***FOR IMMEDIATE RELEASE***

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Panasonic Corporation

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# Panasonic to Collaborate with China's GS-Solar in Photovoltaic Business

**Osaka, Japan** - Panasonic Corporation today announced it has reached an agreement with GS-Solar (China) Company Ltd. to collaborate in the photovoltaic business. Under the agreement, Panasonic will transfer its solar manufacturing subsidiary, Panasonic Energy Malaysia, to GS-Solar, while separating its photovoltaic research and development function in order to establish a new company with the Chinese partner. Panasonic and GS-Solar will jointly operate and invest in this new company in Japan.

The cells Panasonic manufactures for its photovoltaic module HIT™ are characterized by the company's proprietary heterojunction structure combining amorphous and monocrystalline silicon photovoltaic cell layers, offering features such as high conversion efficiency, outstanding temperature coefficient - which means low performance degradation at higher temperatures - and bifacial power generation.

GS-Solar, based in Quanzhou, Fujian, is a photovoltaic module manufacturer engaging in research, development and manufacture of heterojunction photovoltaic modules and is recognized for its exceptional technological achievements.

The companies have come to this agreement as they aim to drive further development of heterojunction photovoltaic technologies through the sharing and utilization of their respective technologies and production know-how. This collaboration will allow the introduction of high added-value photovoltaic modules to a market, which is expected to grow on a global scale.

Through this agreement, Panasonic will be able to optimize the development and production capability of its photovoltaic business while continuing to procure and sell photovoltaic modules produced at the Malaysian factory. Capitalizing on resources created through these activities, Panasonic will integrate its solar business into the energy solutions business, which offers a combination of HEMS(1), photovoltaic modules, storage batteries, Eco Cute heat pump systems, EV chargers, among others. Additionally, Panasonic will be contributing to the proliferation of net Zero Energy House (ZEH)(2), new energy management systems for the post FIT(3) era, and emergency storage power systems for natural disasters. Most importantly, the newly established company will be committed to driving the competitiveness of its PV business through further innovation of heterojunction technologies.

After the transfer, the balance of Panasonic's solar manufacturing operations remain unaffected by the agreement with GS-Solar. This includes operations in Japan and the United States.(4)

Panasonic will continue to contribute to the realization of comfortable and prosperous lifestyles through the development and expansion of new energy management systems and solutions.

**Notes:**
(1) Abbreviation for 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 net Zero Energy House (ZEH) is characterized by enhanced thermal insulation performance with the use of reinforced exterior wall material as well as higher efficiency energy systems. ZEH enables large-scale energy conservation while maintaining indoor air quality and aims to achieve net zero annual primary energy consumption through the implementation of renewable energy.

(3) Abbreviation for Feed-In Tariff. This tariff system for renewable energy guarantees that the power generated by renewable energy systems will be purchased by utility companies at a fixed price per kWh for a determined period.

(4) Panasonic also operates a factory in Fukushima Prefecture, which manufactures photovoltaic cells for watches and electric calculators. The Nishikinohama factory produces modules for automotive applications. The Shimane factory produces cells and other system products, while the Buffalo factory produces cells and modules.

■New Company Overview (planned)
Company name : TBD
Company address : 15-2 Nishikiminami-machi, Kaizuka-City, Osaka 597-0094, Japan
Date of establishment : TBD
Business overview : Research and development of heterojunction photovoltaic cells and modules
Investment amount : N/A
Equity ratio : 90% from GS-Solar, 10% from Panasonic

■GS-Solar Overview
Company name : GS-Solar (China) Company Ltd.
Company address : Quanzhou, Fujian Province, China
Business overview : Research and development, manufacturing, and sales of heterojunction photovoltaic cells, modules, and related products

■Malaysia factory Overview
Company name : Panasonic Energy Malaysia Sdn. Bhd.
Company address : Kulim Hi-Tech Park industrial estate, Kedah, Malaysia
Establishment : December, 2011
Business overview : Production of photovoltaic module HIT™ (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 591 subsidiaries and 88 associated companies worldwide, recording consolidated net sales of 7.982 trillion yen for the year ended March 31, 2018. 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, visit http://www.panasonic.com/global.

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