

**Matsushita Electric Industrial Co., Ltd.**  
**Consolidated Balance Sheet** \*\*  
**(March 31, 2005)**

|   | Yen<br>(millions)     |                       | U.S. Dollars<br>(millions) |
|---|-----------------------|-----------------------|----------------------------|
|   | <u>March 31, 2005</u> | <u>March 31, 2004</u> | <u>March 31, 2005</u>      |
| <b><u>Assets</u></b>  |                       |                       |                            |
| Current assets:   |                       |                       |                            |
| Cash and cash equivalents   | ¥ 1,169,756           | ¥ 1,275,014           | \$ 10,932                  |
| Time deposits   | 144,781               | 170,047               | 1,353                      |
| Marketable securities   | 11,978                | 2,684                 | 112                        |
| Trade receivables (notes and accounts)                            | 1,251,738             | 1,067,667             | 11,699                     |
| Inventories   | 893,425               | 777,540               | 8,350                      |
| Other current assets  | 558,854               | 482,025               | 5,223                      |
| Total current assets  | <u>4,030,532</u>      | <u>3,774,977</u>      | <u>37,669</u>              |
| Noncurrent receivables  | 246,201               | 280,398               | 2,301                      |
| Investments and advances  | 1,146,505             | 1,237,427             | 10,715                     |
| Property, plant and equipment,<br>net of accumulated depreciation | 1,658,080             | 1,209,502             | 15,496                     |
| Other assets  | 975,563               | 935,708               | 9,117                      |
| Total assets  | <u>¥ 8,056,881</u>    | <u>¥ 7,438,012</u>    | <u>\$ 75,298</u>           |
| <b><u>Liabilities and Stockholders' Equity</u></b>                |                       |                       |                            |
| Current liabilities:  |                       |                       |                            |
| Short-term borrowings   | ¥ 385,474             | ¥ 290,208             | \$ 3,602                   |
| Trade payables (notes and accounts)                               | 866,019               | 784,734               | 8,094                      |
| Other current liabilities   | 1,577,398             | 1,494,844             | 14,742                     |
| Total current liabilities   | <u>2,828,891</u>      | <u>2,569,786</u>      | <u>26,438</u>              |
| Long-term debt  | 477,143               | 460,639               | 4,459                      |
| Other long-term liabilities                                       | 710,654               | 827,896               | 6,642                      |
| Minority interests  | 495,941               | 128,115               | 4,635                      |
| Common stock  | 258,740               | 258,740               | 2,418                      |
| Capital surplus   | 1,230,701             | 1,230,476             | 11,502                     |
| Legal reserve   | 87,838                | 83,175                | 821                        |
| Retained earnings   | 2,461,071             | 2,442,504             | 23,001                     |
| Accumulated other<br>comprehensive income (loss) *                | (238,377)             | (399,502)             | (2,228)                    |
| Treasury stock  | (255,721)             | (163,817)             | (2,390)                    |
| Total liabilities and<br>stockholders' equity                     | <u>¥ 8,056,881</u>    | <u>¥ 7,438,012</u>    | <u>\$ 75,298</u>           |

\* Accumulated other comprehensive income (loss) breakdown:

|  | Yen<br>(millions)     |                       | U.S. Dollars<br>(millions) |
|--|-----------------------|-----------------------|----------------------------|
|  | <u>March 31, 2005</u> | <u>March 31, 2004</u> | <u>March 31, 2005</u>      |
| Cumulative translation adjustments                           | ¥ (245,642)           | ¥ (282,287)           | \$ (2,296)                 |
| Unrealized holding gains of<br>available-for-sale securities | 72,608                | 88,104                | 679                        |
| Unrealized gains<br>of derivative instruments                | 6,403                 | 6,676                 | 60                         |
| Minimum pension liability adjustments                        | (71,746)              | (211,995)             | (671)                      |

\*\* See Notes to consolidated financial statements on pages 13-15.