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FOR IMMEDIATE RELEASE

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Panasonic Announces Discontinuation (Abolishment) of Policy toward Large-scale Purchases of its Shares (ESV Plan)

Osaka, Japan, December 22, 2016 -- Panasonic Corporation ([TSE:6752] "Panasonic") announced that its Board of Directors has decided not to continue its policy toward Large-scale Purchases of Panasonic shares and to abolish such policy at the end of fiscal 2017, ending March 31, 2017. This policy, called the ESV (Enhancement of Shareholder Value) Plan, was originally announced on April 28, 2005, and since then, the Board of Directors has announced the continuation thereof each year. As stated in the April 28, 2005 press release, the ESV Plan reflects Panasonic's policy toward:

- (i) a purchase of Panasonic shares by a group of shareholders¹ with the intent to hold 20% or more of the total voting rights² of Panasonic, or
- (ii) a purchase of Panasonic shares resulting in a group of shareholders holding 20% or more of the total voting rights of Panasonic.

(The ESV Plan does not apply to cases where Panasonic's Board of Directors has given consent in advance of purchases set out in (i) or (ii) above.)

In the following, a purchase of Panasonic shares set out in (i) or (ii) above shall be referred to as a Large-scale Purchase, and a person or a company that intends to conduct a Large-scale Purchase shall be referred to as the Large-scale Purchaser.

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Panasonic has set forth a basic policy regarding a person or a company that may have control over decisions on Panasonic's financial and business policies in terms of benefitting all shareholders as well as increasing the corporate value of Panasonic, and has continued the ESV Plan in an effort to prevent an inappropriate person or company from controlling Panasonic in light of the basic policy.

While paying close attention to the changes in the external environment, including opinions provided by shareholders such as institutional investors in Japan and abroad, the latest trends regarding takeover defense measures and formulation of the Japan's Corporate Governance Code, after making a careful consideration of consequences that may be caused by the ESV Plan, Panasonic decided not to continue, and instead abolish the ESV Plan by the end of fiscal 2017.

Regardless of such decision, Panasonic will continue to promote efforts to improve its corporate value and interests of all shareholders, and will continue to take appropriate measures, pursuant to the Financial Instruments and Exchange Act, the Companies Act and other related laws and regulations, including requesting the Large-scale Purchaser to provide information that is sufficient and necessary for all shareholders to make appropriate decisions, disclosing opinions of the Board of Directors and making an effort to ensure time for consideration by all shareholders.

Notes: 1. A group of shareholders (*tokutei-kabunushi group*) means a holder (defined in Paragraph 1, Article 27-23 of the Financial Instruments and Exchange Act, including a person or a company deemed as a holder pursuant to Paragraph 3 thereof) of shares and other securities (defined in Paragraph 1, Article 27-23 of the Financial Instruments and Exchange Act) or a person or a company who makes a purchase (defined in Paragraph 1, Article 27-2 of the Financial Instruments and Exchange Act, including a purchase made on a financial instruments exchange market) and any joint holders (defined in Paragraph 5, Article 27-23 of the Financial Instruments and Exchange Act, including a person or a company deemed as a joint holder pursuant to Paragraph 6 thereof) and any specially related parties (defined in Paragraph 7, Article 27-2 of the Financial Instruments and Exchange Act).

2. The number of total voting rights shall be the number of voting rights with respect to all issued shares of Panasonic at the relevant time, excluding the shares held by Panasonic as treasury stock, the number of which appears in the latest Treasury Stock Purchase Report under the Financial Instruments and Exchange Act.