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. Under U.S. GAAP, expenses associated with the implementation of early retirement programs at certain domestic and overseas companies and the impairment loss on fixed assets are included as part of operating profit in the statement of operations.

4. In other income (deductions), the company incurred expenses associated with the implementation of early retirement programs of certain domestic and overseas companies.

5. The impairment loss on fixed assets are included as other income (deduction), net.

6. Comprehensive income (loss) attributable to Panasonic Corporation was reported as a loss of 261,645 million yen for the six months ended September 30, 2011, and a loss of 46,563 million yen for the six months ended September 30, 2010. Comprehensive income (loss) attributable to Panasonic Corporation includes "net income (loss) attributable to Panasonic Corporation" and increases (decreases) in accumulated other comprehensive income (loss) attributable to Panasonic Corporation.

7. 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.

8. Regarding consolidated segment profit (loss), expenses for basic research and administrative expenses at the corporate headquarters level are treated as unallocatable expenses for each business segment, and are included in Corporate and eliminations.

9. On April 1, 2011, Panasonic conducted share exchanges in order to make Panasonic a wholly-owning parent company, and its subsidiaries Panasonic Electric Works Co., Ltd. (PEW) and SANYO Electric Co., Ltd. (SANYO) its wholly-owned subsidiaries. Therefore, both PEW and SANYO became wholly-owned subsidiaries of the company. The difference between the fair value of the shares of Panasonic delivered to the noncontrolling interest and the carrying amount of the noncontrolling interests was recognized as an adjustment to capital surplus. As a result of this share exchange, Panasonic Corporation shareholders' equity increased by 271,205 million yen while noncontrolling interests decreased by the same amount.

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

Principal internal divisional companies or units and subsidiaries operating in respective segments as of September 30, 2011 are as follows:

Digital AVC Networks
AVC Networks Company, Systems & Communications Company*,
Automotive Systems Company, Panasonic Healthcare Co., Ltd.

Home Appliances
Home Appliances Company, Lighting Company, Panasonic Ecology Systems Co., Ltd.

PEW and PanaHome
Panasonic Electric Works Co., Ltd., PanaHome Corporation

Components and Devices
Semiconductor Company, Panasonic Electronic Devices Co., Ltd., Energy Company

SANYO
SANYO Electric Co., Ltd.

Other
Panasonic Factory Solutions Co., Ltd., Panasonic Welding Systems Co., Ltd.

* The operations of System Networks Company and Panasonic Mobile Communications Co., Ltd. in Digital AVC Networks were integrated in April 2011. As a result, Systems & Communications Company was established.

11. Number of consolidated companies: 611 (including parent company)

12. Number of associated companies under the equity method: 113

# # #