

Matsushita Electric Industrial Co., Ltd.
Consolidated Statement of Income *
(Nine months ended December 31)

	Yen (millions)		Percentage 2005/2004	U.S. Dollars
	2005	2004		(millions) 2005
Net sales	¥ 6,657,633	¥ 6,615,062	101%	\$ 56,421
Cost of sales	(4,608,348)	(4,706,826)		(39,054)
Selling, general and administrative expenses	(1,748,778)	(1,663,648)		(14,820)
Operating profit	300,507	244,588	123%	2,547
Other income (deductions):				
Interest income	18,369	13,762		156
Dividend income	6,535	5,374		55
Gain from the transfer of the substitutional portion of Japanese Welfare Pension Insurance	--	31,509		--
Interest expense	(15,868)	(16,569)		(134)
Expenses associated with the implementation of early retirement programs **	(28,823)	(61,862)		(244)
Other income (loss), net	(520)	3,561		(5)
Income before income taxes	280,200	220,363	127%	2,375
Provision for income taxes	(139,544)	(96,533)		(1,183)
Minority interests	(475)	(25,375)		(4)
Equity in earnings (losses) of associated companies	(26,505)	(6,706)		(225)
Net income	¥ 113,676	¥ 91,749	124%	\$ 963
Net income, basic				
per common share	51.05 yen	39.79 yen		\$0.43
per ADS	51.05 yen	39.79 yen		\$0.43
Net income, diluted				
per common share	51.05 yen	39.79 yen		\$0.43
per ADS	51.05 yen	39.79 yen		\$0.43

(Parentheses indicate expenses, deductions or losses.)

* ** See Notes to consolidated financial statements on pages 14-15.

Supplementary Information
(Nine months ended December 31)

	Yen (millions)		U.S. Dollars
	2005	2004	(millions) 2005
Depreciation (tangible assets)	¥ 200,862	¥ 208,038	\$ 1,702
Capital investment *	¥ 257,670	¥ 222,551	\$ 2,184
R&D expenditures	¥ 416,564	¥ 465,176	\$ 3,530

* These figures are calculated on an accrual basis.