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FOR IMMEDIATE RELEASE

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ANNOUNCEMENT OF FINANCIAL RESULTS
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(Note: Dollar amounts for the most recent period have been translated for convenience at the rate of U.S.\$1.00 = 119 yen.)

MATSUSHITA REPORTS THIRD QUARTER NET PROFIT INCREASE

- Full-year Forecast Revised Upward on Strong Third Quarter Results -

Osaka, Japan, February 1, 2007 -- Matsushita Electric Industrial Co., Ltd. (Matsushita [NYSE symbol: MC]) today reported its consolidated financial results for the third quarter and the nine months, ended December 31, 2006, of the current fiscal year, ending March 31, 2007 (fiscal 2007).

Consolidated Third-quarter Results

Consolidated group sales for the third quarter increased 2% to 2,436.8 billion yen (U.S.\$20.48 billion), from 2,398.4 billion yen in the same three-month period a year ago. Explaining the third quarter results, the company cited sales gains in digital audiovisual (AV) products. Of the consolidated group total, domestic sales increased 3% to 1,214.5 billion yen (\$10.21 billion), from 1,181.6 billion yen a year ago. Overseas sales amounted to 1,222.3 billion yen (\$10.27 billion), mostly unchanged from 1,216.8 billion yen in the third quarter of fiscal 2006.

During the third quarter, the U.S. economy remained steady with strong consumer spending. The Chinese economy maintained high-growth and the European economy continued a recovery trend. The Japanese economy, despite sluggish consumer spending, continued steady growth with strong export. Thus, the global economic situation was steady overall. However, the future economic conditions still remain uncertain, due primarily to possible adverse effects from weaker housing investment on individual spending in the U.S., and the concerns about a backlash to the current economic boom in China. Meanwhile, in the electronics industry, a severe business environment continued, due primarily to price declines mainly in digital AV products caused by intensified global competition. Under these circumstances, Matsushita is implementing growth strategies and strengthening management structures to ensure steady growth with profitability.

As part of such efforts, the company aggressively launched and promoted a new series of V-products to capture leading market shares and make a significant contribution to overall business results. Aiming to reinforce its management structures, the company has made all-out efforts to reduce raw materials costs and eliminate redundancies throughout the Matsushita Group.

Regarding earnings, operating profit¹ for the third quarter was up 5%, to 135.8 billion yen (\$1.14 billion), from 129.4 billion yen in the same period a year ago, despite the effects from increased raw materials costs and intensified global price competition. This improvement was due primarily to companywide cost reduction efforts and a weaker yen. Pre-tax income totaled 144.4 billion yen (\$1.21 billion), up 15% from 126.1 billion yen in the previous year, due mainly to a decrease in expenses associated with the implementation of early retirement programs. Net income also increased 60% to 78.7 billion yen (\$661 million), from 49.3 billion yen in the same quarter of the previous year. The company's net income per common share was 36.13 yen (\$0.30) on a diluted basis, versus 22.29 yen on the same period a year ago.

¹ For information about operating profit, see Note 2 of the Notes to consolidated financial statements on page 15.

Consolidated Nine-month Results

Consolidated group sales for the nine months ended December 31, 2006 increased 3% to 6,826.3 billion yen (\$57.36 billion), compared with 6,657.6 billion yen in the same nine-month period a year ago. Explaining the nine-month results, the company cited sales gains in digital AV products, such as flat-panel TVs. Domestic sales amounted to 3,394.6 billion yen (\$28.52 billion), up 1% from a year ago, while overseas sales increased 4% to 3,431.7 billion yen (\$28.84 billion) from the previous year's nine months.

For reasons similar to those given for third quarter results, the company's operating profit for the nine months increased 14% to 343.2 billion yen (\$2.88 billion), from 300.5 billion yen in the comparable period a year ago. Pre-tax income for the nine-month period increased 34% to 376.9 billion yen (\$3.17 billion), compared with 280.2 billion yen a year ago. In other income (deductions), the company recorded proceeds from tangible fixed assets and gains on the sale of investments, and incurred less expenses associated with the implementation of early retirement programs, compared with the previous year's nine months. Net income was also up 70% to 193.8 billion yen (\$1.63 billion), as compared with 113.7 billion yen in the nine months of the previous year. The company's net income per common share was 88.44 yen (\$0.74) on a diluted basis, versus 51.05 yen on the same period a year ago.

Consolidated Third-quarter Sales Breakdown by Product Category

The company's third-quarter consolidated sales by product category, as compared with prior year amounts, are summarized as follows:

AVC Networks

AVC Networks sales increased 2% to 1,069.3 billion yen (\$8.99 billion), from 1,049.1 billion yen in last year's third-quarter. Sales of video and audio equipment increased 4% from the previous year's third-quarter, due mainly to favorable sales in digital AV products such as flat-panel TVs and digital cameras.

In information and communications equipment, despite sales downturns of mobile phones, sales gains were recorded mainly in automotive electronics, thereby the overall sales remained almost unchanged from a year ago.

Home Appliances

Sales of Home Appliances increased 1% to 314.8 billion yen (\$2.64 billion), compared with 311.3 billion yen in last year's third-quarter, due mainly to favorable sales of air conditioners and compressors.

Components and Devices

Sales of Components and Devices were also up 2% to 294.0 billion yen (\$2.47 billion), compared with 286.9 billion yen in the same period of the previous year, due mainly to favorable sales in general electronic components.

MEW and PanaHome

Sales of MEW and PanaHome increased 11% to 428.1 billion yen (\$3.60 billion), from 387.3 billion yen a year ago. At Matsushita Electric Works, Ltd. (MEW) and its subsidiaries, sales gains were recorded in electrical construction materials and electronic and plastic materials. At PanaHome Corporation, sales of detached housing and rental apartment housing were favorable, contributing to overall increased sales.

JVC

Sales for JVC (Victor Company of Japan, Ltd. and its subsidiaries) totaled 176.3 billion yen (\$1.48 billion), down 17% from 211.8 billion yen in the third-quarter of the previous year. This result was due primarily to sluggish sales of AV equipment.

Other

Sales for Other totaled 154.3 billion yen (\$1.30 billion), up 1% from 152.0 billion yen in the same period a year ago.

Consolidated Financial Condition

Net cash provided by operating activities in the fiscal 2007 third quarter amounted to 129.6 billion yen (\$1.09 billion). This was attributable to cash inflows from net income and depreciation. Net cash used in investing activities amounted to 180.7 billion yen (\$1.52 billion). Capital expenditures for tangible fixed assets were 113.5 billion yen (\$0.95 billion), mainly consisting of manufacturing facilities for priority business areas such as plasma display panels (PDPs) and semiconductors, while time deposits increased 64.9 billion yen (\$0.55 billion) from the end of fiscal 2007 first half

(September 30, 2006). Net cash used in financing activities was 112.7 billion yen (\$0.95 billion). Major factors included the repurchase of the company's common stock and the payment of cash dividends. All these activities resulted in cash and cash equivalents of 1,265.9 billion yen (\$10.64 billion) at the end of December 2006, down 141.8 billion yen from the end of the first fiscal half.

The company's consolidated total assets as of December 31, 2006 increased by 96.3 billion yen as compared with the end of the first fiscal half, to 8,088.3 billion yen (\$67.97 billion). This was due mainly to an increase in trade receivables caused by seasonal factors such as year-end sales and an increase of market value in investments. Stockholders' equity increased 57.1 billion yen, as compared with the end of the first fiscal half, to 3,913.4 billion yen (\$32.89 billion) as of December 31, 2006. This was due primarily to increases in retained earnings and accumulated other comprehensive income as a result of increased market value of available-for-sale securities and a weaker yen, despite an increase in treasury stock on continued repurchases of the company's own shares.

Outlook for the Full Fiscal Year 2007, ending March 31, 2007

Regarding the outlook for the full fiscal year 2007, considering the current financial results, Matsushita today announced an upward revision of the forecast announced on April 28, 2006. Regarding net sales on a consolidated basis, Matsushita revised its previous forecast of 8,950 billion yen upward to 9,000 billion yen. The reasons given for the upward revision include favorable sales of V-products and a weaker yen, sufficient to offset sales downturns in mobile phones. Operating profit is now expected to remain unchanged, from the previous forecast of 450 billion yen. Despite negative factors such as increasing raw materials costs and ever-intensifying price competition, the rationalization efforts in materials costs and other cost reduction activities could offset those negative effects. Regarding consolidated income before income taxes², Matsushita has revised its forecast upward from the previously announced 400 billion yen to 430 billion yen, as a result of a decrease in restructuring expenses, as well as gains from the sale of tangible fixed assets and investments. Net income is now expected to increase from the previous forecast of 190 billion yen to 205 billion yen

² Other income (deductions) affecting the forecast for income before income taxes is expected to amount to a loss of 20 billion yen, including business restructuring charges of 25 billion yen.

as a result of increased pre-tax income.

Matsushita Electric Industrial Co., Ltd., best known for its Panasonic brand products, is one of the world's leading manufacturers of electronic and electric products for consumer, business and industrial use. Matsushita's shares are listed on the Tokyo, Osaka, Nagoya and New York stock exchanges.

For more information, please visit the following web sites:

Matsushita home page URL: <http://panasonic.net/>

Matsushita IR web site URL: <http://ir-site.panasonic.com/>

Disclaimer Regarding Forward-Looking Statements

This press release includes forward-looking statements (within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934) about Matsushita and its Group companies (the Matsushita Group). To the extent that statements in this press release do not relate to historical or current facts, they constitute forward-looking statements. These forward-looking statements are based on the current assumptions and beliefs of the Matsushita Group in light of the information currently available to it, and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause the Matsushita Group's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. Matsushita undertakes no obligation to publicly update any forward-looking statements after the date of this press release. Investors are advised to consult any further disclosures by Matsushita in its subsequent filings with the U.S. Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934.

The risks, uncertainties and other factors referred to above include, but are not limited to, economic conditions, particularly consumer spending and corporate capital expenditures in the United States, Europe, Japan, China and other Asian countries; volatility in demand for electronic equipment and components from business and industrial customers, as well as consumers in many product and geographical markets; currency rate fluctuations, notably between the yen, the U.S. dollar, the euro, the Chinese yuan, Asian currencies and other currencies in which the Matsushita Group operates businesses, or in which assets and liabilities of the Matsushita Group are denominated; the ability of the Matsushita Group to respond to rapid technological changes and changing consumer preferences with timely and cost-effective introductions of new products in markets that are highly competitive in terms of both price and technology; the ability of the Matsushita Group to achieve its business objectives through joint ventures and other collaborative agreements with other companies; the ability of the Matsushita Group to maintain competitive strength in many product and geographical areas; the possibility of incurring expenses resulting from any defects in products or services of the Matsushita Group; the possibility that the Matsushita Group may face intellectual property infringement claims by third parties; current and potential, direct and indirect restrictions imposed by other countries over trade, manufacturing, labor and operations; fluctuations in market prices of securities and other assets in which the Matsushita Group has holdings or changes in valuation of long-lived assets, including property, plant and equipment and goodwill, and deferred tax assets; future changes or revisions to accounting policies or accounting rules; as well as natural disasters including earthquakes and other events that may negatively impact business activities of the Matsushita Group. The factors listed above are not all-inclusive and further information is contained in Matsushita's latest annual report on Form 20-F, which is on file with the U.S. Securities and Exchange Commission.

(Financial Tables and Additional Information Attached)

Matsushita Electric Industrial Co., Ltd.
Consolidated Statement of Income *
(Three months ended December 31)

	Yen (millions)		Percentage	U.S. Dollars (millions)
	2006	2005	2006/2005	2006
Net sales	¥ 2,436,828	¥ 2,398,420	102%	\$ 20,478
Cost of sales	(1,717,381)	(1,651,182)		(14,432)
Selling, general and administrative expenses	(583,614)	(617,818)		(4,905)
Operating profit	135,833	129,420	105%	1,141
Other income (deductions):				
Interest income	8,662	7,226		73
Dividend income	2,677	1,776		23
Interest expense	(5,089)	(5,635)		(43)
Expenses associated with the implementation of early retirement programs **	(472)	(8,049)		(4)
Other income, net	2,783	1,351		23
Income before income taxes	144,394	126,089	115%	1,213
Provision for income taxes	(56,943)	(54,116)		(479)
Minority interests	(8,852)	(7,071)		(74)
Equity in earnings (losses) of associated companies	74	(15,633)		1
Net income	¥ 78,673	¥ 49,269	160%	\$ 661
Net income, basic				
per common share	36.13 yen	22.29 yen		\$0.30
per ADS	36.13 yen	22.29 yen		\$0.30
Net income, diluted				
per common share	36.13 yen	22.29 yen		\$0.30
per ADS	36.13 yen	22.29 yen		\$0.30

(Parentheses indicate expenses, deductions or losses.)

* ** See Notes to consolidated financial statements on pages 15-16.

Supplementary Information
(Three months ended December 31)

	Yen (millions)		U.S. Dollars (millions)
	2006	2005	2006
Depreciation (tangible assets):	¥ 69,923	¥ 68,523	\$ 588
Capital investment ***:	¥ 117,649	¥ 98,226	\$ 989
R&D expenditures:	¥ 139,087	¥ 138,147	\$ 1,169
Number of employees (Dec. 31)	329,753	330,581	

*** These figures are calculated on an accrual basis.

Matsushita Electric Industrial Co., Ltd.
Consolidated Statement of Income *
(Nine months ended December 31)

	Yen (millions)		Percentage	U.S. Dollars (millions)
	2006	2005	2006/2005	2006
Net sales	¥ 6,826,322	¥ 6,657,633	103%	\$ 57,364
Cost of sales	(4,802,430)	(4,608,348)		(40,357)
Selling, general and administrative expenses	(1,680,668)	(1,748,778)		(14,123)
Operating profit	343,224	300,507	114%	2,884
Other income (deductions):				
Interest income	20,522	18,369		173
Dividend income	6,827	6,535		57
Interest expense	(15,282)	(15,868)		(128)
Expenses associated with the implementation of early retirement programs **	(4,764)	(28,823)		(40)
Other income (loss), net	26,341	(520)		221
Income before income taxes	376,868	280,200	134%	3,167
Provision for income taxes	(156,616)	(139,544)		(1,316)
Minority interests	(26,784)	(475)		(225)
Equity in earnings (losses) of associated companies	328	(26,505)		3
Net income	¥ 193,796	¥ 113,676	170%	\$ 1,629
Net income, basic				
per common share	88.44 yen	51.05 yen		\$0.74
per ADS	88.44 yen	51.05 yen		\$0.74
Net income, diluted				
per common share	88.44 yen	51.05 yen		\$0.74
per ADS	88.44 yen	51.05 yen		\$0.74

(Parentheses indicate expenses, deductions or losses.)

* ** See Notes to consolidated financial statements on pages 15-16.

Supplementary Information
(Nine months ended December 31)

	Yen (millions)		U.S. Dollars (millions)
	2006	2005	2006
Depreciation (tangible assets):	¥ 203,786	¥ 200,862	\$ 1,712
Capital investment ***:	¥ 323,772	¥ 257,670	\$ 2,721
R&D expenditures:	¥ 420,911	¥ 416,564	\$ 3,537

*** These figures are calculated on an accrual basis.

Matsushita Electric Industrial Co., Ltd.
Consolidated Balance Sheet **
December 31, 2006
With comparative figures for September 30, 2006

	Yen (millions)		U.S. Dollars (millions)
	<u>Dec. 31, 2006</u>	<u>Sept. 30, 2006</u>	<u>Dec. 31, 2006</u>
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	¥ 1,265,881	¥ 1,407,706	\$ 10,638
Time deposits	236,694	171,118	1,989
Short-term investments	75,770	60,859	637
Trade receivables (notes and accounts) and other current assets	1,782,907	1,723,409	14,982
Inventories	1,054,487	1,036,870	8,861
Total current assets	<u>4,415,739</u>	<u>4,399,962</u>	<u>37,107</u>
Investments and advances	1,230,294	1,161,423	10,339
Property, plant and equipment, net of accumulated depreciation	1,662,959	1,645,773	13,974
Other assets	779,350	784,867	6,549
Total assets	<u>¥ 8,088,342</u>	<u>¥ 7,992,025</u>	<u>\$ 67,969</u>
<u>Liabilities and Stockholders' Equity</u>			
Current liabilities:			
Short-term borrowings	¥ 301,027	¥ 315,143	\$ 2,530
Trade receivables (notes and accounts) and other current assets	2,626,862	2,573,907	22,074
Total current liabilities	<u>2,927,889</u>	<u>2,889,050</u>	<u>24,604</u>
Long-term debt	258,350	263,005	2,171
Other long-term liabilities	476,662	481,402	4,006
Minority interests	512,082	502,301	4,303
Common stock	258,740	258,740	2,174
Capital surplus	1,234,364	1,234,342	10,373
Legal reserve	88,347	88,342	742
Retained earnings	2,713,876	2,668,102	22,806
Accumulated other comprehensive income (loss) *	53,062	(9,096)	446
Treasury stock	(435,030)	(384,163)	(3,656)
Total liabilities and stockholders' equity	<u>¥ 8,088,342</u>	<u>¥ 7,992,025</u>	<u>\$ 67,969</u>

* Accumulated other comprehensive income (loss) breakdown:

	Yen (millions)		U.S. Dollars (millions)
	<u>Dec. 31, 2006</u>	<u>Sept. 30, 2006</u>	<u>Dec. 31, 2006</u>
Cumulative translation adjustments	¥ (101,652)	¥ (132,308)	\$ (854)
Unrealized holding gains of available-for-sale securities	170,855	137,838	1,436
Unrealized gains (losses) of derivative instruments	(1,313)	138	(11)
Minimum pension liability adjustments	(14,828)	(14,764)	(125)

** See Notes to consolidated financial statements on pages 15-16.

Matsushita Electric Industrial Co., Ltd.
Consolidated Sales Breakdown *
(Three months ended December 31)

	Yen (billions)		Percentage 2006/2005	U.S. Dollars (millions) 2006
	2006	2005		
<u>AVC Networks</u>				
Video and audio equipment	¥ 537.0	¥ 516.7	104%	\$ 4,513
Information and communications equipment	532.3	532.4	100%	4,473
Subtotal	1,069.3	1,049.1	102%	8,986
<u>Home Appliances</u>	314.8	311.3	101%	2,645
<u>Components and Devices</u>	294.0	286.9	102%	2,471
<u>MEW and PanaHome</u>	428.1	387.3	111%	3,597
<u>JVC</u>	176.3	211.8	83%	1,482
<u>Other</u>	154.3	152.0	101%	1,297
Total	¥ 2,436.8	¥ 2,398.4	102%	\$ 20,478
Domestic sales	1,214.5	1,181.6	103%	10,206
Overseas sales	1,222.3	1,216.8	100%	10,272

(Nine months ended December 31)

	Yen (billions)		Percentage 2006/2005	U.S. Dollars (millions) 2006
	2006	2005		
<u>AVC Networks</u>				
Video and audio equipment	¥ 1,337.3	¥ 1,261.1	106%	\$ 11,238
Information and communications equipment	1,502.2	1,535.4	98%	12,623
Subtotal	2,839.5	2,796.5	102%	23,861
<u>Home Appliances</u>	918.4	889.7	103%	7,718
<u>Components and Devices</u>	852.4	817.9	104%	7,163
<u>MEW and PanaHome</u>	1,240.0	1,139.7	109%	10,420
<u>JVC</u>	497.9	545.5	91%	4,184
<u>Other</u>	478.1	468.3	102%	4,018
Total	¥ 6,826.3	¥ 6,657.6	103%	\$ 57,364
Domestic sales	3,394.6	3,355.3	101%	28,526
Overseas sales	3,431.7	3,302.3	104%	28,838

* See Notes to consolidated financial statements on pages 15-16.

Matsushita Electric Industrial Co., Ltd.
Consolidated Sales Breakdown *
(Three months ended December 31)

[Domestic/Overseas Sales Breakdown]

(in yen only)

	Domestic sales		Overseas sales	
	Yen (billions)	Percentage	Yen (billions)	Percentage
	<u>2006</u>	<u>2006/2005</u>	<u>2006</u>	<u>2006/2005</u>
<i><u>AVC Networks</u></i>				
Video and audio equipment	¥ 155.2	97%	¥ 381.8	107%
Information and communications equipment	<u>257.1</u>	106%	<u>275.2</u>	95%
Subtotal	<u>412.3</u>	102%	<u>657.0</u>	102%
<i><u>Home Appliances</u></i>	<u>185.3</u>	97%	<u>129.5</u>	108%
<i><u>Components and Devices</u></i>	<u>108.9</u>	101%	<u>185.1</u>	104%
<i><u>MEW and PanaHome</u></i>	<u>361.2</u>	112%	<u>66.9</u>	105%
<i><u>JVC</u></i>	<u>48.8</u>	83%	<u>127.5</u>	83%
<i><u>Other</u></i>	<u>98.0</u>	101%	<u>56.3</u>	103%
Total	<u>¥ 1,214.5</u>	103%	<u>¥ 1,222.3</u>	100%

(Nine months ended December 31)

[Domestic/Overseas Sales Breakdown]

(in yen only)

	Domestic sales		Overseas sales	
	Yen (billions)	Percentage	Yen (billions)	Percentage
	<u>2006</u>	<u>2006/2005</u>	<u>2006</u>	<u>2006/2005</u>
<i><u>AVC Networks</u></i>				
Video and audio equipment	¥ 374.6	97%	¥ 962.7	110%
Information and communications equipment	<u>712.5</u>	99%	<u>789.7</u>	97%
Subtotal	<u>1,087.1</u>	98%	<u>1,752.4</u>	104%
<i><u>Home Appliances</u></i>	<u>524.3</u>	99%	<u>394.1</u>	109%
<i><u>Components and Devices</u></i>	<u>302.2</u>	99%	<u>550.2</u>	108%
<i><u>MEW and PanaHome</u></i>	<u>1,045.9</u>	108%	<u>194.1</u>	113%
<i><u>JVC</u></i>	<u>139.8</u>	89%	<u>358.1</u>	92%
<i><u>Other</u></i>	<u>295.3</u>	103%	<u>182.8</u>	100%
Total	<u>¥ 3,394.6</u>	101%	<u>¥ 3,431.7</u>	104%

* See Notes to consolidated financial statements on pages 15-16.

Matsushita Electric Industrial Co., Ltd.
Consolidated Information by Segments *
(Three months ended December 31)

By Business Segment:

	Yen (billions)		Percentage	U.S. Dollars (millions)
[Sales]	2006	2005	2006/2005	2006
AVC Networks	¥ 1,145.1	¥ 1,125.5	102%	\$ 9,623
Home Appliances	337.5	329.5	102%	2,836
Components and Devices	360.9	356.8	101%	3,033
MEW and PanaHome	467.0	435.1	107%	3,924
JVC	177.8	214.1	83%	1,494
Other	350.9	322.7	109%	2,949
Subtotal	2,839.2	2,783.7	102%	23,859
Eliminations	(402.4)	(385.3)	--	(3,381)
Consolidated total	¥ 2,436.8	¥ 2,398.4	102%	\$ 20,478

[Segment Profit] **

AVC Networks	¥ 71.0	¥ 58.1	122%	\$ 597
Home Appliances	18.9	24.4	78%	159
Components and Devices	25.6	26.0	98%	215
MEW and PanaHome	24.9	23.1	108%	209
JVC	0.5	1.3	36%	4
Other	12.1	13.5	90%	102
Subtotal	153.0	146.4	104%	1,286
Corporate and eliminations	(17.2)	(17.0)	--	(145)
Consolidated total	¥ 135.8	¥ 129.4	105%	\$ 1,141

(Nine months ended December 31)

By Business Segment:

	Yen (billions)		Percentage	U.S. Dollars (millions)
[Sales]	2006	2005	2006/2005	2006
AVC Networks	¥ 3,053.8	¥ 3,007.3	102%	\$ 25,662
Home Appliances	974.7	933.2	104%	8,191
Components and Devices	1,046.2	1,037.6	101%	8,792
MEW and PanaHome	1,358.2	1,272.4	107%	11,413
JVC	504.9	550.4	92%	4,243
Other	1,102.0	941.6	117%	9,260
Subtotal	8,039.8	7,742.5	104%	67,561
Eliminations	(1,213.5)	(1,084.9)	--	(10,197)
Consolidated total	¥ 6,826.3	¥ 6,657.6	103%	\$ 57,364

[Segment Profit] **

AVC Networks	¥ 172.5	¥ 142.9	121%	\$ 1,450
Home Appliances	59.2	63.9	93%	497
Components and Devices	76.2	59.7	128%	640
MEW and PanaHome	57.4	51.6	111%	482
JVC	(0.5)	(2.7)	--	(4)
Other	44.0	42.2	104%	370
Subtotal	408.8	357.6	114%	3,435
Corporate and eliminations	(65.6)	(57.1)	--	(551)
Consolidated total	¥ 343.2	¥ 300.5	114%	\$ 2,884

* ** See Notes to consolidated financial statements on pages 15-16.

Matsushita Electric Industrial Co., Ltd.
Consolidated Statement of Cash Flows *
(Three months ended December 31)

	Yen (millions)		U.S. Dollars (millions)
	2006	2005	2006
<i><u>Cash flows from operating activities:</u></i>			
Net income	¥ 78,673	¥ 49,269	\$ 661
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	78,231	76,981	658
Net (gain) loss on sale of investments	(5,719)	(2,848)	(48)
Minority interests	8,852	7,071	74
(Increase) decrease in trade receivables	(33,191)	(48,682)	(279)
(Increase) decrease in inventories	(589)	40,298	(5)
Increase (decrease) in trade payables	(2,196)	(19,188)	(18)
Increase (decrease) in retirement and severance benefits	(21,663)	(19,193)	(182)
Other	27,159	70,622	228
Net cash provided by operating activities	<u>¥ 129,557</u>	<u>¥ 154,330</u>	<u>\$ 1,089</u>
<i><u>Cash flows from investing activities:</u></i>			
(Increase) decrease in short-term investments	--	(27,977)	--
Proceeds from disposition of investments and advances	27,623	10,467	232
Increase in investments and advances	(55,422)	(60,039)	(466)
Capital expenditures	(113,520)	(94,031)	(954)
Proceeds from sale of fixed assets	32,320	55,368	272
(Increase) decrease in time deposits	(64,920)	(7,350)	(545)
Other	(6,733)	(11,924)	(57)
Net cash used in investing activities	<u>¥ (180,652)</u>	<u>¥ (135,486)</u>	<u>\$ (1,518)</u>
<i><u>Cash flows from financing activities:</u></i>			
Increase (decrease) in short-term borrowings	(14,822)	19,793	(125)
Increase (decrease) in deposits and advances from employees	(117)	3,556	(1)
Increase (decrease) in long-term debt	(9,550)	(69,976)	(80)
Dividends paid	(32,894)	(22,168)	(276)
Dividends paid to minority interests	(4,507)	(4,081)	(38)
(Increase) decrease in treasury stock	(50,845)	(14,055)	(427)
Other	--	400	--
Net cash used in financing activities	<u>¥ (112,735)</u>	<u>¥ (86,531)</u>	<u>\$ (947)</u>
Effect of exchange rate changes on cash and cash equivalents	22,005	25,482	185
Net increase (decrease) in cash and cash equivalents	(141,825)	(42,205)	(1,191)
Cash and cash equivalents at beginning of period	1,407,706	1,455,714	11,829
Cash and cash equivalents at end of period	<u>¥ 1,265,881</u>	<u>¥ 1,413,509</u>	<u>\$ 10,638</u>

* See Notes to consolidated financial statements on pages 15-16.

Matsushita Electric Industrial Co., Ltd.
Consolidated Statement of Cash Flows *
(Nine months ended December 31)

	Yen (millions)		U.S. Dollars (millions)
	2006	2005	2006
<i><u>Cash flows from operating activities:</u></i>			
Net income	¥ 193,796	¥ 113,676	\$ 1,629
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	230,379	227,505	1,936
Net (gain) loss on sale of investments	(36,838)	(21,902)	(309)
Minority interests	26,784	475	225
(Increase) decrease in trade receivables	(3,062)	(54,947)	(26)
(Increase) decrease in inventories	(105,742)	(54,627)	(888)
Increase (decrease) in trade payables	(21,510)	57,728	(181)
Increase (decrease) in retirement and severance benefits	(80,756)	(54,380)	(679)
Other	124,157	131,014	1,043
Net cash provided by operating activities	<u>¥ 327,208</u>	<u>¥ 344,542</u>	<u>\$ 2,750</u>
<i><u>Cash flows from investing activities:</u></i>			
(Increase) decrease in short-term investments	26,540	(20,636)	223
Proceeds from disposition of investments and advances	84,440	384,403	710
Increase in investments and advances	(222,445)	(186,058)	(1,869)
Capital expenditures	(320,423)	(290,503)	(2,693)
Proceeds from sale of fixed assets	132,610	145,749	1,114
(Increase) decrease in time deposits	(235,037)	74,476	(1,975)
Proceeds from sale of shares of subsidiaries	40,548	62,948	341
Other	(29,952)	(31,484)	(252)
Net cash provided by (used in) investing activities	<u>¥ (523,719)</u>	<u>¥ 138,895</u>	<u>\$ (4,401)</u>
<i><u>Cash flows from financing activities:</u></i>			
Increase (decrease) in short-term borrowings	(25,799)	47,114	(217)
Increase (decrease) in deposits and advances from employees	(13,624)	76	(114)
Increase (decrease) in long-term debt	(39,951)	(187,521)	(336)
Dividends paid	(54,989)	(39,106)	(462)
Dividends paid to minority interests	(13,919)	(13,719)	(117)
(Increase) decrease in treasury stock	(92,250)	(86,181)	(775)
Other	--	5,125	--
Net cash used in financing activities	<u>¥ (240,532)</u>	<u>¥ (274,212)</u>	<u>\$ (2,021)</u>
Effect of exchange rate changes on cash and cash equivalents	35,528	34,528	298
Net increase (decrease) in cash and cash equivalents	(401,515)	243,753	(3,374)
Cash and cash equivalents at beginning of period	1,667,396	1,169,756	14,012
Cash and cash equivalents at end of period	<u>¥ 1,265,881</u>	<u>¥ 1,413,509</u>	<u>\$ 10,638</u>

* See Notes to consolidated financial statements on pages 15-16.

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 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 income and Note 5 for U.S. GAAP reconciliation.
3. On April 1, 2005, Matsushita sold approximately 2,707 thousand shares of Matsushita Leasing & Credit Co., Ltd. (MLC) to The Sumitomo Trust & Banking Co., Ltd. (STB) for cash proceeds of 27,756 million yen, and recorded a gain of 10,313 million yen, pursuant to a basic agreement regarding the equity ownership of MLC concluded between the company and STB. As a result of the sale, Matsushita now owns 34% of MLC's total issued shares. MLC (renamed Sumishin Matsushita Financial Services Co., Ltd. on May 1, 2005) was changed from a consolidated subsidiary to an equity method investee of Matsushita as of April 1, 2005.
4. Comprehensive income was reported as a gain of 140,831 million yen (\$1,183 million) for the third quarter ended December 31, 2006, and a gain of 169,527 million yen for the third quarter ended December 31, 2005. Comprehensive income was a gain of 272,977 million yen (\$2,294 million) for the nine months ended December 31, 2006, and a gain of 340,456 million yen for the nine months a year ago. Comprehensive income includes net income and increases (decreases) in cumulative translation adjustments, unrealized holding gains of available-for-sale securities, unrealized gains (losses) of certain derivative instruments and minimum pension liability adjustments.
5. Under U.S. GAAP, expenses associated with the implementation of early retirement programs at certain domestic and overseas companies are included as part of operating profit in the statement of income.
6. Regarding consolidated segment profit, 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.
7. 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 are as follows:

AVC Networks

Panasonic AVC Networks Company, Panasonic Communications Co., Ltd.,
Panasonic Mobile Communications Co., Ltd., Panasonic Automotive Systems Company,
Panasonic System Solutions Company, Panasonic Shikoku Electronics Co., Ltd.

Home Appliances

Home Appliances Group, Healthcare Business Company, Lighting Company,
Matsushita Ecology Systems Co., Ltd.

Components and Devices

Semiconductor Company, Matsushita Battery Industrial Co., Ltd.,
Panasonic Electronic Devices Co., Ltd., Motor Company

MEW and PanaHome

Matsushita Electric Works, Ltd., PanaHome Corporation

JVC

Victor Company of Japan, Ltd.

Other

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

8. Number of consolidated companies: 629
9. Number of companies reflected by the equity method: 72
10. United States Dollar amounts are translated from yen for convenience at the rate of U.S. \$1.00 = 119 yen, the approximate rate on the Tokyo Foreign Exchange Market on December 29, 2006.
11. Each American Depositary Share (ADS) represents 1 share of common stock.

Details of Product Categories

AVC Networks

Plasma, LCD and CRT TVs, DVD recorders/players, VCRs, camcorders, digital cameras, compact disc (CD), Mini Disc (MD) and Secure Digital (SD) players, other personal and home audio equipment, SD Memory Cards and other recordable media, optical pickup and other electro-optic devices, PCs, optical disc drives, copiers, printers, telephones, mobile phones, facsimile equipment, broadcast- and business-use AV equipment, communications network-related equipment, traffic-related systems, car AVC equipment, etc.

Home Appliances

Refrigerators, room air conditioners, washing machines, clothes dryers, vacuum cleaners, electric irons, microwave ovens, rice cookers, other cooking appliances, dish washer/dryers, electric fans, air purifiers, electric heating equipment, electric hot water supply equipment, sanitary equipment, healthcare equipment, electric lamps, ventilation and air-conditioning equipment, car air conditioners, compressors, vending machines, medical equipment, etc.

Components and Devices

Semiconductors, general components (capacitors, modules, circuit boards, power supply and inductive products, circuit components, electromechanical components, speakers, etc.), electric motors, batteries, etc.

MEW and PanaHome

Lighting fixtures, wiring devices, distribution panelboards, personal-care products, health enhancing products, water-related products, modular kitchen systems, interior furnishing materials, exterior furnishing materials, electronic and plastic materials, automation controls, detached housing, rental apartment housing, medical and nursing care facilities, home remodeling, residential real estate, etc.

JVC

LCD, rear projection, CRT TVs, VCRs, camcorders, DVD recorders/players, CD/DVD/MD audio systems and other audio equipment, car AV equipment, business-use AV systems, motors and other components for precision equipment, recordable media, AV software for DVD, CD and video tapes, AV furniture, etc.

Other

Electronic-components-mounting machines, industrial robots, welding equipment, bicycles, imported materials and components, etc.

Supplemental Consolidated Financial Data for Fiscal 2007 Third Quarter, ended December 31, 2006

1. Sales breakdown for Fiscal 2007 Third Quarter, ended December 31, 2006

Third Quarter <Oct. to Dec. 2006>

yen (billions)

By Product Category	Total	07/06	Local currency basis 07/06	Domestic	07/06	Overseas	07/06	Local currency basis 07/06
Video and audio equipment	537.0	104%	101%	155.2	97%	381.8	107%	103%
Information and communications equipment	532.3	100%	99%	257.1	106%	275.2	95%	92%
AVC Networks	1,069.3	102%	100%	412.3	102%	657.0	102%	98%
Home Appliances	314.8	101%	100%	185.3	97%	129.5	108%	104%
Components and Devices	294.0	102%	101%	108.9	101%	185.1	104%	100%
MEW and PanaHome	428.1	111%	110%	361.2	112%	66.9	105%	101%
JVC	176.3	83%	80%	48.8	83%	127.5	83%	79%
Other	154.3	101%	101%	98.0	101%	56.3	103%	101%
Total	2,436.8	102%	100%	1,214.5	103%	1,222.3	100%	97%

Nine Months <Apr. to Dec. 2006>

yen (billions)

By Product Category	Total	07/06	Local currency basis 07/06	Domestic	07/06	Overseas	07/06	Local currency basis 07/06
Video and audio equipment	1,337.3	106%	102%	374.6	97%	962.7	110%	104%
Information and communications equipment	1,502.2	98%	95%	712.5	99%	789.7	97%	93%
AVC Networks	2,839.5	102%	98%	1,087.1	98%	1,752.4	104%	99%
Home Appliances	918.4	103%	101%	524.3	99%	394.1	109%	103%
Components and Devices	852.4	104%	101%	302.2	99%	550.2	108%	103%
MEW and PanaHome	1,240.0	109%	108%	1,045.9	108%	194.1	113%	107%
JVC	497.9	91%	87%	139.8	89%	358.1	92%	86%
Other	478.1	102%	101%	295.3	103%	182.8	100%	96%
Total	6,826.3	103%	100%	3,394.6	101%	3,431.7	104%	99%

yen (billions)

Overseas Sales by Region	Fiscal 2007 Third Quarter			Fiscal 2007 Nine Months		
	Results	07/06	Local currency basis 07/06	Results	07/06	Local currency basis 07/06
North and South America	390.4	94%	94%	1,087.3	99%	95%
Europe	356.1	108%	100%	922.3	110%	103%
Asia	270.6	92%	87%	815.2	97%	92%
China	205.2	116%	114%	606.9	116%	111%
Total	1,222.3	100%	97%	3,431.7	104%	99%

2. Segment Information

<Consolidated>

yen (billions)

	Fiscal 2007 Third Quarter Results					Fiscal 2007 Nine Months Results				
	Sales	07/06	Segment profit	% of sales	07/06	Sales	07/06	Segment profit	% of sales	07/06
AVC Networks	1,145.1	102%	71.0	6.2%	122%	3,053.8	102%	172.5	5.6%	121%
Home Appliances	337.5	102%	18.9	5.6%	78%	974.7	104%	59.2	6.1%	93%
Components and Devices	360.9	101%	25.6	7.1%	98%	1,046.2	101%	76.2	7.3%	128%
MEW and PanaHome	467.0	107%	24.9	5.3%	108%	1,358.2	107%	57.4	4.2%	111%
JVC	177.8	83%	0.5	0.3%	36%	504.9	92%	-0.5	-0.1%	--
Other	350.9	109%	12.1	3.5%	90%	1,102.0	117%	44.0	4.0%	104%
Total	2,839.2	102%	153.0	5.4%	104%	8,039.8	104%	408.8	5.1%	114%
Corporate and eliminations	-402.4	--	-17.2	--	--	-1,213.5	--	-65.6	--	--
Consolidated total	2,436.8	102%	135.8	5.6%	105%	6,826.3	103%	343.2	5.0%	114%

As the company's consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles (U.S. GAAP), financial data for the MEW and PanaHome segment and JVC segment are also calculated according to these principles.

3. Capital Investment, Depreciation and R&D Expenditures

Capital Investment**

<Consolidated>

yen (billions)

	Fiscal 2007 Third Quarter		Fiscal 2007 Nine Months	
	Results	07-06	Results	07-06
AVC Networks	51.5	-3.6	131.1	+36.8
Home Appliances	12.0	+2.0	32.7	+5.6
* Components and Devices	39.2	+17.0	99.7	+11.9
MEW and PanaHome	10.2	+2.4	30.6	+3.6
JVC	2.8	+0.8	9.0	-1.5
Other	1.9	+0.8	20.7	+9.7
Total	117.6	+19.4	323.8	+66.1

* semiconductors only (24.5) (+10.5) (54.5) (-4.5)

** These figures are calculated on an accrual basis.

Depreciation(Tangible Assets)

yen (billions)

<Consolidated>

Fiscal 2007 Third Quarter		Fiscal 2007 Nine Months	
Results	07-06	Results	07-06
69.9	+1.4	203.8	+2.9

R&D Expenditures

yen (billions)

<Consolidated>

Fiscal 2007 Third Quarter		Fiscal 2007 Nine Months	
Results	07-06	Results	07-06
139.1	+0.9	420.9	+4.3

4. Foreign Currency Exchange

<Export Rates>

	Fiscal 2006			Fiscal 2007	
	Third Quarter	Nine Months	Full Year	Third Quarter	Nine Months
U.S.Dollars	¥111	¥108	¥109	¥115	¥114
Euro	¥135	¥135	¥135	¥148	¥144

<Rates Used for Consolidation>

	Fiscal 2006			Fiscal 2007	
	Third Quarter	Nine Months	Full Year	Third Quarter	Nine Months
U.S.Dollars	¥117	¥112	¥113	¥118	¥116
Euro	¥139	¥137	¥138	¥152	¥148

<Foreign Currency Transaction> *

(billions)

	Fiscal 2006			Fiscal 2007	
	Third Quarter	Nine Months	Full Year	Third Quarter	Nine Months
U.S.Dollars	US\$0.7	US\$2.4	US\$3.7	US\$0.8	US\$2.5
Euro	€ 0.3	€ 0.9	€ 1.3	€ 0.6	€ 1.4

* These figures are based on the net foreign exchange exposure of the company.

5. Number of Employees

<Consolidated>

(persons)

	end of Dec. 2005	end of Mar. 2006	end of Sep. 2006	end of Dec. 2006
Domestic	145,024	144,871	144,427	145,038
Overseas	185,557	189,531	187,130	184,715
Total	330,581	334,402	331,557	329,753

6. Other Information

(shares)

Issued Shares as of December 31, 2006	(a)	2,453,053,497
Treasury Stock as of December 31, 2006	(b)	281,198,470
Outstanding Shares (excluding treasury stock) as of December 31, 2006	(a)-(b)	2,171,855,027

	Fiscal 2006			Fiscal 2007	
	Third Quarter	Nine Months	Annual Results	Third Quarter	Nine Months
Net income per common share, basic	¥22.29	¥51.05	¥69.48	¥36.13	¥88.44
Net income per common share, diluted	¥22.29	¥51.05	¥69.48	¥36.13	¥88.44
Stockholders' equity per common share at the end of each period	¥1,702.46	--	¥1,714.22	¥1,801.85	--

7. Annual Forecast for Fiscal 2007, ending March 31, 2007

<Consolidated>

yen (billions)

	Fiscal 2006 Results		Fiscal 2007 Forecast (a) (as of Apr. 28, 2006)		Fiscal 2007 Forecast (b) (as of Feb. 1, 2007)		
		06/05		07/06		07/06	(b)-(a)
Sales	8,894.3	102%	8,950.0	101%	9,000.0	101%	+50.0
Operating profit * (% of Sales)	414.3 (4.7%)	134%	450.0 (5.0%)	109%	450.0** (5.0%)	109%	0.0
Income before income taxes (% of Sales)	371.3 (4.2%)	150%	400.0 (4.5%)	108%	430.0** (4.8%)	116%	+30.0
Net income (% of Sales)	154.4 (1.7%)	264%	190.0 (2.1%)	123%	205.0 (2.3%)	133%	+15.0

* In order to be consistent with generally accepted financial reporting practices in Japan, operating profit 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.

** Factors affecting the forecast for other income (deductions) of 20.0 billion yen (the difference between operating profit and income before income taxes) include business restructuring charges of 25.0 billion yen.

Disclaimer Regarding Forward-Looking Statements

This document includes forward-looking statements (within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934) about Matsushita and its Group companies (the Matsushita Group). To the extent that statements in this document do not relate to historical or current facts, they constitute forward-looking statements. These forward-looking statements are based on the current assumptions and beliefs of the Matsushita Group in light of the information currently available to it, and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause the Matsushita Group's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. Matsushita undertakes no obligation to publicly update any forward-looking statements after the date of this document. Investors are advised to consult any further disclosures by Matsushita in its subsequent filings with the U.S. Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934.

The risks, uncertainties and other factors referred to above include, but are not limited to, economic conditions, particularly consumer spending and corporate capital expenditures in the United States, Europe, Japan, China and other Asian countries; volatility in demand for electronic equipment and components from business and industrial customers, as well as consumers in many product and geographical markets; currency rate fluctuations, notably between the yen, the U.S. dollar, the euro, the Chinese yuan, Asian currencies and other currencies in which the Matsushita Group operates businesses, or in which assets and liabilities of the Matsushita Group are denominated; the ability of the Matsushita Group to respond to rapid technological changes and changing consumer preferences with timely and cost-effective introductions of new products in markets that are highly competitive in terms of both price and technology; the ability of the Matsushita Group to achieve its business objectives through joint ventures and other collaborative agreements with other companies; the ability of the Matsushita Group to maintain competitive strength in many product and geographical areas; the possibility of incurring expenses resulting from any defects in products or services of the Matsushita Group; the possibility that the Matsushita Group may face intellectual property infringement claims by third parties; current and potential, direct and indirect restrictions imposed by other countries over trade, manufacturing, labor and operations; fluctuations in market prices of securities and other assets in which the Matsushita Group has holdings or changes in valuation of long-lived assets, including property, plant and equipment and goodwill, and deferred tax assets; future changes or revisions to accounting policies or accounting rules; as well as natural disasters including earthquakes and other events that may negatively impact business activities of the Matsushita Group. The factors listed above are not all-inclusive and further information is contained in Matsushita's latest annual report on Form 20-F, which is on file with the U.S. Securities and Exchange Commission.

<Attachment 1>

Sales by Products

The following are sales of major products to outside customers, and do not include internal sales.

As such, amounts herein do not correspond to those in Segment information.

<Consolidated>

yen (billions)

	Products	Fiscal 2007 Third Quarter		Fiscal 2007 Nine Months	
		Sales	07/06	Sales	07/06
AVC Networks	VCRs	31.6	80%	97.1	75%
	Digital cameras	60.9	145%	156.1	160%
	TVs	300.6	108%	743.4	111%
	Plasma TVs	186.7	126%	444.1	134%
	LCD TVs	73.1	121%	174.5	128%
	DVD recorders	45.6	100%	94.3	99%
	Audio equipment	49.9	73%	124.8	78%
	Information equipment	356.3	109%	1,009.2	107%
	Communications equipment	176.0	86%	493.0	83%
	Mobile communications equipment only	76.7	74%	210.9	69%
Home Appliances	Air conditioners	43.5	114%	186.7	106%
	Refrigerators	23.0	101%	80.5	102%
Components and Devices	General components	106.6	111%	308.0	113%
	Semiconductors *	109.6	93%	334.3	96%
	Batteries	85.2	101%	231.1	103%
Other	FA equipment	39.3	90%	145.1	106%

* Information for semiconductors is on a production basis. The annual forecast for fiscal 2007 is 446.0 billion yen, down 3% from fiscal 2006.

<Attachment 2>

Financial data for the primary domain companies

<Business domain company basis>

<Sales and domain company profit by business domain company (production division basis)>

Fiscal 2007 Third Quarter Results

yen (billions)

	Sales		Domain company profit		
		07/06		07/06	% of sales
Panasonic AVC Networks Company	542.6	120%	35.8	156%	6.6%
Panasonic Communications Co., Ltd.	117.0	95%	4.1	67%	3.5%
Panasonic Mobile Communications Co., Ltd.	99.6	76%	0.1	--	0.1%
Panasonic Electronic Devices Co., Ltd.	125.1	106%	10.4	132%	8.3%

Fiscal 2007 Nine Months Results

yen (billions)

	Sales		Domain company profit		
		07/06		07/06	% of sales
Panasonic AVC Networks Company	1,437.0	122%	77.8	153%	5.4%
Panasonic Communications Co., Ltd.	352.9	96%	15.5	98%	4.4%
Panasonic Mobile Communications Co., Ltd.	279.2	74%	0.8	--	0.3%
Panasonic Electronic Devices Co., Ltd.	365.7	106%	28.6	144%	7.8%

Notes:

1. The above information for Panasonic AVC Networks Company and Panasonic Electronic Devices Co., Ltd. does not include sales and profit of domestic and overseas sales divisions.
2. The above information for Panasonic Communications Co., Ltd. and Panasonic Mobile Communications Co., Ltd. does not include sales and profit of certain overseas sales divisions.

<Capital Investment> *

Fiscal 2007 Third Quarter Results

yen (billions)

	Capital investment	
		07-06
Panasonic AVC Networks Company	27.0	-20.8
Panasonic Communications Co., Ltd.	2.0	-0.1
Panasonic Mobile Communications Co., Ltd.	1.1	0.0
Panasonic Electronic Devices Co., Ltd.	10.7	+5.7

Fiscal 2007 Nine Months Results

yen (billions)

	Capital investment	
		07-06
Panasonic AVC Networks Company	90.1	+22.3
Panasonic Communications Co., Ltd.	7.5	+0.6
Panasonic Mobile Communications Co., Ltd.	3.9	+0.6
Panasonic Electronic Devices Co., Ltd.	28.7	+11.3

* These figures are calculated on an accrual basis.

<Attachment 3> Reference

Segment information for fiscal 2006 through fiscal 2007

<Consolidated>

Fiscal 2007 Results

Sales yen (billions)

	First Half							
	First Quarter	07/06	Second Quarter	07/06	First Half	07/06	Third Quarter	07/06
AVC Networks	945.0	103 %	963.7	100 %	1,908.7	101 %	1,145.1	102 %
Home Appliances	326.1	101 %	311.0	111 %	637.1	106 %	337.5	102 %
Components and Devices	335.4	100 %	349.9	101 %	685.3	101 %	360.9	101 %
MEW and PanaHome	408.7	106 %	482.5	107 %	891.2	106 %	467.0	107 %
JVC	154.5	102 %	172.7	93 %	327.2	97 %	177.8	83 %
Other	359.4	124 %	391.7	119 %	751.1	121 %	350.9	109 %
Total	2,529.1	106 %	2,671.5	104 %	5,200.6	105 %	2,839.2	102 %
Corporate and eliminations	-392.2	--	-418.9	--	-811.1	--	-402.4	--
Consolidated total	2,136.9	104 %	2,252.6	102 %	4,389.5	103 %	2,436.8	102 %

Segment profit yen (billions)

	First Half							
	First Quarter	07/06	Second Quarter	07/06	First Half	07/06	Third Quarter	07/06
AVC Networks	35.0	123 %	66.5	118 %	101.5	120 %	71.0	122 %
Home Appliances	20.4	110 %	19.9	95 %	40.3	102 %	18.9	78 %
Components and Devices	13.8	236 %	36.8	132 %	50.6	150 %	25.6	98 %
MEW and PanaHome	6.4	146 %	26.1	108 %	32.5	114 %	24.9	108 %
JVC	-2.9	--	1.9	--	-1.0	--	0.5	36 %
Other	13.7	149 %	18.2	93 %	31.9	111 %	12.1	90 %
Total	86.4	136 %	169.4	115 %	255.8	121 %	153.0	104 %
Corporate and eliminations	-21.3	--	-27.1	--	-48.4	--	-17.2	--
Consolidated total	65.1	141 %	142.3	114 %	207.4	121 %	135.8	105 %

Fiscal 2006 Results

Sales yen (billions)

Sales													yen (bilions)	
	First Half						Second Half						Fiscal 2006	
	First Quarter	06/05	Second Quarter	06/05	First Half	06/05	Third Quarter	06/05	Fourth Quarter	06/05	Second Half	06/05		06/05
AVC Networks	913.4	101 %	968.4	99 %	1,881.8	100 %	1,125.5	108 %	978.8	105 %	2,104.3	107 %	3,986.1	103 %
Home Appliances	323.2	100 %	280.5	98 %	603.7	99 %	329.5	103 %	308.0	103 %	637.5	103 %	1,241.2	101 %
Components and Devices	333.8	83 %	347.0	89 %	680.8	86 %	356.8	100 %	330.7	103 %	687.5	102 %	1,368.3	93 %
MEW and PanaHome	384.8	102 %	452.6	107 %	837.4	105 %	435.1	103 %	474.7	102 %	909.8	103 %	1,747.2	104 %
JVC	151.5	86 %	184.8	100 %	336.3	93 %	214.1	100 %	152.7	98 %	366.8	99 %	703.1	96 %
Other	289.7	115 %	329.1	115 %	618.8	115 %	322.7	129 %	373.8	158 %	696.5	143 %	1,315.3	128 %
Total	2,396.4	99 %	2,562.4	101 %	4,958.8	100 %	2,783.7	107 %	2,618.7	109 %	5,402.4	108 %	10,361.2	104 %
Corporate and eliminations	-348.2	--	-351.4	--	-699.6	--	-385.3	--	-382.0	--	-767.3	--	-1,466.9	--
Consolidated total	2,048.2	97 %	2,211.0	100 %	4,259.2	99 %	2,398.4	104 %	2,236.7	107 %	4,635.1	105 %	8,894.3	102 %

Segment profit yen (billions)

	First Half						Second Half						Fiscal 2006	
	First Quarter	06/05	Second Quarter	06/05	First Half	06/05	Third Quarter	06/05	Fourth Quarter	06/05	Second Half	06/05		06/05
AVC Networks	28.4	165 %	56.4	110 %	84.8	124 %	58.1	226 %	48.0	144 %	106.1	180 %	190.9	150 %
Home Appliances	18.6	104 %	20.9	111 %	39.5	107 %	24.4	113 %	13.3	81 %	37.7	99 %	77.2	103 %
Components and Devices	5.9	37 %	27.8	117 %	33.7	85 %	26.0	287 %	21.4	233 %	47.4	259 %	81.1	140 %
MEW and PanaHome	4.4	90 %	24.1	116 %	28.5	111 %	23.1	114 %	21.1	101 %	44.2	108 %	72.7	109 %
JVC	-2.9	--	-1.1	--	-4.0	--	1.3	19 %	-3.1	--	-1.8	--	-5.8	--
Other	9.2	115 %	19.5	241 %	28.7	178 %	13.5	152 %	20.0	150 %	33.5	151 %	62.2	162 %
Total	63.6	96 %	147.6	119 %	211.2	111 %	146.4	158 %	120.7	132 %	267.1	145 %	478.3	128 %
Corporate and eliminations	-17.6	--	-22.5	--	-40.1	--	-17.0	--	-6.9	--	-23.9	--	-64.0	--
Consolidated total	46.0	106 %	125.1	111 %	171.1	109 %	129.4	147 %	113.8	178 %	243.2	160 %	414.3	134 %

Under the collaboration with MEW, the company reorganized business and sales channels in such areas as electrical construction materials, building equipment and home appliances. Accordingly, the year-on-year figures for the Home Appliances and MEW and PanaHome segments are based on the reclassified fiscal 2005 sales results for those product categories.

<Attachment 4> Reference
Segment information for fiscal 2005

<Consolidated>

Fiscal 2005 Results

Sales

yen (billions)

	First Half						Second Half						Fiscal 2005	
	First Quarter	05/04	Second Quarter	05/04	First Half	05/04	Third Quarter	05/04	Fourth Quarter	05/04	Second Half	05/04		05/04
AVC Networks	903.9	104 %	979.7	103 %	1,883.6	103 %	1,041.0	97 %	934.2	99 %	1,975.2	98 %	3,858.8	100 %
Home Appliances	323.1	110 %	287.2	93 %	610.3	101 %	320.2	102 %	299.3	98 %	619.5	100 %	1,229.8	101 %
Components and Devices	403.2	100 %	389.2	92 %	792.4	96 %	356.3	82 %	320.3	80 %	676.6	81 %	1,469.0	89 %
MEW and PanaHome	377.5	--	421.2	--	798.7	--	422.4	--	465.1	--	887.5	--	1,686.2	--
JVC	175.9	90 %	184.4	86 %	360.3	88 %	213.4	91 %	156.5	89 %	369.9	90 %	730.2	89 %
Other	252.1	112 %	287.2	115 %	539.3	113 %	250.5	105 %	237.3	101 %	487.8	103 %	1,027.1	108 %
Total	2,435.7	122 %	2,548.9	119 %	4,984.6	120 %	2,603.8	114 %	2,412.7	117 %	5,016.5	115 %	10,001.1	118 %
Corporate and eliminations	-333.7	--	-332.3	--	-666.0	--	-307.3	--	-314.2	--	-621.5	--	-1,287.5	--
Consolidated total	2,102.0	119 %	2,216.6	118 %	4,318.6	119 %	2,296.5	113 %	2,098.5	116 %	4,395.0	114 %	8,713.6	116 %

Segment profit

yen (billions)

	First Half						Second Half						Fiscal 2005	
	First Quarter	05/04	Second Quarter	05/04	First Half	05/04	Third Quarter	05/04	Fourth Quarter	05/04	Second Half	05/04		05/04
AVC Networks	17.2	107 %	51.1	121 %	68.3	117 %	25.7	77 %	33.4	90 %	59.1	83 %	127.4	99 %
Home Appliances	17.9	263 %	18.9	155 %	36.8	194 %	21.6	108 %	16.4	120 %	38.0	113 %	74.8	142 %
Components and Devices	15.7	368 %	23.8	111 %	39.5	153 %	9.1	67 %	9.2	85 %	18.3	75 %	57.8	115 %
MEW and PanaHome	4.9	--	20.7	--	25.6	--	20.3	--	20.8	--	41.1	--	66.7	--
JVC	2.7	132 %	1.9	23 %	4.6	46 %	7.2	72 %	-1.9	--	5.3	36 %	9.9	40 %
Other	8.0	331 %	8.1	172 %	16.1	225 %	8.9	208 %	13.3	403 %	22.2	292 %	38.3	261 %
Total	66.4	210 %	124.5	140 %	190.9	159 %	92.8	114 %	91.2	131 %	184.0	122 %	374.9	138 %
Corporate and eliminations	-22.9	--	-11.7	--	-34.6	--	-4.5	--	-27.3	--	-31.8	--	-66.4	--
Consolidated total	43.5	217 %	112.8	189 %	156.3	196 %	88.3	124 %	63.9	142 %	152.2	131 %	308.5	158 %

Under the collaboration with MEW, the company reorganized business and sales channels in such areas as electrical construction materials, building equipment and home appliances. Accordingly, fiscal 2005 sales breakdown and segment information for the Home Appliances and MEW and PanaHome segments have been reclassified.