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*FOR IMMEDIATE RELEASE*

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**Panasonic Announces that it Makes Panasonic Consumer Marketing Co., Ltd. its Wholly-owned Subsidiary through Simplified Share Exchange**

Osaka, February 3, 2016 --- Panasonic Corporation ([TSE: 6752] “Panasonic”) and Panasonic Consumer Marketing Co., Ltd., a consolidated subsidiary of Panasonic (“PCMC”) resolved at meetings of respective companies’ Board of Directors held today to conduct a share exchange (the “Share Exchange”) in order to make PCMC a wholly-owned subsidiary of Panasonic, and both companies have executed a share exchange agreement (the “Share Exchange Agreement”).

The Share Exchange will be conducted through a simplified share exchange to make a consolidated subsidiary of Panasonic a wholly-owned subsidiary, and accordingly, some of the matters and details for disclosure relating to the Share Exchange have been omitted.

**1. Purpose of Making PCMC a Wholly-owned Subsidiary of Panasonic through the Share Exchange**

PCMC is a consolidated subsidiary of Panasonic, and conducts business of sales and repair of electric machinery and equipment in Japan. Panasonic holds 99.72% of PCMC’s shares as of September 30, 2015. For the purpose of establishing more efficient group management structure, achieving sustainable business growth and increasing corporate value by utilizing the management resources in the Panasonic group, Panasonic makes PCMC its wholly-owned subsidiary through the Share Exchange.

**2. Outline of the Share Exchange**

(1) Schedule for the Share Exchange

Date on which the execution of the share exchange agreement is resolved at the Board of Directors	Wednesday, February 3, 2016
Date on which the share exchange agreement is executed	Wednesday, February 3, 2016
Scheduled date of the share exchange (effective date)	Thursday, March 31, 2016 (scheduled)

(Note) Since, for Panasonic, the Share Exchange falls under a simplified share exchange as set forth in Article 796, Paragraph 2 of the Companies Act, and for PCMC, the Share Exchange falls under a short form share exchange as set forth in Article 784, Paragraph 1 of Companies Act, resolutions of shareholders' meetings of both companies concerning approval of the Share Exchange will not be held.

(2) Method of the Share Exchange

In the Share Exchange, Panasonic shall become the wholly-owning parent company in share exchange and PCMC shall become the wholly-owned subsidiary in share exchange.

(3) Allotment in the Share Exchange

Company name	Panasonic Corporation (wholly-owning parent company in share exchange)	Panasonic Consumer Marketing Co., Ltd. (wholly-owned subsidiary in share exchange)
Contents of allotment in the Share Exchange	1	101
Number of shares to be delivered upon the Share Exchange	Common stock: 130,997 shares (scheduled)	

(Note 1) Share allotment ratio  
101 shares of Panasonic will be allotted and delivered in exchange for each share of PCMC; provided, however, that no shares will be allotted in the Share Exchange for the shares of PCMC held by Panasonic.

(Note 2) Number of shares to be delivered upon the Share Exchange  
Upon the Share Exchange, Panasonic shall deliver the number of shares of Panasonic calculated by multiplying the total number of shares of PCMC held by the shareholders of PCMC (excluding Panasonic) at the time immediately preceding the time Panasonic acquires all shares of PCMC (excluding shares of PCMC held by Panasonic) through the Share Exchange (the “Base Time”) by 101 to such shareholders of PCMC in exchange for the shares of PCMC held by such shareholders.

Moreover, all of the shares to be delivered by Panasonic are scheduled to be sourced from the treasury shares held by Panasonic, and Panasonic does not plan to issue new shares upon the allotment in the Share Exchange.

(Note 3) Treatment of shares constituting less than one (1) unit (*tangen miman kabushiki*)  
The shareholders who will hold shares of Panasonic constituting less than one (1) unit upon the Share Exchange will be entitled to use the following systems concerning shares of Panasonic. Shareholders cannot sell shares constituting less than one (1) unit in the financial instruments exchange market.

(i) Further purchase (*kaimashi*) of shares constituting less than one (1) unit (purchase to reach a total of 100 shares)  
A system whereby holders of shares of Panasonic constituting less than one (1) unit may purchase from Panasonic the number of shares that will achieve a total of one (1) unit (*tangen*) together with the number of shares constituting less than one (1) unit held by such shareholder.

(ii) Purchase (*kaitori*) by Panasonic of shares constituting less than one (1) unit (sale by a shareholder of shares constituting less than one (1) unit)  
A system whereby holders of shares of Panasonic constituting less than one (1) unit may request Panasonic to purchase the shares constituting less than one (1) unit held by such shareholder.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights in relation to the Share Exchange

PCMC has not issued any stock acquisition rights and bonds with stock acquisition rights.

### **3. Basis for Calculation of the Allotment Concerning the Share Exchange**

The value of shares of Panasonic, a listed company, is calculated by market price method, and the value of shares of PCMC, an unlisted company, is calculated based on its net assets and business conditions. After overall consideration, the share exchange ratio was agreed through careful discussion between Panasonic and PCMC.

As premise for calculating the share exchange ratio, no significant increases or decreases in profit or no significant changes in valuation of assets and liabilities from the latest financial statements are anticipated.

**4. Outline of the Parties Involved in the Share Exchange (As of September 30, 2015)**

	Wholly-owning parent company in the share exchange	Wholly-owned subsidiary in the share exchange
(1) Corporate name	Panasonic Corporation	Panasonic Consumer Marketing Co., Ltd.
(2) Head office	1006, Oaza Kadoma, Kadoma-shi, Osaka	2-1-61, Shiromi, Chuo-ku, Osaka-shi, Osaka
(3) Name and title of representative	President, Kazuhiro Tsuga	President, Akira Kono
(4) Principal lines of business	Manufacture and sales of electric and electronic equipment etc.	Sales and repair of electric machinery and equipment
(5) Stated Capital	258,740 million yen	1,000 million yen
(6) Date established	December 15, 1935	May 21, 1966
(7) Total number of outstanding shares	2,453,053,497 shares	720,433 shares
(8) Fiscal year end	March 31	March 31
(9) Major shareholders and shareholding ratios	<p>Japan Trustee Services Bank, Ltd. (trust account) 5.42%</p> <p>The Master Trust Bank of Japan, Ltd. (trust account) 5.00%</p> <p>State Street Bank and Trust Company 3.57%</p> <p>Nippon Life Insurance Company 2.81%</p> <p>Panasonic Corporation Employee Shareholding Association 1.77%</p>	<p>Panasonic Corporation 99.72%</p>

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

	Panasonic Corporation (Consolidated, U.S. GAAP) (The year ended March 31, 2015)	Panasonic Consumer Marketing Co., Ltd. (Non-consolidated, Japan GAAP) (The year ended March 31, 2015)
Net assets	1,992,552 million yen	94,425 million yen
Total assets	5,956,947 million yen	215,545 million yen
Shareholders' equity per share	788.87 yen	131,067.53 yen
Net sales	7,715,037 million yen	934,215 million yen
Operating profit	381,913 million yen	4,206 million yen
Ordinary income	—	4,340 million yen
Net income attributable to Panasonic Corporation / PCMC	179,485 million yen	1,842 million yen
Net income per share attributable to Panasonic Corporation / PCMC	77.65 yen	2,558.15 yen

- Notes: 1. As of September 30, 2015, Panasonic holds 132,162 thousand shares of its common stock.
2. 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."
3. As for PCMC, the amount of "Net assets per share" is presented in the "Shareholders' equity per share" column.
4. 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.

**5. Status of Panasonic after the Share Exchange**

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 Share Exchange.

**6. Financial Outlook**

It is expected that there will not be any material impact of the Share Exchange on the consolidated financial outlook of Panasonic for fiscal year ending March 31, 2016 since PCMC is a consolidated subsidiary of Panasonic.

## **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). 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.

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