

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>2007</u>	<u>2006</u>	<u>2007/2006</u>
Net sales	¥ 4,746,868	¥ 4,472,579	106%
Cost of sales	<u>(3,786,723)</u>	<u>(3,603,401)</u>	
Gross profit	960,145	869,178	
Selling, general and administrative expenses	<u>(818,156)</u>	<u>(745,960)</u>	
Operating profit	<u>141,989</u>	<u>123,218</u>	115%
Interest income	7,447	1,226	
Dividend income	52,677	127,066	
Other income	33,914	27,935	
Interest expense	(5,650)	(6,029)	
Other expenses	<u>(88,775)</u>	<u>(56,991)</u>	
Recurring profit	<u>141,602</u>	<u>216,425</u>	65%
Non-recurring profit	50,373	106,944	
Non-recurring loss	<u>(16,115)</u>	<u>(326,036)</u>	
Income (loss) before income taxes	175,860	(2,667)	--
Provision for income taxes			
Current	(16,180)	(9,283)	
Deferred	<u>(60,877)</u>	<u>32,395</u>	
Net income	<u>¥ 98,803</u>	<u>¥ 20,445</u>	483%
Unappropriated retained earnings at beginning of period	--	43,786	
Interim dividend	--	(22,168)	
Unappropriated retained earnings at end of period	--	42,063	

**Notes to parent-alone financial statements:**

1. Amounts less than 1 million yen have been rounded to the nearest whole million yen amount in the accompanying parent-alone financial statement.
2. Similarly, in the descriptions on page 4 regarding parent-alone results, amounts less than one-tenth of a billion yen are rounded to the nearest whole billion yen amount.
3. Non-recurring profit for fiscal 2007 includes a gain from the sale of securities of certain affiliated companies and the sale of tangible fixed assets.  
Non-recurring loss for fiscal 2007 includes expenses related to the structural reform, a loss on valuation of securities and expenses related to the termination of the company's benefit system for retiring directors and corporate auditors.
4. Net income per common share:

	<u>2007</u>	<u>2006</u>
Basic	45.26 yen	9.08 yen
Diluted	45.26 yen	9.08 yen