

July 31, 2019

FOR IMMEDIATE RELEASE

Media Contact:

*Global Communications Department
(Tel: +81-3-3574-5664)
(Japan)*

Investor Relations Contact:

*Yoshinori Nakashima
Corporate Finance & IR Department
(Tel: +81-6-6908-1121)
(Japan)*

Panasonic Reports its Consolidated Financial Results
for the Three-month ended June 30, 2019

Osaka, Japan, July 31, 2019 -- Panasonic Corporation (Panasonic [TSE:6752]) today reported its consolidated financial results for the three months ended June 30, 2019, of the current fiscal year ending March 31, 2020 (fiscal 2020).

Summary

Yen (billions)

	Fiscal 2020 Three Months ended June 30, 2019	Fiscal 2019 Three Months ended June 30, 2018	Percentage 2020/2019
Net sales	1,891.1	2,008.7	94 %
Domestic	875.5	880.8	99 %
Overseas	1,015.6	1,127.9	90 %
Operating profit	56.4 3.0 %	100.0 5.0 %	56 %
Profit before income taxes	56.2 3.0 %	102.2 5.1 %	55 %
Net profit	53.8 2.8 %	61.5 3.1 %	87 %
Net profit attributable to Panasonic Corporation stockholders	49.8 2.6 %	57.4 2.9 %	87 %
Earnings per share attributable to Panasonic Corporation stockholders			
Basic	21.34 yen	24.59 yen	(3.25) yen
Diluted	21.33 yen	24.58 yen	(3.25) yen

Notes: 1. The Company's consolidated financial statements are prepared in conformity with International Financial Reporting Standards (IFRS).

2. Number of consolidated companies: 576 (including parent company)
Number of companies under the equity method: 88

3. One ADS represents one share of common share. Earnings per share attributable to Panasonic Corporation stockholders per ADS is same amount as Earnings per share attributable to Panasonic Corporation stockholders.

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

Condensed Quarterly Consolidated Statements of Profit or Loss

Yen (millions)

	Fiscal 2020 Three Months ended June 30, 2019		Fiscal 2019 Three Months ended June 30, 2018		Percentage 2020/2019
		%		%	
Net sales	1,891,129	100.0	2,008,735	100.0	94
Cost of sales	(1,358,209)	(71.8)	(1,447,642)	(72.1)	
Gross profit	532,920	28.2	561,093	27.9	95
Selling, general and administrative expenses	(470,554)	(24.9)	(479,511)	(23.8)	
Share of profit of investments accounted for using the equity method	961	0.1	1,196	0.1	
Other income (expenses), net	(6,938)	(0.4)	17,178	0.8	
Operating profit	56,389	3.0	99,956	5.0	56
Finance income	8,285	0.4	7,754	0.4	
Finance expenses	(8,448)	(0.4)	(5,464)	(0.3)	
Profit before income taxes	56,226	3.0	102,246	5.1	55
Income taxes	(2,459)	(0.2)	(40,724)	(2.0)	
Net profit	53,767	2.8	61,522	3.1	87
Net profit attributable to:					
Panasonic Corporation stockholders	49,777	2.6	57,360	2.9	87
Non-controlling interests	3,990	0.2	4,162	0.2	96

Notes: 1. Depreciation	52,626	million yen	56,103	million yen
2. Capital investment	56,033	million yen	56,791	million yen
3. R&D expenditures	118,595	million yen	115,824	million yen
4. Number of employees	273,775		273,520	

Condensed Quarterly Consolidated Statements of Comprehensive Income (Loss)

Yen (millions)

	Fiscal 2020 Three Months ended June 30, 2019	Fiscal 2019 Three Months ended June 30, 2018	Percentage 2020/2019
			%
Net Profit	53,767	61,522	87
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plans	(249)	1,874	
Financial assets measured at fair value through other comprehensive income	(8,240)	10,784	
Subtotal	(8,489)	12,658	
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	(70,438)	15,636	
Net changes in cash flow hedges	318	(1,451)	
Subtotal	(70,120)	14,185	
Total other comprehensive income (loss)	(78,609)	26,843	
Comprehensive income (loss)	(24,842)	88,365	—
Comprehensive income (loss) attributable to :			
Panasonic Corporation stockholders	(23,668)	85,884	—
Non-controlling interests	(1,174)	2,481	—

Information by Segment

Yen (billions)

	Fiscal 2020 Three Months ended June 30, 2019					Fiscal 2019 Three Months ended June 30, 2018		
	Sales	20/19	Operating Profit (Loss)	% of Sales	20/19	Sales	Operating Profit (Loss)	% of Sales
Reportable Segments:		%		%	%			%
Appliances	689.0	96	30.0	4.4	77	720.2	39.1	5.4
Life Solutions	462.1	104	12.7	2.7	–	444.4	(0.1)	(0.0)
Connected Solutions	255.2	93	13.7	5.4	61	274.3	22.4	8.2
Automotive	377.4	106	(10.0)	(2.7)	–	356.4	(1.5)	(0.4)
Industrial Solutions	327.1	88	5.2	1.6	31	371.6	16.8	4.5
Subtotal	2,110.8	97	51.6	2.4	67	2,166.9	76.7	3.5
Other	58.5	82	1.5	2.6	–	71.4	0.1	0.1
Eliminations and adjustments	(278.2)	–	3.3	–	–	(229.6)	23.2	–
Total	1,891.1	94	56.4	3.0	56	2,008.7	100.0	5.0

- Notes:
1. The Panasonic Group is divided into Divisional Companies for business management, and they support the autonomy of each business division and execute businesses in their respective areas on a global scale. The results of their performance are classified and disclosed in the five reportable segments of "Appliances," "Life Solutions," "Connected Solutions," "Automotive" and "Industrial Solutions."
"Other" includes business activities not belonging to the reportable segments, such as sales of raw materials.
 2. The figures in "Eliminations and adjustments" include revenue and expenses which are not attributable to any segments for the purpose of evaluating operating results of each segment, consolidation adjustments and eliminations of intersegment transactions.
 3. On April 1, 2019, "Automotive & Industrial Systems" was reorganized to "Automotive" and "Industrial Solutions." "Eco Solutions" was renamed as "Life Solutions." In addition, certain businesses were transferred among segments. Accordingly, the figures of segment information in fiscal 2019 have been reclassified to conform to the presentation for fiscal 2020.

Condensed Quarterly Consolidated Statements of Financial Position

Yen (millions)

	June 30, 2019	March 31, 2019	Difference
Current assets:	3,201,850	3,274,093	(72,243)
Cash and cash equivalents	690,400	772,264	(81,864)
Trade receivables and contract assets	1,153,530	1,190,620	(37,090)
Other financial assets	117,875	131,305	(13,430)
Inventories	1,041,995	1,016,437	25,558
Other current assets	198,050	163,467	34,583
Non-current assets:	3,301,273	2,739,838	561,435
Investments accounted for using the equity method	136,851	136,486	365
Other financial assets	229,798	216,225	13,573
Property, plant and equipment	1,262,243	1,324,374	(62,131)
Right-of-use assets	307,009	–	307,009
Investment property	294,016	–	294,016
Other non-current assets	1,071,356	1,062,753	8,603
Total assets	6,503,123	6,013,931	489,192
Current liabilities:	3,024,200	2,989,450	34,750
Short-term debt, including current portion of long-term debt	345,005	382,301	(37,296)
Lease liabilities	94,177	7,654	86,523
Trade payables	1,108,122	1,151,174	(43,052)
Other financial liabilities	264,637	273,817	(9,180)
Other current liabilities	1,212,259	1,174,504	37,755
Non-current liabilities:	1,482,688	939,866	542,822
Long-term debt	600,477	600,750	(273)
Lease liabilities	551,370	8,016	543,354
Other non-current liabilities	330,841	331,100	(259)
Total liabilities	4,506,888	3,929,316	577,572
Panasonic Corporation stockholders' equity:	1,833,400	1,913,513	(80,113)
Common stock	258,740	258,740	–
Capital surplus	528,135	528,880	(745)
Retained earnings	1,494,940	1,500,870	(5,930)
Other components of equity	(237,850)	(164,417)	(73,433)
Treasury stock	(210,565)	(210,560)	(5)
Non-controlling interests	162,835	171,102	(8,267)
Total equity	1,996,235	2,084,615	(88,380)
Total liabilities and equity	6,503,123	6,013,931	489,192

Note: Other components of equity breakdown:

	June 30, 2019	March 31, 2019	Difference
Remeasurements of defined benefit plans*	–	–	–
Financial assets measured at fair value through other comprehensive income	32,328	40,934	(8,606)
Exchange differences on translation of foreign operations	(269,353)	(204,123)	(65,230)
Net changes in cash flow hedges	(825)	(1,228)	403

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

Condensed Quarterly Consolidated Statements of Changes in Equity

Yen (millions)

Fiscal 2020 Three Months ended June 30, 2019	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Panasonic Corporation stockholders' equity	Non- controlling interests	Total equity
Balances as of April 1, 2019	258,740	528,880	1,500,870	(164,417)	(210,560)	1,913,513	171,102	2,084,615
Comprehensive income:								
Net profit	-	-	49,777	-	-	49,777	3,990	53,767
Remeasurements of defined benefit plans	-	-	-	(326)	-	(326)	77	(249)
Financial assets measured at fair value through other comprehensive income	-	-	-	(8,211)	-	(8,211)	(29)	(8,240)
Exchange differences on translation of foreign operations	-	-	-	(65,230)	-	(65,230)	(5,208)	(70,438)
Net changes in cash flow hedges	-	-	-	322	-	322	(4)	318
Total comprehensive income (loss)	-	-	49,777	(73,445)	-	(23,668)	(1,174)	(24,842)
Transfer from other components of equity to retained earning	-	-	69	(69)	-	-	-	-
Cash dividends	-	-	(34,986)	-	-	(34,986)	(8,023)	(43,009)
Changes in treasury stock	-	(1)	-	-	(5)	(6)	-	(6)
Transactions with non-controlling interests and other	-	(744)	-	81	-	(663)	930	267
Cumulative effect of new accounting standards applied	-	-	(20,790)	-	-	(20,790)	-	(20,790)
Balances as of June 30, 2019	258,740	528,135	1,494,940	(237,850)	(210,565)	1,833,400	162,835	1,996,235

Yen (millions)

Fiscal 2019 Three Months ended June 30, 2018	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Panasonic Corporation stockholders' equity	Non- controlling interests	Total equity
Balances as of April 1, 2018	258,740	527,408	1,300,336	(168,259)	(210,674)	1,707,551	174,734	1,882,285
Comprehensive income:								
Net profit	-	-	57,360	-	-	57,360	4,162	61,522
Remeasurements of defined benefit plans	-	-	-	1,802	-	1,802	72	1,874
Financial assets measured at fair value through other comprehensive income	-	-	-	10,707	-	10,707	77	10,784
Exchange differences on translation of foreign operations	-	-	-	17,451	-	17,451	(1,815)	15,636
Net changes in cash flow hedges	-	-	-	(1,436)	-	(1,436)	(15)	(1,451)
Total comprehensive income (loss)	-	-	57,360	28,524	-	85,884	2,481	88,365
Transfer from other components of equity to retained earning	-	-	4,166	(4,166)	-	-	-	-
Cash dividends	-	-	(46,647)	-	-	(46,647)	(10,036)	(56,683)
Changes in treasury stock	-	(31)	-	-	58	27	-	27
Transactions with non-controlling interests and other	-	(303)	-	13	-	(290)	(1,460)	(1,750)
Cumulative effect of new accounting standards applied	-	-	7,150	-	-	7,150	-	7,150
Balances as of June 30, 2018	258,740	527,074	1,322,365	(143,888)	(210,616)	1,753,675	165,719	1,919,394

Condensed Quarterly Consolidated Statements of Cash Flows

Yen (millions)

	Fiscal 2020 Three Months ended June 30, 2019	Fiscal 2019 Three Months ended June 30, 2018
<u>Cash flows from operating activities</u>		
Net profit	53,767	61,522
Adjustments to reconcile net profit to net cash provided by operating activities		
Depreciation and amortization	97,630	71,646
(Increase) decrease in trade receivables and contract assets	18,751	(41,549)
(Increase) decrease in inventories	(38,806)	(47,533)
Increase (decrease) in trade payables	(31,288)	14,789
Other	4,854	(22,245)
Net cash provided by operating activities	104,908	36,630
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(72,531)	(96,272)
Proceeds from sale of property, plant and equipment	5,900	24,080
Purchase of investments accounted for using the equity method and other financial assets	(5,075)	(13,024)
Proceeds from sale and redemption of investments accounted for using the equity method and other financial assets	4,062	6,069
Other	3,942	2,023
Net cash used in investing activities	(63,702)	(77,124)
<u>Cash flows from financing activities</u>		
Increase (decrease) in short-term debt	(4,791)	50,446
Increase (decrease) in long-term debt	(57,773)	(2,607)
Dividends paid to Panasonic Corporation stockholders	(34,986)	(46,647)
Dividends paid to non-controlling interests	(8,023)	(10,036)
(Increase) decrease in treasury stock	(6)	27
Other	6,304	4,136
Net cash used in financing activities	(99,275)	(4,681)
Effect of exchange rate changes on cash and cash equivalents	(23,795)	14,199
Net increase (decrease) in cash and cash equivalents	(81,864)	(30,976)
Cash and cash equivalents at beginning of period	772,264	1,089,585
Cash and cash equivalents at the end of the period	690,400	1,058,609

Notes to consolidated financial statements:

1. The Company applied IFRS 16, "Leases" from April 1, 2019 using the modified retrospective method by recognizing the cumulative effect of applying IFRS 16 at the date of initial application. By applying IFRS 16, as of the date of initial application, right-of-use assets, investment properties and lease liabilities increased by 307.1 billion yen, 281.2 billion yen and 636.3 billion yen, respectively, and retained earnings decreased by 20.8 billion yen. Accordingly, "right-of-use assets," "investment properties" and "lease liabilities (current liabilities and non-current liabilities)" are separately presented in Condensed Quarterly Consolidated Statements of Financial Position, for the year ending March 31, 2020. In addition, in Condensed Quarterly Consolidated Statements of Cash Flows, the majority of lease payments is included in "Increase (decrease) in long-term debt" of cash flows from financing activities for the year ending March 31, 2020, that was previously included in cash flows from operating activities.
2. The Company applied IFRIC 23, "Uncertainty over Income Tax Treatments" from April 1, 2019. The impact of the application of IFRIC 23 on the consolidated financial statement of the Company is not material.
3. The Company resolved at the Board of Directors meeting held on December 21, 2018, to merge Panasonic Precision Devices Co., Ltd. ("PPRD") from Panasonic Equity Management Japan Co.,Ltd., which is a wholly owned consolidated subsidiary of Panasonic, through an absorption-type company split. Through these procedures, the Company absorbed PPRD on April 1, 2019.
4. The Board of Directors of the Company resolved on May 9, 2019, to conclude an integration contract toward the establishment of a new joint venture related to the town development business with Toyota Motor Corporation. Panasonic Homes Co., Ltd. will become a wholly owned subsidiary of the joint venture by way of a joint transfer share method, and be no longer a subsidiary of the Company.
5. The Board of Directors of the Company resolved on May 9, 2019, to succeed its R&D department related to its solar business by way of an absorption-type-company split to a newly established corporation.
6. The Company resolved at the Board of Directors meeting held on May 31, 2019, to sign a share purchase agreement and shareholder agreement with Polaris Capital Group Co., Ltd. ("Polaris") regarding the transfer of its security systems business of Panasonic to a SPC (Special Purpose Company) which will be established by Polaris. This transfer will take place on the basis that the security system business is transferred to a newly established entity by Panasonic.
7. Assumption for going concern: None
8. Significant subsequent events:
Panasonic Corporation issued a total of 2.5 billion of senior notes denominated in U.S. dollars in the overseas markets outside Japan, on July 19, 2019.
9. Number of consolidated subsidiaries as of June 30, 2019: 575
Number of companies under the equity method as of June 30, 2019: 88

Panasonic Group

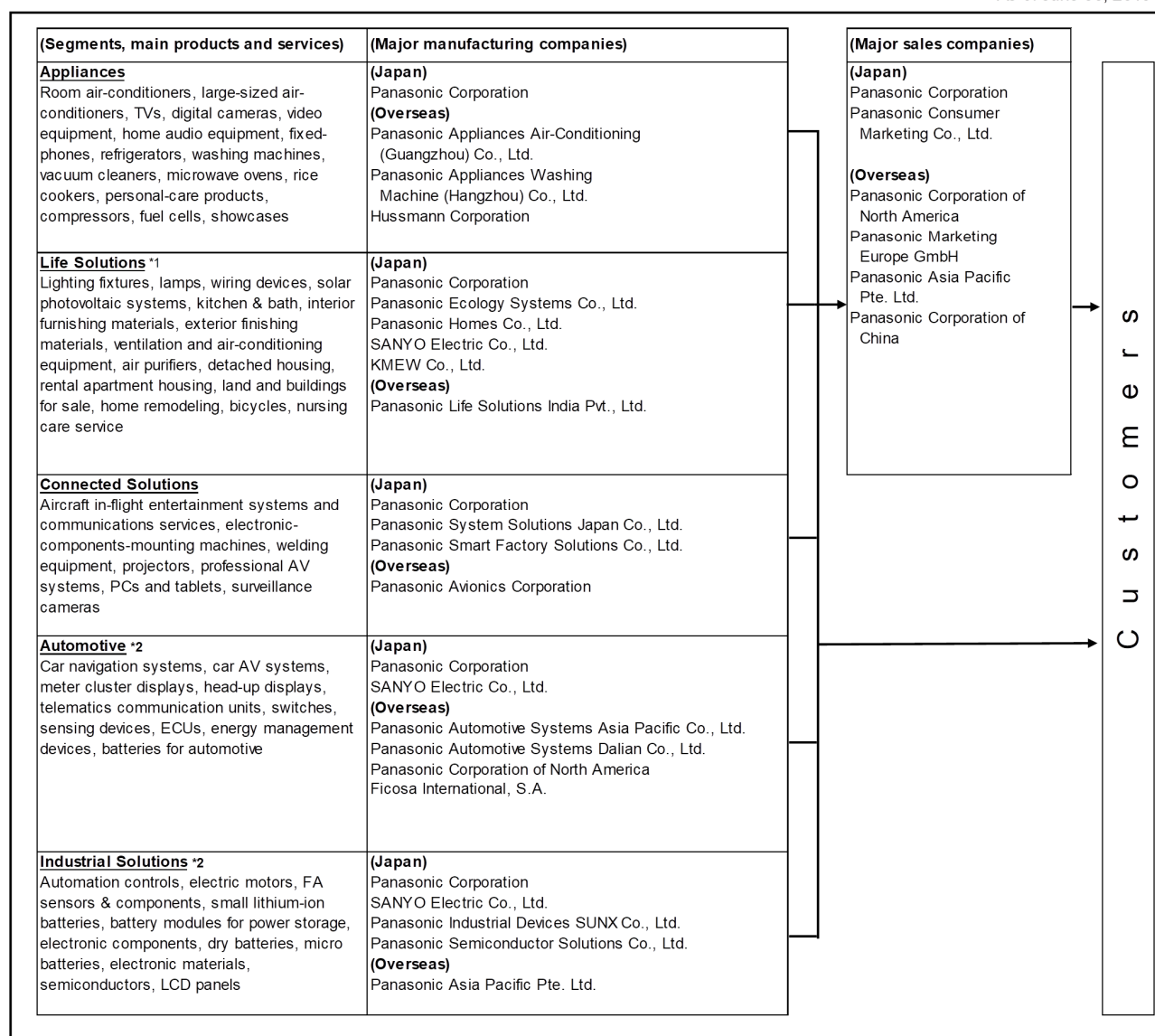
1. Outline of the Panasonic Group

The Panasonic Group is comprised primarily of the parent Panasonic Corporation and 575 consolidated subsidiaries in and outside of Japan, operating in close cooperation with each other. As a comprehensive electronics manufacture, Panasonic is engaged in development, production, sales and service activities in a broad array of business areas.

Panasonic supplies spectrum of electric/electronic equipment and related products, which is categorized into the following five reportable segments, "Appliances," "Life Solutions," "Connected Solutions," "Automotive," "Industrial Solutions," and other business activities which are not included in the reportable segments.

2. Panasonic Group

As of June 30, 2019



*1 "Eco Solutions" was renamed as "Life Solutions" on April 1, 2019.

*2 "Automotive & Industrial Systems" was reorganized to "Automotive" and "Industrial Solutions" on April 1, 2019.

Consolidated Financial Results

1. Fiscal 2020 1Q ended June 30, 2019

A. Operating Results

	Yen (billions)		
	Fiscal 2020 Three Months ended Jun. 30, 2019	Fiscal 2019 Three Months ended Jun. 30, 2018	Percentage 2020/2019
Net sales	1,891.1	2,008.7	94%
Operating profit	56.4	100.0	56%
Profit before income taxes	56.2	102.2	55%
Net profit attributable to Panasonic Corporation stockholders	49.8	57.4	87%

During the three months ended June 30, 2019 (fiscal 2020), the global economy saw signs of some slowdown particularly in exports from Japan and China, while the U.S. economy continued to perform favorably with stable personal spending and capital investments. Furthermore, in Japan, capital investments were spurred by employment conditions and demand for labor-saving measures. Regarding the outlook for the global economy, various risk factors can be seen, such as the politics and financial circumstances in each country, increasingly widespread protectionism, and downward economic swings in emerging countries.

Under such a management environment, in fiscal 2020, as the first year of the new Mid-term strategy, the Company will execute portfolio management reform and aim at both profit growth and profitability improvement.

During the three months ended June 30, 2019, the Company came to an agreement with Toyota Motor Corporation to establish a joint venture related to town development business. The integration of respective housing businesses is aimed to reinforce the foundation for such housing business in the face of severe market competition, and to grow business in the field of town development, which is expected to grow in the future. In photovoltaic business, the Company reached an agreement to collaborate with GS-Solar (China) Company Ltd. Through this collaboration, the Company will optimize the development and production capability.

For the three months ended June 30, 2019, both sales and profits decreased.

Consolidated group sales decreased by 6% to 1,891.1 billion yen. Domestic sales was the same level as the previous year. Overseas sales decreased due mainly to sales declines of electronic-component-mounting-equipment and motors, which were impacted

by deteriorating market conditions in China, and the effect of exchange rates despite sales growth in Automotive Batteries.

Operating profit decreased by 44% to 56.4 billion yen from a year ago. This is due mainly to lower sales in China, increased costs related to development expenses in Automotive Solutions and sluggish sales of TVs, in addition to impact of gains from the sale of land in the previous year despite favorable sales of domestic housing-related businesses. Profit before income taxes decreased by 45% to 56.2 billion yen, and net profit attributable to Panasonic Corporation stockholders decreased by 13% to 49.8 billion yen from a year ago.

B. Breakdown by Reportable Segment

Appliances

	Yen (billions)		
	Fiscal 2020 First quarter	Fiscal 2019 First quarter	Percentage 2020/2019
Sales	689.0	720.2	96%
Operating profit	30.0	39.1	77%

Sales decreased by 4% to 689.0 billion yen from a year ago. Despite increased sales of room air-conditioners and large-scale air-conditioners, overall sales decreased due to sluggish sales of TVs and digital cameras mainly in Europe. Operating profit decreased to 30.0 billion yen from a year ago due mainly to a sales decrease of TVs, particularly in Europe.

Life Solutions

	Yen (billions)		
	Fiscal 2020 First quarter	Fiscal 2019 First quarter	Percentage 2020/2019
Sales	462.1	444.4	104%
Operating profit	12.7	(0.1)	—

Sales increased by 4% to 462.1 billion yen from a year ago. This increase was driven by solid performance in home-use distribution panel boards and wiring devices at Energy Systems, growth of new products for water-related equipment and building materials at Housing Systems, and increased sales of new construction orders and remodeling business at Panasonic Homes Co., Ltd. Operating profit increased to 12.7 billion yen from a year ago due to sales increases and rationalization efforts.

Connected Solutions

Yen (billions)

	Fiscal 2020 First quarter	Fiscal 2019 First quarter	Percentage 2020/2019
Sales	255.2	274.3	93%
Operating profit	13.7	22.4	61%

Sales decreased by 7% to 255.2 billion yen from a year ago. This is due to sales declines at Process Automation which was impacted by postponed investments resulting from weak market conditions in China as well as sluggish sales at Avionics which was impacted by held back investments by certain airline companies. Operating profit decreased to 13.7 billion yen from a year ago. This is largely due to lower sales despite profit increases in PC business.

Automotive

Yen (billions)

	Fiscal 2020 First quarter	Fiscal 2019 First quarter	Percentage 2020/2019
Sales	377.4	356.4	106%
Operating profit	(10.0)	(1.5)	—

Sales increased by 6% to 377.4 billion yen from a year ago. Overall sales increased due to the effect of investments for capacity expansion in Automotive Batteries, while sales decreased slightly in Automotive Solutions due to impact of deteriorating market conditions in China. Operating profit turned to a loss of 10.0 billion yen from a year ago due mainly to an increase in costs related to development expenses despite profit increases in Automotive Batteries.

Industrial Solutions

Yen (billions)

	Fiscal 2020 First quarter	Fiscal 2019 First quarter	Percentage 2020/2019
Sales	327.1	371.6	88%
Operating profit	5.2	16.8	31%

Sales decreased by 12% to 327.1 billion yen from a year ago. This was due to sluggish sales in motors which was impacted by weakening demand for capital investments in China and sales declines mainly in capacitors, resistors and automotive-equipment; these components were impacted by deteriorating overseas market conditions. Operating profit decreased to 5.2 billion yen from a year ago, since fixed-cost reductions and materials rationalization were unable to offset impact of lower sales.

C. Consolidated Financial Condition

Net cash provided by operating activities for the first quarter ended June 30, 2019 amounted to 104.9 billion yen, compared with an inflow of 36.6 billion yen a year ago. This was due mainly to improved working capital and payment of one-off legal costs a year ago, in addition to impact of applying IFRS 16, "Leases" from April 1, 2019 (for further details, please refer to Note 1. of "Notes" section). Net cash used in investing activities amounted to 63.7 billion yen, compared with an outflow of 77.1 billion yen a year ago. This was due mainly to decreased payments of account payable-facilities in spite of proceeds from the sales of land a year ago. Accordingly, free cash flow (net cash provided by operating activities and investing activities) improved by 81.7 billion yen from a year ago to an inflow of 41.2 billion yen. Net cash used in financing activities amounted to 99.3 billion yen, compared with an outflow of 4.7 billion yen a year ago. This was due mainly to a decreased balance of short-term bonds, the repayment of long-term debt, and the impact of applying IFRS 16. Taking into consideration the exchange fluctuations, cash and cash equivalents totaled 690.4 billion yen as of June 30, 2019, decreased by 81.9 billion yen, compared with March 31, 2019.

The Company's consolidated total assets as of June 30, 2019 were 6,503.1 billion yen, an increase of 489.2 billion yen from March 31, 2019. The Company's consolidated liabilities were 4,506.9 billion yen, an increase of 577.6 billion yen from March 31, 2019. These were due mainly to an increase of right-of-use-assets, investment properties and lease liabilities, by applying IFRS 16. Panasonic Corporation stockholders' equity decreased by 80.1 billion yen to 1,833.4 billion yen, compared to March 31, 2019. This was due to deteriorated quarterly comprehensive income by the appreciation of the yen. With non-controlling interests added to Panasonic Corporation stockholders' equity, total equity was 1,996.2 billion yen.

2. Forecast for fiscal 2020

The consolidated financial forecast for fiscal 2020 remains unchanged from the previous forecast announced on May 9, 2019.

Disclaimer Regarding Forward-Looking Statements

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

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