

[Translation]

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For immediate release

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Representative: Ryuji Matsushita, President
(Code No.: 1924, TSE 1st Sec.)
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Announcement Regarding Resolution Approving the Share Consolidation and Partial Amendment of the Articles of Incorporation

As announced in our press release dated July 31, 2017 titled “Announcement Regarding Share Consolidation, Abolishment of the Provisions for Share Units, and Partial Amendment of the Articles of Incorporation,” PanaHome submitted proposals regarding a consolidation of shares and a partial amendment to the Articles of Incorporation at the extraordinary general meeting of shareholders held today (the “**Extraordinary Shareholders Meeting**”) and we hereby announce that these proposals are approved and passed as originally proposed.

As a result, the common shares of PanaHome (the “**PanaHome Shares**”) will come to fall under the delisting criteria of the First Section of Tokyo Stock Exchange prescribed in the Securities Listing Regulations of Tokyo Stock Exchange, Inc. (“**TSE**”). Therefore, the PanaHome Shares will be delisted on September 27, 2017. Please note that after the delisting, the PanaHome Shares may not be traded on the First Section of TSE.

1. Agenda Item 1: Share Consolidation

A consolidation of shares described below (the “**Share Consolidation**”) was approved by the shareholders at the Extraordinary Shareholders Meeting.

- (i) Class of shares to be consolidated

Common stock

- (ii) Ratio of consolidation

The 33,589,784 shares of PanaHome will be consolidated to one share.

- (iii) Total number of issued shares to be decreased

167,948,916 shares

- (iv) Total number of issued shares before the Share Consolidation takes effect

167,948,921 shares

(Note) The number of issued shares before the Share Consolidation takes effect (167,948,921 shares) is obtained by deducting the number of treasury shares (614,612 shares) which are scheduled to be extinguished on September 28, 2017 from total number of outstanding shares of PanaHome as of March 31, 2017 as announced in the annual securities report of the 60th fiscal year filed by PanaHome on June 23, 2017 (168,563,533 shares).

(v) Total number of issued shares after the Share Consolidation takes effect

5 shares

(vi) Total number of authorized shares on the effective date

20 shares

(vii) Method of handling of fractions less than one share, and amount expected to be delivered to the shareholder as a result of the handling of fractions

The number of PanaHome Shares held by each of the shareholders other than Panasonic Corporation (“**Panasonic**”) will be a fraction less than one share.

With respect to the handling of a fraction less than one share arising from the Share Consolidation, PanaHome will sell the shares equivalent to the total number of such fractional shares (with such aggregate sum rounded down to the nearest whole number pursuant to the provision of Article 235, Paragraph 1 of the Companies Act (Act No. 86 of 2005, as amended; hereinafter the same shall apply)) in accordance with Article 235 of the Companies Act and other relevant laws or ordinances, and deliver the proceeds from such sale to the shareholders in accordance with such fraction. Upon such sale, PanaHome intends to sell the shares equivalent to the total number of such fractional shares to Panasonic with permission from a court in accordance with the provisions of Article 234, Paragraph 2 of the Companies Act which applies *mutatis mutandis* through Article 235, Paragraph 2 of the Companies Act, or to sell the shares equivalent to the total number of such fractional shares to PanaHome with permission from a court in accordance with the provisions of Article 234, Paragraph 4 of the Companies Act which applies *mutatis mutandis* through Article 235, Paragraph 2 of the Companies Act.

If the permission is obtained from a court as described above, as planned, the sale price will equal to the number of the PanaHome Shares held by shareholders multiplied by 1,200 yen, which is equivalent to the tender offer price in the tender offer for the PanaHome Shares by Panasonic.

2. Agenda Item 2: Partial Amendment to the Articles of Incorporation

A partial amendment to the Articles of Incorporation described below was approved by the shareholders at the Extraordinary Shareholders Meeting. The details of the

amendment are described in our press release dated July 31, 2017 titled “Announcement Regarding Share Consolidation, Abolishment of the Provisions for Share Units, and Partial Amendment of the Articles of Incorporation.”

- (i) If the Share Consolidation takes effect, the number of authorized shares of PanaHome will be reduced to 20 pursuant to the provisions of Article 182, Paragraph 2 of the Companies Act. In order to clarify that point, Article 6 of the Articles of Incorporation (Total Number of Authorized Shares) will be amended subject to the Share Consolidation taking effect.
- (ii) If the Share Consolidation takes effect, the total number of issued shares of PanaHome will be 5 shares, and it is not necessary to provide for the share unit number. Therefore, subject to the Share Consolidation taking effect, the provisions of Article 7 (Number of Shares Constituting One Unit) and Article 8 (Demand for Sale to Shares of Less Than One Unit) of the Articles of Incorporation will be entirely deleted in order to abolish the provisions relating to the share unit number (currently 1,000 shares), and the remaining provisions will be renumbered accordingly.

These amendments to the Articles of Incorporation will become effective on October 2, 2017, the effective date of the Share Consolidation, subject to the Share Consolidation taking effect.

3. Schedule of Share Consolidation

(i) Date of Extraordinary Shareholders Meeting	Thursday, August 31, 2017
(ii) Date of designation as stock to be delisted	Thursday, August 31, 2017 (scheduled)
(iii) Last trading date	Tuesday, September 26, 2017 (scheduled)
(iv) Delisting date	Wednesday, September 27, 2017 (scheduled)
(v) Effective date of Share Consolidation	Monday, October 2, 2017 (scheduled)

End.