

Panasonic and SANYO agree to Capital and Business Alliance

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Panasonic Corporation
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Background

Business conditions

- Global recession triggered by financial crisis
- Structural change in the electronics industry

Further Strengthening
Management Structure

Bold Initiatives for Growth

Bolstering global competitiveness by
combined strengths of both companies

Strengths of Panasonic and SANYO

Panasonic ideas for life

- Products ranging from consumer goods to facilities- and business-use goods and cutting-edge technologies
- Global sales platform
- Cost reduction know-how (such as Itakona and cost-busters activities)

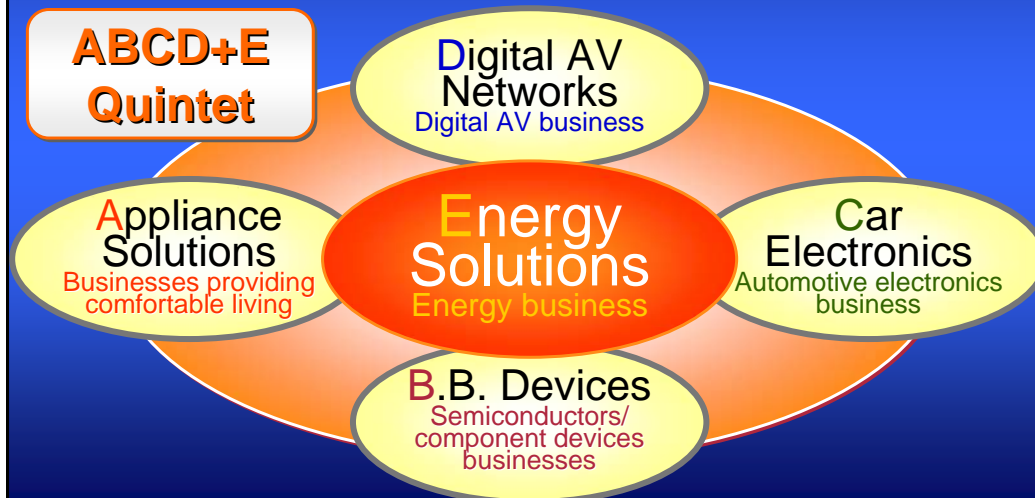
SANYO Think GAIA For Life and the Earth

- Global leader in rechargeable batteries
- Most efficient solar cells in the world
- Strong product development capabilities in the fields of electronic devices, business-use refrigerators/air conditioners and digital imaging

Aiming to be a global leader in the energy and ecology fields by merging each other's strengths

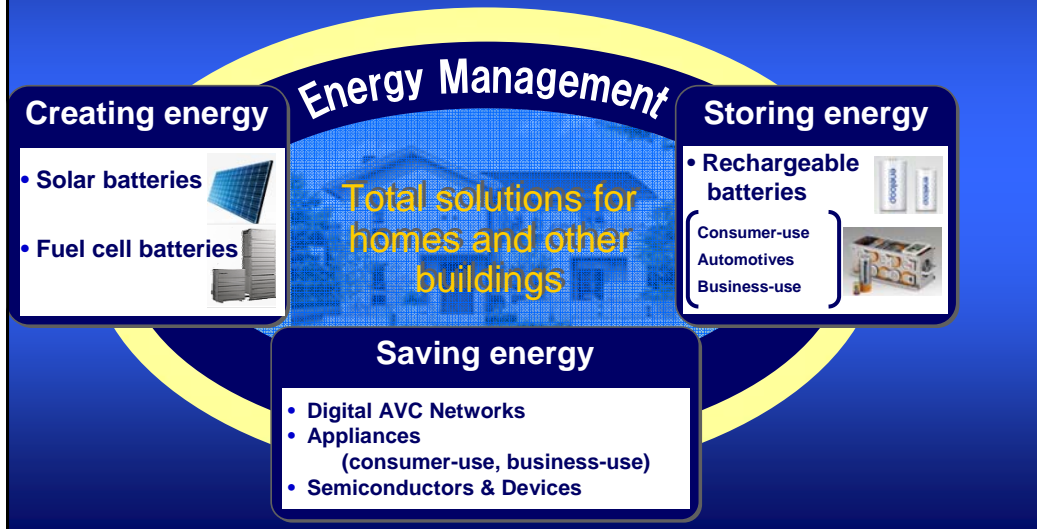
New Strategic Business

Strengthening energy business as our fifth strategic business, and expanding it by collaborating with the existing four



The Energy Business Vision

Aiming to be an unparalleled total energy solution provider



Creating Energy

- Bolstering sales and profits of both companies by utilizing our management resources
- Accelerating investments in SANYO's solar energy business

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ideas for life

Further strengthening all-electric business

Utilizing global sales platform of the group



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Global No.1 product in electric-generating capacity (per lot area)

R&D and prior investment with the aim of launching next-generation solar cell



Storing Energy

Strengthening product competitiveness by integrating the technologies of the two companies in the lithium-ion and nickel metal hydride batteries

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Black box technologies to sustain both high energy output and safety

Construction of new plant in Osaka, Japan
(investing 123 billion yen over five years)

Partnership with car manufacturing in Japan and overseas



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Highly efficient production system with enhanced process technologies

Batteries to enhance the quality of life 

Start of mass production of lithium-ion batteries for hybrid electric vehicles in 2009 (investing 80 billion yen through 2015)



Strengthening Management Structure

Bolstering collective strengths of the group by combining the know-how of both companies

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Strengthening cost reductions with Itakona and cost busters activities

Enhancing efficiency of management platforms such as IT infrastructure

Pursuing scale merits by sharing common networks in procurement and logistics

Effects of Alliance

Targeted synergy effects of the alliance

Profit growth of 80 billion yen in fiscal 2013

- **Energy business: 40 billion yen**
- **Other businesses and strengthened management structure: 40 billion yen**

(operating profit basis)

Launch of Collaboration Committee

Aiming to achieve the collaboration effects at an early stage after consolidation of SANYO

Management WG

Business strategy WG

Strengthening management structure WG

Panasonic and SANYO aim to maximize customer value by evolving solutions for the homes and other buildings, focusing on energy and ecology fields

