

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
(Six months ended September 30)

	<u>Yen (millions)</u>		<u>Percentage</u>
	<u>2006</u>	<u>2005</u>	<u>2006/2005</u>
Net sales	¥ 2,343,890	¥ 2,176,102	108%
Cost of sales	<u>(1,886,029)</u>	<u>(1,750,430)</u>	
Gross profit	457,861	425,672	
Selling, general and administrative expenses	<u>(387,296)</u>	<u>(365,863)</u>	
Operating profit	<u>70,565</u>	<u>59,809</u>	118%
Interest income	2,262	490	
Dividend income	42,652	72,790	
Other income	11,612	13,322	
Interest expense	(2,414)	(3,090)	
Other expenses	<u>(47,143)</u>	<u>(50,781)</u>	
Recurring profit	<u>77,534</u>	<u>92,540</u>	84%
Non-recurring profit	47,476	40,160	
Non-recurring loss	<u>(5,956)</u>	<u>(27,533)</u>	
Income before income taxes	119,054	105,167	113%
Provision for income taxes			
Current	(10,378)	(16,765)	
Deferred	<u>(35,901)</u>	<u>7,297</u>	
Net income	<u>¥ 72,775</u>	<u>¥ 95,699</u>	76%
Unappropriated retained earnings at beginning of period	--	43,787	
Interim dividend	--	--	
Unappropriated retained earnings at end of period	--	139,486	

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 5 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 the first half ended September 30, 2006 includes a gain from the sale of securities of certain affiliated companies, the sale of tangible fixed assets and the sale of securities. Non-recurring loss for the first half ended September 30, 2006 includes expenses related to the termination of the company's benefit system for retiring directors and corporate auditors, a loss on valuation of securities and a loss related to the sale of securities of certain affiliated companies.
4. Net income per common share:

<u>2006</u>	<u>2005</u>
33.11 yen	42.81 yen