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FOR IMMEDIATE RELEASE

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ANNOUNCEMENT OF FINANCIAL RESULTS

PANASONIC REPORTS FISCAL 2011 ANNUAL RESULTS

-All incomes increased significantly -

Osaka, Japan, April 28, 2011 -- Panasonic Corporation (Panasonic [NYSE: PC/TSE:6752]) today reported its consolidated financial results for the year ended March 31, 2011 (fiscal 2011).

Consolidated Results

Consolidated group sales for fiscal 2011 increased by 17% to 8,692.7 billion yen from 7,418.0 billion yen in the year ended March 31, 2010 (fiscal 2010), due mainly to the inclusion of sales of SANYO Electric Co., Ltd. (SANYO) and its subsidiaries in the company's consolidated financial results from January 2010 onwards. Of the consolidated group total, domestic sales amounted to 4,514.3 billion yen, up 13% from 3,994.4 billion yen in fiscal 2010. Overseas sales increased by 22% to 4,178.4 billion yen from 3,423.6 billion yen in fiscal 2010.

Globally, while the growth in Europe and U.S. remained sluggish, the industry as a whole was steady driven by the emerging countries like China and India. The domestic market continued to be strong until last November due to a last minute rush before the revision of the 'eco-point' system, the Japanese government's economic stimulus program. However, in addition to sluggish demand since December, the devastation brought by the Great East Japan Earthquake on March 11, 2011 significantly impacted the world economy and fiscal 2011 ended without seeing the road to recovery.

In such a business environment, as a first step towards realizing the 100th

anniversary vision of becoming the “No.1 Innovation Company in the Electronics Industry,” Panasonic started its three-year midterm management plan called “Green Transformation 2012 (GT12)” in fiscal 2011 and worked towards the two themes of Paradigm Shift to Growth and Laying Foundations to be a Green Innovation Company.

Regarding Paradigm Shift to Growth, the company worked towards shifting its businesses:

- 1) from existing businesses to new businesses – such as energy
- 2) from Japan-oriented to globally-oriented
- 3) from individual product-oriented to solutions & systems business-oriented, and promoted expansion of key businesses such as Heating/Refrigeration/Air Conditioning and LED, and sales increase in emerging markets through high-volume segment products.

Regarding Laying Foundations to be a Green Innovation Company, Panasonic worked for a larger contribution towards protection of the environment, through increased sales of energy saving and creating products and by reducing CO₂ emissions in production.

In addition, the company proceeded to discuss business reorganization and new growth strategies, as Panasonic and its subsidiaries, Panasonic Electric Works Co., Ltd. (PEW) and SANYO agreed to make these two companies wholly-owned subsidiaries of Panasonic with the aim of speeding up synergy generation and maximizing it. PEW and SANYO became wholly-owned subsidiaries of Panasonic on April 1, 2011 after related procedures.

Regarding the operating profit¹, despite severe price competition, appreciation of the yen and rising material costs, along with the loss of production and subdued demand due to the Great East Japan Earthquake, the operating profit improved by 60% to 305.3 billion yen from 190.5 billion yen in fiscal 2010 due mainly to strong sales on an annual basis, and a wide range of exhaustive cost reductions, including streamlining of material costs and other general expenses. Although the restructuring cost including implementation of the retirement program and the loss related to Great East Japan Earthquake were incurred in other income (deductions), both income (loss) before income taxes and net income attributable to Panasonic Corporation improved significantly. Income (loss) before income taxes turned to a profit of 178.8 billion yen

¹ For information about operating profit, see Note 2 of the Notes to consolidated financial statements on page 13.

from a loss of 29.3 billion yen and net income attributable to Panasonic Corporation turned to a profit of 74.0 billion yen from a loss of 103.5 billion yen in fiscal 2010.

Breakdown by Business Segment

The company's annual consolidated sales and operating profits by business segment, with previous year comparisons, are summarized as follows:

Digital AVC Networks

Sales in this segment amounted to 3,304.0 billion yen, down 3% from 3,409.5 billion yen a year ago. Despite favorable sales of Blu-ray Disc recorders, this result was due mainly to sales declines in mobile phones and digital cameras. Operating profit increased by 32% to 114.9 billion yen from 87.3 billion yen, mainly as a result of fixed cost reduction and streamlining efforts, offsetting the impact of a sales decline and yen appreciation.

Home Appliances²

Sales in this segment increased by 6% to 1,275.9 billion yen, compared with 1,204.2 billion yen a year ago due mainly to favorable sales of air conditioners, refrigerators and compressors. Despite rising material costs, operating profit increased by 40% to 92.3 billion yen from 66.1 billion yen, due mainly to strong sales and a fixed cost reduction.

PEW and PanaHome

Sales in this segment increased by 6% to 1,735.0 billion yen from 1,632.1 billion yen a year ago. Regarding Panasonic Electric Works Co., Ltd. and its subsidiaries, in addition to favorable sales mainly in home appliances and devices such as electronic materials and automation controls, sales growth in housing/building related business such as electrical construction and building materials also contributed to the overall sales increase. For PanaHome Corporation and its subsidiaries, stable sales of housing construction such as detached housing and rental apartment housing on the back of the recovery in Japanese housing market conditions led to the increase in overall sales. Operating profit improved significantly by 110% to 73.0 billion yen from 34.7 billion yen

² The 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.

a year ago, as an increase in profit by strong sales and streamlining efforts, covering the impact of yen appreciation and rising material costs.

Components and Devices²

Sales in this segment decreased to 926.3 billion yen, down 1% from 931.5 billion yen a year ago. Despite steady sales of general components, this result was due mainly to declines in sales of batteries and semiconductors. Operating profit decreased by 10% to 33.0 billion yen from 36.5 billion yen a year ago due mainly to falling sales.

SANYO

Sales in this segment totaled 1,561.9 billion yen. Sales of photovoltaic power generation system, in-car-related equipment and cold-chain equipments were favorable, while sales of digital cameras and rechargeable batteries were sluggish due to price declines on the back of severe competition. Operating loss was 8.0 billion yen, after incurring the expenses such as the amortization of intangible assets recorded at acquisition.

Other

Sales in this segment significantly increased by 18% to 1,197.7 billion yen from 1,012.2 billion yen a year ago, due mainly to strong sales in factory automation equipment. Operating profit also improved by 168% to 52.9 billion yen from 19.7 billion yen due mainly to sales increase.

Consolidated Financial Condition

Net cash provided by operating activities for the year ended March 31, 2011 amounted to 469.2 billion yen. This was attributable primarily to net income and depreciation expense. Net cash used in investing activities amounted to 202.9 billion yen. This was due mainly to capital expenditures on manufacturing facilities such as flat-panel TVs and batteries, which are the company's priority business areas, offsetting proceeds from disposition of investments and advances, and proceeds from disposals of property, plant and equipment. Despite long term debt increased due to unsecured straight bonds issuance, net cash used in financing activities was 354.6 billion yen, due mainly to expenditures related to purchasing of noncontrolling interests of the company's subsidiaries, including the tender offers for PEW and SANYO. Taking into consideration exchange rate fluctuations, cash and cash equivalents totaled 974.8 billion yen as of March 31, 2011, a decrease of 135.1 billion yen, compared with the

end of the last fiscal year.

The company's consolidated total assets as of March 31, 2011 decreased by 535.2 billion yen to 7,822.9 billion yen, from the end of fiscal 2010. This was due mainly to appreciation of the yen and a decrease in investments and advances affected by decreases in the market value of investments, in addition to falls in cash and cash equivalent and account receivables. Panasonic Corporation shareholders' equity decreased by 233.5 billion yen, compared with the end of fiscal 2010 to 2,559.0 billion yen as of March 31, 2011. This was mainly due to deterioration in accumulated other comprehensive income (loss) influenced by appreciation of the yen and decrease in capital surplus owing to acquisition of noncontrolling interests of the company's subsidiaries. Noncontrolling interests decreased by 499.9 billion yen, from the end of fiscal 2010, to 387.3 billion yen due mainly to the tender offer.

Non-Consolidated (Parent Company Alone) Results³

Parent-alone sales increased by 6% to 4,143.0 billion yen from 3,926.6 billion yen in fiscal 2010. Of the total sales, domestic sales amounted 2,411.6 billion yen, up 3% from 2,340.8 billion yen in fiscal 2010. Overseas sales increased by 9% to 1,731.4 billion yen from 1,585.8 billion yen in fiscal 2010. Regarding parent-alone earnings, operating profit increased by 96% to 104.3 billion yen from 53.2 billion yen in fiscal 2010. Recurring profit increased by 213% to 146.4 billion yen from 46.7 billion yen in fiscal 2010. Parent-alone net loss was 49.9 billion yen, improved from a loss of 124.9 billion yen in fiscal 2010.

Dividend

Total cash dividends for fiscal 2011, ended March 31, 2011, are expected to be 10.0 yen per share, including an interim dividend of 5.0 yen per share paid on November 30, 2010.

Forecast for Fiscal 2012

As it is difficult to assess the impact of the Great East Japan Earthquake on March 11, 2011 on its consolidated financial results, the company is currently unable to

³ Non-consolidated (parent company alone) results are in conformity with Japanese generally accepted accounting principles.

provide financial forecasts for fiscal 2012. The company will announce the forecast when it is feasible.

For your reference, consolidated results forecasts for fiscal 2012 (excluding the impact of the Great East Japan Earthquake) are as follows:

Sales are forecast to be 8,800.0 billion yen

Operating profit is forecast to be 310.0 billion yen

Income (loss) before income taxes⁴ is forecast to be 140.0 billion yen

Net income attributable to Panasonic Corporation is forecast to be 50.0 billion 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/>

⁴ Factors affecting the forecast for other income (deductions) of 170.0 billion yen (the difference between operating profit and income before income taxes) include business restructuring expenses of 110.0 billion yen.

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 business reorganization after the acquisition of all shares of Panasonic Electric Works Co., Ltd. and SANYO Electric Co., Ltd.; 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; natural disasters including earthquakes, prevalence of infectious diseases throughout the world and other events that may negatively impact business activities of the Panasonic Group; as well as direct or indirect adverse effects of the Great East Japan Earthquake on Panasonic Group in terms of, among others, component procurement, manufacturing, distribution, and economic conditions in Japan and overseas including consumer spending and corporate capital investment. The factors listed above are not all-inclusive and further information is contained in Panasonic's latest annual reports, on Form 20-F, and any other reports and documents which are on file with the U.S. Securities and Exchange Commission.

(Financial Tables and Additional Information Attached)

Panasonic Corporation
Consolidated Statement of Operations *
(Year ended March 31)

| | <u>2011</u> | <u>Yen (millions)</u> | <u>2010</u> | <u>Percentage 2011/2010</u> |
|---|-----------------|-----------------------|-------------|---------------------------------|
| Net sales | ¥ 8,692,672 | ¥ 7,417,980 | | 117% |
| Cost of sales | (6,389,180) | (5,341,059) | | |
| Selling, general and administrative expenses | (1,998,238) | (1,886,468) | | |
| Interest income | 11,593 | 12,348 | | |
| Dividends received | 6,323 | 6,746 | | |
| Interest expense | (27,524) | (25,718) | | |
| Expenses associated with the implementation of early retirement programs * | (17,671) | (38,954) | | |
| Other income (deductions), net * | <u>(99,168)</u> | <u>(174,190)</u> | | |
| Income (loss) before income taxes | <u>178,807</u> | <u>(29,315)</u> | | -- |
| Provision for income taxes | (103,010) | (141,833) | | |
| Equity in earnings of associated companies | 9,800 | 481 | | |
| Net income (loss) | <u>85,597</u> | <u>(170,667)</u> | | -- |
| Less net income (loss) attributable to noncontrolling interests | <u>11,580</u> | <u>(67,202)</u> | | |
| Net income (loss) attributable to Panasonic Corporation | <u>¥ 74,017</u> | <u>¥ (103,465)</u> | | -- |
| Net income (loss) attributable to Panasonic Corporation, basic per common share | 35.75 yen | (49.97) yen | | |
| per ADS | 35.75 yen | (49.97) yen | | |
| Net income (loss) attributable to Panasonic Corporation, diluted per common share * | -- | -- | | |
| per ADS * | -- | -- | | |

(Parentheses indicate expenses, deductions or losses.)

* See Notes to consolidated financial statements on pages 13-14.

Supplementary Information
(Year ended March 31)

| | <u>2011</u> | <u>Yen (millions)</u> | <u>2010</u> |
|--------------------------------|-------------|-----------------------|-------------|
| Depreciation (tangible assets) | ¥ 284,244 | ¥ 251,839 | |
| Capital investment ** | ¥ 403,778 | ¥ 385,489 | |
| R&D expenditures | ¥ 527,798 | ¥ 476,903 | |
| Number of employees (March 31) | 366,937 | 384,586 | |

** These figures are calculated on an accrual basis.

Panasonic Corporation
Consolidated Balance Sheet **
March 31, 2011
With comparative figures for March 31, 2010

| Assets | Yen (millions) | |
|---|-----------------------|-----------------------|
| | <u>March 31, 2011</u> | <u>March 31, 2010</u> |
| Current assets: | | |
| Cash and cash equivalents | ¥ 974,826 | ¥ 1,109,912 |
| Time deposits | 69,897 | 92,032 |
| Trade receivables: | | |
| Notes | 78,979 | 74,283 |
| Accounts | 1,001,982 | 1,134,915 |
| Allowance for doubtful receivables | (21,860) | (24,158) |
| Inventories | 896,424 | 913,646 |
| Other current assets | 489,601 | 505,418 |
| Total current assets | <u>3,489,849</u> | <u>3,806,048</u> |
| Investments and advances | 569,651 | 636,762 |
| Property, plant and equipment, net of accumulated depreciation | 1,883,309 | 1,956,021 |
| Other assets | <u>1,880,061</u> | <u>1,959,226</u> |
| Total assets | <u>¥ 7,822,870</u> | <u>¥ 8,358,057</u> |
| Liabilities and Equity | | |
| Current liabilities: | | |
| Short-term debt, including current portion of long-term debt | ¥ 432,982 | ¥ 299,064 |
| Trade payables: | | |
| Notes | 60,128 | 59,608 |
| Accounts | 941,124 | 1,011,838 |
| Other current liabilities | <u>1,412,816</u> | <u>1,445,353</u> |
| Total current liabilities | <u>2,847,050</u> | <u>2,815,863</u> |
| Noncurrent liabilities: | | |
| Long-term debt | 1,162,287 | 1,028,928 |
| Other long-term liabilities | <u>867,198</u> | <u>833,493</u> |
| Total noncurrent liabilities | <u>2,029,485</u> | <u>1,862,421</u> |
| Total liabilities | <u>4,876,535</u> | <u>4,678,284</u> |
| Panasonic Corporation shareholders' equity: | | |
| Common stock | 258,740 | 258,740 |
| Capital surplus | 1,100,181 | 1,209,516 |
| Legal reserve | 94,198 | 93,307 |
| Retained earnings | 2,401,909 | 2,349,487 |
| Accumulated other comprehensive income (loss) * | (625,300) | (448,232) |
| Treasury stock, at cost | <u>(670,736)</u> | <u>(670,330)</u> |
| Total Panasonic Corporation shareholders' equity | <u>2,558,992</u> | <u>2,792,488</u> |
| Noncontrolling interests | <u>387,343</u> | <u>887,285</u> |
| Total equity | <u>2,946,335</u> | <u>3,679,773</u> |
| Total liabilities and equity | <u>¥ 7,822,870</u> | <u>¥ 8,358,057</u> |

* Accumulated other comprehensive income (loss) breakdown:

| | Yen (millions) | |
|--|-----------------------|-----------------------|
| | <u>March 31, 2011</u> | <u>March 31, 2010</u> |
| Cumulative translation adjustments | ¥ (453,158) | ¥ (352,649) |
| Unrealized holding gains of available-for-sale securities | 16,835 | 40,700 |
| Unrealized gains of derivative instruments | 2,277 | 1,272 |
| Pension liability adjustments | (191,254) | (137,555) |

** See Notes to consolidated financial statements on pages 13-14.

Panasonic Corporation
Consolidated Information by Business Segment *
(Year ended March 31)

By Business Segment:

| [Sales] | <u>Yen (billions)</u> | | <u>Percentage</u> <u>2011/2010</u> |
|------------------------|-----------------------|------------------|---------------------------------------|
| | <u>2011</u> | <u>2010</u> | |
| Digital AVC Networks | ¥ 3,304.0 | ¥ 3,409.5 | 97% |
| Home Appliances | 1,275.9 | 1,204.2 | 106% |
| PEW and PanaHome | 1,735.0 | 1,632.1 | 106% |
| Components and Devices | 926.3 | 931.5 | 99% |
| SANYO | 1,561.9 | 404.8 | 386% |
| Other | <u>1,197.7</u> | <u>1,012.2</u> | 118% |
| Subtotal | 10,000.8 | 8,594.3 | 116% |
| Eliminations | <u>(1,308.1)</u> | <u>(1,176.3)</u> | -- |
| Consolidated total | <u>¥ 8,692.7</u> | <u>¥ 7,418.0</u> | 117% |

[Segment Profit (Loss)]*

| | | | |
|----------------------------|----------------|----------------|------|
| Digital AVC Networks | ¥ 114.9 | ¥ 87.3 | 132% |
| Home Appliances | 92.3 | 66.1 | 140% |
| PEW and PanaHome | 73.0 | 34.7 | 210% |
| Components and Devices | 33.0 | 36.5 | 90% |
| SANYO | (8.0) | (0.7) | -- |
| Other | <u>52.9</u> | <u>19.7</u> | 268% |
| Subtotal | 358.1 | 243.6 | 147% |
| Corporate and eliminations | <u>(52.8)</u> | <u>(53.1)</u> | -- |
| Consolidated total | <u>¥ 305.3</u> | <u>¥ 190.5</u> | 160% |

* See Notes to consolidated financial statements on pages 13-14.

Panasonic Corporation
Consolidated Statement of Equity *
(Years ended March 31, 2011 and 2010)

| | <u>Yen (millions)</u> | | | | | | | | |
|--|-----------------------|--------------------|-----------------|--------------------|---|--------------------|--|--------------------------|--------------------|
| | Common stock | Capital surplus | Legal reserve | Retained earnings | Accumulated other comprehensive income (loss) | Treasury stock | Panasonic Corporation shareholders' equity | Noncontrolling interests | Total equity |
| (Year ended March 31, 2011) | | | | | | | | | |
| Balances at beginning of period | ¥ 258,740 | ¥ 1,209,516 | ¥ 93,307 | ¥ 2,349,487 | ¥ (448,232) | ¥ (670,330) | ¥ 2,792,488 | ¥ 887,285 | ¥ 3,679,773 |
| Gain (loss) from sale of treasury stock | | (9) | | | | | (9) | | (9) |
| Transfer from retained earnings | | 891 | | (891) | | | -- | | -- |
| Cash dividends | | | | (20,704) | | | (20,704) | (12,583) | (33,287) |
| Increase (decrease) mainly in capital transactions | | (109,326) | | | (5,885) | | (115,211) | (474,758) | (589,969) |
| Disclosure of comprehensive income (loss) | | | | | | | | | |
| Net income (loss) | | | | 74,017 | | | 74,017 | 11,580 | 85,597 |
| Translation adjustments | | | | | (86,015) | | (86,015) | (21,764) | (107,779) |
| Unrealized holding gains (losses) of available-for-sale securities | | | | | (22,789) | | (22,789) | (1,633) | (24,422) |
| Unrealized gains (losses) of derivative instruments | | | | 988 | | 988 | (26) | | 962 |
| Pension liability adjustments | | | | (63,367) | | (63,367) | (758) | | (64,125) |
| Total comprehensive income (loss) | | | | | | (97,166) | (12,601) | | (109,767) |
| Repurchase of common stock, net | | | | | (406) | (406) | | | (406) |
| Balances at end of period | ¥ 258,740 | ¥ 1,100,181 | ¥ 94,198 | ¥ 2,401,909 | ¥ (625,300) | ¥ (670,736) | ¥ 2,558,992 | ¥ 387,343 | ¥ 2,946,335 |

| | Common stock | Capital surplus | Legal reserve | Retained earnings | Accumulated other comprehensive income (loss) | Treasury stock | Panasonic Corporation shareholders' equity | Noncontrolling interests | Total equity |
|--|------------------|--------------------|-----------------|--------------------|---|--------------------|--|--------------------------|--------------------|
| (Year ended March 31, 2010) | | | | | | | | | |
| Balances at beginning of period | ¥ 258,740 | ¥ 1,217,764 | ¥ 92,726 | ¥ 2,479,416 | ¥ (594,377) | ¥ (670,289) | ¥ 2,783,980 | ¥ 428,601 | ¥ 3,212,581 |
| Gain (loss) from sale of treasury stock | | (8) | | | | | (8) | | (8) |
| Transfer from retained earnings | | 581 | | (581) | | | -- | | -- |
| Cash dividends | | | | (25,883) | | | (25,883) | (14,619) | (40,502) |
| Purchase of shares of a newly consolidated subsidiary | | | | | | | -- | 532,360 | 532,360 |
| Increase (decrease) mainly in capital transactions | | (8,240) | | | | | (8,240) | (2,402) | (10,642) |
| Disclosure of comprehensive income (loss) | | | | | | | | | |
| Net income (loss) | | | | (103,465) | | | (103,465) | (67,202) | (170,667) |
| Translation adjustments | | | | | (11,057) | | (11,057) | 1,238 | (9,819) |
| Unrealized holding gains (losses) of available-for-sale securities | | | | 51,263 | | 51,263 | | 2,378 | 53,641 |
| Unrealized gains (losses) of derivative instruments | | | | 6,161 | | 6,161 | 68 | | 6,229 |
| Pension liability adjustments | | | | 99,778 | | 99,778 | 6,863 | | 106,641 |
| Total comprehensive income (loss) | | | | | | 42,680 | (56,655) | | (13,975) |
| Repurchase of common stock, net | | | | | (41) | (41) | | | (41) |
| Balances at end of period | ¥ 258,740 | ¥ 1,209,516 | ¥ 93,307 | ¥ 2,349,487 | ¥ (448,232) | ¥ (670,330) | ¥ 2,792,488 | ¥ 887,285 | ¥ 3,679,773 |

* See Notes to consolidated financial statements on pages 13-14.

Panasonic Corporation
Consolidated Statement of Cash Flows *
(Year ended March 31)

| | <u>Yen (millions)</u> | |
|---|-----------------------|--------------------|
| | <u>2011</u> | <u>2010</u> |
| <u>Cash flows from operating activities:</u> | | |
| Net income (loss) | ¥ 85,597 | ¥ (170,667) |
| Adjustments to reconcile net income (loss) to net cash provided by operating activities: | | |
| Depreciation and amortization | 367,263 | 298,270 |
| Net gain on sale of investments | (11,318) | (5,137) |
| Cash effects of changes in, excluding acquisition: | | |
| Trade receivables | 83,333 | (119,966) |
| Inventories | (54,659) | 100,576 |
| Trade payables | (12,826) | 83,719 |
| Retirement and severance benefits | (38,400) | (8,655) |
| Other | <u>50,205</u> | <u>344,193</u> |
| Net cash provided by operating activities | <u>469,195</u> | <u>522,333</u> |
| <u>Cash flows from investing activities:</u> | | |
| Proceeds from disposition of investments and advances | 87,229 | 61,302 |
| Increase in investments and advances | (8,873) | (8,855) |
| Capital expenditures | (420,921) | (375,648) |
| Proceeds from disposals of property, plant and equipment | 152,663 | 117,857 |
| (Increase) decrease in time deposits | 19,005 | 99,274 |
| Purchase of shares of a newly consolidated subsidiary | -- | (174,808) |
| Other | <u>(32,048)</u> | <u>(42,781)</u> |
| Net cash used in investing activities | <u>(202,945)</u> | <u>(323,659)</u> |
| <u>Cash flows from financing activities:</u> | | |
| Increase (decrease) in short-term debt | (34,034) | (3,360) |
| Increase (decrease) in long-term debt | 303,217 | (1,608) |
| Dividends paid to Panasonic Corporation shareholders | (20,704) | (25,883) |
| Dividends paid to noncontrolling interests | (12,583) | (14,619) |
| (Increase) decrease in treasury stock | (415) | (49) |
| Other | <u>(590,108)</u> | <u>(11,454)</u> |
| Net cash used in financing activities | <u>(354,627)</u> | <u>(56,973)</u> |
| Effect of exchange rate changes on cash and cash equivalents | (46,709) | (5,656) |
| Net increase (decrease) in cash and cash equivalents | <u>(135,086)</u> | <u>136,045</u> |
| Cash and cash equivalents at beginning of period | <u>1,109,912</u> | <u>973,867</u> |
| Cash and cash equivalents at end of period | <u>¥ 974,826</u> | <u>¥ 1,109,912</u> |

* See Notes to consolidated financial statements on pages 13-14.

Notes to consolidated financial statements:

1. The company's consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles (U.S. GAAP).
2. In order to be consistent with generally accepted financial reporting practices in Japan, operating profit, a non-GAAP measure, is presented as net sales less cost of sales and selling, general and administrative expenses. The company believes that this is useful to investors in comparing the company's financial results with those of other Japanese companies. Please refer to the accompanying consolidated statement of operations and Note 3 for the U.S. GAAP reconciliation.
3. Under U.S. GAAP, expenses associated with the implementation of early retirement programs at certain domestic and overseas companies are included as part of operating profit in the statement of operations.
4. In other income (deductions), the company incurred 17.7 billion yen as expenses associated with the implementation of early retirement programs of certain domestic and overseas companies.
5. The impairment loss on fixed assets and the loss due to the Great East Japan Earthquake are included as other income (deduction), net.

6. Per share data (Years ended March 31)

| | <u>2011</u> | <u>2010</u> |
|---|---------------|---------------|
| Net income (loss) attributable to | | |
| Panasonic Corporation (millions of yen) | 74,017 | (103,465) |
| Average common shares outstanding (number of shares) | 2,070,341,989 | 2,070,623,618 |
| Net income (loss) attributable to | | |
| Panasonic Corporation per share: | | |
| Basic | 35.75 yen | (49.97 yen) |
| Diluted | - | - |

Diluted net income (loss) per share attributable to Panasonic Corporation common shareholders has been omitted because the company did not have potential common shares that were outstanding for the period.

7. Regarding consolidated segment profit (loss), expenses for basic research and administrative expenses at the corporate headquarters level are treated as unallocatable expenses for each business segment, and are included in Corporate and eliminations.
8. SANYO and its subsidiaries became Panasonic's consolidated subsidiaries in December 2009. The operating results of SANYO and its subsidiaries are not included in the company's consolidated financial statements for the period before December 2009.
9. The company resolved, at the Board of Directors meeting held on July 29, 2010, to pursue a plan of Panasonic's acquisition of all shares of PEW and SANYO, which are the company's subsidiaries, in order to make them wholly-owned subsidiaries of Panasonic by way of tender offers and, thereafter, share exchanges. Panasonic conducted, pursuant to the resolution of its above-mentioned Board of Directors meeting, the tender offers for the shares of PEW and SANYO during a tender offer period from August 23, 2010 through

October 6, 2010. Thereafter, Panasonic, PEW and SANYO resolved at their respective meetings of the Board of directors held on December 21, 2010, to conduct share exchanges in order to make Panasonic a wholly-owning parent company, and the share exchange agreements were executed between Panasonic and PEW, and between Panasonic and SANYO. The Share Exchange was executed on April 1, 2011, after the approval of the share exchange agreements at extraordinary general meetings of PEW and SANYO, in early March, 2011. The shares of both subsidiaries were delisted on March 29, 2011.

10. JVC KENWOOD Holdings, Inc. (JVC KENWOOD HD) and its consolidated subsidiaries ceased to be an associated company of Panasonic under the equity method as the ownership percentage of Panasonic in JVC Kenwood HD fell due to JVC KENWOOD HD's issuance of new shares and disposition of treasury shares through international offering, on January 25, 2011.

11. The company's business segments are classified according to a business domain-based management system, which focuses on global consolidated management by each business domain, in order to ensure consistency of its internal management structure and disclosure. The company restructured the motor business on April 1, 2010. Accordingly, segment information for Home Appliances, and Components and Devices in fiscal 2010 is reclassified to conform to the presentation for fiscal 2011.

Principal internal divisional companies or units and subsidiaries operating in respective segments as of March 31, 2011 are as follows:

Digital AVC Networks

AVC Networks Company, System Networks Company,
Panasonic Mobile Communications Co., Ltd., Automotive Systems Company,
Panasonic Healthcare Co., Ltd.*

Home Appliances

Home Appliances Company, Lighting Company, Panasonic Ecology Systems Co., Ltd.

PEW and PanaHome

Panasonic Electric Works Co., Ltd., PanaHome Corporation

Components and Devices

Semiconductor Company, Panasonic Electronic Devices Co., Ltd., Energy Company

SANYO

SANYO Electric Co., Ltd.

Other

Panasonic Factory Solutions Co., Ltd., Panasonic Welding Systems Co., Ltd.

* From October 1, 2010, the name of "Panasonic Shikoku Electronics Co., Ltd." was changed to "Panasonic Healthcare Co., Ltd."

12. Number of consolidated companies: 634 (including parent company)

13. Number of associated companies under the equity method: 114

Basic Accounting Policies:

1. Basis of Presentation of Consolidated Financial Statements

The company's consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles. See Note 2 of Notes to consolidated financial statements on page 13.

2. Inventories

Finished goods and work in process are stated at the lower of cost (average) or market. Raw materials are stated at cost, principally on a first-in, first-out or average basis, not in excess of current replacement cost.

3. Marketable Securities

The company accounts for debt and equity securities in accordance with the provision of ASC 320, "Investments-Debt and Equity Securities."

4. Property, Plant and Equipment, and Depreciation

Property, plant and equipment are stated at cost. Depreciation is computed primarily using the straight-line method.

5. Leases

The company accounts for leases in accordance with the provision of ASC 840, "Leases."

6. Income Taxes

Income taxes are accounted for under the asset and liability method. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the fiscal year that includes the enactment date.

7. Retirement and Severance Benefits

The company accounts for retirement and severance benefits in accordance with the provision of ASC715, "Compensation-Retirement Benefits."

8. Derivative Financial Instruments

The company accounts for derivative instruments in accordance with the provision of ASC 815, "Derivative and Hedging."

Management Policy

(1) Basic Policy for Corporate Management

Since the company's establishment in 1918, Panasonic has operated its businesses under its basic management philosophy, which sets forth that the mission as a business enterprise is to contribute to progress and development of society and well-being of people through its business activities, thereby offering better quality of life throughout the world. To become a global excellent company contributing to resolve global environmental issues, Panasonic will work to grow sustainably in corporate value to satisfy its shareholders, investors, customers, business partners and all other stakeholders.

(2) Basic Policy for Providing Return to Shareholders

Since its establishment, Panasonic has managed its businesses under the concept that returning profits to shareholders is one of its most important policies. The company has implemented a proactive and comprehensive profit return to shareholders through dividend payments and own share repurchases, upon careful consideration of its consolidated business performance.

From the perspective of return on the capital investment made by shareholders, Panasonic, in principle, distributes profits to shareholders based on its business performance and is aiming for stable and continuous growth in dividends, targeting a dividend payout ratio of between 30% and 40% with respect to consolidated net income attributable to Panasonic Corporation. Regarding share buybacks, the company is repurchasing its own shares as it considers appropriate, taking comprehensively into consideration strategic investments and the company's financial condition, with the aim of increasing shareholder value per share and return on capital.

In fiscal 2011 for the first year of the three year midterm management plan called "Green Transformation 2012 (GT12)", the company returned to profitability and took a large step towards business restructuring, making PEW and SANYO its wholly-owned subsidiaries. Regarding the dividends for fiscal 2011, considering the requirement for further stabilization of financial position to support these reforms and the above policy for profit return to shareholders, the company paid an interim dividend of 5 yen per share on November 30, 2010 and plans to pay a year-end dividend of 5 yen per share, making an annual cash dividend of 10 yen per share. Meanwhile, the company did not repurchase its own shares, except for acquiring fractions of a trading unit and other minor transactions. Although Panasonic expects severe business environment to continue with uncertain world's economic trends and the effect of the Great East Japan Earthquake, the company will strive to improve its performance and distribute earnings to shareholders.

As it is difficult to assess the impact of the Great East Japan Earthquake on March 11, 2011 on its consolidated financial results, the company is currently unable to provide annual dividend forecast for fiscal 2012.

(3) Corporate Management Strategies and Challenges

In fiscal 2012, although it is concerned some impact from the Great East Japan Earthquake, Panasonic expects the continuous high growth in emerging countries and some growth in the US and Europe on the global economy.

Panasonic will continue to support disaster areas affected by the earthquake. To accelerate restoration of business, the company will resolve supply chain issues, and strengthen risk management simultaneously. Through its business activities, Panasonic will contribute to the reconstruction from the impact of the Earthquake, by promoting energy-saving products such as LED lightings and other solutions which combine 'energy creation', 'energy storage' and 'energy management'.

In fiscal 2012, Panasonic will also reorganize its whole group structure including PEW and SANYO, wholly-owned subsidiaries of Panasonic. Through the accomplishment of the reorganization, the company will start its new business structure in January 2012 to accelerate its growth strategy.

The basic concepts in its reorganization are: 1) maximization of value creation by strengthening connection with customers, 2) realization of speedy and lean management structure, and 3) acceleration of business growth strategy by shifting resources. Panasonic will therefore reorganize into three business sectors as follows:

1) Consumer business sector:

two domain companies: 'AVC Networks' and 'Heating/Refrigeration/Air Conditioning & Home Appliances', and
one department: 'Global Consumer Marketing'

2) Components and Devices business sector:

three domain companies: 'Automotives Systems', 'Components & Devices' and 'Energy Devices'

3) Solutions business sector:

four domain companies: 'System & Communication Solutions', 'Environment & Energy Solutions', 'Healthcare & Medical Solutions' and 'Factory Solutions'

Under this new organization of nine domain companies and one department, Panasonic will pursue its growth strategy to stay competitive in a global market.

Regarding head office function, Panasonic will integrate head offices of the company, PEW and SANYO, and six corporate regional management divisions into 'Global and Group head office' for lean, speedy and global operation. The company will also reorganize functional divisions for global optimization. As one of the initiatives, headquarters of manufacturing-related functions (procurement, logistics, and etc) will be moved to Asia. Panasonic will enhance its global manufacturing capability.

Panasonic will unify its corporate brands to one 'Panasonic' with exceptions in some regions and products. Many of the sub-brands, product names and technology-names will be used when it is necessary, taking into account of the Group strategy.

In fiscal 2012, Panasonic will pursue new strategies with 'act decisively' and 'change'.

To 'act decisively,' Panasonic will mainly address the following two challenges:

1) Emerging market: Panasonic aims to achieve sales of 615.0 billion yen in BRICs + V and MINTS + B (Mexico, Indonesia, Nigeria, Turkey, Saudi Arabia, and the Balkans). In India, the company will strive to increase its sales by businesses development

tailored to regional markets such as expansion of product line-ups, strengthening marketing ability and establishment of showrooms for BtoB products.

2) Growing Fields: Panasonic will accelerate market development in growing business fields, especially in environment and energy related businesses inside and outside Japan. In particular, with regards to solar business, the company will focus on supply during the recovery from the earthquake in Japan and expand new business models in Europe and the U.S. Panasonic will also expand device and component businesses for smart phones.

In terms of 'change', Panasonic will rapidly make changes by integrating group-wide innovation activities to the new 'Corporate Division for Group Management Innovation'.

For example, in the innovative product development strategy, Panasonic will focus more on essentials and eliminate non-essentials in our lifestyle research under 'V-Products Subcommittee'. In consumer electronics, the company aims to achieve sales of its competitive V-products of more than 1.0 trillion yen and an overseas ratio of more than 60% in fiscal 2013. Panasonic will also strengthen energy-saving and recycling-oriented products under 'Environmental Innovation Subcommittee' to achieve a size of contribution in reducing CO₂ emissions from products equal to 48.3 million tones in fiscal 2013.

To reorganize management systems, the company will reduce fixed costs and generate cash under 'Management Strengthening Subcommittee' with the aim of lowering its break-even point by 4% in the next two years as well as having a positive net cash in fiscal 2013.

In fiscal 2012, although it is difficult to avoid the negative impact of the earthquake for the first half of the fiscal year, Panasonic will try to offset the impact by increasing sales in the global market and participating in the restructuring effort. For fiscal 2013 in its midterm management plan of GT12, its original targets were sales of 10.0 trillion yen and operating profit to sales ratio of more than 5%. The company, however, has revised its target to sales of 9.4 trillion yen due to appreciation of the yen and decisions made under 'Transformation Project' which Panasonic have implemented after formulating GT12. Panasonic continues to aim for an operating profit ratio of more than 5% with operating profit of 500.0 billion yen, the same level as the original target.

**Supplemental Consolidated Financial Data for Fiscal 2011
 ended March 31, 2011**

Note: SANYO and its subsidiaries became Panasonic's consolidated subsidiaries in December 2009. The operating results of SANYO and its subsidiaries are not included in the company's consolidated financial statements for the period before December 2009.

1. Sales Breakdown

| Fiscal 2011 Results | Total | yen (billions) | | | | | |
|--|-------------------|----------------|----------------------------|------------------|-------|------------------|-----------|
| | | 11/10 | Local currency basis 11/10 | Domestic | 11/10 | Overseas | 11/10 |
| Video and Audio Equipment | 1,569.9 | 97% | 102% | 593.0 | 101% | 976.9 | 95% 102% |
| Information and Communications Equipment | 1,477.3 | 94% | 97% | 786.8 | 90% | 690.5 | 99% 106% |
| Digital AVC Networks | 3,047.2 | 96% | 100% | 1,379.8 | 94% | 1,667.4 | 97% 104% |
| Home Appliances | 1,224.6 | 107% | 109% | 680.2 | 105% | 544.4 | 109% 115% |
| PEW and PanaHome | 1,550.3 | 107% | 109% | 1,252.8 | 105% | 297.5 | 116% 126% |
| Components and Devices | 748.4 | 98% | 103% | 260.7 | 102% | 487.7 | 97% 103% |
| SANYO | 1,525.8 | 382% | 386% | 602.1 | 395% | 923.7 | 373% 381% |
| Other | 596.4 | 125% | 127% | 338.7 | 119% | 257.7 | 136% 141% |
| Total (Domestic vs. overseas) | 8,692.7 (100%) | 117% | 120% | 4,514.3 (52%) | 113% | 4,178.4 (48%) | 122% 129% |

Note: The company restructured the motor business on April 1, 2010. Accordingly, the prior figures for Home Appliances, and Components and Devices in fiscal 2010 are reclassified to conform to the presentation for fiscal 2011.

Overseas Sales by Region

| | Fiscal 2011 Results | | |
|-------------------------|---------------------|----------------------------|------|
| | 11/10 | Local currency basis 11/10 | |
| North and South America | 1,070.8 | 117% | 124% |
| Europe | 857.2 | 111% | 125% |
| Asia | 1,072.4 | 129% | 132% |
| China | 1,178.0 | 130% | 136% |
| Total | 4,178.4 | 122% | 129% |

2. Sales by Products

| Product Category | Products | Fiscal 2011 Results | | | |
|------------------------|---------------------------------|---------------------|-------|---------|-------|
| | | Fourth Quarter | | Annual | |
| | | Sales | 11/10 | Sales | 11/10 |
| Digital AVC Networks | TVs | 173.1 | 87% | 997.9 | 99% |
| | Plasma TVs | 71.3 | 67% | 479.4 | 87% |
| | LCD TVs | 83.4 | 111% | 443.4 | 116% |
| | Digital cameras | 33.2 | 85% | 183.7 | 90% |
| | BD / DVD recorders | 25.8 | 99% | 138.9 | 101% |
| | BD recorders / players | 21.8 | 113% | 116.7 | 113% |
| | VCRs / camcorders | 12.9 | 95% | 60.4 | 98% |
| | Audio equipment | 13.0 | 85% | 71.6 | 94% |
| | Information equipment | 288.3 | 91% | 1,043.2 | 98% |
| | Communications equipment | 88.2 | 72% | 434.1 | 85% |
| Home Appliances | Mobile communications equipment | 36.6 | 55% | 203.6 | 76% |
| | Air conditioners | 69.2 | 119% | 271.3 | 118% |
| | Refrigerators | 24.1 | 106% | 129.4 | 108% |
| Components and Devices | General components | 77.7 | 96% | 332.2 | 105% |
| | Semiconductors * | 68.9 | 83% | 313.9 | 95% |
| | Batteries | 50.3 | 87% | 232.3 | 96% |
| Other | FA equipment | 36.4 | 117% | 162.6 | 172% |

* Information for semiconductors is on a production basis.

3. Segment Information

| Fiscal 2011 Results | Sales | 11/10 | Segment Profit | % of sales | 11/10 | yen (billions) |
|----------------------------|----------|-------|----------------|------------|-------|----------------|
| Digital AVC Networks | 3,304.0 | 97% | 114.9 | 3.5% | 132% | |
| Home Appliances | 1,275.9 | 106% | 92.3 | 7.2% | 140% | |
| PEW and PanaHome | 1,735.0 | 106% | 73.0 | 4.2% | 210% | |
| Components and Devices | 926.3 | 99% | 33.0 | 3.6% | 90% | |
| SANYO | 1,561.9 | 386% | -8.0 | -0.5% | - | |
| Other | 1,197.7 | 118% | 52.9 | 4.4% | 268% | |
| Total | 10,000.8 | 116% | 358.1 | 3.6% | 147% | |
| Corporate and eliminations | -1,308.1 | - | -52.8 | - | - | |
| Consolidated total | 8,692.7 | 117% | 305.3 | 3.5% | 160% | |

Note: The company restructured the motor business on April 1, 2010. Accordingly, the prior figures for Home Appliances, and Components and Devices in fiscal 2010 are reclassified to conform to the presentation for fiscal 2011.

4. Primary Domain Companies' Information

(Business domain company basis)

<Sales, Domain Company Profit and Capital Investment * >

| Fiscal 2011 Results | Sales | | Domain Company Profit | | Capital Investment | |
|---|---------|------------|-----------------------|-------|--------------------|-------------|
| | 11/10 | % of sales | 11/10 | 11-10 | | |
| AVC Networks Company | 1,700.6 | 100% | -28.1 | -1.7% | - | 123.0 -53.1 |
| Panasonic Mobile Communications Co., Ltd. | 243.4 | 79% | 5.5 | 2.3% | 51% | 3.2 +0.4 |
| Panasonic Electronic Devices Co., Ltd. | 365.8 | 100% | 12.4 | 3.4% | 270% | 31.2 +11.8 |
| Factory Automation Business | 174.2 | 173% | 24.0 | 13.8% | - | 2.0 +0.1 |

* These figures are calculated on an accrual basis.

5. Capital Investment, Depreciation and R&D Expenditures

Capital Investment*

| yen (billions) | | |
|---------------------------|--------------|--------------|
| Fiscal 2011 Results | | 11-10 |
| Digital AVC Networks | 153.7 | - 46.3 |
| Home Appliances | 34.7 | - 2.1 |
| PEW and PanaHome | 43.5 | +16.2 |
| Components and Devices ** | 74.7 | - 8.7 |
| SANYO | 87.2 | +56.0 |
| Other | 10.0 | +3.2 |
| Total | 403.8 | +18.3 |

<** semiconductors only>

* These figures are calculated on an accrual basis.

Note: The company restructured the motor business on April 1, 2010. Accordingly, the prior figures for Home Appliances, and Components and Devices in fiscal 2010 are reclassified to conform to the presentation for fiscal 2011.

Depreciation (tangible assets)

| yen (billions) | | |
|---------------------|-------|-------|
| Fiscal 2011 Results | | 11-10 |
| | 284.2 | +32.4 |

R&D Expenditures

| yen (billions) | | |
|---------------------|-------|-------|
| Fiscal 2011 Results | | 11-10 |
| | 527.8 | +50.9 |

6. Foreign Currency Exchange Rates

| | Export Rates | | Rates Used for Consolidation | | Foreign Currency Transaction ** |
|--------------|------------------------|--------------------------|------------------------------|--------------------------|---------------------------------|
| | Fiscal 2011 Results | Fiscal 2012 Forecast* | Fiscal 2011 Results | Fiscal 2012 Forecast* | |
| U.S. Dollars | ¥88 | ¥83 | ¥86 | ¥83 | US\$2.0 billion |
| Euro | ¥117 | ¥110 | ¥113 | ¥110 | €1.1 billion |

* Business plan rate

** These figures are based on the net foreign exchange exposure of the company.

7. Number of Employees

| (persons) | | |
|--------------|-------------------|-------------------|
| | End of March 2010 | End of March 2011 |
| Domestic | 152,853 | 145,512 |
| Overseas | 231,733 | 221,425 |
| Total | 384,586 | 366,937 |

Reference

<Fiscal 2012 Forecast (before reflecting the effects of the Great East Japan Earthquake) >

8. Sales Breakdown

| Fiscal 2012 Forecast | | Total | 12/11 | Local currency basis 12/11 | Domestic | 12/11 | Overseas | yen (billions) | |
|--|--|-------------------|-------|----------------------------|------------------|-------|------------------|----------------|----------------------------|
| | | | | | | | | 12/11 | Local currency basis 12/11 |
| Video and Audio Equipment | | 1,570.0 | 100% | 101% | 475.0 | 80% | 1,095.0 | 112% | 114% |
| Information and Communications Equipment | | 1,580.0 | 107% | 108% | 820.0 | 104% | 760.0 | 110% | 111% |
| Digital AVC Networks | | 3,150.0 | 103% | 104% | 1,295.0 | 94% | 1,855.0 | 111% | 113% |
| Home Appliances | | 1,280.0 | 105% | 105% | 685.0 | 101% | 595.0 | 109% | 110% |
| PEW and PanaHome | | 1,610.0 | 104% | 104% | 1,295.0 | 103% | 315.0 | 106% | 108% |
| Components and Devices | | 790.0 | 106% | 106% | 275.0 | 105% | 515.0 | 106% | 107% |
| SANYO | | 1,330.0 | 87% | 89% | 500.0 | 83% | 830.0 | 90% | 94% |
| Other | | 640.0 | 107% | 108% | 350.0 | 103% | 290.0 | 113% | 113% |
| Total (Domestic vs. overseas) | | 8,800.0 (100%) | 101% | 102% | 4,400.0 (50%) | 97% | 4,400.0 (50%) | 105% | 107% |

(Note) excluding the impact of the Great East Japan Earthquake

Overseas Sales by Region

| | Fiscal 2012 Forecast | | | Local currency basis 12/11 | yen (billions) |
|-------------------------|----------------------|-------|------|----------------------------|----------------|
| | | 12/11 | | | |
| North and South America | 1,140.0 | 106% | 109% | | |
| Europe | 900.0 | 105% | 107% | | |
| Asia | 1,110.0 | 104% | 105% | | |
| China | 1,250.0 | 106% | 107% | | |
| Total | 4,400.0 | 105% | 107% | | |

(Note) excluding the impact of the Great East Japan Earthquake

9. Segment Information

| Fiscal 2012 Forecast | Sales | 12/11 | Segment Profit | % of sales | 12/11 | yen (billions) |
|----------------------------|----------|-------|----------------|------------|-------|----------------|
| Digital AVC Networks | 3,400.0 | 103% | 145.0 | 4.3% | 126% | |
| Home Appliances | 1,310.0 | 103% | 102.0 | 7.8% | 110% | |
| PEW and PanaHome | 1,800.0 | 104% | 75.0 | 4.2% | 103% | |
| Components and Devices | 970.0 | 105% | 49.0 | 5.1% | 149% | |
| SANYO | 1,370.0 | 88% | -58.0 | -4.2% | - | |
| Other | 1,210.0 | 101% | 55.0 | 4.5% | 104% | |
| Total | 10,060.0 | 101% | 368.0 | 3.7% | 103% | |
| Corporate and eliminations | -1,260.0 | - | -58.0 | - | - | |
| Consolidated total | 8,800.0 | 101% | 310.0 | 3.5% | 102% | |

(Notes) 1. The annual forecast for semiconductors on a production basis for fiscal 2012 is 338.6 billion yen, up 8% from fiscal 2011.

2. excluding the impact of the Great East Japan Earthquake

Reference

<Fiscal 2012 Forecast (before reflecting the effects of the Great East Japan Earthquake) >

10. Capital Investment, Depreciation and R&D Expenditures

Capital Investment*

| | yen (billions) | |
|---------------------------|----------------------|-------|
| | Fiscal 2012 Forecast | 12-11 |
| Digital AVC Networks | 91.0 | -62.7 |
| Home Appliances | 34.0 | -0.7 |
| PEW and PanaHome | 46.0 | +2.5 |
| Components and Devices ** | 85.0 | +10.3 |
| SANYO | 62.0 | -25.2 |
| Other | 22.0 | +12.0 |
| Total | 340.0 | -63.8 |

<** semiconductors only> < 21.6 > < +0.2 >

* These figures are calculated on an accrual basis.

(Note) excluding the impact of the Great East Japan Earthquake

Depreciation(tangible assets)

R&D Expenditures

| yen (billions) | |
|----------------------|-------|
| Fiscal 2012 Forecast | 12-11 |
| 305.0 | +20.8 |

(Note) excluding the impact of the Great East Japan Earthquake

| yen (billions) | |
|----------------------|-------|
| Fiscal 2012 Forecast | 12-11 |
| 540.0 | +12.2 |

(Note) excluding the impact of the Great East Japan Earthquake

11. Foreign Currency Transaction*

| | Fiscal 2012 Forecast |
|--------------|----------------------|
| U.S. Dollars | US\$3.8 billion |
| Euro | €1.7 billion |

* These figures are based on the net foreign exchange exposure of the company.

(Note) excluding the impact of the Great East Japan Earthquake

Disclaimer Regarding Forward-Looking Statements

This document 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 document 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 document. 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 business reorganization after the acquisition of all shares of Panasonic Electric Works Co., Ltd. and SANYO Electric Co., Ltd.; 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; natural disasters including earthquakes, prevalence of infectious diseases throughout the world and other events that may negatively impact business activities of the Panasonic Group; as well as direct or indirect adverse effects of the Great East Japan Earthquake on Panasonic Group.

The factors listed above are not all-inclusive and further information is contained in Panasonic's latest annual reports, on Form 20-F, and any other reports and documents which are on file with the U.S. Securities and Exchange Commission.

**<Attachment 1> Reference
Segment information for fiscal 2011**

Sales

| | Yen (billions) | | | | |
|------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
| | 1st Quarter (Apr. to Jun.) | 2nd Quarter (Jul. to Sep.) | 3rd Quarter (Oct. to Dec.) | 4th Quarter (Jan. to Mar.) | Full year (Apr. to Mar.) |
| Digital AVC Networks | 831.7 | 826.1 | 927.6 | 718.6 | 3,304.0 |
| Home Appliances | 322.8 | 313.9 | 337.5 | 301.7 | 1,275.9 |
| PEW and PanaHome | 391.2 | 442.8 | 446.5 | 454.5 | 1,735.0 |
| Components and Devices | 236.3 | 244.6 | 232.9 | 212.5 | 926.3 |
| SANYO | 413.0 | 416.7 | 393.3 | 338.9 | 1,561.9 |
| Other | 275.4 | 285.0 | 262.5 | 374.8 | 1,197.7 |
| Subtotal | 2,470.4 | 2,529.1 | 2,600.3 | 2,401.0 | 10,000.8 |
| Eliminations | -309.3 | -322.3 | -314.8 | -361.7 | -1,308.1 |
| Total | 2,161.1 | 2,206.8 | 2,285.5 | 2,039.3 | 8,692.7 |

Segment profit

| | Yen (billions) | | | | |
|----------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
| | 1st Quarter (Apr. to Jun.) | 2nd Quarter (Jul. to Sep.) | 3rd Quarter (Oct. to Dec.) | 4th Quarter (Jan. to Mar.) | Full year (Apr. to Mar.) |
| Digital AVC Networks | 27.9 | 33.4 | 39.9 | 13.7 | 114.9 |
| Home Appliances | 32.3 | 16.8 | 32.8 | 10.4 | 92.3 |
| PEW and PanaHome | 8.3 | 22.5 | 23.2 | 19.0 | 73.0 |
| Components and Devices | 11.8 | 13.7 | 3.6 | 3.9 | 33.0 |
| SANYO | 5.0 | 1.1 | -5.7 | -8.4 | -8.0 |
| Other | 12.8 | 10.2 | 12.2 | 17.7 | 52.9 |
| Subtotal | 98.1 | 97.7 | 106.0 | 56.3 | 358.1 |
| Corporate and eliminations | -14.3 | -12.5 | -10.7 | -15.3 | -52.8 |
| Total | 83.8 | 85.2 | 95.3 | 41.0 | 305.3 |

**<Attachment 2> Reference
Segment information for fiscal 2010**

Sales

Yen (billions)

| | 1st Quarter (Apr. to Jun.) | 2nd Quarter (Jul. to Sep.) | 3rd Quarter (Oct. to Dec.) | 4th Quarter (Jan. to Mar.) | Full year (Apr. to Mar.) |
|------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
| Digital AVC Networks | 773.3 | 830.8 | 974.1 | 831.3 | 3,409.5 |
| Home Appliances | 306.6 | 288.3 | 305.6 | 303.7 | 1,204.2 |
| PEW and PanaHome | 357.7 | 416.0 | 410.7 | 447.7 | 1,632.1 |
| Components and Devices | 213.3 | 243.5 | 246.9 | 227.8 | 931.5 |
| SANYO | - | - | - | 404.8 | 404.8 |
| Other | 204.7 | 241.4 | 231.6 | 334.5 | 1,012.2 |
| Subtotal | 1,855.6 | 2,020.0 | 2,168.9 | 2,549.8 | 8,594.3 |
| Eliminations | -260.1 | -282.2 | -282.3 | -351.7 | -1,176.3 |
| Total | 1,595.5 | 1,737.8 | 1,886.6 | 2,198.1 | 7,418.0 |

Segment profit

Yen (billions)

| | 1st Quarter (Apr. to Jun.) | 2nd Quarter (Jul. to Sep.) | 3rd Quarter (Oct. to Dec.) | 4th Quarter (Jan. to Mar.) | Full year (Apr. to Mar.) |
|----------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
| Digital AVC Networks | -13.6 | 26.3 | 40.2 | 34.4 | 87.3 |
| Home Appliances | 18.6 | 8.1 | 31.3 | 8.1 | 66.1 |
| PEW and PanaHome | -7.8 | 12.0 | 17.4 | 13.1 | 34.7 |
| Components and Devices | -9.7 | 13.4 | 19.2 | 13.6 | 36.5 |
| SANYO | - | - | - | -0.7 | -0.7 |
| Other | -0.9 | 3.0 | 6.2 | 11.4 | 19.7 |
| Subtotal | -13.4 | 62.8 | 114.3 | 79.9 | 243.6 |
| Corporate and eliminations | -6.8 | -13.7 | -13.3 | -19.3 | -53.1 |
| Total | -20.2 | 49.1 | 101.0 | 60.6 | 190.5 |

Note: The 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.

<Attachment 3> Reference

Primary domain companies' information for fiscal 2011

Sales

Yen (billions)

| | 1st Quarter (Apr. to Jun.) | 2nd Quarter (Jul. to Sep.) | 3rd Quarter (Oct. to Dec.) | 4th Quarter (Jan. to Mar.) | Full year (Apr. to Mar.) |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
| AVC Networks Company | 419.8 | 424.6 | 515.2 | 341.0 | 1,700.6 |
| Panasonic Mobile Communications Co., Ltd. | 66.1 | 73.6 | 56.2 | 47.5 | 243.4 |
| Panasonic Electronic Devices Co., Ltd. | 95.8 | 98.1 | 89.5 | 82.4 | 365.8 |
| Factory Automation Business | 44.5 | 52.1 | 38.3 | 39.3 | 174.2 |

Domain company profit

Yen (billions)

| | 1st Quarter (Apr. to Jun.) | 2nd Quarter (Jul. to Sep.) | 3rd Quarter (Oct. to Dec.) | 4th Quarter (Jan. to Mar.) | Full year (Apr. to Mar.) |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
| AVC Networks Company | -18.9 | 1.0 | 0.2 | -10.4 | -28.1 |
| Panasonic Mobile Communications Co., Ltd. | 2.7 | 3.6 | 0.8 | -1.6 | 5.5 |
| Panasonic Electronic Devices Co., Ltd. | 3.2 | 5.1 | 3.0 | 1.1 | 12.4 |
| Factory Automation Business | 6.5 | 8.9 | 4.1 | 4.5 | 24.0 |

Primary domain companies' information for fiscal 2010

Sales

Yen (billions)

| | 1st Quarter (Apr. to Jun.) | 2nd Quarter (Jul. to Sep.) | 3rd Quarter (Oct. to Dec.) | 4th Quarter (Jan. to Mar.) | Full year (Apr. to Mar.) |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
| AVC Networks Company | 366.8 | 435.5 | 526.2 | 374.2 | 1,702.7 |
| Panasonic Mobile Communications Co., Ltd. | 102.0 | 63.9 | 63.7 | 77.8 | 307.4 |
| Panasonic Electronic Devices Co., Ltd. | 84.3 | 95.6 | 97.3 | 88.8 | 366.0 |
| Factory Automation Business | 15.9 | 24.3 | 26.5 | 33.9 | 100.6 |

Domain company profit

Yen (billions)

| | 1st Quarter (Apr. to Jun.) | 2nd Quarter (Jul. to Sep.) | 3rd Quarter (Oct. to Dec.) | 4th Quarter (Jan. to Mar.) | Full year (Apr. to Mar.) |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
| AVC Networks Company | -34.6 | 1.7 | 0.1 | -1.3 | -34.1 |
| Panasonic Mobile Communications Co., Ltd. | 7.8 | 1.9 | 0.4 | 0.8 | 10.9 |
| Panasonic Electronic Devices Co., Ltd. | -3.8 | 2.9 | 4.6 | 0.9 | 4.6 |
| Factory Automation Business | -7.6 | -1.9 | 0.1 | 2.7 | -6.7 |