

Gorenje and Panasonic Create Strategic Alliance

Long-term strategic pairing to leverage combined scale and strengths

Velenje/ Ljubljana, Slovenia – Osaka, Japan, 5 July 2013 – Gorenje Group and Panasonic Corporation today announced the creation of a long-term strategic alliance that will leverage the combined strengths and capabilities of the two companies, contribute to the profitability of both partners and improve their competitiveness in Europe, to the benefit of consumers.

The strategic alliance between Gorenje and Panasonic will be structured around two pillars: joint R&D and sharing of selected manufacturing platforms for selected product categories (washing machines, refrigerators and built-in ovens); and the sales network and marketing know-how for distribution throughout Europe.

In addition to these primary pillars, the alliance will also create a flexible foundation that will allow both companies to pursue other areas of cooperation.

As a sign of confidence in the success of the alliance and a commitment to the long-term business relationship, Panasonic will invest 10 million euros and acquire a minority interest in Gorenje; and to allow existing and new shareholders to benefit from the alliance, Gorenje will execute an equity increase and dual listing.

The strategic alliance will allow both parties to better serve their customers by creating synergies that leverage the respective strengths and competitive advantages of each party.

Mr. Franjo Bobinac, Gorenje President and CEO stated: *“Forging a strategic alliance with a corporation of such reputation as Panasonic is a historical milestone for Gorenje and an important step in the pursuit of our strategic policies. Panasonic is a global leader with a tradition spanning nearly 100 years and a strong commitment to investment into green innovation; Gorenje, still committed to its stand-alone long-term vision, has an in-depth knowledge of the European market and its consumers, and fosters a focus on design, innovation, and quality. Synergies in design, manufacturing, and sales will yield benefits for both enterprises and will trickle down to end users as well as other stakeholders. This partnership will result in a number of opportunities for both corporations and will surely open up new ones as it develops in the years to come. We look forward to cooperation with Panasonic.”*

Mr. Laurent Abadie, Chairman and CEO of Panasonic Europe said: *“Gorenje’s commitment to developing innovative, design-led and high quality products make it the ideal partner for Panasonic. We are looking forward to working together to build a solid and long-term platform for growth that will propel both organizations to new strengths within the European home appliance market. By combining our complementary product and manufacturing technologies, sales channels and marketing expertise, we look forward to bringing advanced, smart and ecologically responsible appliances to consumers across Europe, including Russia, in the coming years.”*

Gorenje and Panasonic will implement the alliance jointly in the areas of R&D, manufacturing, and sales, with an initial emphasis on (i) the joint development of new generation washing machines to be distributed in the EU market (ii) the production of Panasonic brand refrigerators by Gorenje to be distributed in the EU, Russian and other CIS markets and (iii) the joint distribution potential of selected Panasonic brand built-in kitchen appliances in Europe, and the production of built-in ovens by Gorenje.

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About Gorenje

Gorenje Group is a leading European home appliance manufacturer supplying superiorly designed and technologically perfected appliances that simplify the lives of users in 90 countries around the globe. Product portfolio marketed under the brands Gorenje, Gorenje⁺, Atag, Asko, Pelgrim, Mora, Upo, Etna, and Körting is rounded off by the offer of kitchen furnishings and other home products like water heaters and heat pumps. In addition, the Group's operations include ecology services, toolmaking, and engineering. The Group generates 92% of revenue in Europe; its key markets include Germany, Russia, Benelux, Ukraine, Scandinavia, and South-Eastern Europe. For more information on Gorenje, visit www.gorenjegrup.com.

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 (68.2 billion euro) 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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