

PANASONIC Corp  
Form 6-K  
November 02, 2011  
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 November 2011**

**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**

**Table of Contents**

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

1. News release issued on October 31, 2011, by Panasonic Corporation (the registrant), announcing consolidated financial results for the second quarter and six months ended September 30, 2011 (fiscal 2012).
2. Supplemental consolidated financial data for the second quarter and six months ended September 30, 2011 (fiscal 2012).
3. News release issued on October 31, 2011, by the registrant, announcing an outline of the new group organizational structure that will be implemented in January 2012.
4. News release issued on October 31, 2011, by the registrant, announcing changes of senior management in line with the group reorganization to be implemented in January 2012.

**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: November 2, 2011

**Table of Contents**

*October 31, 2011*

**FOR IMMEDIATE RELEASE**

**Media Contacts:**

*Akira Kadota (Japan)*

*Global Public Relations Office*

*(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 SECOND-QUARTER AND SIX-MONTH RESULTS**

***- Business Restructuring Expenses Cause Net Loss; Annual Forecast Revised Downward -***

Osaka, Japan, October 31, 2011 Panasonic Corporation ([NYSE:PC/TSE:6752] Panasonic ) today reported its consolidated financial results for the second quarter and six months ended September 30, 2011, of the current fiscal year ending March 31, 2012 (fiscal 2012).

**Consolidated Second-quarter Results**

Consolidated group sales for the second quarter decreased by 6% to 2,075.7 billion yen, from 2,206.8 billion yen, compared with the same period a year ago. Of the consolidated group total, domestic sales amounted to 1,068.8 billion yen, down by 6% from 1,135.1 billion yen and overseas sales decreased to 1,006.9 billion yen, down by 6% from 1,071.7 billion yen.

The Japanese economy was severely affected by the global economic recession, appreciation of the yen and declining stock prices. However, there were signs of recovery with the improvements in production and exports due to the normalization of the supply chain which had been disrupted by the Great East Japan Earthquake.

**Table of Contents**

- 2 -

In the meantime, the global economy showed signs of slowdown caused by the destabilization of the European finance market due to the government debt crisis in some countries, the high rate of unemployment and faltering house prices in the U.S., and slowing of demand expansion in emerging markets.

In such a business environment, Panasonic has been working towards two themes, Paradigm Shift to Growth and Laying Foundations to be a Green Innovation Company, in the second year of its three-year midterm management plan called Green Transformation 2012 (GT12). This is the first step towards the 100<sup>th</sup> anniversary vision of becoming the No.1 Green Innovation Company in the Electronics Industry.

Operating profit<sup>1</sup> decreased to 42.0 billion yen from 85.2 billion yen a year ago. Although the company pursued a thorough streamlining program to reduce material and fixed costs, this result was due mainly to price decline, sales decrease affected by the disaster and the appreciation of the yen. In the meantime, pre-tax loss was 141.9 billion yen compared with a profit of 60.3 billion yen a year ago, due mainly to the business restructuring expenses such as the implementation of early retirement programs and the impairment losses of fixed assets. Net loss attributable to Panasonic Corporation amounted to 105.8 billion yen, compared with a profit of 31.0 billion yen a year ago.

**Consolidated Six-month Results**

Consolidated group sales for six months ended September 30, 2011 decreased by 8% to 4,005.2 billion yen, compared with 4,367.9 billion yen in the same period of fiscal 2011. Domestic sales amounted to 2,036.4 billion yen, down by 7% from 2,189.5 billion yen a year ago, while overseas sales decreased by 10% to 1,968.8 billion yen, down from 2,178.4 billion yen a year ago.

The company's operating profit for the first six months decreased significantly to 47.6 billion yen, from 169.0 billion yen a year ago. Pre-tax loss totaled 159.3 billion yen, compared with a pre-tax income of 144.6 billion yen a year ago. Net income attributable to Panasonic Corporation turned to a loss of 136.2 billion yen from an income of 74.7 billion yen a year ago.

<sup>1</sup> For information about operating profit, see Note 2 of the Notes to consolidated financial statements on page 13.

**Table of Contents**

- 3 -

**Consolidated Six-month Breakdown by Business Segment**

The company's six-month consolidated sales and segment profit by business segment, compared with the amounts a year ago, are summarized as follows:

**Digital AVC Networks**

Sales decreased by 14% to 1,432.5 billion yen from 1,657.8 billion yen a year ago. Despite favorable sales of Blu-ray Disc recorders, this result was due mainly to sales decline in flat-panel TVs and mobile phones. Segment loss amounted to 18.1 billion yen, compared with segment profit of 61.3 billion yen a year ago, due mainly to sales decrease and price decline.

**Home Appliances**

Sales increased by 3% to 658.9 billion yen, compared with 636.7 billion yen a year ago, due mainly to favorable sales in air conditioners as well as stable sales in washing machines and refrigerators. Segment profit was 52.6 billion yen, compared with 49.1 billion yen a year ago, due mainly to sales increase and streamlining of material cost.

**PEW and PanaHome**

Sales increased by 5% to 879.2 billion yen from 834.0 billion yen a year ago. Regarding Panasonic Electric Works Co., Ltd. (PEW) and its subsidiaries, sales growth in electrical construction and building materials of housing/building-related business and home appliances business contributed to the overall sales increase, although sales declined in devices such as electronic materials and automation controls mainly for automobile-related products. For PanaHome Corporation and its subsidiaries, favorable sales of housing construction mainly for detached housing led to its overall sales increase, thanks to the Japanese stable housing market conditions. Segment profit was 31.6 billion yen, increased from 30.8 billion yen a year ago, due mainly to favorable sales and fixed cost reduction.

**Table of Contents**

- 4 -

**Components and Devices**

Sales decreased by 14% to 411.5 billion yen, compared with 480.9 billion yen a year ago. This result was due mainly to sluggish sales in semiconductors as well as declines in sales of general components and batteries. Segment loss was 7.4 billion yen, compared with segment profit of 25.5 billion yen a year ago, due mainly to sales decrease and price decline.

**SANYO**

Sales decreased by 19% to 669.3 billion yen, compared with 829.7 billion yen a year ago. Although sales of solar photovoltaic systems, cold-chain equipments and commercial air conditioners were stable, sales of electronic components, digital cameras, TVs and in-car-related equipments were sluggish. Sales decline owing to the semiconductor business transfer in fiscal 2011 also led to the overall sales decrease. A 26.9 billion yen of segment loss was recorded compared with a segment profit of 6.1 billion yen a year ago, influenced by sales decreases, after incurring the expenses such as amortization of intangible assets recorded at the acquisition.

**Other**

Sales totaled 553.9 billion yen, down by 1% from 560.4 billion yen a year ago, due mainly to sales decline in components for group companies in Panasonic. Segment profit amounted to 23.9 billion yen, compared with 23.0 billion yen a year ago, due mainly to fixed cost reduction.

**Consolidated Financial Condition**

Net cash provided by operating activities for six months ended September 30, 2011 amounted to merely 1.0 billion yen, due to incurring net loss. Net cash used in investing activities amounted to 111.9 billion yen. This was due mainly to capital expenditures, offsetting proceeds from disposals of property, plant and equipment. Net cash used in financing activities was 83.1 billion yen, due mainly to repayments of long-term debt and dividend payment. Taking into consideration the effect of exchange rate fluctuations, cash and cash equivalents totaled 740.6 billion yen as of September 30, 2011, a decrease of 234.2 billion yen, compared with the end of the last fiscal year.

**Table of Contents**

- 5 -

The company's consolidated total assets as of September 30, 2011 decreased 507.0 billion yen to 7,315.9 billion yen from the end of fiscal 2011. This was due mainly to the appreciation of the yen, a decrease in cash and cash equivalents and a decrease in property, plant and equipment by incurring impairment losses. The company's consolidated total liabilities decreased by 198.6 billion yen to 4,678.0 billion yen, attributable primarily to the appreciation of the yen and a decrease in account payables. Panasonic Corporation shareholders' equity increased 0.6 billion yen, compared with the end of fiscal 2011, to 2,559.6 billion yen as of September 30, 2011. Despite an increase of 271.2 billion yen in Panasonic shareholder's equity by share exchanges for acquisition of all shares of PEW and SANYO, this was primarily as a decrease in retained earnings by incurring net loss attributable to Panasonic Corporation and deterioration in accumulated other comprehensive income, Noncontrolling interests decreased 309.0 billion yen to 78.3 billion yen, due mainly to the share exchanges as stated above.

**Interim and Year-end Dividend**

The Board of Directors of the company resolved today to distribute an interim (semiannual) cash dividend of 5.0 yen per common share to shareholders of record as of September 30, 2011, payable November 30, 2011. This is equal to last year's interim dividend of 5.0 yen. The company also plans to distribute a year-end cash dividend of 5.0 yen per common share (payable to shareholders of record as of March 31, 2012). If implemented, total dividends for fiscal 2012, including the aforementioned interim dividend of 5.0 yen per common share, will be 10.0 yen per common share.

**Difference Between Result and Forecast for Consolidated Six-month**

Regarding the six months result of fiscal 2012, sales was 4,005.2 billion yen compared with the forecast of 4,000.0 billion yen, due mainly to stable sales in domestic market. Operating profit was 47.6 billion yen, increased from the forecast of 10.0 billion yen due primarily to sales increase and thorough fixed cost reduction. In the meantime, Pre-tax loss was 159.3 billion yen, compared with the forecast of a loss of 50.0 billion yen and Net loss attributable to Panasonic Corporation was 136.2 billion yen, compared with the forecast of a loss of 70.0 billion yen. These results are due mainly to incurring the costs related to the structural reforms of flat-panel TVs business in other deductions. Net loss attributable to Panasonic Corporation, per share was 58.88 yen, compared with the forecast of 30.27 yen.



**Table of Contents**

- 6 -

**Outlook for Fiscal 2012**

Regarding the annual forecast for fiscal 2012, the company revised its previous sales forecast of 8,700.0 billion yen downward to 8,300.0 billion yen due primarily to the sluggish overseas sales affected by ever-intensified price competition for digital products and the appreciation of the yen. Operating profit is expected to be 130.0 billion yen, a decrease from the previous forecast of 270.0 billion yen due mainly to the sales decline. In addition, there will be negative factors such as the appreciation of the yen and rising prices in raw materials, which will not be able to be offset by fixed cost reduction. Pre-tax loss is forecast to be 430.0 billion yen, compared with the previous forecast of an income of 100.0 billion yen, and Net loss attributable to Panasonic Corporation is expected to be 420.0 billion yen, compared with the previous forecast of an income of 30.0 billion yen. These changes are primarily due to an expected increase of restructuring expenses of 404.0 billion yen mainly for flat-panel TVs and semiconductor businesses to improve its financial situation. The total business restructuring expenses are now expected to be 514.0 billion yen, which are included in non-operating income/loss (a loss of 560.0 billion yen). Net loss attributable to Panasonic Corporation, per share is anticipated to be 181.64 yen, compared with the previous forecast of an income of 12.97 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**

- 7 -

**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 business reorganization after the acquisition of all shares of Panasonic Electric Works Co., Ltd. and SANYO Electric Co., Ltd.; 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; natural disasters including earthquakes, prevalence of infectious diseases throughout the world and other events that may negatively impact business activities of the Panasonic Group; as well as direct or indirect adverse effects of the Great East Japan Earthquake on the Panasonic Group in terms of, among others, component procurement, manufacturing, distribution, economic conditions in Japan including consumer spending and sales activities overseas, and direct or indirect adverse effects of the flooding in Thailand on the Panasonic Group in terms of, among others, component procurement and manufacturing. The factors listed above are not all-inclusive and further information is contained in Panasonic's latest annual reports, Form 20-F, and any other reports and documents which are on file with the U.S. Securities and Exchange Commission.

(Financial Tables and Additional Information Attached)

**Table of Contents**

- 8 -

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

	Yen (millions)		Percentage 2011/2010
	2011	2010	
Net sales	¥ 2,075,650	¥ 2,206,822	94%
Cost of sales	(1,538,814)	(1,628,763)	
Selling, general and administrative expenses	(494,813)	(492,929)	
Interest income	3,310	2,948	
Dividends received	999	425	
Interest expense	(6,827)	(6,904)	
Expenses associated with the implementation of early retirement programs *	(19,738)	(678)	
Other income (deductions), net *	(161,677)	(20,698)	
Income (loss) before income taxes	(141,910)	60,223	
Provision for income taxes	18,808	(25,810)	
Equity in earnings of associated companies	2,569	1,884	
Net income (loss)	(120,533)	36,297	
Less net income (loss) attributable to noncontrolling interests	(14,733)	5,257	
Net income (loss) attributable to Panasonic Corporation	¥ (105,800)	¥ 31,040	
Net income (loss) attributable to Panasonic Corporation, basic per common share	(45.75) yen	14.99 yen	
per ADS	(45.75) yen	14.99 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 13-14.

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

	Yen (millions)	
	2011	2010
Depreciation (tangible assets)	¥ 65,888	¥ 69,687

Edgar Filing: PANASONIC Corp - Form 6-K

Capital investment **	¥ 76,138	¥ 102,425
R&D expenditures	¥ 134,670	¥ 132,145
Number of employees (September 30)	360,700	385,243

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

**Table of Contents**

- 9 -

**Panasonic Corporation****Consolidated Statement of Operations \*****(Six months ended September 30)**

	Yen (millions)		Percentage 2011/2010
	2011	2010	
Net sales	¥ 4,005,198	¥ 4,367,948	92%
Cost of sales	(2,994,321)	(3,199,550)	
Selling, general and administrative expenses	(963,278)	(999,430)	
Interest income	6,736	5,717	
Dividends received	3,814	3,483	
Interest expense	(14,172)	(14,285)	
Expenses associated with the implementation of early retirement programs *	(23,309)	(1,605)	
Other income (deductions), net *	(180,011)	(17,725)	
<b>Income (loss) before income taxes</b>	<b>(159,343)</b>	<b>144,553</b>	
Provision for income taxes	1,355	(64,147)	
Equity in earnings of associated companies	4,831	3,629	
<b>Net income (loss)</b>	<b>(153,157)</b>	<b>84,035</b>	
Less net income (loss) attributable to noncontrolling interests	(17,006)	9,317	
<b>Net income (loss) attributable to Panasonic Corporation</b>	<b>¥ (136,151)</b>	<b>¥ 74,718</b>	
<b>Net income (loss) attributable to Panasonic Corporation, basic</b>			
per common share	(58.88) yen	36.09 yen	
per ADS	(58.88) yen	36.09 yen	
<b>Net income (loss) attributable to Panasonic Corporation, diluted</b>			
per common share *			
per ADS *			

(Parentheses indicate expenses, deductions or losses.)

\* See Notes to consolidated financial statements on pages 13-14.

**Supplementary Information****(Six months ended September 30)**

	Yen (millions)	
	2011	2010
Depreciation (tangible assets)	¥ 131,421	¥ 138,462

Edgar Filing: PANASONIC Corp - Form 6-K

Capital investment **	¥ 131,412	¥ 201,075
R&D expenditures	¥ 266,851	¥ 265,833
Number of employees (September 30)	360,700	385,243

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

**Table of Contents**

- 10 -

**Panasonic Corporation****Consolidated Balance Sheet \*\*****September 30, 2011****With comparative figures for March 31, 2011**

	Yen (millions)	
	Sept. 30, 2011	March 31, 2011
<b><u>Assets</u></b>		
Current assets:		
Cash and cash equivalents	¥ 740,595	¥ 974,826
Time deposits	50,818	69,897
Trade receivables:		
Notes	83,927	78,979
Accounts	988,346	1,001,982
Allowance for doubtful receivables	(19,589)	(21,860)
Inventories	916,147	896,424
Other current assets	536,478	489,601
<b>Total current assets</b>	<b>3,296,722</b>	<b>3,489,849</b>
Investments and advances	482,492	569,651
Property, plant and equipment, net of accumulated depreciation	1,720,037	1,883,309
Other assets	1,816,614	1,880,061
<b>Total assets</b>	<b>¥ 7,315,865</b>	<b>¥ 7,822,870</b>
<b><u>Liabilities and Equity</u></b>		
Current liabilities:		
Short-term debt, including current portion of long-term debt	¥ 396,340	¥ 432,982
Trade payables:		
Notes	64,774	60,128
Accounts	876,239	941,124
Other current liabilities	1,388,497	1,412,816
<b>Total current liabilities</b>	<b>2,725,850</b>	<b>2,847,050</b>
Noncurrent liabilities:		
Long-term debt	1,132,051	1,162,287
Other long-term liabilities	820,061	867,198
<b>Total noncurrent liabilities</b>	<b>1,952,112</b>	<b>2,029,485</b>
<b>Total liabilities</b>	<b>4,677,962</b>	<b>4,876,535</b>

Edgar Filing: PANASONIC Corp - Form 6-K

Panasonic Corporation shareholders' equity:		
Common stock	258,740	258,740
Capital surplus	1,115,871	1,100,181
Legal reserve	94,563	94,198
Retained earnings	2,088,726	2,401,909
Accumulated other comprehensive income (loss) *	(751,632)	(625,300)
Treasury stock, at cost	(246,682)	(670,736)
Total Panasonic Corporation shareholders' equity	2,559,586	2,558,992
Noncontrolling interests	78,317	387,343
Total equity	2,637,903	2,946,335
Total liabilities and equity	¥ 7,315,865	¥ 7,822,870

\* Accumulated other comprehensive income (loss) breakdown:

	Yen (millions)	
	Sept. 30, 2011	March 31, 2011
Cumulative translation adjustments	¥ (560,466)	¥ (453,158)
Unrealized holding gains of available-for-sale securities	(18,004)	16,835
Unrealized gains of derivative instruments	3,947	2,277
Pension liability adjustments	(177,109)	(191,254)

\*\* See Notes to consolidated financial statements on pages 13-14.



**Table of Contents**

- 11 -

**Panasonic Corporation****Consolidated Information by Business Segment** \*

(Six months ended September 30)

**By Business Segment:**

	Yen (billions)		Percentage 2011/2010
	2011	2010	
<b>[Sales]</b>			
Digital AVC Networks	¥ 1,432.5	¥ 1,657.8	86%
Home Appliances	658.9	636.7	103%
PEW and PanaHome	879.2	834.0	105%
Components and Devices	411.5	480.9	86%
SANYO	669.3	829.7	81%
Other	553.9	560.4	99%
Subtotal	4,605.3	4,999.5	92%
Eliminations	(600.1)	(631.6)	
Consolidated total	¥ 4,005.2	¥ 4,367.9	92%
<b>[Segment Profit (Loss)]*</b>			
Digital AVC Networks	¥ (18.1)	¥ 61.3	
Home Appliances	52.6	49.1	107%
PEW and PanaHome	31.6	30.8	103%
Components and Devices	(7.4)	25.5	
SANYO	(26.9)	6.1	
Other	23.9	23.0	104%
Subtotal	55.7	195.8	28%
Corporate and eliminations	(8.1)	(26.8)	
Consolidated total	¥ 47.6	¥ 169.0	28%

\* See Notes to consolidated financial statements on pages 13-14.

**Table of Contents**

- 12 -

**Panasonic Corporation****Consolidated Statement of Cash Flows \*****(Six months ended September 30)**

	Yen (millions)	
	2011	2010
<b><u>Cash flows from operating activities:</u></b>		
Net income (loss)	¥ (153,157)	¥ 84,035
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	172,574	179,685
Net (gain) loss on sale of investments	1,159	(6,876)
Cash effects of changes in, excluding acquisition:		
Trade receivables	(31,750)	(3,131)
Inventories	(65,848)	(132,022)
Trade payables	(936)	51,612
Retirement and severance benefits	(7,880)	(18,911)
Other	86,878	92,930
Net cash provided by operating activities	1,040	247,322
<b><u>Cash flows from investing activities:</u></b>		
Proceeds from disposition of investments and advances	21,809	59,624
Increase in investments and advances	(3,242)	(2,633)
Capital expenditures	(173,367)	(200,728)
Proceeds from disposals of property, plant and equipment	33,639	72,771
(Increase) decrease in time deposits	14,251	(14,412)
Other	(5,031)	(6,838)
Net cash used in investing activities	(111,941)	(92,216)
<b><u>Cash flows from financing activities:</u></b>		
Increase (decrease) in short-term debt	15,006	798,043
Increase (decrease) in long-term debt	(75,129)	(63,459)
Dividends paid to Panasonic Corporation shareholders	(10,351)	(10,353)
Dividends paid to noncontrolling interests	(7,589)	(8,072)
(Increase) decrease in treasury stock	(9)	(372)
Other	(5,013)	(62,060)
Net cash provided by (used in) financing activities	(83,085)	653,727
Effect of exchange rate changes on cash and cash equivalents	(40,245)	(50,339)
Net increase (decrease) in cash and cash equivalents	(234,231)	758,494
Cash and cash equivalents at beginning of period	974,826	1,109,912
Cash and cash equivalents at end of period	¥ 740,595	¥ 1,868,406

\* See Notes to consolidated financial statements on pages 13-14.

**Table of Contents**

- 13 -

**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 and the impairment loss on fixed assets are included as part of operating profit in the statement of operations.
4. In other income (deductions), the company incurred expenses associated with the implementation of early retirement programs of certain domestic and overseas companies.
5. The impairment loss on fixed assets are included as other income (deduction), net.
6. Comprehensive income (loss) attributable to Panasonic Corporation was reported as a loss of 261,645 million yen for the six months ended September 30, 2011, and a loss of 46,563 million yen for the six months ended September 30, 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.
7. 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.
8. 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.
9. On April 1, 2011, Panasonic conducted share exchanges in order to make Panasonic a wholly-owning parent company, and its subsidiaries Panasonic Electric Works Co., Ltd. (PEW) and SANYO Electric Co., Ltd. (SANYO) its wholly-owned subsidiaries. Therefore, both PEW and SANYO became wholly-owned subsidiaries of the company. The difference between the fair value of the shares of Panasonic delivered to the noncontrolling interest and the carrying amount of the noncontrolling interests was recognized as an adjustment to capital surplus. As a result of this share exchange, Panasonic Corporation shareholders' equity increased by 271,205 million yen while noncontrolling interests decreased by the same amount.

**Table of Contents**

- 14 -

10. 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. Principal internal divisional companies or units and subsidiaries operating in respective segments as of September 30, 2011 are as follows:

**Digital AVC Networks**

AVC Networks Company, Systems & Communications Company\*,

Automotive Systems Company, Panasonic Healthcare 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.

\* The operations of System Networks Company and Panasonic Mobile Communications Co., Ltd. in Digital AVC Networks were integrated in April 2011. As a result, Systems & Communications Company was established.

11. Number of consolidated companies: 611 (including parent company)

12. Number of associated companies under the equity method: 113

###

**Table of Contents**

October 31, 2011

Panasonic Corporation

**Supplemental Consolidated Financial Data for Fiscal 2012****Second Quarter and Six Months ended September 30, 2011****1. Sales Breakdown**

yen (billions)

Fiscal 2012 Second Quarter	Total	Local currency		Domestic	12/11	Overseas	Local currency	
		12/11	basis 12/11				12/11	basis 12/11
Video and Audio Equipment	319.6	83%	85%	106.9	79%	212.7	85%	88%
Information and Communications Equipment	382.2	101%	104%	198.0	96%	184.2	108%	115%
Digital AVC Networks	701.8	92%	95%	304.9	89%	396.9	94%	99%
Home Appliances	303.9	101%	104%	164.1	96%	139.8	109%	114%
PEW and PanaHome	411.6	103%	105%	333.7	103%	77.9	103%	110%
Components and Devices	178.9	90%	93%	63.0	94%	115.9	88%	92%
SANYO	330.7	81%	85%	124.3	77%	206.4	84%	91%
Other	148.8	106%	108%	78.8	112%	70.0	101%	104%
<b>Total</b>	<b>2,075.7</b>	<b>94%</b>	<b>97%</b>	<b>1,068.8</b>	<b>94%</b>	<b>1,006.9</b>	<b>94%</b>	<b>99%</b>
(Domestic vs. Overseas)	(100%)			(51%)		(49%)		

yen (billions)

Fiscal 2012 Six Months ended September 30, 2011	Total	Local currency		Domestic	12/11	Overseas	Local currency	
		12/11	basis 12/11				12/11	basis 12/11
Video and Audio Equipment	628.8	80%	82%	232.5	85%	396.3	78%	81%
Information and Communications Equipment	673.6	90%	93%	324.8	81%	348.8	101%	107%
Digital AVC Networks	1,302.4	85%	88%	557.3	83%	745.1	87%	92%
Home Appliances	633.6	103%	106%	339.4	100%	294.2	107%	113%
PEW and PanaHome	779.6	105%	106%	623.8	105%	155.8	102%	109%
Components and Devices	347.9	89%	92%	119.8	91%	228.1	88%	92%
SANYO	646.0	79%	84%	243.6	78%	402.4	80%	87%
Other	295.7	109%	110%	152.5	111%	143.2	107%	110%
<b>Total</b>	<b>4,005.2</b>	<b>92%</b>	<b>94%</b>	<b>2,036.4</b>	<b>93%</b>	<b>1,968.8</b>	<b>90%</b>	<b>96%</b>
(Domestic vs. Overseas)	(100%)			(51%)		(49%)		

**Overseas Sales by Region**

yen (billions)

Edgar Filing: PANASONIC Corp - Form 6-K

	Fiscal 2012 Second Quarter			Fiscal 2012 Six Months ended September 30, 2011		
		12/11	Local currency basis 12/11		12/11	Local currency basis 12/11
North and South America	244.1	91%	100%	484.2	87%	97%
Europe	187.1	92%	93%	384.3	90%	91%
Asia	260.8	94%	98%	514.6	90%	95%
China	314.9	98%	103%	585.7	93%	99%
<b>Total</b>	<b>1,006.9</b>	<b>94%</b>	<b>99%</b>	<b>1,968.8</b>	<b>90%</b>	<b>96%</b>

- 1 -

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

yen (billions)

Product Category	Products	Fiscal 2012			
		Second Quarter		Six Months ended September 30, 2011	
		Sales	12/11	Sales	12/11
Digital AVC Networks	TVs	188.4	78%	368.3	75%
	Plasma TVs	80.8	69%	161.1	65%
	LCD TVs	93.3	90%	175.5	85%
	Digital cameras	41.5	89%	85.9	88%
	BD / DVD recorders	32.8	115%	71.4	115%
Home Appliances	BD recorders / players	28.0	120%	62.2	122%
	Air conditioners	69.1	103%	167.4	113%
	Washing machines	35.2	105%	66.2	105%
Components and Devices	Refrigerators	37.8	106%	70.7	103%
	General components	83.4	94%	157.9	91%
	Semiconductors *	63.2	72%	128.2	74%

\* Information for semiconductors is on a production basis.

**3. Segment Information**

yen (billions)

	Fiscal 2012 Second Quarter				Fiscal 2012 Six Months ended September 30, 2011					
	Sales		Profit		Segment		Segment			
	Sales	12/11	Profit	% of sales	12/11	Sales	12/11	Profit	% of sales	12/11
Digital AVC Networks	771.9	93%	-2.1	-0.3%		1,432.5	86%	-18.1	-1.3%	
Home Appliances	316.0	101%	19.0	6.0%	113%	658.9	103%	52.6	8.0%	107%
PEW and Panahome	461.9	104%	21.0	4.6%	93%	879.2	105%	31.6	3.6%	103%
Components and Devices	206.0	84%	0.1	0.1%	1%	411.5	86%	-7.4	-1.8%	
SANYO	345.3	83%	-12.9	-3.8%		669.3	81%	-26.9	-4.0%	
Other	269.9	95%	12.0	4.4%	118%	553.9	99%	23.9	4.3%	104%
Total	2,371.0	94%	37.1	1.6%	38%	4,605.3	92%	55.7	1.2%	28%
Corporate and eliminations	-295.3		4.9			-600.1		-8.1		
Consolidated total	2,075.7	94%	42.0	2.0%	49%	4,005.2	92%	47.6	1.2%	28%

**4. Primary Domain Companies Information**

(Business domain company basis)

&lt;Sales, Domain Company Profit and Capital Investment \* &gt;

**Fiscal 2012 Second Quarter**

yen (billions)



Edgar Filing: PANASONIC Corp - Form 6-K

	Sales		Domain Company Profit		Capital Investment	
	12/11	% of Sales	12/11	% of Sales	12-11	12-11
AVC Networks Company	368.4	87%	-19.2	-5.2%	16.9	-3.2
Panasonic Electronic Devices Co., Ltd.	88.4	90%	2.4	2.7%	6.6	-1.0
Factory Automation Business	48.5	93%	7.8	16.0%	1.3	+0.7

Fiscal 2012 Six Months ended September 30, 2011

yen (billions)

	Sales		Domain Company Profit		Capital Investment	
	12/11	% of Sales	12/11	% of Sales	12-11	12-11
AVC Networks Company	719.1					