

Matsushita Electric Industrial Co., Ltd.
Consolidated Balance Sheet **
December 31, 2006
With comparative figures for September 30, 2006

	Yen (millions)		U.S. Dollars (millions)
	<u>Dec. 31, 2006</u>	<u>Sept. 30, 2006</u>	<u>Dec. 31, 2006</u>
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	¥ 1,265,881	¥ 1,407,706	\$ 10,638
Time deposits	236,694	171,118	1,989
Short-term investments	75,770	60,859	637
Trade receivables (notes and accounts) and other current assets	1,782,907	1,723,409	14,982
Inventories	1,054,487	1,036,870	8,861
Total current assets	<u>4,415,739</u>	<u>4,399,962</u>	<u>37,107</u>
Investments and advances	1,230,294	1,161,423	10,339
Property, plant and equipment, net of accumulated depreciation	1,662,959	1,645,773	13,974
Other assets	779,350	784,867	6,549
Total assets	<u>¥ 8,088,342</u>	<u>¥ 7,992,025</u>	<u>\$ 67,969</u>
<u>Liabilities and Stockholders' Equity</u>			
Current liabilities:			
Short-term borrowings	¥ 301,027	¥ 315,143	\$ 2,530
Trade receivables (notes and accounts) and other current assets	2,626,862	2,573,907	22,074
Total current liabilities	<u>2,927,889</u>	<u>2,889,050</u>	<u>24,604</u>
Long-term debt	258,350	263,005	2,171
Other long-term liabilities	476,662	481,402	4,006
Minority interests	512,082	502,301	4,303
Common stock	258,740	258,740	2,174
Capital surplus	1,234,364	1,234,342	10,373
Legal reserve	88,347	88,342	742
Retained earnings	2,713,876	2,668,102	22,806
Accumulated other comprehensive income (loss) *	53,062	(9,096)	446
Treasury stock	(435,030)	(384,163)	(3,656)
Total liabilities and stockholders' equity	<u>¥ 8,088,342</u>	<u>¥ 7,992,025</u>	<u>\$ 67,969</u>

* Accumulated other comprehensive income (loss) breakdown:

	Yen (millions)		U.S. Dollars (millions)
	<u>Dec. 31, 2006</u>	<u>Sept. 30, 2006</u>	<u>Dec. 31, 2006</u>
Cumulative translation adjustments	¥ (101,652)	¥ (132,308)	\$ (854)
Unrealized holding gains of available-for-sale securities	170,855	137,838	1,436
Unrealized gains (losses) of derivative instruments	(1,313)	138	(11)
Minimum pension liability adjustments	(14,828)	(14,764)	(125)

** See Notes to consolidated financial statements on pages 15-16.