



Fiscal 2009 Revised Forecast

April 17, 2009

Panasonic Electric Works Co., Ltd.

panasonic-denko.co.jp

1. Fiscal 2009 Revised Forecast

Operating Income and Recurring Income Likely to Be Maintained at a Level of the Previous Forecast

**Pre-tax Income and Net Income Forecasts Are Revised
due to Additional Business Structural Reform Expenses and Others**

(Unit:¥100 mln)	Latest Forecast FY2009 (As of Apr.17,2009)	Previous Forecast FY2009 (As of Feb.3,2009)	Change from the Previous Forecast	FY2008 Results	Change from FY2008 Results
Sales	16,000	16,100	-100	17,196	-1,196
Operating Income	310 (1.9%)	310 (1.9%)	±0	839 (4.9%)	-529
Recurring Income	310 (1.9%)	310 (1.9%)	±0	834 (4.9%)	-524
Pre-tax Income	-50 (-0.3%)	170 (1.1%)	-220	826 (4.8%)	-876
Net Income	-140 (-0.9%)	50 (0.3%)	-190	454 (2.6%)	-594

Note: 1. FY2009: the fiscal year ended March 31, 2009 FY2008: the fiscal year ended March 31, 2008 2. (%): Ratio to Sales

2. Fiscal 2009 Pre-tax Income Revision (vs. Feb.3)

(Unit:¥100 mln)

Contents		Amount
Pre-tax Income Forecast on Feb.3		170
Breakdown (Increase & Decrease)	Additional Business Structural Reform Expenses	-200
	Additional Disposal of Fixed Assets Related to Business Structural Reform	-10
	Expenses Related to Company Name Change & Brand Unification (Decrease)	+20
	Write-down of Investment Securities	-30
	(Total)	-220
Revised Pre-tax Income		-50

3. Fiscal 2009 Business Structural Reform Expenses & Fiscal 2010 Cost Reduction Effects

Fiscal 2009 Business Structural Reform Expenses

(Unit:¥100 mln)

Latest Forecast	Previous Forecast	Addition
250	50	+200

(Main Contents)

1. Closure and Consolidation of the Company's Manufacturing Sites

- ①Japan : Closing & Integrating 4 Manufacturing Sites Corresponding to Market Shrinkage
- ②Overseas: Closing 2 Manufacturing Sites in response to Geographical Shift in Demand

2. Implementation of the Impairment of Manufacturing Equipment and Others

- ①The Impairment of Manufacturing Equipment Related to the Products Losing their Cost-competitive Edge due to a Rising Yen
- ②The Impairment of Manufacturing Equipment Related to low-value-added Products Mainly at the Overseas Production Sites

Fiscal 2010 Major Initiatives for Structural Reform

1. Withdrawal of Low-profit Businesses

2. Consolidation of Business Locations

- ①Additional Consolidation of Manufacturing Sites on a Global Basis
- ②Showrooms: 5 plus Something Extra

3. Emergency Countermeasures

- Proper Staffing and Revised Personnel System-
- ①Reassigning Employees Associated with Factory Closing
- ②Taking Temporary Measures including Extension of Working Hours, Cut back on Various Allowances and Revision of Employee Benefit Program

The Positive Effects on Profit (vs. Fiscal 2009)

— On an Operating Income Basis (Unit:¥100mln) —

Fiscal 2010 : 180 plus Something Extra

Fiscal 2011 : 220 plus Something Extra

Note: Fiscal 2010: the fiscal year ending March 31, 2010
Fiscal 2011: the fiscal year ending March 31, 2011

4. The Implementation of Emergency Countermeasures

■ Reduction of Remuneration for Members of the Board, Executive Officers and Managers

(On an Annual Salary Basis in Fiscal 2009)

- Members of the Board and Executive Officers: 25% Reduction (vs. Fiscal 2008)
- Managers: 10-15% Reduction (vs. Fiscal 2008)



The Above Countermeasures to Be Continuously Implemented in Fiscal 2010

■ Temporary Emergency Countermeasures

(Effective from April 11, 2009)

- Extension of Working Hours
- Cut back on Various Allowances such as Overtime Payment
- Revision of Employee Benefit Program

Cautionary Statement with Respect to Forward-Looking Statements

This presentation document contains sales and earnings forecasts and assumptions about future events based on information currently available to Panasonic Electric Works Co., Ltd. (hereinafter referred to as the Company) and certain assumptions considered to be reasonable at the time this document is prepared.

Actual performance and the outcome of plans may vary significantly from these projections due to a number of factors including, but not limited to, the following:

- **Significant changes in economic and product supply-demand conditions in the markets that the Company serves (Japan, Europe, the U.S., China, other Asian countries); especially major changes in new housing starts in Japan associated with amendments to The Building Standard Law of Japan**
- **Industry and consumer demand trends**
- **Major fluctuations in crude oil and other raw material prices**
- **Significant fluctuations in exchange rates between the yen and the U.S. dollar, euro, Chinese yuan and other currencies**
- **Changes in social infrastructure resulting from rapid technological changes**
- **Cost of compensation in the event of any defect in the Company's products and services**
- **Restrictions on the use of patents and other intellectual property rights held by third parties**
- **Changes in laws and regulations regarding international trade and commerce, and rules and regulations regarding labor, production systems, etc., in foreign countries (direct or indirect)**
- **Changes in the market value of investment securities held by the Company and the valuation of assets such as deferred tax assets, and revisions to accounting policy or rules**
- **Earthquakes and other natural disasters and other factors likely to impact business operations**