

July 26, 2006

FOR IMMEDIATE RELEASE

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ANNOUNCEMENT OF FINANCIAL RESULTS

(Note: Dollar amounts for the most recent period have been translated for convenience at the rate of U.S.\$1.00 = 115 yen.)

MATSUSHITA REPORTS FIRST QUARTER NET PROFIT INCREASE

- First-half Forecast Revised on Favorable First Quarter Results -

Osaka, Japan, July 26, 2006 -- Matsushita Electric Industrial Co., Ltd. (Matsushita [NYSE symbol: MC]) today reported its consolidated financial results for the first quarter, ended June 30, 2006, of the current fiscal year ending March 31, 2007 (fiscal 2007).

First-quarter Results

Consolidated group sales for the first quarter increased 4% to 2,136.9 billion yen (U.S.\$18.58 billion), from 2,048.2 billion yen in the same three-month period a year ago. Explaining the first quarter results, the company cited sales gains in digital audiovisual (AV) products, especially V-products, both in Japan and overseas. Of the consolidated group total, domestic sales amounted to 1,061.9 billion yen (\$9.23 billion), mostly unchanged from 1,064.7 billion yen a year ago. Overseas sales increased 9%, to 1,075.0 billion yen (\$9.35 billion), from 983.5 billion yen in the first quarter of fiscal 2006, caused by favorable sales by all regions, represented by a sharp sales increase in Europe mainly as a result of strong sales of flat panel TVs.

- more -

During the first quarter under review, the global economy continued steady growth overall, with strong economic conditions in the United States and China, as well as the economic growth in Japan with favorable capital investment and consumer spending. Meanwhile, in the electronics industry as a whole, a severe business environment continued due primarily to rising raw materials prices and continuous price declines mainly in digital AV products caused by intensified global competition. Under these circumstances, Matsushita strives to implement growth strategies and strengthen management structures to ensure its future growth trend.

Matsushita aggressively launched and promoted a new series of V-products to capture the top shares in the markets and make a significant contribution to overall business results. The company also continued collaboration activities with Matsushita Electric Works, Ltd. (MEW), whereby combining differentiated technologies and utilizing mutual sales channels. Furthermore, aiming to reinforce its management structures, the company has made all-out efforts to reduce materials costs and other expenses. These activities, including company-wide cost reduction activities, have contributed to enhanced profitability.

Regarding earnings, despite intensified global price competition and rising raw materials prices, increased sales, comprehensive cost reduction efforts and other positive factors boosted operating profit¹ for the first quarter to 65.1 billion yen (\$566 million), up 41% from 46.0 billion yen in the same period a year ago. Pre-tax income also increased 14% to 75.4 billion yen (\$656 million), despite other income (deduction) decreased by 9.9 billion yen due mainly to the previous year's 10.3 billion yen gain from the sale of shares of Matsushita Leasing & Credit Co., Ltd. (MLC)². Net income increased 7% to 35.8 billion yen (\$312 million), from 33.4 billion yen in the same quarter of the previous year.

¹ For information about operating profit, see Note 2 of Notes to consolidated financial statements on page 12.

² For information about the sale of shares of MLC, see Note 3 of Notes to consolidated financial statements on page 12.

Consolidated Sales Breakdown by Product Category

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

AVC Networks

AVC Networks sales increased 4% to 877.8 billion yen (\$7.63 billion), compared with 846.2 billion yen in the same period of the previous year. Sales of video and audio equipment increased 14% from the previous year, due mainly to strong sales of digital AV products, such as plasma TVs and digital cameras.

Sales of information and communications equipment decreased 3%, mainly as a result of a substantial sales decline of mobile phones in Japan and overseas, although sales gains were recorded in PCs and automotive electronics equipment.

Home Appliances

Sales of Home Appliances increased 2% to 313.7 billion yen (\$2.73 billion), compared with 308.4 billion yen in the previous year. Within Home Appliances, despite sluggish sales of air conditioners associated with cold summer in Europe and China, sales gains were recorded in refrigerators and washing machines, resulting in overall increased sales.

Components and Devices

Sales of Components and Devices increased 7% to 270.1 billion yen (\$2.35 billion), compared with 251.6 billion yen in the previous year. Strong sales in general electronic components, semiconductors, batteries and electric motors led to overall sales gains in this category.

MEW and PanaHome

Sales of MEW and PanaHome increased 7% to 367.4 billion yen (\$3.19 billion) from 342.7 billion yen a year ago. At MEW and its subsidiaries, sales gains were recorded with favorable sales in electrical construction materials, electronic and plastic materials and automation controls. At PanaHome Corporation, favorable sales in detached housing contributed to increased sales. Accordingly, overall sales growth was achieved in this category.

JVC

Sales for JVC (Victor Company of Japan, Ltd. and its subsidiaries) increased 1% to 150.2 billion yen (\$1.31 billion), from 148.9 billion yen a year ago. Despite sluggish sales of DVD recorders, sales gains were recorded in camcorders and LCD TVs, resulting in overall increased sales compared with a year ago.

Other

Sales for Other increased 5% to 157.7 billion yen (\$1.37 billion), from 150.4 billion yen a year ago. Strong sales were recorded in factory automation (FA) equipment, resulting in overall increased sales in this category.

Consolidated Financial Condition

Net cash provided by operating activities for the first quarter of fiscal 2007 amounted to 107.9 billion yen (\$939 million), primarily attributable to net income and depreciation. Net cash used in investing activities amounted to 247.0 billion yen (\$2.15 billion). Capital expenditures for tangible fixed assets amounted to 91.7 billion yen (\$797 million), including manufacturing facilities for priority business areas such as semiconductors and plasma display panels, while time deposits increased 130.0 billion yen from the end of fiscal 2006 (March 31, 2006). Net cash used in financing activities was 83.3 billion yen (\$724 million), including a repurchase of the company's common stock and the payments of dividends. All these activities resulted in a balance of cash and cash equivalents of 1,441.6 billion yen (\$12.54 billion) at the end of June 2006, whereby the company's cash balance decreased 225.8 billion yen from the end of fiscal 2006.

The company's consolidated total assets as of June 30, 2006 increased 6.3 billion yen to 7,970.9 billion yen (\$69.31 billion), as compared with 7,964.6 billion yen at the end of fiscal 2006. This increase was due primarily to an increase in inventories for seasonal factors. Stockholders' equity decreased 54.5 billion yen, as compared with the end of the last fiscal year, to 3,733.1 billion yen (\$32.46 billion). Despite an increase in other retained earnings, this result was due mainly to a decrease in accumulated other comprehensive income and an increase in treasury stock on repurchases of the company's own shares.

Outlook for Fiscal 2007 First Half

The company expects a severe environment to persist in the second quarter of fiscal 2007 with continuing price declines caused by ever-intensified price competitions and increases in crude oil and other raw materials prices. However, Matsushita today announced an upward revision of its forecast for the fiscal 2007 first half, ending September 30, 2006. This upward revision is due mainly to favorable sales in digital AV products, including flat-panel TVs, and the successful introduction of V-products. On a consolidated basis, Matsushita expects sales for the first half to increase by 90 billion yen to 4,340 billion yen, compared with the previous forecast of 4,250 billion yen. Meanwhile, the revised forecast for income before income taxes is 190 billion yen, up from the previous forecast of 160 billion yen. This upward revision is due mainly to the aforementioned sales increases and an expected gain from the sale of property, plant and equipment in the first half of fiscal 2007. Net income for the first half is now estimated to be about 90 billion yen, compared with the previous forecast of 70 billion yen.

The forecast for the full fiscal year 2007, ending March 31, 2007, remains unchanged from the forecast announced on April 28, 2006.

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, New York and Frankfurt³ 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/>

³ Matsushita delisted its shares from the Amsterdam Stock Exchange in June 2006, and plans to complete delisting procedures for the Frankfurt Stock Exchange in August 2006.

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 June 30)

	Yen (millions)		U.S. Dollars (millions)
	<u>2006</u>	<u>2005</u>	<u>2006</u>
Net sales	¥ 2,136,934	¥ 2,048,161	\$ 18,582
Cost of sales	(1,494,389)	(1,408,902)	(12,995)
Selling, general and administrative expenses	<u>(577,428)</u>	<u>(593,238)</u>	<u>(5,021)</u>
Operating profit	65,117	46,021	566
Other income (deductions):			
Interest income	4,118	4,769	36
Dividend income	3,963	4,255	35
Interest expense	(4,826)	(3,845)	(42)
Expenses associated with the implementation of early retirement programs **	(528)	(202)	(5)
Other income, net	<u>7,548</u>	<u>15,196</u>	<u>66</u>
Income before income taxes	75,392	66,194	656
Provision for income taxes	(37,830)	(35,731)	(329)
Minority interests	(539)	4,318	(5)
Equity in earnings (losses) of associated companies	<u>(1,193)</u>	<u>(1,338)</u>	<u>(10)</u>
Net income	<u>¥ 35,830</u>	<u>¥ 33,443</u>	<u>\$ 312</u>
Net income, basic			
per common share	16.27 yen	14.87 yen	\$ 0.14
per ADS	16.27 yen	14.87 yen	\$ 0.14
Net income, diluted			
per common share	16.27 yen	14.87 yen	\$ 0.14
per ADS	16.27 yen	14.87 yen	\$ 0.14

(Parentheses indicate expenses, deductions or losses.)

* ** See Notes to consolidated financial statements on pages 12-13.

Supplementary Information
(Three months ended June 30)

	Yen (millions)		U.S. Dollars (millions)
	<u>2006</u>	<u>2005</u>	<u>2006</u>
Depreciation (tangible assets)	¥ 64,015	¥ 64,871	\$ 557
Capital investment ***	¥ 68,345	¥ 89,081	\$ 594
R&D expenditures	¥ 134,835	¥ 135,402	\$ 1,172
Number of employees (June 30)	332,539	332,874	

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

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

	Yen (millions)		U.S. Dollars (millions)
<u>Assets</u>	<u>June 30, 2006</u>	<u>March 31, 2006</u>	<u>June 30, 2006</u>
Current assets:			
Cash and cash equivalents	¥ 1,441,624	¥ 1,667,396	\$ 12,536
Time deposits	141,005	11,001	1,226
Short-term investments	36,694	56,753	319
Trade receivables (notes and accounts) and other current assets	1,764,640	1,756,141	15,345
Inventories	1,010,738	915,262	8,789
Total current assets	<u>4,394,701</u>	<u>4,406,553</u>	<u>38,215</u>
Investments and advances	1,119,114	1,100,035	9,731
Property, plant and equipment, net of accumulated depreciation	1,624,348	1,632,339	14,125
Other assets	832,748	825,713	7,241
Total assets	<u>¥ 7,970,911</u>	<u>¥ 7,964,640</u>	<u>\$ 69,312</u>
<u>Liabilities and Stockholders' Equity</u>			
Current liabilities:			
Short-term borrowings	¥ 337,602	¥ 339,845	\$ 2,936
Trade payables (notes and accounts) and other current liabilities	2,647,989	2,545,223	23,026
Total current liabilities	<u>2,985,591</u>	<u>2,885,068</u>	<u>25,962</u>
Long-term debt	263,947	264,070	2,295
Other long-term liabilities	496,901	526,290	4,321
Minority interests	491,375	501,591	4,273
Common stock	258,740	258,740	2,250
Capital surplus	1,234,313	1,234,289	10,733
Legal reserve	88,691	87,526	771
Retained earnings	2,588,460	2,575,890	22,508
Accumulated other comprehensive income (loss) *	(53,732)	(26,119)	(467)
Treasury stock	<u>(383,375)</u>	<u>(342,705)</u>	<u>(3,334)</u>
Total liabilities and stockholders' equity	<u>¥ 7,970,911</u>	<u>¥ 7,964,640</u>	<u>\$ 69,312</u>

* Accumulated other comprehensive income (loss) breakdown:

	Yen (millions)		U.S. Dollars (millions)
	<u>June 30, 2006</u>	<u>March 31, 2006</u>	<u>June 30, 2006</u>
Cumulative translation adjustments	¥ (169,938)	¥ (162,331)	\$ (1,478)
Unrealized holding gains of available-for-sale securities	127,313	145,306	1,107
Unrealized gains (losses) of derivative instruments	(356)	1,326	(3)
Minimum pension liability adjustments	(10,751)	(10,420)	(93)

** See Notes to consolidated financial statements on pages 12-13.

Matsushita Electric Industrial Co., Ltd.
Consolidated Sales Breakdown *
(Three months ended June 30)

	Yen (billions)		Percentage	U.S. Dollars (millions)
	<u>2006</u>	<u>2005</u>	<u>2006/2005</u>	<u>2006</u>
<i><u>AVC Networks</u></i>				
Video and audio equipment	¥ 393.6	¥ 345.5	114%	\$ 3,423
Information and communications equipment	<u>484.2</u>	<u>500.7</u>	97%	<u>4,210</u>
Subtotal	<u>877.8</u>	<u>846.2</u>	104%	<u>7,633</u>
<i><u>Home Appliances</u></i>	<u>313.7</u>	<u>308.4</u>	102%	<u>2,728</u>
<i><u>Components and Devices</u></i>	<u>270.1</u>	<u>251.6</u>	107%	<u>2,349</u>
<i><u>MEW and PanaHome</u></i>	<u>367.4</u>	<u>342.7</u>	107%	<u>3,195</u>
<i><u>JVC</u></i>	<u>150.2</u>	<u>148.9</u>	101%	<u>1,306</u>
<i><u>Other</u></i>	<u>157.7</u>	<u>150.4</u>	105%	<u>1,371</u>
Total	<u>¥ 2,136.9</u>	<u>¥ 2,048.2</u>	104%	<u>\$ 18,582</u>
Domestic sales	1,061.9	1,064.7	100%	9,234
Overseas sales	1,075.0	983.5	109%	9,348

[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	¥ 116.3	103%	¥ 277.3	119%
Information and communications equipment	<u>232.3</u>	94%	<u>251.9</u>	100%
Subtotal	<u>348.6</u>	96%	<u>529.2</u>	109%
<i><u>Home Appliances</u></i>	<u>174.8</u>	101%	<u>138.9</u>	103%
<i><u>Components and Devices</u></i>	<u>98.0</u>	101%	<u>172.1</u>	112%
<i><u>MEW and PanaHome</u></i>	<u>303.2</u>	105%	<u>64.2</u>	121%
<i><u>JVC</u></i>	<u>42.0</u>	90%	<u>108.2</u>	106%
<i><u>Other</u></i>	<u>95.3</u>	99%	<u>62.4</u>	114%
Total	<u>¥ 1,061.9</u>	100%	<u>¥ 1,075.0</u>	109%

* See Notes to consolidated financial statements on pages 12-13.

Matsushita Electric Industrial Co., Ltd.
Consolidated Information by Segments *
(Three months ended June 30)

By Business Segment:

	<u>Yen (billions)</u>		<u>Percentage</u>	<u>U.S. Dollars</u>
[Sales]	<u>2006</u>	<u>2005</u>	<u>2006/2005</u>	<u>(millions)</u> <u>2006</u>
AVC Networks	¥ 945.0	¥ 913.4	103%	\$ 8,217
Home Appliances	326.1	323.2	101%	2,836
Components and Devices	335.4	333.8	100%	2,917
MEW and PanaHome	408.7	384.8	106%	3,554
JVC	154.5	151.5	102%	1,343
Other	359.4	289.7	124%	3,125
Subtotal	2,529.1	2,396.4	106%	21,992
Eliminations	(392.2)	(348.2)	--	(3,410)
Consolidated total	<u>¥ 2,136.9</u>	<u>¥ 2,048.2</u>	104%	<u>\$ 18,582</u>
[Segment Profit]**				
AVC Networks	¥ 35.0	¥ 28.4	123%	\$ 304
Home Appliances	20.4	18.6	110%	177
Components and Devices	13.8	5.9	236%	120
MEW and PanaHome	6.4	4.4	146%	56
JVC	(2.9)	(2.9)	--	(25)
Other	13.7	9.2	149%	119
Subtotal	86.4	63.6	136%	751
Corporate and eliminations	(21.3)	(17.6)	--	(185)
Consolidated total	<u>¥ 65.1</u>	<u>¥ 46.0</u>	141%	<u>\$ 566</u>

* ** See Notes to consolidated financial statements on pages 12-13.

Matsushita Electric Industrial Co., Ltd.
Consolidated Statement of Cash Flows *
(Three months ended June 30)

	Yen (millions)		U.S. Dollars (millions)
	2006	2005	2006
<i><u>Cash flows from operating activities:</u></i>			
Net income	¥ 35,830	¥ 33,443	\$ 312
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	72,653	72,883	632
Net (gain) loss on sale of investments	1,206	(11,823)	10
Minority interests	539	(4,318)	5
(Increase) decrease in trade receivables	43,202	34,664	376
(Increase) decrease in inventories	(95,146)	(116,813)	(827)
Increase (decrease) in trade payables	(22,369)	20,680	(195)
Increase (decrease) in retirement and severance benefits	(31,296)	(17,987)	(272)
Other	103,324	87,544	898
Net cash provided by operating activities	<u>¥ 107,943</u>	<u>¥ 98,273</u>	<u>\$ 939</u>
<i><u>Cash flows from investing activities:</u></i>			
(Increase) decrease in short-term investments	28,502	6,805	248
Proceeds from disposition of investments and advances	8,904	349,604	77
Increase in investments and advances	(88,404)	(84,591)	(769)
Capital expenditures	(91,673)	(108,279)	(797)
Proceeds from sale of fixed assets	27,639	13,795	240
(Increase) decrease in time deposits	(130,004)	29,153	(1,130)
Proceeds from sale of shares of subsidiaries	--	62,948	--
Other	(1,922)	(10,313)	(17)
Net cash provided by (used in) investing activities	<u>¥ (246,958)</u>	<u>¥ 259,122</u>	<u>\$ (2,148)</u>
<i><u>Cash flows from financing activities:</u></i>			
Increase (decrease) in short-term borrowings	5,832	32,281	51
Increase (decrease) in deposits and advances from employees	(5,211)	(4,354)	(45)
Increase (decrease) in long-term debt	(13,332)	(34,659)	(116)
Dividends paid	(22,095)	(16,938)	(192)
Dividends paid to minority interests	(7,850)	(7,452)	(68)
(Increase) decrease in treasury stock	(40,646)	(35,402)	(354)
Other	--	4,665	--
Net cash used in financing activities	<u>¥ (83,302)</u>	<u>¥ (61,859)</u>	<u>\$ (724)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(3,455)</u>	<u>3,273</u>	<u>(30)</u>
Net increase (decrease) in cash and cash equivalents	(225,772)	298,809	(1,963)
Cash and cash equivalents at beginning of period	1,667,396	1,169,756	14,499
Cash and cash equivalents at end of period	<u>¥ 1,441,624</u>	<u>¥ 1,468,565</u>	<u>\$ 12,536</u>

* See Notes to consolidated financial statements on pages 12-13.

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 8,217 million yen (\$71 million) for the first quarter of fiscal 2007, and a gain of 63,000 million yen for the first quarter of fiscal 2006. 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: 643
9. Number of companies reflected by the equity method: 66
10. United States Dollar amounts are translated from yen for convenience at the rate of U.S.
\$1.00 = 115 yen, the approximate rate on the Tokyo Foreign Exchange Market on June 30,
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 and gas heating equipment, electric and gas 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 finishing 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, plasma and 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.