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FOR IMMEDIATE RELEASE

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**Panasonic Announces the Change in Sub-subsidiary
Upon Organizing Joint Venture Specializing in Automotive Prismatic Batteries**

Osaka, Japan, February 3, 2020 -- Panasonic Corporation ([TSE:6752] “Panasonic”) today announced that the Board of Directors has resolved the organizing Prime Planet Energy & Solutions, Inc. (“PPES”), which is a wholly-owned consolidated subsidiary of Panasonic Equity Management Japan G.K. (“PEMJ”), a wholly-owned consolidated subsidiary of Panasonic, into a joint venture (“organizing the joint venture”) specializing in the automotive prismatic battery business as of April 1, 2020 (planned) with Toyota Motor Corporation (“Toyota”), following the announcement of “Panasonic Announces the Joint Automotive Prismatic Battery Business with Toyota” on January 22, 2019. Upon the share transfer related to the organizing the joint venture, PPES will cease to be a subsidiary (sub-subsidiary) of Panasonic.

For the outline of the joint venture, please see the attached press release “Toyota and Panasonic Decide to Establish Joint Venture Specializing in Automotive Prismatic Batteries.”

1. Reason and Method for the Change

PEMJ will transfer part of its outstanding shares of PPES to Toyota on April 1, 2020 (planned) (“share transfer”). After the share transfer, PEMJ will own 49% shares of PPES, and PPES will become a company under the equity method of Panasonic.

2. Outline of PPES, the Company which will Cease to be a Subsidiary of Panasonic *1

As of February 3, 2020

(1) Corporate name	Prime Planet Energy & Solutions, Inc. (PPES)	
(2) Head office	1006, Oaza Kadoma, Kadoma City, Osaka	
(3) Name and title of representative	Representative Director: Chiaki Kidani	
(4) Principal lines of business	Development, manufacturing, and sales of automotive prismatic lithium-ion batteries, automotive solid-state batteries, and next-generation automotive batteries.	
(5) Stated capital	50 million yen *2	
(6) Date established	December 20, 2019	
(7) Net assets	100 million yen (as of the date established) *3	
(8) Total assets	100 million yen (as of the date established) *3	
(9) Shareholder and shareholding ratio	Panasonic Equity Management Japan G.K. ("PEMJ") : 100%	
(10) Relationships with Panasonic	Capital relationship	Panasonic indirectly owns 100% of the total number of issued shares of PPES.
	Personnel relationship	PPES currently receives three (3) directors including the office of the representative director, and one (1) Audit & Supervisory Board Member, all seconded by Panasonic. *4
	Transactional relationship	N/A *5

(Notes) 1. As PPES was newly established on December 20, 2019, its consolidated operating results and consolidated financial condition of the last three (3) years are omitted.

2. The amount of stated capital of PPES is expected to increase, due to capital increase implemented by PPES on April 1, 2020 (planned).

3. On April 1, 2020 (planned), PPES will succeed the automotive prismatic battery business of SANYO Electric Co., Ltd., a wholly-owned subsidiary of PEMJ, and others. PPES will also succeed automotive battery design development and component development business (relevant business) of Toyota. Accordingly, consolidated net assets and consolidated total assets of PPES as of April 1, 2020 are expected to be 169,965 million yen and 308,439 million yen, respectively.

4. After the organizing the joint venture, approximately 1,500 to 2,000 employees are expected to be seconded from Panasonic group to PPES. Information on the head office and the name of the representative of PPES, the joint venture, is included in the attached press release "Toyota and Panasonic Decide to Establish Joint Venture Specializing in Automotive Prismatic Batteries."

5. Panasonic will purchase products from PPES. Panasonic will enter into a license agreement with PPES on automotive prismatic lithium-ion rechargeable batteries.

6. Amounts less than 1 million yen have been rounded to the nearest whole 1 million yen.

3. Outline of Toyota, the Company to which the Shares of PPES will be Transferred

As of March 31, 2019

(1) Corporate name	Toyota Motor Corporation ("Toyota")	
(2) Head office	1 Toyota-cho, Toyota City, Aichi, Japan	
(3) Name and title of representative	President: Akio Toyoda	
(4) Principal lines of business	Automotive business, financial service business and other businesses	
(5) Stated capital	635,401 million yen	
(6) Date established	August 27, 1937	
(7) Consolidated net assets	20,565,210 million yen	
(8) Consolidated total assets	51,936,949 million yen	
(9) Major shareholders and shareholding ratios ^{*1}	Japan Trustee Services Bank, Ltd.	13.07%
	Toyota Industries Corporation	8.28%
	The Master Trust Bank of Japan, Ltd.	6.34%
	Nippon Life Insurance Company	3.87%
	JP Morgan Chase Bank (Standing Proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	3.51%
	Denso Corporation	3.12%
	State Street Bank and Trust Company (Standing Proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	2.99%
	Trust & Custody Services Bank, Ltd.	2.00%
	Mitsui Sumitomo Insurance Co., Ltd.	1.97%
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	1.77%
(10) Relationships with Panasonic	Capital relationship	Toyota owns 19,751 shares of Panasonic's common stock.
	Personnel relationship	There are relationship of temporary transfer of employees between Panasonic Group and Toyota.
	Transactional relationship	There are transactions related to automotive solutions, automotive batteries and others between Panasonic and Toyota.
	Status as a related party	N/A

(Notes) 1. Shareholding ratios are calculated excluding its treasury stock.

2. Amounts less than 1 million yen have been rounded to the nearest whole 1 million yen.

4. Outline of the Share Transfer

(1) Shareholding amount and ratio before the share transfer	768,016 shares (76.8%) *1
(2) Number of shares to be transferred	278,016 shares
(3) Transfer amount	65,085 million yen *2
(4) Shareholding amount and ratio after the share transfer	490,000 shares (49%)

(Notes) 1. As of April 1, 2020 (planned), Toyota's automotive battery design development and component development business (relevant business) will be succeeded to PPES through a company split, and Toyota will be allotted the PPES's shares. Accordingly, Panasonic's shareholding ratio before the share transfer will be 76.8%.

2. The actual transfer amount may vary from the amounts stated above after reflecting any increase or decrease of the adjustment which will be decided after the share transfer.

5. Financial Outlook

It is expected that there will not be any material impact of the organizing the joint venture on the consolidated financial outlook for the fiscal year ending March 2020.

(Attached) "Toyota and Panasonic Decide to Establish Joint Venture Specializing in Automotive Prismatic Batteries"

(Reference)

Panasonic's consolidated financial forecasts for fiscal 2020 (from April 1, 2019 to March 31, 2020) announced on February 3, 2020 and the consolidated financial results for fiscal 2019 (from April 1, 2018 to March 31, 2019), prepared in conformity with IFRS.

Yen (millions)

	Net sales	Operating profit	Profit before income taxes	Net profit attributable to Panasonic Corporation stockholders
Financial forecasts for fiscal 2020	7,700,000	300,000	290,000	200,000
Financial results for fiscal 2019	8,002,733	411,498	416,456	284,149

(Note) 1. Amounts less than 1 million yen have been rounded to the nearest whole 1 million yen.

Disclaimer Regarding Forward-Looking Statements

This press release includes forward-looking statements 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 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; restrictions, costs or legal liability relating to laws and regulations or failures in internal controls; fluctuations in market prices of securities and other financial assets in which the Panasonic Group has holdings or changes in valuation of non-financial assets, including property, plant and equipment, goodwill and deferred tax assets; 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 Group 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.

February 3, 2020

Toyota Motor Corporation

Panasonic Corporation

Toyota and Panasonic Decide to Establish Joint Venture Specializing in Automotive Prismatic Batteries

Toyota City, Aichi/Kadoma City, Osaka, Japan February 3, 2020—Toyota Motor Corporation (Toyota) and Panasonic Corporation (Panasonic) announced today that they have decided to establish Prime Planet Energy & Solutions, Inc., a joint venture specializing in automotive prismatic batteries. This decision comes just over a year since the two companies announced on January 22, 2019 that they had concluded a business integration contract and a joint-venture contract toward the establishment of a new company. Toyota and Panasonic have also decided the outline of the joint venture.

Batteries—as solutions for providing energy for automobiles and various other forms of mobility, and as solutions for various kinds of environmental issues—are expected to fulfill a central role in society going forward—a role that supports people’s lives.

The joint venture announced by Toyota and Panasonic will develop highly competitive, cost-effective batteries that are safe and feature excellent quality and performance (in terms of capacity, output, durability, etc.), enabling use with peace of mind by all customers. Furthermore, the joint venture will supply batteries not only to Toyota but also, broadly and stably, to all customers.

The joint venture’s name embraces Toyota’s and Panasonic’s strong determination to provide their customers—while working in unison with many friends to keep our irreplaceable earth abundant and clean—broad-ranging, added-value solutions including and beyond the supply of energy in the form of batteries.

Outline of the joint venture

Name	Prime Planet Energy & Solutions, Inc.
Location	Tokyo Head Office: 2-3-1, Nihonbashi-Muromachi, Chuo-ku, Tokyo Kansai Head Office: 194-4, Tokonabe-cho, Kasai-shi, Hyogo-ken
Start of operations	April 1, 2020 (planned)
Executive structure	Representative Director and President: Hiroaki Koda (Toyota) · Directors (including the President): 5 (3 from Toyota and 2 from Panasonic)

	<ul style="list-style-type: none"> • Auditors: 2 (1 from Toyota and 1 from Panasonic)
Business	<ul style="list-style-type: none"> • Development, manufacture, and sales of high-capacity and high-output automotive prismatic lithium-ion batteries • Development, manufacture, and sales of automotive solid-state batteries • Development, manufacture, and sales of next-generation automotive batteries other than those mentioned above (including batteries based on new principles) • Ancillary and other operations related to the above
Ownership	Toyota: 51 percent; Panasonic: 49 percent
Number of employees	Approximately 5,100 (including 2,400 at a subsidiary in China)

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