

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.