

July 31, 2024

Panasonic Connect Announces Strategic Capital Partnership and Establishment of New Company to Operate Projector Business

Aiming for sustainable business growth and market expansion

Tokyo, Japan – [Panasonic Connect Co., Ltd.](#) today announced that it has reached an agreement on a strategic capital partnership with ORIX Corporation in regards to the company's projector business and related operations. The two companies plan to establish a new company to operate the business aiming for continued growth. This decision was made today at the board of directors meeting of Panasonic Holdings Corporation concerning the following details.

1. Overview

Together with ORIX, Panasonic Connect will establish a new company based on its Media Entertainment Business Division (MEBD), aiming for further growth of the business. Regarding the new company, ORIX will hold 80% of the shares, and Panasonic Connect will hold 20%. After the capital partnership, target products will continue to carry the Panasonic brand, and the new company will also use the Panasonic name for the time being.

2. Background and Objectives

Since the commercialization of its first cathode ray tube (CRT) projector in 1975, the company's commercial projector and display business has launched a wide range of products utilizing proprietary device control technology^{*1}. Over the past 50 years, the company has earned the trust of customers around the globe, and with a leading market share in the high-brightness projector market^{*2}, the company has established a strong position in the visual solutions business.

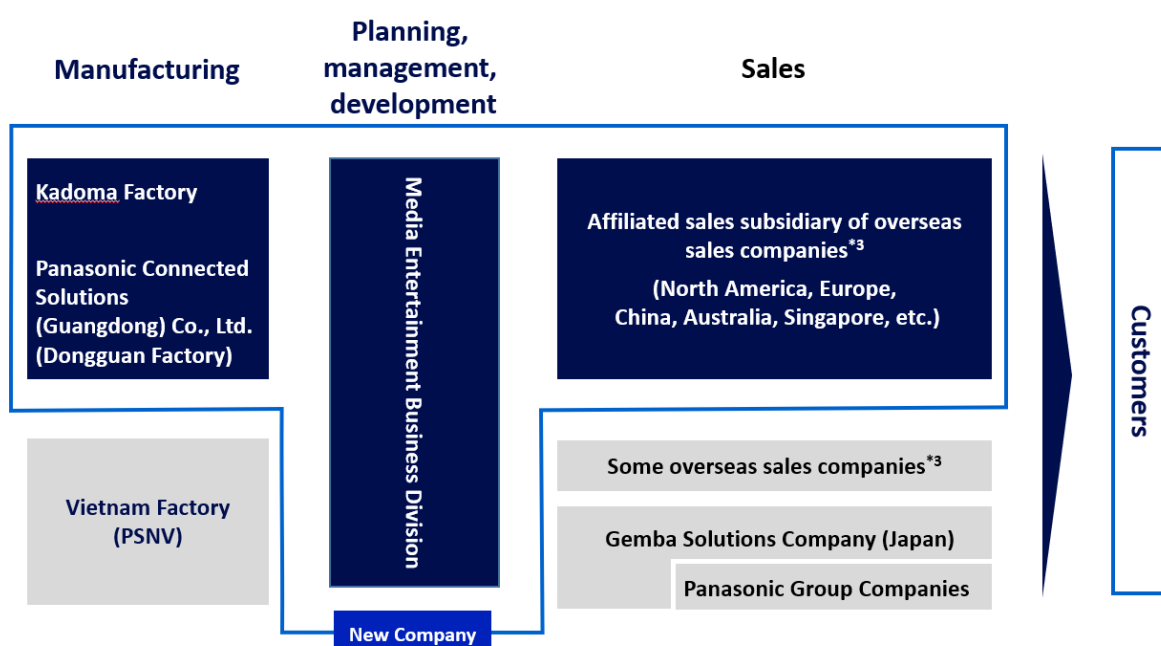
On the other hand, in this market the importance of integrating software along with advanced hardware has increased, and significant changes in the competitive environment have arisen due to the emergence of applied technologies and the demand for immersive experiences. In order to achieve in-organic growth and further market expansion going forward, the company has deemed that it will be necessary to strengthen operations and make continual investments.

In light of these circumstances, Panasonic Connect and ORIX have determined that further growth can be achieved by leveraging the former's technological expertise and customer base, along with the investment power ORIX holds and the knowledge and experience cultivated through business investments in numerous companies, including manufacturing and large corporations.

ORIX, with which the company has decided to form this capital partnership, is a corporation that engages in diverse financial services and is committed to business operations with a medium- to long-term perspective. Through this capital partnership, the company aims to leverage ORIX's wealth of business investment experience and pursue strategies for in-organic growth, along with continuous investment for technological development in hardware technology and the construction and execution of strategic alliances on a global scale.

3. About the New Company

In April 2025, the new company will be established out of the Media Entertainment Business Division of Panasonic Connect. Additionally, overseas subsidiaries will be established from the sales functions of that division in North America, Europe, China, Australia, Singapore and other regions to be operated by the new company. In Japan, Panasonic Connect's Gemba Solutions Company will continue to handle domestic sales.



Operational start	Scheduled for April 1, 2025 *This capital partnership is scheduled to be executed on April 1, 2025, subject to certain preconditions such as obtaining approval from relevant authorities.
Capital investment	ORIX Corporation: 80% Panasonic Connect Co., Ltd.: 20%
Operations	Projector business, flat-panel display business

Note: A special purpose company (SPC) will be established as the successor, in which ORIX and Panasonic will hold 80% and 20% of the shares respectively.

4. About Strategic Capital Partner: ORIX Corporation

Established	April 1964
Representative	Makoto Inoue, President and CEO
Shareholders' Equity	3,941,466 million yen (as of March 2024, U.S. GAAP)
Headquarters	World Trade Center Building, SOUTH TOWER, 2-4-1 Hamamatsu-cho, Minato-ku, Tokyo, 105-5135, Japan
Website	https://www.orix.co.jp/grp/en/

*1: Detailed control technology for core devices that enable compact, light-weight, high-brightness, and high-quality projectors.

*2: Source : PMA PMA_2023CYQ2_WorldwidePJCensusRevenues, sales amount for Pro only, excluding D-Cinema, 10,000lm or more.

*3: We are currently negotiating with overseas sales companies to establish the new company.

About Panasonic Connect

[Panasonic Connect Co., Ltd.](#) was established on April 1, 2022 as part of the [Panasonic Group's](#) switch to an operating company system. With roughly 28,300 employees worldwide and annual sales of JPY1,202.8 billion the company plays a central role in the growth of the Panasonic Group's B2B solutions business and provides new value to its customers by combining advanced hardware, intelligent software solutions, and a wealth of knowledge in industrial engineering accumulated in its over 100-year history. The company's purpose is to "Change Work, Advance Society, Connect to Tomorrow." By driving innovation in the supply chain, public services, infrastructure, and entertainment sectors, Panasonic Connect aims to contribute to the realization of a sustainable society and to ensure well-being for all.

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