

October 31, 2016

**FOR IMMEDIATE RELEASE**

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**Panasonic to Liquidate Consolidated Subsidiary PPD (Through Special Liquidation Proceedings), Providing Debt Waiver**

Panasonic Corporation ([TSE:6752] “Panasonic”) hereby announces that it decided at the Board of Directors meeting held today to liquidate its consolidated subsidiary Panasonic Plasma Display Co., Ltd. (“PPD”), file a petition for the commencement of special liquidation, and forgive debts that PPD owes to Panasonic.

1. Reasons for the liquidation of PPD and debt forgiveness

Panasonic established the predecessor of PPD, Matsushita Plasma Display Co., Ltd. (renamed PPD in October 2008) in July 2000.

Subsequently, however, affected by intensified competition with liquid crystal display manufacturers, a sharp decline in the market prices of plasma displays, and other negative factors, Panasonic concluded that it would be difficult to continue the plasma display panel business. It also ended PPD’s business operations at the end of March 2014.

Panasonic has since proceeded with the disposal of assets owned by PPD (including plants and production facilities in Ibaraki, Osaka and Amagasaki, Hyogo).

Now that the disposal has been completed, Panasonic has determined to liquidate PPD, file a petition for the commencement of special liquidation, and forgive debts that PPD owes to Panasonic.

2. Outline of the subsidiary (PPD) to be liquidated (as of October 31, 2016)

(1)	Corporate name	Panasonic Plasma Display Co., Ltd.		
(2)	Head office	1-1, Matsushita-cho, Ibaraki, Osaka		
(3)	Name and title of representative	Toshiyuki Watanabe President		
(4)	Principal lines of business	Manufacture and sales of plasma TVs, business-use plasma displays and plasma display panel modules		
(5)	Stated capital	10 million yen		
(6)	Date established	July 3, 2000		
(7)	Major shareholders and shareholding ratios	Panasonic Corporation 100%		
(8)	Relationships between the Company and PPD	Capital Relationship	Panasonic holds 100% of PPD's outstanding shares.	
		Personnel Relationship	Three employees of Panasonic are serving concurrently as officials of PPD (two as Directors, including Representative Director, and one as Corporate Auditor).	
		Transaction Relationship	Panasonic provides loans, businesses on consignment, and information processing services for PPD.	
		Status as a Related Party	PPD is a consolidated subsidiary of Panasonic; hence, PPD falls under the category of a related party of Panasonic.	
(9)	Operating result and financial conditions for the last three years (PPD)			
	Accounting period	Fiscal year ended March 2014	Fiscal year ended March 2015	Fiscal year ended March 2016
	Net assets	(463.4) billion yen	(485.5) billion yen	(494.3) billion yen
	Total assets	11.9 billion yen	0.7 billion yen	0.5 billion yen
	Net sales	20.2 billion yen	—	—
	Operating profit	(16.0) billion yen	(0.0) billion yen	(0.0) billion yen
	Recurring profit	(26.4) billion yen	(8.1) billion yen	(6.7) billion yen
	Net income	(64.2) billion yen	(22.1) billion yen	(8.8) billion yen

### 3. Outline of credits Panasonic owns against PPD

Types of credits and amounts (as of October 31, 2016)

Loans: 500.0 billion yen

### 4. Schedule for the liquidation and special liquidation

October 31, 2016:	Resolution for the liquidation by the Board of Directors of Panasonic
November 1, 2016 (plan):	Resolution for the liquidation by the extraordinary shareholders meeting of PPD
November 1, 2016 (plan):	Date of the liquidation
November 1, 2016 (plan):	Filing of a petition for the commencement of special liquidation
January 2017 (plan):	Completion of the special liquidation

### 5. Future outlook

Panasonic recorded 52.5 billion yen in losses on valuation of stocks of subsidiaries and affiliates (or the shares of PPD) on a non-consolidated basis as of the end of the year through March 2016, and 494.3 billion yen in the allowance for losses on business of subsidiaries and affiliates to cover future estimated losses of PPD. Additional losses of 5.7 billion yen, which are expected to be uncollectible following the filing of a petition for the commencement of special liquidation, is planned to be booked in the fiscal year ending March 2017.

In conjunction with the resolution, as a result of having assessed the recoverability of its deferred tax assets on a consolidated basis, the company additionally recorded 18.2 billion yen of deferred tax asset (decrease in income taxes) at the end of September, 2016.

(Reference) Details of the petition for the commencement of special liquidation (plan)

(1) Competent court: Osaka District Court

(2) Representative of the petitioner:

Takayuki Shibano, Attorney-at-law

Katsuhisa Yanagi, Attorney-at-law

Dojima Law Office

Irisho-Yagi Bldg. 2F, 2-3-9, Kitahama, Chuo-ku, Osaka City, Osaka  
Prefecture

(3) Total debts: 500.0 billion yen (as of October 31, 2016)

**Disclaimer Regarding Forward-Looking Statements**

This press release includes forward-looking statements (that include those within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934), as amended about Panasonic and its Group companies (the Panasonic Group). Panasonic discloses its consolidated financial forecasts for fiscal 2017 based on International Financial Reporting Standards (IFRS). 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 under the Financial Instrument and Exchange Act of Japan (the FIEA) and other publicly disclosed documents.

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 Americas, 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; the possibility that excessive currency rate fluctuations of the U.S. dollar, the euro, the Chinese yuan and other currencies against the yen may adversely affect costs and prices of Panasonic's products and services and certain other transactions that are denominated in these foreign currencies; the possibility of the Panasonic Group incurring additional costs of raising funds, because of changes in the fund raising environment; the possibility of the Panasonic Group not being able 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 or incurring unexpected losses in connection with the alliances or mergers and acquisitions; the possibility of not being able to achieve its business objectives through joint ventures and other collaborative agreements with other companies, including due to the pressure of price reduction exceeding that which can be achieved by its effort and decrease in demand for products from business partners which Panasonic highly depends on in BtoB business areas; the possibility of the Panasonic Group not being able 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; the possibility of incurring expenses resulting from a leakage of customers' or confidential information from Panasonic's systems due to unauthorized access or a detection of vulnerability of network-connected products of the Panasonic Group; as well as natural disasters including earthquakes, prevalence of infectious diseases throughout the world, disruption of supply chain 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 the most recent English translated version of Panasonic's securities reports under the FIEA and any other documents which are disclosed on its website.