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FOR IMMEDIATE RELEASE

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Panasonic to Reallocate Operating Resources of Mobile Phone Business

Osaka, Japan, September 26, 2013 -- Panasonic Corporation (TSE:[6752] "Panasonic") today announced "Panasonic to Reallocate Operating Resources of Mobile Phone Business."

There shall be no material effect on the consolidated financial outlook for the fiscal year ending March 31, 2014.

For further detail, please see the attached.

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**Panasonic to Reallocate Operating Resources of
Mobile Phone Business**

Osaka, Japan – Panasonic Corporation today announced that it will review the mobile phone business of Panasonic Mobile Communications Co., Ltd. (PMC) under AVC Networks Company (AVC Company), and strategically reallocate the ICT operating resources of PMC, such as its mobile communication technology, to new business areas and areas of growth within AVC Company.

The reallocation of resources is part of efforts in the midterm plan of AVC Company to strengthen the business in new areas and areas of growth, such as the B2B business, through the integration of AV and ICT, and is aimed at achieving new growth.

Specifically, the development of new products for the B2C smartphone market (carriers in Japan) from the second half of this fiscal year will be suspended, and the operating resources will be strategically reallocated mainly to the development of platform technology shared within AVC Company and to the development and promotion of new businesses, including the business for smartphones for the B2B market, an area where growth is expected.

Effective October 1, 2013, the mobile phone business of PMC will be restructured within AVC Company as follows:

- PMC will focus on the manufacturing and sale of feature phones for the B2C market and on customer support for products already in the market, including smartphones for the B2C market.
- Development of feature phones for the B2C market will be consigned from PMC to the Communication Products Business Division¹ of Panasonic System Networks Co., Ltd. (PSN) under AVC Company.
- The B2B smartphone business will be transferred from PMC to the Terminal Systems Business Unit² of PSN.

In line with the restructuring, in principle, employees will be reallocated within AVC Company, excluding those who will be engaged in the continued operations of PMC.

1. In charge of household communications equipment, such as telephones, facsimile machines, and door phones.
2. In charge of products including professional tablet devices, handy terminals, payment terminals and POS terminals.

About Panasonic

Panasonic Corporation is a worldwide leader in the development and engineering of electronic technologies and solutions for customers in residential, non-residential, mobility and personal applications. Since its founding in 1918, the company has expanded globally and now operates over 500 consolidated companies worldwide, recording consolidated net sales of 7.30 trillion yen for the year ended March 31, 2013. Committed to pursuing new value through innovation across divisional lines, the company strives to create a better life and a better world for its customers. For more information about Panasonic, please visit the company's website at <http://panasonic.net/>.

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