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FOR IMMEDIATE RELEASE

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ANNOUNCEMENT OF FINANCIAL RESULTS

PANASONIC REPORTS SECOND QUARTER AND SIX MONTH RESULTS

- Cost reductions led to favorable six-month earnings -

Osaka, Japan, October 28, 2008 -- Panasonic Corporation[1] (Panasonic [NYSE symbol: PC]) today reported its consolidated financial results for the second quarter and six months ended September 30, 2008, of the current fiscal year ending March 31, 2009 (fiscal 2009).

Consolidated Second-quarter Results

Consolidated group sales for the second quarter decreased 4% to 2,191.7 billion yen, from 2,285.8 billion yen in the same three-month period a year ago. Explaining the second quarter results, although sales gains were recorded mainly in digital AV products and white goods, total sales declined because sales of information and communication equipment were sluggish and sales of JVC (Victor Company of Japan, Ltd. and its subsidiaries)[2] were included in the consolidated group sales in the previous year's comparable period. Of the consolidated group total, domestic sales decreased

[1] As of October 1, 2008, the company changed its name from "Matsushita Electric Industrial Co., Ltd." to "Panasonic Corporation."

[2] Victor Company of Japan, Ltd. and its subsidiaries became associated companies under the equity method from the company's consolidated subsidiaries from August 2007. For more information, see Note 6 of the Notes to consolidated financial statements on page 15.

- more -

4% to 1,065.4 billion yen, from 1,109.8 billion yen a year ago. Overseas sales decreased 4% to 1,126.3 billion yen, from 1,176.0 billion yen in the second quarter of fiscal 2008.

In the electronics industry during the second quarter under review, while there was a growing demand for flat-panel TVs related to the Beijing Olympics, severe business conditions continued in Japan and overseas, due mainly to rising prices for raw materials and energy, and price declines centered on digital products. Under these circumstances, in fiscal 2009 as the middle year of the three-year mid-term management plan GP3, Panasonic is striving to produce successful results and create a new trend for achieving goals. Aiming at getting growth back on track and strengthening profitability, Panasonic is implementing initiatives focused on four major themes: double-digit growth in overseas sales, expansion of four strategic businesses, manufacturing innovation and the “eco ideas” strategy.

Regarding earnings, operating profit[3] for the second quarter was down 19%, to 118.6 billion yen, from 146.1 billion yen in the same period a year ago. This decrease was due mainly to the negative effects of intensified global price competition and a stronger yen against the U.S. dollar, as well as rising prices for crude oil and other raw materials. These and other factors resulted in pre-tax income of 84.0 billion yen, down 19% from 103.7 billion yen in the same period a year ago. Net income decreased 16% to 55.5 billion yen, from 65.8 billion yen in the same quarter of the previous year.

Consolidated Six-month Results

Combining the second quarter results with those of the first quarter, consolidated group sales for the six months ended September 30, 2008 decreased 4% to 4,343.7 billion yen, compared with 4,525.3 billion yen in the same six-month period a year ago. Explaining the six-month results, although sales gains were recorded mainly in digital AV products, total sales declined because sales of JVC were included in the consolidated group sales in the previous year’s comparable period. Domestic sales amounted to 2,110.6 billion yen, down 4% from 2,187.8 billion yen in the previous year’s six months, while overseas sales decreased 4% to 2,233.1 billion yen from

[3] For information about operating profit, see Note 2 of Notes to consolidated financial statements on page 15.

2,337.5 billion yen a year ago.

For reasons similar to those given for second quarter results, the company's operating profit for the six months increased 4% to 228.2 billion yen, from 220.0 billion yen in the comparable period a year ago. Despite the negative effects of intensified global price competition and a stronger yen against the U.S. dollar, as well as rising prices for crude oil and other raw materials, this result was due primarily to comprehensive cost reduction activities including materials costs and fixed costs, and sales gains in real terms excluding specific factors such as the effects of JVC. In other income (deductions), the company incurred less expenses associated with the implementation of early retirement programs compared with a year ago. These and other factors resulted in pre-tax income of 203.3 billion yen, up 8% from 187.6 billion yen in the same period a year ago. Net income increased 22% to 128.5 billion yen, as compared with 105.1 billion yen in the six months of the previous year. The company's net income per common share was 61.58 yen on a diluted basis, versus 49.32 yen in the six months of last year.

Consolidated Six-month Sales Breakdown by Product Category

The company's six-month consolidated sales by product category, as compared with prior year amounts, are summarized as follows:

Digital AVC Networks[4]

Digital AVC Networks sales increased 3% to 1,969.0 billion yen, from 1,920.2 billion yen in last year's six months. Sales of video and audio equipment increased 14% from the previous year's six months, due mainly to favorable sales in digital AV products such as flat-panel TVs and DVD recorders.

In information and communications equipment, sluggish sales of automotive electronics led to a 6% decrease overall.

[4] From fiscal 2009, the name of "AVC Networks" was changed to "Digital AVC Networks."

Home Appliances

Sales of Home Appliances increased 2% to 654.1 billion yen, compared with 641.8 billion yen in last year's six months, due mainly to steady sales of air conditioners and refrigerators.

MEW and PanaHome[5]

Sales of MEW and PanaHome decreased 1% to 837.2 billion yen, from 849.1 billion yen last year. At Matsushita Electric Works, Ltd. (MEW)[6] and its subsidiaries, sales decreased mainly in home appliances such as health enhancing products. At PanaHome Corporation and its subsidiaries, sluggish housing market conditions led to a decrease in sales.

Components and Devices

Sales of Components and Devices were down 8% to 541.9 billion yen, compared with 586.0 billion yen in the same period of the previous year. Sluggish sales in general electronic components and batteries led to an overall decrease in sales.

Other

Sales of Other totaled 341.5 billion yen, down 2% from 347.7 billion yen in the same period a year ago, due mainly to a sales decline in factory automation equipment within this category.

Consolidated Financial Condition

Net cash provided by operating activities in the fiscal 2009 six months ended September 30, 2008 amounted to 136.3 billion yen. Despite an increase of inventories, this result was due mainly to cash inflows from net income and depreciation. Net cash used in investing activities amounted to 270.0 billion yen. This was due primarily to capital expenditures for tangible fixed assets, mainly consisting of manufacturing facilities for priority business areas such as plasma and liquid crystal display panels, and semiconductors. Net cash used in financing activities was 117.0 billion yen. Major factors included the repurchase of the company's common stock and the payment of

[5] The name of "MEW and PanaHome" was as of September 30, 2008.
[6] From October 1, 2008, the name of Matsushita Electric Works, Ltd. (MEW) was changed to Panasonic Electric Works, Ltd. (PEW).

cash dividends. All these activities resulted in cash and cash equivalents of 973.1 billion yen at the end of the second quarter of fiscal 2009, down 241.7 billion yen from the end of the last fiscal year (March 31, 2008).

The company's consolidated total assets as of September 30, 2008 amounted to 7,299.4 billion yen, a decrease of 144.2 billion yen as compared with the end of the last fiscal year. Although inventories increased as a result of seasonal factors, this result was due primarily to a decrease of cash and cash equivalents. Stockholders' equity decreased 62.8 billion yen, as compared with the end of the last fiscal year, to 3,679.5 billion yen as of September 30, 2008. This was due mainly to a decrease in other comprehensive income and an increase in treasury stock on continued repurchases of the company's own shares, despite increases in retained earnings.

Interim and Year-end Dividend

The Board of Directors of the company resolved today to distribute an interim (semiannual) cash dividend of 22.5 yen per common share to shareholders of record as of September 30, 2008, payable November 28, 2008. This is an increase from last year's interim dividend of 17.5 yen. The company also plans to distribute a year-end cash dividend of 22.5 yen per common share (payable to shareholders of record as of March 31, 2009). If implemented, total dividends for fiscal 2009, including the aforementioned interim dividend of 22.5 yen per common share, will be 45.0 yen per common share.

Outlook for the Full Fiscal Year 2009

Current financial crisis originating in the United States is widespread globally and there are sharp fluctuations in exchange rates and stock prices. Under these circumstances, the company expects the outlook of the business environment for the fiscal year's third quarter onward to be uncertain, with concerns about the weak real economy. Accordingly, the forecast for the full fiscal year 2009, ending March 31, 2009, remains unchanged at this time from the forecast announced on April 28, 2008. The company will review the outlook for the full year, and make determinations regarding a possible revision at the announcement of third quarter financial results.

Panasonic Corporation, best known for its Panasonic brand products, is one of the world's leading manufacturers of electronic and electric products for consumer, business and industrial use. Panasonic's shares are listed on the Tokyo, Osaka, Nagoya and New York stock exchanges.

For more information, please visit the following web sites:

Panasonic home page URL: http://panasonic.net/

Panasonic IR web site URL: http://panasonic.net/ir/

<u>Disclaimer Regarding Forward-Looking Statements</u>

This press release includes forward-looking statements (within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934) 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 with the U.S. Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934.

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 United States, 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; currency rate fluctuations, notably between the yen, the U.S. dollar, the euro, the Chinese yuan, Asian currencies and other currencies in which the Panasonic Group operates businesses, or in which assets and liabilities of the Panasonic Group are denominated; the ability of the Panasonic Group 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 ability of the Panasonic Group to achieve its business objectives through joint ventures and other collaborative agreements with other companies; the ability of the Panasonic Group 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 assets in which the Panasonic Group has holdings or changes in valuation of long-lived assets, including property, plant and equipment and goodwill, deferred tax assets and uncertain tax positions; future changes or revisions to accounting policies or accounting rules; as well as natural disasters including earthquakes 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 Panasonic's latest annual report on Form 20-F, which is on file with the U.S. Securities and Exchange Commission.

(Financial Tables and Additional Information Attached)