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FOR IMMEDIATE RELEASE

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Panasonic Announces the Cancellation of
“Joint Collaboration of Photovoltaic Business
through a Company Split (Simplified Absorption-type)”

Osaka, Japan, July 30, 2020 – Panasonic Corporation ([TSE:6752] “Panasonic”) today announced the additional disclosure with respect to the press releases titled “Panasonic Announces Joint Collaboration of Photovoltaic Business through a Company Split (Simplified Absorption-type)” dated May 9, 2019 and August 23, 2019. The Company’s Board of Directors has resolved today to cancel the company split and the share transfer related the joint collaboration of the photovoltaic business.

Please see attached press release “Panasonic and China’s GS-Solar Will End Photovoltaic Business Partnership”.

1. Reason of the Cancellation

In May 2019, Panasonic and GS-Solar (China) Company Ltd. (“GS-Solar”) reached an agreement to establish a new, jointly operated company after the separation of research and development functions from Panasonic. At the same time, it was also agreed that Panasonic will fully transfer its solar manufacturing subsidiary, called Sun Everywhere Sdn. Bhd. (formerly Panasonic Energy Malaysia Sdn. Bhd.), to GS-Solar.

Panasonic will exercise its right not to proceed with the agreement due to GS-Solar’s failure to fulfill the requirement necessitated to launch by the deadline agreed to in the contract. Panasonic gave an extension to GS-Solar, considering the ongoing COVID-19 impacts on the scheduled procedures. However, GS-Solar could not comply with the requirement by the extended deadline.

2. Financial Outlook

Panasonic will look into every possible measure, including new business collaboration with other partners, to restore profitability in the solar business by the fiscal year ending March 2023, with more focus on the energy solution business combining photovoltaic modules, HEMS* and storage batteries.

The foreseeable impact of the cancelation of the company split and the calling off the contract is reflected in the consolidated financial forecasts for the fiscal year ending March 2021, which is disclosed today. Also, it is expected there will not be any material impact of this matter on its financial forecasts.

* Home Energy Management System (HEMS) can visualize energy generation and consumption at the residential home level, while optimizing and controlling energy management as a whole.

<Reference>

“Panasonic and China’s GS-Solar Will End Photovoltaic Business Partnership”

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 the spread of the novel coronavirus infections may adversely affect business activities of the Panasonic Group; 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.

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July 30, 2020

**Panasonic and China's GS-Solar Will End
Photovoltaic Business Partnership**

Panasonic to continue to streamline global solar strategy, and efforts to optimize development and production

Osaka, Japan – [Panasonic Corporation](#) today announced that it will exercise its right not to proceed with the proposed collaboration with GS-Solar (China) Company Ltd., headquartered in Quanzhou, Fujian, in the photovoltaic business.

Like Panasonic, GS-Solar is a photovoltaic module manufacturer engaging in research & development, production and sales of heterojunction photovoltaic modules, the products characterized by the unique combination of amorphous and monocrystalline silicon photovoltaic cells and offering the features such as high conversion efficiency and outstanding temperature coefficient.

In May 2019, Panasonic and GS-Solar reached an agreement to establish a new, jointly operated company after the separation of research and development functions from Panasonic. At the same time, it was also agreed that Panasonic will fully transfer its solar manufacturing subsidiary, called Sun Everywhere Sdn. Bhd. (formerly Panasonic Energy Malaysia Sdn. Bhd.), to GS-Solar.

Panasonic will exercise its right not to proceed with the agreement due to GS-Solar's failure to fulfill the requirement necessitated to launch by the deadline agreed to in the contract. Panasonic gave an extension to GS-Solar, considering the ongoing COVID-19 impacts on the scheduled procedures. However, GS-Solar could not comply with the requirement by the extended deadline. Panasonic will take resolute measures, which do not rule out taking legal action against GS-Solar for a breach of contract.

Panasonic will look into every possible measure, including new business collaboration with other partners, to restore profitability in the solar business by the fiscal year ending March 2023, with more focus on the energy solution business combining photovoltaic modules, HEMS^{*1} and storage batteries.

Panasonic will continue its manufacturing activities for the solar business in Nishikinohama

(Osaka), Shimane and Fukushima in Japan as well as in Malaysia.*²

Panasonic remains committed to the realization of comfortable and prosperous lifestyles through the development and expansion of new energy management systems and solutions.

Notes:

*1: Home Energy Management System (HEMS) can visualize energy generation and consumption at the residential home level, while optimizing and controlling energy management as a whole.

*2: The Nishikinohama factory produces modules for automotive applications. The Shimane factory produces cells and other system products, while the Malaysia factory produces cells and modules. The Fukushima factory manufactures photovoltaic cells for watches, electric calculators and other electronic devices.

■ Malaysia factory Overview

Company name: Sun Everywhere Sdn. Bhd.

Formerly Panasonic Energy Malaysia Sdn. Bhd.

Company address: Kulim Hi-Tech Park industrial estate, Kedah, Malaysia

Establishment: December, 2011

Business overview: Production of photovoltaic module HITTM (integrated production of wafers, cells and modules)

About Panasonic

Panasonic Corporation is a worldwide leader in the development of diverse electronics technologies and solutions for customers in the consumer electronics, housing, automotive, and B2B businesses. The company, which celebrated its 100th anniversary in 2018, has expanded globally and now operates 528 subsidiaries and 72 associated companies worldwide, recording consolidated net sales of 7.49 trillion yen for the year ended March 31, 2020. Committed to pursuing new value through innovation across divisional lines, the company uses its technologies to create a better life and a better world for its customers. To learn more about Panasonic: <https://www.panasonic.com/global>.

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