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FOR IMMEDIATE RELEASE

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ANNOUNCEMENT OF FINANCIAL RESULTS

PANASONIC REPORTS FIRST-QUARTER RESULTS

*- Earnings turnaround on double-digit sales growth;
annual forecast revised upward -*

Osaka, Japan, July 29, 2010 -- Panasonic Corporation (Panasonic [NYSE: PC]) today reported its consolidated financial results for the first quarter, ended June 30, 2010, of the current fiscal year ending March 31, 2011 (fiscal 2011).

First-quarter Results

Consolidated group sales for the first quarter increased 35% to 2,161.1 billion yen, from 1,595.5 billion yen in the first quarter of fiscal 2010 (a year ago), growing sales in all segments. Of the consolidated group total, domestic sales amounted to 1,054.4 billion yen, up 23% from 858.8 billion yen a year ago. Overseas sales increased 50% to 1,106.7 billion yen, from 736.7 billion yen a year ago.

During the first quarter under review, the global economic recovery continued led by China and Asian countries, despite credit uncertainties in Europe. In this business condition, Panasonic launched a new midterm management plan called "Green Transformation 2012 (GT12)" in the beginning of fiscal 2011. The company's vision is to become the 'No.1 Green Innovation Company in the Electronics Industry' leading up to

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Panasonic's 100th anniversary in 2018, taking a lead in solving global environmental issues, the world's common challenge. As a first step in GT12, Panasonic will contribute to environmental protection and business growth, as is emphasized in the two themes of the plan: 'Paradigm shift for growth,' and 'Laying a foundation to be a Green Innovation Company.' Panasonic aims to establish 'Panasonic Group filled with strong growth potential' in fiscal 2013.

Regarding earnings, operating profit¹, pre-tax income and net income attributable to Panasonic Corporation were 83.8 billion yen, 84.3 billion yen and 43.7 billion yen, significantly improved from losses of 20.2 billion yen, 51.8 billion yen and 53.0 billion yen a year ago. This result was due mainly to strong sales, streamlining of material cost and fixed cost reduction, offsetting severe price competition, appreciation of yen and rising prices of raw materials.

Breakdown by Business Segment

The company's first quarter consolidated sales and operating profits by business segment, compared with the amounts a year ago, are summarized as follows:

Digital AVC Networks

Sales in this segment increased 8% to 831.7 billion yen, from 773.3 billion yen a year ago. Despite sales decline of mobile phones, this was due primarily to strong sales of flat-panel TVs, Blu-ray Disc recorders and automotive electronics. Operating profit significantly improved to 27.9 billion yen from operating loss of 13.6 billion yen a year ago. This was due mainly to sales increase and comprehensive streamlining efforts.

Home Appliances²

Sales in this segment increased 5% to 322.8 billion yen, compared with 306.6 billion yen a year ago, due mainly to favorable sales in air conditioners, compressors

¹ For information about operating profit, see Note 2 of the Notes to consolidated financial statements on page 11.

²The company restructured the motor business on April 1, 2010. Accordingly, segment information for Home Appliances and, Components and Devices in fiscal 2010 are reclassified to conform to the presentation for fiscal 2011.

and microwave ovens. Operating profit increased 73% to 32.3 billion yen, compared with 18.6 billion yen a year ago, due mainly to favorable sales and comprehensive streamlining efforts.

PEW and PanaHome

Sales in this segment increased 9% to 391.2 billion yen, from 357.7 billion yen a year ago. Regarding Panasonic Electric Works Co., Ltd. (PEW) and its subsidiaries, sales increased mainly in devices such as electrical construction materials and automation controls. For PanaHome Corporation and its subsidiaries, the recovery in Japanese housing market conditions and sales promotion of detached housing led overall sales increased. Operating profit was 8.3 billion yen, increased from an operating loss of 7.8 billion yen a year ago, due mainly to improvement in sales.

Components and Devices²

Sales in this segment increased 11% to 236.3 billion yen, compared with 213.3 billion yen a year ago. Strong sales of general electronic components, semiconductors and batteries contributed to this double-digit growth. Operating profit improved significantly to 11.8 billion yen from operating loss of 9.7 billion yen a year ago. This was due mainly to sales improvement and fixed cost reduction.

SANYO

Sales in this segment totaled 413.0 billion yen. Sales of solar cells, car-related equipments such as car navigation systems, and optical pickups were strong with economic stimulus programs in several countries and continuing demand expansion for PCs. Operating profit resulted in 5.0 billion yen, even after incurring the expenses such as amortization of intangible assets recorded at acquisition.

Other

Sales in this segment totaled 275.4 billion yen, up 35% from 204.7 billion yen a year ago, due mainly to significantly strong sales in factory automation equipment. Operating profit also improved significantly to 12.8 billion yen, compared with an operating loss of 0.9 billion yen a year ago.

Consolidated Financial Condition

Net cash provided by operating activities for the first quarter amounted to 144.9 billion yen. This was attributable primarily to net income and depreciation. Net cash provided by investing activities amounted to 19.4 billion yen. This was due primarily to proceeds from disposition of investments and advances, and proceeds from disposals of property, plant and equipment, offsetting capital expenditures for manufacturing facilities such as flat-panel TVs and batteries, which are the company's priority business areas. Net cash used in financing activities was 69.5 billion yen, due mainly to expenditures on purchasing of noncontrolling interests of the company's subsidiaries. All these activities associated with the effect of exchange rate fluctuations, resulted in cash and cash equivalents of 1,169.2 billion yen as of June 30, 2010, up 59.3 billion yen, compared with the end of the last fiscal year (March 31, 2010).

The company's consolidated total assets as of June 30, 2010 decreased 7.0 billion yen to 8,351.0 billion yen from the end of the fiscal 2010. This was due mainly to decrease in investments and advances affected by decline of market value in investments, despite increasing inventories experiencing seasonality. Panasonic Corporation shareholders' equity decreased 141.8 billion yen, compared with the end of fiscal 2010, to 2,650.7 billion yen as of June 30, 2010. This result was due primarily to appreciation of yen, deterioration in accumulated other comprehensive income (loss) influenced by decline of market value in investments, and decrease in capital surplus influenced by the acquisition of noncontrolling interests of the company's subsidiaries.

Outlook for Fiscal 2011

Although the global economic recovery has continued led by emerging countries, Panasonic anticipates the market conditions to be still uncertain due to signs of faltering economies of U.S. and Europe. In these severe business conditions, regarding consolidated results forecast for six months ending September 30, 2010, the company revised its previous forecast announced on May 7, 2010 upward, due mainly to sales growth in all segments especially Digital AVC Networks and Home Appliances. The company revised its sales forecast from 4,200 billion yen to 4,370 billion yen. Operating profit is expected to be 140 billion yen, increasing 86 billion yen from the previous forecast of 54 billion yen. Income before income taxes is forecasted to be 120 billion yen, improved from the previous forecast of

29 billion yen. Net income attributable to Panasonic Corporation is expected to be 55 billion yen improved from the previous forecast of 2 billion yen. Net income attributable to Panasonic Corporation common shareholders, per share is anticipated to be 26.57 yen, improved from the previous forecast of 0.97 yen.

Regarding the annual forecast for fiscal 2011, Panasonic revised its previous forecast upward as well, due mainly to the aforementioned consolidated results forecast for six months ending September 30, after factoring the expectation of a yen appreciation and raw material cost hikes for the third quarter of fiscal 2011 onward. The company revised its previous sales forecast of 8,800 billion yen upward to 8,900 billion yen. Operating profit is expected to be 310 billion yen, increasing 60 billion yen from the previous forecast of 250 billion yen. Income before income taxes is forecasted to be 210 billion yen, improved from the previous forecast of 150 billion yen. Net income attributable to Panasonic Corporation is expected to be 85 billion yen improved from the previous forecast of 50 billion yen. Net income attributable to Panasonic Corporation common shareholders, per share is anticipated to be 41.06 yen, improved from the previous forecast of 24.15 yen.

Panasonic Corporation 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/>

Disclaimer Regarding Forward-Looking Statements

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 U.S. Securities Exchange Act of 1934 and its other filings.

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 possibility of the Panasonic Group incurring additional costs of raising funds, because of changes in the fund raising environment; 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 possibility of not achieving expected results on the alliances or mergers and acquisitions including the acquisition of all shares of Panasonic Electric Works Co., Ltd. and SANYO Electric Co., Ltd. through tender offers and share exchanges; 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, prevalence of infectious diseases throughout the world 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)