

November 13, 2020

FOR IMMEDIATE RELEASE

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Panasonic Announces Transition to a Holding Company System and Change of Corporate Name

Osaka, Japan, November 13, 2020 – Panasonic Corporation ([TSE:6752] “Panasonic”) today announced that the Board of Directors of Panasonic has resolved to transition to a holding company system through a company split and to change its corporate name. These changes are planned to take place in April 2022 under the following conditions: the company split agreement for the transition to a holding company system and the amendments of the articles of incorporation for the corporate name change to be approved at the Panasonic’s ordinary general meeting of shareholders to be held in June 2021 and, as necessary, to obtain approvals from relevant government agencies.

For further details, please see attached press release “Transition to a Holding Company System.”

1. Reasons of the Transition to a Holding Company System and the Change of Corporate Name

Panasonic currently has a group management system based on a Company System, which is composed of internal Divisional Companies. Aiming to strengthen the competitiveness of its business from a medium- to long-term perspective, the Company will implement a company split with Panasonic as a splitting company, and transition to the holding company system with Panasonic as the parent company.

Upon transition to the holding company system, the Company will change its corporate name to further clarify the role of Panasonic as a holding company, supporting businesses and accelerating growth for the entire group.

2. New Corporate Name

Panasonic Holdings Corporation

Note: The corporate name of “Panasonic Corporation” will be used by the newly established operating company.

3. Effective Date

April 2022 (planned)

Prior to the transition to the holding company system and the corporate name change, in October 2021, Panasonic is scheduled to terminate its current Company System and reorganize its business structure. Details of the company split, the organization after the transition to the holding company system, and the amendments of the articles of incorporation will be announced as soon as they are determined.

<Reference>

“Transition to a Holding Company System”

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 the spread of the novel coronavirus infections may adversely affect business activities of the Panasonic Group; 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.

FOR IMMEDIATE RELEASE

November 13, 2020

Panasonic Transitions to a Holding Company System

Osaka, Japan – Panasonic Corporation (hereinafter, "Panasonic") today announced that the Board of Directors of Panasonic has resolved to transition to a holding company system in April 2022 (planned). The transition to the holding company system is scheduled to take place subject to the approval of Panasonic's ordinary general meeting of shareholders to be held in June 2021 and, as necessary, approval from relevant government agencies.

1. Background and Purpose of Transition to a Holding Company System

Based on its management philosophy of "Contributing to the progress and development of society and the well-being of people worldwide through its business activities", the Panasonic Group, as a comprehensive electronics manufacturer, is developing a wide range of businesses including the provision of a broad array of products and solutions for customers in the consumer electronics, housing, automotive and B2B businesses.

Based on its Mid-term Strategy formulated in May 2019, Panasonic has classified "Spatial Solutions" "Gemba (operational frontlines) Process" and "Industrial Solutions" businesses as Core growth businesses and has focused its resources to realize profit growth. At the same time, the Company is steadily implementing measures to strengthen its management structure, such as reducing fixed costs and dealing with businesses having loss-making structures, with the aim of overcoming low-profit structure.

On the other hand, the business environment surrounding the Panasonic Group is undergoing increasingly severe changes year by year, including politics and financial circumstances in each country, the widespread of protectionism, and the downturn of market conditions due to the impact of the COVID-19. Under such ongoing uncertainties, the Company today resolved to transition to a holding company system in order to further enhance group management from a medium- to long-term perspective and to ensure growth.

With the transition to a holding company system, the Panasonic Group will be divided into operating companies. Each operating company will thoroughly implement autonomous management based on clearly defined responsibility and authority. As a result, each operating company will work to significantly enhance its business competitiveness through swift decision-making in response to changes in the external environment and flexibly develop systems in accordance with business characteristics.

As a holding company, Panasonic will continue to support the business growth of each operating company and define growth areas from the perspective of optimizing the group as a whole, thereby striving to enhance the corporate value of the entire group.

2. Transition to a Holding Company System

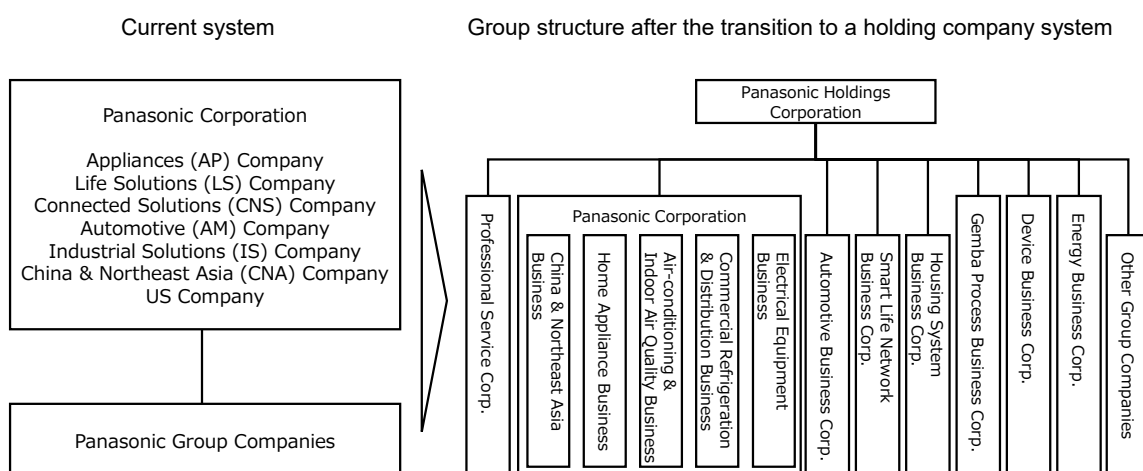
As a result of the company split with Panasonic as the splitting company, (1) China and Northeast Asia Business, Home Appliance Business, Air-conditioning and Indoor Air Quality Business, Commercial Refrigeration & Distribution Business, Electrical Equipment Business (the above five businesses are consolidated into one company), (2) Automotive Business, (3) Smart Life Network (AVC) Business, (4) Housing System Business, (5) Gemba (operational frontlines) Process Business, (6) Device Business, and (7) Energy Business will be succeeded to multiple operating companies, and (8) part of the indirect divisions (current Professional Business Support Sector and others) will be divided accordingly, and these companies will become wholly-owned subsidiaries of Panasonic. After the corporate split, Panasonic will continue to hold shares in each of the splitted companies and maintain its listing as a holding company.

As described in (Reference 1), Panasonic will change its corporate name to "Panasonic Holdings Corporation" upon transition to a holding company system, and the corporate name of "Panasonic Corporation" will be used by the operating company to be established, which will succeed the business of (1). Prior to the transition to the holding company system, in October 2021, Panasonic is scheduled to terminate its current Company System and reorganize its business structure.

3. Schedule

- Approval of Panasonic's ordinary general meeting of shareholders for the company split agreement and the amendments of the articles of incorporation: June 2021 (planned)
- Termination of current Company System and reorganization of business structure: October 2021 (planned)
- Transition to a holding company system: April 2022 (planned)
- Change of corporate name and "Panasonic Corporation" to be used by an operating company: April 2022 (planned)

(Reference 1) Group Structure after Transition to a Holding Company System



※Names are tentative for businesses and corporations, except Panasonic Holdings Corporation and Panasonic Corporation. Businesses to be consolidated into Panasonic Corporation are expected to be divisional companies.

(Reference 2) Relationship between Business Structure before and after Transition to a Holding Company System

Business Structure after Transition to a Holding Company System (Each business / operating company)	Relationship with current group structure
Panasonic Corporation	Established by consolidating businesses (China & Northeast Asia Business, Home Appliance Business, Air-conditioning & Indoor Air Quality Business, Commercial Refrigeration & Distribution Business, and Electrical Equipment Business) under one corporation
China & Northeast Asia Business	Established based on business area of current CNA Company
Home Appliance Business	Established based on home appliances business area of current AP Company
Air-conditioning & Indoor Air Quality Business	Established based on air-conditioning & indoor air quality business area of current AP and LS Company
Commercial Refrigeration & Distribution Business	Established based on commercial refrigeration & distribution business area of current AP and US Company
Electrical Equipment Business	Established based on electrical equipment business area of current AP and LS Company
Automotive Business Corp.	Established based on business area of current AM Company
Smart Life Network Business Corp.	Established based on AVC business area of current AP Company
Housing System Business Corp.	Established based on business area of current Housing Systems Business Division
Gemba Process Business Corp.	Established based on business area of current CNS Company
Device Business Corp.	Established based on business area except for battery of current IS Company
Energy Business Corp.	Established based on battery business area of current IS and US Company
Professional Service Corp.	Established based on current professional business support sector to support the growth of each business company by its specialized capability

※Names are tentative for businesses and corporations, except Panasonic Holdings Corporation and Panasonic Corporation.
Businesses to be consolidated into Panasonic Corporation are expected to be divisional companies.

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<https://news.panasonic.com/global/contacts/>

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. The company, which celebrated its 100th anniversary in 2018, has expanded globally and now operates 528 subsidiaries and 72 associated companies worldwide, recording consolidated net sales of 7.49 trillion yen for the year ended March 31, 2020. 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: <https://www.panasonic.com/global>.

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