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FOR IMMEDIATE RELEASE

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**Panasonic Announces Transfer of Investment Securities
to its Consolidated Subsidiary and Recognition of Extraordinary Income
(Parent Alone)**

Osaka, Japan, February 27, 2017 – Panasonic Corporation ([TSE:6752] “Panasonic”) announced that the Company has decided and executed today to transfer all the shares of Tesla, Inc. (“Tesla”), that Panasonic owns, to Panasonic Corporation of North America (“PNA”), a consolidated subsidiary of Panasonic in the U.S. In connection with the transfer, Panasonic (parent alone) will recognize extraordinary income in fiscal 2017, the year ending March 31, 2017.

1. Reason of the Share Transfer

In order to strengthen collaboration in rechargeable battery business between Panasonic and Tesla toward further electric vehicle market growth, Panasonic transferred Tesla shares that Panasonic owns to PNA, which has entity responsible for Panasonic rechargeable battery business for North America.

2. Outline of the extraordinary income

Panasonic transferred all the Tesla shares (1,418,573 shares) that Panasonic owns to PNA on February 27, 2017. In connection with the transfer, Panasonic (parent alone) will recognize 40.9 billion yen of gain as extraordinary income in fiscal 2017, the year ending March 31, 2017.

Above extraordinary income will be eliminated and not be recognized for Panasonic Corporation on a consolidation basis.

(Tesla)

(1) Corporate name	Tesla, Inc.
(2) Head office	3500 Deer Creek Road, Palo Alto, California 94304 U.S.A.
(3) Name and title of representative	Elon Musk, Chairman & CEO
(4) Principal lines of business	Designs, develops, manufactures and sales electric vehicles and energy storage products
(5) Stated Capital	USD 150 thousand (as of the end of September 2016)
(6) Date established	July 1, 2003
(7) Total revenue (consolidated)	USD 7,000 million (for the year ended December 31, 2016)

(PNA)

(1) Corporate name	Panasonic Corporation of North America
(2) Head office	Two Riverfront Plaza, Newark, NJ 07102-5490 U.S.A.
(3) Name and title of representative	Joseph Taylor, Chairman & CEO
(4) Principal lines of business	Manufactures and sales electric equipment, and performs as a regional headquarter
(5) Stated Capital	USD 537million (as of the end of March 2016)
(6) Date established	September 1959
(7) Shareholders and Shareholding ratios	Panasonic Corporation 100%

3. Impact on consolidated financial results

The above gain from the share transfer to the consolidated subsidiary has no impact on the consolidated financial forecasts for fiscal 2017, the year ending March 31, 2017.

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