

The Revision of the Dividend Standard for Business Companies
and Function-Specific Companies Other Than Company/
Business-Division-Controlled Ones

April 1, 2019

PBSS Financial & Accounting Department

Panasonic Corporation

The Revision of the Dividend Standard for Business Companies and Function-Specific Companies Other Than Company/Business-Division-Controlled Ones

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| 1. Purpose | <ul style="list-style-type: none">○ The dividend standard for business companies and function-specific companies other than Company/business-division-controlled ones was revised to "a dividend payout ratio of 60%," effective from the FY2016 dividend decisions.
In line with the recent revision of the consolidated dividend standard for Companies and business divisions, the dividend standard for business companies and function-specific companies other than Company/business-division-controlled ones is revised accordingly. |
| 2. Revision | <ul style="list-style-type: none">○ The dividend standard is revised from "a dividend payout ratio of 60%" to "a dividend payout ratio of 60% or more." |
| 3. Payment standard | <ul style="list-style-type: none">○ The dividend standard for business companies and function-specific companies other than Company/business-division-controlled ones is a dividend payout ratio of 60% or more.○ If the dividend payout ratio is less than 60%, approval must be sought and obtained from the financial & accounting department of the PC head office. |
| 4. Maximum amount of dividend | <ul style="list-style-type: none">○ Dividends must not exceed the maximum amount of dividend prescribed by the Companies Act. |
| 5. Relevant entities | <ul style="list-style-type: none">○ Business companies and function-specific companies with juridical personality other than Company/business-division-controlled ones (including spin-up funds)
With regard to joint venture and other companies in which PC's percentage of capital contribution is less than 100%, required coordination with the joint venture partners etc. must be done, based on a "dividend payout ratio of 60% or more." |
| 6. Effective date | <ul style="list-style-type: none">○ Effective from the dividends pertaining to the FY2019 financial results (due in June 2020). |
| 7. Contact information | <ul style="list-style-type: none">○ Inquiries can be sent to:

Global Financial Office
Group Management System Planning Office
Financial & Accounting Department, Professional Business Support Sector,
Panasonic Corporation |

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