

PANASONIC Corp  
Form 6-K  
February 16, 2011  
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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 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):

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

1. Quarterly report for the three months ended December 31, 2010, filed on February 14, 2011 with the Japanese government pursuant to the Financial Instruments and Exchange Law of Japan. (English translation)

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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/ MASAHI TO YAMAMURA  
Masahito Yamamura, Attorney-in-Fact  
General Manager of Investor Relations  
Panasonic Corporation

Dated: February 16, 2011

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[English summary with full translation of consolidated financial information]

**Quarterly Report filed with the Japanese government  
pursuant to the Financial Instruments and Exchange  
Law of Japan**

**For the three months ended  
December 31, 2010**

**Panasonic Corporation**

**Osaka, Japan**

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**Disclaimer Regarding Forward-Looking Statements**

This quarterly report 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 quarterly report 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 quarterly report. 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 acquisition of all shares of Panasonic Electric Works Co., Ltd. and SANYO Electric Co., Ltd. through tender offers and share exchanges; 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 reports, on Form 20-F, and any other reports and documents which are on file with the U.S. Securities and Exchange Commission.

Note: Certain information previously filed with the SEC in other reports is not included in this English translation.



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**I Corporate Information****(1) Consolidated Financial Summary**

	Yen (millions), except per share amounts				Year ended March 31, 2010
	Nine months ended December 31, 2010	Nine months ended December 31, 2009	Three months ended December 31, 2010	Three months ended December 31, 2009	
Net sales	6,653,361	5,219,884	2,285,413	1,886,588	7,417,980
Income (loss) before income taxes	227,320	54,642	82,767	81,095	(29,315)
Net income (loss)	123,060	(16,477)	39,025	34,799	(170,667)
Net income (loss) attributable to Panasonic Corporation	114,701	(14,609)	39,983	32,259	(103,465)
Total Panasonic Corporation shareholders' equity			2,640,941	2,763,230	2,792,488
Total equity			3,026,975	3,703,704	3,679,773
Total assets			8,138,376	8,675,083	8,358,057
Panasonic Corporation shareholders' equity per share of common stock (yen)			1,275.63	1,334.50	1,348.63
Net income (loss) per share attributable to Panasonic Corporation common shareholders, basic (yen)	55.40	(7.06)	19.31	15.58	(49.97)
Net income (loss) per share attributable to Panasonic Corporation common shareholders, diluted (yen)					
Panasonic Corporation shareholders' equity / total assets (%)			32.5	31.9	33.4
Net cash provided by operating activities	374,292	306,159			522,333
Net cash used in investing activities	(140,429)	(338,219)			(323,659)
Net cash provided by (used in) financing activities	(155,233)	183,049			(56,973)

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Cash and cash equivalents at end of period	1,125,951	1,110,905	1,109,912
Total employees (persons)	375,597	382,480	384,586

- Notes:
1. The Company's consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles (U.S. GAAP).
  2. SANYO Electric Co., Ltd. (SANYO) and its subsidiaries became the Company's consolidated subsidiaries in December 2009. The operating results of SANYO and its subsidiaries after January 2010 are included in the Company's consolidated financial statements.
  3. 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.

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**(2) Principal Businesses**

The Panasonic Group is comprised primarily of the parent Panasonic Corporation and 658 consolidated subsidiaries in and outside of Japan, operating in close cooperation with each other. As a comprehensive electronics manufacturer, Panasonic is engaged in production, sales and service activities in a broad array of business areas.

The Company strengthens the unity of all employees throughout the group and ultimately enhances the value of the Panasonic brand globally. The Company will continue its tireless efforts to generate ideas that brighten the lives of people everywhere in order to contribute to a better future both for the Earth and for the further development of society.

The Company's business segment classifications consist of six segments, namely, Digital AVC Networks, Home Appliances, PEW and PanaHome, Components and Devices, SANYO, and Other. Digital AVC Networks includes video and audio equipment, and information and communications equipment. Home Appliances includes household equipment. PEW and PanaHome includes electrical supplies, home appliances, building materials and equipment, and housing business. Components and Devices includes semiconductors, general electronic components, electric motors and batteries. SANYO includes solar cells, lithium-ion batteries, and optical pickups. Other includes FA equipment and other industrial equipment.

For production, Panasonic adopts a management system that takes charge of each product in the Company or its affiliates. In recent years, the Company has been enhancing production capacity at its overseas affiliates to further develop global business. Meanwhile, in Japan, Panasonic's products are sold through sales channels at its domestic locations, each established according to products or customers. The Company also sells directly to large-scale consumers, such as the government and corporations. For exports, sales are handled mainly through sales subsidiaries and agents located in their respective countries. Certain products produced at domestic affiliates are purchased by the Company and sold through the same sales channels as products produced by the Company itself. Additionally, products produced at overseas affiliates are sold mainly through sales subsidiaries in respective countries. Meanwhile, most import operations are carried out internally, and the Company aims to expand them to promote international economic cooperation.

Certain PEW, PanaHome and SANYO products are sold on a proprietary basis in Japan and overseas.

During the three months ended December 31, 2010, there were no major changes in principal businesses.

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**(3) Changes in Affiliated Companies**

As of October 1, 2010, IPS Alpha Technology, Ltd., a consolidated subsidiary of the Company, integrated IPS Alpha Technology, Himeji, Ltd. and IPS Alpha Support Co., Ltd., and changed the company name to Panasonic Liquid Crystal Display Co., Ltd.

As of October 1, 2010, Panasonic Shikoku Electronics Co., Ltd., a consolidated subsidiary of the Company, changed the company name to Panasonic Healthcare Co., Ltd.

SANYO Semiconductor Co., Ltd. (SSC), a consolidated subsidiary of the Company, became a significant subsidiary, defined with Cabinet Office Ordinance of Japan, through the capital increase underwritten by SANYO, during the third quarter of fiscal 2011. As of January 1, 2011, SANYO transferred its entire shareholding of SSC to Semiconductor Components Industries LLC, a wholly-owned subsidiary of ON Semiconductor Corporation, and as a result, SSC was excluded from a consolidated subsidiary of the Company.

JVC KENWOOD Holdings, Inc. (JVC KENWOOD HD) and its subsidiaries ceased to be an associated company of the Company under the equity method as the voting rights of the Company in JVC Kenwood HD declined to less than 20%, due to JVC KENWOOD HD's issuance of new shares and disposition of treasury shares through a global offering on January 25, 2011.

**(4) Number of Employees (as of December 31, 2010)**

1. Consolidated:	375,597 persons
2. Parent-alone:	41,508 persons

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**II The Business**

**(1) Operating Results**

During the third quarter, although the bleak employment scenario continued to plague developed countries, the global economy has recovered gradually, due mainly to economic stimulus plans in several countries and the sustained high-growth in emerging countries. In such business conditions, Panasonic Group launched a new midterm management plan called Green Transformation 2012 (GT12) in the beginning of fiscal 2011.

Consolidated group sales for the third quarter increased 21% to 2,285,413 million yen from the third quarter of fiscal 2010.

Regarding earnings, operating profit\* for the third quarter decreased to 95,364 million yen, down 6% from a year ago. This result was due mainly to ever-intensified global price competition and rising material costs, despite increasing sales and the streamlining of material costs and other general expenses. Pre-tax income for the third quarter was 82,767 million yen, up 2% from a year ago. This result was due mainly to a decrease in business restructuring expenses incurred as other deductions. Accordingly, net income for the third quarter was 39,025 million yen, up 12% from a year ago, and net income attributable to Panasonic Corporation was 39,983 million yen, up 24% from a year ago.

\* 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.

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**(2) Operating Results by Segment**

The following information shows the operating results by business segment for the third quarter. The Company restructured the motor business on April 1, 2010. Accordingly, segment information for Home Appliances, and Component and Devices in the fiscal 2010 third quarter are reclassified to conform to the presentation for fiscal 2011.

Digital AVC Networks

Sales in this segment amounted to 927,569 million yen, a decrease of 5% compared with a year ago, due mainly to the sales decrease in digital cameras and mobile phones. Segment profit was 39,903 million yen, down 1% from a year ago. This amount level was almost in line with a year ago, due mainly to a fixed cost reduction and comprehensive streamlining efforts, despite the sales decrease.

Home Appliances

Sales in this segment amounted to 337,515 million yen, an increase of 10% compared with a year ago, due mainly to favorable sales in air conditioners, refrigerators and compressors. Segment profit amounted to 32,711 million yen, up 4% compared with a year ago, due mainly to favorable sales and a fixed cost reduction.

PEW and PanaHome

Sales in this segment amounted to 446,449 million yen, an increase of 9% compared with a year ago. Regarding Panasonic Electric Works Co., Ltd. (PEW) and its subsidiaries, in addition to improved sales mainly in home appliances and devices such as electronic materials and automation controls, sales recovery in housing/building related business such as electrical construction material also contributed to overall sales increase. For PanaHome Corporation and its subsidiaries, stable sales of housing construction such as detached housing and rental apartment housing led to the increase in overall sales. Segment profit amounted to 23,125 million yen, up 32% from a year ago, as strong sales covered the impact of rising material costs.

Components and Devices

Sales in this segment amounted to 232,810 million yen, a decrease of 6% compared with a year ago, due mainly to a sales decrease in semiconductors and exchange rate fluctuations. Segment profit amounted to 3,684 million yen, down 81% compared with a year ago, due mainly to a sales decrease and a price decline.

SANYO

Sales in this segment totaled 393,326 million yen. The sales of digital cameras and rechargeable batteries were sluggish due to weak demand. Segment profit resulted in a loss of 5,686 million yen after incurring expenses, such as amortization of intangible assets recorded at acquisition.

Other

Sales in this segment totaled 262,579 million yen, up 13% compared with a year ago, due mainly to a significant sales increase in factory automation equipment. Segment profit also improved to 12,224 million yen, up 99% compared with a year ago.

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**(3) Assets, Liabilities and Equity**

The Company's consolidated total assets as of December 31, 2010 decreased by 825,590 million yen to 8,138,376 million yen compared with 8,963,966 million yen at the end of the second quarter of fiscal 2011. This was due mainly to the decrease in cash and cash equivalents related to the tender offers for the shares of PEW and SANYO.

Regarding liabilities, total liabilities amounted to 5,111,401 million yen, a decrease of 314,720 million yen compared with the end of the second quarter of fiscal 2011. This was due mainly to a decrease of short-term bonds.

Panasonic Corporation shareholders' equity decreased by 11,019 million yen to 2,640,941 million yen compared with the end of the second quarter of fiscal 2011. This result was due primarily to a deterioration in accumulated other comprehensive income (loss) influenced by the appreciation of the yen and a decrease in capital surplus owing to acquisition of noncontrolling interests of the Company's subsidiaries, despite an increase in retained earnings by incurring quarterly net income attributable to Panasonic Corporation. Noncontrolling interests decreased by 499,851 million yen to 386,034 million yen due primarily to the tender offer.

**(4) Cash Flows**

**Cash flows from operating activities**

Net cash provided by operating activities in the fiscal 2011 third quarter totaled 126,970 million yen, a decrease of 22,959 million yen from a year ago. This was due primarily to a decrease in trade payables.

**Cash flows from investing activities**

Net cash used in investing activities in the fiscal 2011 third quarter amounted to 48,213 million yen, a decrease of 269,787 million yen from a year ago. This difference from a year ago was due primarily to a decrease in time deposits and the prior year's expenditures to purchase shares of a newly consolidated subsidiary.



Cash flows from financing activities

Net cash used in financing activities in the fiscal 2011 third quarter amounted to 808,960 million yen, an increase of 619,432 million yen from a year ago. This was due mainly to a decrease in short-term bonds and the expenditures related to the tender offers for the shares of PEW and SANYO.

All these activities associated with the effect of exchange rate fluctuations resulted in cash and cash equivalents of 1,125,951 million yen as of December 31, 2010, down 742,455 million yen compared with the end of the second quarter of fiscal 2011.

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**(5) Research and Development**

Panasonic's R&D expenditures for the third quarter of fiscal 2011 totaled 134,862 million yen. There were no significant changes in R&D activities for the period.

**(6) Risk Factors**

There were no risks newly identified during the three months ended December 31, 2010. However, there were significant changes with regard to the Risk Factors stated in the annual report of the prior fiscal year and the quarterly reports of the first and second quarter of this fiscal year as follows.

**Alliances with, and strategic investments in, third parties, and mergers and acquisitions undertaken by Panasonic, may not produce positive or expected results**

Panasonic develops its businesses by forming alliances or joint ventures with, and making strategic investments in, other companies, including investments in start-up companies. Furthermore, the strategic importance of partnering with third parties is increasing. In some cases, such partnerships are crucial to Panasonic's goal of introducing new products and services, but Panasonic may not be able to successfully collaborate or achieve expected synergies with its partners. Furthermore, Panasonic does not control these partners, who may make decisions regarding their business undertakings with Panasonic that may be contrary to Panasonic's interests. In addition, if these partners change their business strategies, Panasonic may fail to maintain these partnerships. Panasonic, Panasonic Electric Works (PEW) and SANYO Electric Co., Ltd. (SANYO) resolved, at their respective meetings of the Boards of Directors held on July 29, 2010, to pursue a plan of Panasonic's acquisition of all shares of PEW and SANYO in order to make them wholly-owned subsidiaries of Panasonic (the Acquisitions) by around April 2011 by way of tender offers and, thereafter, share exchanges. Panasonic conducted, pursuant to the resolution of its above-mentioned Board of Directors meeting, the tender offers for the shares of PEW and SANYO at a purchase price of 1,110 yen per share of PEW common stock and 138 yen per share of SANYO common stock during a tender offer period from August 23, 2010 through October 6, 2010, and as a result, Panasonic's shareholdings of PEW and SANYO became approximately 84% and 81%, respectively. Thereafter, Panasonic, PEW and SANYO resolved, at their respective meetings of the Boards of Directors held on December 21, 2010, to conduct share exchanges in order to make Panasonic a wholly-owning parent company, and PEW and SANYO wholly-owned subsidiaries, and the share exchange agreements were executed between Panasonic and PEW, and between Panasonic and SANYO, respectively. The Acquisitions are scheduled to be completed on April 1, 2011 subject to approval of the share exchange agreements at extraordinary general meetings of PEW and SANYO, respectively. However, Panasonic may not be able to promptly complete the Acquisitions or realize the business reorganization which is scheduled thereafter. Furthermore, even if Panasonic completes the Acquisitions, Panasonic may fail to sufficiently achieve the expected results of the

Acquisitions, such as promotion of rapid decision-making and maximization of group synergies.

Note: The forward-looking statements in the above information are based on our belief as of the filing date of this quarterly report.

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**(7) Others**

Based on the Board of Directors meeting held on July 29, 2010, the Company conducted the tender offers for common shares of PEW and SANYO from August 23, 2010 through October 6, 2010. The aggregate purchase amount of the tender offers is 525.2 billion yen and, as a result of the tender offers, the equity ownership of the Company in PEW and SANYO is approximately 84% and 81%, respectively. Thereafter, Panasonic, PEW and SANYO resolved at their respective meetings of the Board of Directors held on December 21, 2010, to conduct share exchanges in order to make Panasonic a wholly-owning parent company, and the share exchange agreements were executed between Panasonic and PEW, and between Panasonic and SANYO. Shares of both subsidiaries are scheduled to be delisted on March 29, 2011, as the effective date for the share exchanges has been set as April 1, 2011, subject to approval of the share exchange agreements at extraordinary general meetings of PEW and SANYO, in early March 2011.

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**III Property, Plant and Equipment****(1) Major Property, Plant and Equipment**

During the three months ended December 31, 2010, there were no significant changes in major property, plant and equipment.

**(2) Plan of the Purchase and Retirement of Major Property, Plant and Equipment**

During the three months ended December 31, 2010, there were no significant changes in plan of the purchase and retirement of major property, plant and equipment from the last fiscal year. During the three months ended December 31, 2010, the Company does not have any current plans to purchase, expand, refurbish, retire and dispose major property, plant and equipment.

During the three months ended December 31, 2010, the Company invested a total of 92,375 million yen in property, plant and equipment, with an emphasis on production facilities in such priority business areas as flat-panel TVs and batteries. The breakdown of capital investment by business segment is as follows:

<b>Business Segment</b>	<b>Yen (millions)</b>
Digital AVC Networks	32,212
Home Appliances	6,150
PEW and PanaHome	12,043
Components and Devices	18,835
SANYO	20,831
Other	756
Subtotal	90,827
Corporate	1,548
Total	92,375

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**IV Shares and Shareholders****(1) Shares of Common Stock Issued as of December 31, 2010: 2,453,053,497 shares**

The common stock of the Company is listed on the Tokyo, Osaka and Nagoya stock exchanges in Japan. In the United States, the Company's American Depositary Shares (ADSs) are listed on the New York Stock Exchange.

**(2) Amount of Common Stock (Stated Capital) as of December 31, 2010: 258,740 million yen****(3) Stock Price**

The following table sets forth the monthly reported high and low market prices per share of the Company's common stock on the Tokyo Stock Exchange for the nine months of fiscal 2011:

	<b>Yen</b>								
	<b>April</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>
High	1,480	1,348	1,288	1,212	1,155	1,170	1,226	1,272	1,220
Low	1,345	1,123	1,104	1,040	1,027	1,050	1,100	1,135	1,138

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**V Financial Statements**

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PANASONIC CORPORATION  
AND SUBSIDIARIES

Consolidated Balance Sheets

December 31 and March 31, 2010

<b>Assets</b>	<b>Yen (millions)</b>	
	<b>December 31, 2010</b>	<b>March 31, 2010</b>
Current assets:		
Cash and cash equivalents	1,125,951	1,109,912
Time deposits	80,742	92,032
Trade receivables:		
Notes	79,715	74,283
Accounts (Note 12)	1,103,191	1,134,915
Allowance for doubtful receivables	(22,599)	(24,158)
Net trade receivables	1,160,307	1,185,040
Inventories (Note 2)	945,881	913,646
Other current assets (Notes 12 and 13)	460,644	505,418
Total current assets	3,773,525	3,806,048
Investments and advances (Notes 3 and 13)	556,835	636,762
Property, plant and equipment (Note 5):		
Land	383,185	391,394
Buildings	1,737,633	1,767,674
Machinery and equipment	2,250,935	2,303,633
Construction in progress	125,268	128,826
	4,497,021	4,591,527
Less accumulated depreciation	2,604,878	2,635,506
Net property, plant and equipment	1,892,143	1,956,021



Other assets:		
Goodwill	923,950	923,001
Intangible assets (Note 5)	565,809	604,865
Other assets	426,114	431,360
Total other assets	1,915,873	1,959,226
	8,138,376	8,358,057

See accompanying Notes to Consolidated Financial Statements.

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PANASONIC CORPORATION  
AND SUBSIDIARIES

Consolidated Balance Sheets

December 31 and March 31, 2010

	Yen (millions)	
	December 31, 2010	March 31, 2010
<b>Liabilities and Equity</b>		
Current liabilities:		
Short-term debt, including current portion of long-term debt (Notes 11 and 13)	947,890	299,064
Trade payables:		
Notes	58,045	59,608
Accounts (Note 12)	992,635	1,011,838
Total trade payables	1,050,680	1,071,446
Accrued income taxes	83,999	39,154
Accrued payroll	117,077	149,218
Other accrued expenses	822,196	826,051
Deposits and advances from customers	72,213	64,046
Employees deposits	10,394	10,009
Other current liabilities (Notes 12 and 13)	387,669	356,875
Total current liabilities	3,492,118	2,815,863
Noncurrent liabilities:		
Long-term debt (Note 13)	836,894	1,028,928
Retirement and severance benefits	407,953	435,799
Other liabilities	374,436	397,694
Total noncurrent liabilities	1,619,283	1,862,421
Equity:		
Panasonic Corporation shareholders equity:		

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Common stock (Note 6)	258,740	258,740
Capital surplus	1,100,717	1,209,516
Legal reserve	94,291	93,307
Retained earnings	2,442,499	2,349,487
Accumulated other comprehensive income (loss):		
Cumulative translation adjustments	(484,626)	(352,649)
Unrealized holding gains of available-for-sale securities (Note 3)	21,669	40,700
Unrealized gains of derivative instruments (Note 12)	5,563	1,272
Pension liability adjustments	(127,188)	(137,555)
Total accumulated other comprehensive income (loss)	(584,582)	(448,232)
Treasury stock, at cost (Note 6)	(670,724)	(670,330)
Total Panasonic Corporation shareholders' equity (Note 10)	2,640,941	2,792,488
Noncontrolling interests (Note 10)	386,034	887,285
Total equity (Note 10)	3,026,975	3,679,773
Commitments and contingent liabilities (Notes 4 and 14)		
	8,138,376	8,358,057

See accompanying Notes to Consolidated Financial Statements.

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PANASONIC CORPORATION  
AND SUBSIDIARIES

Consolidated Statements of Operations

Nine months ended December 31, 2010 and 2009

	Yen (millions)	
	Nine months ended December 31	
	2010	2009
Revenues, costs and expenses:		
Net sales	6,653,361	5,219,884
Cost of sales (Note 12)	(4,890,833)	(3,752,108)
Selling, general and administrative expenses	(1,498,196)	(1,337,912)
Interest income	8,257	8,876
Dividends received	5,645	6,183
Other income (Notes 11 and 12)	40,270	30,567
Interest expense	(21,093)	(16,545)
Other deductions (Notes 5, 11, 12 and 13)	(70,091)	(104,303)
Income before income taxes	227,320	54,642
Provision for income taxes	(111,842)	(69,856)
Equity in earnings (losses) of associated companies	7,582	(1,263)
Net income (loss) (Note 10)	123,060	(16,477)
Less net income (loss) attributable to noncontrolling interests (Note 10)	8,359	(1,868)
Net income (loss) attributable to Panasonic Corporation (Note 10)	114,701	(14,609)
		Yen
Net income (loss) per share attributable to Panasonic Corporation common shareholders (Note 8):		
Basic	55.40	(7.06)
Diluted		

See accompanying Notes to Consolidated Financial Statements.

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PANASONIC CORPORATION  
AND SUBSIDIARIES

## Consolidated Statements of Operations

Three months ended December 31, 2010 and 2009

	Yen (millions)	
	Three months ended December 31	
	2010	2009
Revenues, costs and expenses:		
Net sales	2,285,413	1,886,588
Cost of sales (Note 12)	(1,691,283)	(1,328,571)
Selling, general and administrative expenses	(498,766)	(457,010)
Interest income	2,540	2,832
Dividends received	2,162	2,080
Other income (Notes 11 and 12)	10,010	13,964
Interest expense	(6,808)	(4,979)
Other deductions (Notes 5, 11, 12 and 13)	(20,501)	(33,809)
Income before income taxes	82,767	81,095
Provision for income taxes	(47,695)	(47,082)
Equity in earnings of associated companies	3,953	786
Net income (Note 10)	39,025	34,799
Less net income (loss) attributable to noncontrolling interests	(958)	2,540
Net income attributable to Panasonic Corporation	39,983	32,259
		Yen
Net income per share attributable to Panasonic Corporation common shareholders (Note 8):		
Basic	19.31	15.58
Diluted		

See accompanying Notes to Consolidated Financial Statements.

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PANASONIC CORPORATION  
AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Nine months ended December 31, 2010 and 2009

	Yen (millions)	
	Nine months ended December 31	
	2010	2009
Cash flows from operating activities:		
Net income (loss) (Note 10)	123,060	(16,477)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	268,894	195,252
Net gain on sale of investments	(7,060)	(1,000)
Provision for doubtful receivables	3,480	3,098
Deferred income taxes	3,561	41,482
Write-down of investment securities (Notes 11 and 13)	25,764	6,074
Impairment losses on long-lived assets (Notes 5 and 13)	6,847	19,105
Cash effects of change in:		
Trade receivables	(18,352)	(157,397)
Inventories	(81,646)	36,662
Other current assets	2,357	9,699
Trade payables	13,249	130,648
Accrued income taxes	47,696	8,548
Accrued expenses and other current liabilities	24,203	15,508
Retirement and severance benefits	(24,289)	(10,106)
Deposits and advances from customers	6,368	9,230
Other, net	(19,840)	15,833
Net cash provided by operating activities	374,292	306,159
Cash flows from investing activities:		
Purchase of short-term investments		(6,369)
Proceeds from disposition of investments and advances	64,005	45,204
Increase in investments and advances	(7,100)	(6,803)



Capital expenditures

(294,162