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FOR IMMEDIATE RELEASE

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**Panasonic Announces the Change in Subsidiary (Panasonic Homes Co., Ltd.)
and the (Expected) Recognition of Extraordinary Income**

Osaka, Japan, May 9, 2019 -- Panasonic Corporation ([TSE:6752] “Panasonic”) today announced that the Board of Directors has resolved to conclude a business-integration contract with Toyota Motor Corporation (“Toyota”) toward the establishment of a joint venture related to the town development business (“joint venture”) (scheduled to be established on January 7, 2020) (“business-integration contract”). Upon the establishment of the joint venture, Panasonic Homes Co., Ltd. (“Panasonic Homes”) will cease to be a Panasonic’s subsidiary.

For the details of the establishment of the joint venture, please see the press release entitled, “Panasonic Announces Agreement to Establish Joint Venture Related to Town Development Business with Toyota,” dated May 9, 2019.

1. Reason and Method for the Change

Panasonic Homes will become a wholly-owned subsidiary of the joint venture as of January 7, 2020 (scheduled), through the joint share transfer (“joint share transfer”).

**2. Outline of the Company Which Will Cease to be a Subsidiary (Panasonic Homes)
(As of March 31, 2019)**

(1) Corporate name	Panasonic Homes Co., Ltd.
(2) Head office	1-4, Shinsenri-nishimachi 1-chome, Toyonaka, Osaka, Japan
(3) Name and title of representative	Ryuji Matsushita, Representative Director, President
(4) Principal lines of business	Contracted new housing construction, town development, home remodeling, real estate transaction/management, etc.
(5) Stated capital	28,375 million yen (as of March 31, 2018)
(6) Date established	July 1, 1963
(7) Major shareholders and shareholding ratios	Panasonic: 100%

(8) Relationships with Panasonic	Capital Relationship	As of today, Panasonic owns 100% of the total number of issued shares of Panasonic Homes.	
	Personnel Relationship	Panasonic Homes currently receives 70 employees who are seconded by Panasonic, six of whom have assumed office as directors of Panasonic Homes, including the office of the representative director. Additionally, Panasonic currently receives 46 employees who are seconded by Panasonic Homes.	
	Transactional Relationship	Panasonic Homes deposits funds with Panasonic through group financing. Panasonic Homes purchases products, raw materials, etc. from Panasonic.	
(9) Financial conditions and business performance for the most recent three (3) years (Consolidated, Japan GAAP)			
Fiscal year ended	March 2016	March 2017	March 2018
Net assets	159,286	164,287	149,853
Total assets	277,327	287,780	281,432
Net assets per share	884.26 yen	915.49 yen	29,781
Net sales	352,971	359,607	357,385
Operating profit	15,851	11,848	8,177
Ordinary income	15,866	11,632	8,387
Net income attributable to the owners of parent	10,053	7,559	5,663
Net income per share attributable to the shareholders	59.86 yen	45.02 yen	1,172
Dividend per share	20.00 yen	21.00 yen	2,188
Number of shares issued (treasury stock)	168,563,533 shares (636,945 shares)	168,563,533 shares (653,015 shares)	5 shares (0 shares)

(Note) 1. In millions of yen, unless otherwise specified.

2. The company consolidated shares during fiscal year ended March 2018.

3. Outline of the Joint Venture to be Established Through the Joint Share Transfer (Scheduled to be Established on January 7, 2020)

(1) Corporate name	Prime Life Technologies Corporation
(2) Head office	Tokyo
(3) Name and title of representative	Makoto Kitano, Representative Director and President
(4) Principal lines of business	Town development, contracted new housing construction, home remodeling, real estate transaction/management, housing interior decoration, energy-saving solutions, renovation, contracted building construction, construction consulting, etc.
(5) Date established	January 7, 2020 (scheduled)

(6) Major shareholders and shareholding ratios	Equal shareholding ratio between Panasonic group and Toyota	
(7) Relationships with Panasonic	Capital Relationship	Panasonic group and Toyota will own equal shareholding ratio of the company.
	Personnel Relationship	Panasonic will second two directors to the company.
	Status as a Related Party	The company will become an associated company of Panasonic under the equity method, and be qualified as a related party.

4. Schedule

(1) Execution of the business-integration contract	May 9, 2019
(2) Resolution of the Board of Directors on the share transfer plan (Panasonic Homes)	Late in November, 2019 (scheduled)
(3) Resolution of the General Shareholders Meeting on the share transfer plan (Panasonic Homes)	Late in December, 2019 (scheduled)
(4) Establishment of the joint venture (effective date)	January 7, 2020 (scheduled)

5. Recognition of Extraordinary Income and Financial Outlook

Through the joint share transfer, Panasonic Homes will be out of the scope of Panasonic's consolidated subsidiaries, and Panasonic Homes and the joint venture which will become its wholly owning parent company will both become associated companies of Panasonic under the equity method. There will be no material effect on the consolidated business results of Panasonic for fiscal 2019 (from April 1, 2018 to March 31, 2019) due to the business-integration contract. With respect to the effect of the business-integration contract on the consolidated business results of Panasonic for fiscal 2020 (from April 1, 2019 to March 31, 2020), Panasonic expects that it will gain an operating profit (IFRS) of approximately 90.0 billion yen, as a result of the execution of the joint share transfer and other incidental transactions under the business-integration contract.

(Reference)

The financial forecasts for fiscal 2019 (from April 1, 2018 to March 31, 2019) announced on February 4, 2019 and the financial results of fiscal 2018 (from April 1, 2017 to March 31, 2018) of Panasonic (Consolidated, IFRS)

Yen (millions)

	Net sales	Operating profit	Profit before income taxes	Net profit attributable to Panasonic Corporation stockholders
Financial forecasts for fiscal 2019	8,100,000	385,000	385,000	250,000
Financial results for fiscal 2018	7,982,164	380,539	378,590	236,040

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). 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 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.