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FOR IMMEDIATE RELEASE

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Panasonic Announces Introduction of Restricted Stock Remuneration System

Osaka, Japan, May 31, 2019 -- Panasonic Corporation ([TSE:6752] "Panasonic") today announced that the Board of Directors has resolved to review the compensation system and introduce a restricted stock remuneration system (hereinafter referred to as "the System"). A bill concerning a proposal for adopting the System will be presented at the 112th Ordinary General Meeting of Shareholders (hereinafter referred to as the "General Meeting of Shareholders") scheduled to be held on June 27, 2019.

1. Purpose and conditions for the System introduction

(1) Purpose for the System introduction

The System aims to promote further value sharing with Panasonic's shareholders, in addition to providing the Directors, excluding Outside Directors, (hereinafter referred to as "Applicable Directors") an incentive for sustainable improvement of Panasonic's corporate value.

(2) Conditions for the System introduction

As the System will remunerate Applicable Directors with monetary amounts that are used to purchase Panasonic common shares subject to transfer restrictions (hereinafter, "monetary compensation obligations"), the introduction of the System shall be subject to the approval of the shareholders at the General Meeting of Shareholders.

Shareholders have previously approved the followings: At the 100th Ordinary General Meeting of Shareholders held on June 27, 2007 and the 109th Ordinary General Meeting of Shareholders held on June 24, 2016, the maximum allowance for all Directors' remuneration was set at 1.5 billion yen per fiscal year (including up to 80 million yen per fiscal year for Outside Directors). At the 107th Ordinary General Meeting of Shareholders held on June 26, 2014, the amount of the remuneration in connection with the stock-type compensation stock options was set within a maximum of 500 million

- more -

yen per fiscal year as remuneration for the Applicable Directors.

At this year's General Meeting of Shareholders, shareholders will be asked to approve the new introduction of the System and establish a new compensation framework for the Applicable Directors.

Accordingly, if the resolution to introduce the System is approved at the General Meeting of Shareholders, the current compensation framework for the above-mentioned stock-type compensation stock options will be abolished, and future stock acquisition rights will not be allocated to Panasonic Directors using the current stock option system.

2. Outline of the System

Under the System, the Applicable Directors will pay out all of the monetary compensation obligations provided as compensation by Panasonic as stock investment property, and receive issuance or disposition of Panasonic common shares.

The amount of monetary compensation obligations to be provided to each Applicable Director under the System is the number of shares to be delivered to the Applicable Director based on position, etc., multiplied by the amount paid in per share. The total amount of monetary compensation obligations to be provided to Applicable Directors will be up to 500 million yen per fiscal year, equivalent to the current stock-type compensation stock options. (However, this does not include the salary for an employee serving concurrently as a Director.) The Board of Directors will be entrusted with deciding the specific provision of monetary compensation obligations to the Applicable Directors under the System, within the monetary limit above.

Under the System, the total number of common shares newly issued or disposed by Panasonic shall not exceed one million shares per fiscal year. However, if a share split (including an allotment of common stock without consideration) or share consolidation is performed effective on or after the date when the resolution is passed by the General Meeting of Shareholders, or in the event where otherwise the total number of Panasonic shares to be issued or disposed under the System needs to be adjusted, the total number of shares shall be adjusted within a reasonable range, as necessary, according to the split or consolidation ratio, etc. The payment amount per share shall be determined by the Board of Directors so that the amount is not particularly favorable to the Applicable Directors receiving the common shares. It shall be based on the closing price of Panasonic common stock on the relevant stock exchange in Japan on the business day immediately prior to the Board of Directors resolution (if the transaction is not completed on this business day, it will be based on the closing price of the immediately previous trading day).

In addition, upon issuance or disposal of Panasonic common shares (hereinafter referred to as "the Shares") under the System, the following two conditions shall apply to Panasonic and the Applicable Directors receiving monetary compensation obligations based on the System: 1) No transfer of the Shares to a third party, no use of the Shares as collateral, nor any other disposal of the Shares for a fixed period (hereinafter referred to as the "Restriction Period"), and 2) A restricted stock allocation agreement shall be concluded with the stipulation that Panasonic will acquire all or part of the Shares without consideration if certain events occur. To prevent the Shares from being transferred, used as collateral, or otherwise disposed of during the Restriction Period, the Shares will be managed in a dedicated account opened by each Applicable Director, at Nomura Securities Co., Ltd. during the Restriction Period

Finally, under the System, the same monetary compensation obligations provided to the Applicable Directors based on the System shall be provided to Executive Officers not concurrently serving as Panasonic Directors, and to Panasonic Fellows, upon a resolution being passed by the Board of Directors. Accordingly, Panasonic common stock shall be newly issued or disposed of.