

Panasonic announces Q1 net loss of 560 mln dlrs

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Japanese high-tech giant Panasonic Corp. announced Monday a big first-quarter loss, blaming weak sales of televisions, digital cameras and other electronic goods during the recession.

Panasonic posted a net loss of 52.98 billion yen (560 million dollars) for the April-June quarter, swinging from a year-earlier profit of 73.03 billion yen. Revenue slumped 25.9 percent to 1.60 trillion yen.

It logged an operating loss of 20.18 billion yen, against a profit of 109.57 billion yen in the same period of 2008, "due mainly to the effect of a

sharp sales decrease and price decline," the Osaka-based company said in a statement.

Panasonic, which is buying its struggling smaller rival Sanyo, left unchanged its forecast for a loss of 195 billion yen in the full business year to March 2010, warning that price competition was likely to intensify further.

It expects sales to drop 10 percent to 7.0 trillion yen but operating profit to rise 2.9 percent to 75 billion yen, unchanged from its earlier projections.

The group, which changed its corporate name from Matsushita Electric Industrial in October, is cutting 15,000 jobs and closing dozens of plants as it struggles to recover from its first annual loss in six years.

Panasonic is not the only Japanese electronics giant in trouble. Last week Sony Corp. posted a net loss of 37.1 billion yen for the April-June quarter, while Sharp Corp. fell 25.2 billion yen into the red in the same period.

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