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FOR IMMEDIATE RELEASE

Media Contacts:

Akira Kadota (Japan)
Global Public Relations Office
(Tel: +81-3-6403-3040)

Panasonic News Bureau (Japan)
(Tel: +81-3-3542-6205)

Jim Reilly (U.S.)
(Tel: +1-201-392-6067)

Anne Guennewig (Europe)
(Tel: +49-611-235-457)

Investor Relations Contacts:

Makoto Mihara (Japan)
Investor Relations
(Tel: +81-6-6908-1121)

Yuko Iwatsu (U.S.)
Panasonic Finance (America), Inc.
(Tel: +1-212-698-1360)

Hiroko Carvell (Europe)
Panasonic Finance (Europe) plc
(Tel: +44-20-3008-6887)

ANNOUNCEMENT OF FINANCIAL RESULTS

PANASONIC REPORTS SECOND-QUARTER AND SIX-MONTH RESULTS

***-Business Restructuring Expenses Cause Net Loss;
Annual Forecast Revised Downward-***

Osaka, Japan, October 31, 2011 -- Panasonic Corporation ([NYSE:PC/TSE:6752] "Panasonic") today reported its consolidated financial results for the second quarter and six months ended September 30, 2011, of the current fiscal year ending March 31, 2012 (fiscal 2012).

Consolidated Second-quarter Results

Consolidated group sales for the second quarter decreased by 6% to 2,075.7 billion yen, from 2,206.8 billion yen, compared with the same period a year ago. Of the consolidated group total, domestic sales amounted to 1,068.8 billion yen, down by 6% from 1,135.1 billion yen and overseas sales decreased to 1,006.9 billion yen, down by 6% from 1,071.7 billion yen.

The Japanese economy was severely affected by the global economic recession, appreciation of the yen and declining stock prices. However, there were signs of recovery with the improvements in production and exports due to the normalization of the supply chain which had been disrupted by the Great East Japan Earthquake.

In the meantime, the global economy showed signs of slowdown caused by the destabilization of the European finance market due to the government debt crisis in some countries, the high rate of unemployment and faltering house prices in the U.S., and slowing of demand expansion in emerging markets.

In such a business environment, Panasonic has been working towards two themes, Paradigm Shift to Growth and Laying Foundations to be a Green Innovation Company, in the second year of its three-year midterm management plan called "Green Transformation 2012 (GT12)." This is the first step towards the 100th anniversary vision of becoming the "No.1 Green Innovation Company in the Electronics Industry."

Operating profit¹ decreased to 42.0 billion yen from 85.2 billion yen a year ago. Although the company pursued a thorough streamlining program to reduce material and fixed costs, this result was due mainly to price decline, sales decrease affected by the disaster and the appreciation of the yen. In the meantime, pre-tax loss was 141.9 billion yen compared with a profit of 60.3 billion yen a year ago, due mainly to the business restructuring expenses such as the implementation of early retirement programs and the impairment losses of fixed assets. Net loss attributable to Panasonic Corporation amounted to 105.8 billion yen, compared with a profit of 31.0 billion yen a year ago.

Consolidated Six-month Results

Consolidated group sales for six months ended September 30, 2011 decreased by 8% to 4,005.2 billion yen, compared with 4,367.9 billion yen in the same period of fiscal 2011. Domestic sales amounted to 2,036.4 billion yen, down by 7% from 2,189.5 billion yen a year ago, while overseas sales decreased by 10% to 1,968.8 billion yen, down from 2,178.4 billion yen a year ago.

The company's operating profit for the first six months decreased significantly to 47.6 billion yen, from 169.0 billion yen a year ago. Pre-tax loss totaled 159.3 billion yen, compared with a pre-tax income of 144.6 billion yen a year ago. Net income attributable to Panasonic Corporation turned to a loss of 136.2 billion yen from an income of 74.7 billion yen a year ago.

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

Consolidated Six-month Breakdown by Business Segment

The company's six-month consolidated sales and segment profit by business segment, compared with the amounts a year ago, are summarized as follows:

Digital AVC Networks

Sales decreased by 14% to 1,432.5 billion yen from 1,657.8 billion yen a year ago. Despite favorable sales of Blu-ray Disc recorders, this result was due mainly to sales decline in flat-panel TVs and mobile phones. Segment loss amounted to 18.1 billion yen, compared with segment profit of 61.3 billion yen a year ago, due mainly to sales decrease and price decline.

Home Appliances

Sales increased by 3% to 658.9 billion yen, compared with 636.7 billion yen a year ago, due mainly to favorable sales in air conditioners as well as stable sales in washing machines and refrigerators. Segment profit was 52.6 billion yen, compared with 49.1 billion yen a year ago, due mainly to sales increase and streamlining of material cost.

PEW and PanaHome

Sales increased by 5% to 879.2 billion yen from 834.0 billion yen a year ago. Regarding Panasonic Electric Works Co., Ltd. (PEW) and its subsidiaries, sales growth in electrical construction and building materials of housing/building-related business and home appliances business contributed to the overall sales increase, although sales declined in devices such as electronic materials and automation controls mainly for automobile-related products. For PanaHome Corporation and its subsidiaries, favorable sales of housing construction mainly for detached housing led to its overall sales increase, thanks to the Japanese stable housing market conditions. Segment profit was 31.6 billion yen, increased from 30.8 billion yen a year ago, due mainly to favorable sales and fixed cost reduction.

Components and Devices

Sales decreased by 14% to 411.5 billion yen, compared with 480.9 billion yen a year ago. This result was due mainly to sluggish sales in semiconductors as well as declines in sales of general components and batteries. Segment loss was 7.4 billion yen,

compared with segment profit of 25.5 billion yen a year ago, due mainly to sales decrease and price decline.

SANYO

Sales decreased by 19% to 669.3 billion yen, compared with 829.7 billion yen a year ago. Although sales of solar photovoltaic systems, cold-chain equipments and commercial air conditioners were stable, sales of electronic components, digital cameras, TVs and in-car-related equipments were sluggish. Sales decline owing to the semiconductor business transfer in fiscal 2011 also led to the overall sales decrease. A 26.9 billion yen of segment loss was recorded compared with a segment profit of 6.1 billion yen a year ago, influenced by sales decreases, after incurring the expenses such as amortization of intangible assets recorded at the acquisition.

Other

Sales totaled 553.9 billion yen, down by 1% from 560.4 billion yen a year ago, due mainly to sales decline in components for group companies in Panasonic. Segment profit amounted to 23.9 billion yen, compared with 23.0 billion yen a year ago, due mainly to fixed cost reduction.

Consolidated Financial Condition

Net cash provided by operating activities for six months ended September 30, 2011 amounted to merely 1.0 billion yen, due to incurring net loss. Net cash used in investing activities amounted to 111.9 billion yen. This was due mainly to capital expenditures, offsetting proceeds from disposals of property, plant and equipment. Net cash used in financing activities was 83.1 billion yen, due mainly to repayments of long-term debt and dividend payment. Taking into consideration the effect of exchange rate fluctuations, cash and cash equivalents totaled 740.6 billion yen as of September 30, 2011, a decrease of 234.2 billion yen, compared with the end of the last fiscal year.

The company's consolidated total assets as of September 30, 2011 decreased 507.0 billion yen to 7,315.9 billion yen from the end of fiscal 2011. This was due mainly to the appreciation of the yen, a decrease in cash and cash equivalents and a decrease in property, plant and equipment by incurring impairment losses. The company's consolidated total liabilities decreased by 198.6 billion yen to 4,678.0 billion yen,

attributable primarily to the appreciation of the yen and a decrease in account payables. Panasonic Corporation shareholders' equity increased 0.6 billion yen, compared with the end of fiscal 2011, to 2,559.6 billion yen as of September 30, 2011. Despite an increase of 271.2 billion yen in Panasonic shareholder's equity by share exchanges for acquisition of all shares of PEW and SANYO, this was primarily as a decrease in retained earnings by incurring net loss attributable to Panasonic Corporation and deterioration in accumulated other comprehensive income, Noncontrolling interests decreased 309.0 billion yen to 78.3 billion yen, due mainly to the share exchanges as stated above.

Interim and Year-end Dividend

The Board of Directors of the company resolved today to distribute an interim (semiannual) cash dividend of 5.0 yen per common share to shareholders of record as of September 30, 2011, payable November 30, 2011. This is equal to last year's interim dividend of 5.0 yen. The company also plans to distribute a year-end cash dividend of 5.0 yen per common share (payable to shareholders of record as of March 31, 2012). If implemented, total dividends for fiscal 2012, including the aforementioned interim dividend of 5.0 yen per common share, will be 10.0 yen per common share.

Difference Between Result and Forecast for Consolidated Six-month

Regarding the six months result of fiscal 2012, sales was 4,005.2 billion yen compared with the forecast of 4,000.0 billion yen, due mainly to stable sales in domestic market. Operating profit was 47.6 billion yen, increased from the forecast of 10.0 billion yen due primarily to sales increase and thorough fixed cost reduction. In the meantime, Pre-tax loss was 159.3 billion yen, compared with the forecast of a loss of 50.0 billion yen and Net loss attributable to Panasonic Corporation was 136.2 billion yen, compared with the forecast of a loss of 70.0 billion yen. These results are due mainly to incurring the costs related to the structural reforms of flat-panel TVs business in other deductions. Net loss attributable to Panasonic Corporation, per share was 58.88 yen, compared with the forecast of 30.27 yen.

Outlook for Fiscal 2012

Regarding the annual forecast for fiscal 2012, the company revised its previous sales forecast of 8,700.0 billion yen downward to 8,300.0 billion yen due primarily to the

sluggish overseas sales affected by ever-intensified price competition for digital products and the appreciation of the yen. Operating profit is expected to be 130.0 billion yen, a decrease from the previous forecast of 270.0 billion yen due mainly to the sales decline. In addition, there will be negative factors such as the appreciation of the yen and rising prices in raw materials, which will not be able to be offset by fixed cost reduction. Pre-tax loss is forecast to be 430.0 billion yen, compared with the previous forecast of an income of 100.0 billion yen, and Net loss attributable to Panasonic Corporation is expected to be 420.0 billion yen, compared with the previous forecast of an income of 30.0 billion yen. These changes are primarily due to an expected increase of restructuring expenses of 404.0 billion yen mainly for flat-panel TVs and semiconductor businesses to improve its financial situation. The total business restructuring expenses are now expected to be 514.0 billion yen, which are included in non-operating income/loss (a loss of 560.0 billion yen). Net loss attributable to Panasonic Corporation, per share is anticipated to be 181.64 yen, compared with the previous forecast of an income of 12.97 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 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 the Panasonic Group in terms of, among others, component procurement, manufacturing, distribution, economic conditions in Japan including consumer spending and sales activities overseas, and direct or indirect adverse effects of the flooding in Thailand on the Panasonic Group in terms of, among others, component procurement and manufacturing. The factors listed above are not all-inclusive and further information is contained in Panasonic's latest annual reports, 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)