

Please Note: The following are financial statements on a parent company alone basis (provided in yen only), which are in conformity with Japanese generally accepted accounting principles, and should not be confused with the aforementioned consolidated results.

Matsushita Electric Industrial Co., Ltd.
(Parent Alone)
Statement of Income
(Year ended March 31)

	<u>Yen (millions)</u>		<u>Percentage</u>
	<u>2006</u>	<u>2005</u>	<u>2006/2005</u>
Net sales	¥ 4,472,579	¥ 4,145,654	108%
Cost of sales	(3,603,401)	(3,368,926)	
Selling, general and administrative expenses	(745,960)	(688,335)	
Operating profit	<u>123,218</u>	<u>88,393</u>	139%
Interest income	1,226	2,529	
Dividend income	127,066	63,593	
Other income	27,935	38,914	
Interest expense	(6,029)	(8,499)	
Other expenses	(56,991)	(68,650)	
Recurring profit	<u>216,425</u>	<u>116,280</u>	186%
Non-recurring profit	106,944	28,970	
Non-recurring loss	(326,036)	(38,052)	
Income (loss) before income taxes	(2,667)	107,198	--
Provision for income taxes			
Current	9,283	7,857	
Deferred	(32,395)	25,888	
Net income	<u>¥ 20,445</u>	<u>¥ 73,453</u>	28%
Unappropriated retained earnings at beginning of period	43,786	41,012	
Interim dividend	(22,168)	(17,284)	
Unappropriated retained earnings at end of period	42,063	97,181	

Notes to parent-alone financial statements:

- Amounts less than 1 million yen have been rounded to the nearest whole million yen amount in the accompanying parent-alone financial statement.
- Similarly, in the descriptions on pages 4, 5 and 22 regarding parent-alone results and parent-alone sales breakdown, amounts less than one-tenth of a billion yen are rounded to the nearest whole billion yen amount.
- Non-recurring profit for fiscal 2006 includes 67,114 million yen related to the sale of securities, 21,047 million yen related to the sale of securities of certain subsidiaries, and 14,604 million yen as a result of the sale of certain fixed assets. Non-recurring loss for fiscal 2006 includes 184,532 million yen as a loss on valuation of securities associated with the liquidation of a subsidiary, MHI, 113,194 million yen as restructuring expenses such as losses associated with the closing of CRT TV-related overseas operations, and 24,905 million yen related to a recall of certain kerosene fan heaters, which the company manufactured and sold in Japan between 1985 and 1992.
- Net income per common share:

	<u>2006</u>	<u>2005</u>
Basic	9.08 yen	31.90 yen
Diluted	9.08 yen	--

Net income per common share (diluted) for fiscal 2005 is omitted because the company does not hold any dilutive securities.