

FOR IMMEDIATE RELEASE

September 11, 2018

Media Contact:

Global Communications Department
Panasonic Corporation
Tel: +81-(0)3-3574-5664

**Panasonic Announces Receipt of Notice of Correction
from Osaka Regional Tax Bureau and its Response**

Osaka, Japan - Panasonic Corporation (“Panasonic”) today announced it has received a “notice of correction of corporate income taxes and imposition of additional tax” from the Osaka Regional Tax Bureau (“Authorities”) for the fiscal years ended March 2016 and 2017. The company disagrees with this decision, and will immediately take necessary procedures such as filing an appeal.

Panasonic has been examined by Authorities since August 2017 and the notice pertains to correction of taxable income equivalent to 42.1 billion yen, of which 41.2 billion yen was in relation to sales of shares of an overseas subsidiary.

In a process of reorganization of its overseas shareholding structure^{*1}, Panasonic sold the entire shares of Panasonic Corporation of North America to Panasonic Holding Netherlands B.V., a wholly owned subsidiary of Panasonic^{*2}. Authorities state in the notice they have determined that the selling price was lower than fair market value and the difference of amount between selling price and fair market value should be deemed “donation” to foreign affiliates. However, Panasonic considers that its selling price of the shares was a reasonable fair market price based on objective evaluation. Hence there was no donation to foreign affiliates.

In terms of its consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS), Panasonic will not recognize any additional income taxes on this matter, and there will be no impact on consolidated financial statements for the fiscal year ending March 2019 (fiscal 2019). In its parent-alone financial statements for fiscal 2019, prepared in accordance with accounting standards of Japan, Panasonic will record additional corporate income tax, approximately 6 billion yen.

*1: Announced in a press-release dated December 22, 2016

*2: Announced in a press-release dated March 16, 2017

About Panasonic

Panasonic Corporation is a worldwide leader in the development of diverse electronics technologies and solutions for customers in the consumer electronics, housing, automotive, and B2B businesses. Celebrating its 100th anniversary in 2018, the company has expanded globally and now operates 591 subsidiaries and 88 associated companies worldwide, recording consolidated net sales of 7.982 trillion yen for the year ended March 31, 2018. Committed to pursuing new value through innovation across divisional lines, the company uses its technologies to create a better life and a better world for its customers. To learn more about Panasonic: <http://www.panasonic.com/global>.