

Fiscal 2011 First Quarter Financial Results

July 29, 2010

Panasonic Corporation
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Notes: 1. *This is an English translation from the original presentation in Japanese.*
2. *In this presentation, “fiscal 2011” or “FY2011” refers to the year ending March 31, 2011.*

- This presentation contains consolidated financial results for the first quarter of the fiscal year 2011, ending March 31, 2011.

Summary of the 1Q FY11 Results 2

1. Both sales and profits increased significantly due to double-digit sales growth especially in overseas markets
2. All results for operating profit, pre-tax income and net income attributable to Panasonic Corporation moved back into the black
3. Financial results forecast for the first six months and full year in fiscal 2011 revised upward

Panasonic ideas for life

- Three main points are shown here.
- Firstly, both sales and profits showed a significant increase due to double-digit sales growth especially in overseas markets. Thus, the Company made an excellent start for the first year of the midterm management plan 'GT12'.
- Secondly, all results for operating profit, pre-tax income and net income attributable to Panasonic Corporation moved back into the black.
- Finally, Panasonic revises upward the first six months and full year in fiscal 2011 forecasts.

1. Fiscal 2011 first quarter financial results

2. Segment analysis

3. Upward revision of financial results forecast for FY2011

- The next section outlines the financial results for the first quarter of fiscal 2011.

FY11 1Q Financial Results

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(yen: billions)

	FY11 1Q	FY10 1Q	vs. FY10/ difference
Sales	2,161.1	1,595.5	+35% (+11%)*
Domestic	1,054.4	858.8	+23% (+ 4%)*
Overseas	1,106.7	736.7	+50% (+18%)*
Operating profit / loss (%)	83.8 (3.9%)	-20.2 (-1.3%)	- +104.0
Pre-tax income/loss (%)	84.3 (3.9%)	-51.8 (-3.2%)	- +136.1
Net income/loss** (%)	43.7 (2.0%)	-53.0 (-3.3%)	- + 96.7

* Comparison with the 1Q FY10, including SANYO's results for Apr. to Jun. 2009 (unreviewed)

** Net income / loss attributable to Panasonic Corporation

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- Consolidated group sales for the first quarter totaled 2,161.1 billion yen, up 35% compared with the previous year. Sales compared with the previous year, including SANYO's results for April to June 2009, also increased by 11%.
- Operating profit for the first quarter totaled 83.8 billion yen, with pre-tax income of 84.3 billion yen. Net income attributable to Panasonic Corporation amounted to 43.7 billion yen.
- All results in earnings were back in the black, showing significant earnings increase of around 100.0 billion yen from the previous year.

FY11 1Q Financial Results (Breakdown) 5

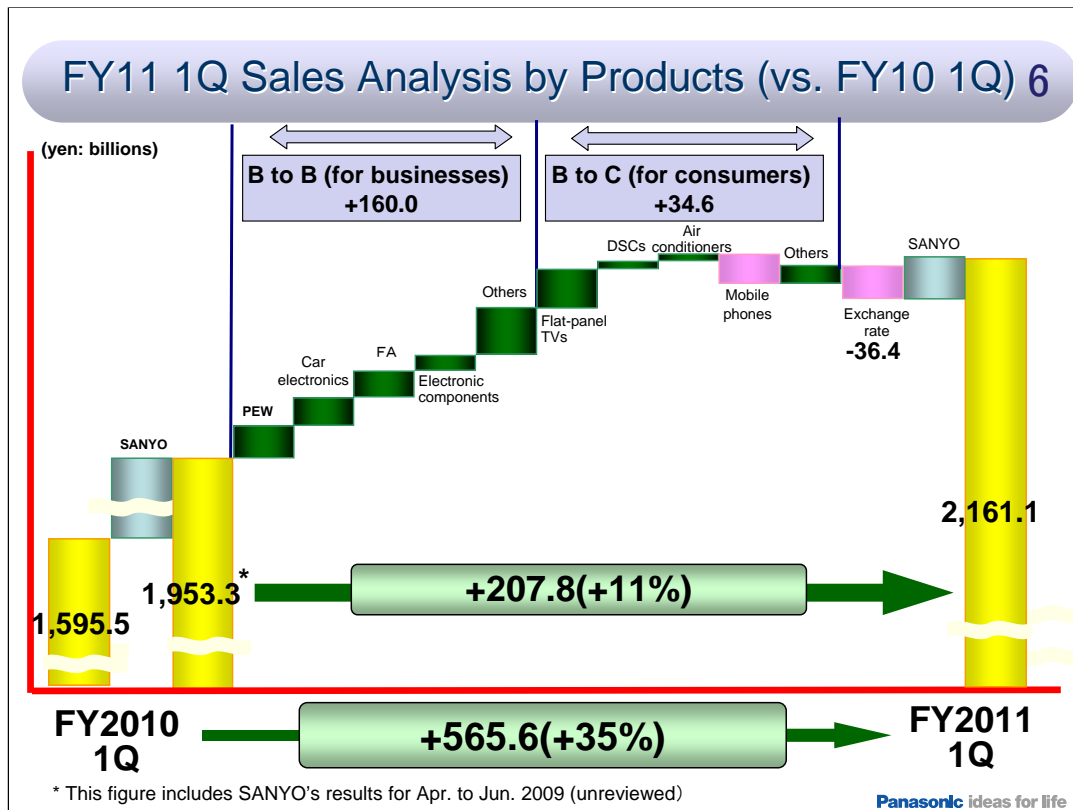
(yen: billions)

	FY2011 1Q	Panasonic Group (excluding SANYO)		SANYO (including amortization of intangible assets etc.)
		Amount	vs. FY10/ difference	
Sales	2,161.1	1,753.7	+10%	407.4
Domestic	1,054.4	902.3	+5%	152.1
Overseas	1,106.7	851.4	+16%	255.3
Operating profit (%)	83.8 (3.9%)	78.8 (4.5%)	+99.0	5.0
Non-operating income/loss	0.5	4.1	+35.7	-3.6
Pre-tax income (%)	84.3 (3.9%)	82.9 (4.7%)	+134.7	1.4
Net income* (%)	43.7 (2.0%)	40.8 (2.3%)	+93.8	2.9

* Net income attributable to Panasonic Corporation

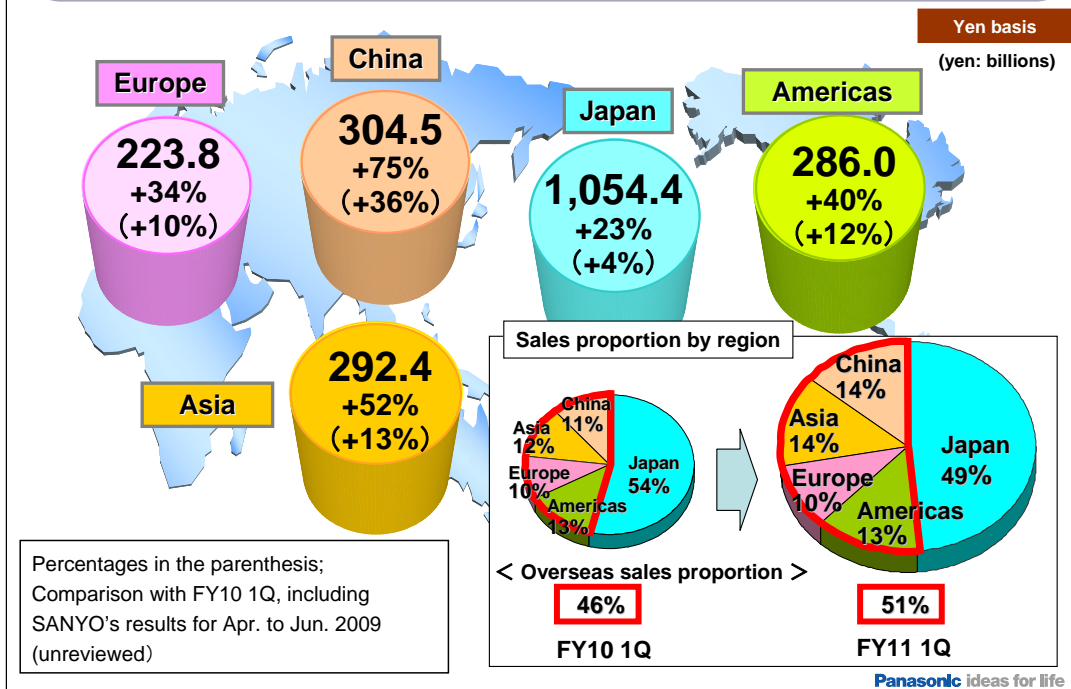
Panasonic ideas for life

- This slide provides a breakdown of the financial results of Panasonic group and SANYO in the first quarter of fiscal 2011.



- This chart shows sales trends by major product category.
- Total sales increased by 207.8 billion yen to 2,161.1 billion yen compared with the previous year's sales of 1,953.3 billion yen which includes SANYO's results for April to June 2009.
- Sales of all major products except mobile phones recorded increase over the previous year.
- Sales in B to B related products accounted for approximately 80% of the overall sales increases, with particularly strong results for car electronics, FA equipment, and electronic components.

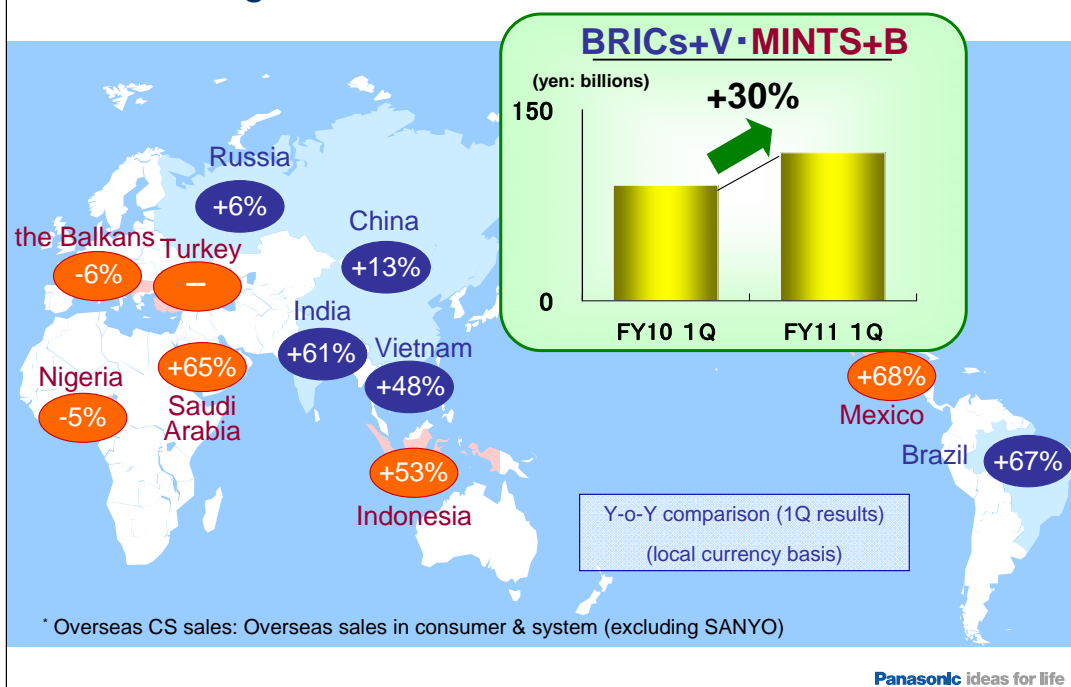
FY11 1Q Global Sales by Region (vs. FY10 1Q) 7



- This slide shows global sales by region in the first quarter of fiscal 2011.
- The percentage in parenthesis is the comparison from the previous year including SANYO's results for April to June 2009. Even this comparison shows double-digit sales growth in all overseas markets.
- Sales in FA equipment as well as PEW's products showed especially strong demand in China, contributing to the region's overall growth. Total sales in the Japanese consumer products achieved a record high in the first quarter of fiscal 2011.
- With regard to sales proportion by region, the proportion of China and Asia increased due mainly to the consolidation of SANYO. As a result, total overseas sales increased from 46% to 51%, despite a strengthening yen during the first quarter of fiscal 2011.

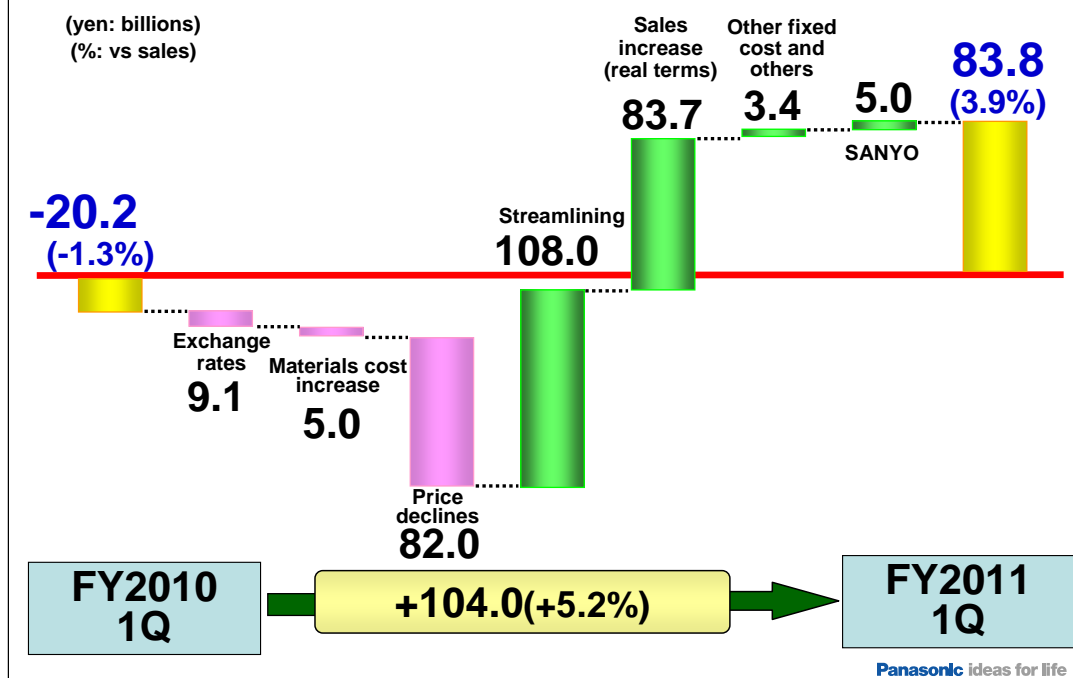
Emerging Countries Lead Overseas CS Sales* (excluding SANYO)

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- Sales results are shown here for the 'BRICs+V (Vietnam)' and 'MINTS+B' (Mexico, Indonesia, Nigeria, Saudi Arabia and the Balkans) which were selected as the important emerging countries in the midterm management plan 'GT12'.
- Total sales in the overseas commercial and system (excluding SANYO) in the first quarter of fiscal 2011 were up 30% from the previous year, thereby making an excellent start for the Company.
- The Company continues to aim for significant sales growth in emerging countries in order to achieve the targets in the midterm management plan.

FY11 1Q Operating Profit Analysis (vs. FY10 1Q) 9



- This slide shows operating profit analysis.
- Operating profit increased by 104.0 billion yen due mainly to sales increases and streamlining effects exceeding price decline.

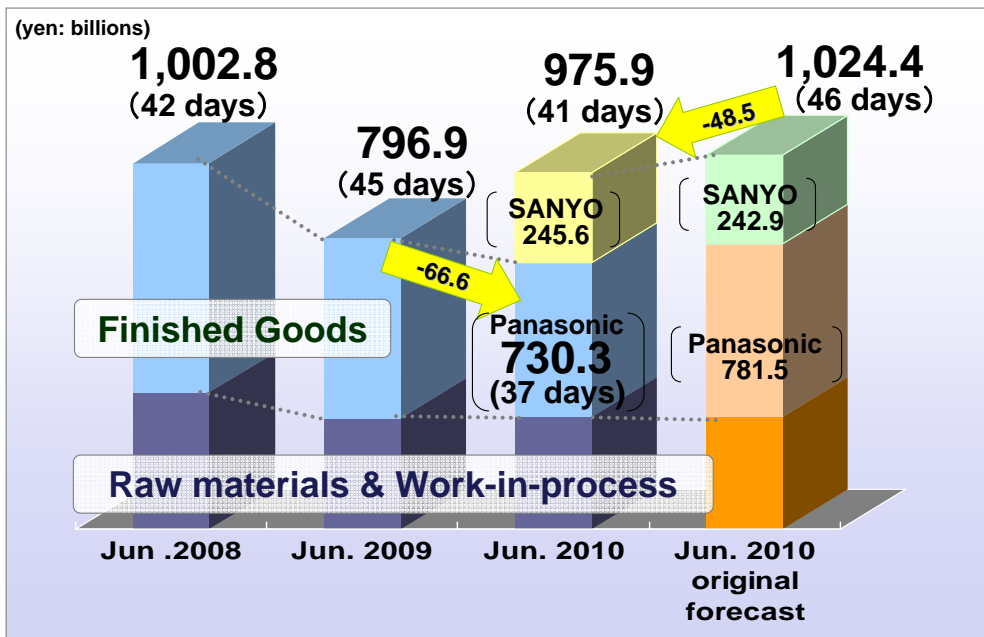
FY11 1Q Pre-tax and Net Income Analysis 10

(yen: billions)	FY11 1Q	vs. FY10 1Q
Operating profit	83.8	+104.0
Non-operating income	0.5	+32.1
Financial income / loss	- 1.6	- 1.8
Early retirement charges	- 0.9	+20.7
Other	3.0	+13.2
Pre-tax income	84.3	+136.1
Provision for income taxes	38.3	- 30.6
Equity in earnings of associated companies	1.7	+3.6
Net income	47.7	+109.1
Less: Noncontrolling interests	4.0	- 12.4
Net income *	43.7	+96.7

* Net income attributable to Panasonic Corporation

Panasonic ideas for life

- Next, pre-tax and net income analysis.
- Despite deteriorating financial costs, the non-operating income improved by 32.1 billion yen compared with the previous year. This was due mainly to a decrease in restructuring expenses compared to the previous year.
- The change in noncontrolling interests was due mainly to improved results in PEW as well as the consolidation of SANYO.
- As a result, net income attributable to Panasonic Corporation improved significantly by 96.7 billion yen from a year ago.

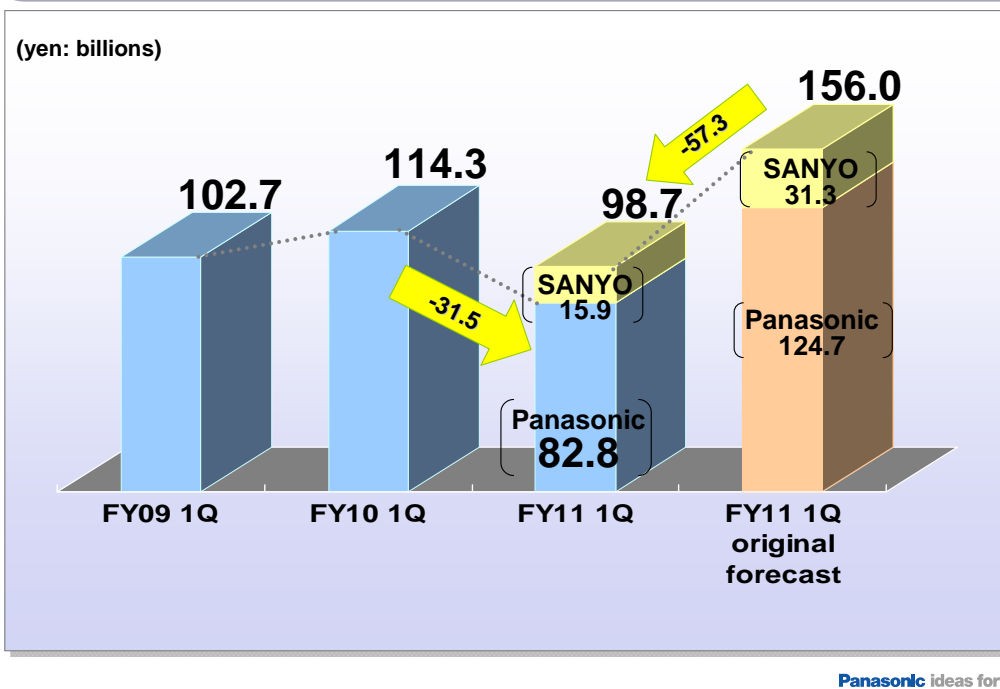


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- At the end of June 2010, SANYO's inventories totalled 245.6 billion yen. Panasonic's inventories, excluding SANYO's, were 730.3 billion yen, a decrease of 66.6 billion yen from June 2009. The Company also made a significant reduction in its turnover days by 8 days from 45 to 37 days.
- Owing to company-wide initiatives, even compared with the Company's original forecast which includes SANYO's inventories, Panasonic successfully reduced its inventory level by 48.5 billion yen and 5 turnover days.

Capital Investment

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- Panasonic's capital investment (excluding SANYO's 15.9 billion yen) totaled 82.8 billion yen, decreased by 31.5 billion yen from the previous year.
- The Company still successfully reduced its capital investment by 57.3 billion yen compared with the original forecast.

1. Fiscal 2011 first quarter financial results

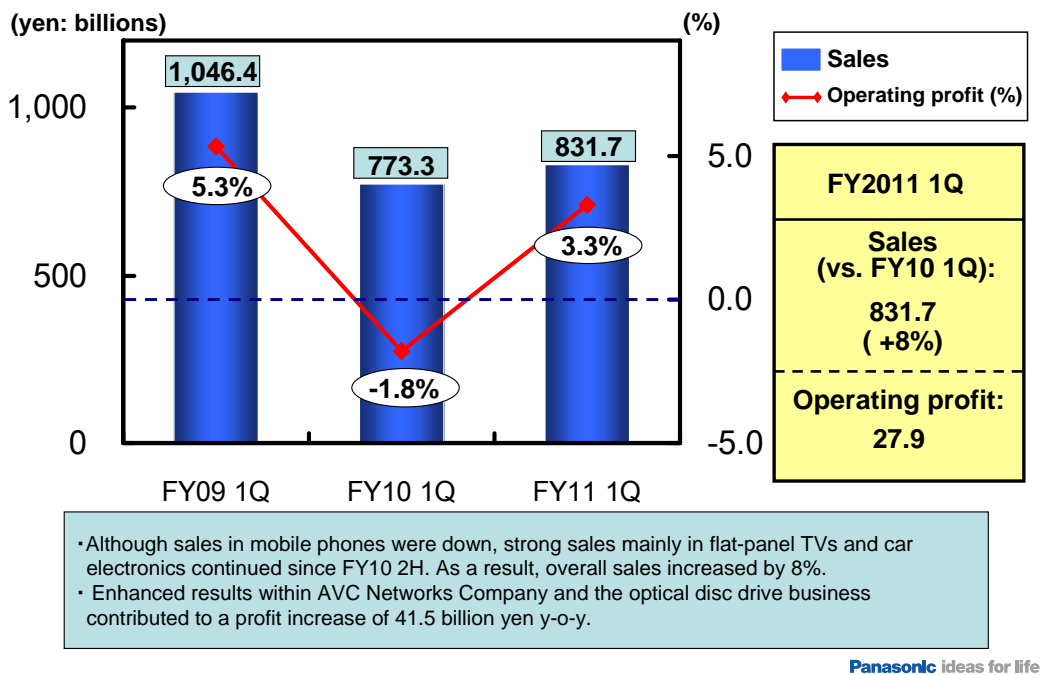
2. Segment analysis

3. Upward Revision of financial results forecast for FY2011

- Both sales and profits in all segments were improved, achieving operating profit into black

Digital AVC Networks

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- The chart shows the results for the last three years' first quarters.
- Strong sales of flat-panel TVs and car electronics contributed to overall sales gains in Digital AVC Networks, up 8% from the same period a year ago.
- Operating profit improved by 41.5 billion yen from the last year's first quarter thanks to enhanced results within AVC Networks Company and the optical disc drive business.

(yen: billions)	AVC *		PMC **	
	FY11 1Q	vs. FY10/ difference	FY11 1Q	vs. FY10/ difference
Sales	419.8	+14%	66.1	-35%
Operating profit/loss	-18.9	+15.7	2.7	-5.1
vs sales (%)	-4.5%	+4.9%	4.1%	-3.5%
Capex	40.1	-27.9	0.5	+0.1

* AVC = AVC Networks Company

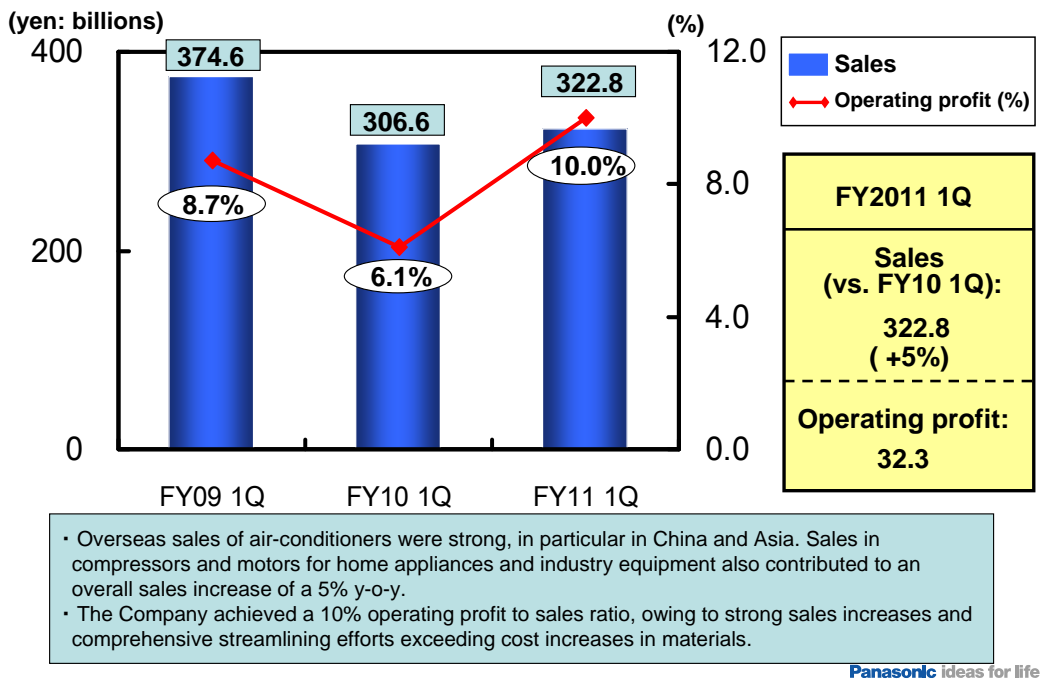
** PMC = Panasonic Mobile Communications Co., Ltd.

Panasonic ideas for life

- AVC and PMC results are shown here.
- For AVC, sales were favorable mainly in flat-panel TVs, such as 3D TVs which made a fully-fledged launch in the spring. This was also true for sales in digital cameras. As a result, overall sales increased by 14% from the same period a year ago. Profit improvement in the flat-panel TV business attributed to a 15.7 billion yen increase in operating profit, although it was unable to return to its break-even point.
- With regard to PMC, decreases in the number of new models launched in the first quarter impacted negatively. As a result, sales were down by 35% and operating profit decreased by 5.1 billion yen from the same period a year ago.

Home Appliances

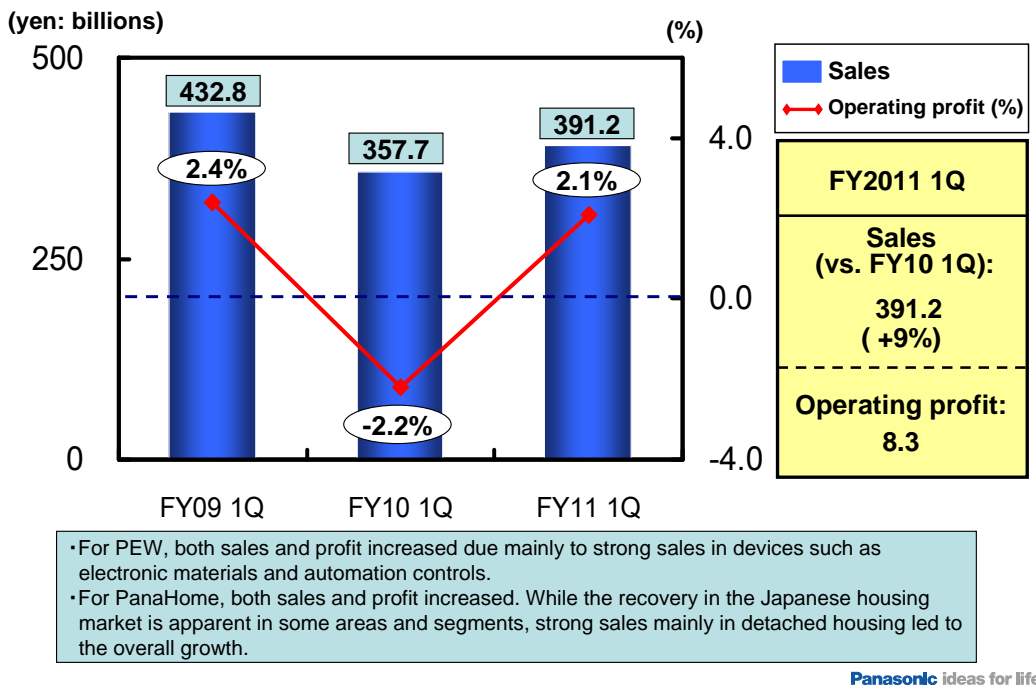
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- In Home Appliances, overseas sales of air-conditioners were strong, in particular in China and Asia. Sales in compressors and motors for home appliances and industrial equipment also contributed to an overall sales increase of 5% compared with the same period a year ago.
- The Company achieved a 10% operating profit to sales ratio, owing to strong sales increase and comprehensive streamlining efforts exceeding cost increases in materials.

PEW and PanaHome

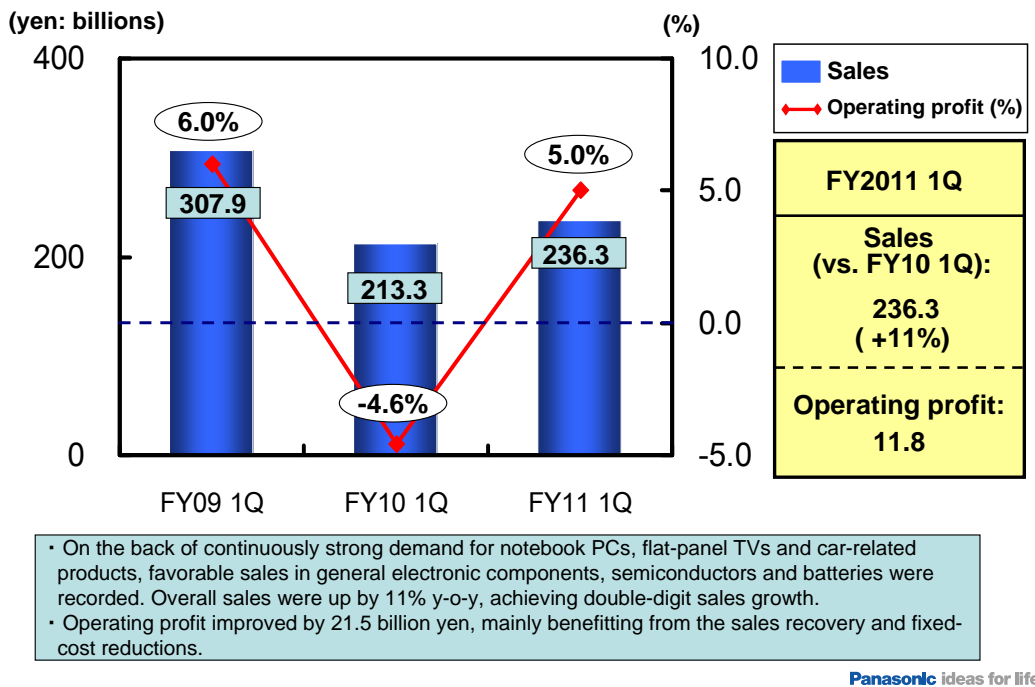
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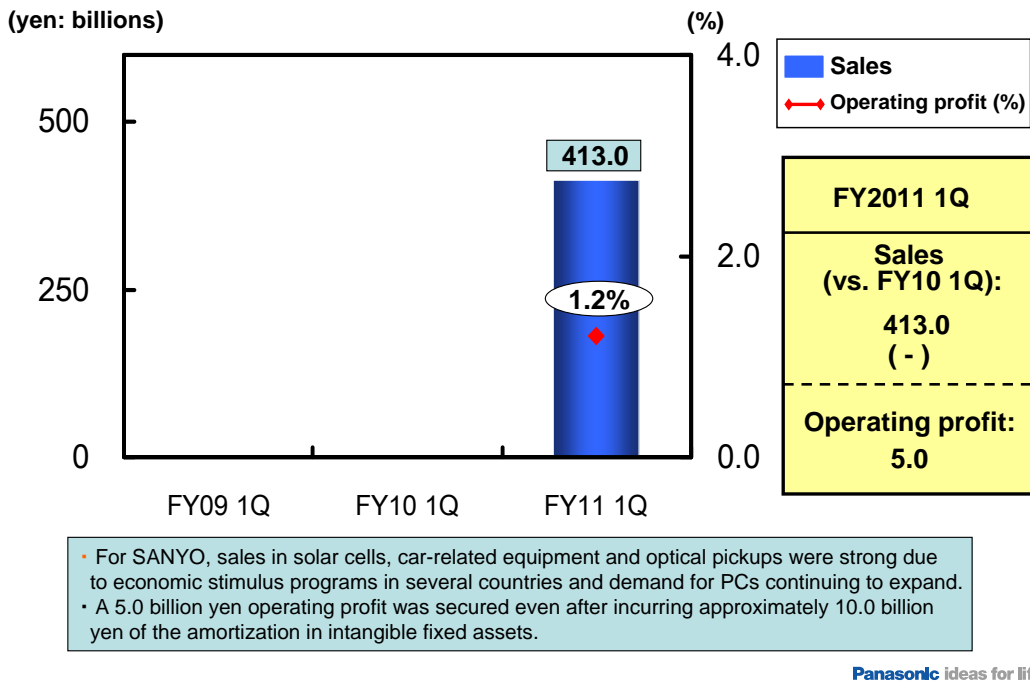
- For PEW, both sales and profit increased due mainly to strong sales in devices such as electronic construction materials and automation controls.
- For PanaHome, both sales and profit increased. While the recovery in the Japanese housing market is apparent in some areas and businesses, strong sales mainly in detached housing led to the overall growth.

Components and Devices

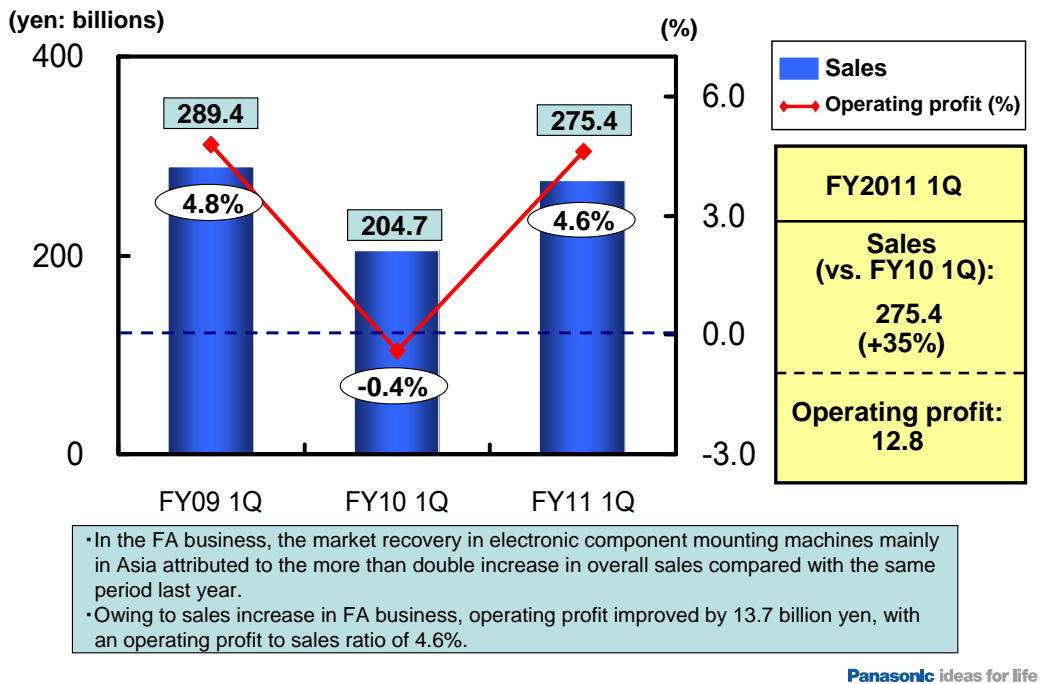
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- On the back of continuously strong demand for notebook PCs, flat-panel TVs and car-related products, favorable sales in general electronic components, semiconductors and batteries were recorded. As a result, overall sales were up by 11% compared with the previous year, achieving double-digit sales growth.
- Operating profit improved by 21.5 billion yen, mainly benefitting from the sales recovery and fixed-cost reductions.



- For SANYO, sales in solar cells, car-related equipment such as car navigation systems, and optical pickups were strong due to economic stimulus programs in several countries and demand for PCs continuing to expand.
- A 5.0 billion yen operating profit was secured even after incurring approximately 10.0 billion yen of the amortization in intangible assets recorded at the acquisition.



- In the Other segment, sales showed a significant increase due mainly to strong sales in FA equipment.
- Owing to sales increase in FA business, operating profit improved by 13.7 billion yen, with an operating profit to sales ratio of 4.6%.

	PED *		FA business **	
(yen: billions)	FY11 1Q	vs. FY10/ difference	FY11 1Q	vs. FY10/ difference
Sales	95.8	+14%	44.5	+179%
Operating profit	3.2	+7.0	6.5	+14.1
vs sales (%)	3.4%	+7.9%	14.6%	+62.0%
Capex	5.5	+0.8	0.2	+0.1

* PED= Panasonic Electronic Devices Co., Ltd.

** FA=Factory Automation

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- In PED which develops general components, sales for PCs and automobiles showed strong demand, resulting in a 14% increase in overall sales from the previous year. Operating profit also increased by 7.0 billion yen from the previous year.
- In the FA business, the market recovery in electronic component mounting machines mainly in China attributed to the significant increase of 179% in overall sales compared with the same period last year. The operating profit to sales ratio also recovered to 14.6%.

1. Fiscal 2011 first quarter financial results

2. Segment analysis

3. Upward Revision of financial results forecast for FY2011

- Next, upward revised forecast for fiscal 2011.

FY2011 1H Revised Forecast

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(yen: billions)

	Revised forecast		Original forecast (May 7, 2010)	Change
		vs. FY10/ difference		
Sales	4,370.0	+1,036.7 +31%	4,200.0	+170.0
Operating profit (%)	140.0 (3.2%)	+111.1 +385%	54.0 (1.3%)	+86.0
Pre-tax income (%)	120.0 (2.7%)	+146.5 -	29.0 (0.7%)	+91.0
Net income* (%)	55.0 (1.3%)	+101.9 -	2.0 (0.0%)	+53.0

* Net income attributable to Panasonic Corporation

【Foreign exchange rates】

	1H	Original forecast
USD	90 yen	90 yen
EURO	114 yen	120 yen

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- Although the global economic recovery continues to be led by emerging countries, Panasonic anticipates the market conditions to be still uncertain due to signs of faltering economies in the U.S. and Europe.
- Despite the severe business conditions, the Company revised forecasts upward for the six months ending September 30, 2010 due mainly to sales growth in all segments especially Digital AVC Networks and Home Appliances.
- Sales are now forecast to increase by 170.0 billion yen while operating profit, pre-tax income and net income attributable to Panasonic Corporation are now forecast to increase by 86.0 billion yen, 91.0 billion yen and 53.0 billion yen compared with the original forecast, respectively.

FY2011 Full Year Revised Forecast 24

(yen: billions)

	Revised forecast		Original forecast (May 7, 2010)	Change
		vs. FY10/ difference		
Sales	8,900.0	+1,482.0 +20%	8,800.0	+100.0
Operating profit (%)	310.0 (3.5%)	+119.5 +63%	250.0 (2.8%)	+60.0
Pre-tax income (%)	210.0 (2.4%)	+239.3 -	150.0 (1.7%)	+60.0
Net income* (%)	85.0 (1.0%)	+188.5 -	50.0 (0.6%)	+35.0

* Net income attributable to Panasonic Corporation

【Foreign exchange rates】

	FY2011	Original forecast
USD	89 yen	90 yen
EURO	112 yen	120 yen

Panasonic ideas for life

- Furthermore, following the revised forecast for the first half, the Company revised its full year forecasts for fiscal 2011, after factoring in the effects of the yen appreciation and raw material cost hikes for the second half of fiscal 2011.
- Sales are now forecast to increase by 100.0 billion yen from the original forecast to 8.9 trillion yen, up 20% from the previous year.
- The forecast for the operating profit is increased by 60.0 billion yen to 310.0 billion yen, up 119.5 billion yen from the previous year.
- The forecast for the Pre-tax income is also increased by 60.0 billion to 210.0 billion yen, up 239.3 billion yen from the previous year.
- The forecast for the net income attributable to Panasonic Corporation is increased by 35.0 billion yen to 85.0 billion yen, up 188.5 billion yen from the previous year.



- Panasonic made an excellent start in the first quarter of fiscal 2011 for the first year of the mid-term management plan 'GT12'.
- Thank you for your continued support.

Disclaimer Regarding Forward-Looking Statements

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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.