

Fiscal 2008 First Half Financial Results

October 30, 2007

Matsushita Electric Industrial Co., Ltd.

Notes: 1. This is an English translation from the original presentation in Japanese.
2. In this presentation, "fiscal 2008" or "FY 2008" refers to the year ending March 31, 2008.

Summary

1. In second quarter, sales and operating profit hit record highs.
2. In first half, sales hit a record high and operating profit increased for the sixth consecutive year.
3. The first half results exceeded all forecasts which were previously announced.

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Fiscal 2008 Second Quarter Results

	FY08 Second Quarter	FY07 Second Quarter	vs. FY07	Real * vs. FY07
Sales	2,285.8	2,252.6	+1%	+7%
Domestic	1,109.8	1,118.2	-1%	+3%
Overseas	1,176.0	1,134.4	+4%	+12%
Operating profit	146.1	142.3	+3%	+7%
Pre-tax income	103.6	157.1	-34%	-27%
Net income	65.8	79.3	-17%	-

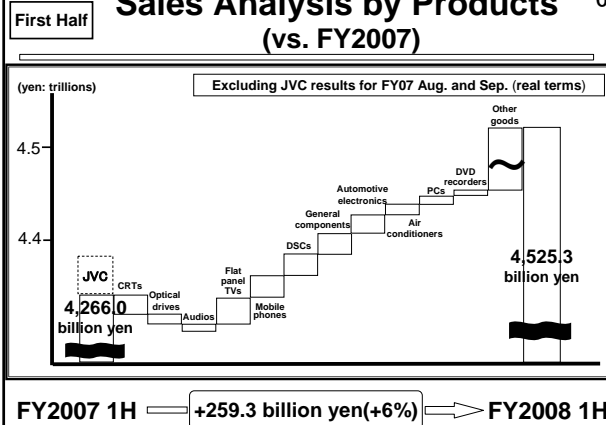
* Real terms : excluding JVC results for FY07 Aug. and Sep. (non-audit)

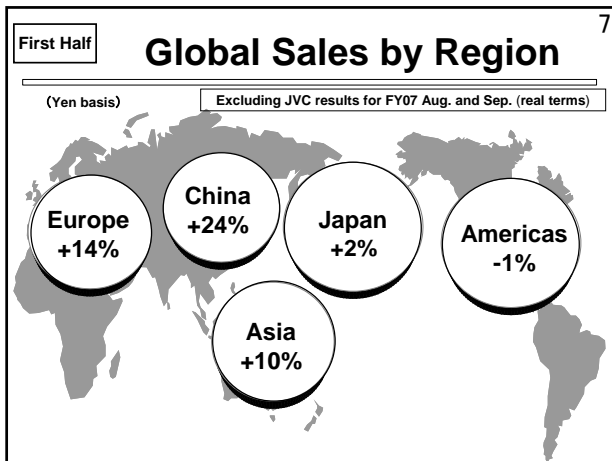
Fiscal 2008 First Half Results

	FY08 First Half	FY07 First Half	vs. FY07	Real * vs. FY07	Forecast (July,24)
Sales	4,525.3	4,389.5	+3%	+6%	4,322.0
Domestic	2,187.8	2,180.1	±0%	+2%	2,183.0
Overseas	2,337.5	2,209.4	+6%	+10%	2,139.0
Operating profit	220.0	207.4	+6%	+9%	181.0
Pre-tax income	187.6	232.5	-19%	-13%	179.0
Net income	105.1	115.1	-9%	-	82.0

* Real terms : excluding JVC results for FY07 Aug. and Sep. (non-audit)

Sales Analysis by Products (vs. FY2007)

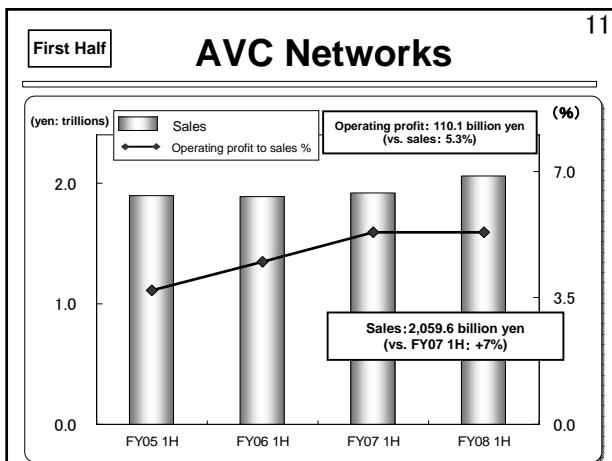
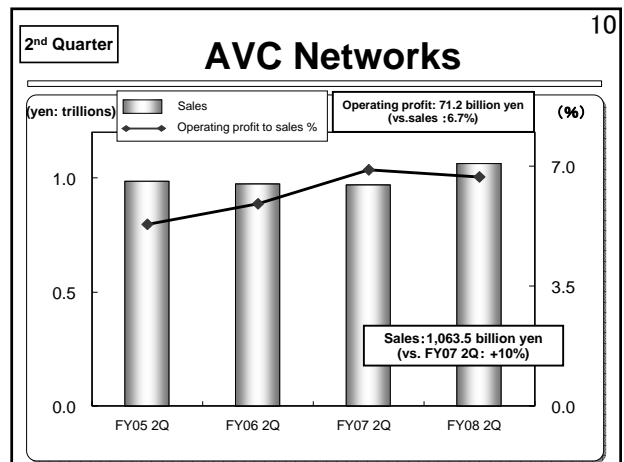
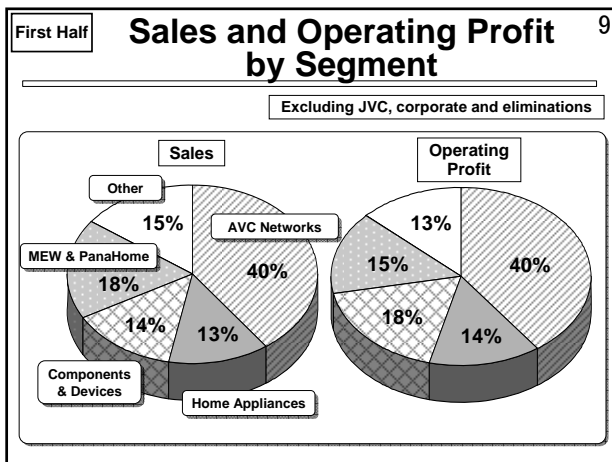




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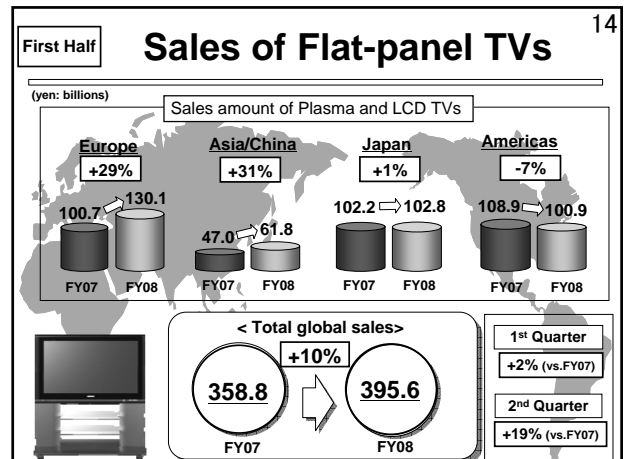
2nd Quarter 12

Results of Major Domain Companies

	PAVC		PCC		PMC	
	FY08 2Q	vs. FY07 2Q	FY08 2Q	vs. FY07 2Q	FY08 2Q	vs. FY07 2Q
Sales	480.0	+3%	135.9	+14%	97.1	+30%
Operating profit	33.1	+12%	3.7	-43%	2.5	-
Operating profit/sales	6.9%	+0.5%	2.7%	-2.8%	2.6%	+3.0%
Capital investment	51.3	-0.1	6.9	+4.1	1.0	-0.8

First Half Results of Major Domain Companies 13

(yen: billions)	PAVC		PCC		PMC	
	FY08 1H	vs. FY07 1H	FY08 1H	vs. FY07 1H	FY08 1H	vs. FY07 1H
Sales	940.1	+5%	265.1	+12%	205.5	+14%
Operating profit	47.4	+13%	5.7	-50%	0.9	+29%
Operating profit/sales	5.0%	+0.3%	2.2%	-2.6%	0.4%	±0%
Capital investment	77.0	+13.9	8.9	+3.4	1.5	-1.3



Expanding Lineups of Full HD TVs 15

New full HD models

Plasma: PZ750SK Series (NEW 65", NEW 50"), PZ70 Series (NEW 50", NEW 42")

LCD: NEW 37", 37L275

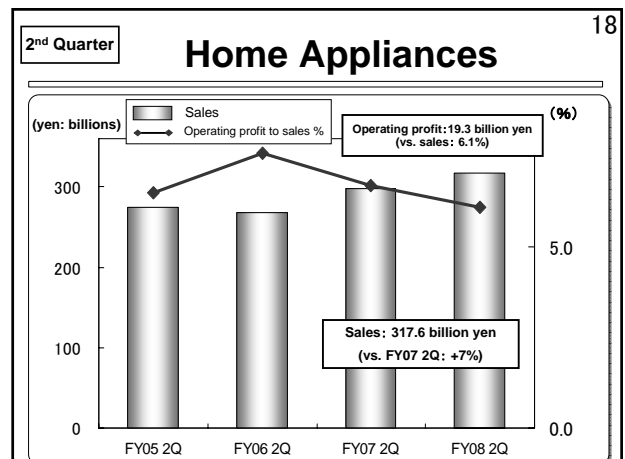
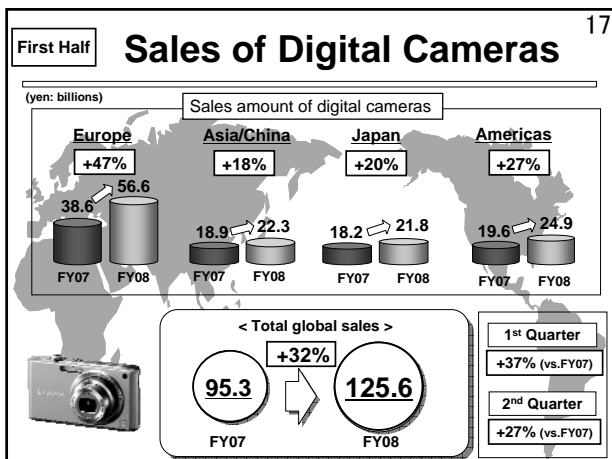
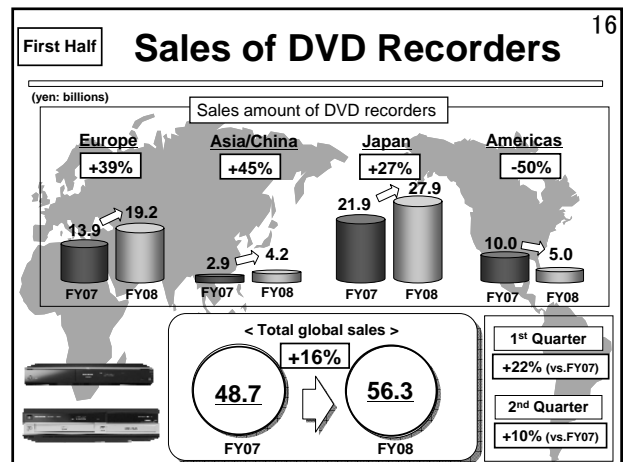
(Japan model)

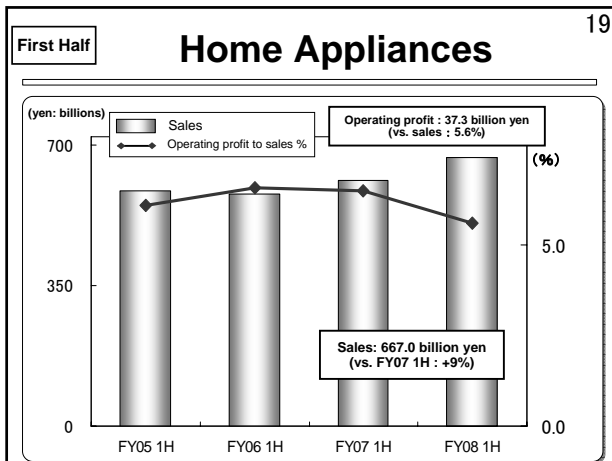
VIeRA Link in full HD

VIeRA Link, EZSYNC, Real Theater

North America Europe China

Strengthening product competitiveness and implementing worldwide marketing campaigns





Overseas Double-digit Growth in White Goods 20

	2nd Quarter	First Half
Air conditioners	+20%	+20%
Washing machines	+37%	+36%
Refrigerators	+38%	+40%
Microwave ovens	+13%	+17%
Compressors	+7%	+19%

* Overseas sales amounts (vs. FY07)

Accelerating expansion of overseas businesses in white goods

New Products Tilted-drum Washer/Dryers 21

Simultaneous R&D and launch in Japan and China

World first "Dancing laundering & drying system"

Japanese model Chinese model

Announcement of new products

Promoting All-electric Homes 22

<IH cooking equipment>

(unit=1,000) Market size (source) IEMA

Year	Market size
2002	460
2003	470
2004	560
2005	590
2006	720

<Eco Cute>

(unit=1,000) Market size (source) JRAIA

Year	Market size
2002	40
2003	50
2004	130
2005	230
2006	350

MEI Sharing Initiatives MEW

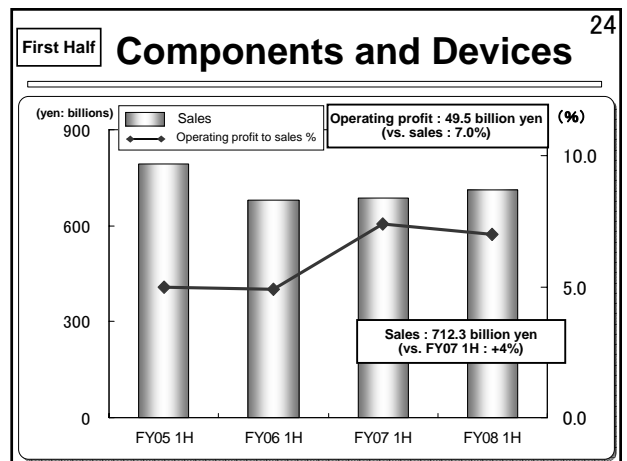
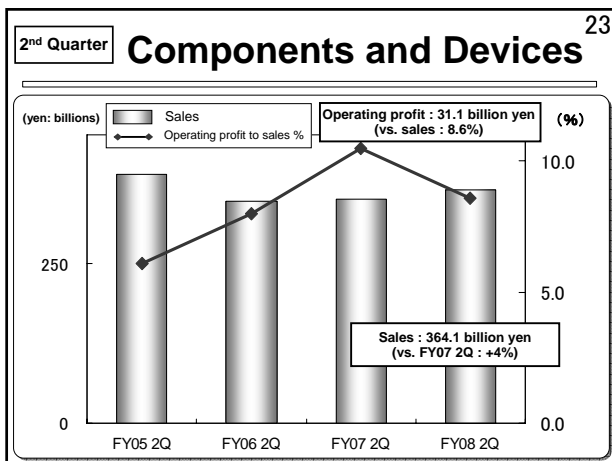
72 showrooms in Japan for experiencing all-electric homes

Events for electric utilities Showrooms

Campaign of a million customers to experience all electric homes

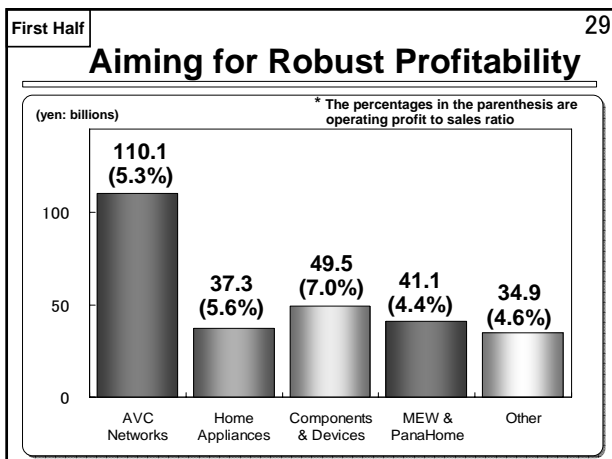
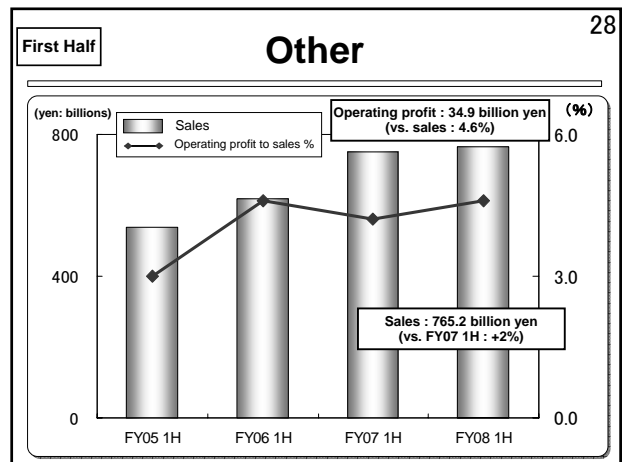
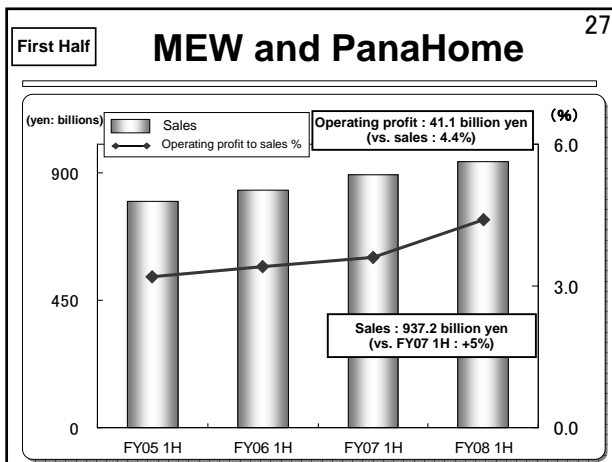
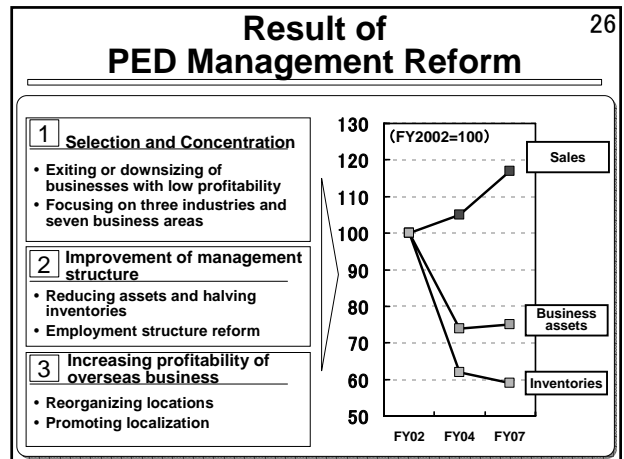
Exhibitions Previews before official opening

Kashiwa Nagoya

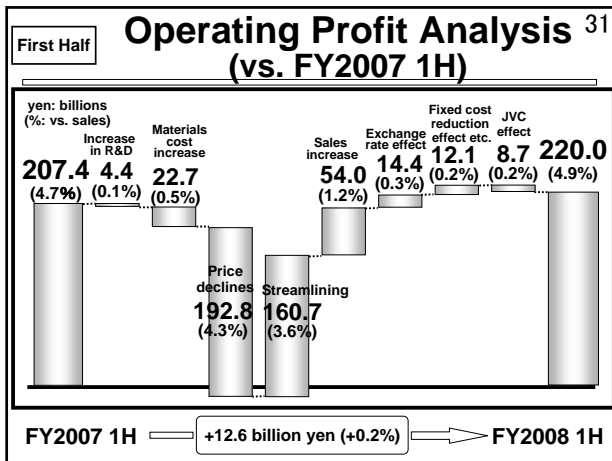


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2nd Quarter			First Half		
	(yen: billions)			(yen: billions)	
	FY08 2Q	vs. FY07 2Q		FY08 1H	vs. FY07 1H
Sales	130.6	+7%	Sales	260.4	+8%
Operating profit	11.4	+6%	Operating profit	20.7	+14%
Operating profit/sales	8.8%	-0.1%	Operating profit/sales	7.9%	+0.3%
Capital investment	8.2	-2.3	Capital investment	17.5	-0.5



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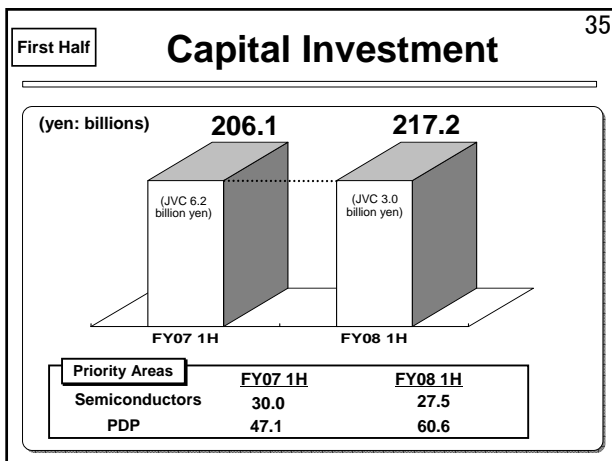
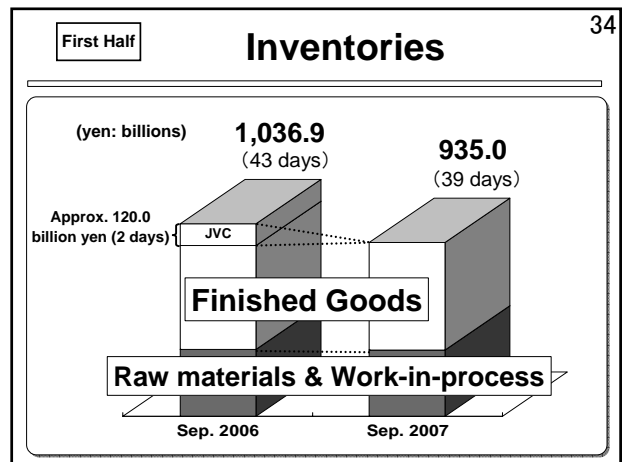
Pre-tax and Net Income Analysis 32

(yen: billions)

	FY08 1H	vs. FY07 1H
Operating profit	220.0	+12.6
Non-operating income/loss	-32.4	-57.4
Financial income	12.2	+6.5
Early retirement charges	-15.8	-11.5
Other	-28.8	-52.4
Pre-tax income	187.6	-44.8
Provision for income taxes	-70.9	+28.8
Minority interests	-5.0	+12.9
Equity in associated companies	-6.6	-6.9
Net income	105.1	-10.0

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Promoting Shareholder-oriented Management 36

(yen: billions)

	Sep. 2006	Sep. 2007
Total Assets	7,992.0	7,567.3
Bonds+Borrowings	578.1	303.9
Liabilities	3,055.3	2,856.8
Minority Interests	502.3	500.4
Stockholders' Equity	3,856.3	3,906.2

JVC Effect: Approx. 400 billion yen (-424.7)

- Dividends: Target: Approx. 30-40% of consolidated net income. Fiscal 2008: Cash dividends of 35 yen per share (planned).
- Share Repurchases: Enhancing shareholder value per share and return on capital. Fiscal 2008: *Up to 50 million stock (planned), *Up to 100 billion yen (planned).

Panasonic
ideas for life

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