

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

<u>Assets</u>	Yen (millions)		U.S. Dollars (millions)
	<u>Dec. 31, 2005</u>	<u>Sept. 30, 2005</u>	<u>Dec. 31, 2005</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	<u>4,426,006</u>	<u>4,310,787</u>	<u>37,509</u>
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	<u>¥ 8,264,993</u>	<u>¥ 8,089,991</u>	<u>\$ 70,042</u>
<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	<u>2,923,262</u>	<u>2,872,108</u>	<u>24,773</u>
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)
Total liabilities and stockholders' equity	<u>¥ 8,264,993</u>	<u>¥ 8,089,991</u>	<u>\$ 70,042</u>

* Accumulated other comprehensive income (loss) breakdown:

	Yen (millions)		U.S. Dollars (millions)
	<u>Dec. 31, 2005</u>	<u>Sept. 30, 2005</u>	<u>Dec. 31, 2005</u>
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.