

February 22, 2010

Company Name: Panasonic Electric Works Co., Ltd.

Representative: Koichi Hatanaka, President

(Code: 6991, First Section at TSE, OSE and NSE)

Contact: Public Relations Dept.

Osaka Tel: +81- 6- 6909 – 7187

Tokyo Tel: +81- 3- 6218 – 1166

Execution of the Agreements on Company Split and Merger Among
Consolidated Subsidiaries for the Building Products Business Reorganization

Osaka, February 22, 2010 — Panasonic Electric Works Co., Ltd. (hereinafter referred to as PEW) announced that it resolved the signing of the agreements on company split and merger among consolidated subsidiaries for the Building Products Business reorganization at its Board of Directors meeting held on February 22, 2010, related to the press releases “Company Split and Merger Among Consolidated Subsidiaries for the Water-Related Business Reorganization” dated November 24, 2009 and “Company Split and Dissolution Among Consolidated Subsidiaries” dated January 25, 2010

I . Purpose of the Reorganization

Panasonic Electric Works Co., Ltd. aims for sustainable growth in its Building Product business through the business reorganization to reinforce manufacturing capability and improve profitability in the medium-to-long-term prospects of decreasing housing starts in Japan.

II . Outline of the Reorganization

1. Company split to transfer a part of subsidiary’s function to its parent company

Panasonic Electric Works Co., Ltd. will inherit planning and development functions of bathroom and fixture business of its wholly-owned subsidiary, Panasonic Electric Works Bath & Life Co., Ltd. (hereinafter referred to as PBL) through an absorption-type split on April 1, 2010.

(1) Details of the company split

①Schedule

Contract date: February 22, 2010

Effective date: April 1, 2010 (planned)

Note: The company split will be conducted through the simplified procedures provided under Article 796, Clause 3, the Company Law of Japan, by which resolution of the shareholders’ meeting of PEW will not be required.

②Method of company split

A simplified absorption-type split

PEW will inherit planning and development functions of bathroom and fixture business of PBL.

③Reduction of stated capital as a result of this company split

There will be no reduction of stated capital as a result of this company split.

④Treatment of stock acquisition rights and convertible bonds

There are no stock acquisition rights or convertible bonds issued by PBL.

⑤Rights and obligations to be succeeded to

In principle, PEW will succeed the rights and obligations with respect to the contracts directly related to the inherited business and its associated contracts on the effective date, unless otherwise stipulated by the company split agreement.

⑥Prospects for paying debt obligations

PEW believes that each of PEW and PBL will be able to fulfill its obligations to be performed after the effective date of the company split.

(2) Corporate profiles of the relevant companies (As of September 30, 2009)

①Corporate Name	Panasonic Electric Works Co., Ltd.	Panasonic Electric Works Bath & Life Co., Ltd..																
②Principal Business	Manufacture, sales, installation and various service activities of lighting products, information equipment and wiring products, home appliances, building products, electronic materials, and automation controls, etc.	Manufacture and sales of housing equipment such as bathroom units																
③Date of Incorporation	December 15, 1935	January 26, 2005																
④Location	1048, Oaza Kadoma, Kadoma city, Osaka Pref.	1274-1, Motoyoshida-cho, Mito city, Ibaraki Pref.																
⑤Representative	Koichi Hatanaka, President	Toshihisa Mitsumoto, President																
⑥Stated Capital	148,513 (millions of yen)	450 (millions of yen)																
⑦Shares Issued	751,074,788	111,000																
⑧Total Equity	674,890 (millions of yen)	- 4,911 (millions of yen)																
⑨Total Assets	1,097,316 (millions of yen)	8,338 (millions of yen)																
⑩Financial Year End	March 31	March 31																
⑪Major Shareholders and Shareholding Percentage	<table border="0"> <tbody> <tr> <td>Panasonic Corporation</td> <td>51.00%</td> </tr> <tr> <td>The Master Trust Bank of Japan, Ltd. (trust account)</td> <td>5.15%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (trust account)</td> <td>3.87%</td> </tr> <tr> <td>Panasonic Electric Works Employees' Shareholding Association</td> <td>1.55%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (trust account 9)</td> <td>1.11%</td> </tr> <tr> <td>Nippon Life Insurance Company</td> <td>1.06%</td> </tr> <tr> <td>Zenkyoren (the National Mutual Insurance Federation of Agricultural Cooperatives)</td> <td>0.79%</td> </tr> </tbody> </table> <p>Note: Panasonic Electric Works Co., Ltd. holds 11,073 thousand shares, 1.47%, of its own common stock.</p>	Panasonic Corporation	51.00%	The Master Trust Bank of Japan, Ltd. (trust account)	5.15%	Japan Trustee Services Bank, Ltd. (trust account)	3.87%	Panasonic Electric Works Employees' Shareholding Association	1.55%	Japan Trustee Services Bank, Ltd. (trust account 9)	1.11%	Nippon Life Insurance Company	1.06%	Zenkyoren (the National Mutual Insurance Federation of Agricultural Cooperatives)	0.79%	<table border="0"> <tbody> <tr> <td>Panasonic Electric Works Co., Ltd.</td> <td>100%</td> </tr> </tbody> </table>	Panasonic Electric Works Co., Ltd.	100%
Panasonic Corporation	51.00%																	
The Master Trust Bank of Japan, Ltd. (trust account)	5.15%																	
Japan Trustee Services Bank, Ltd. (trust account)	3.87%																	
Panasonic Electric Works Employees' Shareholding Association	1.55%																	
Japan Trustee Services Bank, Ltd. (trust account 9)	1.11%																	
Nippon Life Insurance Company	1.06%																	
Zenkyoren (the National Mutual Insurance Federation of Agricultural Cooperatives)	0.79%																	
Panasonic Electric Works Co., Ltd.	100%																	

(3) Outline of the business to be split

①Details of the business to be split

Planning and development functions of bathroom and fixture business including prefabricated bathroom

②Operating results of PBL for the year ended March 31, 2009

Net Sales: Approx. 28,000 (millions of yen)

③Assets and liabilities to be inherited to PEW (book value to be expected on March 31, 2010)

Total of assets : 120 (millions of yen)

Total of liabilities: 100 (millions of yen)

2. Merger among consolidated subsidiaries

The merger will be conducted on April 1, 2010 among a wholly-owned subsidiary of PEW, Panasonic Electric Works Kita-Kanto Co., Ltd. (hereinafter referred to as PEW Kita-Kanto) as a surviving company, absorbing PBL and its wholly-owned subsidiary, Panasonic Electric Works Bath & Life Mito Co., Ltd. (hereinafter referred to as PBL Mito), both to be dissolved by way of the merger.

In connection with the merger, PEW Kita-Kanto shall change its corporate name to Panasonic Electric Works Housing Equipment Co., Ltd. on the same date.

(1) Details of the merger among consolidated subsidiaries

①Schedule

Contract date: February 22, 2010

Resolutions of Shareholders' meetings at each of PEW Kita-Kanto, PBL and PBL Mito: in mid-March, 2010

Effective date: April 1, 2010 (planned)

②Method of merger

An absorption-type merger

PEW Kita-Kanto as a surviving company, will absorb PBL and PBL Mito, both to be dissolved by way of the merger.

③Merger ratio

There is no merger ratio because PEW Kita-Kanto, PBL and PBL Mito are PEW's direct and indirect wholly-owned subsidiaries.

In addition, there is no plan to issue or allot new shares, and no payment of delivered money due to merger.

(2) Corporate profiles of the relevant companies (As of September 30, 2009)

Surviving company

①Corporate Name	Panasonic Electric Works Kita-Kanto Co., Ltd.
②Principal Business	Manufacture and sales of building materials, housing equipment and wood products
③Date of Incorporation	February 27, 1975
④Location	23, Matsuyama-cho, Mouka city, Tochigi Pref.
⑤Representative	Katsuaki Murai, President
⑥Stated Capital	450 (millions of yen)
⑦Shares Issued	1,300,000
⑧Total Equity	1,615 (millions of yen)
⑨Total Assets	5,218 (millions of yen)

⑩Financial Year End	March 31	
⑪Major Shareholders And Shareholding Percentage	Panasonic Electric Works Co., Ltd.	100%

Extinct companies

①Corporate Name	Panasonic Electric Works Bath & Life Co., Ltd.	Panasonic Electric Works Bath & Life Mito Co., Ltd.
②Principal Business	Manufacture and sales of housing equipment	Manufacture and sales of housing equipment
③Date of Incorporation	January 26, 2005	January 20, 1977
④Location	1274-1, Motoyoshida-cho, Mito city, Ibaraki Pref.	1274-1, Motoyoshida-cho, Mito city, Ibaraki Pref.
⑤Representative	Toshihisa Matsumoto, President	Toshihisa Matsumoto, President
⑥Stated Capital	450 (millions of yen)	100 (millions of yen)
⑦Shares Issued	111,000	212,800
⑧Total Equity	- 4,911 (millions of yen)	- 22 (millions of yen)
⑨Total Assets	8,338 (millions of yen)	1,925 (millions of yen)
⑩Financial Year End	March 31	March 31
⑪Major Shareholders and Shareholding Percentage	Panasonic Electric Works Co., Ltd. 100%	Panasonic Electric Works Bath & Life Co., Ltd. 100%

(3) After the merger

①Corporate Name	Panasonic Electric Works Housing Equipment Co., Ltd.
②Principal Business	Manufacture and sales of building materials, housing equipment and wood products
③Location	23, Matsuyama-cho, Mouka city, Tochigi Pref.
④Representative	Toshihisa Matsumoto, President
⑤Stated Capital	450 (millions of yen)
⑥Financial Year End	March 31

Note: Panasonic Electric Works Kita-Kanto Co., Ltd. shall change its corporate name to Panasonic Electric Works Housing Equipment Co., Ltd.

3. Company split to transfer a part of parent company's function to its subsidiary company

PEW Kita-Kanto will inherit the manufacturing functions of the modular kitchen systems and modular vanity units of PEW through an absorption-type split on April 1, 2010.

(1) Details of the company split

①Schedule

Contract date: February 22, 2010
Effective date: April 1, 2010 (planned)

Note: The company split will be conducted through the simplified procedures provided under Article 784, Clause 3, the Company Law of Japan, by which resolution of the shareholders' meeting of PEW will not be required.

②Method of company split

A simplified absorption-type split

PEW Kita-Kanto will inherit the manufacturing functions of the modular kitchen systems and modular vanity units of PEW.

③Reduction of stated capital as a result of this company split

There will be no reduction of stated capital as a result of this company split.

④Treatment of stock acquisition rights and convertible bonds

There are no stock acquisition rights or convertible bonds issued by PEW.

⑤Rights and obligations to be succeeded to

In principle, PEW will succeed the rights and obligations with respect to the contracts directly related to the inherited business and its associated contracts on the effective date, unless otherwise stipulated by the company split agreement.

⑥Prospects for paying debt obligations

PEW believes that each of PEW and PEW Kita-Kanto will be able to fulfill its obligations to be performed after the effective date of the company split.

(2) Corporate profiles of the relevant companies (As of September 30, 2009)

①Corporate Name	Panasonic Electric Works Co., Ltd.	Panasonic Electric Works Kita-Kanto Co., Ltd.
②Principal Business	Manufacture, sales, installation and various service activities of lighting products, information equipment and wiring products, home appliances, building products, electronic materials, and automation controls, etc.	Manufacture and sales of building materials, housing equipment and wood products
③Date of Incorporation	December 15, 1935	February 27, 1975
④Location	1048, Oaza Kadoma, Kadoma city, Osaka Pref.	23, Matsuyama-cho, Mouka city, Tochigi Pref.
⑤Representative	Koichi Hatanaka, President	Katsuaki Murai, President
⑥Stated Capital	148,513 (millions of yen)	450 (millions of yen)
⑦Shares Issued	751,074,788	1,300,000
⑧Total Equity	674,890 (millions of yen)	1,615 (millions of yen)
⑨Total Assets	1,097,316 (millions of yen)	5,218 (millions of yen)
⑩Financial Year End	March 31	March 31

① Major Shareholders and Shareholding Percentage	Panasonic Corporation	51.00%	Panasonic Electric Works Co., Ltd. 100%
	The Master Trust Bank of Japan, Ltd. (trust account)	5.15%	
	Japan Trustee Services Bank, Ltd. (trust account)	3.87%	
	Panasonic Electric Works Employees' Shareholding Association	1.55%	
	Japan Trustee Services Bank, Ltd. (trust account 9)	1.11%	
	Nippon Life Insurance Company	1.06%	
	Zenkyoren (the National Mutual Insurance Federation of Agricultural Cooperatives)	0.79%	
	Note: Panasonic Electric Works Co., Ltd. holds 11,073 thousand shares, 1.47%, of its own common stock.		

(3) Outline of the business to be split

① Details of the business to be split

Manufacturing functions of the modular kitchen systems and modular vanity units

② Operating results of the business to be split for the year ended March 31, 2009

Net Sales: Approx. 47,000 (millions of yen)

③ Assets and liabilities to be inherited to PEW Kita-Kanto (book value to be expected on March 31, 2010)

Total of assets : 3,548 (millions of yen)

Total of liabilities: 407 (millions of yen)

4. Company split among consolidated subsidiaries

PEW Kita-Kanto will inherit the manufacturing and sales functions of stairs from Panasonic Electric Works Gifu Co., Ltd. (hereinafter referred to as PEW Gifu), which is PEW's wholly-owned subsidiary through an absorption-type split on April 1, 2010.

(1) Details of the company split

① Schedule

Contract date: February 22, 2010

Effective date: April 1, 2010 (planned)

② Method of company split

An absorption-type split

PEW Kita-Kanto will inherit the manufacturing and sales functions of stairs from PEW Gifu.

③ Reduction of stated capital as a result of this company split

There will be no reduction of stated capital as a result of this company split.

④ Treatment of stock acquisition rights and convertible bonds

There are no stock acquisition rights or convertible bonds issued by PEW Gifu.

(2) Corporate profiles of the relevant companies (As of September 30, 2009)

①Corporate Name	Panasonic Electric Works Gifu Co., Ltd.	Panasonic Electric Works Kita-Kanto Co., Ltd.
②Principal Business	Manufacture and sales of stairs	Manufacture and sales of building materials, housing equipment and wood products
③Date of Incorporation	May 25, 1995	February 27, 1975
④Location	1006 Makino Minokamo city Gifu Pref.	23, Matsuyama-cho, Mouka city, Tochigi Pref.
⑤Representative	Kiyoshi Madokoro, President	Katsuaki Murai, President
⑥Stated Capital	90 (millions of yen)	450 (millions of yen)
⑦Shares Issued	1,800	1,300,000
⑧Total Equity	566 (millions of yen)	1,615 (millions of yen)
⑨Total Assets	1,129 (millions of yen)	5,218 (millions of yen)
⑩Financial Year End	March 31	March 31
⑪Major Shareholders and Shareholding Percentage	Panasonic Electric Works Co., Ltd. 100% (As of January 31, 2010)	Panasonic Electric Works Co., Ltd. 100%

(3) Outline of the business to be split

①Details of the business to be split

Manufacturing and sales functions of stairs

②Operating results of the business to be split for the year ended March 31, 2009

Net Sales: 2,393 (millions of yen)

③Assets and liabilities to be inherited to PEW Kita-Kanto (book value to be expected on March 31, 2010)

Total of assets : 240(millions of yen)

Total of liabilities: Nil (millions of yen)

III. Effect of the Reorganization on the Company

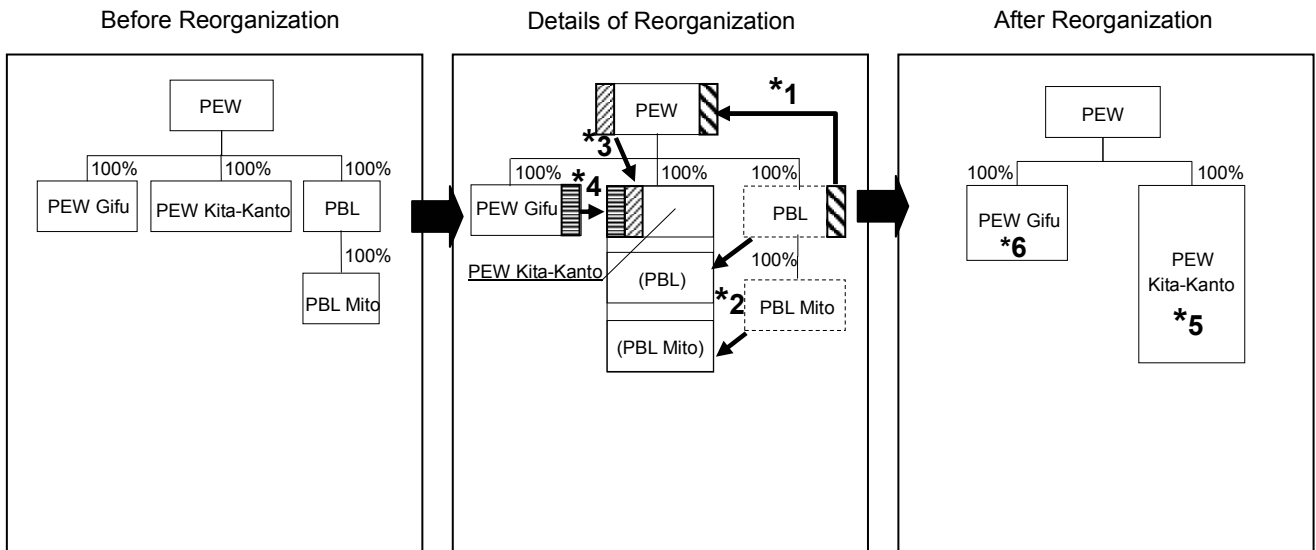
There will be no change in each of corporate name, principal business, location, representative, stated capital and financial year end by the reorganization.

IV. Effect on Financial Outlook

There will be little effect on the financial outlook for FY2010 ending March 31, 2010.

(For your reference)

< The Building Products Business Reorganization Scheme >



Notes:

- *1 Company split to transfer a part of subsidiary's function to its parent company
- *2 Merger among consolidated subsidiaries
- *3 Company split to transfer a part of parent company's function to its subsidiary company
- *4 Company split among consolidated subsidiaries
- *5 PEW Kita-Kanto Co., Ltd. shall change its corporate name to Panasonic Electric Works Housing Equipment Co., Ltd. on April 1, 2010.
- *6 PEW Gifu will resolve to dissolve in July, 2010.

Abbreviation of the relevant company names:

PEW: Panasonic Electric Works Co., Ltd.

PEW Kita-Kanto: Panasonic Electric Works Kita-Kanto Co., Ltd.

PBL: Panasonic Electric Works Bath & Life Co., Ltd.

PBL Mito: Panasonic Electric Works Bath & Life Mito Co., Ltd.

PEW Gifu: Panasonic Electric Works Gifu Co., Ltd.