

Consolidated Statements of Income

Matsushita Electric Industrial Co., Ltd. and Subsidiaries
Years ended March 31, 2006, 2005 and 2004

	Millions of yen			Thousands of U.S. dollars (Note 2)
	2006	2005	2004	2006
Revenues, costs and expenses:				
Net sales (Note 5).....	¥ 8,894,329	¥8,713,636	¥7,479,744	\$ 76,019,906
Cost of sales (Notes 5 and 17).....	(6,155,297)	(6,176,046)	(5,313,065)	(52,609,376)
Selling, general and administrative expenses (Note 17)	(2,324,759)	(2,229,096)	(1,971,187)	(19,869,735)
Interest income.....	28,216	19,490	19,564	241,162
Dividends received	6,567	5,383	5,475	56,128
Gain from the transfer of the substitutional portion of Japanese Welfare Pension Insurance (Note 11)...	—	31,509	72,228	—
Other income (Notes 6, 7, 17 and 18).....	147,399	82,819	59,544	1,259,821
Interest expense	(21,686)	(22,827)	(27,744)	(185,350)
Goodwill impairment (Note 9).....	(50,050)	(3,559)	—	(427,778)
Other deductions (Notes 5, 6, 8, 9, 16, 17 and 18)...	(153,407)	(174,396)	(153,737)	(1,311,171)
Income before income taxes	371,312	246,913	170,822	3,173,607
Provision for income taxes (Note 12):				
Current	96,341	96,529	77,375	823,427
Deferred	70,748	56,805	21,160	604,684
	167,089	153,334	98,535	1,428,111
Income before minority interests and equity in losses of associated companies	204,223	93,579	72,287	1,745,496
Minority interests.....	(987)	27,719	19,618	(8,436)
Equity in losses of associated companies (Note 5)	(50,800)	(7,379)	(10,524)	(434,188)
Net income	¥ 154,410	¥ 58,481	¥ 42,145	\$ 1,319,744
Net income per share of common stock (Note 15):				
Basic.....	¥ 69.48	¥ 25.49	¥ 18.15	\$ 0.59
Diluted	69.48	25.49	18.00	0.59

See accompanying Notes to Consolidated Financial Statements.