

Fiscal 2018 Management Policy

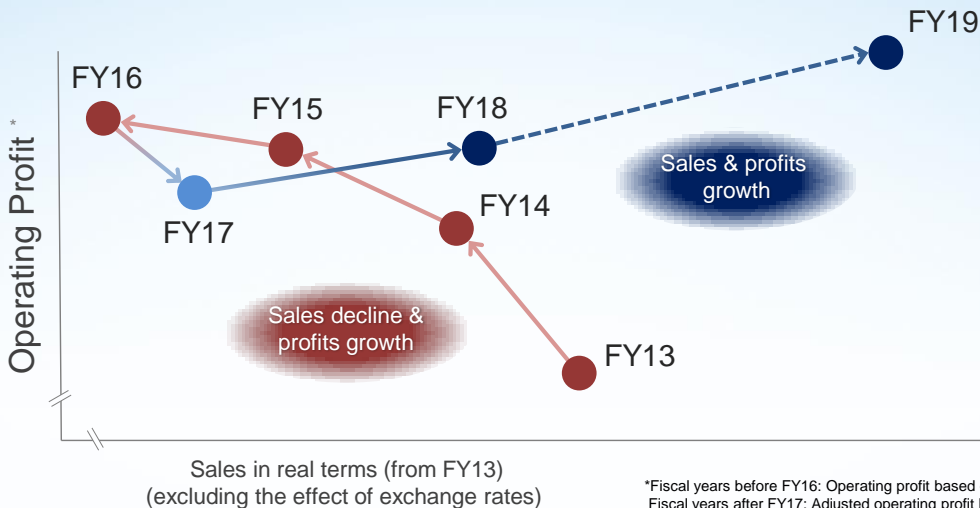
May 11, 2017

Panasonic Corporation

Notes: 1. This is an English translation from the original presentation in Japanese.
2. In this presentation, "Fiscal 2017" or "FY17" refers to the year ended March 31, 2017.
In addition, "Fiscal 2018" or "FY18" refer to the year ending March 31, 2018.

FY17 Sales Growth (in Real Terms)

Assured response toward achieving "both sales and profit growth"



Management Policy by Business Characteristics

Business Characteristics		Business area
High-growth business	Leading future sales and profit growth through well-focused large scale investments and group management resources	Automotive batteries, Next-gen cockpit systems, ADAS, Air-conditioners
Stable-growth business	Steady profit generation by competitive advantage and creating investment resource for high-growth business	White goods, Avionics, Wiring devices
Low-profitable business	Improving profitability by thorough initiatives including business transformation, fixed cost reduction and rationalization	Semiconductors, LCD panels, Solar panels

FY18 Sales Growth Driven by High-Growth Businesses

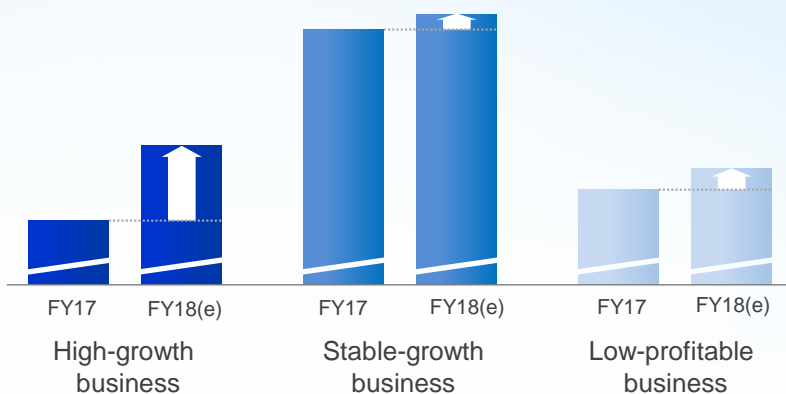
Sales

7,800 billion yen in FY18(e)



Trend in Sales

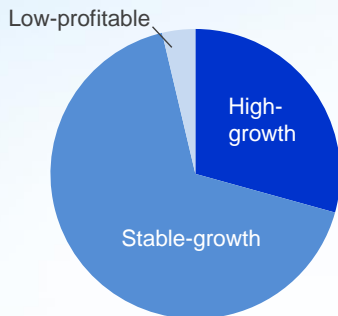
*Real terms excluding the effect of exchange rates



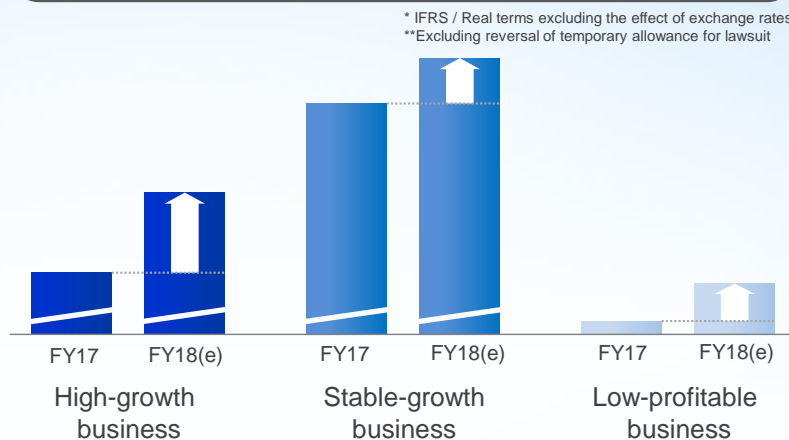
FY18 Profit Growth through Sales Expansion

Operating Profit

335 billion yen in FY18(e)



Trends in Operating Profit



High-growth business

Steady Progress in Automotive Business

Support automotive industry with Panasonic group-wide advantage



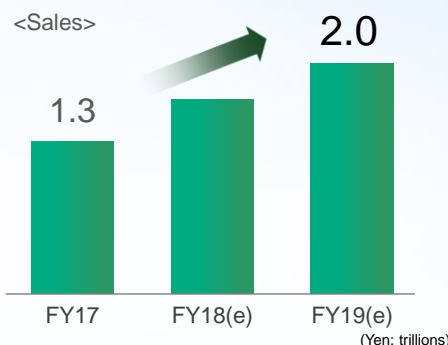
Aiming at 2 trillion yen sales in FY19 through large scale CAPEX and entering growth phase

Delivery for large projects will commence in FY18
Next-gen cockpits, IVI (In-vehicle-infotainment), automotive batteries

Delivery case: Display/HUD(Head-up Display) for JLR "Range Rover Velar"



Photo credit JAGUAR LAND ROVER LIMITED



High-growth business

1 Trillion Yen Strategic Investment

Pursue well-focused investments in high-growth business

1 trillion yen

Approx. 80%

Decision made

Approx. 40%

Completed

Large scale capital expenditure

Auto



Auto



M&A

Auto



B2B



Stable-growth Business

Establish Direction of Consumer Electronics

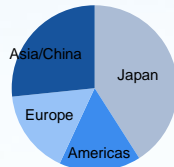
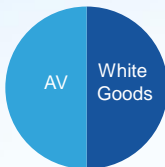
Expand premium white goods and transform business localization

"Selection and concentration" in business and region

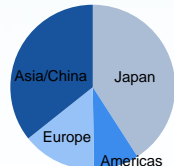
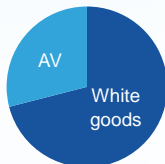
<Sales by product type>

<Sales by region>

FY13



FY17



Speedy global management initiatives

Integrate R&D, manufacturing and sales

Delegate business management to each region

Promote localization in India, by following steps in China and Asia

Panasonic India Appliance Company (est. in April '17)

AP China (est. in April '15)

AP Asia (est. in April '15)

*White goods include air-conditioners, refrigerators, washing machines, cooking appliances, beauty products
AV products include TVs, audios, digital still cameras, cell phones, etc.

Profitability Improvement

Tighten rein and undertake issues

Semiconductor *

- Expected to turn in black around in FY20 by transforming to automotive and industrial application and executing further rationalization

LCD panel **

- Terminated LCD for TV production during 1st half of FY17
- Expected to turn into black in FY20 by focusing on automotive and industrial applications where Panasonic take its advantage

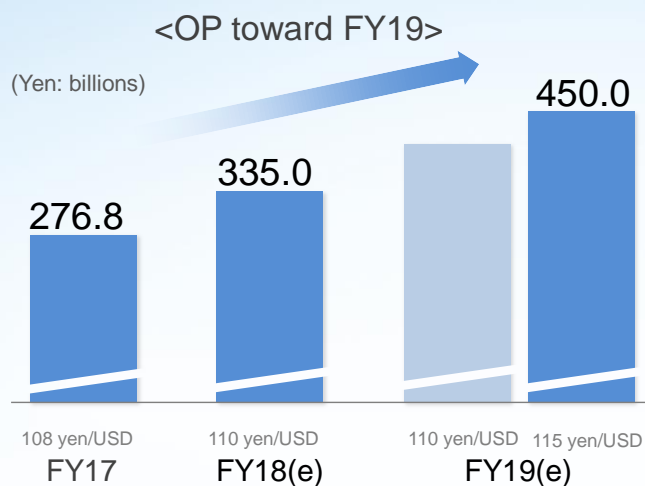
Solar

- Agreed with Tesla for business collaboration and long term contract in December 2016, to globally expand its solar business

* PSCS: Panasonic Semiconductor Solutions, Co., Ltd.

** PLD: Panasonic Liquid Display Co., Ltd.

FY19 Group Financial Target



<FY19 Financial Target> *

OP 450.0 billion yen

Net Profit ** ≥ 250.0 billion yen

*Assumption FX rate: per 1USD=115 yen

**Net profit attributable to Panasonic Corporation stockholders / IFRS

Panasonic

A Better Life, A Better World

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FY18 Business Areas by Business Characteristics

High-growth business

Automotive Batteries, Next-generation Cockpit Systems, ADAS (Advanced Driver Assistance Systems), Air-conditioners, Electromechanical Control Devices

Stable-growth business

White Goods, Small Appliances, Commercial Refrigeration & Food Equipment, Wiring Devices, Lighting Equipment, Remodeling, Age-free (elderly-care), Avionics, Process Automation, Surveillance System, Electric Materials, Dry Batteries, etc.

Low-profitable business

TVs, Fixed-line Phones / FAX, Building Products, Solar Systems, Ruggedized PCs, Semiconductor, LCD (Liquid Crystal Display) panels, etc.