

# TPP's Effects on Our Business

## - Expectations for the TPP -

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# 1. Outline of the Panasonic Group

✧ A wide range of products to enrich people's lives all around the world  
~ Components, equipment and finished consumer goods ~

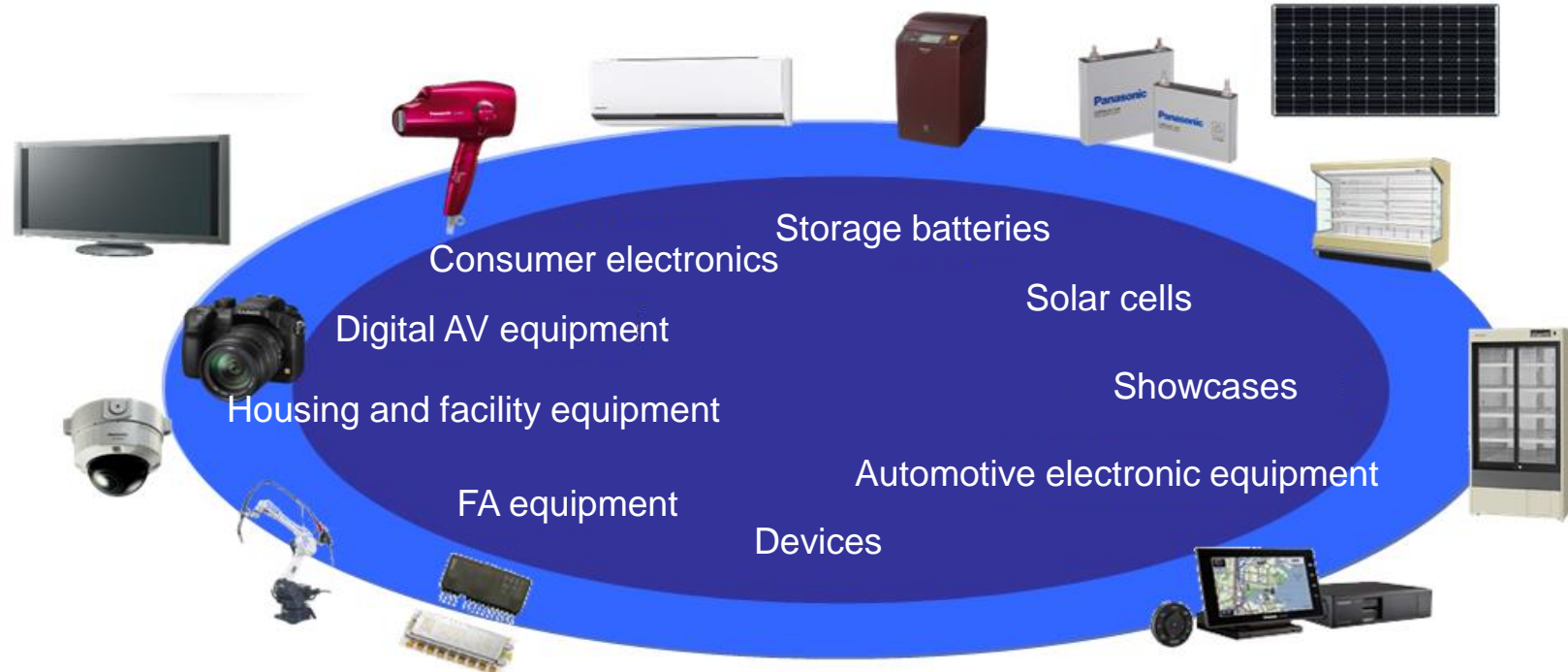
Company name: Panasonic Corporation  
President: Kazuhiro Tsuga  
Foundation: March 7, 1918  
Consolidated net sales: 7,550 billion yen (for March 2016)  
Number of employees (consolidated): 249,520 (consolidated, as of March 31, 2016)



President  
Kazuhiro Tsuga



Head office in Kadoma City,  
Osaka Prefecture

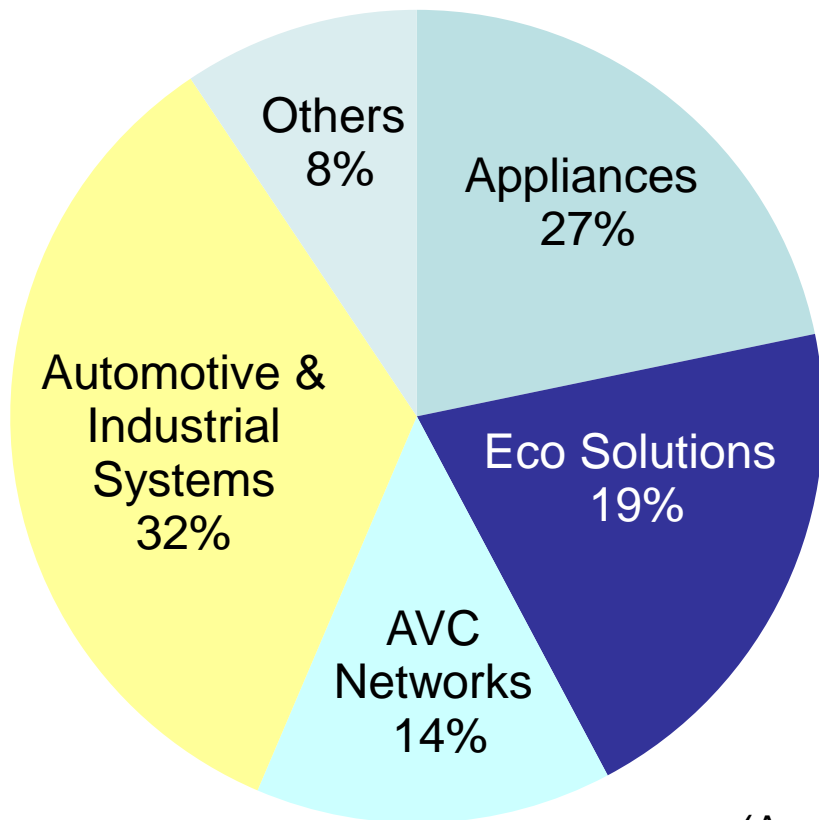


# 1. Outline of the Panasonic Group (Sales)

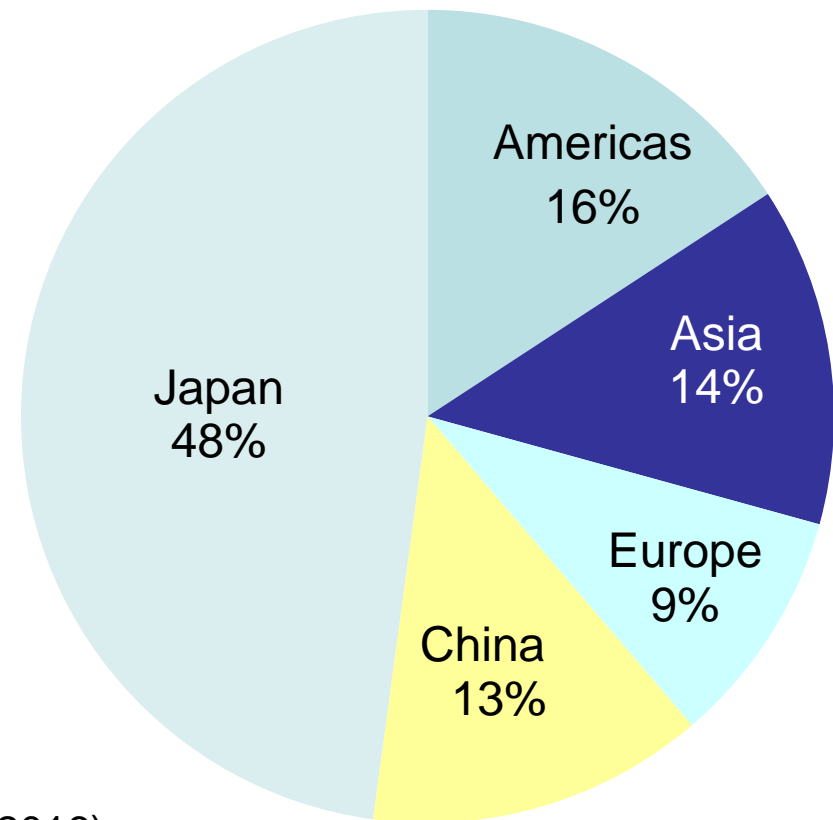
✧ Sales of 7,550 billion yen for March 2016

✧ Overseas sales of 52% (30% from the Americas and Asia)

Sales by business category



Sales by region



(As of March 31, 2016)

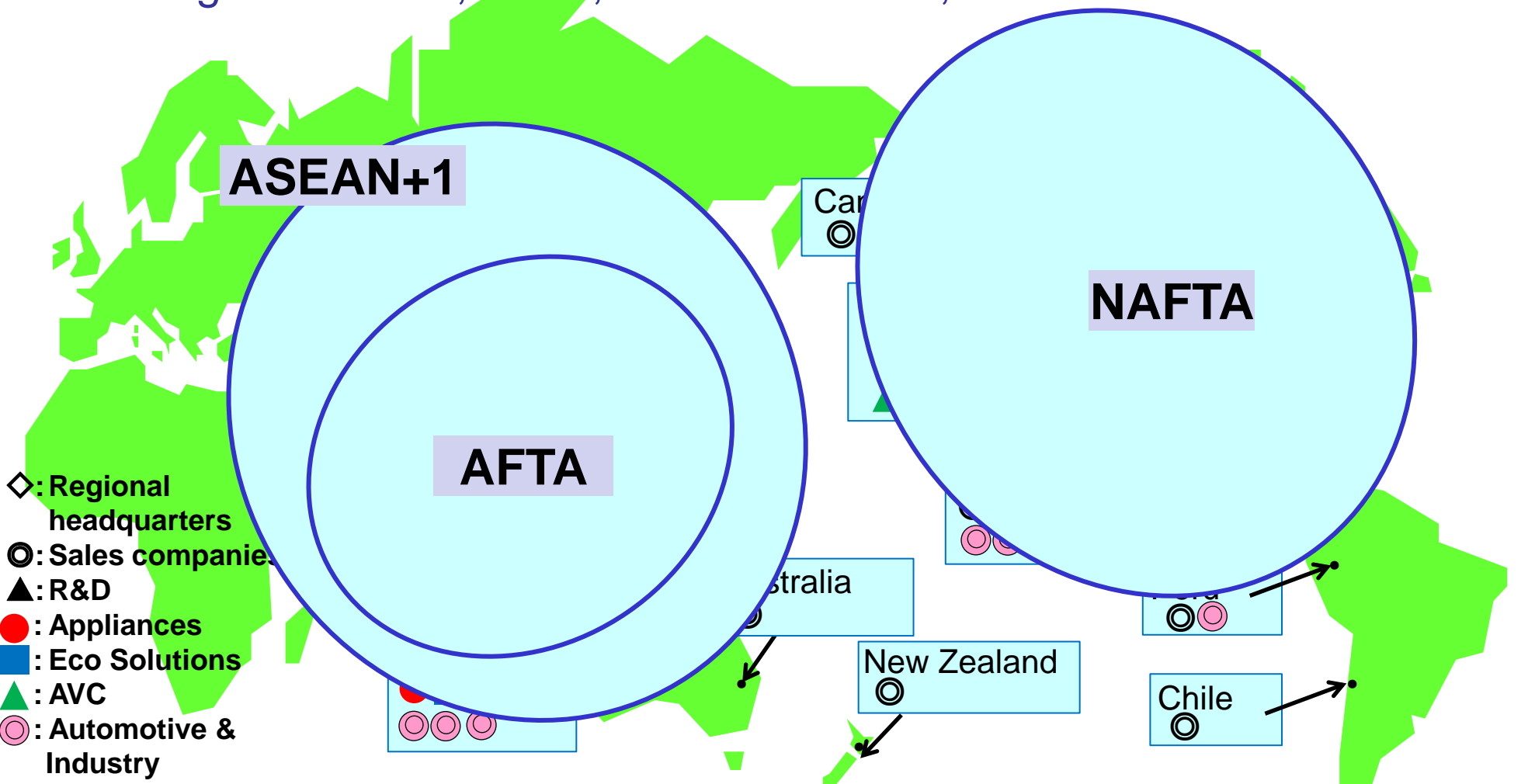
## 2. Global Expansion of Panasonic

- ✧ Our company is engaged in a variety of activities such as manufacturing, sales, research and development, as well as procurement at 293 locations in 46 countries.
- ✧ Most of the manufacturing sites are in ASEAN countries as well as in China.



# 3. Panasonic's Global Value Chain (TPP Member Countries)

- ✧ Finished products, components, and solutions of the global value chain have already built within the TPP region.
- ✧ Utilizing the NAFTA, AFTA, ASEAN+1 FTAs, etc.



# 4. Trade and Investment Issues

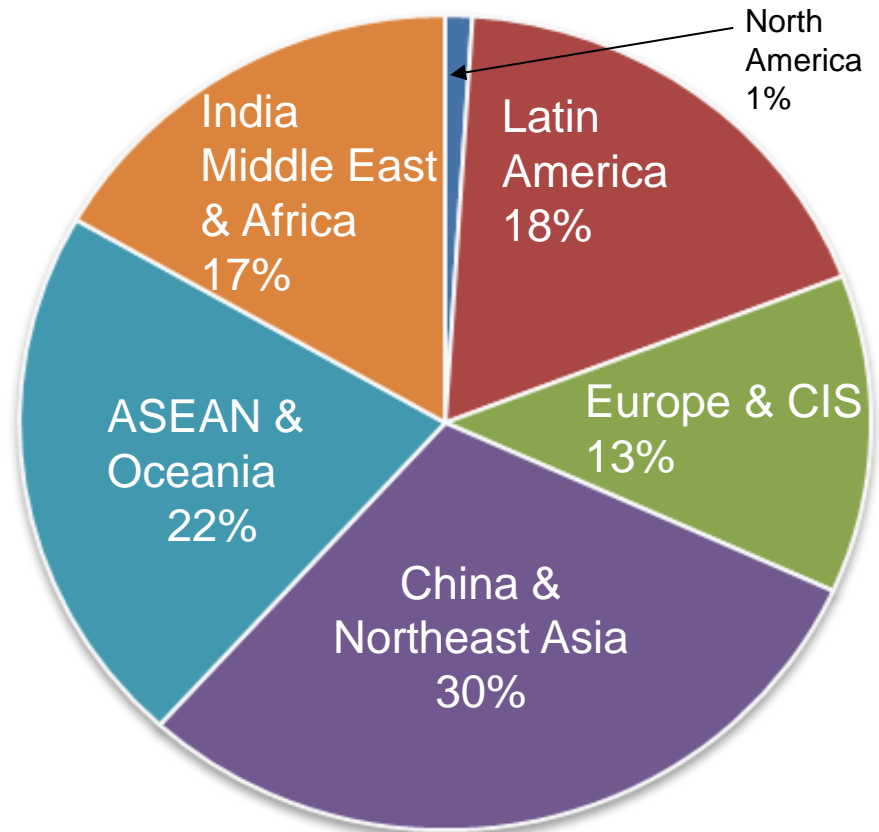
- ✧ There are many trade and investment issues in our overseas subsidiaries
- ✧ Importance of the smooth movement of business resources such as people, goods, capital, and information

## ◇ Overseas subsidiaries trade and investment issues in 2016

### Breakdown by field



### Breakdown by region



## 5. Expectations for the TPP

1. Market access
2. Global rules
3. e-Commerce, IoT

# 5. Expectations for the TPP

## 1. Market Access

- ◇ Tariff Reduction
  - Better market access to the United States  
Air conditioners (1 - 2.2%), Lithium-ion batteries for non-automotive uses (3.4%)
- ◇ Government procurement
  - Access to government procurement
- ◇ Customs procedures
  - Reduction of lead time as a result of speeding up customs procedures

## 2. Global rules

- ◇ Rules of origin
  - Common Rules of origin for 12 member countries
  - Introduction of a self-certification system
    - Quick preparation of certificates
  - Full accumulation
    - More flexible global value chain
- ◇ Investment
  - Prohibition of royalty regulations based on the license agreements  
(Each government can not get engaged to the royalty rate, etc.)



# 5. Expectations for the TPP

## 3. e-Commerce, IoT

### ◇ Electronic commerce

- Free flow of the global information and data  
→ Facilitate the electronic commerce
- Prohibition on requirement concerning the location of computing facilities such as servers  
→ Cloud service liberalization
- Prohibition of transfer or access requirements regarding source code  
→ Ensure the corporate competitiveness

### AI Robotics Home Appliances



### Autonomous Driving/Commuter



### Stores and Service Solutions



### Next-generation Logistics and Transport



**Panasonic**