

Notes to consolidated financial statements:

1. The company's consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles (U.S. GAAP).
2. In order to be consistent with generally accepted financial reporting practices in Japan, operating profit, a non-GAAP measure, is presented as net sales less cost of sales and selling, general and administrative expenses. The company believes that this is useful to investors in comparing the company's financial results with those of other Japanese companies. Please refer to the accompanying consolidated statement of operations and Note 3 for the U.S. GAAP reconciliation.
3. In accordance with U.S. GAAP, expenses associated with the implementation of early retirement programs at certain domestic and overseas companies and the impairment loss on goodwill and fixed assets are included as part of operating profit in the statement of operations.
4. In June 2011, FASB issued Accounting Standards Update (ASU) 2011-05, "Presentation of Comprehensive Income." Accordingly, the company adopted ASU 2011-05 from fiscal 2013 and presents the consolidated statement of comprehensive income (loss) following the consolidated statement of operations.
5. In other income (deductions), the company incurred expenses associated with the implementation of early retirement programs of certain domestic and overseas companies.
6. The impairment losses of goodwill and intangible assets are included in Other income (deductions), net.
7. The impairment losses of goodwill and intangible assets, and an increase in the valuation allowances to deferred tax assets are included in Other of cash flows from operating activities.
8. Diluted net income (loss) per share attributable to Panasonic Corporation common shareholders has been omitted because the company did not have potential common shares that were outstanding for the period.
9. Regarding consolidated segment profit (loss), expenses for basic research and administrative expenses at the corporate headquarters level are treated as unallocatable expenses for each segment, and are included in Corporate and eliminations.
10. Panasonic Electronic Devices Co., Ltd. and Panasonic Electronic Devices Japan Co., Ltd., were absorbed by the company on April 1, 2012.
11. Effective from the beginning of fiscal 2013, investments and depreciation expenses in molding dies are included in "Capital investment" and "Depreciation (tangible assets)," respectively. Accordingly, the amounts of "Depreciation (tangible assets)" and "Capital investment" of supplementary information on consolidated statements of operations for

fiscal 2012 are changed. The related amounts of the consolidated statements of cash flows and consolidated balance sheets for fiscal 2012 are also changed.

12. The company's segments are classified according to a business domain-based management system, which focuses on global consolidated management by each business domain company, in order to ensure consistency of its internal management structure and disclosure.

The company restructured its Group organization on January 1, 2012, resulting in the number of reportable segments from six to eight. Accordingly, segment information for the nine months ended December 31, 2011 has been reclassified to conform to the presentation for the nine months ended December 31, 2012.

Other segment consists of Healthcare Company, Manufacturing Solutions Company, PanaHome Corporation and others.

13. Number of consolidated companies: 547 (including parent company)
14. Number of associated companies under the equity method: 101