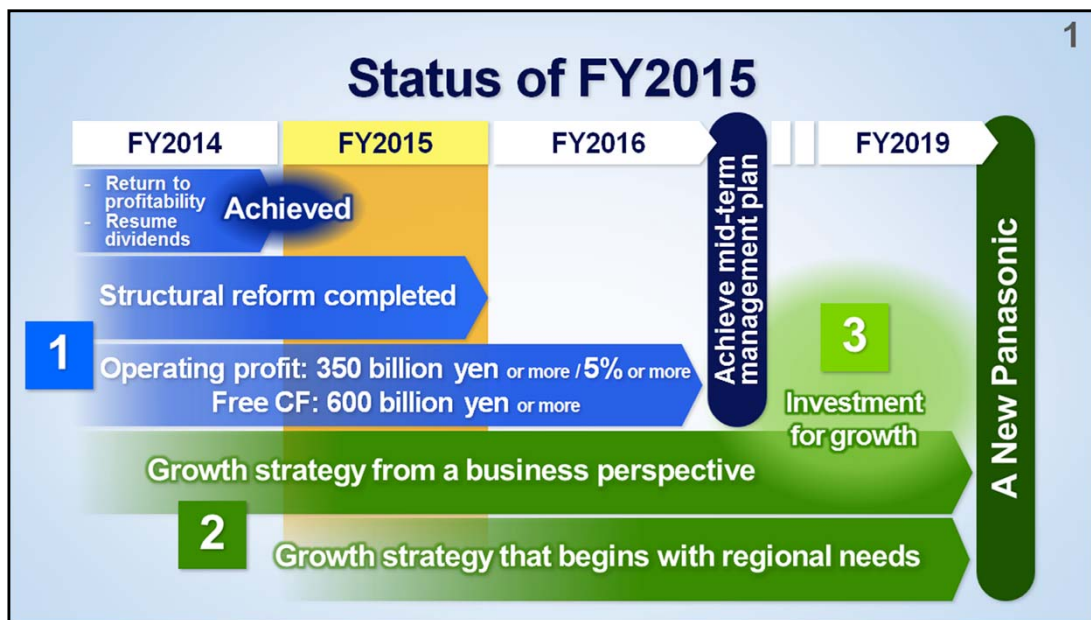


Progress of Mid-term Management Plan & Growth Strategy

October 31, 2014

Panasonic Corporation

- This presentation outlines the progress with our mid-term management plan and growth strategy.



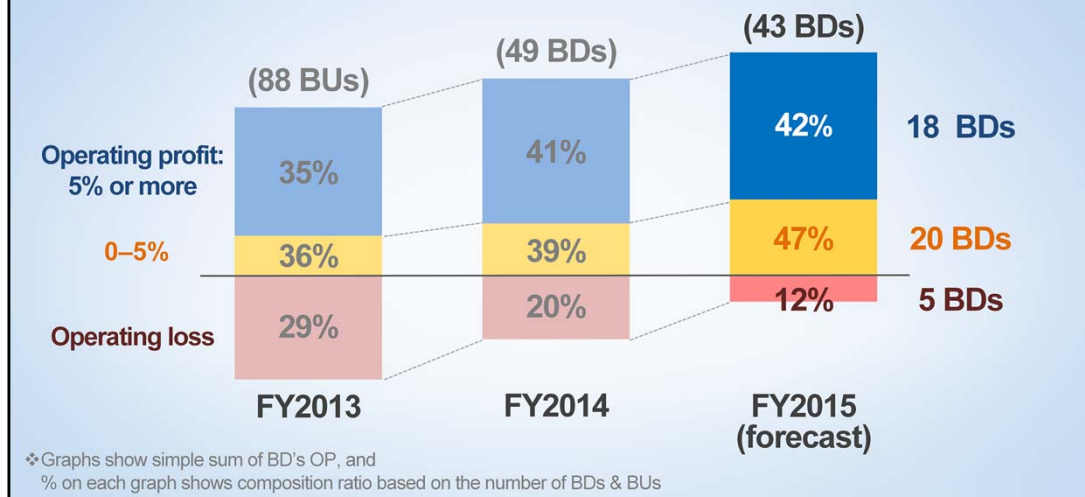
- As I mentioned at the business policy announcement on March 27, 2014, FY2015 is positioned as a year for making steady progress to achieve the mid-term management plan and for developing a strategy in preparation for the “New Panasonic” of 2018.
- Today, I would like to talk about our progress in these two efforts, along with our way of thinking and the direction we will take to ensure “investment for growth.”

1 Achieve mid-term plan 1 year ahead of schedule

(yen: billions)	FY2014 results	FY2015 forecast	One year ahead	FY2016 (Mid-term plan)
Operating profit	305.1	350	←	350 or more
(%)	3.9%	4.5%		5.0% or more
Accumulated free CF	594.1	2-year total 800 or more	←	3-year total 600 or more

- First, to make steady progress to achieve CV2015, as Mr. Kawai has mentioned, we forecast reaching our mid-term targets, “Operating profit of 350 billion yen or more,” and “Accumulated free cash flow of 600 billion yen or more,” during FY2015. Initially, these targets were set for the end of FY2016, the third year of the mid-term plan. So we are one year ahead of schedule.
- During the second half of FY2015, we are determined to accomplish these figures as the full-year forecast, which we have revised upward.
- As for operating profit margin, we forecast 4.5%, which means that we are within the range to achieve “5%” in FY2016.
- In order to achieve the mid-term management plan a year ahead of schedule, we will further expedite our initiatives.

1 Business divisions' profitability: *improving*



- This slide shows the transition of operating profit by business division, our basis of management.
- So far, we have implemented various initiatives, such as carrying out business restructuring and shifting into new business areas. Through these efforts, we have reduced the number of unprofitable business divisions. At the end of FY2013, about 30% of our business divisions, then called business units, were unprofitable. By the end of FY2015, we forecast the number will be 5, which is approximately 10%.
- In addition, we have steadily improved profitabilities, with about half of our business divisions having an operating profit margin of 5% or more. We can now, realistically, expect to achieve a company-wide average of 5% operating profit margin.
- But we will not stop there. As for business divisions with an operating profit below 5%, we will continue to work toward bringing them up to our target of 5% or more within FY2016.

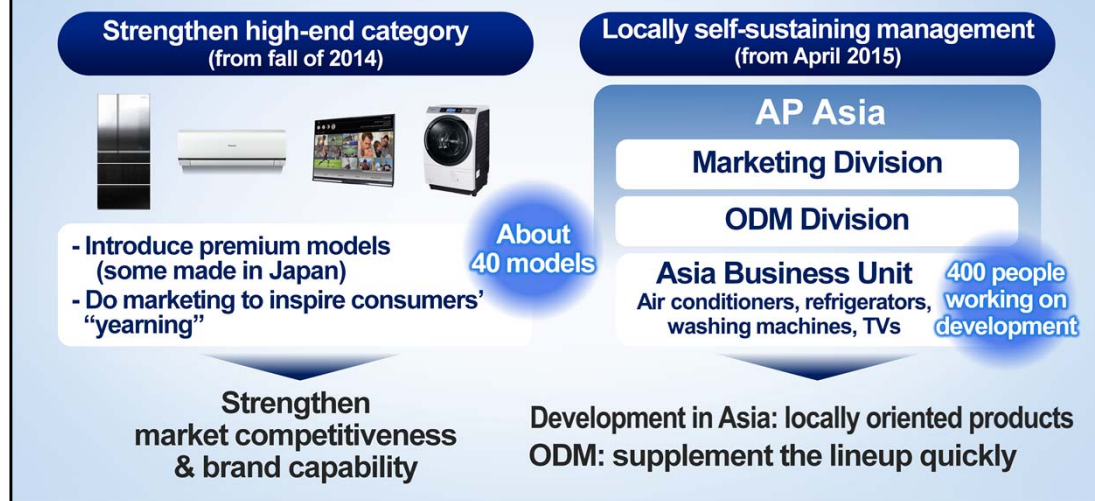
2

Concentrating resources in key areas

	Japan	Europe & Americas	Strategic Regions
Consumer electronics			(A)
Housing	○		(B)
Automotive	○	(C)	
B2B solutions	(D)	○	○
Devices			

❖ Examples of initiatives taken in A, B, C and D introduced later

- Next, I would like to talk about our progress in developing our growth strategy. As I explained in the Management Policy for FY2015, we are in the process of formulating our growth strategies in 5 business areas X 3 global regions.
- In particular, we are directing our investment resources to the 8 key areas shown in yellow. These are the areas where we find room for growth, in other words, where we need to take on the challenge for growth.
- While making visits to our operation sites and customers globally, I have been able to see for myself how our employees are taking on challenges, and I have received firsthand feedback from our customers, expressing their high expectations of us. I feel very confident that we can further improve our profitabilities, and achieve further growth.
- Among the 8 key areas, today, I would like to introduce 4 examples, indicated here as initiatives A, B, C and D.



- First, the initiative taken in A, “Consumer Electronics x Strategic regions.” In this area, we are carrying out initiatives to develop competitive products in Asia.
- One of these initiatives is to strengthen the high-end category. From this fall, we will introduce a series of premium products to the market, in all about 40 models. These include refrigerators and washing machines, which we want to actively promote as “made-in-Japan” models.
- In addition, by adapting to the characteristics of the market, we will carry out marketing to inspire consumers’ “yearning.” In this way, we will strengthen our market competitiveness and brand capability, and thus increase sales.
- Furthermore, we will establish AP Asia, which consists of a marketing division, ODM division, and business units in Asia, in April 2015. We will create locally self-sustaining businesses, consolidating development, manufacturing, and sales functions
- The business units will deal with air conditioners, refrigerators, washing machines, and TVs, and about 400 people will be working in development as total. We intends to realize to create locally oriented products, and to quickly strengthen our lineups by using ODM.

Develop Smart Cities

Kuantan (Malaysia)

Supply locally oriented houses

Competitive prices

Insulation
Ventilation
Waterproofing

Halved lead-time

W-PC method

Thailand
Vietnam
Malaysia
Indonesia

Set up ASEAN Housing Business HQ in April 2015

- Next, let me discuss our initiative in the housing business for the Strategic Regions, initiative B. Panasonic is ready to launch an all-out housing business in the ASEAN region, placing PanaHome as its main pillar.
- Targeting the affluent, we are currently developing Smart Cities in such areas as Kuantan, Malaysia.
- Furthermore, to promote the home building business, we will introduce a fables operation style in Malaysia, thus providing houses that are custom tailored to local needs, at locally standard prices.
- Our houses will be built based on what we call, the W-PC construction method, which fully leverages the prefabrication technology widely used in Japan. This will enable us to improve the capabilities of “heat insulation,” “air ventilation,” and “waterproofing,” the major problems that conventionally built local houses have. Furthermore, the total construction period will be about 3 months, almost half the usual time needed.
- In order for us to actively expand such initiatives to the other ASEAN countries, including Indonesia, Vietnam, and Thailand, we plan to establish the ASEAN housing business Headquarters by April 2015, and then accelerate our efforts.

Tesla Motors

Established Li-ion battery production company at “Gigafactory” in US

(October 2014)



Ficosa International S.A.

Build a capital & business alliance for electronic mirror business

(Target: by end of FY2015)



- This slide shows our ventures in the automotive business for Europe and the Americas, initiative C. Panasonic is fully resolved to lead innovation by collaborating with partners who play active roles in this industry.
- Let me show you a specific example: For the production of lithium-ion batteries, we established “Panasonic Energy Corporation of North America” this month, on the premises of the “Gigafactory” Tesla Motors plans to complete in Nevada.
- In doing this, we will further contribute to bringing EVs into wider use.
- Another example is our investment agreement, signed last month, to enter into a capital and business alliance with Ficosa International S.A., of Spain.
- By combining our imaging technology with Ficosa’s automotive mirror technology, we will aim to facilitate smooth launch of electronic mirror business that support comfortable and safe driving.

Signed for Official Worldwide Paralympic Partnership (October 2014)

Panasonic
Worldwide Partner



Sponsor categories

❖ Home appliances and power assisted bicycles will be added in 2017.
❖ Welfare devices, including "The Shower," are for Paralympics only.

Offering "future living"



- As a final example, let me talk about initiative D, our B2B solutions for the Japanese market.
- Following our agreement to join the Official Worldwide Olympic Partnership, we have also signed for the Official Worldwide Paralympic Partnership this month.
- For the Paralympics, we will add some personal welfare devices to the current sponsor categories for the Olympic Games. These include audiovisual devices, home appliances, and power-assisted bicycles.
- Taking this opportunity, Panasonic intends to give strong support not only to the success of the Games, but also to people with disabilities as well as the elderly, by expanding our areas of contribution.
- We truly consider the Olympic and Paralympic Games an ideal opportunity to demonstrate the potential of Panasonic to customers around the world, by offering "future living."
- To this end, we are developing a variety of systems and devices and making various proposals. So, going forward, we would like to occasionally share with you our latest information, including the progress of such activities.



- Finally, I will touch on our ideas about investments for growth.
- As we have been saying, our profitability and cash position have steadily improved.
- Although we initially planned to launch strategic investments for growth in FY2017, the first year of our next mid-term management plan, we will initiate the strategic investments in FY2016, moving up the schedule a full year.
- We are not yet at the stage to show you the scale and details of specific investments now. But for us to achieve sales of around 10 trillion yen in 2018, we must create inorganic growth. Consequently, we have studied which areas to focus on, from both the business and regional perspectives, and accordingly, will actively take M&A actions and build capital alliances, especially in the areas shown here.

The Panasonic logo is centered within a light blue rectangular box. The word "Panasonic" is written in a bold, blue, sans-serif font.

Panasonic

- Thank you for your cooperation.

Disclaimer Regarding Forward-Looking Statements

This presentation includes forward-looking statements (that include those within the meaning of 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 presentation 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 presentation. 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 on 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; 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, 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.

In order to be consistent with generally accepted financial reporting practices in Japan, operating profit (loss) is presented in accordance with generally accepted accounting principles in Japan. The company believes that this is useful to investors in comparing the company's financial results with those of other Japanese companies. Under United States generally accepted accounting principles, expenses associated with the implementation of early retirement programs at certain domestic and overseas companies, and impairment losses on long-lived assets are usually included as part of operating profit (loss) in the statement of income.