

PANASONIC Corp  
Form 6-K  
August 04, 2010  
Table of Contents

**FORM 6-K**  
**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, D.C. 20549**

**Report of Foreign Private Issuer**

**Pursuant to Rule 13a-16 or 15d-16 of**

**The Securities Exchange Act of 1934**

**For the Month of August 2010**

**Commission File Number: 1-6784**

**Panasonic Corporation**

**Kadoma, Osaka, Japan**

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101 (b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101 (b)(7):

**Table of Contents**

**This Form 6-K consists of:**

1. News release issued on July 29, 2010, by Panasonic Corporation (the registrant), announcing its consolidated financial results for first quarter ended June 30, 2010 (fiscal 2011).
2. Supplemental consolidated financial data for first quarter ended June 30, 2010.

**Table of Contents**

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Panasonic Corporation

By: /s/ MASAHITO YAMAMURA  
Masahito Yamamura, Attorney-in-Fact  
General Manager of Investor Relations  
Panasonic Corporation

Dated: August 4, 2010

**Table of Contents**

July 29, 2010

**FOR IMMEDIATE RELEASE**

**Media Contacts:**

**Akira Kadota (Japan)**  
**International PR**  
(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 FIRST-QUARTER RESULTS**

**- Earnings turnaround on double-digit sales growth;**

**annual forecast revised upward -**

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

**First-quarter Results**

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

During the first quarter under review, the global economic recovery continued led by China and Asian countries, despite credit uncertainties in Europe. In this business condition, Panasonic launched a new midterm management plan called Green Transformation 2012 (GT12) in the beginning of fiscal 2011. The company's vision is to become the No.1 Green Innovation Company in the Electronics Industry leading up to Panasonic's 100th anniversary in 2018, taking a lead in solving global environmental issues, the world's common challenge. As a first step in GT12, Panasonic will contribute to environmental protection and business growth, as is emphasized in the two themes of the plan: Paradigm shift for growth, and Laying a foundation to be a Green Innovation Company. Panasonic aims to establish Panasonic Group filled with strong growth potential in fiscal 2013.

**Table of Contents**

- 2 -

Regarding earnings, operating profit<sup>1</sup>, pre-tax income and net income attributable to Panasonic Corporation were 83.8 billion yen, 84.3 billion yen and 43.7 billion yen, significantly improved from losses of 20.2 billion yen, 51.8 billion yen and 53.0 billion yen a year ago. This result was due mainly to strong sales, streamlining of material cost and fixed cost reduction, offsetting severe price competition, appreciation of yen and rising prices of raw materials.

**Breakdown by Business Segment**

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

**Digital AVC Networks**

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

**Home Appliances<sup>2</sup>**

Sales in this segment increased 5% to 322.8 billion yen, compared with 306.6 billion yen a year ago, due mainly to favorable sales in air conditioners, compressors and microwave ovens. Operating profit increased 73% to 32.3 billion yen, compared with 18.6 billion yen a year ago, due mainly to favorable sales and comprehensive streamlining efforts.

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

<sup>2</sup> 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.

**Table of Contents**

- 3 -

**PEW and PanaHome**

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

**Components and Devices<sup>2</sup>**

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

**SANYO**

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

**Other**

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

**Table of Contents**

- 4 -

**Consolidated Financial Condition**

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

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

**Outlook for Fiscal 2011**

Although the global economic recovery has continued led by emerging countries, Panasonic anticipates the market conditions to be still uncertain due to signs of faltering economies of U.S. and Europe. In these severe business conditions, regarding consolidated results forecast for six months ending September 30, 2010, the company revised its previous forecast announced on May 7, 2010 upward, due mainly to sales growth in all segments especially Digital AVC Networks and Home Appliances. The company revised its sales forecast from 4,200 billion yen to 4,370 billion yen. Operating profit is expected to be 140 billion yen, increasing 86 billion yen from the previous forecast of 54 billion yen. Income before income taxes is forecasted to be 120 billion yen, improved from the previous forecast of 29 billion yen. Net income attributable to Panasonic Corporation is expected to be 55 billion yen improved from the previous forecast of 2 billion yen. Net income attributable to Panasonic Corporation common shareholders, per share is anticipated to be 26.57 yen, improved from the previous forecast of 0.97 yen.

**Table of Contents**

- 5 -

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

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

For more information, please visit the following web sites:

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

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



---

**Table of Contents**

- 6 -

**Disclaimer Regarding Forward-Looking Statements**

*This press release includes forward-looking statements (within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934) about Panasonic and its Group companies (the Panasonic Group). To the extent that statements in this press release do not relate to historical or current facts, they constitute forward-looking statements. These forward-looking statements are based on the current assumptions and beliefs of the Panasonic Group in light of the information currently available to it, and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause the Panasonic Group's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. Panasonic undertakes no obligation to publicly update any forward-looking statements after the date of this press release. Investors are advised to consult any further disclosures by Panasonic in its subsequent filings with the U.S. Securities and Exchange Commission pursuant to the U.S. Securities Exchange Act of 1934 and its other filings.*

*The risks, uncertainties and other factors referred to above include, but are not limited to, economic conditions, particularly consumer spending and corporate capital expenditures in the United States, Europe, Japan, China and other Asian countries; volatility in demand for electronic equipment and components from business and industrial customers, as well as consumers in many product and geographical markets; currency rate fluctuations, notably between the yen, the U.S. dollar, the euro, the Chinese yuan, Asian currencies and other currencies in which the Panasonic Group operates businesses, or in which assets and liabilities of the Panasonic Group are denominated; the possibility of the Panasonic Group incurring additional costs of raising funds, because of changes in the fund raising environment; the ability of the Panasonic Group to respond to rapid technological changes and changing consumer preferences with timely and cost-effective introductions of new products in markets that are highly competitive in terms of both price and technology; the possibility of not achieving expected results on the alliances or mergers and acquisitions including the acquisition of all shares of Panasonic Electric Works Co., Ltd. and SANYO Electric Co., Ltd. through tender offers and share exchanges; the ability of the Panasonic Group to achieve its business objectives through joint ventures and other collaborative agreements with other companies; the ability of the Panasonic Group to maintain competitive strength in many product and geographical areas; the possibility of incurring expenses resulting from any defects in products or services of the Panasonic Group; the possibility that the Panasonic Group may face intellectual property infringement claims by third parties; current and potential, direct and indirect restrictions imposed by other countries over trade, manufacturing, labor and operations; fluctuations in market prices of securities and other assets in which the Panasonic Group has holdings or changes in valuation of long-lived assets, including property, plant and equipment and goodwill, deferred tax assets and uncertain tax positions; future changes or revisions to accounting policies or accounting rules; as well as natural disasters including earthquakes, prevalence of infectious diseases throughout the world and other events that may negatively impact business activities of the Panasonic Group. The factors listed above are not all-inclusive and further information is contained in Panasonic's latest annual report on Form 20-F, which is on file with the U.S. Securities and Exchange Commission.*

(Financial Tables and Additional Information Attached)

**Table of Contents**

- 7 -

**Panasonic Corporation****Consolidated Statement of Operations \*****(Three months ended June 30)**

|   | Yen<br>(millions) |             | Percentage<br>2010/2009 |
|---|-------------------|-------------|-------------------------|
|   | 2010              | 2009        |                         |
| Net sales   | ¥ 2,161,126       | ¥ 1,595,458 | 135%                    |
| Cost of sales   | (1,570,787)       | (1,170,871) |                         |
| Selling, general and administrative expenses                                | (506,501)         | (444,770)   |                         |
| Interest income   | 2,769             | 2,913       |                         |
| Dividends received  | 3,058             | 3,417       |                         |
| Interest expense  | (7,381)           | (6,045)     |                         |
| Expenses associated with the implementation of early retirement programs ** | (927)             | (21,586)    |                         |
| Other income (deductions), net  | 2,973             | (10,281)    |                         |
| <br>  |                   |             |                         |
| Income (loss) before income taxes   | 84,330            | (51,765)    |                         |
| Provision for income taxes  | (38,337)          | (7,752)     |                         |
| Equity in earnings (losses) of associated companies                         | 1,745             | (1,839)     |                         |
| <br>  |                   |             |                         |
| Net income (loss)   | 47,738            | (61,356)    |                         |
| Less net income (loss) attributable to noncontrolling interests             | 4,060             | (8,379)     |                         |
| <br>  |                   |             |                         |
| Net income (loss) attributable to Panasonic Corporation                     | ¥ 43,678          | ¥ (52,977)  |                         |
| <br>  |                   |             |                         |
| Net income (loss) attributable to Panasonic Corporation, basic              |                   |             |                         |
| per common share  | 21.10 yen         | (25.58) yen |                         |
| per ADS   | 21.10 yen         | (25.58) 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 11-12.

**Supplementary Information****(Three months ended June 30)**

Edgar Filing: PANASONIC Corp - Form 6-K

|                                | Yen<br>(millions) |           |
|--------------------------------|-------------------|-----------|
|                                | 2010              | 2009      |
| Depreciation (tangible assets) | ¥ 68,775          | ¥ 57,203  |
| Capital investment ****        | ¥ 98,650          | ¥ 114,315 |
| R&D expenditures               | ¥ 133,688         | ¥ 113,581 |
| Number of employees (June 30)  | 384,816           | 288,933   |

\*\*\*\* These figures are calculated on an accrual basis.

**Table of Contents**

- 8 -

**Panasonic Corporation****Consolidated Balance Sheet \*\*****June 30, 2010****With comparative figures for March 31, 2010**

|  | Yen<br>(millions)  |                    |
|--|--------------------|--------------------|
|  | June 30, 2010      | March 31, 2010     |
| <b><u>Assets</u></b>   |                    |                    |
| Current assets:  |                    |                    |
| Cash and cash equivalents                                      | ¥ 1,169,237        | ¥ 1,109,912        |
| Time deposits  | 86,385             | 92,032             |
| Trade receivables:   |                    |                    |
| Notes  | 76,850             | 74,283             |
| Accounts   | 1,106,918          | 1,134,915          |
| Allowance for doubtful receivables                             | (24,625)           | (24,158)           |
| Inventories  | 975,862            | 913,646            |
| Other current assets   | 556,331            | 505,418            |
| <b>Total current assets</b>                                    | <b>3,946,958</b>   | <b>3,806,048</b>   |
| Investments and advances                                       | 547,593            | 636,762            |
| Property, plant and equipment, net of accumulated depreciation | 1,897,105          | 1,956,021          |
| Other assets   | 1,959,375          | 1,959,226          |
| <b>Total assets</b>  | <b>¥ 8,351,031</b> | <b>¥ 8,358,057</b> |
| <b><u>Liabilities and Equity</u></b>                           |                    |                    |
| Current liabilities:   |                    |                    |
| Short-term debt, including current portion of long-term debt   | ¥ 406,882          | ¥ 299,064          |
| Trade payables:  |                    |                    |
| Notes  | 62,328             | 59,608             |
| Accounts   | 1,010,959          | 1,011,838          |
| Other current liabilities                                      | 1,507,060          | 1,445,353          |
| <b>Total current liabilities</b>                               | <b>2,987,229</b>   | <b>2,815,863</b>   |
| Noncurrent liabilities:  |                    |                    |
| Long-term debt   | 1,008,100          | 1,028,928          |
| Other long-term liabilities                                    | 809,760            | 833,493            |
| <b>Total noncurrent liabilities</b>                            | <b>1,817,860</b>   | <b>1,862,421</b>   |
| <b>Total liabilities</b>                                       | <b>4,805,089</b>   | <b>4,678,284</b>   |

Edgar Filing: PANASONIC Corp - Form 6-K

|  |             |             |
|--|-------------|-------------|
| Panasonic Corporation shareholders' equity:      |             |             |
| Common stock                                     | 258,740     | 258,740     |
| Capital surplus                                  | 1,127,206   | 1,209,516   |
| Legal reserve                                    | 93,797      | 93,307      |
| Retained earnings                                | 2,382,322   | 2,349,487   |
| Accumulated other comprehensive income (loss) *  | (540,640)   | (448,232)   |
| Treasury stock, at cost                          | (670,692)   | (670,330)   |
| Total Panasonic Corporation shareholders' equity | 2,650,733   | 2,792,488   |
| Noncontrolling interests                         | 895,209     | 887,285     |
| Total equity                                     | 3,545,942   | 3,679,773   |
| Total liabilities and equity                     | ¥ 8,351,031 | ¥ 8,358,057 |

\* Accumulated other comprehensive income (loss) breakdown:

|  | Yen<br>(millions) |                |
|--|-------------------|----------------|
|  | June 30, 2010     | March 31, 2010 |
| Cumulative translation adjustments                                 | ¥ (410,781)       | ¥ (352,649)    |
| Unrealized holding gains (losses) of available-for-sale securities | (910)             | 40,700         |
| Unrealized gains (losses) of derivative instruments                | 7,077             | 1,272          |
| Pension liability adjustments                                      | (136,026)         | (137,555)      |

\*\* See Notes to consolidated financial statements on pages 11-12.

**Table of Contents**

- 9 -

**Panasonic Corporation****Consolidated Information by Business Segment \*****(Three months ended June 30)****By Business Segment:**

|                                  | Yen<br>(billions) |           | Percentage<br>2010/2009 |
|----------------------------------|-------------------|-----------|-------------------------|
|                                  | 2010              | 2009      |                         |
| <b>[Sales]</b>                   |                   |           |                         |
| Digital AVC Networks             | ¥ 831.7           | ¥ 773.3   | 108%                    |
| Home Appliances                  | 322.8             | 306.6     | 105%                    |
| PEW and PanaHome                 | 391.2             | 357.7     | 109%                    |
| Components and Devices           | 236.3             | 213.3     | 111%                    |
| SANYO                            | 413.0             |           |                         |
| Other                            | 275.4             | 204.7     | 135%                    |
| Subtotal                         | 2,470.4           | 1,855.6   | 133%                    |
| Eliminations                     | (309.3)           | (260.1)   |                         |
| Consolidated total               | ¥ 2,161.1         | ¥ 1,595.5 | 135%                    |
| <b>[Segment Profit (Loss)]**</b> |                   |           |                         |
| Digital AVC Networks             | ¥ 27.9            | ¥ (13.6)  |                         |
| Home Appliances                  | 32.3              | 18.6      | 173%                    |
| PEW and PanaHome                 | 8.3               | (7.8)     |                         |
| Components and Devices           | 11.8              | (9.7)     |                         |
| SANYO                            | 5.0               |           |                         |
| Other                            | 12.8              | (0.9)     |                         |
| Subtotal                         | 98.1              | (13.4)    |                         |
| Corporate and eliminations       | (14.3)            | (6.8)     |                         |
| Total segment profit             | ¥ 83.8            | ¥ (20.2)  |                         |

\* \*\* See Notes to consolidated financial statements on pages 11-12.

Table of Contents

- 10 -

**Panasonic Corporation****Consolidated Statement of Cash Flows \*****(Three months ended June 30)**

|  | Yen<br>(millions) |             |
|--|-------------------|-------------|
|  | 2010              | 2009        |
| <i><u>Cash flows from operating activities:</u></i>                                      |                   |             |
| Net income (loss)  | ¥ 47,738          | ¥ (61,356)  |
| Adjustments to reconcile net income (loss) to net cash provided by operating activities: |                   |             |
| Depreciation and amortization  | 89,249            | 65,895      |
| Net gain on sale of investments  | (3,733)           | (241)       |
| Cash effects of changes in, excluding acquisition:                                       |                   |             |
| Trade receivables  | 6,143             | (71,640)    |
| Inventories  | (90,092)          | (21,235)    |
| Trade payables   | 19,805            | 74,520      |
| Retirement and severance benefits  | (9,602)           | (8,699)     |
| Other  | 85,376            | 92,772      |
| Net cash provided by operating activities  | 144,884           | 70,016      |
| <i><u>Cash flows from investing activities:</u></i>                                      |                   |             |
| Proceeds from disposition of investments and advances                                    | 54,464            | 31,809      |
| Increase in investments and advances   | (453)             | (1,827)     |
| Capital expenditures   | (94,135)          | (102,526)   |
| Proceeds from disposals of property, plant and equipment                                 | 63,914            | 3,519       |
| (Increase) decrease in time deposits   | 1,883             | 2,655       |
| Other  | (6,286)           | (16,917)    |
| Net cash provided by (used in) investing activities                                      | 19,387            | (83,287)    |
| <i><u>Cash flows from financing activities:</u></i>                                      |                   |             |
| Increase (decrease) in short-term debt   | 42,668            | 110,645     |
| Increase (decrease) in long-term debt  | (35,617)          | (6,592)     |
| Dividends paid to Panasonic Corporation shareholders                                     | (10,353)          | (15,530)    |
| Dividends paid to noncontrolling interests   | (5,031)           | (7,062)     |
| (Increase) decrease in treasury stock  | (366)             | (14)        |
| Purchase of noncontrolling interests and other   | (60,800)          | (23)        |
| Net cash provided by (used in) financing activities                                      | (69,499)          | 81,424      |
| Effect of exchange rate changes on cash and cash equivalents                             | (35,447)          | (894)       |
| Net increase (decrease) in cash and cash equivalents                                     | 59,325            | 67,259      |
| Cash and cash equivalents at beginning of period   | 1,109,912         | 973,867     |
| Cash and cash equivalents at end of period   | ¥ 1,169,237       | ¥ 1,041,126 |

\* See Notes to consolidated financial statements on pages 11-12.



**Table of Contents**

- 11 -

**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. Comprehensive income (loss) attributable to Panasonic Corporation was reported as a loss of 48,730 million yen for the first quarter of fiscal 2011, and a loss of 21,791 million yen for the first quarter of fiscal 2010. Comprehensive income (loss) attributable to Panasonic Corporation includes net income (loss) attributable to Panasonic Corporation and increases (decreases) in accumulated other comprehensive income (loss) attributable to Panasonic Corporation.
5. 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.
6. 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.
7. 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 first quarter of fiscal 2010.
8. 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.

**Table of Contents**

- 12 -

Principal internal divisional companies or units and subsidiaries operating in respective segments are as follows:

**Digital AVC Networks**

AVC Networks Company, System Networks Company,  
Panasonic Mobile Communications Co., Ltd., Automotive Systems Company,  
Panasonic Shikoku Electronics 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.

9. Number of consolidated companies: 672 (including parent company)

10. Number of associated companies under the equity method: 238

**Subsequent event:**

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 (hereinafter collectively referred to as the "Subsidiaries") in order to make them wholly-owned subsidiaries of Panasonic (hereinafter referred to as the "Acquisition of All Shares of the Subsidiaries") by around April 2011 by way of tender offers and, thereafter, share exchanges. In order to implement the Acquisition of All Shares of the Subsidiaries, the company resolved, at its above-mentioned Board of Directors meeting, to simultaneously commence tender offers for common shares of the Subsidiaries, respectively.

###

**Table of Contents**

July 29, 2010

Panasonic Corporation

**Supplemental Consolidated Financial Data for Fiscal 2011****First Quarter, ended June 30, 2010**

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 first quarter of fiscal 2010.

**1. Sales Breakdown**

yen (billions)

|  | Total          | 11/10       | Local<br>currency<br>basis 11/10 | Domestic       | 11/10       | Overseas       | 11/10       | Local<br>currency<br>basis 11/10 |
|--|----------------|-------------|----------------------------------|----------------|-------------|----------------|-------------|----------------------------------|
| Video and Audio Equipment                | 397.6          | 111%        | 114%                             | 138.1          | 112%        | 259.5          | 110%        | 115%                             |
| Information and Communications Equipment | 370.0          | 99%         | 102%                             | 193.2          | 93%         | 176.8          | 108%        | 113%                             |
| Digital AVC Networks                     | 767.6          | 105%        | 108%                             | 331.3          | 100%        | 436.3          | 109%        | 114%                             |
| Home Appliances                          | 313.4          | 107%        | 109%                             | 168.0          | 103%        | 145.4          | 114%        | 117%                             |
| PEW and PanaHome                         | 346.9          | 111%        | 112%                             | 270.4          | 106%        | 76.5           | 132%        | 140%                             |
| Components and Devices                   | 193.3          | 114%        | 117%                             | 64.8           | 118%        | 128.5          | 112%        | 117%                             |
| SANYO                                    | 407.4          |             |                                  | 152.1          |             | 255.3          |             |                                  |
| Other                                    | 132.5          | 147%        | 149%                             | 67.8           | 125%        | 64.7           | 180%        | 185%                             |
| <b>Total</b>                             | <b>2,161.1</b> | <b>135%</b> | <b>138%</b>                      | <b>1,054.4</b> | <b>123%</b> | <b>1,106.7</b> | <b>150%</b> | <b>155%</b>                      |
| (Domestic vs. overseas)                  | (100%)         |             |                                  | (49%)          |             | (51%)          |             |                                  |

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**

yen (billions)

|                         | 11/10          | Local<br>currency<br>basis 11/10 |
|-------------------------|----------------|----------------------------------|
| North and South America | 286.0          | 140%                             |
| Europe                  | 223.8          | 134%                             |
| Asia                    | 292.4          | 152%                             |
| China                   | 304.5          | 175%                             |
| <b>Total</b>            | <b>1,106.7</b> | <b>150%</b>                      |



**Table of Contents****2. Sales by Products**

yen (billions)

| Product Category       | Products                        | Sales | 11/10 |
|------------------------|---------------------------------|-------|-------|
| Digital AVC Networks   | TVs                             | 250.5 | 116%  |
|                        | Plasma TVs                      | 130.9 | 106%  |
|                        | LCD TVs                         | 102.3 | 136%  |
|                        | Digital Cameras                 | 51.3  | 107%  |
|                        | BD / DVD recorders              | 33.4  | 109%  |
|                        | BD recorders / players          | 27.7  | 122%  |
|                        | VCRs / camcorders               | 15.1  | 91%   |
|                        | Audio equipment                 | 18.0  | 111%  |
|                        | Information equipment           | 255.1 | 115%  |
|                        | Communications equipment        | 114.9 | 77%   |
| Home Appliances        | Mobile communications equipment | 55.7  | 61%   |
|                        | Air conditioners                | 81.0  | 105%  |
| Components and Devices | Refrigerators                   | 33.0  | 101%  |
|                        | General components              | 84.2  | 119%  |
| Other                  | Semiconductors *                | 84.7  | 111%  |
|                        | Batteries                       | 60.1  | 111%  |
|                        | FA equipment                    | 41.5  | 291%  |

\* Information for semiconductors is on a production basis.

**3. Financial data for the primary domain companies**

(Business domain company basis)

&lt;Sales, Domain company Profit (production division basis), and Capital Investment \* &gt;

yen (billions)

|   | Sales |            | Domain company profit |            | Capital Investment |            |
|---|-------|------------|-----------------------|------------|--------------------|------------|
|   | 11/10 | % of Sales | 11/10                 | % of Sales | 11-10              | % of Sales |
| AVC Networks Company                      | 419.8 | 114%       | -18.9                 | -4.5%      | 40.1               | -27.9      |
| Panasonic Mobile Communications Co., Ltd. | 66.1  | 65%        | 2.7                   | 4.1%       | 0.5                | +0.1       |
| Panasonic Electronic Devices Co., Ltd.    | 95.8  | 114%       | 3.2                   | 3.4%       | 5.5                | +0.8       |
| Factory Automation Business               | 44.5  | 279%       | 6.5                   | 14.6%      | 0.2                | +0.1       |

\* These figures are calculated on an accrual basis.

**Table of Contents****4. Capital Investment by Business Segment \***

yen (billions)

|                           | <b>Capital Investment<br/>11-10</b> |              |
|---------------------------|-------------------------------------|--------------|
| Digital AVC Networks      | 45.9                                | -24.1        |
| Home Appliances           | 5.5                                 | -7.3         |
| PEW and PanaHome          | 9.8                                 | +3.3         |
| Components and Devices ** | 20.4                                | -2.8         |
| SANYO                     | 15.9                                | +15.9        |
| Other                     | 1.2                                 | -0.6         |
| <b>Total</b>              | <b>98.7</b>                         | <b>-15.6</b> |
| <** semiconductors only>  | <5.0>                               | <-0.5>       |

\* These figures are calculated on an accrual basis.

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.

**5. Foreign Currency Exchange Rates**

&lt;Fiscal 2011 First Quarter&gt;

|              | <b>Export Rates</b> |     | <b>Rates Used for<br/>Consolidation</b> |     | <b>Foreign Currency<br/>Transaction *<br/>(billions)</b> |
|--------------|---------------------|-----|---|-----|--|
| U.S. Dollars | ¥                   | 91  | ¥                                       | 92  | US\$ 0.4   |
| Euro         | ¥                   | 125 | ¥                                       | 117 | 0.3  |

<Fiscal 2010 First Quarter>

|              | <b>Export Rates</b> |     | <b>Rates Used for<br/>Consolidation</b> |     | <b>Foreign Currency<br/>Transaction *<br/>(billions)</b> |
|--------------|---------------------|-----|---|-----|--|
| U.S. Dollars | ¥                   | 94  | ¥                                       | 97  | US\$ 0.4   |
| Euro         | ¥                   | 122 | ¥                                       | 133 | 0.3  |

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

**6. Number of Employees**

(persons)

Edgar Filing: PANASONIC Corp - Form 6-K

|          | End of June 2009 | End of March 2010 | End of June 2010 |
|----------|------------------|-------------------|------------------|
| Domestic | 130,066          | 152,853           | 153,493          |
| Overseas | 158,867          | 231,733           | 231,323          |
| Total    | 288,933          | 384,586           | 384,816          |

- 3 -

**Table of Contents****<Attachment 1> Reference****Segment information for fiscal 2011**

| <u>Sales</u>           | Yen (billions)                        |
|------------------------|---------------------------------------|
|                        | <b>1st Quarter<br/>(Apr. to Jun.)</b> |
| Digital AVC Networks   | 831.7                                 |
| Home Appliances        | 322.8                                 |
| PEW and PanaHome       | 391.2                                 |
| Components and Devices | 236.3                                 |
| SANYO                  | 413.0                                 |
| Other                  | 275.4                                 |
| Subtotal               | 2,470.4                               |
| Eliminations           | -309.3                                |
| <b>Total</b>           | <b>2,161.1</b>                        |

| <u>Segment profit</u>      | Yen (billions)                        |
|----------------------------|---------------------------------------|
|                            | <b>1st Quarter<br/>(Apr. to Jun.)</b> |
| Digital AVC Networks       | 27.9                                  |
| Home Appliances            | 32.3                                  |
| PEW and PanaHome           | 8.3                                   |
| Components and Devices     | 11.8                                  |
| SANYO                      | 5.0                                   |
| Other                      | 12.8                                  |
| Subtotal                   | 98.1                                  |
| Corporate and eliminations | -14.3                                 |
| <b>Total</b>               | <b>83.8</b>                           |



**Table of Contents**

## &lt;Attachment 2&gt; Reference

**Segment information for fiscal 2010**

| <u>Sales</u>           | Yen (billions)                |                               |                               |                               |                             |
|------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
|                        | 1st Quarter<br>(Apr. to Jun.) | 2nd Quarter<br>(Jul. to Sep.) | 3rd Quarter<br>(Oct. to Dec.) | 4th Quarter<br>(Jan. to Mar.) | Full year<br>(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                     |
| <b>Subtotal</b>        | <b>1,855.6</b>                | <b>2,020.0</b>                | <b>2,168.9</b>                | <b>2,549.8</b>                | <b>8,594.3</b>              |
| Eliminations           | -260.1                        | -282.2                        | -282.3                        | -351.7                        | -1,176.3                    |
| <b>Total</b>           | <b>1,595.5</b>                | <b>1,737.8</b>                | <b>1,886.6</b>                | <b>2,198.1</b>                | <b>7,418.0</b>              |

| <u>Segment profit</u>      | Yen (billions)                |                               |                               |                               |                             |
|----------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
|                            | 1st Quarter<br>(Apr. to Jun.) | 2nd Quarter<br>(Jul. to Sep.) | 3rd Quarter<br>(Oct. to Dec.) | 4th Quarter<br>(Jan. to Mar.) | Full year<br>(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                        |
| <b>Subtotal</b>            | <b>-13.4</b>                  | <b>62.8</b>                   | <b>114.3</b>                  | <b>79.9</b>                   | <b>243.6</b>                |
| Corporate and eliminations | -6.8                          | -13.7                         | -13.3                         | -19.3                         | -53.1                       |
| <b>Total</b>               | <b>-20.2</b>                  | <b>49.1</b>                   | <b>101.0</b>                  | <b>60.6</b>                   | <b>190.5</b>                |

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.

**Table of Contents**

## &lt;Attachment 3&gt; Reference

**Segment information for fiscal 2009**Sales Yen (billions)

|                        | 1st Quarter<br>(Apr. to Jun.) | 2nd Quarter<br>(Jul. to Sep.) | 3rd Quarter<br>(Oct. to Dec.) | 4th Quarter<br>(Jan. to Mar.) | Full year<br>(Apr. to Mar.) |
|------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
| Digital AVC Networks   | 1,046.4                       | 1,056.5                       | 937.3                         | 708.8                         | 3,749.0                     |
| Home Appliances        | 374.6                         | 354.9                         | 306.3                         | 254.5                         | 1,290.3                     |
| PEW and PanaHome       | 432.8                         | 495.9                         | 432.7                         | 404.9                         | 1,766.3                     |
| Components and Devices | 307.9                         | 310.3                         | 260.2                         | 166.5                         | 1,044.9                     |
| Other                  | 289.4                         | 309.2                         | 222.4                         | 250.7                         | 1,071.7                     |
| Subtotal               | 2,451.1                       | 2,526.8                       | 2,158.9                       | 1,785.4                       | 8,922.2                     |
| Eliminations           | -299.1                        | -335.1                        | -279.0                        | -243.5                        | -1,156.7                    |
| Total                  | 2,152.0                       | 2,191.7                       | 1,879.9                       | 1,541.9                       | 7,765.5                     |

Segment profit Yen (billions)

|                            | 1st Quarter<br>(Apr. to Jun.) | 2nd Quarter<br>(Jul. to Sep.) | 3rd Quarter<br>(Oct. to Dec.) | 4th Quarter<br>(Jan. to Mar.) | Full year<br>(Apr. to Mar.) |
|----------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
| Digital AVC Networks       | 55.0                          | 47.8                          | -4.9                          | -94.7                         | 3.2                         |
| Home Appliances            | 32.7                          | 16.3                          | 17.1                          | -19.3                         | 46.8                        |
| PEW and PanaHome           | 10.5                          | 25.3                          | 10.3                          | -6.0                          | 40.1                        |
| Components and Devices     | 18.4                          | 28.6                          | 6.1                           | -43.8                         | 9.3                         |
| Other                      | 13.9                          | 14.9                          | 0.1                           | -5.0                          | 23.9                        |
| Subtotal                   | 130.5                         | 132.9                         | 28.7                          | -168.8                        | 123.3                       |
| Corporate and eliminations | -20.9                         | -14.4                         | -2.3                          | -12.8                         | -50.4                       |
| Total                      | 109.6                         | 118.5                         | 26.4                          | -181.6                        | 72.9                        |

Note: The company restructured the motor business on April 1, 2010. Accordingly, segment information for Home Appliances and, Components and Devices in fiscal 2009 are reclassified to conform to the presentation for fiscal 2011.

**Table of Contents**

## &lt;Attachment 4&gt; Reference

**Primary domain companies information for fiscal 2011**

Sales Yen (billions)

|   | <b>1st Quarter<br/>(Apr. to Jun.)</b> |
|---|---------------------------------------|
| AVC Networks Company                      | 419.8                                 |
| Panasonic Mobile Communications Co., Ltd. | 66.1                                  |
| Panasonic Electronic Devices Co., Ltd.    | 95.8                                  |
| Factory Automation Business               | 44.5                                  |

Domain company profit Yen (billions)

|   | <b>1st Quarter<br/>(Apr. to Jun.)</b> |
|---|---------------------------------------|
| AVC Networks Company                      | -18.9                                 |
| Panasonic Mobile Communications Co., Ltd. | 2.7                                   |
| Panasonic Electronic Devices Co., Ltd.    | 3.2                                   |
| Factory Automation Business               | 6.5                                   |

**Primary domain companies information for fiscal 2010**

Sales Yen (billions)

|   | <b>1st Quarter<br/>(Apr. to Jun.)</b> | <b>2nd Quarter<br/>(Jul. to Sep.)</b> | <b>3rd Quarter<br/>(Oct. to Dec.)</b> | <b>4th Quarter<br/>(Jan. to Mar.)</b> | <b>Full year<br/>(Apr. to Mar.)</b> |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|-------------------------------------|
| 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)

|   | <b>1st Quarter<br/>(Apr. to Jun.)</b> | <b>2nd Quarter<br/>(Jul. to Sep.)</b> | <b>3rd Quarter<br/>(Oct. to Dec.)</b> | <b>4th Quarter<br/>(Jan. to Mar.)</b> | <b>Full year<br/>(Apr. to Mar.)</b> |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|-------------------------------------|
| 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                                |

**Primary domain companies information for fiscal 2009**

Sales Yen (billions)

| <b>1st Quarter<br/>(Apr. to Jun.)</b> | <b>2nd Quarter<br/>(Jul. to Sep.)</b> | <b>3rd Quarter<br/>(Oct. to Dec.)</b> | <b>4th Quarter<br/>(Jan. to Mar.)</b> | <b>Full year<br/>(Apr. to Mar.)</b> |
|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|-------------------------------------|
|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|-------------------------------------|

Edgar Filing: PANASONIC Corp - Form 6-K

|   |       |       |       |       |         |
|---|-------|-------|-------|-------|---------|
| AVC Networks Company                      | 529.9 | 553.1 | 519.4 | 296.1 | 1,898.5 |
| Panasonic Mobile Communications Co., Ltd. | 118.8 | 90.4  | 85.7  | 94.8  | 389.7   |
| Panasonic Electronic Devices Co., Ltd.    | 124.9 | 120.5 | 92.7  | 62.5  | 400.6   |
| Factory Automation Business               | 60.8  | 51.1  | 25.6  | 15.5  | 153.0   |

Domain company profit

Yen (billions)

|   | 1st Quarter<br>(Apr. to Jun.) | 2nd Quarter<br>(Jul. to Sep.) | 3rd Quarter<br>(Oct. to Dec.) | 4th Quarter<br>(Jan. to Mar.) | Full year<br>(Apr. to Mar.) |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
| AVC Networks Company                      | 14.4                          | 21.5                          | -23.4                         | -62.6                         | -50.1                       |
| Panasonic Mobile Communications Co., Ltd. | 14.9                          | 6.4                           | 6.7                           | -4.3                          | 23.7                        |
| Panasonic Electronic Devices Co., Ltd.    | 9.0                           | 8.1                           | -2.0                          | -17.6                         | -2.5                        |
| Factory Automation Business               | 9.4                           | 5.8                           | -4.7                          | -8.9                          | 1.6                         |