

MATSUSHITA ELECTRIC INDUSTRIAL CO LTD

Form 6-K

February 13, 2006

Table of Contents

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16 of

The Securities Exchange Act of 1934

For the Month of January 2006

Commission File Number: 1-6784

Matsushita Electric Industrial Co., Ltd.

Kadoma, Osaka, Japan

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101

(b)(1):

Edgar Filing: MATSUSHITA ELECTRIC INDUSTRIAL CO LTD - Form 6-K

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101

(b)(7): ____

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule

12g3-2(b): 82-____

Table of Contents

This Form 6-K consists of:

1. News release issued on January 10, 2006, by Matsushita Electric Industrial Co., Ltd. (the registrant), announcing that Panasonic and Toray will build world 's largest plasma display panel plant in Japan.
2. News release issued on February 2, 2006, by the registrant, announcing consolidated financial results for the fiscal 2006 third quarter, ended December 31, 2005.
3. Supplemental consolidated financial data for the fiscal 2006 third quarter, ended December 31, 2005.
4. News release issued on February 2, 2006, by the registrant, announcing the sale of stake in Universal.

Table of Contents

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Matsushita Electric Industrial Co., Ltd.

By: /s/ YOICHI NAGATA

Yoichi Nagata, Attorney-in-Fact

Director of Overseas Investor Relations

Matsushita Electric Industrial Co., Ltd.

Dated: February 13, 2006

Table of Contents

FOR IMMEDIATE RELEASE

January 10, 2006

Media Contacts:

Matsushita Electric Industrial Co., Ltd.

Toray Industries, Inc.

Akira Kadota, International PR

Corporate Communications Section

Tel: +81-3-3578-1237 Fax: +81-3-3436-6766

Tel: +81-3-3245-5179 Fax: +81-3-3245-5459

Panasonic News Bureau

Tel: +81-3-3542-6205 Fax: +81-3-3542-9018

Panasonic and Toray to Build World's Largest

Plasma Display Panel Plant in Japan

- Commencing operations in July 2007,

new plant to boost Panasonic's PDP output to over 11 million panels per annum

via production technology yielding world-first eight panels per sheet -

Osaka, Japan Panasonic, the brand for which Matsushita Electric Industrial Co., Ltd. is best known, and diversified chemical group Toray Industries, Inc. today announced plans to build a new plasma display panel (PDP) manufacturing facility in Japan. The facility will be the fourth plant of their PDP joint venture, Matsushita PDP Company Ltd. (MPDP), giving Panasonic the largest PDP production capacity in the world.

With an investment of 180 billion yen, the world's largest PDP plant will be situated next to MPDP's third PDP plant in Amagasaki, Japan. The new plant will have a production capacity of 6 million panels per year (calculated on the basis of 42-inch screen-size panels).

MPDP will start construction of the new plant in May this year with production scheduled to commence in July 2007. When it reaches its full capacity by March 2009, Panasonic's total PDP output will be lifted to 11.1 million panels per year. The new plant is Panasonic's fifth PDP manufacturing facility. In addition to three other MPDP plants (two in Ibaraki and one in Amagasaki), Panasonic runs Shanghai Matsushita Plasma Display Co., Ltd. in China. The sheer size of its new production capacity reinforces Panasonic's leadership in the global flat-panel TV market.

The new plant will employ state-of-the-art process technologies and production systems that are more advanced than those of the third plant in Amagasaki, which began production in September 2005, said Mr. Ken Morita, President of MPDP. The new systems and technologies will bring greater mass production efficiencies to the whole process while ensuring higher quality. Our new process technology allows a single substrate to yield up to eight 42-inch panels, the highest number in the world. According to a comprehensive production strategy aimed at further enhancing production efficiencies in all PDP plants, each production line will be specialized by screen size. As a result, MPDP will be able to supply PDPs with more speed and flexibility to meet the surging world demand.

Table of Contents

- 2 -

The PDP market originated in Japan and has quickly evolved into a huge global market driven by the worldwide trend towards digital high-definition broadcasting. Demand for PDPs in North America and Europe now far exceeds demand in Japan. The growing market in China, the host country of the 2008 Summer Olympic Games, also is poised to outpace the growth in Japan.

Japan's demand for crisp and clear picture, large-screen plasma TVs will be pushed by nationwide expansion of digital terrestrial broadcasting expected by the end of this year and the cessation of analog broadcasting by 2011. In other regions, such as Southeast Asia, PDP demand is expected to develop as digital broadcast infrastructure is built.

Mr. Morita said, "As plasma has technical advantages in producing large panels not only in terms of performance but also production and cost efficiencies, PDPs will gain more popularity as a multipurpose display for business, educational and medical applications as well as home theater use."

Panasonic anticipates the global PDP market will expand to 25 million panels by 2010. With its annual output capacity of over 11 million panels, we aim to be the world's top manufacturer of PDPs by enhancing our global share to over 40 percent.

Positioning PDP as one of their core businesses, Panasonic and Toray are committed to running MPDP together and making a significant contribution to the progress of the audio-visual industry on a global scale.

Profile of New Manufacturing Facility

Name:	Matsushita PDP Company Ltd. Fourth Plant
Location:	Amagasaki City, Hyogo Prefecture, Japan (on the same site with the third plant) (lot area: approx. 147,000 square meters)
Investment:	180 billion yen (including plant construction and equipment costs)
President:	Ken Morita Senior Vice President, Panasonic AVC Networks Company Executive Officer, Matsushita Electric Industrial Co., Ltd.
Business Activities:	Production and sales of plasma display modules and related products
Capacity:	500,000 units per month
Construction:	Groundbreaking in May 2006

Edgar Filing: MATSUSHITA ELECTRIC INDUSTRIAL CO LTD - Form 6-K

Production:	To commence in July 2007
Employees:	Approx. 600 (initial stage)
Floor Space:	Approx. 192,000 square meters

Table of Contents

- 3 -

About Panasonic

Best known by its Panasonic brand name, Matsushita Electric Industrial Co., Ltd. is a worldwide leader in the development and manufacture of electronic products for a wide range of consumer, business, and industrial needs. Based in Osaka, Japan, the company recorded consolidated net sales of US\$81.44 billion for the year ended March 31, 2005. The company's shares are listed on the Tokyo, Osaka, Nagoya, New York (NYSE:MC), Euronext Amsterdam and Frankfurt stock exchanges. For more information on the company and the Panasonic brand, visit the company's website at <http://panasonic.co.jp/global/index.html>.

About Toray

Toray, a leading diversified chemicals corporate group, has been technology-focused since its foundation in 1926. The company's operations are underpinned by technological expertise in organic synthetic chemistry, polymer chemistry, and biochemistry- Toray's three core technologies. These innovative technologies have yielded advanced materials that Toray is now exploiting to provide customers with comprehensive solutions through Fibers and Textiles, Plastics and Chemicals, IT-related Products, Housing and Engineering, Pharmaceuticals and Medical Products, New Products and Other Business divisions. In FY2004, Toray had consolidated sales of 1,299 billion yen (approx \$12.1 billion), and over 33,700 employees worldwide. For further information, please check www.toray.co.jp.

###

Table of Contents

February 2, 2006

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)

Brendon Gore (Europe)

(Tel: +44-20-8899-2217)

Investor Relations Contacts:

Makoto Mihara (Japan)

Investor Relations

(Tel: +81-6-6908-1121)

Akihiro Takei (U.S.)

Panasonic Finance (America), Inc.

(Tel: +1-212-698-1365)

Hiroko Carvell (Europe)

Panasonic Finance (Europe) plc

(Tel: +44-20-7562-4400)

ANNOUNCEMENT OF FINANCIAL RESULTS

(Note: Dollar amounts for the most recent period have been translated for convenience at the rate of U.S.\$1.00 = 118 yen.)

MATSUSHITA REPORTS THIRD QUARTER NET PROFIT INCREASE

- Full-year Forecast Revised on Strong Third Quarter Results -

Osaka, Japan, February 2, 2006 Matsushita Electric Industrial Co., Ltd. (Matsushita [NYSE symbol: MC]) today reported its consolidated financial results for the third quarter and nine months, ended December 31, 2005, of the current fiscal year, ending March 31, 2006 (fiscal 2006).

Consolidated Third-quarter Results

Consolidated group sales for the third quarter increased 4% to 2,398.4 billion yen (U.S.\$20.33 billion), from 2,296.5 billion yen in the same three-month period a year ago. Explaining the third quarter results, the company cited sales gains in digital audiovisual (AV) products, especially V-products. Of the consolidated group total, domestic sales were down 1% to 1,181.6 billion yen (\$10.02 billion), from 1,189.0 billion yen a year ago. Overseas sales increased 10% to 1,216.8 billion yen (\$10.31 billion), from 1,107.5 billion yen in the third quarter of fiscal 2005.

Table of Contents

- 2 -

During the third quarter, the overall economic situation in Japan continued a moderate recovery trend, while global economic conditions were generally favorable, led by the United States and China. The outlook for world economies, however, is still uncertain, with concerns about the adverse impact of rising crude oil prices and risks associated with excessive housing investment in the United States.

In the electronics industry, conditions were favorable due mainly to strong sales in consumer electronics in the United States and steady global demand in information technology (IT) industries. The most recent round of inventory adjustments, particularly in components and devices, has also come to an end. However, a severe business environment continues due mainly to rising raw materials costs and price declines, mainly in AV products, caused by intensified global competition. Under these circumstances, Matsushita is accelerating the implementation of growth strategies and strengthening management structures to achieve global excellence in 2010.

As part of such efforts, the company successfully launched a new series of V-products and promoted the simultaneous introduction of products such as flat-panel TVs in Japan, the United States and Europe, resulting in increased market share. Meanwhile, the company promoted collaboration activities with Matsushita Electric Works, Ltd. (MEW), launching Collaboration V-products such as bathroom systems, which were developed through integrated core technologies from Matsushita and MEW, while reorganizing marketing structures. Furthermore, as part of initiatives to augment management structures, Matsushita launched a Next Cell Production Project to achieve further reductions in inventories and improve cost competitiveness. Also, a Second Corporate Cost Busters Project was launched to enhance profitability by eliminating redundancies throughout the Matsushita group.

Table of Contents

- 3 -

Regarding earnings, negative factors, such as intensified global price competition and increased raw materials costs, including crude oil prices, were more than offset by sales gains, comprehensive cost reduction efforts and other positive factors. As a result, operating profit¹ for the third quarter was up 47%, to 129.4 billion yen (\$1.10 billion), from 88.3 billion yen in the same period a year ago. Income before income taxes increased 52% to 126.1 billion yen (\$1.07 billion), from 83.1 billion yen last year. This improvement was mainly attributable to increased operating profit, despite 8.0 billion yen in expenses associated with early retirement programs and 8.8 billion yen related to a recall of certain kerosene fan heaters, which the company manufactured and sold in Japan between 1985 and 1992. Net income also increased, up 39% to 49.3 billion yen (\$418 million), from 35.6 billion yen in the same period a year ago. The company's net income per common share was 22.29 yen (\$0.19) on a diluted basis, versus 15.56 yen on the same basis a year ago.

Consolidated Nine-month Results

Consolidated group sales for the nine months ended December 31, 2005 increased 1% to 6,657.6 billion yen (\$56.42 billion), compared with 6,615.1 billion yen in the same nine-month period a year ago. Domestic sales decreased 1% to 3,355.3 billion yen (\$28.43 billion), while overseas sales were up 2% to 3,302.3 billion yen (\$27.99 billion).

For reasons similar to those given for third quarter results, the company's operating profit for the nine months increased 23% to 300.5 billion yen (\$2.55 billion), from 244.6 billion yen in the comparable period a year ago. Pre-tax income for the nine-month period increased 27% to 280.2 billion yen (\$2.37 billion), compared with 220.4 billion yen a year ago. In other income (deductions), the company recorded a 10.3 billion yen gain from the sale of shares of Matsushita Leasing & Credit Co., Ltd. (MLC),² and incurred expenses of 28.8 billion yen associated with the implementation of early retirement programs, and 8.8 billion yen in expenses related to the aforementioned recall of kerosene fan heaters. Net income was also up 24% to 113.7 billion yen (\$963 million), as compared with 91.7 billion yen in the same nine-month period of the previous year. The company's net income per common share was 51.05 yen (\$0.43) on a diluted basis, versus 39.79 yen on the same basis a year ago.

¹ For information about operating profit, see Note 2 of Notes to consolidated financial statements on page 14.

² For information about the sale of shares of MLC, see Note 3 of Notes to consolidated financial statements on page 14.

Table of Contents

- 4 -

Consolidated Third-quarter Sales Breakdown by Product Category

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

AVC Networks

AVC Networks sales increased 9% to 1,049.1 billion yen (\$8.89 billion), compared with 966.9 billion yen in the same period of the previous year. Sales of video and audio equipment increased 9% from the previous year's third quarter, due mainly to strong sales of digital AV products, such as plasma TVs and digital cameras.

Sales of information and communications equipment increased 8%, mainly a result of sales gains in PCs and peripherals and automotive electronics, which were more than sufficient to offset weak overseas sales in cellular phones.

Home Appliances

Sales of Home Appliances decreased 2% to 311.3 billion yen (\$2.64 billion), compared with 316.5 billion yen in last year's third quarter. Although sales of air conditioners and microwave ovens were favorable, sales declines were recorded in refrigerators, compressors and seasonal products.

Components and Devices

Sales of Components and Devices increased 3% to 286.9 billion yen (\$2.43 billion), compared with 279.1 billion yen in the same period of the previous year, due mainly to favorable sales of semiconductors, general components and batteries.

MEW and PanaHome

Sales of MEW and PanaHome increased 3% to 387.3 billion yen (\$3.28 billion), from 376.6 billion yen last year. At MEW and its subsidiaries, sales gains were recorded mainly in electrical construction materials, automation controls and electronic and plastic materials. At PanaHome Corporation, sales of detached housing were sluggish, while sales gains were recorded in rental apartment housing and home remodeling businesses.

Table of Contents

- 5 -

JVC

Sales for JVC (Victor Company of Japan, Ltd. and its subsidiaries) totaled 211.8 billion yen (\$1.80 billion), up 1% from 209.4 billion yen in the third quarter of the previous year, due primarily to favorable sales of consumer electronics in the Americas and software and media.

Other

Sales for Other increased 3% to 152.0 billion yen (\$1.29 billion) from 148.0 billion yen in the third quarter of the previous year, due mainly to sales increases in factory automation equipment.

Consolidated Financial Condition

On a consolidated basis, total assets as of December 31, 2005 were 8,265.0 billion yen (\$70.04 billion), an increase of 175.0 billion yen from the end of the first fiscal half ended September 30, 2005. This was due mainly to an increase in trade receivables caused by seasonal factors such as year-end sales, and an increase in investments as a result of revaluation, despite decreased inventories. Stockholders' equity increased 136.0 billion yen, as compared with the end of the first fiscal half, due primarily to an increase of 1,203 billion yen in accumulated other comprehensive income, primarily attributable to a weaker yen.

Table of Contents

- 6 -

Outlook for the Full Fiscal Year 2006, ending March 31, 2006

Regarding the outlook for the full fiscal year 2006, considering the current financial results, Matsushita today announced an upward revision of the forecast announced on April 28, 2005. Regarding net sales on a consolidated basis, Matsushita revised its previous forecast of 8,720 billion yen upward, to approximately 8,840 billion yen. Reasons given for the upward revision include strong sales of digital AV products, especially V-products, a weaker yen and other positive effects, sufficient to offset sales downturns in cellular phones. Operating profit is now expected to increase to 400 billion yen, from the previous forecast of 330 billion yen. The upward revision for operating profit is due mainly to rationalization efforts in materials costs, the effects of restructuring initiatives and cost reduction activities. Regarding consolidated income before income taxes³, despite negative factors such as the aforementioned product recall (approximately 24 billion yen), increased restructuring expenses and impairment losses from long-lived assets, Matsushita has revised its forecast to 300 billion yen, from the previous forecast of 290 billion yen, due mainly to the expected increase in operating profit and gains related to the liquidation of a consolidated subsidiary, MEI Holding Inc. (MHI)⁴. Net income is now expected to increase to 130 billion yen, from the previous forecast of 110 billion yen, due mainly to the increase in pre-tax income and a lower effective tax rate, mainly a result of the reorganization of domestic and overseas subsidiaries.

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, New York, Euronext Amsterdam, and Frankfurt stock exchanges.

For more information, please visit the following Web sites:

Matsushita home page URL: <http://panasonic.co.jp/global/>

Matsushita IR Web site URL: <http://ir-site.panasonic.com/>

³ Other income (deductions) affecting the forecast for income before income taxes is expected to amount to a loss of 100 billion yen, including restructuring charges of 55 billion yen and other expenses of 45 billion yen.

⁴ For more information, see separate press release issued today, "Matsushita to Divest Stake in Universal."

Table of Contents

- 7 -

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 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)

Table of Contents

- 8 -

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

	<u>Yen (millions)</u>		<u>Percentage</u>	<u>U.S. Dollars</u>
	<u>2005</u>	<u>2004</u>		<u>(millions)</u>
			<u>2005/2004</u>	<u>2005</u>
Net sales	¥ 2,398,420	¥ 2,296,525	104%	\$ 20,326
Cost of sales	(1,651,182)	(1,631,230)		(13,993)
Selling, general and administrative expenses	(617,818)	(577,041)		(5,236)
Operating profit	129,420	88,254	147%	1,097
Other income (deductions):				
Interest income	7,226	4,644		61
Dividend income	1,776	1,466		15
Interest expense	(5,635)	(5,075)		(48)
Expenses associated with the implementation of early retirement programs **	(8,049)	(12,253)		(68)
Other income, net	1,351	6,054		12
Income before income taxes	126,089	83,090	152%	1,069
Provision for income taxes	(54,116)	(35,701)		(459)
Minority interests	(7,071)	(10,029)		(60)
Equity in earnings (losses) of associated companies	(15,633)	(1,790)		(132)
Net income	¥ 49,269	¥ 35,570	139%	\$ 418
Net income, basic				
per common share	22.29 yen	15.56 yen		\$ 0.19
per ADS	22.29 yen	15.56 yen		\$ 0.19
Net income, diluted				
per common share	22.29 yen	15.56 yen		\$ 0.19
per ADS	22.29 yen	15.56 yen		\$ 0.19

(Parentheses indicate expenses, deductions or losses.)

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

Supplementary Information**(Three months ended December 31)**

Edgar Filing: MATSUSHITA ELECTRIC INDUSTRIAL CO LTD - Form 6-K

	Yen (millions)		U.S. Dollars (millions)
	2005	2004	2005
	¥	¥	\$
Depreciation (tangible assets)	68,523	69,370	581
Capital investment *	98,226	76,908	832
R&D expenditures	138,147	148,649	1,171
Number of employees (Dec. 31)	330,581	337,863	

* These figures are calculated on an accrual basis.

Table of Contents

- 9 -

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

	<u>Yen (millions)</u>		<u>Percentage</u>	<u>U.S. Dollars</u>
	<u>2005</u>	<u>2004</u>		<u>(millions)</u>
			<u>2005/2004</u>	<u>2005</u>
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

Edgar Filing: MATSUSHITA ELECTRIC INDUSTRIAL CO LTD - Form 6-K

(Nine months ended December 31)

	Yen (millions)		U.S. Dollars (millions)
	2005	2004	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.

Table of Contents

- 10 -

Matsushita Electric Industrial Co., Ltd.**Consolidated Balance Sheet ******December 31, 2005****With comparative figures for September 30, 2005**

	Yen (millions)		U.S. Dollars
			(millions)
	Dec. 31, 2005	Sept. 30, 2005	Dec. 31, 2005
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	¥ 1,413,509	¥ 1,455,714	\$ 11,979
Time deposits	241,275	213,543	2,045
Short-term investments	54,320	16,252	460
Trade receivables (notes and accounts) and other current assets	1,730,596	1,618,856	14,666
Inventories	986,306	1,006,422	8,359
Total current assets	4,426,006	4,310,787	37,509
Noncurrent receivables			
Investments and advances	1,299,435	1,197,666	11,012
Property, plant and equipment, net of accumulated depreciation	1,636,267	1,635,462	13,866
Other assets	903,285	946,076	7,655
Total assets	¥ 8,264,993	¥ 8,089,991	\$ 70,042
<u>Liabilities and Stockholders Equity</u>			
Current liabilities:			
Short-term borrowings	¥ 299,843	¥ 359,033	\$ 2,541
Trade payables (notes and accounts) and other current liabilities	2,623,419	2,513,075	22,232
Total current liabilities	2,923,262	2,872,108	24,773
Long-term debt	425,821	429,250	3,608
Other long-term liabilities	636,478	680,427	5,394
Minority interests	517,283	482,089	4,384
Common stock	258,740	258,740	2,193
Capital surplus	1,234,269	1,231,516	10,460
Legal reserve	86,988	87,813	737
Retained earnings	2,535,693	2,507,767	21,489
Accumulated other comprehensive income (loss) *	(11,597)	(131,855)	(98)
Treasury stock	(341,944)	(327,864)	(2,898)

Edgar Filing: MATSUSHITA ELECTRIC INDUSTRIAL CO LTD - Form 6-K

Total liabilities and stockholders' equity	¥ 8,264,993	¥ 8,089,991	\$ 70,042
--	-------------	-------------	-----------

* Accumulated other comprehensive income (loss) breakdown:

	Yen (millions)		U.S. Dollars (millions)
	Dec. 31, 2005	Sept. 30, 2005	Dec. 31, 2005
Cumulative translation adjustments	¥ (112,196)	¥ (182,182)	\$ (951)
Unrealized holding gains of available-for-sale securities	165,826	127,848	1,406
Unrealized gains of derivative instruments	14,422	8,704	122
Minimum pension liability adjustments	(79,649)	(86,225)	(675)

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

Table of Contents

- 11 -

Matsushita Electric Industrial Co., Ltd.**Consolidated Sales Breakdown *****(Three months ended December 31)**

	Yen (billions)		Percentage	U.S. Dollars
	2005	2004		(millions)
				2005
<u>AVC Networks</u>				
Video and audio equipment	¥ 516.7	¥ 476.2	109%	\$ 4,379
Information and communications equipment	532.4	490.7	108%	4,512
Subtotal	1,049.1	966.9	109%	8,891
<u>Home Appliances</u>				
	311.3	316.5	98%	2,638
<u>Components and Devices</u>				
	286.9	279.1	103%	2,432
<u>MEW and PanaHome</u>				
	387.3	376.6	103%	3,282
<u>JVC</u>				
	211.8	209.4	101%	1,795
<u>Other</u>				
	152.0	148.0	103%	1,288
Total	¥ 2,398.4	¥ 2,296.5	104%	\$ 20,326
Domestic sales	1,181.6	1,189.0	99%	10,014
Overseas sales	1,216.8	1,107.5	110%	10,312

(Nine months ended December 31)

	Yen (billions)		Percentage	U.S. Dollars
	2005	2004		(millions)
				2005
<u>AVC Networks</u>				
Video and audio equipment	¥ 1,261.1	¥ 1,208.4	104%	\$ 10,687

Edgar Filing: MATSUSHITA ELECTRIC INDUSTRIAL CO LTD - Form 6-K

Information and communications equipment	1,535.4	1,504.5	102%	13,012
Subtotal	2,796.5	2,712.9	103%	23,699
<i>Home Appliances</i>	889.7	926.0	96%	7,540
<i>Components and Devices</i>	817.9	861.6	95%	6,931
<i>MEW and PanaHome</i>	1,139.7	1,088.2	105%	9,659
<i>JVC</i>	545.5	563.6	97%	4,623
<i>Other</i>	468.3	462.8	101%	3,969
Total	¥ 6,657.6	¥ 6,615.1	101%	\$ 56,421
Domestic sales	3,355.3	3,391.9	99%	28,435
Overseas sales	3,302.3	3,223.2	102%	27,986

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

Table of Contents

- 12 -

[Domestic/Overseas Sales Breakdown for Three Months ended December 31, 2005]

(in yen only)

	Domestic sales		Overseas sales	
	Yen (billions)	Percentage	Yen (billions)	Percentage
	2005	2005/2004	2005	2005/2004
<u>AVC Networks</u>				
Video and audio equipment	¥ 160.6	104%	¥ 356.1	111%
Information and communications equipment	241.8	105%	290.6	112%
Subtotal	402.4	104%	646.7	111%
<u>Home Appliances</u>				
	191.1	93%	120.2	109%
<u>Components and Devices</u>				
	108.4	94%	178.5	109%
<u>MEW and PanaHome</u>				
	323.7	99%	63.6	124%
<u>JVC</u>				
	58.6	96%	153.2	103%
<u>Other</u>				
	97.4	101%	54.6	106%
Total	¥ 1,181.6	99%	¥ 1,216.8	110%

[Domestic/Overseas Sales Breakdown for Nine Months ended December 31, 2005]

(in yen only)

	Domestic sales		Overseas sales	
	Yen (billions)	Percentage	Yen (billions)	Percentage
	2005	2005/2004	2005	2005/2004
<u>AVC Networks</u>				
Video and audio equipment	¥ 387.6	102%	¥ 873.5	105%
Information and communications equipment	723.1	102%	812.3	102%

Edgar Filing: MATSUSHITA ELECTRIC INDUSTRIAL CO LTD - Form 6-K

Subtotal	1,110.7	102%	1,685.8	104%
<u>Home Appliances</u>	527.8	92%	361.9	102%
<u>Components and Devices</u>	306.6	90%	511.3	98%
<u>MEW and PanaHome</u>	968.3	103%	171.4	113%
<u>JVC</u>	156.2	99%	389.3	96%
<u>Other</u>	285.7	97%	182.6	108%
Total	¥ 3,355.3	99%	¥ 3,302.3	102%

Table of Contents

- 13 -

Matsushita Electric Industrial Co., Ltd.**Consolidated Information by Segments *****(Three months ended December 31)****By Business Segment:**

	<u>Yen (billions)</u>		<u>Percentage</u>	<u>U.S. Dollars</u>
	<u>2005</u>	<u>2004</u>		<u>(millions)</u>
			<u>2005/2004</u>	<u>2005</u>
[Sales]				
AVC Networks	¥ 1,125.5	¥ 1,041.0	108%	\$ 9,538
Home Appliances	329.5	343.8	96%	2,792
Components and Devices	356.8	356.3	100%	3,024
MEW and PanaHome	435.1	390.8	111%	3,687
JVC	214.1	213.4	100%	1,815
Other	322.7	250.5	129%	2,735
Subtotal	2,783.7	2,595.8	107%	23,591
Eliminations	(385.3)	(299.3)		(3,265)
Consolidated total	¥ 2,398.4	¥ 2,296.5	104%	\$ 20,326
[Segment Profit] **				
AVC Networks	¥ 58.1	¥ 25.7	226%	\$ 492
Home Appliances	24.4	21.6	113%	207
Components and Devices	26.0	9.1	287%	220
MEW and PanaHome	23.1	20.3	114%	196
JVC	1.3	7.2	19%	11
Other	13.5	8.9	152%	115
Subtotal	146.4	92.8	158%	1,241
Corporate and eliminations	(17.0)	(4.5)		(144)
Consolidated total	¥ 129.4	¥ 88.3	147%	\$ 1,097

(Nine months ended December 31)

By Business Segment:

	Yen (billions)		Percentage 2005/2004	U.S. Dollars
	2005	2004		(millions) 2005
[Sales]				
AVC Networks	¥ 3,007.3	¥ 2,924.5	103%	\$ 25,486
Home Appliances	933.2	1,004.2	93%	7,909
Components and Devices	1,037.6	1,148.7	90%	8,793
MEW and PanaHome	1,272.4	1,125.3	113%	10,783
JVC	550.4	573.8	96%	4,664
Other	941.6	789.8	119%	7,980
Subtotal	7,742.5	7,566.3	102%	65,615
Eliminations	(1,084.9)	(951.2)		(9,194)
Consolidated total	¥ 6,657.6	¥ 6,615.1	101%	\$ 56,421
[Segment Profit] **				
AVC Networks	¥ 142.9	¥ 94.0	152%	\$ 1,211
Home Appliances	63.9	59.4	108%	542
Components and Devices	59.7	48.6	123%	506
MEW and PanaHome	51.6	44.9	115%	437
JVC	(2.7)	11.8		(23)
Other	42.2	25.0	169%	358
Subtotal	357.6	283.7	126%	3,031
Corporate and eliminations	(57.1)	(39.1)		(484)
Consolidated total	¥ 300.5	¥ 244.6	123%	\$ 2,547

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

Table of Contents

- 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 5 for U.S. GAAP reconciliation.
3. On April 1, 2005, Matsushita sold approximately 2,707 thousand shares of Matsushita Leasing & Credit Co., Ltd. (MLC) to The Sumitomo Trust & Banking Co., Ltd. (STB) for cash proceeds of 27,756 million yen, and recorded a gain of 10,313 million yen, pursuant to a basic agreement regarding the equity ownership of MLC concluded between the company and STB. As a result of the sale, Matsushita now owns 34% of MLC's total issued shares. MLC (renamed Sumishin Matsushita Financial Services Co., Ltd. on May 1, 2005) was changed from a consolidated subsidiary to an equity method investee of Matsushita as of April 1, 2005.
4. Comprehensive income was reported as a gain of 169,527 million yen (\$1,437 million) for the third quarter ended December 31, 2005, a gain of 14,423 million yen for the third quarter ended December 31, 2004. Comprehensive income was a gain of 340,456 million yen (\$2,885 million) for the nine months ended December 31, 2005, and a gain of 205,842 million yen for the nine months a year ago. Comprehensive income (loss) includes net income and increases (decreases) in cumulative translation adjustments, unrealized holding gains (losses) of available-for-sale securities, unrealized gains (losses) of certain derivative instruments and minimum pension liability adjustments.
5. 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.
6. Employees Pension Funds in certain of the company's subsidiaries obtained approvals from Japan's Ministry of Health, Labour and Welfare (the Ministry) for exemption from the past benefit obligation with respect to the portion of the Employees Pension Funds that certain of the company's subsidiaries operated for the Government (the so-called substitutional portion), and transferred the substitutional portion to the Government in the first half ended September 30, 2004. A gain of 31,509 million yen from the transfer of the substitutional portion of the Japanese Welfare Pension Insurance is reported as other income in the consolidated statement of income for the nine months ended December 31, 2004.
7. 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.

Table of Contents

- 15 -

8. 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.

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 Company, Panasonic Shikoku Electronics Co., Ltd.

Home Appliances

Home Appliances Group, Healthcare Business Company, Lighting Company,

Matsushita Ecology Systems Co., Ltd.

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

JVC

Victor Company of Japan, Ltd.

Other

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

9. Number of consolidated companies: 615
10. Number of companies reflected by the equity method: 71
11. United States Dollar amounts are translated from yen for convenience at the rate of U.S. \$1.00 = 118 yen, the approximate rate on the Tokyo Foreign Exchange Market on December 30, 2005.
12. Each American Depositary Share (ADS) represents 1 share of common stock.

Table of Contents

- 16 -

Details of Product Categories

AVC Networks

Plasma, LCD and CRT TVs, DVD recorders, DVD players, VCRs, camcorders, digital cameras, compact disc (CD), Mini Disc (MD) and SD players, other personal and home audio equipment, AV and computer product devices, prerecorded AV software, broadcast- and business-use AV equipment and systems, PCs, CD-ROM, DVD-ROM/RAM and other optical disc drives, SD Memory Cards, other data storage devices, copiers, printers, telephones, cellular phones and other mobile communications equipment, facsimile equipment, car AVC equipment, traffic-related systems, communications network-related equipment, other information and communications equipment and systems, etc.

Home Appliances

Refrigerators, room air conditioners, washing machines, clothes dryers, vacuum cleaners, electric irons, microwave ovens, cooking appliances, dishwasher/dryers, electric fans, air purifiers, heating equipment, electric and gas hot water supply equipment, sanitary equipment, healthcare equipment, electric lamps, ventilation and air-conditioning equipment, car air conditioners, compressors, vending machines, etc.

Components and Devices

Semiconductors, general components (capacitors, resistors, coils, speakers, power supplies, electromechanical components, high frequency components, printed circuit boards, etc.), magnetic recording heads, motors, dry batteries, rechargeable batteries, etc.

MEW and PanaHome

Lighting fixtures, wiring devices, distribution panelboards, personal-care products, massage loungers, modular kitchens, exterior furnishing materials, interior furnishing materials, bathroom and fixtures, molding compounds, laminates, relays, switches, sensors, connectors, detached housing, rental apartment housing, medical and nursing care facilities, home remodeling, land lots for housing, condominiums, residential real estate, etc.

IVC

Edgar Filing: MATSUSHITA ELECTRIC INDUSTRIAL CO LTD - Form 6-K

LCD, rear projection, plasma and CRT TVs, camcorders, VCRs, DVD recorders, DVD players, MD/CD/DVD audio systems and other audio equipment, car AV systems, professional video surveillance equipment, professional audio equipment, professional video equipment, professional video projectors, motors, optical pickups, high-density multi-layer printed wiring boards, deflection yokes, AV software for CDs, DVDs and video tapes, recording media, furnitures, etc.

Other

Electronic-parts-mounting machines, industrial robots, electronic measuring instruments, welding equipment, power distribution equipment, bicycles, imported materials and components, etc.

Table of Contents

February 2, 2006

Matsushita Electric Industrial Co., Ltd.

Supplemental Consolidated Financial Data for Fiscal 2006**Third Quarter, ended December 31, 2005****1. Sales breakdown for Fiscal 2006 Third Quarter, ended December 31, 2005**

yen (billions)								
Third Quarter <Oct. to Dec. 2005>								
By Product Category	Total	06/05	Local			Local		
			currency			currency		
			basis	Domestic	06/05	Overseas	06/05	basis
			06/05					06/05
Video and audio equipment	516.7	109%	103%	160.6	104%	356.1	111%	103%
Information and communications equipment	532.4	108%	104%	241.8	105%	290.6	112%	103%
AVC Networks	1,049.1	109%	104%	402.4	104%	646.7	111%	103%
Home Appliances	311.3	98%	95%	191.1	93%	120.2	109%	100%
Components and Devices	286.9	103%	98%	108.4	94%	178.5	109%	101%
MEW and PanaHome	387.3	103%	102%	323.7	99%	63.6	124%	115%
JVC	211.8	101%	96%	58.6	96%	153.2	103%	96%
Other	152.0	103%	101%	97.4	101%	54.6	106%	100%
Total	2,398.4	104%	101%	1,181.6	99%	1,216.8	110%	102%

yen (billions)								
Nine Months <Apr. to Dec. 2005>								
By Product Category	Total	06/05	Local			Local		
			currency			currency		
			basis	Domestic	06/05	Overseas	06/05	basis
			06/05					06/05
Video and audio equipment	1,261.1	104%	102%	387.6	102%	873.5	105%	102%
Information and communications equipment	1,535.4	102%	100%	723.1	102%	812.3	102%	99%
AVC Networks	2,796.5	103%	101%	1,110.7	102%	1,685.8	104%	100%
Home Appliances	889.7	96%	95%	527.8	92%	361.9	102%	99%
Components and Devices	817.9	95%	93%	306.6	90%	511.3	98%	95%
MEW and PanaHome	1,139.7	105%	104%	968.3	103%	171.4	113%	109%
JVC	545.5	97%	94%	156.2	99%	389.3	96%	93%

Edgar Filing: MATSUSHITA ELECTRIC INDUSTRIAL CO LTD - Form 6-K

Other	468.3	101%	100%	285.7	97%	182.6	108%	105%
Total	6,657.6	101%	99%	3,355.3	99%	3,302.3	102%	99%

yen (billions)

Overseas Sales by Region	Fiscal 2006 Third Quarter Results		Fiscal 2006 Nine Months Results			
	Local currency basis		Local currency basis			
	06/05	06/05	06/05	06/05		
North and South America	414.1	116%	105%	1,096.4	109%	105%
Europe	329.6	100%	97%	836.6	94%	92%
Asia	295.7	111%	102%	844.3	104%	100%
China	177.4	115%	105%	525.0	102%	98%
Total	1,216.8	110%	102%	3,302.3	102%	99%

- 1 -

Table of Contents**2. Segment Information**

<Consolidated>

yen (billions)

	Fiscal 2006 Third Quarter Results					Fiscal 2006 Nine Months Results				
	Sales		Segment			Sales		Segment		
	06/05		profit	% of sales	06/05	06/05		profit	% of sales	06/05
AVC Networks	1,125.5	108%	58.1	5.2%	226%	3,007.3	103%	142.9	4.8%	152%
Home Appliances	329.5	96%	24.4	7.4%	113%	933.2	93%	63.9	6.8%	108%
Components and Devices	356.8	100%	26.0	7.3%	287%	1,037.6	90%	59.7	5.8%	123%
MEW and PanaHome	435.1	111%	23.1	5.3%	114%	1,272.4	113%	51.6	4.1%	115%
JVC	214.1	100%	1.3	0.6%	19%	550.4	96%	-2.7	-0.5%	
Other	322.7	129%	13.5	4.2%	152%	941.6	119%	42.2	4.5%	169%
Total	2,783.7	107%	146.4	5.3%	158%	7,742.5	102%	357.6	4.6%	126%
Corporate and eliminations	-385.3		-17.0			-1,084.9		-57.1		
Consolidated total	2,398.4	104%	129.4	5.4%	147%	6,657.6	101%	300.5	4.5%	123%

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.

3. Capital Investment, Depreciation and R&D Expenditures**Capital Investment****

<Consolidated>

yen (billions)

	Fiscal 2006 Third Quarter Results		Fiscal 2006 Nine Months Results	
	06-05		06-05	
AVC Networks	55.0	+37.0	94.2	+40.8
Home Appliances	10.1	+1.7	27.1	+2.2
Components and Devices *	22.2	-10.1	87.8	-4.1
MEW and PanaHome	7.8	-2.0	27.0	+5.9
JVC	2.0	-0.7	10.5	-3.1
Other	1.1	-4.6	11.0	-6.7
Total	98.2	+21.3	257.6	+35.0
* semiconductors only	(14.0)	(-9.0)	(59.0)	(+1.0)

** These figures are calculated on an accrual basis.

Depreciation(Tangible Assets)

<Consolidated>

yen (billions)

Fiscal 2006 Third Quarter Results		Fiscal 2006 Nine Months Results	
06-05		06-05	
68.5	-0.8	200.9	-7.2

R&D Expenditures

<Consolidated>

yen (billions)

Fiscal 2006 Third Quarter Results		Fiscal 2006 Nine Months Results	
06-05		06-05	
138.1	-10.5	416.6	-48.6

Table of Contents4. Foreign Currency Exchange Rates

<Export Rates>

	Fiscal 2005			Fiscal 2006	
	Third Quarter	Nine Months	Full Year	Third Quarter	Nine Months
U.S.Dollars	¥ 108	¥ 109	¥ 108	¥ 111	¥ 108
Euro	¥ 133	¥ 132	¥ 133	¥ 135	¥ 135

<Rates Used for Consolidation>

	Fiscal 2005			Fiscal 2006	
	Third Quarter	Nine Months	Full Year	Third Quarter	Nine Months
U.S.Dollars	¥ 106	¥ 109	¥ 108	¥ 117	¥ 112
Euro	¥ 137	¥ 134	¥ 135	¥ 139	¥ 137

5. Number of Employees

<Consolidated>

	(persons)			
	end of Dec. 2004	end of Mar. 2005	end of Sep. 2005	end of Dec. 2005
Domestic	150,154	150,642	147,126	145,024
Overseas	187,709	184,110	185,422	185,557
Total	337,863	334,752	332,548	330,581

6. Other Information

		(shares)
Issued Shares as of December 31, 2005	(a)	2,453,053,497
Treasury Stock as of December 31, 2005	(b)	243,224,751
Outstanding Shares (excluding treasury stock) as of December 31, 2005	(a)-(b)	2,209,828,746

Edgar Filing: MATSUSHITA ELECTRIC INDUSTRIAL CO LTD - Form 6-K

	Fiscal 2005			Fiscal 2006	
	Third Quarter	Nine Months	Annual Results	Third Quarter	Nine Months
Net income per common share, basic	¥ 15.56	¥ 39.79	¥ 25.49	¥ 22.29	¥ 51.05
Net income per common share, diluted	¥ 15.56	¥ 39.79	¥ 25.49	¥ 22.29	¥ 51.05
Stockholders' equity per common share at the end of each period	¥ 1,563.23		¥ 1,569.39	¥ 1,702.46	

- 3 -

Table of Contents7. Annual Forecast for Fiscal 2006, ending March 31, 2006

<Consolidated>	yen (billions)							
	Fiscal 2006 Forecast (a) (as of Apr. 28, 2005)				Fiscal 2006 Forecast (b) (as of Feb. 2, 2006)			
	Fiscal 2005 Results		Fiscal 2005 Results		Fiscal 2005 Results		Fiscal 2005 Results	
	05/04	06/05	05/04	06/05	06/05	(b)-(a)	06/05	(b)-(a)
Sales	8,713.6	116%	8,720.0	100%	8,840.0	101%	+120.0	
Operating profit *	308.5	158%	330.0	107%	400.0 **	130%	+70.0	
(% of Sales)	(3.5%)		(3.8%)		(4.5%)			
Income before income taxes	246.9	145%	290.0	117%	300.0 **	122%	+10.0	
(% of Sales)	(2.8%)		(3.3%)		(3.4%)			
Net income	58.5	139%	110.0	188%	130.0	222%	+20.0	
(% of Sales)	(0.7%)		(1.3%)		(1.5%)			

* 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 100 billion yen (the difference between operating profit and income before income taxes) include restructuring charges of 55 billion yen and other expenses of 45 billion yen.

8. Segment Information (Annual Forecast)

<Consolidated>	yen (billions)										
	Fiscal 2006 Forecast (as of Apr. 28, 2005)					Fiscal 2006 Forecast (as of Feb. 2, 2006)					
	Sales		Segment profit		% of sales	06/05	Sales		Segment profit		% of sales
	06/05	06/05	06/05	06/05	06/05	06/05	06/05	06/05	06/05	06/05	
AVC Networks	3,910.0	101%	166.0	4.2%	130%	4,010.0	104%	191.0	4.8%	150%	
Home Appliances	1,300.0	98%	75.0	5.8%	97%	1,300.0	98%	83.0	6.4%	107%	
Components and Devices	1,380.0	94%	62.0	4.5%	107%	1,380.0	94%	80.0	5.8%	139%	
MEW and PanaHome	1,710.0	110%	65.0	3.8%	102%	1,740.0	112%	74.0	4.3%	116%	
JVC	820.0	112%	24.0	2.9%	243%	750.0	103%	6.5	0.9%	66%	
Other	890.0	87%	30.0	3.4%	78%	1,130.0	110%	53.0	4.7%	138%	
Total	10,010.0	100%	422.0	4.2%	113%	10,310.0	103%	487.5	4.7%	130%	
Corporate and eliminations	-1,290.0		-92.0			-1,470.0		-87.5			
Consolidated total	8,720.0	100%	330.0	3.8%	107%	8,840.0	101%	400.0	4.5%	130%	

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.

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.

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 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.

Table of Contents

<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.

		yen (billions)			
<Consolidated>		Fiscal 2006 Third Quarter		Fiscal 2006 Nine Months	
Products		Sales	06/05	Sales	06/05
AVC Networks	VCRs	39.4	70%	129.1	77%
	Digital cameras	41.9	157%	97.4	187%
	TVs	279.3	122%	671.0	118%
	Plasma TVs only	148.3	190%	331.6	185%
	DVD recorders	45.5	108%	95.4	101%
	Audio equipment	68.5	91%	160.3	85%
	Information equipment	326.8	115%	943.7	111%
	Communications equipment	205.6	100%	591.7	91%
	Mobile communications equipment only	103.8	96%	303.6	83%
Home Appliances	Air conditioners	38.1	112%	175.7	104%
	Refrigerators	22.8	96%	78.7	99%
Components and Devices	General components	95.6	108%	273.5	99%
	Semiconductors *	117.5	107%	349.0	94%
	Batteries	85.0	102%	225.6	99%
Other	FA equipment	43.7	131%	137.3	111%

* Information for semiconductors is on a production basis. The annual forecast for fiscal 2006 is 470.0 billion yen, 1% down from fiscal 2005.

Table of Contents

<Attachment 2>

Financial Data for the Primary Business Domain Companies in the AVC Networks Segment

<Business domain company basis>

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

Fiscal 2006 Third Quarter Results

	yen (billions)				
	Sales		Domain company profit		
		06/05	06/05	% of sales	
Panasonic AVC Networks Company	452.9	122%	22.9	218%	5.1%
Panasonic Communications Co., Ltd.	123.1	106%	6.1	122%	5.0%
Panasonic Mobile Communications Co., Ltd.	131.7	106%	-2.3		-1.7%

Fiscal 2006 Nine Months Results

	yen (billions)				
	Sales		Domain company profit		
		06/05	06/05	% of sales	
Panasonic AVC Networks Company	1,178.7	112%	50.9	170%	4.3%
Panasonic Communications Co., Ltd.	365.8	103%	15.9	120%	4.3%
Panasonic Mobile Communications Co., Ltd.	378.1	91%	-7.6		-2.0%

Notes:

1. The above information for Panasonic AVC Networks Company does not include sales and profit of domestic and overseas sales divisions.
2. The above information for Panasonic Communications Co., Ltd. and Panasonic Mobile Communications Co., Ltd. does not include sales and profit of certain overseas sales divisions.

<Capital Investment> *

Fiscal 2006 Third Quarter Results

yen (billions)

	Capital investment	
	06-05	
Panasonic AVC Networks Company	47.8	+36.4
Panasonic Communications Co., Ltd.	2.1	+0.6
Panasonic Mobile Communications Co., Ltd.	1.1	+0.2

Fiscal 2006 Nine Months Results

	yen (billions)	
	Capital investment	
	06-05	
Panasonic AVC Networks Company	67.8	+37.1
Panasonic Communications Co., Ltd.	6.9	+1.2
Panasonic Mobile Communications Co., Ltd.	3.3	+0.4

* These figures are calculated on an accrual basis.

Table of Contents

<Attachment 3> Reference

Segment information for fiscal 2005 through fiscal 2006 third quarter

<Consolidated>

Fiscal 2006 Results

Sales yen (billions)

	First Half							
	First Quarter		Second Quarter		First Half		Third Quarter	
	06/05		06/05		06/05		06/05	
AVC Networks	913.4	101%	968.4	99%	1,881.8	100%	1,125.5	108%
Home Appliances	323.2	94%	280.5	89%	603.7	91%	329.5	96%
Components and Devices	333.8	83%	347.0	89%	680.8	86%	356.8	100%
MEW and PanaHome	384.8	110%	452.6	118%	837.4	114%	435.1	111%
JVC	151.5	86%	184.8	100%	336.3	93%	214.1	100%
Other	289.7	115%	329.1	115%	618.8	115%	322.7	129%
Total	2,396.4	99%	2,562.4	101%	4,958.8	100%	2,783.7	107%
Corporate and eliminations	-348.2		-351.4		-699.6		-385.3	
Consolidated total	2,048.2	97%	2,211.0	100%	4,259.2	99%	2,398.4	104%

Segment profit yen (billions)

	First Half							
	First Quarter		Second Quarter		First Half		Third Quarter	
	06/05		06/05		06/05		06/05	
AVC Networks	28.4	165%	56.4	110%	84.8	124%	58.1	226%
Home Appliances	18.6	109%	20.9	101%	39.5	105%	24.4	113%
Components and Devices	5.9	37%	27.8	117%	33.7	85%	26.0	287%
MEW and PanaHome	4.4	78%	24.1	128%	28.5	116%	23.1	114%
JVC	-2.9		-1.1		-4.0		1.3	19%
Other	9.2	115%	19.5	241%	28.7	178%	13.5	152%
Total	63.6	96%	147.6	119%	211.2	111%	146.4	158%
Corporate and eliminations	-17.6		-22.5		-40.1		-17.0	

Edgar Filing: MATSUSHITA ELECTRIC INDUSTRIAL CO LTD - Form 6-K

Consolidated total	46.0	106%	125.1	111%	171.1	109%	129.4	147%
--------------------	------	------	-------	------	-------	------	-------	------

Fiscal 2005 Results

Sales yen (billions)

	First Half						Second Half						Fiscal 2005	
	First Quarter	05/04	Second Quarter	05/04	First Half	05/04	Third Quarter	05/04	Fourth Quarter	05/04	Second Half	05/04		05/04
AVC Networks	903.9	104%	979.7	103%	1,883.6	103%	1,041.0	97%	934.2	99%	1,975.2	98%	3,858.8	100%
Home Appliances	344.1	117%	316.3	102%	660.4	109%	343.8	110%	328.6	107%	672.4	109%	1,332.8	109%
Components and Devices	403.2	100%	389.2	92%	792.4	96%	356.3	82%	320.3	80%	676.6	81%	1,469.0	89%
MEW and PanaHome	350.5		384.0		734.5		390.8		430.8		821.6		1,556.1	
JVC	175.9	90%	184.4	86%	360.3	88%	213.4	91%	156.5	89%	369.9	90%	730.2	89%
Other	252.1	112%	287.2	115%	539.3	113%	250.5	105%	237.3	101%	487.8	103%	1,027.1	108%
Total	2,429.7	122%	2,540.8	118%	4,970.5	120%	2,595.8	114%	2,407.7	117%	5,003.5	115%	9,974.0	117%
Corporate and eliminations	-327.7		-324.3		-652.0		-299.3		-309.1		-608.4		-1,260.4	
Consolidated total	2,102.0	119%	2,216.5	118%	4,318.5	119%	2,296.5	113%	2,098.6	116%	4,395.1	114%	8,713.6	116%

Segment profit yen (billions)

	First Half						Second Half						Fiscal 2005	
	First Quarter	05/04	Second Quarter	05/04	First Half	05/04	Third Quarter	05/04	Fourth Quarter	05/04	Second Half	05/04		05/04
AVC Networks	17.2	107%	51.1	121%	68.3	117%	25.7	77%	33.4	90%	59.1	83%	127.4	99%
Home Appliances	17.1	253%	20.7	170%	37.8	199%	21.6	108%	18.2	133%	39.8	118%	77.6	147%
Components and Devices	15.7	368%	23.8	111%	39.5	153%	9.1	67%	9.2	85%	18.3	75%	57.8	115%
MEW and PanaHome	5.7		18.9		24.6		20.3		19.0		39.3		63.9	
JVC	2.7	132%	1.9	23%	4.6	46%	7.2	72%	-1.9		5.3	36%	9.9	40%
Other	8.0	331%	8.1	172%	16.1	225%	8.9	208%	13.3	403%	22.2	292%	38.3	261%
Total	66.4	210%	124.5	140%	190.9	159%	92.8	114%	91.2	131%	184.0	122%	374.9	138%
Corporate and eliminations	-22.9		-11.7		-34.6		-4.5		-27.3		-31.8		-66.4	
Consolidated total	43.5	217%	112.8	189%	156.3	196%	88.3	124%	63.9	142%	152.2	131%	308.5	158%

Table of Contents

<Attachment 4> Reference

Segment information for fiscal 2003 through fiscal 2004

<Consolidated>

Fiscal 2004 Results

													yen (billions)	
	First Half						Second Half						Fiscal 2004	
	First Quarter	04/03	Second Quarter	04/03	First Half	04/03	Third Quarter	04/03	Fourth Quarter	04/03	Second Half	04/03	04/03	
AVC Networks	873.3	98%	954.6	109%	1,827.9	103%	1,068.4	112%	944.0	100%	2,012.4	106%	3,840.3	105%
Home Appliances	294.2	99%	309.8	100%	604.0	99%	312.6	101%	306.6	110%	619.2	105%	1,223.2	102%
Components and Devices	405.2	100%	421.3	97%	826.5	98%	432.3	95%	400.9	97%	833.2	96%	1,659.7	97%
JVC	195.3	94%	214.1	95%	409.4	95%	233.3	100%	176.3	95%	409.6	98%	819.0	96%
Other	225.9	106%	250.2	134%	476.1	119%	238.6	122%	234.0	105%	472.6	113%	948.7	116%
Total	1,993.9	99%	2,150.0	106%	4,143.9	102%	2,285.2	107%	2,061.8	101%	4,347.0	104%	8,490.9	103%
Corporate and eliminations	-230.3		-273.9		-504.2		-253.9		-253.1		-507.0		-1,011.2	
Consolidated total	1,763.6	98%	1,876.1	103%	3,639.7	101%	2,031.3	105%	1,808.7	98%	3,840.0	102%	7,479.7	101%

Segment profit

													yen (billions)	
	First Half						Second Half						Fiscal 2004	
	First Quarter	04/03	Second Quarter	04/03	First Half	04/03	Third Quarter	04/03	Fourth Quarter	04/03	Second Half	04/03	04/03	
AVC Networks	16.1	129%	42.2	308%	58.3	223%	33.6	124%	37.2	126%	70.8	125%	129.1	156%
Home Appliances	6.8	65%	12.2	110%	19.0	88%	20.0	136%	13.7	154%	33.7	142%	52.7	117%
Components and Devices	4.3	205%	21.5	149%	25.8	156%	13.5	111%	10.8	415%	24.3	165%	50.1	161%
JVC	2.0	131%	8.1	113%	10.1	115%	10.0	146%	4.6	74%	14.6	111%	24.7	113%
Other	2.4	102%	4.7	63%	7.1	73%	4.3	373%	3.3	157%	7.6	230%	14.7	113%
Total	31.6	109%	88.7	165%	120.3	145%	81.4	131%	69.6	141%	151.0	136%	271.3	140%
Corporate and eliminations	-11.6		-29.1		-40.7		-10.5		-24.6		-35.1		-75.8	
Consolidated total	20.0	127%	59.6	174%	79.6	159%	70.9	148%	45.0	157%	115.9	151%	195.5	154%

Fiscal 2003 Results

													yen (billions)	
	First Half						Second Half						Fiscal 2003	
	First Quarter	04/03	Second Quarter	04/03	First Half	04/03	Third Quarter	04/03	Fourth Quarter	04/03	Second Half	04/03	04/03	

Edgar Filing: MATSUSHITA ELECTRIC INDUSTRIAL CO LTD - Form 6-K

	First		Second		First		Third		Fourth		Second			
	Quarter	03/02	Quarter	03/02	Half	03/02	Quarter	03/02	Quarter	03/02	Half	03/02	03/02	
AVC Networks	894.4	108%	875.9	104%	1,770.3	106%	951.5	105%	946.4	102%	1,897.9	103%	3,668.2	105%
Home Appliances	297.2	99%	311.2	100%	608.4	99%	310.2	106%	278.9	105%	589.1	105%	1,197.5	102%
Components and Devices	406.7	100%	434.9	114%	841.6	107%	453.9	121%	414.2	111%	868.1	116%	1,709.7	111%
JVC	206.9	109%	226.0	108%	432.9	108%	233.7	100%	184.9	92%	418.6	96%	851.5	102%
Other	212.8	121%	187.0	111%	399.8	116%	196.3	116%	223.0	105%	419.3	110%	819.1	113%
Total	2,018.0	106%	2,035.0	106%	4,053.0	106%	2,145.6	108%	2,047.4	104%	4,193.0	106%	8,246.0	106%
Corporate and eliminations	-224.6		-207.4		-432.0		-210.6		-201.7		-412.3		-844.3	
Consolidated total	1,793.4	104%	1,827.6	105%	3,621.0	104%	1,935.0	107%	1,845.7	103%	3,780.7	105%	7,401.7	105%

Segment profit

yen (billions)

	First Half						Second Half						Fiscal 2003	
	First	Second	First	Second	First	Second	Third	Fourth	Fourth	Second	Second	Second	03/02	03/02
	Quarter	03/02	Quarter	03/02	Half	03/02	Quarter	03/02	Quarter	03/02	Half	03/02		
AVC Networks	12.5		13.7		26.2		27.0		29.6	2114%	56.6		82.8	
Home Appliances	10.4	79%	11.1	72%	21.5	75%	14.8	176%	8.9		23.7	578%	45.2	139%
Components and Devices	2.1		14.4		16.5		12.1		2.6		14.7		31.2	
JVC	1.6		7.2		8.8		6.9		6.2	127%	13.1	437%	21.9	
Other	2.3		7.5		9.8		1.2		2.1		3.3		13.1	
Total	28.9		53.9		82.8		62.0		49.4		111.4		194.2	
Corporate and eliminations	-13.2		-19.6		-32.8		-14.0		-20.8		-34.8		-67.6	
Consolidated total	15.7		34.3		50.0		48.0		28.6		76.6		126.6	

Table of Contents

February 2, 2006

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)

Brendon Gore (Europe)

(Tel: +44-20-8899-2217)

Investor Relations Contacts:

Makoto Mihara (Japan)
Investor Relations
(Tel: +81-6-6908-1121)

Akihiro Takei (U.S.)

Panasonic Finance (America), Inc.

(Tel: +1-212-698-1365)

Hiroko Carvell (Europe)

Panasonic Finance (Europe) plc

(Tel: +44-20-7562-4400)

Matsushita to Divest Stake in Universal

Osaka, Japan, February 2, 2006 Matsushita Electric Industrial Co., Ltd [NYSE symbol: MC], best known for its Panasonic brand, today announced that its consolidated subsidiary MEI Holding Inc. (MHI) will sell all of its shares of Universal Studios Holding I Corp. (USHI), a holding company for Universal Music Group, Universal Interactive, a minority interest in NBC-Universal, to Vivendi Universal S.A. (VU), the majority holder of USHI. The company also announced that it will begin liquidation procedures for MHI upon completion of the sale of the USHI shares. Matsushita currently owns 7.66% of the total issued shares of USHI.

As a result of Matsushita's relationship with Universal over the past fifteen years, the company has made significant progress in such areas as business relationships with the film and music industries, the establishment of recordable media format standards, including DVD, and development of copyright protection technologies. In recent years, however, the spread of online distribution of video content and rapid progress in diversified distribution methods has necessitated neutral partnerships with multiple content providers, whereby it is no longer strategically important to maintain capital ties with any particular business partner.

Under such circumstances, Matsushita finalized and signed a definitive agreement with VU regarding the sale of the USHI shares, and accordingly decided to begin closing/liquidation procedures for MHI, thereby ending Matsushita's capital relationship with Universal-related businesses. Matsushita intends to strategically utilize cash flows provided by this sale to further enhance corporate value from a global perspective.

Table of Contents

- 2 -

[Reference]

MEI Holding Inc.

Company Overview (as of December 31, 2005)

Company name: MEI Holding Inc.
 Representative: Tetsuya Kawakami, President
 Location of head office: Delaware, U.S.A.
 Date of incorporation: June 1995
 Principal business: Business Investment
 Share capital: US\$ 1
 Shareholders (% ownership) Matsushita Electric Industrial Co., Ltd. (100%)

Financial Results (for the most recent three fiscal years)

(US\$: millions)

<u>Fiscal year ended:</u>	<u>March 2003</u>	<u>March 2004</u>	<u>March 2005</u>
Income before income taxes	119	52	46
Net income	108	34	13

(Note) Amounts less than 1 million dollars have been omitted.

The effect of this matter on Matsushita's consolidated financial results is disclosed in a separate press release issued today.

(See press release "Matsushita Reports Third Quarter Net Profit Increase.")

###