

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>		Percentage
	<u>2005</u>	<u>2004</u>	<u>2005/2004</u>
Net sales	¥ 4,145,654	¥ 4,081,485	102%
Cost of sales	(3,368,926)	(3,347,349)	
Selling, general and administrative expenses	<u>(688,335)</u>	<u>(687,142)</u>	
Operating profit	<u>88,393</u>	<u>46,993</u>	188%
Interest income	2,529	5,662	
Dividend income	63,593	64,634	
Other income	38,914	32,240	
Interest expense	(8,499)	(16,533)	
Other expenses	<u>(68,650)</u>	<u>(27,795)</u>	
Recurring profit	<u>116,280</u>	<u>105,201</u>	111%
Non-recurring profit	28,970	17,601	
Non-recurring loss	<u>(38,052)</u>	<u>(38,733)</u>	
Income before income taxes	107,198	84,069	128%
Provision for income taxes			
Current	7,857	7,463	
Deferred	<u>25,888</u>	<u>17,107</u>	
Net income	<u>¥ 73,453</u>	<u>¥ 59,499</u>	123%
Unappropriated retained earnings at beginning of period	41,012	40,467	
Interim dividend	(17,284)	(14,473)	
Unappropriated retained earnings at end of period	97,181	85,493	

Notes to parent-alone financial statements:

- From this fiscal year (fiscal 2005), amounts less than 1 million yen have been rounded to the nearest whole million yen amount in the accompanying parent-alone financial statement. Previously, amounts less than 1 million yen were omitted in parent-alone financial statements. Above figures for fiscal 2004 are based on the previous calculation method.
- Similarly, in the descriptions on pages 5 and 22 regarding parent-alone results and parent-alone sales breakdown, amounts less than one-tenth of a billion yen are rounded to the nearest whole billion yen amount.
- Non-recurring profit for fiscal 2005 includes 20,311 million yen related to the sale of securities, and 8,172 million yen as a result of the sale of certain fixed assets. Non-recurring loss for fiscal 2005 includes 34,915 million yen for business restructuring expenses such as losses associated with the employment structural reform of several domestic businesses.
- From this fiscal year (fiscal 2005), the company changed its sales categories to five new categories: AVC Networks, Home Appliances, Components and Devices, MEW products, and Other, in line with the reclassification made to the consolidated sales breakdown upon the consolidation of MEW. Accordingly, sales of several MEW products which were previously included in the "Other" category have been transferred to the new "MEW Products" category.
- On April 1, 2005, Matsushita absorbed Matsushita Industrial Information Equipment Co., Ltd. (MIIE), pursuant to a basic agreement regarding the merger between the company and MIIE.
- On April 1, 2005, Matsushita transferred building materials and equipment business of Corporate Housing Equipment Sales Division of Matsushita Home Appliances Company to MEW, pursuant to a basic business transfer agreement between the company and MEW. Furthermore, Matsushita absorbed MEW's sales functions of home appliances and other MEW products, pursuant to a basic business division agreement between the company and MEW.
- Net income per common share:

	<u>2005</u>	<u>2004</u>
Basic	31.90 yen	25.52 yen
Diluted	--	25.18 yen

Net income per common share (diluted) for fiscal 2005 is omitted because the company does not hold any dilutive securities.