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FOR IMMEDIATE RELEASE

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**Panasonic Announces Company Split (Simplified Absorption-type)**  
**to Integrate AV Solutions Business to General Contractor and Subcontractor**  
**of Wholly-owned Subsidiary**

Osaka, Japan, May 29, 2020 – Panasonic Corporation ([TSE:6752] the “Company”) today announced that its Board of Directors has resolved to succeed AV Solutions Business to general contractor and subcontractor of Panasonic System Solutions Japan Co., Ltd. (“PSSJ”), a wholly-owned consolidated subsidiary of the Company, through an absorption-type company split (the “Company Split”).

Some of the matters and details for disclosure relating to the Company Split are omitted because the Company Split will be conducted through a simplified absorption-type company split to succeed a part of wholly-owned subsidiary.

**1. Purpose of the Company Split**

The Company has held up the business strategy of transformation to an earnings structure centered on the engineering business and the realization of value creation through the provision of new services by establishing a circular business, which takes acquiring nominations and receiving repeat orders by direct communication of customers and continues to provide proposals and services to resolve customer issues, from current business model, which centers on the sale of electrical construction materials.

In order to realize the above transformation, PSSJ will transfer the sales and solutions business related to the construction AV business, called AV solutions business to general contractor and subcontractor, to the Company through the Company Split to complement and reinforce capabilities that are lacking in the value chain, as well as to strengthen customer service capabilities in the construction industry by the integration of the Company windows.

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## **2. Summary of the Company Split**

### (1) Schedule of the Company Split

Resolution of the Board of Directors on the Company Split: May 29, 2020  
Execution of the Company Split agreement: June 30, 2020 (planned)  
Company Split (effective date): October 1, 2020 (planned)

Note: Since, for the Company, the Company Split falls under a simplified absorption-type company split, as set forth in Article 796, Paragraph 2 of the Companies Act, and for PSSJ, the Company Split falls under a short form absorption-type company split as set forth in Article 784, Paragraph 1 of the Companies Act, resolutions of shareholders' meetings of both companies concerning approval of the absorption-type company split will not be held.

### (2) Method of the Company Split

The Company Split will be an absorption-type company split (simplified absorption-type company split) in which PSSJ will be the splitting company and the Company will be the succeeding company.

### (3) Allotment of shares in relation to the Company Split

There shall be no allotment by the Company upon the Company Split.

### (4) Treatment of stock acquisition rights and bonds with stock acquisition rights upon the Company Split

PSSJ has not issued any stock acquisition rights or bonds with stock acquisition rights.

### (5) Increase or decrease in stated capital as a result of the Company Split

There shall be no increase or decrease in the stated capital of the Company as a result of the Company Split.

### (6) Rights and obligations to be transferred to the succeeding company

The Company will succeed certain business-related assets and liabilities, agreements, and other rights and obligations held by PSSJ.

### (7) Prospects for performance of liabilities

The Company considers there will be no issues concerning prospects for performance of the liabilities owed by the Company after the Company Split.

### 3. Outline of Companies which are Parties to the Company Split

	Succeeding Company (As of March 31, 2020)	Splitting Company (As of March 31, 2020)										
(1) Corporate name	Panasonic Corporation	Panasonic System Solutions Japan Co., Ltd. (PSSJ)										
(2) Head office	1006, Oaza Kadoma, Kadoma City, Osaka, Japan	4-1-62, Minoshima, Hakata-ku, Fukuoka City, Fukuoka, Japan										
(3) Name and title of representative	President, Kazuhiro Tsuga	President, Tatsuo Katakura										
(4) Principal lines of business	Manufacture and sale of electronic and electric equipment, etc.	System solutions including development, consulting, sales, integration, introduction, construction, maintenance, operation service, cloud service, rental, etc.										
(5) Stated capital	258,867 million yen	350 million yen										
(6) Date established	December 15, 1935	October 1, 1968										
(7) Total number of outstanding shares	2,453,326,997 shares	137,601 shares										
(8) Fiscal year end	March 31	March 31										
(9) Major shareholders and shareholding ratios	<table border="0"> <tr> <td>The Master Trust Bank of Japan, Ltd. (trust account)</td> <td>8.06%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (trust account)</td> <td>7.62%</td> </tr> <tr> <td>Nippon Life Insurance Company</td> <td>2.96%</td> </tr> <tr> <td>JP MORGAN CHASE BANK 385151</td> <td>2.35%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (trust account 5)</td> <td>1.99%</td> </tr> </table>	The Master Trust Bank of Japan, Ltd. (trust account)	8.06%	Japan Trustee Services Bank, Ltd. (trust account)	7.62%	Nippon Life Insurance Company	2.96%	JP MORGAN CHASE BANK 385151	2.35%	Japan Trustee Services Bank, Ltd. (trust account 5)	1.99%	Panasonic Corporation 100%
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(Note) The Amendment to the Report of Possession of Large Volume dated March 22, 2017 was submitted by BlackRock Japan Co., Ltd. and its five joint holders. According to the report, in relation to Panasonic, the total number of share certificates (and other equivalents) they hold was 122,710 thousand and their holding ratio of share certificates (and other equivalents) was 5.00% as of March 15, 2017. Since Panasonic cannot confirm the actual status of the shareholdings as of the end of March 2020, the "Major shareholders and shareholding ratios" for the succeeding company described above is based on Panasonic's shareholder registry.

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

	Panasonic Corporation (Consolidated, IFRS) (The year ended March 31, 2020)	Panasonic System Solutions Japan Co., Ltd. (Non-consolidated, Japan GAAP) (The year ended March 31, 2019)
Panasonic Corporation stockholders' equity	1,998,349 million yen	68,092 million yen
Total assets	6,218,518 million yen	143,221 million yen
Panasonic Corporation stockholders' equity per share	856.57 yen	494,849.02 yen
Net sales	7,490,601 million yen	307,887 million yen
Operating profit	293,751 million yen	14,761 million yen
Net profit attributable to Panasonic Corporation stockholders	225,707 million yen	12,379 million yen
Basic earnings per share attributable to Panasonic Corporation stockholders	96.76 yen	89,960.14 yen

Notes: 1. Amounts less than 1 million yen have been rounded to the nearest whole 1 million yen.

2. For splitting company, the amounts of "Panasonic Corporation stockholders' equity," "Panasonic Corporation stockholders' equity per share," "Net profit attributable to Panasonic Corporation stockholders," "Basic earnings per share attributable to Panasonic Corporation stockholders" represent the amounts of "Net assets," "Net assets per share," "Net income," "Net income per common share" of PSSJ, respectively.

3. Panasonic holds 120,365 thousand shares of its treasury stock as of March 31, 2020.

**4. Outline of the Business to be Succeeded due to the Company Split**

(1) Outline of the business to be succeeded

Sales of AV products and related systems to general contractor and subcontractor, its system design, and speck in

(2) Operating results of the business to be succeeded

(Billion yen)

	Division to be succeeded (non-consolidated) (a) (year ended March 31, 2019)	PSSJ (non-consolidated) (b) (year ended March 31, 2019)	Ratio (a/b)
Net sales	6.4	307.9	2.08%

Note: Amounts less than 100 million yen have been rounded to the nearest 100 million yen.

(3) Assets and liabilities of the business to be succeeded (As of March 31, 2020)

(Billion yen)

Assets		Liabilities	
Item	Book value	Item	Book value
Current assets	0.1	Current liabilities	0.1
Fixed assets	-	Fixed liabilities	-
Total	0.1	Total	0.1

Notes: 1. Amounts less than 100 million yen have been rounded to the nearest 100 million yen.

2. The actual amount of the assets to be succeeded may vary from the amounts stated above after reflecting any increase or decrease of the assets occurring prior to the effective date of the Company Split.

**5. Status of Panasonic after the Company Split**

Panasonic's corporate name, head office, name and title of representative, principal lines of business, stated capital and fiscal year end of Panasonic will not change as a result of the Company Split.

**6. Financial Outlook**

It is expected that there will not be any material impact of the Company Split on Panasonic's consolidated financial outlook for fiscal year ending March 31, 2021.

**Disclaimer Regarding Forward-Looking Statements**

This press release includes forward-looking statements 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; restrictions, costs or legal liability relating to laws and regulations or failures in internal controls; fluctuations in market prices of securities and other financial assets in which the Panasonic Group has holdings or changes in valuation of non-financial assets, including property, plant and equipment, goodwill and deferred tax assets; 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 Group 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.