

September 17, 2021

Notice Regarding Public Offering of Hybrid Bonds (Subordinated Bonds)

Osaka, Japan – September 17, 2021 – Panasonic Corporation (“Panasonic”) today announced that, following completion of the acquisition of all shares of Blue Yonder Holding, Inc. (“Blue Yonder”), Panasonic will implement public offering of hybrid bonds (subordinated bonds) (“the Bonds”) in Japan based on the resolution announced in the press release titled “Notice Regarding Resolution on Public Offering of Hybrid Bonds (Subordinated Bonds)” dated on August 27, 2021. The details are as follows.

1. Purpose and background of the offering

As announced in our separate press release today titled “Panasonic Completes Acquisition of Blue Yonder”, Panasonic completed the acquisition of a 80% stake in Blue Yonder, making it as a wholly-owned subsidiary.

In accordance with the finance plan announced in “Panasonic Announces the Acquisition of Blue Yonder, a Specialized Supply Chain Software Provider, Making it as a Wholly-owned Subsidiary” dated April 23, 2021, capital for the acquisition (USD7.08 billion, including net debt of USD1.42 billion) was funded by reserved cash (approx. USD3.5 billion) and a bridge loan. All of the cash raised from the Bonds will be used to repay the bridge loan.

2. Characteristics of the Bonds

The Bonds are one form of hybrid financing that has characteristics of both debt and equity. The Bonds are similar to equity in features and characteristics, including optional deferral of interest payments, extremely long-term redemption periods, and subordination in the case of liquidation or bankruptcy procedures. Therefore, Panasonic expects to receive equity credit on 50% of the capital procurement amount from Rating and Investment Information Inc. and S&P Global Ratings Japan Inc. (“the Rating Agencies”).

If Panasonic is to redeem or purchase the Bonds before maturity thereof (“the Early Redemption”), Panasonic intends to raise funds through the issuance of common stock or securities or liabilities (“the Replacement Securities”) which are approved by the Rating Agencies as having equity credit equal to or greater than the equity credit of the Bonds within the period of 360 days ending on or prior to the Early Redemption. However, when the Early Redemption is scheduled on or after the first call date, Panasonic may decide not to raise funds by issuing the Replacement Securities in such cases where Panasonic improves its financial leverage worsened by the acquisition of Blue Yonder to a certain level and accumulates enough stockholders’ equity.

For an overview of the Bonds, please refer to the shelf registration statement filed on August 27, 2021 and the amendment to the shelf registration statement filed today with the Director-General of the Kanto Local Finance Bureau.

3. Schedule

Details of the Bonds, including the aggregate principal amount, issue price, coupon rate and date of issue will be determined in consideration of demand, interest rate trend and other conditions. Panasonic will announce these as soon as the determination has been made.

Note: This press release does not constitute an offer of any securities for sale. This press release has been prepared for the purpose of publicly announcing the issuance of hybrid bonds (subordinated bonds) and not for the purpose of soliciting investment or engaging in any other similar activities. This press release is not an offer of securities for sale in the United States. The securities referred to above have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the Securities Act.