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FOR IMMEDIATE RELEASE

Media Contacts:

Akira Kadota (Japan)
International PR
(Tel: +81-3-3578-1237)

Panasonic News Bureau (Japan)
(Tel: +81-3-3542-6205)

Jim Reilly (U.S.)
(Tel: +1-201-392-6067)

Anne Guennewig (Europe)
(Tel: +49-611-235-457)

Investor Relations Contacts:

Kazuo Sasaki (Japan)
Investor Relations
(Tel: +81-6-6908-1121)

Yoichi Nagata (U.S.)
Panasonic Finance (America), Inc.
(Tel: +1-212-698-1362)

Hiroko Carvell (Europe)
Panasonic Finance (Europe) plc
(Tel: +44-20-7562-4400)

ANNOUNCEMENT OF FINANCIAL RESULTS

MATSUSHITA REPORTS ANNUAL NET PROFIT INCREASE

- Sales and Earnings Exceed the Previous Forecast -

Osaka, Japan, April 28, 2008 -- Matsushita Electric Industrial Co., Ltd. (Matsushita [NYSE symbol: MC]) today reported its consolidated financial results for the year ended March 31, 2008 (fiscal 2008).

Consolidated Results

Consolidated group sales for fiscal 2008 amounted to 9,068.9 billion yen, mostly the same level from 9,108.2 billion yen in the previous fiscal year. Explaining fiscal 2008 results, the company cited sales gains in all product categories except JVC (Victor Company of Japan, Ltd. and its subsidiaries)¹, due mainly to favorable sales in digital AV products and white goods. Of the consolidated group total, domestic sales amounted to 4,544.8 billion yen, down 2% from 4,616.5 billion yen a year ago. Overseas sales increased 1% to 4,524.1 billion yen, from 4,491.7 billion yen in fiscal 2007, ended March 31, 2007.

¹ Victor Company of Japan, Ltd. and its consolidated subsidiaries became associated companies under the equity method from Matsushita's consolidated subsidiaries in August 2007. Accordingly, JVC sales for the period from then on are not included in Matsushita's consolidated results. For more information, see Note 3 of the Notes to consolidated financial statements on page 13.

The electronics industry in the fiscal year ended March 31, 2008 faced severe business conditions in Japan and overseas, due mainly to ever-rising prices for crude oil and other raw materials, and continued price declines caused by continuously intensifying global competition, mainly in digital products.

Under these circumstances, the Matsushita Group worked to accelerate growth strategies in fiscal 2008, the first year of the new three-year mid-term management plan GP3. Matsushita promoted initiatives to transform itself into a manufacturing-oriented company—one that combines all the business activities of the Group toward the launch of products, thereby contributing to the creation of customer value. Matsushita promoted wider collaboration across business fields and operating regions in order to reinforce product design and quality, procurement, logistics, overseas sales and other areas of its operations.

Specifically, Matsushita continued to strengthen V-products, which are the core of its growth strategies and make a significant contribution to overall business results in order to boost market shares. With regard to the strategic plasma display panel (PDP) business, Matsushita started operation of its fourth domestic PDP plant in June 2007, and began construction of its fifth in November 2007. In addition, Matsushita implemented initiatives to achieve double-digit growth in overseas sales of consumer products. To accelerate growth in emerging markets as well as the U.S. and Europe, the Company established a framework to boost sales in Russia, Brazil and India, and also promoted its cutting-edge products.

Regarding earnings, operating profit² for this fiscal year was up 13%, to 519.5 billion yen, from 459.5 billion yen in the previous year, despite the effects from rising prices for crude oil and other raw materials, and ever-intensified global price competition. This improvement was due primarily to sales gains excluding the effect of JVC and the cost reduction efforts including materials costs and fixed costs. In other income (deductions), the company incurred expenses associated with the implementation of early retirement programs and impairment losses on the investments, as well as impairment losses from tangible fixed assets. These factors, despite the

² For information about operating profit, see Note 2 of the Notes to consolidated financial statements on page 13.

increased operating profit, led to a consolidated pre-tax income of 435.0 billion yen, down 1% from 439.1 billion yen in the previous year. Net income hit a record-high of 281.9 billion yen, up 30% from 217.2 billion yen in the previous year, as a result of a decrease in provision for income taxes. The company's net income per common share was 132.90 yen on a diluted basis, versus 99.50 yen in the previous year.

Consolidated Sales Breakdown by Product Category

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

AVC Networks

AVC Networks sales increased 6% to 4,001.8 billion yen, from 3,764.7 billion yen in the previous year. Sales of video and audio equipment increased 8% from the previous year, due mainly to strong sales in digital AV products such as flat-panel TVs and digital cameras. In information and communications equipment, favorable sales of automotive electronics and mobile phones led to a 5% increase overall from a year ago.

Home Appliances

Sales of Home Appliances increased 6% to 1,283.0 billion yen, compared with 1,212.1 billion yen in the previous year, due mainly to favorable sales of air conditioners and refrigerators.

Components and Devices

Sales of Components and Devices were also up 2% to 1,150.3 billion yen, compared with 1,126.9 billion yen in the previous year, due mainly to favorable sales in general electronic components.

MEW and PanaHome

Sales of MEW and PanaHome increased 2% to 1,730.7 billion yen, from 1,698.1 billion yen a year ago. At Matsushita Electric Works, Ltd. (MEW) and its subsidiaries, despite weak sales of building products as a result of a decrease in residential construction starts, sales gains in electrical construction materials and electronic and plastic materials led to an overall increase in sales. At PanaHome Corporation and its subsidiaries, sluggish housing market conditions led to a slight decrease in sales.

JVC

Sales for JVC (Victor Company of Japan, Ltd. and its subsidiaries) totaled 180.5 billion yen.

Other

Sales for Other totaled to 722.6 billion yen, up 8% from 667.8 billion yen in the same period a year ago. Sales increases were recorded in factory automation equipment within this category.

Consolidated Financial Condition

Net cash provided by operating activities in fiscal 2008 amounted to 466.1 billion yen. This was attributable primarily to cash inflows from net income and depreciation. Net cash used in investing activities amounted to 61.4 billion yen. Capital expenditures for tangible fixed assets were 418.7 billion yen, mainly consisting of manufacturing facilities for priority business areas such as PDPs and semiconductors, while the company recorded a decrease in time deposits from the end of fiscal 2007 (March 31, 2007). Net cash used in financing activities was 203.5 billion yen. Major factors included the repurchase of the company's common stock and the payment of cash dividends. All these activities, as well as a net decrease in cash and cash equivalents of 223 billion yen associated with the effect of exchange rate changes and the effects that JVC became associated companies under the equity method from Matsushita's consolidated subsidiaries, resulted in cash and cash equivalents of 1,214.8 billion yen at the end of fiscal 2008, down 21.8 billion yen compared with the end of the last fiscal year.

The company's consolidated total assets as of March 31, 2008 decreased 453.3 billion yen to 7,443.6 billion yen, as compared with 7,897.0 billion yen at the end of the last fiscal year (March 31, 2007). Stockholders' equity decreased 174.4 billion yen, compared with the end of the last fiscal year, to 3,742.3 billion yen as of March 31, 2008. Despite increases in retained earnings, this result was due primarily to a decrease in accumulated other comprehensive income, as well as an increase in treasury stock on continued repurchases of the company's own shares.

Year-end Dividend

Total dividends for fiscal 2008, ended March 31, 2008, including an interim dividend of 17.5 yen per common share paid in November 2007, are expected to be 35 yen per common share, up from 30 yen per common share for fiscal 2007.

Outlook for Fiscal 2009

Regarding the business environment for the fiscal 2009 ending March 31, 2009, the company currently expects to encounter severe conditions, such as a stronger yen against the dollar, rising prices for crude oil and other raw materials, and ever-intensified global price competition, as well as uncertainty about the global economic conditions as a result of subprime loan problems in the United States. Under these circumstances, in fiscal 2009, the middle year of the mid-term management plan GP3, Matsushita has to produce successful results and work on getting growth on track. The Company will steadily implement initiatives focused on four major themes: double-digit growth for overseas sales, four strategic businesses, manufacturing innovation and the eco ideas strategy. The company currently expects fiscal 2009 sales on a consolidated basis to total 9,200 billion yen, an increase of 1% from the previous fiscal year. Consolidated operating profit is forecasted to increase by 8% to 560 billion yen. Consolidated income before income taxes³ is anticipated to increase to 500 billion yen, up 15%, with net income expected to improve to 310 billion yen, an increase of 10% from the previous fiscal year.

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/>

³ Factors affecting the forecast for other income (deductions) of 60 billion yen (the difference between operating profit and income before income taxes) include business restructuring charges of 25 billion yen.

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 *
(Year ended March 31)

	Yen (millions)		Percentage 2008/2007
	<u>2008</u>	<u>2007</u>	
Net sales	¥ 9,068,928	¥ 9,108,170	100%
Cost of sales	(6,377,240)	(6,394,418)	
Selling, general and administrative expenses	<u>(2,172,207)</u>	<u>(2,254,211)</u>	
Interest income	34,371	30,553	
Dividend income	10,317	7,597	
Interest expense	(20,357)	(20,906)	
Expenses associated with the implementation of early retirement programs **	(32,644)	(14,198)	
Other income (loss), net	<u>(76,175)</u>	<u>(23,443)</u>	
Income before income taxes	434,993	439,144	99%
Provision for income taxes	(114,573)	(191,863)	
Minority interests	(28,637)	(31,131)	
Equity in earnings (losses) of associated companies	<u>(9,906)</u>	<u>1,035</u>	
Net income	<u>¥ 281,877</u>	<u>¥ 217,185</u>	130%
Net income, basic			
per common share	132.90 yen	99.50 yen	
per ADS	132.90 yen	99.50 yen	
Net income, diluted			
per common share	132.90 yen	99.50 yen	
per ADS	132.90 yen	99.50 yen	

(Parentheses indicate expenses, deductions or losses.)

* ** See Notes to consolidated financial statements on pages 13-14.

Supplementary Information
(Year ended March 31)

	Yen (millions)	
	<u>2008</u>	<u>2007</u>
Depreciation (tangible assets):	¥ 282,102	¥ 280,177
Capital investment ***:	¥ 449,348	¥ 418,334
R&D expenditures:	¥ 554,538	¥ 578,087
Number of employees (Mar. 31)	305,828	328,645

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

Matsushita Electric Industrial Co., Ltd.
Consolidated Balance Sheet **
(March 31, 2008)

	Yen (millions)	
<u>Assets</u>	<u>March 31, 2008</u>	<u>March 31, 2007</u>
Current assets:		
Cash and cash equivalents	¥ 1,214,816	¥ 1,236,639
Time deposits	70,108	225,458
Short-term investments	47,414	93,179
Trade receivables (notes and accounts)	1,085,183	1,141,010
Inventories	864,264	949,399
Other current assets	517,409	553,164
Total current assets	<u>3,799,194</u>	<u>4,198,849</u>
Investments and advances	842,156	1,206,082
Property, plant and equipment, net of accumulated depreciation	1,757,373	1,642,293
Other assets	<u>1,044,891</u>	<u>849,734</u>
Total assets	<u>¥ 7,443,614</u>	<u>¥ 7,896,958</u>

Liabilities, Minority Interests and Stockholders' Equity

Current liabilities:		
Short-term borrowings	¥ 156,260	¥ 223,190
Trade payables (notes and accounts)	940,554	934,977
Other current liabilities	<u>1,464,145</u>	<u>1,583,700</u>
Total current liabilities	<u>2,560,959</u>	<u>2,741,867</u>
Long-term debt	232,346	226,780
Other long-term liabilities	393,360	460,416
Minority interests	514,620	551,154
Common stock	258,740	258,740
Capital surplus	1,217,865	1,220,967
Legal reserve	90,129	88,588
Retained earnings	2,948,065	2,737,024
Accumulated other comprehensive income (loss) *	(173,897)	107,097
Treasury stock	<u>(598,573)</u>	<u>(495,675)</u>
Total liabilities, minority interests and stockholders' equity	<u>¥ 7,443,614</u>	<u>¥ 7,896,958</u>

* Accumulated other comprehensive income (loss) breakdown:

	Yen (millions)	
	<u>March 31, 2008</u>	<u>March 31, 2007</u>
Cumulative translation adjustments	¥ (228,792)	¥ (99,538)
Unrealized holding gains of available-for-sale securities	45,442	160,831
Unrealized gains of derivative instruments	4,326	862
Pension liability adjustments	5,127	44,942

** See Notes to consolidated financial statements on pages 13-14.

Matsushita Electric Industrial Co., Ltd.
Consolidated Sales Breakdown *
(Year ended March 31)

	Yen (billions)		Percentage 2008/2007
	<u>2008</u>	<u>2007</u>	
<i><u>AVC Networks</u></i>			
Video and audio equipment	¥ 1,799.2	¥ 1,670.3	108%
Information and communications equipment	<u>2,202.6</u>	<u>2,094.4</u>	105%
Subtotal	<u>4,001.8</u>	<u>3,764.7</u>	106%
<i><u>Home Appliances</u></i>	<u>1,283.0</u>	<u>1,212.1</u>	106%
<i><u>Components and Devices</u></i>	<u>1,150.3</u>	<u>1,126.9</u>	102%
<i><u>MEW and PanaHome</u></i>	<u>1,730.7</u>	<u>1,698.1</u>	102%
<i><u>JVC</u></i>	<u>180.5</u>	<u>638.6</u>	28%
<i><u>Other</u></i>	<u>722.6</u>	<u>667.8</u>	108%
Total	<u>¥ 9,068.9</u>	<u>9,108.2</u>	100%
Domestic sales	4,544.8	4,616.5	98%
Overseas sales	4,524.1	4,491.7	101%

[Domestic/Overseas Sales Breakdown]
(in yen only)

	Domestic sales		Overseas sales	
	Yen (billions) <u>2008</u>	Percentage <u>2008/2007</u>	Yen (billions) <u>2008</u>	Percentage <u>2008/2007</u>
<i><u>AVC Networks</u></i>				
Video and audio equipment	¥ 481.7	103%	¥ 1,317.5	109%
Information and communications equipment	<u>1,094.7</u>	105%	<u>1,107.9</u>	105%
Subtotal	<u>1,576.4</u>	104%	<u>2,425.4</u>	108%
<i><u>Home Appliances</u></i>	<u>677.0</u>	100%	<u>606.0</u>	113%
<i><u>Components and Devices</u></i>	<u>399.0</u>	101%	<u>751.3</u>	103%
<i><u>MEW and PanaHome</u></i>	<u>1,415.6</u>	99%	<u>315.1</u>	119%
<i><u>JVC</u></i>	<u>45.9</u>	25%	<u>134.6</u>	29%
<i><u>Other</u></i>	<u>430.9</u>	102%	<u>291.7</u>	119%
Total	<u>¥ 4,544.8</u>	98%	<u>¥ 4,524.1</u>	101%

* See Notes to consolidated financial statements on pages 13-14.

Matsushita Electric Industrial Co., Ltd.
Consolidated Information by Segments *
(Year ended March 31)

By Business Segment:

	Yen (billions)		
[Sales]	<u>2008</u>	<u>2007</u>	<u>Percentage 2008/2007</u>
AVC Networks	¥ 4,319.6	¥ 4,064.1	106%
Home Appliances	1,316.4	1,247.1	106%
Components and Devices	1,398.7	1,377.7	102%
MEW and PanaHome	1,910.3	1,858.7	103%
JVC	183.1	646.6	28%
Other	1,536.1	1,484.0	104%
Subtotal	10,664.2	10,678.2	100%
Eliminations	(1,595.3)	(1,570.0)	--
Consolidated total	¥ 9,068.9	¥ 9,108.2	100%
[Segment Profit] **			
AVC Networks	¥ 252.3	¥ 220.0	115%
Home Appliances	86.4	83.1	104%
Components and Devices	105.0	99.9	105%
MEW and PanaHome	96.4	78.9	122%
JVC	(9.7)	(5.7)	--
Other	64.2	60.5	106%
Subtotal	594.6	536.7	111%
Corporate and eliminations	(75.1)	(77.2)	--
Consolidated total	¥ 519.5	¥ 459.5	113%

By Domestic and Overseas Company Location:

	Yen (billions)		
[Sales]	<u>2008</u>	<u>2007</u>	<u>Percentage 2008/2007</u>
Japan	¥ 6,789.5	¥ 6,971.0	97%
Americas	1,213.1	1,357.3	89%
Europe	1,218.2	1,210.0	101%
Asia, China and others	2,960.0	2,874.7	103%
Subtotal	12,180.8	12,413.0	98%
Eliminations	(3,111.9)	(3,304.8)	--
Consolidated total	¥ 9,068.9	¥ 9,108.2	100%
[Segment Profit]			
Japan	¥ 422.1	¥ 409.4	103%
Americas	22.1	22.5	98%
Europe	20.4	13.9	147%
Asia, China and others	125.1	89.4	140%
Subtotal	589.7	535.2	110%
Corporate and eliminations	(70.2)	(75.7)	--
Consolidated total	¥ 519.5	¥ 459.5	113%

* ** See Notes to consolidated financial statements on pages 13-14.

Matsushita Electric Industrial Co., Ltd.
Consolidated Statement of Stockholders' Equity*
(Years ended March 31, 2008 and 2007)

	Common Stock	Capital surplus	Legal reserve	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock	Total stockholders' equity
(Year ended March 31, 2008)							Yen (millions)
Balances at beginning of period	¥ 258,740	¥ 1,220,967	¥ 88,588	¥ 2,737,024	¥ 107,097	¥ (495,675)	¥ 3,916,741
Gain from sale of treasury stock		59					59
increase (decrease) mainly in capital transactions		(3,161)					(3,161)
Transfer from retained earnings			1,541	(1,541)			--
Cash dividends				(69,295)			(69,295)
Disclosure of comprehensive income (loss)							
Net income				281,877			281,877
Translation adjustments					(129,254)		(129,254)
Unrealized holding gains of available-for-sale securities					(115,389)		(115,389)
Unrealized gains (losses) of derivative instruments					3,464		3,464
Pension liability adjustments					(39,815)		(39,815)
Total comprehensive income						883	883
Repurchase of common stock, net						(102,898)	(102,898)
Balances at end of period	¥ 258,740	¥ 1,217,865	¥ 90,129	¥ 2,948,065	¥ (173,897)	¥ (598,573)	¥ 3,742,329
(Year ended March 31, 2007)							Yen (millions)
Balances at beginning of period	¥ 258,740	¥ 1,234,289	¥ 87,526	¥ 2,575,890	¥ (26,119)	¥ (342,705)	¥ 3,787,621
Gain from sale of treasury stock		96					96
Transfer from retained earnings			1,062	(1,062)			--
Cash dividends				(54,989)			(54,989)
Disclosure of comprehensive income (loss)							
Net income				217,185			217,185
Translation adjustments					62,793		62,793
Unrealized holding gains of available-for-sale securities					15,525		15,525
Unrealized gains (losses) of derivative instruments					(464)		(464)
Minimum pension liability adjustments					(5,769)		(5,769)
Total comprehensive income						289,270	289,270
Adjustment to initially apply SFAS No.158, net of tax					61,131		61,131
Total						350,401	350,401
Repurchase of common stock, net						(152,970)	(152,970)
Other		(13,418)					(13,418)
Balances at end of period	¥ 258,740	¥ 1,220,967	¥ 88,588	¥ 2,737,024	¥ 107,097	¥ (495,675)	¥ 3,916,741

* See Notes to consolidated financial statements on pages 13-14.

Matsushita Electric Industrial Co., Ltd.
Consolidated Statement of Cash Flows *
(Year ended March 31)

	Yen (millions)	
	2008	2007
<i><u>Cash flows from operating activities:</u></i>		
Net income	¥ 281,877	¥ 217,185
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	320,534	317,685
Net (gain) loss on sale of investments	(14,402)	(40,154)
Minority interests	28,637	31,131
(Increase) decrease in trade receivables	(56,677)	50,012
(Increase) decrease in inventories	(37,372)	474
Increase (decrease) in trade payables	(41,568)	(61,630)
Increase (decrease) in retirement and severance benefits	(128,937)	(108,559)
Other	113,966	126,413
Net cash provided by operating activities	<u>¥ 466,058</u>	<u>¥ 532,557</u>
<i><u>Cash flows from investing activities:</u></i>		
(Increase) decrease in short-term investments	697	26,505
Proceeds from disposition of investments and advances	313,947	142,074
Increase in investments and advances	(160,423)	(290,046)
Capital expenditures	(418,730)	(411,309)
Proceeds from sale of fixed assets	151,279	182,892
(Increase) decrease in time deposits	166,750	(223,801)
Purchase of shares of a newly consolidated subsidiary	(68,309)	--
Proceeds from sale of shares of subsidiaries	--	40,548
Other	(46,582)	(34,671)
Net cash used in investing activities	<u>¥ (61,371)</u>	<u>¥ (567,808)</u>
<i><u>Cash flows from financing activities:</u></i>		
Increase (decrease) in short-term borrowings	(5,815)	(5,826)
Increase (decrease) in deposits and advances from employees	(252)	(13,951)
Increase (decrease) in long-term debt	(45,406)	(183,778)
Dividends paid	(69,295)	(54,989)
Dividends paid to minority interests	(19,807)	(16,285)
(Increase) decrease in treasury stock	(102,839)	(152,874)
Proceeds from issuance of shares by subsidiaries	39,866	--
Net cash used in financing activities	<u>¥ (203,548)</u>	<u>¥ (427,703)</u>
Effect of exchange rate changes on cash and cash equivalents	(129,521)	32,197
Effect of changes in consolidated subsidiaries	(93,441)	--
Net increase (decrease) in cash and cash equivalents	(21,823)	(430,757)
Cash and cash equivalents at beginning of period	1,236,639	1,667,396
Cash and cash equivalents at end of period	<u>¥ 1,214,816</u>	<u>¥ 1,236,639</u>

* See Notes to consolidated financial statements on pages 13-14.

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 7 for U.S. GAAP reconciliation.

3. Victor Company of Japan, Ltd. (JVC) issued and allocated new shares of common stock to third parties on August 10, 2007 for a cash consideration of 35 billion yen. As a result, the company's shareholding in JVC decreased from 52.4% to 36.8%. JVC and its consolidated subsidiaries became associated companies under the equity method from consolidated subsidiaries from August 2007.

4. By acquiring approximately 15% of issued shares in IPS Alpha Technology, Ltd. (IPS Alpha) owned by Toshiba Corporation on March 31, 2008, Matsushita's voting rights stake in IPS Alpha rose to 44.9%. In addition, Matsushita finalized a contract with Hitachi, Ltd. on February 15 under which it will acquire all the shares in IPS Alpha owned by Hitachi Displays, Ltd., once certain conditions are satisfied. As a result, IPS Alpha and its subsidiary became consolidated subsidiaries of Matsushita on March 31, 2008.

5. Comprehensive income was reported as a gain of 883 million yen for fiscal 2008, and a gain of 289,270 million yen for fiscal 2007. Comprehensive income includes net income and increases (decreases) in accumulated other comprehensive income (loss).

6. Per share data (Years ended March 31)

	<u>2008</u>	<u>2007</u>
Net income (millions of yen)	¥ 281,877	¥ 217,185
Average common shares outstanding (number of shares)	2,120,986,052	2,182,791,138
Dilutive effect:		
Stock Options	3,818	13,858
Diluted common shares outstanding	2,120,989,870	2,182,804,996
Net income per share:		
Basic	132.90 yen	99.50 yen
Diluted	132.90 yen	99.50 yen

7. 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.

8. 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.

9. 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. The company transferred its healthcare business to its consolidated subsidiary, Panasonic Shikoku Electronics Co., Ltd. on April 1, 2007. Accordingly, segment information for AVC Networks and Home Appliances of fiscal 2007 has been reclassified to conform to the presentation for fiscal 2008.

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 Japan Co., Ltd., Panasonic Shikoku Electronics Co., Ltd.

Home Appliances

Matsushita Home Appliances Company, Lighting Company,
Matsushita Ecology Systems Co., Ltd.
(Matsushita Refrigeration Company was absorbed on April 1, 2008.)

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

Other

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

10. Number of consolidated subsidiaries: 555
(28 companies were newly added, and 125 companies were excluded from consolidated companies. IPS Alpha is among the 28 companies.)

11. Number of companies reflected by the equity method: 139
(77 companies were newly added, and 9 companies were excluded from the equity method companies. JVC and its consolidated subsidiaries are among the 77 companies.)

12. Each American Depositary Share (ADS) represents 1 share of common stock.

Significant Accounting Policies:

1. Basis of Presentation of Consolidated Financial Statements

The company's consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles. See Note 2 of Notes to consolidated financial statements on page 13.

2. Inventories

Finished goods and work in process are stated at the lower of cost (average) or market. Raw materials are stated at cost, principally on a first-in, first-out basis, not in excess of current replacement cost.

3. Marketable Securities

The company accounts for debt and equity securities in accordance with Statement of Financial Accounting Standards (SFAS) No.115, "Accounting for Certain Investments in Debt and Equity Securities."

4. Property, Plant and Equipment, and Depreciation

Property, plant and equipment are stated at cost. Depreciation is computed primarily using the declining balance method.

5. Leases

The company accounts for leases in accordance with SFAS No. 13, "Accounting for Leases."

6. Income Taxes

Income taxes are accounted for under the asset and liability method. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the fiscal year that includes the enactment date.

7. Retirement and Severance Benefits

"The company accounts for retirement and severance benefits in accordance with SFAS No. 87, ""Employers' Accounting for Pensions"" and SFAS No. 158, ""Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans."

8. Derivative Financial Instruments

The company accounts for derivative financial instruments in accordance with SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities."

Matsushita Group

1. Outline of the Matsushita Group

Described below are the Matsushita Group's primary business areas, roles of major Group companies in respective businesses and relations between major Group companies and business segments.

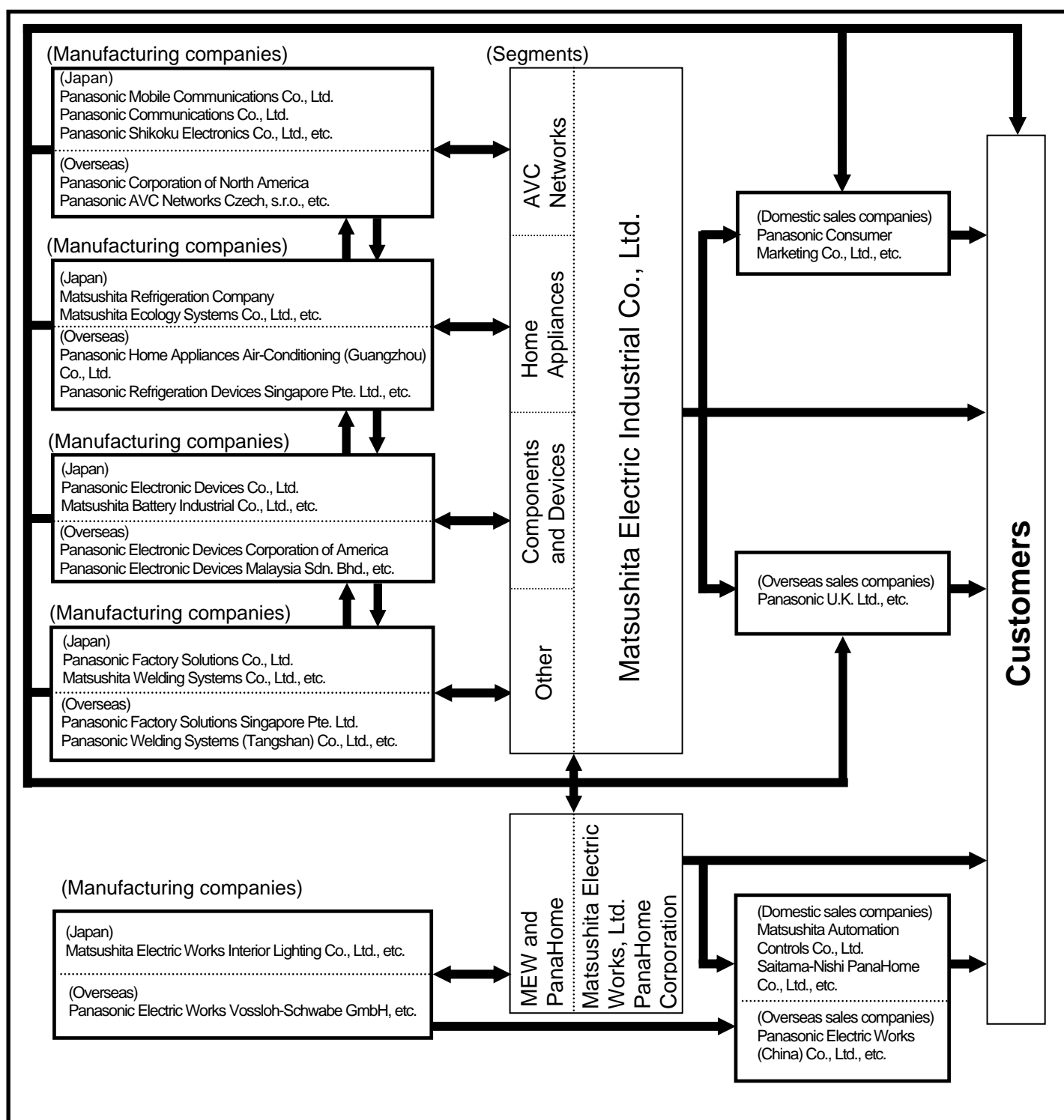
The Matsushita Group, mainly comprising Matsushita Electric Industrial Co., Ltd. and 555 consolidated subsidiaries, is engaged in manufacturing, sales and service activities in a broad range of electric/electronic and related business areas, maintaining close ties among Group companies both in Japan and abroad. Matsushita supplies a full spectrum of electric/electronic equipment and related products, which is categorized into the following five segments: AVC Networks, Home Appliances, Components and Devices, MEW and PanaHome, and Other.

JVC and its consolidated subsidiaries became associated companies under the equity method from consolidated subsidiaries from August, 2007. Accordingly, JVC is not included in the business segments as of March 31, 2008.

* Principal internal companies or units and subsidiaries operating in respective segments are shown on page 14.

2. Business Domain Chart

As of March 31, 2008



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>2008</u>	<u>2007</u>	<u>2008/2007</u>
Net sales	¥ 4,862,220	¥ 4,746,868	102%
Cost of sales	<u>(3,931,596)</u>	<u>(3,786,723)</u>	
Gross profit	930,624	960,145	
Selling, general and administrative expenses	(797,852)	(818,156)	
Interest income	8,921	7,447	
Dividend income	75,316	52,677	
Other income	57,159	33,914	
Interest expense	(6,814)	(5,650)	
Other expenses	<u>(56,211)</u>	<u>(88,775)</u>	
Recurring profit	<u>211,143</u>	<u>141,602</u>	149%
Non-recurring profit	7,777	50,373	
Non-recurring loss	<u>(84,556)</u>	<u>(16,115)</u>	
Income (loss) before income taxes	134,364	175,860	76%
Provision for income taxes			
Current	(14,708)	(16,180)	
Deferred	<u>(19,356)</u>	<u>(60,877)</u>	
Net income	<u>¥ 100,300</u>	<u>¥ 98,803</u>	102%

Notes to parent-alone financial statements:

1. Non-recurring loss for fiscal 2008 includes 41,050 million yen as a loss due mainly to impairment on manufacturing facilities of semiconductors, associated with a decreased profitability of Semiconductor Company's business in Japan.
2. Net income per common share:

	<u>2008</u>	<u>2007</u>
Basic	47.29 yen	45.26 yen
Diluted	47.29 yen	45.26 yen

Matsushita Electric Industrial Co., Ltd.
(Parent Alone)
Balance Sheet
(March 31, 2008)

	Yen (millions)	
<u>Assets</u>	<u>March 31, 2008</u>	<u>March 31, 2007</u>
Current assets:		
Cash and deposits	¥ 23,795	¥ 172,879
Trade receivables (notes and accounts)	543,123	569,164
Inventories	210,259	194,276
Other current assets	<u>962,610</u>	<u>917,667</u>
Total current assets	<u>1,739,787</u>	<u>1,853,986</u>
Fixed assets:		
Tangible fixed assets	319,502	338,555
Intangibles	54,163	49,851
Investments and advances	<u>2,490,989</u>	<u>2,574,287</u>
Total fixed assets	<u>2,864,654</u>	<u>2,962,693</u>
Total assets	<u>¥ 4,604,441</u>	<u>¥ 4,816,679</u>
 <u>Liabilities and Shareholders' Equity</u>		
Current liabilities:		
Trade payables (notes and accounts)	¥ 497,679	¥ 487,713
Accrued income taxes	2,095	5,058
Other current liabilities	<u>1,297,649</u>	<u>1,333,365</u>
Total current liabilities	<u>1,797,423</u>	<u>1,826,136</u>
Long-term debt and employee retirement and severance benefits	<u>333,123</u>	<u>326,130</u>
Total liabilities	<u>2,130,546</u>	<u>2,152,266</u>
Shareholders' equity:		
Capital	258,740	258,740
Capital surplus	570,082	570,023
Retained earnings	2,177,430	2,146,425
Treasury stock	<u>(599,466)</u>	<u>(496,568)</u>
Total shareholders' equity	<u>2,406,786</u>	<u>2,478,620</u>
Difference of valuation, translation and other adjustments	<u>67,109</u>	<u>185,793</u>
Total liabilities and net assets	<u>¥ 4,604,441</u>	<u>¥ 4,816,679</u>

Matsushita Electric Industrial Co., Ltd.
(Parent Alone)
Statement of Changes in Shareholders' Equity
(Year ended March 31, 2008)

	Yen (millions)							
	Shareholders' equity							
	Capital surplus				Retained earnings			
						Other retained earnings		
	Capital	Capital reserve	Other capital surplus	Total of capital surplus	Legal reserve	Reserve for advanced depreciation	Reserve for dividends	Contingent reserve
Balances at beginning of period	¥ 258,740	¥ 568,212	¥ 1,811	¥ 570,023	¥ 52,749	¥ 17,894	¥ 81,000	¥ 1,918,680
Changes in the period								
Reserve for advanced depreciation						570		
Dividends from surplus								
Net income								
Repurchase of common stock								
Disposal of treasury stock			59	59				
Net changes of items other than shareholders' equity								
Total changes in the period	--	--	59	59	--	570	--	--
Balances at end of period	¥ 258,740	¥ 568,212	¥ 1,870	¥ 570,082	¥ 52,749	¥ 18,464	¥ 81,000	¥ 1,918,680

	Shareholders' equity				Difference of valuation, translation and other adjustments			Total net assets
	Retained earnings				Unrealized holding gains of available-for-sale securities, etc	Deferred profit on hedges	Total of difference from appreciation and conversion	
	Unappropriated retained earnings	Total of retained earnings	Treasury stock	Total of shareholders' equity				
Balances at beginning of period	¥ 76,102	¥ 2,146,425	¥ (496,568)	¥ 2,478,620	¥170,507	¥ 15,286	¥ 185,793	¥ 2,664,413
Changes in the period								
Reserve for advanced depreciation	(570)			--				--
Dividends from surplus	(69,295)	(69,295)		(69,295)				(69,295)
Net income	100,300	100,300		100,300				100,300
Repurchase of common stock			(103,112)	(103,112)				(103,112)
Disposal of treasury stock			214	273				273
Net changes of items other than shareholders' equity					(115,078)	(3,606)	(118,684)	(118,684)
Total changes in the period	30,435	31,005	(102,898)	(71,834)	(115,078)	(3,606)	(118,684)	(190,518)
Balances at end of period	¥ 106,537	¥ 2,177,430	¥ (599,466)	¥ 2,406,786	¥ 55,429	¥ 11,680	¥ 67,109	¥ 2,473,895

Management Policy

(1) Basic Policy for Corporate Management

Since its establishment, Matsushita has operated its businesses under its basic management philosophy, which sets forth that the mission of a business enterprise is to contribute to the progress and development of society and the well-being of people through its business activities, thereby enhancing the quality of life throughout the world. Aiming to grow further to become a global excellent company, Matsushita will work to deliver sustained growth in corporate value to satisfy its shareholders, investors, customers, business partners and all other stakeholders.

(2) Basic Policy for Providing Return to Shareholders

Since its establishment, Matsushita has managed its businesses under the concept that returning profits to shareholders is one of its most important policies. Along with the implementation of a mid-term growth strategy since fiscal 2005, ended March 2005, the company has implemented a proactive and comprehensive profit return to shareholders through dividend payments and own share repurchases, upon careful consideration of its consolidated business performance.

From the perspective of return on the capital investment made by shareholders, Matsushita, in principle, distributes profits to shareholders based on its consolidated business performance. As the result of growth strategies in the company's mid-term management plan GP3 that runs from fiscal 2008 through fiscal 2010, Matsushita will aim for stable and continuous increase in dividends based on consolidated net income. The company is also targeting a dividend payout ratio of between 30% and 40% with respect to consolidated net income.

Regarding own share repurchases, the company plans to use cash flows generated by the GP3 plan to flexibly repurchase its own shares in order to increase shareholder value per share and profitability on capital, while at the same time taking into consideration strategic investments and the company's financial condition.

In line with the policy described above, for fiscal 2008, ended March 31, 2008, Matsushita plans to pay total cash dividends per share of 35 yen, comprising an interim dividend of 17.5 yen per share paid on November 30,

2007, and a year-end dividend of 17.5 yen per share. For fiscal 2009, ending March 31, 2009, Matsushita plans to increase an interim cash dividend from 17.5 yen per share in fiscal 2008, to 22.5 yen per share in fiscal 2009, and also plans to increase a year-end cash dividend from 17.5 yen per share in fiscal 2008, to 22.5 yen per share in fiscal 2009. If implemented, total cash dividends for fiscal 2009 will be 45 yen per share.

For details about own share repurchases for fiscal 2009, see separate press release issued today "Matsushita to Execute Own Share Repurchase."

(3) Corporate Management Strategies and Challenges

The global economic outlook for fiscal 2009, ending March 31, 2009, is uncertain. Although high growth is expected in emerging economies, there are a variety of downside risks, such as the subprime loan problem, rising prices for raw materials and energy including crude oil and currency rate fluctuations. In the electronics industry, while robust growth is expected due mainly to rising demand before the Beijing Olympics, there are uncertainties in the future business environment, such as larger-than-expected price declines and prolonged sluggishness for the housing market in Japan and the U.S.

Under these circumstances, in fiscal 2009, the middle year of the mid-term management plan GP3, Matsushita has to produce successful results and work on getting growth on track. The Company will steadily implement initiatives focused on four major themes: double-digit growth for overseas sales, four strategic businesses, manufacturing innovation and the eco ideas strategy.

To achieve double-digit growth in overseas sales, the Company will promote initiatives in key markets such as the U.S. and Europe, while also working to accelerate growth in the BRICs countries and Vietnam. In addition, Matsushita plans to spur demand relating to the Beijing Olympics and further expand its overseas sales of home appliances products. With regard to four strategic businesses, Matsushita will focus on its digital AV business, automotive electronics business, businesses providing comfortable living and semiconductors and other devices businesses. The Company will work to strengthen product competitiveness in each business, while also expanding synergies through collaboration between these businesses. In flat-panel TVs, in particular, the Company will lead the large-screen TV market with its plasma TVs, and it also plans to begin construction of a LCD panel plant in Himeji, Japan in August 2008. This will help ensure stable procurement of LCD panels,

and will also be another step in the transition to a vertically integrated LCD TV business model. As for manufacturing innovation, Matsushita will further pursue cost reduction processes while also strengthening its V-products. As part of its eco ideas strategy, the Company will create more products with industry-leading energy efficiency, while also working aggressively to reduce the CO₂ emissions in production activities. Moreover, Matsushita will work on a wide range of initiatives, in collaboration with local communities, to expand the scope of ecological activities.

In addition, Matsushita will promote initiatives toward future growth with an eye to the next five to ten years. For sustainable growth in the future, Matsushita has to create and foster new businesses, as well as strengthening existing products and businesses. Specifically, Matsushita will aim to create new businesses derived from product progress or integration in areas that cut across business domains, such as automotive electronics, mobile AV equipment, and security. Furthermore, Matsushita will pursue new opportunities in areas such as networks, energy and the environment, health and devices.

Assuming that the Company obtains shareholder approval, Matsushita plans to change its name to Panasonic Corporation on October 1, 2008. The National brand, used in Japan for home appliances and housing equipment and systems, will be abolished by the end of fiscal 2010. From that time forward, all Company products will be sold under the Panasonic brand, even in Japan. This company name change and the brand unification clearly indicate the Company's strong will to become a true global company. Moreover, this will unite all employees under the Panasonic name in future efforts to improve global brand value.

From the perspective of shareholder-oriented management, Matsushita will continue to proactively return profits to shareholders. Specifically, the Company will comprehensively provide shareholder return in the form of cash dividends based on the results of the growth strategies, and its own share repurchases.

Supplemental Consolidated Financial Data for Fiscal 2008 ended March 31, 2008

Victor Company of Japan, Ltd.(JVC) and its consolidated subsidiaries became associated companies under the equity method from August 2007. Fiscal 2007 results for JVC have not been reclassified.

1. Sales breakdown for Fiscal 2008 ended March 31, 2008 and Fiscal 2009 Forecast

Fiscal 2008 Results

yen (billions)

By Product Category	Total	08/07	Local currency basis 08/07	Domestic	08/07	Overseas	08/07	Local currency basis 08/07
Video and audio equipment	1,799.2	108%	106%	481.7	103%	1,317.5	109%	106%
Information and communications equipment	2,202.6	105%	105%	1,094.7	105%	1,107.9	105%	105%
AVC Networks	4,001.8	106%	105%	1,576.4	104%	2,425.4	108%	106%
Home Appliances	1,283.0	106%	105%	677.0	100%	606.0	113%	111%
Components and Devices	1,150.3	102%	101%	399.0	101%	751.3	103%	101%
MEW and PanaHome	1,730.7	102%	101%	1,415.6	99%	315.1	119%	116%
JVC	180.5	28%	26%	45.9	25%	134.6	29%	27%
Other	722.6	108%	108%	430.9	102%	291.7	119%	119%
Total	9,068.9	100%	99%	4,544.8	98%	4,524.1	101%	99%

Note:

The company transferred its healthcare business to its consolidated subsidiary, Panasonic Shikoku Electronics Co., Ltd. on April 1, 2007. Accordingly, the year-on-year figures for AVC Networks and Home Appliances are based on the reclassified fiscal 2007 sales results for those product categories.

Fiscal 2009 Forecast

yen (billions)

By Product Category	Total	09/08	Local currency basis 09/08	Domestic	09/08	Overseas	09/08	Local currency basis 09/08
Video and audio equipment	1,970.0	109%	115%	530.0	110%	1,440.0	109%	117%
Information and communications equipment	2,240.0	102%	105%	1,120.0	102%	1,120.0	101%	108%
Digital AVC Networks	4,210.0	105%	110%	1,650.0	105%	2,560.0	106%	113%
Home Appliances	1,300.0	101%	104%	675.0	100%	625.0	103%	109%
MEW and PanaHome	1,800.0	104%	105%	1,440.0	102%	360.0	114%	121%
Components and Devices	1,160.0	101%	105%	405.0	102%	755.0	100%	107%
Other	730.0	101%	103%	430.0	100%	300.0	103%	107%
Total	9,200.0	101%	105%	4,600.0	101%	4,600.0	102%	108%

Note:

From fiscal 2009, the name of "AVC Networks" was changed to "Digital AVC Networks."

Overseas Sales

yen (billions)

By Region	Fiscal 2008 Results			Fiscal 2009 Forecast		
		08/07	Local currency basis 08/07		09/08	Local currency basis 09/08
North and South America	1,250.7	91%	91%	1,220.0	98%	106%
Europe	1,212.9	100%	95%	1,250.0	103%	109%
Asia	1,118.8	105%	102%	1,145.0	102%	112%
China	941.7	114%	113%	985.0	105%	107%
Total	4,524.1	101%	99%	4,600.0	102%	108%

2. Segment Information

<Consolidated> Fiscal 2008 Results

yen (billions)

	Sales	08/07	Segment profit	% of sales	08/07
AVC Networks	4,319.6	106%	252.3	5.8%	115%
Home Appliances	1,316.4	106%	86.4	6.6%	104%
Components and Devices	1,398.7	102%	105.0	7.5%	105%
MEW and PanaHome	1,910.3	103%	96.4	5.0%	122%
JVC	183.1	28%	-9.7	-5.3%	--
Other	1,536.1	104%	64.2	4.2%	106%
Total	10,664.2	100%	594.6	5.6%	111%
Corporate and eliminations	-1,595.3	--	-75.1	--	--
Consolidated total	9,068.9	100%	519.5	5.7%	113%

Notes:

1. 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.
2. The company transferred its healthcare business to its consolidated subsidiary, Panasonic Shikoku Electronics Co., Ltd. on April 1, 2007. Accordingly, the year-on-year figures for AVC Networks and Home Appliances segments are based on the reclassified fiscal 2007 results for those business segments.

<Consolidated> Fiscal 2009 Forecast

yen (billions)

	Sales	09/08	Segment profit	% of sales	09/08
Digital AVC Networks	4,620.0	107%	267.0	5.8%	106%
Home Appliances	1,350.0	103%	92.0	6.8%	106%
MEW and PanaHome	1,990.0	104%	108.0	5.4%	112%
Components and Devices	1,430.0	102%	113.0	7.9%	108%
Other	1,060.0	101%	66.0	6.2%	103%
Total	10,450.0	103%	646.0	6.2%	109%
Corporate and eliminations	-1,250.0	--	-86.0	--	--
Consolidated total	9,200.0	101%	560.0	6.1%	108%

Notes:

1. 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 are also calculated according to these principles.
2. From fiscal 2009, the name of "AVC Networks" was changed to "Digital AVC Networks."
3. From fiscal 2009, the sales of "Global Procurement Service Company" included in Other segment were changed due to the modification of transaction form between the other segments. Accordingly, the year-on-year figures for the Other segment are based on the reclassified fiscal 2008 results for the Other segment.

3. Capital Investment, Depreciation and R&D Expenditures

Capital Investment**

<Consolidated>

yen (billions)

	Fiscal 2008 Results	
		08-07
AVC Networks	209.7	+59.0
Home Appliances	47.0	-0.9
* Components and Devices	135.6	+0.7
MEW and PanaHome	39.7	+0.4
JVC	3.0	-9.6
Other	14.3	-18.6
Total	449.3	+31.0

* <semiconductors only>

<59.7>

<-9.4>

** These figures are calculated on an accrual basis.

yen (billions)

	Fiscal 2009 Forecast	
		09-08
Digital AVC Networks	264.0	+54.3
Home Appliances	49.0	+2.0
MEW and PanaHome	47.0	+7.3
* Components and Devices	148.0	+12.4
Other	22.0	+7.7
Total	530.0	+80.7

* <semiconductors only>

<67.0>

<+7.3>

Note:

From fiscal 2009, the name of "AVC Networks" was changed to "Digital AVC Networks."

Depreciation (Tangible assets)

<Consolidated>

yen (billions)

Fiscal 2008 Results		Fiscal 2009 Forecast	
	08-07		09-08
282.1	+1.9	330.0	+47.9

R&D Expenditures

<Consolidated>

yen (billions)

Fiscal 2008 Results		Fiscal 2009 Forecast	
	08-07		09-08
554.5	-23.5	560.0	+5.5

4. Intellectual Property Rights; Patents

(Number of patents)

	end of March 2007	end of March 2008
Domestic	44,137	40,785
Overseas	52,835	54,240
Total	96,972	95,025

* Owned by Matsushita Electric Industrial Co., Ltd. and major consolidated subsidiaries, excluding Matsushita Electric Works, Ltd. and PanaHome Corporation.

5. Foreign Currency Exchange

<Export Rates>

	Fiscal 2007	Fiscal 2008	Fiscal 2009 Forecast
U.S. Dollars	¥115	¥115	¥100
Euro	¥145	¥160	¥155

<Rates Used for Consolidation>

	Fiscal 2007	Fiscal 2008	Fiscal 2009 Forecast
U.S. Dollars	¥117	¥114	¥100
Euro	¥150	¥162	¥155

<Foreign Currency Transaction> *

(billions)

	Fiscal 2007	Fiscal 2008	Fiscal 2009 Forecast
U.S. Dollars	US\$3.4	US\$2.5	US\$2.5
Euro	€ 1.6	€ 1.2	€ 1.6

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

6. Number of Employees

<Consolidated>

(persons)

	end of March 2007	end of March 2008
Domestic	145,418	135,563
Overseas	183,227	170,265
Total	328,645	305,828

7. Other Information

(shares)

		end of March 2007	end of March 2008
Issued Shares	(a)	2,453,053,497	2,453,053,497
Treasury Stock	(b)	306,769,039	351,936,341
Outstanding Shares (excluding Treasury Stock)	(a-b)	2,146,284,458	2,101,117,156

	Fiscal 2008 Results	Fiscal 2009 Forecast
Net income per common share*, basic	¥132.90	¥ 147.54
Net income per common share*, diluted	¥132.90	¥ 147.54
Stockholders' equity** per common share at the end of each period	¥1,781.11	--

* The forecast for fiscal 2009 is based on the assumption that the number of common shares does not change.

**Stockholders' equity is calculated according to U.S. generally accepted accounting principles(U.S. GAAP).

8. Annual Forecast for Fiscal 2009, ending March 31, 2009

<Consolidated>

yen (billions)

	Fiscal 2008 Results		Fiscal 2009 Forecast	
		08/07		09/08
Sales	9,068.9	100%	9,200.0	101%
Operating profit * (% of Sales)	519.5 (5.7%)	113%	560.0 ** (6.1%)	108%
Income before income taxes (% of Sales)	435.0 (4.8%)	99%	500.0 ** (5.4%)	115%
Net income (% of Sales)	281.9 (3.1%)	130%	310.0 (3.4%)	110%

* 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 60.0 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.

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<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 2008 Result	
		Sales	08/07
AVC Networks	VCRs	102.5	84%
	Digital cameras	243.4	121%
	TVs	1,001.3	109%
	Plasma TVs	626.8	114%
	LCD TVs	261.7	119%
	DVD recorders	127.1	112%
	Audio equipment	127.5	85%
	Information equipment	1,473.7	103%
	Communications equipment	728.9	110%
	Mobile communications equipment	369.2	124%
Home Appliances	Air conditioners	272.2	109%
	Refrigerators	110.4	109%
Components and Devices	General components	452.7	103%
	Semiconductors *	462.8	106%
	Batteries	307.8	102%
Other	FA equipment	204.2	108%

* Information for semiconductors is on a production basis. The annual forecast for fiscal 2009 is 496.0 billion yen, up 7% from fiscal 2008.

Note:

The company transferred its healthcare business to its consolidated subsidiary, Panasonic Shikoku Electronics Co., Ltd. on April 1, 2007. Accordingly, the year-on-year figure for Information equipment is based on the reclassified fiscal 2007 sales results for those product categories.

<Attachment 2>

Financial Data for the primary business domain companies

<Business domain company basis>

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

Fiscal 2008 Results

yen (billions)

	Sales		Domain company profit		
		08/07		08/07	% of sales
Panasonic AVC Networks Company	1,973.8	108%	113.2	125%	5.7%
Panasonic Communications Co., Ltd.	517.5	113%	10.7	57%	2.1%
Panasonic Mobile Communications Co., Ltd.	450.9	115%	13.8	600%	3.1%
Panasonic Electronic Devices Co., Ltd.	509.3	104%	39.2	105%	7.7%

From fiscal 2008, PC optical disc drive business of Panasonic Shikoku Electronics Co.,Ltd. was transferred to Panasonic Communications Co., Ltd.

Fiscal 2009 Forecast

yen (billions)

	Sales		Domain company profit		
		09/08		09/08	% of sales
Panasonic AVC Networks Company	2,281.6	116%	121.6	107%	5.3%
Panasonic Mobile Communications Co., Ltd.	481.6	107%	17.3	125%	3.6%
Panasonic Electronic Devices Co., Ltd.	515.0	101%	41.0	105%	8.0%
Factory Automation Business	223.4	100%	36.8	105%	16.5%

<Capital Investment> *

yen (billions)

	Fiscal 2008 Result		Fiscal 2009 Forecast	
		08-07		09-08
Panasonic AVC Networks Company	160.0	+49.0	197.0	+37.0
Panasonic Communications Co., Ltd.	18.9	+7.5		
Panasonic Mobile Communications Co., Ltd.	3.9	-1.4	4.0	+0.1
Panasonic Electronic Devices Co., Ltd.	37.4	-2.9	43.9	+6.5

* These figures are calculated on an accrual basis.

	Fiscal 2009 Forecast	
		09-08
Factory Automation Business	5.1	+0.9

<Number of Employees>

(persons)

	end of March, 2008
Panasonic AVC Networks Company	30,832
Panasonic Communications Co., Ltd.	17,579
Panasonic Mobile Communications Co., Ltd.	4,479
Panasonic Electronic Devices Co., Ltd.	32,042

Reference

Financial Data for the primary business domain companies for fiscal 2007 and fiscal 2008

<Business domain company basis>

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

PAVC : Panasonic AVC Networks Company
PCC : Panasonic Communications Co., Ltd.
PMC : Panasonic Mobile Communications Co., Ltd.
PED : Panasonic Electronic Devices Co., Ltd.

Fiscal 2008 Results

Sales

yen (billions)

	First Half						Second Half						Fiscal 2008	
	First Quarter	08/07	Second Quarter	08/07	First Half	08/07	Third Quarter	08/07	Fourth Quarter	08/07	Second Half	08/07		08/07
PAVC	460.1	107 %	480.0	103 %	940.1	105 %	610.9	113 %	422.8	108 %	1,033.7	111 %	1,973.8	108 %
PCC	129.2	111 %	135.9	114 %	265.1	112 %	134.8	115 %	117.6	111 %	252.4	113 %	517.5	113 %
PMC	108.4	103 %	97.1	130 %	205.5	114 %	101.3	102 %	144.1	128 %	245.4	116 %	450.9	115 %
PED	129.8	109 %	130.6	107 %	260.4	108 %	132.2	106 %	116.7	96 %	248.9	101 %	509.3	104 %

Domain company profit

yen (billions)

	First Half						Second Half						Fiscal 2008	
	First Quarter	08/07	Second Quarter	08/07	First Half	08/07	Third Quarter	08/07	Fourth Quarter	08/07	Second Half	08/07		08/07
PAVC	14.3	115 %	33.1	112 %	47.4	113 %	46.9	131 %	18.9	144 %	65.8	135 %	113.2	125 %
PCC	2.0	41 %	3.7	57 %	5.7	50 %	1.3	32 %	3.7	116 %	5.0	69 %	10.7	57 %
PMC	-1.6	--	2.5	--	0.9	129 %	4.2	3,098 %	8.7	580 %	12.9	806 %	13.8	600 %
PED	9.3	126 %	11.4	106 %	20.7	114 %	11.3	109 %	7.2	83 %	18.5	97 %	39.2	105 %

From fiscal 2008, PC optical disc drive business of Panasonic Shikoku Electronics Co., Ltd. was transferred to Panasonic Communications Co., Ltd.

Fiscal 2007 Results

Sales

yen (billions)

	First Half						Second Half						Fiscal 2007	
	First Quarter	07/06	Second Quarter	07/06	First Half	07/06	Third Quarter	07/06	Fourth Quarter	07/06	Second Half	07/06		07/06
PAVC	429.4	127 %	465.0	120 %	894.4	123 %	542.6	120 %	391.7	115 %	934.3	118 %	1,828.7	120 %
PCC	116.8	100 %	119.1	95 %	235.9	97 %	117.0	95 %	105.9	95 %	222.9	95 %	458.8	96 %
PMC	105.0	80 %	74.6	65 %	179.6	73 %	99.6	76 %	112.4	78 %	212.0	77 %	391.6	75 %
PED	118.6	107 %	122.0	106 %	240.6	106 %	125.1	106 %	121.8	109 %	246.9	107 %	487.5	107 %

Domain company profit

yen (billions)

	First Half						Second Half						Fiscal 2007	
	First Quarter	07/06	Second Quarter	07/06	First Half	07/06	Third Quarter	07/06	Fourth Quarter	07/06	Second Half	07/06		07/06
PAVC	12.4	165 %	29.6	144 %	42.0	150 %	35.8	156 %	13.1	196 %	48.9	165 %	90.9	158 %
PCC	4.9	104 %	6.5	127 %	11.4	116 %	4.1	67 %	3.2	71 %	7.3	69 %	18.7	92 %
PMC	1.0	--	-0.3	--	0.7	--	0.1	--	1.5	--	1.6	--	2.3	--
PED	7.4	164 %	10.8	144 %	18.2	152 %	10.4	132 %	8.7	126 %	19.1	129 %	37.3	139 %

<Attachment 3> Reference

Segment information for fiscal 2007 and fiscal 2008

<Consolidated>

Fiscal 2008 Results

Sales

yen (billions)

	First Half						Second Half						Fiscal 2008	
	First Quarter	08/07	Second Quarter	08/07	First Half	08/07	Third Quarter	08/07	Fourth Quarter	08/07	Second Half	08/07		08/07
AVC Networks	996.1	105 %	1,063.5	110 %	2,059.6	107 %	1,207.7	105 %	1,052.3	105 %	2,260.0	105 %	4,319.6	106 %
Home Appliances	349.4	112 %	317.6	107 %	667.0	109 %	339.2	105 %	310.2	99 %	649.4	102 %	1,316.4	106 %
Components and Devices	348.2	104 %	364.1	104 %	712.3	104 %	357.3	99 %	329.1	99 %	686.4	99 %	1,398.7	102 %
MEW and PanaHome	431.9	106 %	505.3	105 %	937.2	105 %	472.5	101 %	500.6	100 %	973.1	101 %	1,910.3	103 %
JVC	138.0	89 %	45.1	26 %	183.1	56 %	--	--	--	--	--	--	183.1	28 %
Other	359.5	100 %	405.7	104 %	765.2	102 %	361.2	103 %	409.7	107 %	770.9	105 %	1,536.1	104 %
Total	2,623.1	104 %	2,701.3	101 %	5,324.4	103 %	2,737.9	97 %	2,601.9	98 %	5,339.8	97 %	10,664.2	100 %
Corporate and eliminations	-383.6	--	-415.5	--	-799.1	--	-393.3	--	-402.9	--	-796.2	--	-1,595.3	--
Consolidated total	2,239.5	105 %	2,285.8	101 %	4,525.3	103 %	2,344.6	96 %	2,199.2	96 %	4,543.6	96 %	9,068.9	100 %

Segment profit

yen (billions)

	First Half						Second Half						Fiscal 2008	
	First Quarter	08/07	Second Quarter	08/07	First Half	08/07	Third Quarter	08/07	Fourth Quarter	08/07	Second Half	08/07		08/07
AVC Networks	38.9	110 %	71.2	107 %	110.1	108 %	84.3	119 %	57.9	123 %	142.2	120 %	252.3	115 %
Home Appliances	18.0	90 %	19.3	98 %	37.3	94 %	25.9	136 %	23.2	96 %	49.1	114 %	86.4	104 %
Components and Devices	18.4	134 %	31.1	84 %	49.5	98 %	27.8	109 %	27.7	117 %	55.5	113 %	105.0	105 %
MEW and PanaHome	9.9	153 %	31.2	120 %	41.1	126 %	27.3	110 %	28.0	130 %	55.3	119 %	96.4	122 %
JVC	-6.7	--	-3.0	--	-9.7	--	--	--	--	--	--	--	-9.7	--
Other	13.8	100 %	21.1	116 %	34.9	109 %	12.1	100 %	17.2	104 %	29.3	102 %	64.2	106 %
Total	92.3	107 %	170.9	101 %	263.2	103 %	177.4	116 %	154.0	120 %	331.4	118 %	594.6	111 %
Corporate and eliminations	-18.4	--	-24.8	--	-43.2	--	-12.0	--	-19.9	--	-31.9	--	-75.1	--
Consolidated total	73.9	113 %	146.1	103 %	220.0	106 %	165.4	122 %	134.1	115 %	299.5	119 %	519.5	113 %

Notes:

1. The company transferred its healthcare business to its consolidated subsidiary, Panasonic Shikoku Electronics Co., Ltd. on April 1, 2007. Accordingly, the year-on-year figures for the AVC Networks and Home Appliances segments are based on the reclassified fiscal 2007 results for those business segments.
2. JVC and its consolidated subsidiaries became associated companies under the equity method from August 2007.

Fiscal 2007 Results

Sales

yen (billions)

	First Half						Second Half						Fiscal 2007	
	First Quarter	07/06	Second Quarter	07/06	First Half	07/06	Third Quarter	07/06	Fourth Quarter	07/06	Second Half	07/06		07/06
AVC Networks	949.3	103 %	967.6	99 %	1,916.9	101 %	1,148.8	102 %	998.4	101 %	2,147.2	102 %	4,064.1	101 %
Home Appliances	312.5	101 %	297.5	111 %	610.0	105 %	323.8	102 %	313.3	107 %	637.1	105 %	1,247.1	105 %
Components and Devices	335.4	100 %	349.9	101 %	685.3	101 %	360.9	101 %	331.5	100 %	692.4	101 %	1,377.7	101 %
MEW and PanaHome	408.7	106 %	482.5	107 %	891.2	106 %	467.0	107 %	500.5	105 %	967.5	106 %	1,858.7	106 %
JVC	154.5	102 %	172.7	93 %	327.2	97 %	177.8	83 %	141.6	93 %	319.4	87 %	646.6	92 %
Other	359.4	124 %	391.7	119 %	751.1	121 %	350.9	109 %	382.0	102 %	732.9	105 %	1,484.0	113 %
Total	2,519.8	105 %	2,661.9	104 %	5,181.7	105 %	2,829.2	102 %	2,667.3	102 %	5,496.5	102 %	10,678.2	103 %
Corporate and eliminations	-382.9	--	-409.3	--	-792.2	--	-392.4	--	-385.4	--	-777.8	--	-1,570.0	--
Consolidated total	2,136.9	104 %	2,252.6	102 %	4,389.5	103 %	2,436.8	102 %	2,281.9	102 %	4,718.7	102 %	9,108.2	102 %

Segment profit

yen (billions)

	First Half						Second Half						Fiscal 2007	
	First Quarter	07/06	Second Quarter	07/06	First Half	07/06	Third Quarter	07/06	Fourth Quarter	07/06	Second Half	07/06		07/06
AVC Networks	35.3	121 %	66.6	117 %	101.9	119 %	70.9	121 %	47.2	97 %	118.1	110 %	220.0	114 %
Home Appliances	20.1	112 %	19.8	97 %	39.9	104 %	19.0	79 %	24.2	190 %	43.2	118 %	83.1	111 %
Components and Devices	13.8	236 %	36.8	132 %	50.6	150 %	25.6	98 %	23.7	111 %	49.3	104 %	99.9	123 %
MEW and PanaHome	6.4	146 %	26.1	108 %	32.5	114 %	24.9	108 %	21.5	102 %	46.4	105 %	78.9	109 %
JVC	-2.9	--	1.9	--	-1.0	--	0.5	36 %	-5.2	--	-4.7	--	-5.7	--
Other	13.7	149 %	18.2	93 %	31.9	111 %	12.1	90 %	16.5	83 %	28.6	85 %	60.5	97 %
Total	86.4	136 %	169.4	115 %	255.8	121 %	153.0	104 %	127.9	106 %	280.9	105 %	536.7	112 %
Corporate and eliminations	-21.3	--	-27.1	--	-48.4	--	-17.2	--	-11.6	--	-28.8	--	-77.2	--
Consolidated total	65.1	141 %	142.3	114 %	207.4	121 %	135.8	105 %	116.3	102 %	252.1	104 %	459.5	111 %

The company transferred its healthcare business to its consolidated subsidiary, Panasonic Shikoku Electronics Co., Ltd. on April 1, 2007. Accordingly, segment information for the AVC Networks and Home Appliances segments have been reclassified.