

Report on Product Safety Issues

Progress Responding to Accidents Involving FF-type Kerosene Heaters

Panasonic would like to thank everyone involved for their support and cooperation with our efforts to respond to accidents caused by FF-type kerosene heaters.

Four winters have now passed since problems with FF-type kerosene heaters prompted an emergency order in 2005 and we instigated a Company-wide response. The Corporate FF Customer Support and Management Division continues to spearhead our ongoing efforts to prevent a similar incident from ever happening again.

In fiscal 2009, activities were extended to the whole of Japan, led by the staff of the Corporate FF Customer Support and Management Division. Local search activities sought to find products that had not yet been located, and they stepped up the recovery of products from customers who had their units inspected or repaired in the past, and inspected products before the winter arrived.

The local search activities focused on the following:

1. Surveys of disused schools
2. Surveys of disused ski fields and surrounding accommodations
3. Repeat surveys of the name list for products in circulation
4. Door-to-door surveys in specified regions with sparse populations and border settlements

In fiscal 2009, we visited approximately 120,000 places, found 73 products still in use, and confirmed the disposal of 886 units. In total, since the establishment of the Corporate FF Customer Support and Management Division in May 2006, approximately 1,050,000 site inspections have been conducted.

We also continued to run advertisements and notices, particularly at the beginning and the end of winter, which consisted of nationwide TV and radio commercials, public notices in newspapers, newspaper inserts, and notices in other media.

In fiscal 2009, we added 1,778 units to our name list of products sold, out of which we found 423 still in use, and confirmed that 1,355 have been discarded.

We are still finding products every month, some of which customers have continued to use un-repaired without realizing. With the help and cooperation of those involved, we will therefore continue our search activities without resting until we find every last unit.

The table below details our progress to date.

[Status of recalls, inspection and repairs (As of March 31, 2009)]

Date	March 31, 2009
Units sold	152,132
Units recorded	112,506
1. Replaced or discarded	35,677
2. Recovered or inspected/repaired	76,829
(1) Recovered	76,004
(2) Inspected/repaired	806
(3) Awaiting inspection	19

Percentage of units assessed and recorded as of March 31, 2009: 74.0%

USB Mobile Power Supply Company Recall Announcement Made to Prevent Accidents

Panasonic has recalled USB Mobile Power Supply units (product number: BQ-600) manufactured between June 2007 and January 2008 due to incidences of the units becoming hot. No incidents of burns or personal injury have been reported, but Panasonic is recalling the product as a precautionary measure and returned products will be replaced free of charge.

Panasonic discovered that a problem in the manufacturing process can result in the product becoming abnormally hot. In the manufacturing process, ceramic chip capacitors may be subject to excessive stress when being separated from the substrate. In some cases, this has caused fine cracks to appear, lessening the insulating capacity of the capacitor when in use and resulting in abnormal heating. Panasonic has determined that this heating could cause partial melting or deformation of the power supply unit's plastic case.

Having identified the cause of the problem and determined that it could re-occur, Panasonic made a company recall announcement to prevent an incident involving this product. Customers who have the affected product can return it to the shop where it was purchased or to a contact center for dealing with Panasonic USB mobile power supply products and exchange it free of charge.

We sincerely apologize for this inconvenience to our customers, and ask for your understanding and cooperation.

For inquiries contact

Panasonic USB Mobile Power Supply contact center (Free dial) 0120-660-648