

PANASONIC Corp
Form 6-K
August 01, 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 August 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 July 28, 2011, by Panasonic Corporation (the registrant), announcing its consolidated financial results for first quarter ended June 30, 2011 (fiscal 2012).
2. Supplemental consolidated financial data for first quarter ended June 30, 2011.
3. News release issued on July 28, 2011, by the registrant, announcing its subsidiary, SANYO Electric Co., Ltd., reached a memorandum of understanding to transfer of businesses.

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: August 1, 2011

Table of Contents

July 28, 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 FIRST-QUARTER RESULTS

- Disaster Adversely Affects Sales and Earnings; Company Secures Positive Operating Profit -

Osaka, Japan, July 28, 2011 Panasonic Corporation ([NYSE: PC/TSE: 6752] Panasonic) today reported its consolidated financial results for the first quarter, ended June 30, 2011, of the current fiscal year ending March 31, 2012 (fiscal 2012).

First-quarter Results

Consolidated group sales for the first quarter decreased by 11% to 1,929.5 billion yen due mainly to the Great East Japan Earthquake on March 11, 2011, compared with 2,161.1 billion yen for the first quarter of the year ended March 31, 2011 (fiscal 2011). Of the consolidated group total, domestic sales amounted to 967.6 billion yen, down by 8% from 1,054.4 billion yen a year ago. Overseas sales decreased by 13% to 961.9 billion yen from 1,106.7 billion yen a year ago.

During the first quarter under review, the Japanese economy was in a severe condition due to the Great East Japan Earthquake, though it was on the way to recovery with the automobile sales increase and the growing demand for energy-efficient consumer products. In the meantime, the global economy showed signs of slowdown caused by the concern for the U.S. economic recession and inflation, although demand in emerging markets including China expanded.

Table of Contents

- 2 -

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) as the first step towards the 100th anniversary vision of becoming the No.1 Green Innovation Company in the Electronics Industry.

Operating profit¹ decreased to 5.6 billion yen from 83.8 billion yen a year ago. Although the company pursued a thorough streamlining material cost and fixed cost reduction, this result was due mainly to sales decline affected by the disaster, ever-intensified price competition and rising raw material costs. In the meantime, pre-tax loss was 17.4 billion yen compared with a profit of 84.3 billion yen a year ago, due mainly to the expenses associated with the implementation of early retirement programs and the loss related to the disaster incurred in other incomes (deductions). Net loss attributable to Panasonic Corporation amounted to 30.4 billion yen, decreased from a profit of 43.7 billion yen a year ago.

Breakdown by Business Segment

The company's first quarter consolidated sales by business segment and segment profit (loss), with previous year comparisons, are summarized as follows:

Digital AVC Networks

Sales decreased by 21% to 660.6 billion yen from 831.7 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, automotive electronics and mobile phones. Segment loss amounted to 16.0 billion yen, compared with segment profit of 27.9 billion yen a year ago due mainly to sales decrease and the appreciation of the yen.

Home Appliances

Sales increased by 6% to 342.9 billion yen, compared with 322.8 billion yen a year ago due mainly to favorable sales in air conditioners as well as stable sales in washing machines and microwave ovens. Segment profit increased by 4% to 33.6 billion yen, compared with 32.3 billion yen a year ago due mainly to sales increase and streamlining efforts.

¹ For information about operating profit, see Note 2 of the Notes to consolidated financial statements on page 10.

Table of Contents

- 3 -

PEW and PanaHome

Sales increased by 7% to 417.3 billion yen from 391.2 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 10.6 billion yen, increased from 8.3 billion yen a year ago due mainly to favorable sales and fixed cost reduction.

Components and Devices

Sales decreased by 13% to 205.5 billion yen, compared with 236.3 billion yen a year ago. This result was due mainly to declines in sales of general components, semiconductors and batteries. Segment loss was 7.5 billion yen, compared with segment profit of 11.8 billion yen a year ago due mainly to subdued demand.

SANYO

Sales decreased by 22% to 324.0 billion yen, compared with 413.0 billion yen a year ago. Although sales of cold-chain equipments, commercial air conditioners and solar photovoltaic systems were stable, sales of devices, digital cameras 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. This resulted in segment loss of 14.0 billion yen, compared with segment profit of 5.0 billion yen a year ago after incurring the expenses such as amortization of intangible assets recorded at the acquisition.

Other

Sales totaled 284.0 billion yen, up 3% from 275.4 billion yen a year ago, due mainly to favorable sales in factory automation equipment. Segment profit amounted to 11.9 billion yen, compared with 12.8 billion yen a year ago.

Table of Contents

- 4 -

Consolidated Financial Condition

Net cash used in operating activities for the first quarter amounted to 43.3 billion yen. This was attributable primarily to net loss and an increase in inventories. Net cash used in investing activities amounted to 47.7 billion yen. This was due primarily to capital expenditures offsetting proceeds from disposals of property, plant and equipment. Net cash used in financing activities was 35.9 billion yen, due mainly to repayments of long-term debt and payments of cash dividends. Taking into consideration the effect of exchange rate fluctuations, cash and cash equivalents totaled 837.0 billion yen as of June 30, 2011, down 137.8 billion yen, compared with the end of the last fiscal year.

The company's consolidated total assets as of June 30, 2011 decreased by 157.9 billion yen to 7,665.0 billion yen from March 31, 2011. This was due mainly to the appreciation of the yen and a decrease in cash and cash equivalents. Panasonic Corporation shareholders' equity increased by 207.2 billion yen, compared with March 31, 2011, to 2,766.2 billion yen, and noncontrolling interests decreased by 287.3 billion yen to 100.0 billion yen as of June 30, 2011. This result was due primarily to an increase of 271.2 billion yen in Panasonic Corporation shareholders' equity and a decrease of the same amount in noncontrolling interests, owing to the share exchanges for the acquisition of all shares of PEW and SANYO on April 1, 2011.

Outlook for Fiscal 2012

The business performance outlook for fiscal 2012 remains unchanged from the previous forecast announced on June 20, 2011.

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

- 5 -

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. 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

- 6 -

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

	Yen (millions)		Percentage 2011/2010
	2011	2010	
Net sales	¥ 1,929,548	¥ 2,161,126	89%
Cost of sales	(1,455,507)	(1,570,787)	
Selling, general and administrative expenses	(468,465)	(506,501)	
Interest income	3,426	2,769	
Dividends received	2,815	3,058	
Interest expense	(7,345)	(7,381)	
Expenses associated with the implementation of early retirement programs *	(3,571)	(927)	
Other income (deductions), net *	(18,334)	2,973	
Income (loss) before income taxes	(17,433)	84,330	
Provision for income taxes	(17,453)	(38,337)	
Equity in earnings of associated companies	2,262	1,745	
Net income (loss)	(32,624)	47,738	
Less net income (loss) attributable to noncontrolling interests	(2,273)	4,060	
Net income (loss) attributable to Panasonic Corporation	¥ (30,351)	¥ 43,678	
Net income (loss) attributable to Panasonic Corporation, basic per common share	(13.13) yen	21.10 yen	
per ADS	(13.13) yen	21.10 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 10-11.

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

	Yen (millions)	
	2011	2010
Depreciation (tangible assets)	¥ 65,533	¥ 68,775

Edgar Filing: PANASONIC Corp - Form 6-K

Capital investment **	¥ 55,274	¥ 98,650
R&D expenditures	¥ 132,181	¥ 133,688
Number of employees (June 30)	365,899	384,816

** These figures are calculated on an accrual basis.

Table of Contents

- 7 -

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

	Yen (millions)	
	June 30, 2011	March 31, 2011
<u>Assets</u>		
Current assets:		
Cash and cash equivalents	¥ 837,041	¥ 974,826
Time deposits	58,065	69,897
Trade receivables:		
Notes	83,108	78,979
Accounts	993,562	1,001,982
Allowance for doubtful receivables	(21,757)	(21,860)
Inventories	976,729	896,424
Other current assets	502,469	489,601
Total current assets	3,429,217	3,489,849
Investments and advances	553,757	569,651
Property, plant and equipment, net of accumulated depreciation	1,839,327	1,883,309
Other assets	1,842,703	1,880,061
Total assets	¥ 7,665,004	¥ 7,822,870
<u>Liabilities and Equity</u>		
Current liabilities:		
Short-term debt, including current portion of long-term debt	¥ 428,798	¥ 432,982
Trade payables:		
Notes	68,947	60,128
Accounts	889,201	941,124
Other current liabilities	1,411,868	1,412,816
Total current liabilities	2,798,814	2,847,050
Noncurrent liabilities:		
Long-term debt	1,151,809	1,162,287
Other long-term liabilities	848,161	867,198
Total noncurrent liabilities	1,999,970	2,029,485
Total liabilities	4,798,784	4,876,535
Panasonic Corporation shareholders' equity:		

Edgar Filing: PANASONIC Corp - Form 6-K

Common stock	258,740	258,740
Capital surplus	1,115,739	1,100,181
Legal reserve	95,049	94,198
Retained earnings	2,194,058	2,401,909
Accumulated other comprehensive income (loss) *	(650,702)	(625,300)
Treasury stock, at cost	(246,704)	(670,736)
Total Panasonic Corporation shareholders' equity	2,766,180	2,558,992
Noncontrolling interests	100,040	387,343
Total equity	2,866,220	2,946,335
Total liabilities and equity	¥ 7,665,004	¥ 7,822,870

* Accumulated other comprehensive income (loss) breakdown:

	Yen (millions)	
	June 30, 2011	March 31, 2011
Cumulative translation adjustments	¥ (488,205)	¥ (453,158)
Unrealized holding gains of available-for-sale securities	14,798	16,835
Unrealized gains of derivative instruments	3,749	2,277
Pension liability adjustments	(181,044)	(191,254)

** See Notes to consolidated financial statements on pages 10-11.

Table of Contents

- 8 -

Panasonic Corporation**Consolidated Information by Business Segment *****(Three months ended June 30)****By Business Segment:**

	Yen (billions)		Percentage 2011/2010
	2011	2010	
[Sales]			
Digital AVC Networks	¥ 660.6	¥ 831.7	79%
Home Appliances	342.9	322.8	106%
PEW and PanaHome	417.3	391.2	107%
Components and Devices	205.5	236.3	87%
SANYO	324.0	413.0	78%
Other	284.0	275.4	103%
Subtotal	2,234.3	2,470.4	90%
Eliminations	(304.8)	(309.3)	
Consolidated total	¥ 1,929.5	¥ 2,161.1	89%
[Segment Profit (Loss)]*			
Digital AVC Networks	¥ (16.0)	¥ 27.9	
Home Appliances	33.6	32.3	104%
PEW and PanaHome	10.6	8.3	127%
Components and Devices			