

**Notes to consolidated financial statements:**

1. 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 statements of income and Note 2 for the U.S. GAAP reconciliation.
2. Under U.S. GAAP, expenses associated with the implementation of early retirement programs at certain domestic and overseas companies and the impairment losses on goodwill and fixed assets would be included as part of operating profit in the statements of income.
3. Panasonic acquired all the shares of Hussmann Parent Inc., which had all the shares of Hussmann Corporation in the U.S., as of April 1, 2016. Both Hussmann Parent Inc. and Hussmann Corporation, and their subsidiaries became subsidiaries of Panasonic.
4. Assumption for going concern : None
5. Significant changes in Panasonic Corporation shareholders' equity: None
6. Significant subsequent events: None
7. The Company decided at the Board of Directors meeting held on October 31, 2016 to liquidate its consolidated subsidiary, Panasonic Plasma Display Co., Ltd. (PPD), file a petition for the commencement of special liquidation, and forgive debts that PPD owes to Panasonic.
8. Number of consolidated companies as of September 30, 2016: 508  
Number of associated companies under the equity method as of September 30, 2016: 97
9. Panasonic will voluntarily adopt International Financial Reporting Standards (IFRS) from its year-end financial results for fiscal 2017. Accordingly, the Company discloses its consolidated financial forecasts for fiscal 2017 based on IFRS.