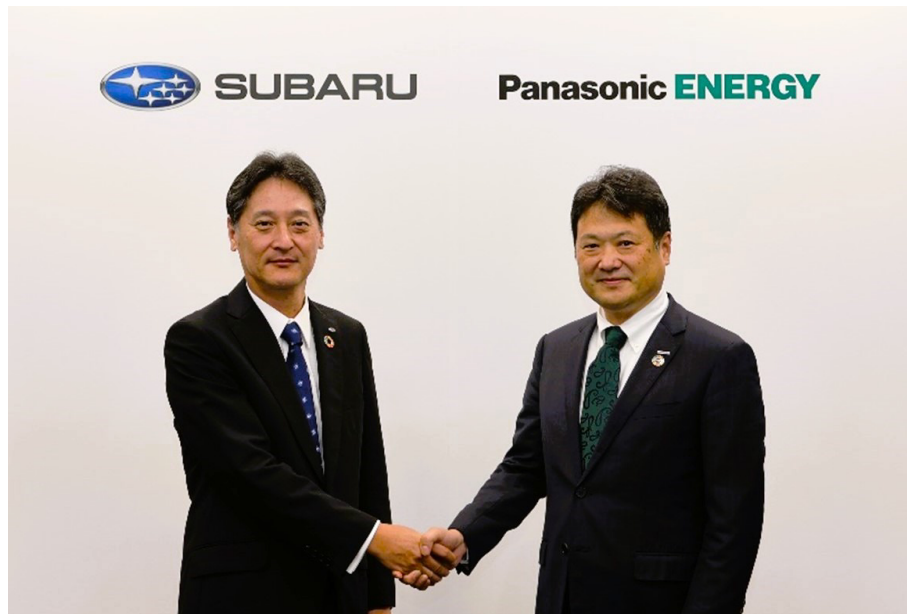


Subaru and Panasonic Energy to Begin Preparation for Supply of Automotive Lithium-ion Batteries and Joint Establishment of New Battery Factory in Japan

Launching a new 20GWh production capability, the collaboration will expand Japan's battery manufacturing base and accelerate EV adoption

Tokyo and Osaka, Japan, September 6, 2024 - Subaru Corporation ("Subaru") and Panasonic Energy Co., Ltd. ("Panasonic Energy"), a Panasonic Group Company, today announced plans to prepare for the supply of automotive lithium-ion batteries and joint establishment of a new battery factory in Oizumi, Gunma Prefecture, Japan. Panasonic Energy will supply its next-generation cylindrical automotive lithium-ion batteries for the battery electric vehicles (BEVs) Subaru plans to produce from the latter half of the 2020s. This follows their conclusion of a basic cooperative agreement and reflects their aim of establishing a medium- to long-term partnership.



Atsushi Osaki, President and CEO of Subaru (left), and Kazuo Tadanobu, President and CEO of Panasonic Energy (right)

Subaru has set a goal of having 50% of its 1.2 million global sales in 2030 be BEVs and, in conjunction with Panasonic Energy, will address the expanding demand for BEVs and automotive batteries. As part of this collaboration, Panasonic Energy will produce and supply cylindrical lithium-ion batteries at its Suminoe factory in Osaka from fiscal 2027,¹ and at the new jointly established lithium-ion battery factory in Oizumi, Gunma Prefecture from fiscal 2028.¹

Subaru plans to install these batteries in its BEVs. The annual production capacity for battery cells at the two domestic bases above for this project is planned to reach 20GWh by 2030, significantly increasing Panasonic Energy's domestic production capacity.

The Japanese government has strategically positioned storage batteries as a key asset of achieving carbon neutrality by 2050, and is working to expand the domestic battery supply chains and improve industrial competitiveness. Through this collaboration, Subaru and Panasonic Energy are poised to contribute to the strengthening of the domestic supply chain for cylindrical automotive lithium-ion batteries, while also expanding and enhancing Japan's manufacturing base. Furthermore, the initiative to increase battery production and develop battery technology as part of this partnership was approved by the Ministry of Economy, Trade and Industry on September 6, as part of its plan for establishing a stable supply of batteries.

Atsushi Osaki, President and CEO of Subaru, said, "Subaru is accelerating its efforts toward electrification to contribute to the realization of a carbon-neutral society. With a history of manufacturing that spans over 100 years, both Subaru and Panasonic Energy will continue to enhance their world-leading competitiveness and create the next 100 years of history."

Added Kazuo Tadanobu, President and CEO of Panasonic Energy, "Through this collaboration, we are poised to drive the expansion of EVs and boost the competitiveness of Japan's battery industry. Our ultimate goal is to foster a sustainable society, and we are dedicated to achieving this mission."

Reference

Approved Lithium-ion Battery Supply Plan by the Ministry of Economy, Trade and Industry

Production item	Cylindrical Automotive Lithium-ion Batteries
Production capacity	16GWh per year (by 2030)
Total investment	Approximately 463.0 billion yen
Subsidy	Approximately 156.4 billion yen (maximum)
Activities	Establishment of production infrastructure; development, introduction, and enhancement of production technology

The above subsidy amount does not include the investment/subsidy being provided for the 4GWh to be produced at the Panasonic Energy Suminoe factory.

¹ In this press release, fiscal years are referenced by their starting year. For example, fiscal 2027 refers to the fiscal year commencing April 2027.

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