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FOR IMMEDIATE RELEASE

Media Contacts:

Chieko Gyobu (Japan)
Public Relations Department
(Tel: +81-3-3574-5664)

Panasonic News Bureau (Japan)
(Tel: +81-3-3542-6205)

Jim Reilly (U.S.)
(Tel: +1-201-392-6067)

Anne Guennewig (Europe)
(Tel: +49-611-235-457)

Investor Relations Contacts:

Hideaki Harada (Japan)
Corporate Planning Department
(Tel: +81-6-6908-1121)

Yuko Iwatsu (U.S.)
(Tel: +1-201-348-7000)

Panasonic Announces Company Split (Simplified Absorption Type) to Integrate B2B solution related Business of Wholly-Owned Subsidiary, Panasonic System Networks Co., Ltd.

Osaka, Japan, September 28, 2016 – Panasonic Corporation ([TSE:6752] “Panasonic”) today announced that its Board of Directors has decided to succeed B2B solution related businesses of Panasonic System Networks Co., Ltd. (“PSN”), a wholly-owned consolidated subsidiary of Panasonic, through an absorption-type company split (the “Company Split”). The Company Split is expected to take effect on April 1, 2017. Details of the Company Split are outlined below.

The Company Split will be conducted through a simplified absorption-type company split to succeed a part of wholly-owned subsidiary, accordingly, some of the matters and details for disclosure relating to the Company split have been omitted.

1. Purpose of the Company Split

Panasonic, aiming for the growth of B2B solution business that is one of its core businesses, identified the industries to focus on and will establish a business structure in which it can serve closely with each customer in each identified industry.

To achieve that, the Company will succeed the B2B solution related businesses which PSN currently takes care of, such as Security Systems BD, Communication Products BD, Office Products BD, AV systems BU, and businesses directly under head office (the “Businesses”) of PSN, through an absorption-type company split. The Company intends to realize the flexible resource-shifting toward growth area and the establishment of the aforementioned business structure. It will also aim to provide wide range of solutions for the customers in B2B market.

Additionally, as PSN will become an independent solution company for Japan region and strengthen its functions, the Company will expand the areas where it can contribute to B2B customers.

2. Summary of the Company Split

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|-----------------------------------|---|
| (1) Schedule of the Company Split | |
| September 28, 2016 | Resolution of the Board of Directors on the Company Split |
| December 22, 2016 (planned) | Execution of the Company Split agreement |
| April 1, 2017 (planned) | Effective date of the Company Split |

(Note: Since, for Panasonic, the Company Split falls under a simplified absorption-type company split, as set forth in Article 796, Paragraph 2 of the Companies Act, and for PSN, the Company Split falls under a short form absorption-type company split as set forth in Article 784, Paragraph 1 of the Companies Act, resolutions of shareholders' meetings of both companies concerning approval of the absorption-type company split will not be held.)

- (2) Method of the Company Split
The Company Split is an absorption-type company split in which PSN is the splitting company and Panasonic is the succeeding company (simplified absorption-type company split).
- (3) Allotment of shares in relation to the Company Split
There shall be no allotment of shares or other consideration upon the Company Split.
- (4) Treatment of stock acquisition rights and bonds with stock acquisition rights upon the Company Split
PSN has not issued any stock acquisition rights or bonds with stock acquisition rights.
- (5) Increase or decrease in stated capital as a result of the Company Split
There shall be no increase or decrease in the stated capital of Panasonic as a result of the Company Split.
- (6) Rights and obligations to be transferred to the succeeding company
Panasonic will succeed certain assets, liabilities, agreements, and other rights and obligations which PSN owns in relation to the Businesses.
- (7) Prospects for performance of liabilities
Panasonic believes that there will be no concern in fulfilling its obligations required to be performed after the effective date of the Company Split.

3. Outline of Companies that are Parties to the Company Split

	Succeeding Company (As of March 31, 2016)	Splitting Company (As of March 31, 2016)	
(1) Corporate name	Panasonic Corporation	Panasonic System Networks Co., Ltd.	
(2) Head office	1006, Oaza Kadoma, Kadoma City, Osaka, Japan	4-1-62, Minoshima, Hakata-ku, Fukuoka City, Fukuoka, Japan	
(3) Name and title of representative	President, Kazuhiro Tsuga	President, Tatsuo Katakura	
(4) Principal lines of business	Manufacture and sale of electronic and electric equipment, etc.	Manufacture and sales of electronic, communication and electric equipment, etc.	
(5) Stated capital	258,740 million yen	350 million yen	
(6) Date established	December 15, 1935	October 1, 1968	
(7) Total number of outstanding shares	2,453,053,497 shares	137,601 shares	
(8) Fiscal year end	March 31	March 31	
(9) Major shareholders and shareholding ratios	Japan Trustee Services Bank, Ltd. (trust account)	5.91%	Panasonic Corporation 100%
	The Master Trust Bank of Japan, Ltd. (trust account)	4.96%	
	State Street Bank and Trust Company	3.31%	
	Nippon Life Insurance Company	2.81%	
	Panasonic Corporation Employee Shareholding Association	1.76%	

(10) Financial conditions and business performance for immediately preceding fiscal year

	Panasonic Corporation (Consolidated, U.S. GAAP) (The year ended March 31, 2016)	Panasonic System Networks Co., Ltd. (Non-consolidated, Japan GAAP) (The year ended March 31, 2016)
Net assets	1,854,314 million yen	106,940 million yen
Total assets	5,596,982 million yen	209,208 million yen
Shareholders' equity per share	734.62 yen	777,175.15 yen
Net sales	7,553,717 million yen	419,341 million yen

- Notes: 1. Amounts less than 1 million yen have been rounded to the nearest whole 1 million yen amount.
2. As of March 31, 2016, Panasonic holds 132,057 thousand shares of its common stock.
3. For Panasonic, the amount of "Total equity" on consolidated basis in accordance with the United States Generally Accepted Accounting Principles (U.S. GAAP) is presented instead of "Net assets."
4. As for PSN, the amount of "Net assets per share" is presented in the "Shareholders' equity per share" column.
5. The name of PSN will be changed to Panasonic System Solutions Japan Co., Ltd in April 1, 2017.

4. Outline of the Business to be Succeeded due to the Company Split

- (1) Outline of the business to be succeeded
Security Systems BD, Communication Products BD, Office Products BD, AV systems BU, and businesses directly under head office of PSN

- (2) Operating results of the business to be succeeded

(100 millions of yen)

	Business to be succeeded (a) (The year ended March 31, 2016)	PSN (b) (The year ended March 31, 2016)	Ratio (a/b)
Net Sales	1,696	4,193	40.4%

Note: Amounts less than 100 million yen have been rounded to the nearest whole 100 million yen amount.

- (3) Assets and liabilities of the business to be succeeded (As of April 1, 2017 expected)

(100 millions of yen)

Assets		Liabilities	
Item	Book value	Item	Book value
Current assets	490	Current liabilities	309
Fixed assets	115	Fixed liabilities	68
Total	605	Total	377

Note: Amounts less than 100 million yen have been rounded to the nearest whole 100 million yen amount.

5. Status of Panasonic after the Company Split

Corporate name, head office, name and title of representative, principal lines of business, stated capital and fiscal year end of Panasonic shall not be changed as a result of the Company Split.

6. Financial Outlook

It is expected that there shall be no material effect due to the Company Split on the consolidated financial outlook of Panasonic for fiscal year ending March 31, 2017.

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.