

PANASONIC Corp  
Form 6-K  
February 09, 2010  
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**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 February 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):

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

If  Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

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

1. News release issued on February 5, 2010, by Panasonic Corporation (the registrant), announcing consolidated financial results for the third quarter and nine months ended December 31, 2009 (fiscal 2010).
2. Supplemental consolidated financial data for the third quarter and nine months ended December 31, 2009 (fiscal 2010).
3. News release issued on February 5, 2010, by the registrant, announcing the agreement to absorb wholly-owned subsidiary (Panasonic Battery Electrode Co., Ltd.).

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**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/ YUKITOSHI ONDA  
Yukitoshi Onda, Attorney-in-Fact  
General Manager of Investor Relations  
Panasonic Corporation

Dated: February 9, 2010

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*February 5, 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: +1-212-698-1365)**

**Hiroko Carvell (Europe)**

**Panasonic Finance (Europe) plc**

**(Tel: +44-20-7562-4400)**

**ANNOUNCEMENT OF FINANCIAL RESULTS**

**PANASONIC REPORTS THIRD QUARTER AND NINE-MONTH RESULTS**

**- Recovery Trend in profits -**

Osaka, Japan, February 5, 2010 Panasonic Corporation (Panasonic [NYSE: PC]) today reported its consolidated financial results for the third quarter and nine months ended December 31, 2009, of the current fiscal year ending March 31, 2010 (fiscal 2010).

**Consolidated Third-quarter Results**

Consolidated group sales for the third quarter edged up to 1,886.6 billion yen, from 1,879.9 billion yen in the third quarter of fiscal 2009. Of the consolidated group total, domestic sales decreased 2% to 1,004.9 billion yen, from 1,023.4 billion yen a year ago. Overseas sales increased 3% to 881.7 billion yen, from 856.5 billion yen a year ago.

In the electronics industry during the third quarter, despite visible signs of market recovery in some regions such as China and Asia, severe business condition continued with changes in the market structure including demand shifts to emerging markets and lower-priced products. In this business condition, Panasonic simultaneously rebuilds its management structure while preparing and taking action for growth in fiscal 2010, as the final year of its GP3 plan.

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Specifically, Panasonic implements drastic business structural reforms to rebuild its management structure. In addition, the company pursues penetration and internalization of Itakona, acceleration of procurement cost reduction, reinforcement of comprehensive cost reduction efforts, and capital investment and inventory reductions.

Meanwhile, to prepare for future growth, the company strengthens product competitiveness by developing unique products to Panasonic with the concepts: super link, super energy saving and thorough universal design. The company also continues to focus on four major themes in its GP3 plan: double-digit growth in overseas sales, four strategic businesses, manufacturing innovation and eco ideas strategy.

Adding SANYO Electric Co., Ltd. (SANYO) and its subsidiaries to the Panasonic group, the company has started to work on maximizing synergies.

Regarding earnings, operating profit<sup>1</sup> for the third quarter improved significantly to 101.0 billion yen from 26.4 billion yen in the third quarter of fiscal 2009. This was due mainly to comprehensive streamlining of management. As a result of these and other factors, the company recorded a pre-tax income of 81.1 billion yen, up from a loss of 59.1 billion yen a year ago. Accordingly, net income attributable to Panasonic Corporation resulted in 32.3 billion yen, improved from a loss of 63.1 billion yen a year ago.

**Consolidated Nine-month Results**

Consolidated group sales for the nine months ended December 31, 2009 decreased 16% to 5,219.9 billion yen, compared with 6,223.7 billion yen in the same nine-month period a year ago. Domestic sales amounted to 2,780.9 billion yen, down 11% from 3,134.1 billion yen a year ago, while overseas sales decreased 21% to 2,439.0 billion yen from 3,089.6 billion yen a year ago.

<sup>1</sup> For information about operating profit, see Note 2 of Notes to consolidated financial statements on page 15.

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The company's operating profit for the nine months decreased 49% to 129.9 billion yen, from 254.5 billion yen in the same nine-month period a year ago. This was due mainly to a sharp sales decrease and price decline in the six-month period ended September 30, 2009, although the company continued its restructuring initiatives such as streamlining of material cost and fixed cost reduction. Regarding other income (deductions), the company incurred 24.4 billion yen as expenses associated with the implementation of early retirement programs. These and other factors resulted in a pre-tax income of 54.6 billion yen, down from 144.2 billion yen a year ago. Net income attributable to Panasonic Corporation turned to a loss of 14.6 billion yen, down from a net income of 65.4 billion yen a year ago.

**Consolidated Nine-month Sales Breakdown by Product Category**

The company's nine-month consolidated sales by product category, compared with the amounts in previous year, are summarized as follows:

**Digital AVC Networks**

Sales of Digital AVC Networks decreased 15% to 2,426.6 billion yen, from 2,838.9 billion yen in the same nine-month period a year ago. Although global sales of BD recorders and domestic sales of flat-panel TVs were favorable, overall sales of video and audio equipment decreased 10% from a year ago, due mainly to a sales decline of digital cameras and overseas flat-panel TVs. In information and communications equipment, the sluggish sales of notebook PCs and peripherals led to a 20% decrease in overall sales.

**Home Appliances**

Sales of Home Appliances decreased 12% to 819.3 billion yen, compared with 932.5 billion yen a year ago, due mainly to a sales decline of air conditioners and compressors, although sales in refrigerators were favorable.

**PEW and PanaHome**

Sales of PEW and PanaHome decreased 14% to 1,051.6 billion yen, from 1,222.0 billion yen a year ago. At Panasonic Electric Works Co., Ltd. (PEW) and its subsidiaries, sales mainly decreased in electrical construction materials and building products. For PanaHome Corporation and its subsidiaries, a deterioration of Japanese housing market conditions led to a decrease in sales.

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**Components and Devices**

Sales of Components and Devices were down 19% to 615.5 billion yen, compared with 760.8 billion yen a year ago. The sluggish sales in semiconductors and batteries led to a decrease in overall sales.

**Other**

Sales of Other totaled 306.9 billion yen, down 35% from 469.5 billion yen a year ago, due mainly to a significant sales decline in factory automation equipment.

**Consolidated Financial Condition**

Net cash provided by operating activities in the fiscal 2010 nine months ended December 31, 2009 amounted to 306.2 billion yen. This result was due mainly to cash inflows from a decrease in inventories and depreciation. Net cash used in investing activities amounted to 338.2 billion yen. Despite a decrease in time deposits, this result was due primarily to capital expenditures for tangible fixed assets, mainly consisting of manufacturing facilities for prioritized business areas such as flat panel TVs and batteries, as well as cash outflows to purchase SANYO shares (deducting the amount of cash and cash equivalents of SANYO and its subsidiaries). Net cash provided by financing activities was 183.0 billion yen, due mainly to an increase in short-term debt by issuing short-term bonds. Adding the effect of exchange rate fluctuations, cash and cash equivalents resulted 1,110.9 billion yen at the end of the third quarter of fiscal 2010, an increase of 137.0 billion yen compared with the end of the last fiscal year (March 31, 2009).

The company's consolidated total assets as of December 31, 2009 amounted to 8,675.1 billion yen, an increase of 2,271.8 billion yen compared with the end of the last fiscal year. Adding the effect of consolidating SANYO and its subsidiaries, this increase was due primarily to an increase of cash and cash equivalents by issuing short-term bonds, and an increase of trade receivables from sales increase. Panasonic Corporation shareholders' equity decreased 20.8 billion yen, compared with the end of the last fiscal year, to 2,763.2 billion yen as of December 31, 2009. This result was due primarily to a decrease in retained earnings.

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**Outlook for the Full Fiscal Year 2010**

Although the global economy seems to be on the way to recovery, severe business condition continues with appreciation of the yen and ever-intensified global price competition.

Under these condition, Panasonic expects to further lower the break-even point through initiatives such as fixed cost reduction and streamlining of material cost, resulting in the revision of its previous operating profit forecast upward. Taking account of the consolidation of SANYO and its subsidiaries, and their forecast for the fourth quarter of fiscal 2010, Panasonic revised the consolidated results forecast for fiscal 2010 as follows.

Sales are expected to be 7,350 billion yen, up from the previous forecast of 7,000 billion yen. Operating profit is expected to be 150 billion yen, improved from the previous forecast of 120 billion yen. Loss before income taxes<sup>2</sup> forecast of 40 billion yen and net loss attributable to Panasonic Corporation forecast of 140 billion yen remain unchanged.

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/>

<sup>2</sup> Factors affecting the forecast for other income (deductions) of 190 billion yen (the difference between operating profit and loss before income taxes) include business restructuring expenses of 115 billion yen.



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**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 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, Asia and other 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 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; 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)

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**Panasonic Corporation****Consolidated Statement of Operations** \***(Three months ended December 31)**

	Yen (millions)		Percentage 2009/2008
	2009	2008	
Net sales	¥ 1,886,588	¥ 1,879,940	100%
Cost of sales	(1,328,571)	(1,369,297)	
Selling, general and administrative expenses	(457,010)	(484,281)	
Interest income	2,832	5,939	
Dividend income	2,080	4,616	
Interest expense	(4,979)	(5,035)	
Expenses associated with the implementation of early retirement programs **	(1,742)	(1,900)	
Other income (deductions), net	(18,103)	(89,122)	
<b>Income (loss) before income taxes</b>	<b>81,095</b>	<b>(59,140)</b>	
Provision for income taxes	(47,082)	(25,243)	
Equity in earnings (losses) of associated companies	786	(4,375)	
<b>Net income (loss)</b>	<b>34,799</b>	<b>(88,758)</b>	
Less: Net income (loss) attributable to noncontrolling interests	2,540	(25,642)	
<b>Net income (loss) attributable to Panasonic Corporation</b>	<b>¥ 32,259</b>	<b>¥ (63,116)</b>	
<b>Net income (loss) attributable to Panasonic Corporation common shareholders, basic</b>			
per common share	15.58 yen	(30.48) yen	
per ADS	15.58 yen	(30.48) yen	
<b>Net income (loss) attributable to Panasonic Corporation common shareholders, diluted</b>			
per common share ***			
per ADS ***			

(Parentheses indicate expenses, deductions or losses.)

\* \*\* \*\*\* See Notes to consolidated financial statements on pages 15-17.

**Supplementary Information****(Three months ended December 31)**

	Yen (millions)	
	2009	2008
Depreciation (tangible assets)	¥ 56,030	¥ 80,789
Capital investment ****	¥ 71,729	¥ 112,380

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R&D expenditures	¥ 113,916	¥ 130,855
Number of employees (December 31)	382,480	307,444

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

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**Panasonic Corporation****Consolidated Statement of Operations \*****(Nine months ended December 31)**

	Yen (millions)		Percentage 2009/2008
	2009	2008	
Net sales	¥ 5,219,884	¥ 6,223,651	84%
Cost of sales	(3,752,108)	(4,468,001)	
Selling, general and administrative expenses	(1,337,912)	(1,501,134)	
Interest income	8,876	20,684	
Dividend income	6,183	10,847	
Interest expense	(16,545)	(16,349)	
Expenses associated with the implementation of early retirement programs **	(24,436)	(2,493)	
Other income (deductions), net	(49,300)	(123,049)	
<b>Income (loss) before income taxes</b>	<b>54,642</b>	<b>144,156</b>	<b>38%</b>
Provision for income taxes	(69,856)	(91,420)	
Equity in earnings (losses) of associated companies	(1,263)	(898)	
<b>Net income (loss)</b>	<b>(16,477)</b>	<b>51,838</b>	
Less: Net income (loss) attributable to noncontrolling interests	(1,868)	(13,538)	
<b>Net income (loss) attributable to Panasonic Corporation</b>	<b>¥ (14,609)</b>	<b>¥ 65,376</b>	
<b>Net income (loss) attributable to Panasonic Corporation common shareholders, basic</b>			
per common share	(7.06) yen	31.40 yen	
per ADS	(7.06) yen	31.40 yen	
<b>Net income (loss) attributable to Panasonic Corporation common shareholders, diluted</b>			
per common share ***		31.40 yen	
per ADS ***		31.40 yen	

(Parentheses indicate expenses, deductions or losses.)

\* \*\* \*\*\* See Notes to consolidated financial statements on pages 15-17.

**Supplementary Information****(Nine months ended December 31)**

	Yen (millions)	
	2009	2008
Depreciation (tangible assets)	¥ 169,742	¥ 246,768
Capital investment ****	¥ 275,595	¥ 352,237

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R&D expenditures	¥ 349,931	¥ 395,997
Number of employees (December 31)	382,480	307,444

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

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**Panasonic Corporation****Consolidated Balance Sheet \*\*****December 31, 2009****With comparative figures for March 31, 2009**

	Yen (millions)	
	Dec. 31, 2009	March 31, 2009
<b><u>Assets</u></b>		
Current assets:		
Cash and cash equivalents	¥ 1,110,905	¥ 973,867
Time deposits	95,388	189,288
Short-term investments	6,560	1,998
Trade receivables:		
Notes	75,485	42,766
Accounts	1,182,640	743,498
Allowance for doubtful receivables	(20,296)	(21,131)
Inventories	979,348	771,137
Other current assets	467,396	493,271
Total current assets	3,897,426	3,194,694
Investments and advances	683,350	551,751
Property, plant and equipment, net of accumulated depreciation	2,026,591	1,574,830
Other assets	2,067,716	1,082,041
Total assets	¥ 8,675,083	¥ 6,403,316
<b><u>Liabilities and Equity</u></b>		
Current liabilities:		
Short-term debt	¥ 411,858	¥ 94,355
Trade payables:		
Notes	64,299	38,202
Accounts	1,007,527	641,166
Other current liabilities	1,381,460	1,226,705
Total current liabilities	2,865,144	2,000,428
Noncurrent liabilities:		
Long-term debt	1,118,487	651,310
Other long-term liabilities	987,748	538,997
Total noncurrent liabilities	2,106,235	1,190,307
Total liabilities	4,971,379	3,190,735

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Panasonic Corporation shareholders' equity:

Common stock	258,740	258,740
Capital surplus	1,209,618	1,217,764
Legal reserve	93,645	92,726
Retained earnings	2,438,005	2,479,416
Accumulated other comprehensive income (loss) *	(566,463)	(594,377)
Treasury stock	(670,315)	(670,289)
<b>Total Panasonic Corporation shareholders' equity</b>	<b>2,763,230</b>	<b>2,783,980</b>
Noncontrolling interests	940,474	428,601
<b>Total equity</b>	<b>3,703,704</b>	<b>3,212,581</b>
Total liabilities and equity	¥ 8,675,083	¥ 6,403,316

\* Accumulated other comprehensive income (loss) breakdown:

	Yen (millions)	
	Dec. 31, 2009	March 31, 2009
Cumulative translation adjustments	¥ (364,059)	¥ (341,592)
Unrealized holding gains (losses) of available-for-sale securities	34,542	(10,563)
Unrealized gains (losses) of derivative instruments	406	(4,889)
Pension liability adjustments	(237,352)	(237,333)

\*\* See Notes to consolidated financial statements on pages 15-17.

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**Panasonic Corporation****Consolidated Sales Breakdown** \***(Three months ended December 31)**

	Yen (billions)		Percentage 2009/2008
	2009	2008	
<b><u>Digital AVC Networks</u></b>			
Video and audio equipment	¥ 527.1	¥ 465.1	113%
Information and communications equipment	388.9	404.7	96%
Subtotal	916.0	869.8	105%
<b><u>Home Appliances</u></b>			
	281.1	278.5	101%
<b><u>PEW and PanaHome</u></b>			
	363.3	384.8	94%
<b><u>Components and Devices</u></b>			
	218.5	218.8	100%
<b><u>Other</u></b>			
	107.7	128.0	84%
<b>Total</b>	<b>¥ 1,886.6</b>	<b>¥ 1,879.9</b>	<b>100%</b>
Domestic sales	1,004.9	1,023.4	98%
Overseas sales	881.7	856.5	103%

**(Nine months ended December 31)**

	Yen (billions)		Percentage 2009/2008
	2009	2008	
<b><u>Digital AVC Networks</u></b>			
Video and audio equipment	¥ 1,290.8	¥ 1,427.9	90%
Information and communications equipment	1,135.8	1,411.0	80%
Subtotal	2,426.6	2,838.9	85%
<b><u>Home Appliances</u></b>			
	819.3	932.5	88%
<b><u>PEW and PanaHome</u></b>			
	1,051.6	1,222.0	86%
<b><u>Components and Devices</u></b>			
	615.5	760.8	81%
<b><u>Other</u></b>			
	306.9	469.5	65%



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<b>Total</b>	¥ 5,219.9	¥ 6,223.7	84%
Domestic sales	2,780.9	3,134.1	89%
Overseas sales	2,439.0	3,089.6	79%

\* See Notes to consolidated financial statements on pages 15-17.

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**Panasonic Corporation****Consolidated Sales Breakdown** \*

(Nine months ended December 31)

**[Overseas Sales by Region]**

	Yen (billions)		Percentage 2009/2008
	2009	2008	
North and South America	¥ 675.0	¥ 840.7	80%
Europe	581.9	805.4	72%
Asia, China and others	1,182.1	1,443.5	82%
<b>Total</b>	¥ 2,439.0	¥ 3,089.6	79%

**[Domestic/Overseas Sales Breakdown]**

	Domestic sales		Overseas sales	
	Yen(billions) 2009	Percentage 2009/2008	Yen (billions) 2009	Percentage 2009/2008
<u>Digital AVC Networks</u>				
Video and audio equipment	¥ 449.7	111%	¥ 841.1	82%
Information and communications equipment	603.5	87%	532.3	74%
Subtotal	1,053.2	96%	1,373.4	79%
<u>Home Appliances</u>	481.9	93%	337.4	81%
<u>PEW and PanaHome</u>	861.1	88%	190.5	80%
<u>Components and Devices</u>	206.3	77%	409.2	83%
<u>Other</u>	178.4	66%	128.5	64%
<b>Total</b>	¥ 2,780.9	89%	¥ 2,439.0	79%

\* See Notes to consolidated financial statements on pages 15-17.

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

(Nine months ended December 31)

**By Business Segment:**

	Yen (billions)		Percentage 2009/2008
	2009	2008	
<b>[Sales]</b>			
Digital AVC Networks	¥ 2,578.2	¥ 3,040.2	85%
Home Appliances	856.6	977.6	88%
PEW and PanaHome	1,184.4	1,361.4	87%
Components and Devices	756.8	948.5	80%
Other	677.7	821.0	83%
Subtotal	6,053.7	7,148.7	85%
Eliminations	(833.8)	(925.0)	
Consolidated total	¥ 5,219.9	¥ 6,223.7	84%
<b>[Segment Profit]**</b>			
Digital AVC Networks	¥ 52.9	¥ 97.9	54%
Home Appliances	59.7	65.1	92%
PEW and PanaHome	21.6	46.1	47%
Components and Devices	21.2	54.0	39%
Other	8.3	28.9	29%
Subtotal	163.7	292.0	56%
Corporate and eliminations	(33.8)	(37.5)	
Consolidated total	¥ 129.9	¥ 254.5	51%

\* \*\* See Notes to consolidated financial statements on pages 15-17.

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

(Nine months ended December 31)

**By Business Field\*\*:**

	Yen (billions)		Percentage 2009/2008
	2009	2008	
<b>[Sales]</b>			
Digital AVC Networks Solution	¥ 2,578.2	¥ 3,040.2	85%
Solutions for the Environment and Comfortable Living	2,041.0	2,339.0	87%
Devices and Industry Solution	1,434.5	1,769.5	81%
Subtotal	6,053.7	7,148.7	85%
Eliminations	(833.8)	(925.0)	
Consolidated total	¥ 5,219.9	¥ 6,223.7	84%
<b>[Business Field Profit]***</b>			
Digital AVC Networks Solution	¥ 52.9	¥ 97.9	54%
Solutions for the Environment and Comfortable Living	81.3	111.2	73%
Devices and Industry Solution	29.5	82.9	36%
Subtotal	163.7	292.0	56%
Corporate and eliminations	(33.8)	(37.5)	
Consolidated total	¥ 129.9	¥ 254.5	51%

\* \*\*\* See Notes to consolidated financial statements on pages 15-17.

\*\* For definition of business fields of the Group, see Note 11 of Notes to consolidated financial statements on page 17.

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**Panasonic Corporation****Consolidated Statement of Cash Flows \*****(Nine months ended December 31)**

	Yen (millions)	
	2009	2008
<i><u>Cash flows from operating activities:</u></i>		
Net income (loss)	¥ (16,477)	¥ 51,838
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	195,252	275,260
Net gain on sale of investments	(1,000)	(15,546)
(Increase) decrease in trade receivables	(157,397)	117,157
(Increase) decrease in inventories	36,662	(138,064)
Increase (decrease) in trade payables	130,648	(96,059)
Increase (decrease) in retirement and severance benefits	(10,106)	(81,284)
Other	128,577	10,600
<b>Net cash provided by operating activities</b>	<b>306,159</b>	<b>123,902</b>
<i><u>Cash flows from investing activities:</u></i>		
Proceeds from disposition of investments and advances	45,204	105,671
Increase in investments and advances	(6,803)	