

October 31, 2014

FOR IMMEDIATE RELEASE

Media Contacts:

*Megumi Kitagawa (Japan)
Public Relations Group
(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:

*Hayato Wakabayashi (Japan)
Corporate Finance & IR Group
(Tel: +81-6-6908-1121)*

*Yuko Iwatsu (U.S.)
Panasonic Finance (America), Inc.
(Tel: +1-201-348-7000)*

*Hiroko Carvell (Europe)
Panasonic Finance (Europe) plc
(Tel: +44-20-3008-6887)*

**Panasonic Announces the Merger to Absorb Wholly-Owned Subsidiary,
Panasonic Appliances Motor Expert Co., Ltd.
(Simplified and Short Form Merger)**

Osaka, Japan, October 31, 2014 – Panasonic Corporation ([TSE:6752] “Panasonic”) today announced that its Board of Directors has decided to absorb Panasonic Appliances Motor Expert Co., Ltd. (PAPMRE), a wholly-owned consolidated subsidiary of Panasonic (the “Merger”). The Merger is expected to take effect on January 1, 2015 (planned).

The Merger will be conducted through a simplified absorption-type merger to absorb a wholly-owned subsidiary, accordingly, some of the matters and details for disclosure relating to the merger have been omitted.

1. Purpose of the Merger

Panasonic aims to take the expertise and resource of development, quality control and manufacturing technology of motor business which PARMRE owns, in order to strengthen the Company’s related functions for further growth on its motor business.

2. Summary of the Merger

(1) Schedule of the Merger

October 31, 2014	Resolution of the Board of Directors on the Merger
October 31, 2014	Signing of the merger agreement
January 1, 2015 (planned)	Effective date of the merger

(Note: Since, for Panasonic, the Merger falls under a simplified merger as set forth in Article 796, Paragraph 3 of the Companies Act, and for PAPMRE, the Merger falls under a short form merger as set forth in Article 784, Paragraph 1 of Companies Act, resolutions of shareholders’

meetings of both companies concerning approval of the Merger will not be required.)

(2) Method of the Merger

Panasonic, as the surviving company, will absorb PAMPRE, which will be dissolved upon the Merger.

(3) Allotment in relation to the Merger

There shall be no allotment of shares or any other consideration upon the Merger.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights of the dissolving company in relation to the Merger

There are no stock acquisition rights or bonds with stock acquisition rights issued by PAMPRE.

3. Overview of Companies that are Parties to the Merger

	Surviving Company (As of September 30, 2014)	Dissolving Company (As of September 30, 2014)
(1) Corporate name	Panasonic Corporation	Panasonic Appliances Motor Expert Co., Ltd.
(2) Head office	1006, Oaza Kadoma, Kadoma-shi, Osaka	7-1-1 Morofuku, Daito-shi, Osaka
(3) Name and title of representative	President, Kazuhiro Tsuga	President, Masanao Yamauchi
(4) Principal lines of business	Manufacture and sales of electric and electronic equipment etc.	Contract work for design and development, manufacturing technology, and quality control for home appliances-use motor
(5) Stated Capital	258,740 million yen	100 million yen
(6) Date of establishment	December 15, 1935	October 1, 2003
(7) Total number of outstanding shares	2,453,053,497 shares	1 share
(8) Fiscal year end	March 31	March 31
(9) Major shareholders and shareholding ratios	Japan Trustee Services Bank, Ltd. (trust account) 4.68% The Master Trust Bank of Japan, Ltd. (trust account) 4.48% State Street Bank and Trust Company 4.04% The Bank of New York Mellon SA/NV 10 3.21% Nippon Life Insurance Company 2.97% (As of March 31, 2014)	Panasonic Corporation 100%

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

	Panasonic Corporation (Consolidated, U.S. GAAP) (The year ended March 31, 2014)	Panasonic Appliances Motor Expert Co., Ltd. (Non-consolidated, Japan GAAP) (The year ended March 31, 2014)
Net assets	1,586,438 million yen	187 million yen
Total assets	5,212,994 million yen	484 million yen
Shareholders' equity per share	669.74 yen	187 million yen
Net sales	7,736,541 million yen	1,848 million yen
Operating profit	305,114 million yen	32 million yen
Ordinary income	—	(14) million yen
Net income attributable to Panasonic Corporation / PAMPRE	120,442 million yen	(24) million yen
Net income per share attributable to Panasonic Corporation / PAMPRE	52.10 yen	(24) 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, 2014, Panasonic holds 141,496 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 PAMPRE, the amount of "Net assets per share" is presented in the "Shareholders' equity per share" column.

5. With respect to Panasonic, the item "Ordinary income" is omitted since such item does not exist under U.S. GAAP which Panasonic adopts on a consolidated basis.

4. Conditions after the Merger

Panasonic's corporate name, head office, name and title of representative, principal lines of business, stated capital and fiscal year end shall not be changed by the Merger.

5. Financial Outlook

It is expected that there will not be any material impact of the Merger on the consolidated financial outlook of Panasonic for fiscal year ending March 31, 2015.

Disclaimer Regarding Forward-Looking Statements

This press release includes forward-looking statements (that include those within the meaning of Section 21E of the U.S. Securities Exchange Act of 1934) 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 on 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; 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.