	99	88.7	4.1	83	2,168.3	106.6	4.9
Eco Solutions	1,468.4	106	50.1	3.4	106	1,385.6	47.3	3.4
Connected Solutions	815.8	101	73.5	9.0	95	806.0	77.5	9.6
Automotive & Industrial Systems	2,234.6	108	55.3	2.5	87	2,074.8	63.8	3.1
Subtotal	6,657.8	103	267.6	4.0	91	6,434.7	295.2	4.6
Other	173.3	91	1.9	1.1	94	190.8	2.1	1.1
Eliminations and adjustments	(748.1)	--	23.3	--	--	(713.3)	19.4	--
Total	6,083.0	103	292.8	4.8	92	5,912.2	316.7	5.4

Notes: 1. The Panasonic Group is divided into four Divisional Companies for business management, and they support the autonomy of each business division and execute businesses in their respective areas on a global scale. The results of their performance are classified and disclosed in the four reportable segments of Appliances, Eco Solutions, Connected Solutions, and Automotive & Industrial Systems.

"Other" includes business activities not belonging to the reportable segments, such as sales of raw materials.

2. The figures in "Eliminations and adjustments" include revenues and expenses which are not attributable to any segments, and consolidation adjustments, and eliminations of intersegment transactions.

3. Certain businesses were transferred among segments on April 1, 2018. Accordingly, the figures of segment information in fiscal 2018 have been reclassified to conform to the presentation for fiscal 2019.

Condensed Quarterly Consolidated Statements of Financial Position

Yen (millions)			
	December 31, 2018	March 31, 2018	Difference
Current assets:	3,495,219	3,485,958	9,261
Cash and cash equivalents	868,882	1,089,585	(220,703)
Trade receivables	1,170,206	1,038,984	131,222
Other financial assets	153,970	203,557	(49,587)
Inventories	1,103,249	988,609	114,640
Other current assets	198,912	165,223	33,689
Non-current assets:	2,766,654	2,805,190	(38,536)
Investments accounted for using the equity method	154,298	147,959	6,339
Other financial assets	167,542	166,466	1,076
Property, plant and equipment	1,324,486	1,374,066	(49,580)
Other non-current assets	1,120,328	1,116,699	3,629
Total assets	6,261,873	6,291,148	(29,275)
Current liabilities:	3,031,373	3,097,935	(66,562)
Short-term debt, including current portion of long-term debt	327,717	375,392	(47,675)
Trade payables	1,200,415	1,146,476	53,939
Other financial liabilities	287,398	304,977	(17,579)
Other current liabilities	1,215,843	1,271,090	(55,247)
Non-current liabilities:	1,250,940	1,310,928	(59,988)
Long-term debt	829,941	864,052	(34,111)
Other non-current liabilities	420,999	446,876	(25,877)
Total liabilities	4,282,313	4,408,863	(126,550)
Panasonic Corporation stockholders' equity:	1,809,396	1,707,551	101,845
Common stock	258,740	258,740	--
Capital surplus	526,439	527,408	(969)
Retained earnings	1,404,680	1,300,336	104,344
Other components of equity	(169,850)	(168,259)	(1,591)
Treasury stock	(210,613)	(210,674)	61
Non-controlling interests	170,164	174,734	(4,570)
Total equity	1,979,560	1,882,285	97,275
Total liabilities and equity	6,261,873	6,291,148	(29,275)

Note: Other components of equity breakdown:

Yen (millions)			
	December 31, 2018	March 31, 2018	Difference
Remeasurements of defined benefit plans*	--	--	--
Financial assets measured at fair value through other comprehensive income	45,277	47,279	(2,002)
Exchange differences on translation of foreign operations	(214,090)	(216,355)	2,265
Net changes in cash flow hedges	(1,037)	817	(1,854)

* Remeasurements of defined benefit plans is directly transferred to Retained earnings from Other components of equity.

Condensed Quarterly Consolidated Statements of Changes in Equity

Yen (millions)

Fiscal 2019 Nine Months ended December 31, 2018	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Panasonic Corporation stockholders' equity	Non- controlling interests	Total equity
Balances as of April 1, 2018	258,740	527,408	1,300,336	(168,259)	(210,674)	1,707,551	174,734	1,882,285
Comprehensive income:								
Net profit	--	--	173,715	--	--	173,715	13,647	187,362
Remeasurements of defined benefit plans	--	--	--	1,892	--	1,892	123	2,015
Financial assets measured at fair value through other comprehensive income	--	--	--	1,218	--	1,218	12	1,230
Exchange differences on translation of foreign operations	--	--	--	2,265	--	2,265	(4,481)	(2,216)
Net changes in cash flow hedges	--	--	--	(1,990)	--	(1,990)	(1)	(1,991)
Total comprehensive income	--	--	173,715	3,385	--	177,100	9,300	186,400
Transfer from other components of equity to retained earning	--	--	5,112	(5,112)	--	--	--	--
Cash dividends	--	--	(81,633)	--	--	(81,633)	(12,974)	(94,607)
Changes in treasury stock	--	(42)	--	--	61	19	--	19
Transactions with non-controlling interests and other	--	(927)	--	136	--	(791)	(896)	(1,687)
Cumulative effect of new accounting standards applied	--	--	7,150	--	--	7,150	--	7,150
Balances as of December 31, 2018	258,740	526,439	1,404,680	(169,850)	(210,613)	1,809,396	170,164	1,979,560

Yen (millions)

Fiscal 2018 Nine Months ended December 31, 2017	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Panasonic Corporation stockholders' equity	Non- controlling interests	Total equity
Balances as of April 1, 2017	258,740	636,905	1,051,445	(164,632)	(210,569)	1,571,889	188,046	1,759,935
Comprehensive income:								
Net profit	--	--	200,111	--	--	200,111	11,823	211,934
Remeasurements of defined benefit plans	--	--	--	38,869	--	38,869	(81)	38,788
Financial assets measured at fair value through other comprehensive income	--	--	--	15,930	--	15,930	55	15,985
Exchange differences on translation of foreign operations	--	--	--	76,055	--	76,055	10,288	86,343
Net changes in cash flow hedges	--	--	--	191	--	191	4	195
Total comprehensive income	--	--	200,111	131,045	--	331,156	22,089	353,245
Transfer from other components of equity to retained earning	--	--	48,157	(48,157)	--	--	--	--
Cash dividends	--	--	(58,310)	--	--	(58,310)	(16,583)	(74,893)
Changes in treasury stock	--	(0)	--	--	(91)	(91)	--	(91)
Transactions with non-controlling interests and other	--	(108,956)	--	11,474	--	(97,482)	(14,233)	(111,715)
Balances as of December 31, 2017	258,740	527,949	1,241,403	(70,270)	(210,660)	1,747,162	179,319	1,926,481

Condensed Quarterly Consolidated Statements of Cash Flows

Yen (millions)

	Fiscal 2019 Nine Months ended December 31, 2018	Fiscal 2018 Nine Months ended December 31, 2017
<u>Cash flows from operating activities</u>		
Net profit	187,362	211,934
Adjustments to reconcile net profit to net cash provided by operating activities		
Depreciation and amortization	218,733	216,725
(Increase) decrease in trade receivables	(106,552)	(128,796)
(Increase) decrease in inventories	(119,505)	(199,208)
Increase (decrease) in trade payables	64,175	119,522
Other	(166,166)	44,007
Net cash provided by operating activities	78,047	264,184
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(235,003)	(290,410)
Proceeds from sale of property, plant and equipment	32,575	18,838
Purchase of investments accounted for using the equity method and other financial assets	(23,163)	(16,814)
Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets	24,792	7,518
Other	58,140	(72,925)
Net cash used in investing activities	(142,659)	(353,793)
<u>Cash flows from financing activities</u>		
Increase (decrease) in short-term debt	(75,768)	2,862
Increase (decrease) in long-term debt	(5,888)	(6,979)
Dividends paid to Panasonic Corporation stockholders	(81,633)	(58,310)
Dividends paid to non-controlling interests	(12,974)	(16,583)
(Increase) decrease in treasury stock	19	(91)
Other	9,763	(122,471)
Net cash used in financing activities	(166,481)	(201,572)
Effect of exchange rate changes on cash and cash equivalents	10,390	28,184
Net increase (decrease) in cash and cash equivalents	(220,703)	(262,997)
Cash and cash equivalents at beginning of period	1,089,585	1,270,787
Cash and cash equivalents at the end of the period	868,882	1,007,790

Notes to consolidated financial statements:

1. The Company applied IFRS 15, "Revenue from Contracts with Customers" from April 1, 2018 using the method recognizing the cumulative effect of applying IFRS 15 at the date of initial application. Effects of applying IFRS 15 on profit/loss are insignificant. Cumulative effects of applying IFRS 15 on the opening balance of the Company's "retained earnings" at April 1, 2018 were insignificant, which are described in "Condensed Quarterly Consolidated Statements of Changes in Equity."
2. The Company conducted an incorporation-type company split on April 2, 2018, in order to transfer a part of its wholly-owned subsidiaries to Panasonic Equity Management Japan Co., Ltd. that was newly incorporated.
3. The Company resolved at the Board of Directors meeting held on December 21, 2018, to succeed the shares in, and the long-term loan claims against, Panasonic Precision Devices Co., Ltd. ("PPRD") from Panasonic Equity Management Japan Co., Ltd., which is a wholly-owned consolidated subsidiary of Panasonic, through an absorption-type company split (the "Company Split"). Consequently, PPRD will become a wholly-owned consolidated subsidiary of Panasonic. The Company has also resolved to absorb PPRD through a merger (the "Merger"). Both the Company Split and the Merger will take effect on April 1, 2019 (planned).
4. Assumption for going concern: None
5. Significant subsequent events:
The Company and certain domestic subsidiaries plan to change the retirement pension system from July 1, 2019. Specifically, regarding part of the past contributions of the defined benefit pension plan, the Company will make a transition to the defined contribution pension plan. Accordingly, the retirement benefit liabilities will be revised in the Company's consolidated accounts for the fourth quarter of fiscal 2019, and the Company plans to incur approximately 82.9 billion yen as other income in operating profit. This change will be effective upon the authorization of the Ministry of Health, Labour and Welfare.

The Company and Toyota Motor Corporation (Toyota) concluded on January 22, 2019, a business-integration contract and a joint venture contract toward the establishment of a new company (joint venture) related to the automotive prismatic battery business. Toyota and Panasonic agreed to establish this joint venture by the end of 2020, pending approval from the competition-law authorities in the countries and regions concerned. The ratio of equity participation will be 51% for Toyota and 49% for Panasonic.

6. Number of consolidated subsidiaries as of December 31, 2018: 587
Number of companies under the equity method as of December 31, 2018: 90

Consolidated Financial Results

1. Nine months ended December 31, 2018

A. Operating Results

	Yen (billions)		
	Fiscal 2019 Nine Months ended Dec. 31, 2018	Fiscal 2018 Nine Months ended Dec. 31, 2017	Percentage 2019/2018
Net sales	6,083.0	5,912.2	103%
Operating profit	292.8	316.7	92%
Profit before income taxes	294.3	313.5	94%
Net profit attributable to Panasonic Corporation stockholders	173.7	200.1	87%

During the nine months ended December 31, 2018 (fiscal 2019) under review, the global economy continued to moderately recover on the whole, as the U.S. economy performed favorably with stable personal spending, and Japan experienced an upturn in employment. However, the Chinese economy saw a slowdown in spending and investment. Regarding the outlook for the global economy, risk factors such as the politics and financial situation of various countries, the spread of protectionism, and downward economic swings in emerging countries can be seen.

Under such business conditions, Panasonic is promoting its strategies for sustainable growth, identifying the areas where the Company will concentrate its management resources.

For the rechargeable battery business, which shows rapid expansion mainly spurred by automotive lithium-ion batteries, the Company reorganized the business based on customers and industries on April 1, 2018. This new structure allows the efficient use of development resources and the Company is accelerating its growth strategy. Furthermore, in July, in Indonesia, Panasonic came to an agreement with Honda Motor Co., Ltd., to jointly conduct a research experiment on battery sharing using detachable mobile batteries and electric motorcycles. Panasonic is striving to create new demand for batteries. In January 2019, the Company came to an

agreement with Toyota Motor Corporation to establish a joint venture related to the automotive prismatic battery business. Both companies will combine their respective management resources to further strengthen and accelerate the efforts to achieve competitive batteries.

For the home appliances business, in India, one of the Company's strategic markets along with China and Southeast Asia, Panasonic started to release made-in-India refrigerators in April 2018. In these rapidly expanding markets Panasonic continues to pursue growth with profitability.

In June, the Company came to an agreement with Nitto Kogyo Corporation to study comprehensive collaboration on businesses such as distribution boards. Looking to the domestic and overseas markets, both companies will cooperate in the areas of production, development, and technology, aiming to offer solutions that bring yet higher customer satisfaction.

In September, the Company agreed to collaborate with two Chinese companies in the solutions businesses for the building industry. In China, where the construction market is rapidly expanding, the Company strives to accelerate its construction solutions businesses to offer comfortable and high-quality spaces at construction sites, such as improving the workers' living environment.

In November, in Japan, the Company launched CASART URBAN, an urban-style IoT home equipped with the HomeX integrated lifestyle platform. The Company devotes the group's collective strengths to enriching people's lifestyle and living spaces.

For the nine months ended December 31, 2018, the Company's consolidated group sales increased by 3% to 6,083.0 billion yen from fiscal 2018 (a year ago), continuing a year-on-year sales increase following the previous year. Domestic sales increased year on year due mainly to favorable sales of automotive-related products and Panasonic Homes Co., Ltd., despite a sales decrease for consumer products in Appliances. Overseas sales increased due mainly to favorable sales of the automotive-related business including Energy and Automotive, Commercial Refrigeration & Food Equipment in North America, and the electronic component mounting equipment business of Process Automation.

Operating profit decreased by 8% to 292.8 billion yen from a year ago. Sales increase and improved other income (expenses) such as recording a gain on the sale of land were unable to offset fixed-costs increase and raw material cost hikes. Profit before income taxes decreased by 6% to 294.3 billion yen, and net profit attributable to Panasonic Corporation stockholders decreased by 13% to 173.7 billion yen from a year ago.

B. Breakdown by Segment

Appliances

	Yen (billions)		
	Fiscal 2019 Nine months ended Dec. 31, 2018	Fiscal 2018 Nine months ended Dec. 31, 2017	Percentage 2019/2018
Sales	2,139.0	2,168.3	99%
Operating profit	88.7	106.6	83%

Sales decreased by 1% to 2,139.0 billion yen from a year ago. This decrease was due mainly to sluggish sales of air-conditioners in Asia and devices for air-conditioner in China despite sales increase in Commercial Refrigeration & Food Equipment in North America. Operating profit decreased to 88.7 billion yen from a year ago due mainly to the negative effects of sales decrease and raw material cost hikes.

Eco Solutions

	Yen (billions)		
	Fiscal 2019 Nine months ended Dec. 31, 2018	Fiscal 2018 Nine months ended Dec. 31, 2017	Percentage 2019/2018
Sales	1,468.4	1,385.6	106%
Operating profit	50.1	47.3	106%

Sales increased by 6% to 1,468.4 billion yen from a year ago. This increase was mainly driven by the favorable results from the ready-built housing business of Panasonic Homes Co., Ltd., growth in the electrical construction materials and Housing Systems for Asia, and the new consolidation of Matsumura-Gumi Corporation. Operating profit increased to 50.1 billion yen from a year ago due to sales increase and reversal of one-shot expenses in the previous year, despite the

negative effects of raw material cost hikes and upfront expenses to expand overseas electrical construction materials business.

Connected Solutions

Yen (billions)			
	Fiscal 2019 Nine months ended Dec. 31, 2018	Fiscal 2018 Nine months ended Dec. 31, 2017	Percentage 2019/2018
Sales	815.8	806.0	101%
Operating profit	73.5	77.5	95%

Sales increased by 1% to 815.8 billion yen from a year ago. Sales increases at the Process Automation Business and Panasonic System Solutions Japan Co., Ltd. offset sales decrease in Avionics and Media Entertainment, contributing to an overall sales increase. Despite sales expansion, operating profit decreased to 73.5 billion yen from a year ago due mainly to increased fixed-costs and reversal of provision for legal-related expenses in the previous year.

Automotive & Industrial Systems

Yen (billions)			
	Fiscal 2019 Nine months ended Dec. 31, 2018	Fiscal 2018 Nine months ended Dec. 31, 2017	Percentage 2019/2018
Sales	2,234.6	2,074.8	108%
Operating profit	55.3	63.8	87%

Sales increased by 8% to 2,234.6 billion yen from a year ago. Despite a sales decrease in Industrial Business due mainly to trade friction between U.S. and China, Energy Business with significant sales growth in automotive batteries and Automotive Business with a sales increase of automotive infotainment systems in North America, contributed to an overall sales increase. Despite profit increase by sales expansion, operating profit decreased to 55.3 billion yen from a year ago due mainly to increased ramp-up expenses for the automotive battery factories in North America and China and sales decrease of Electromechanical Control.

C. Consolidated Financial Condition

Net cash provided by operating activities for the nine months ended December

31, 2018, amounted to 78.0 billion yen, compared with an inflow of 264.2 billion yen a year ago. Net cash used in investing activities amounted to 142.6 billion yen, compared with an outflow of 353.8 billion yen a year ago. Accordingly, free cash flow (net cash provided by operating activities and investing activities) improved by 25.0 billion yen from a year ago to an outflow of 64.6 billion yen. This was due mainly to improved working capital, decreased capital expenditures, and proceeds from the sale of land, in spite of the payment of one-shot legal costs. Net cash used by financing activities amounted to 166.5 billion yen, compared with an outflow of 201.6 billion yen a year ago. This was due mainly to acquisition of additional equity interest in PanaHome Corporation in the same period of last year despite a decrease in the amount of outstanding short-term bonds. Taking exchange rate movement into consideration, cash and cash equivalents totaled 868.9 billion yen as of December 31, 2018, decreased by 220.7 billion yen compared with March 31, 2018.

The Company's consolidated total assets as of December 31, 2018, decreased by 29.3 billion yen to 6,261.9 billion yen from March 31, 2018. This was due mainly to a decrease in cash and cash equivalents in spite of increases in trade receivables and inventory in line with B2B business expansion. The Company's consolidated total liabilities as of December 31, 2018, decreased by 126.6 billion yen, compared with March 31, 2018, to 4,282.3 billion yen. Panasonic Corporation stockholders' equity increased by 101.8 billion yen, compared with March 31, 2018, to 1,809.4 billion yen. This was due mainly to the recording of net profit attributable to Panasonic Corporation stockholders. Adding non-controlling interests to Panasonic Corporation stockholders' equity, total equity was 1,979.6 billion yen.

2. Forecast for fiscal 2019

For the consolidated financial forecast for fiscal 2019, the sales forecast, announced on May 10, 2018, is revised downward due mainly to weakening sales in Appliances and Automotive & Industrial Systems. In addition, the forecasts for operating profit and profit before income taxes are also revised downward as the effects such as partial revision of pension system are unable to off-set the impact of sales decrease. On the other hand, net profit attributable to Panasonic Corporation

stockholders remains unchanged due to the improvements of income taxes and others.

Consolidated financial forecasts for fiscal 2019 as of February 4, 2019:

Sales:	8,100.0 billion yen	(101% vs fiscal 2018)
Operating profit:	385.0 billion yen	(101% vs fiscal 2018)
Profit before income taxes:	385.0 billion yen	(102% vs fiscal 2018)
Net profit attributable to Panasonic Corporation stockholders:	250.0 billion yen	(106% vs fiscal 2018)

Disclaimer Regarding Forward-Looking Statements

This press release includes forward-looking statements (that include those within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended) about Panasonic and its Group companies (the Panasonic Group). To the extent that statements in this press release do not relate to historical or current facts, they constitute forward-looking statements. These forward-looking statements are based on the current assumptions and beliefs of the Panasonic Group in light of the information currently available to it, and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause the Panasonic Group's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. Panasonic undertakes no obligation to publicly update any forward-looking statements after the date of this press release. Investors are advised to consult any further disclosures by Panasonic in its subsequent filings under the Financial Instrument and Exchange Act of Japan (the FIEA) and other publicly disclosed documents.

The risks, uncertainties and other factors referred to above include, but are not limited to, economic conditions, particularly consumer spending and corporate capital expenditures in the Americas, Europe, Japan, China and other Asian countries; volatility in demand for electronic equipment and components from business and industrial customers, as well as consumers in many product and geographical markets; the possibility that excessive currency rate fluctuations of the U.S. dollar, the euro, the Chinese yuan and other currencies against the yen may adversely affect costs and prices of Panasonic's products and services and certain other transactions that are denominated in these foreign currencies; the possibility of the Panasonic Group incurring additional costs of raising funds, because of changes in the fund raising environment; the possibility of the Panasonic Group not being able to respond to rapid technological changes and changing consumer preferences with timely and cost-effective introductions of new products in markets that are highly competitive in terms of both price and technology; the possibility of not achieving expected results or incurring unexpected losses in connection with the alliances or mergers and acquisitions; the possibility of not being able to achieve its business objectives through joint ventures and other collaborative agreements with other companies, including due to the pressure of price reduction exceeding that which can be achieved by its effort and decrease in demand for products from business partners which Panasonic highly depends on in BtoB business areas; the possibility of the Panasonic Group not being able to maintain competitive strength in many product and geographical areas; the possibility of incurring expenses resulting from any defects in products or services of the Panasonic Group; the possibility that the Panasonic Group may face intellectual property infringement claims by third parties; current and potential, direct and indirect restrictions imposed by other countries over trade, manufacturing, labor and operations; fluctuations in market prices of securities and other financial assets in which the Panasonic Group has holdings or changes in valuation of non-financial assets, including property, plant and equipment, goodwill and deferred tax assets; future changes or revisions to accounting policies or accounting rules; the possibility of incurring expenses resulting from a leakage of customers' or confidential information from Panasonic Group systems due to unauthorized access or a detection of vulnerability of network-connected products of the Panasonic Group; as well as natural disasters including earthquakes, prevalence of infectious diseases throughout the world, disruption of supply chain and other events that may negatively impact business activities of the Panasonic Group. The factors listed above are not all-inclusive and further information is contained in the most recent English translated version of Panasonic's securities reports under the FIEA and any other documents which are disclosed on its website.

(2) Sales by Business

yen (billions)

		Fiscal 2018					Fiscal 2019				
		Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year Forecasts (as of Feb. 4, 2019)
AP*1 (production and sales consolidated)	Air-Conditioner Business	160.3	115.8	100.0	111.8	487.9	158.3	117.3	102.5		507.5
	Small & Built-in Appliance Business	100.6	98.4	118.5	89.5	407.0	102.9	98.4	113.8		—
	Major Appliance Business	124.8	136.9	134.9	114.0	510.6	127.9	138.7	132.6		—
	AVC Business	169.4	169.6	211.2	143.1	693.3	167.1	154.1	202.4		—
	Commercial Refrigeration & Food Equipment Business	68.7	72.1	72.9	62.2	275.9	71.2	70.8	78.3		—
ES	Lighting BD	68.2	76.9	90.5	82.1	317.7	70.8	76.0	88.1		—
	Energy Systems BD	79.1	86.8	93.2	89.8	348.9	81.6	88.1	92.4		—
	Housing Systems BD	83.4	87.2	92.3	84.7	347.6	82.6	85.8	96.8		—
	Panasonic Ecology Systems Co., Ltd.	38.3	37.8	43.4	46.6	166.2	41.7	42.6	45.2		—
	Panasonic Homes Co., Ltd.	64.8	90.2	73.3	129.1	357.4	69.6	101.0	81.9		—
CNS*2	Avionics Business	61.9	71.0	70.1	69.0	272.0	63.2	66.2	63.0		—
	Process Automation BD	45.3	52.9	43.2	42.1	183.5	58.8	53.8	47.7		—
	Media Entertainment BD	31.2	34.5	34.4	32.8	133.0	30.5	32.8	30.2		—
	Mobile Solutions BD	53.0	56.9	62.0	59.7	231.6	62.3	54.5	55.3		—
	PSSJ	55.6	67.0	71.2	109.9	303.7	64.4	67.5	70.5		—
AIS*3	Automotive Business	206.8	220.3	241.1	260.6	928.8	243.3	236.6	247.1		972.7
	Energy Business	127.3	133.8	152.0	149.4	562.5	154.5	177.7	190.1		715.0
	Industrial Business	228.9	242.3	245.0	229.0	945.2	240.2	230.6	231.4		939.1

*1 Each business in AP consists of the following BDs. The figures of BDs are on production and sales consolidated basis.

- Air-Conditioner Business : Air-Conditioner Company
- Small & Built-in Appliance Business : Kitchen Appliances BD, Beauty and Living BD
- Major Appliance Business : Refrigerator BD, Laundry Systems and Vacuum Cleaner BD
- AVC Business : TV BD, Imaging Network BD, Home Entertainment BD, Communication Products BD
- Commercial Refrigeration & Food Equipment Business : Cold Chain BD, Hussmann Corporation

*2 Each business in CNS consists of the following BDs.

- Avionics Business : Panasonic Avionics Corporation, Avionics BU
- Process Automation BD
- Media Entertainment BD
- Mobile Solutions BD
- PSSJ : Panasonic System Solutions Japan Co., Ltd.

*3 Each business in AIS consists of the following BDs.

- Automotive Business : Automotive Infotainment Systems BD, Automotive Electronics Systems BD, Ficosa International, S.A.
- Energy Business : Energy Device BD, Energy Solutions BD, Tesla Energy BD, Automotive Energy BD
- Industrial Business : Electromechanical Control BD, Panasonic Semiconductor Solutions Co., Ltd., Device Solutions BD, Electronic Materials BD, Panasonic Liquid Crystal Display Co., Ltd.

(3) Capital Investment by Segment

yen (billions)

	Fiscal 2018				Fiscal 2019			
	Q1	Q2	Q3	Full year	Q1	Q2	Q3	Full year Forecasts (as of Feb. 4, 2019)
AP	9.7	11.8	14.5	61.8	7.4	10.8	10.1	49.0
ES	7.6	11.6	10.2	45.5	10.2	11.5	10.6	47.0
CNS	3.1	4.8	4.5	21.6	2.9	6.0	4.8	20.0
AIS	48.3	59.1	55.1	226.4	32.7	39.7	37.6	199.0
Other & Corporate	22.9	6.5	4.6	36.9	3.6	0.5	6.6	15.0
Total	91.6	93.8	88.9	392.2	56.8	68.5	69.7	330.0

Note: These figures are calculated on an accrual basis.

(4) Depreciation by Segment

yen (billions)

	Fiscal 2018				Fiscal 2019			
	Q1	Q2	Q3	Full year	Q1	Q2	Q3	Full year Forecasts (as of Feb. 4, 2019)
AP	11.6	12.0	12.1	48.6	12.3	12.2	12.4	50.0
ES	10.9	10.7	10.8	43.2	10.5	10.6	10.8	43.0
CNS	4.5	4.8	4.9	19.1	4.7	4.8	4.9	20.0
AIS	27.0	27.9	27.8	105.5	26.4	26.2	26.6	109.0
Other & Corporate	2.0	1.6	2.3	10.2	2.2	1.7	1.5	8.0
Total	56.0	57.0	57.9	226.6	56.1	55.5	56.2	230.0

2. Other

(1) Sales by Region

yen (billions)

	Fiscal 2018					Fiscal 2019				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Japan	849.0	905.8	929.5	1,039.8	3,724.1	880.8	938.1	985.3		
Local currency basis YoY	102%	101%	99%	105%	102%	104%	104%	106%		
North and South America	317.4	341.6	364.2	345.1	1,368.3	364.7	390.2	401.7		
Local currency basis YoY	99%	104%	108%	109%	105%	117%	115%	111%		
Europe	185.2	192.2	225.7	217.9	821.0	206.3	185.8	206.4		
Local currency basis YoY	113%	131%	130%	135%	127%	106%	98%	95%		
Asia	273.6	291.0	270.1	252.4	1,087.1	281.2	242.9	245.0		
Local currency basis YoY	101%	117%	106%	103%	106%	103%	85%	94%		
China	240.1	262.0	264.8	214.8	981.7	275.7	242.5	236.4		
Local currency basis YoY	114%	122%	115%	105%	114%	110%	94%	93%		
Total	1,865.3	1,992.6	2,054.3	2,070.0	7,982.2	2,008.7	1,999.5	2,074.8		
Local currency basis YoY	104%	108%	106%	108%	106%	107%	101%	102%		

(2) R&D Expenditures

yen (billions)

	Fiscal 2018				Fiscal 2019			
	Q1	Q2	Q3	Full year	Q1	Q2	Q3	Full year Forecasts*
R&D Expenditures	107.1	115.3	117.9	448.9	115.8	120.9	127.9	490.0

* Full year forecasts for fiscal 2019 are unchanged.

(3) Foreign Currency Exchange Rates

	Fiscal 2018					Fiscal 2019				
	Q 1	Q 2	Q 3	Q 4	Full year	Q 1	Q 2	Q 3	Q 4	Full year Forecasts (as of Feb. 4, 2019)
U.S. Dollars	¥111	¥111	¥113	¥108	¥111	¥109	¥111	¥113		¥111
Euro	¥122	¥130	¥133	¥133	¥130	¥130	¥130	¥129		¥130
Renminbi	¥16.2	¥16.6	¥17.1	¥17.1	¥16.8	¥17.1	¥16.4	¥16.3		¥16.6

Note: Average rate

(4) Foreign Exchange Sensitivity

yen (billions)

	Operating Profit
U.S. Dollars	-2.4
Euro	-1.6
Renminbi	+5.6

Note: Impact of exchange rate fluctuation (Fiscal 2019 full year forecasts impact by one yen appreciation.)

Figures here represent information voluntarily prepared by the Company as of May 10, 2018.

(5) Number of Employees

(persons)

	2017				2018				2019
	End of Mar.	End of Jun.	End of Sep.	End of Dec.	End of Mar.	End of Jun.	End of Sep.	End of Dec.	End of Mar.
Japan-based	104,832	106,370	105,907	105,439	105,465	107,572	106,922	106,305	
Overseas	152,701	164,438	167,391	168,431	168,678	165,948	166,539	167,553	
Total	257,533	270,808	273,298	273,870	274,143	273,520	273,461	273,858	

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