

**Matsushita Electric Industrial Co., Ltd.**  
**Consolidated Balance Sheet** \*  
**(March 31, 2006)**

	Yen (millions)		U.S. Dollars (millions)
	March 31, 2006	March 31, 2005	March 31, 2006
<b><u>Assets</u></b>			
Current assets:			
Cash and cash equivalents	¥ 1,667,396	¥ 1,169,756	\$ 14,251
Time deposits	11,001	144,781	94
Short-term investments	56,753	11,978	485
Trade receivables (notes and accounts)	1,146,815	1,251,738	9,802
Inventories	915,262	893,425	7,823
Other current assets	609,326	558,854	5,208
Total current assets	<u>4,406,553</u>	<u>4,030,532</u>	<u>37,663</u>
Noncurrent receivables	--	246,201	--
Investments and advances	1,100,035	1,146,505	9,402
Property, plant and equipment, net of accumulated depreciation	1,632,339	1,658,080	13,952
Other assets	<u>825,713</u>	<u>975,563</u>	<u>7,057</u>
Total assets	<u>¥ 7,964,640</u>	<u>¥ 8,056,881</u>	<u>\$ 68,074</u>
<b><u>Liabilities and Stockholders' Equity</u></b>			
Current liabilities:			
Short-term borrowings	¥ 339,845	¥ 385,474	\$ 2,905
Trade payables (notes and accounts)	981,279	866,019	8,387
Other current liabilities	<u>1,563,944</u>	<u>1,577,398</u>	<u>13,367</u>
Total current liabilities	<u>2,885,068</u>	<u>2,828,891</u>	<u>24,659</u>
Long-term debt	264,070	477,143	2,257
Other long-term liabilities	526,290	710,654	4,498
Minority interests	501,591	495,941	4,287
Common stock	258,740	258,740	2,211
Capital surplus	1,234,289	1,230,701	10,550
Legal reserve	87,526	87,838	748
Retained earnings	2,575,890	2,461,071	22,016
Accumulated other comprehensive income (loss) **	(26,119)	(238,377)	(223)
Treasury stock	<u>(342,705)</u>	<u>(255,721)</u>	<u>(2,929)</u>
Total liabilities and stockholders' equity	<u>¥ 7,964,640</u>	<u>¥ 8,056,881</u>	<u>\$ 68,074</u>

\*\* Accumulated other comprehensive income (loss) breakdown:

	Yen (millions)		U.S. Dollars (millions)
	March 31, 2006	March 31, 2005	March 31, 2006
Cumulative translation adjustments	¥ (162,331)	¥ (245,642)	\$ (1,387)
Unrealized holding gains of available-for-sale securities	145,306	72,608	1,242
Unrealized gains of derivative instruments	1,326	6,403	11
Minimum pension liability adjustments	(10,420)	(71,746)	(89)

\* See Notes to consolidated financial statements on pages 13-14.