

MATSUSHITA ELECTRIC INDUSTRIAL CO LTD

Form 6-K

March 07, 2005

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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 February 2005

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):

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-_____

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This Form 6-K consists of:

1. News release issued on February 4, 2005, by Matsushita Electric Industrial Co., Ltd. (the registrant), reporting its consolidated financial results for the fiscal third quarter and nine months, ended December 31, 2004.
2. Supplemental consolidated financial data for the fiscal 2005 third quarter, ended December 31, 2004.
3. News release issued on February 4, 2005, by the registrant, announcing the signing of agreements regarding reorganization of New Matsushita Group.
4. News release issued on February 4, 2005, by the registrant, announcing that the registrant will absorb wholly-owned subsidiary.
5. News release issued on February 7, 2005, by the registrant, announcing an agreement between Hitachi and the registrant on comprehensive collaboration in the plasma display business.
6. News release issued on February 17, 2005, by the registrant, announcing that the registrant will change the company name of a subsidiary.
7. News release issued on February 22, 2005, by the registrant, announcing the repurchase of a portion of its own shares.
8. News release issued on February 24, 2005, by the registrant, announcing that Sumitomo Trust & Banking and the registrant have finalized and signed definitive agreements regarding the equity ownership and business operations of Matsushita Leasing & Credit.
9. A description of internal organization and procedures regarding timely disclosure of corporate information submitted by the registrant, to the Tokyo, Osaka, and Nagoya Stock Exchanges on February 28, 2005.

A description on internal organization and procedures regarding timely disclosure of corporate information was submitted by the registrant to the Tokyo Stock Exchange on February 28, 2005, pursuant to requirement of the Tokyo Stock Exchange, pledging that the Company will faithfully execute its duties to provide timely and appropriate corporate information to investors. The description was also submitted to the Osaka and Nagoya Stock Exchanges.

The description of internal organization and procedures reflects the condition at the time of filing.

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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/ YUKITOSHI ONDA

Yukitoshi Onda, Attorney-in-Fact

President

Panasonic Finance (America), Inc.

Dated: March 7, 2005

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February 4, 2005

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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 = 104 yen.)

MATSUSHITA REPORTS GAINS IN THIRD QUARTER FINANCIAL RESULTS

- Full-year Operating Profit Forecast Revised Upward -

Osaka, Japan, February 4, 2005 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, 2004, of the current fiscal year ending March 31, 2005 (fiscal 2005).

Consolidated Third-quarter Results¹

Consolidated group sales for the third quarter increased 13% to 2,296.5 billion yen (U.S.\$22.08 billion), from 2,031.3 billion yen in the same three-month period a year ago. Explaining third quarter results, the company cited sales gains in digital audiovisual (AV) products, especially V-products, increased sales in Home Appliances, and the addition of MEW, PanaHome and their respective subsidiaries to the company's consolidated financial results. Sales declines, however, were recorded in information and communications equipment, Components and Devices, and JVC. Of the consolidated group total, domestic sales increased 28% to 1,189.0 billion yen (\$11.43 billion). Overseas sales edged up 1% to 1,107.5 billion yen (\$10.65 billion). Excluding the effects of currency translation, overseas sales increased 1% from a year ago on a local currency basis².

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1. On April 1, 2004, Matsushita acquired a controlling interest in Matsushita Electric Works, Ltd. (MEW). As a result, MEW, PanaHome Corporation (PanaHome) and their respective subsidiaries became consolidated subsidiaries of the company. The current third quarter and nine-month consolidated results include the results of these subsidiaries on a full consolidated basis. For more information, see Notes 5 and 8 of Notes to consolidated financial statements on pages 14 and 15.
 2. Sales on a local currency basis is not a measure conforming with U.S. generally accepted accounting principles (U.S. GAAP). However, the company believes that this measure is useful to investors in promoting understanding of the company's business conditions by excluding the influence of foreign currency exchange rate fluctuations.

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During the third quarter under review, the overall economic situation in Japan remained stable, despite lingering negative factors including a strong yen, mainly against the U.S. dollar, rising oil and raw materials prices, downturns in the information technology (IT) and components and devices industries, as well as slowed exports. Global economies, however, were characterized by generally slow conditions, although the U.S. economy showed modest progress, and China also continued an upward trend, supported by domestic consumer spending.

During the third quarter of fiscal 2005, Matsushita continued to implement initiatives relating to product competitiveness, enhanced profitability and strengthened overseas businesses, all aimed at achieving global excellence and sustainable growth. In particular, Matsushita further augmented its line of competitive V-products that feature proprietary black-box technologies, incorporate universal design concepts and are environmentally friendly. Matsushita also strengthened its overall management structure through sweeping cost reduction activities and proactive business restructuring. Furthermore, management maintained a high priority on the improvement of cash flows, focusing on the reduction of total assets, particularly inventories.

As part of its comprehensive collaboration activities with MEW, the two companies unified brands and product designs, opened new product showrooms and announced Collaboration V-products, which utilize the respective strengths of both companies. In addition, Matsushita and MEW will integrate overlapping businesses in the areas of electrical supplies, building materials and equipment, and home appliances to establish an optimum organizational structure from a customer's point of view.

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Regarding earnings, negative factors such as a strong yen, increased raw materials costs and intensified global price competition were more than offset by sales gains, cost reduction efforts and other positive factors. As a result, operating profit³ for the third quarter increased 24%, to 88.3 billion yen (\$849 million), from 70.9 billion yen in the same three-month period a year ago. During the third quarter, the company incurred restructuring charges of 10.0 billion yen (\$96 million) related to early retirement programs. This, and other factors, resulted in pre-tax income of 83.1 billion yen (\$799 million), mostly unchanged from the third quarter of last year. Net income for the quarter totaled 35.6 billion yen (\$342 million), up from 24.2 billion yen in the same quarter of the previous year. Net income per common share for the third quarter was 15.56 yen (\$0.15) on a diluted basis, versus a net income per common share of 10.32 yen on the same basis a year ago.

Consolidated Nine-month Results

Consolidated group sales for the nine months ended December 31, 2004 increased 17% to 6,615.1 billion yen (\$63.61 billion), compared with 5,671.0 billion yen in the same nine-month period a year ago. Domestic sales increased 30% to 3,391.9 billion yen (\$32.62 billion), while overseas sales were up 5% to 3,223.2 billion yen (\$30.99 billion). Excluding the effects of currency translation, overseas sales increased 8% from a year ago on a local currency basis.

For reasons similar to those given for the third quarter results, the company's operating profit for the nine months increased 62% to 244.6 billion yen (\$2.35 billion), from 150.5 billion yen in the comparable period a year ago. Income before income taxes for the nine-month period increased 57% to 220.4 billion yen (\$2.12 billion), from 140.2 billion yen in the comparable period a year ago. Net income also improved, increasing 94% to 91.7 billion yen (\$882 million), as compared with a net income of 47.4 billion yen in the same nine-month period of the previous year. This resulted in a net income per common share of 39.79 yen (\$0.38) on a diluted basis, versus a net income per common share of 20.11 yen on the same basis a year ago.

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

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Third-quarter Sales Breakdown by Product Category

Effective April 1, 2004, the company reclassified its previous five product categories (AVC Networks, Home Appliances, Components and Devices, JVC, and Other) into six new product categories to reflect the consolidation of MEW, PanaHome and their respective subsidiaries. The six new product categories are: AVC Networks, Home Appliances, Components and Devices, MEW and PanaHome, JVC, and Other.

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

AVC Networks

AVC Networks sales decreased 5% to 966.9 billion yen (\$9.30 billion), from 1,013.4 billion yen in last year's third quarter. Within this category, sales of video and audio equipment increased 4%, due mainly to strong sales of digital AV products, such as flat-panel TVs, including PDP TVs, and digital cameras, which were more than sufficient to offset sluggish sales in VCRs and audio equipment.

Sales of information and communications equipment were down 12% due to sales declines in cellular phones and other products, although increased sales were recorded for PCs and peripherals.

Home Appliances

Sales of Home Appliances increased 3% to 316.5 billion yen (\$3.04 billion), compared with 306.9 billion yen in the third quarter of the previous year. Although sales of seasonal products in Japan decreased due to an unusually warm winter, sales of new air conditioners, washing machines and refrigerators contributed to improved overall results.

Components and Devices

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Sales of Components and Devices decreased 7% to 279.1 billion yen (\$2.68 billion), compared with 301.4 billion yen in the same three-month period of the previous year. Although sales of batteries increased from last year's third quarter, sluggish sales of general electronic components and semiconductors resulted in overall lower sales.

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MEW and PanaHome

Sales of MEW and PanaHome and their respective subsidiaries totaled 376.6 billion yen (\$3.62 billion).

JVC

Sales for JVC (Victor Company of Japan, Ltd. and its subsidiaries) totaled 209.4 billion yen (\$2.01 billion), down 7% from 225.9 billion yen in the third quarter of the previous year. Although sales of AV equipment increased in the Japanese domestic market, overseas sales, particularly in the Americas, declined from the previous year's third quarter. Sales decreases were also recorded in software.

Other

Sales for Other were down 19% to 148.0 billion yen (\$1.42 billion), from 183.7 billion yen a year ago. Within this category, sluggish sales of factory automation (FA) equipment and the reclassification of MEW products (which were traditionally sold through the parent company) into a new product category resulted in the overall lower sales.

Consolidated Financial Condition

On a consolidated basis, total assets as of December 31, 2004 were 8,329.0 billion yen (\$80.09 billion), a decrease of 76.3 billion yen from the end of the first fiscal half (September 30, 2004). This was attributable mainly to a decrease of 77.0 billion yen (\$740 million) in inventories. Stockholders' equity decreased 48.9 billion yen, due mainly to repurchases of the company's own shares from the market. Consolidated total assets as of December 31, 2004 increased 891.0 billion yen as compared with the end of the previous fiscal year (March 31, 2004), due mainly to the consolidation of MEW and PanaHome.

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Outlook for the Full Fiscal Year 2005, ending March 31, 2005

Regarding the outlook for the remainder of fiscal 2005, while the company currently expects severe conditions, including sharp price declines due to fierce competition and other negative factors, Matsushita today announced an upward revision of its operating profit forecast for the full fiscal year, ending March 31, 2005. On a consolidated basis, operating profit is now expected to increase to 300 billion yen, as compared with the previous forecast (announced on April 28, 2004) of 280 billion yen. The revised forecast for operating profit represents an increase of 53% from the previous year. Reasons given for the upward revision included strong sales of V-products, such as PDP TVs and washer/dryers, and the positive effects of cost reductions and other management initiatives. Matsushita maintained its original forecast for consolidated income before income taxes⁴ of 230 billion yen. The pre-tax income forecast was left unchanged due mainly to an increase in restructuring charges from the original projection of 75 billion yen to 130 billion yen. Net income is now expected to decrease to 50 billion yen, compared with the previous forecast of 63 billion yen, considering a possible increase in tax expenses related to the re-evaluation of deferred tax assets, resulting from the aforementioned structural reforms. The new forecast for net income represents an increase of 19% compared to the previous year. Regarding net sales on a consolidated basis, Matsushita maintained its original forecast of approximately 8,800 billion yen.

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/>

4. Other income (deductions) affecting the forecast for income before income taxes consists of other income expected to amount to 60 billion yen, such as a gain from the transfer of the substitutional portion of Japanese Welfare Pension Insurance, and restructuring charges of 130 billion yen.

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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 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, 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; 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; 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.

(Financial Tables Attached)

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

	Yen		Percentage	U.S. Dollars
	(millions)			(millions)
	2004	2003		2004
Net sales	¥ 2,296,525	¥ 2,031,319	113%	\$ 22,082
Cost of sales	(1,631,230)	(1,422,963)		(15,685)
Selling, general and administrative expenses	(577,041)	(537,420)		(5,548)
Operating profit	88,254	70,936	124%	849
Other income (deductions):				
Interest income	4,644	5,018		45
Dividend income	1,466	1,459		14
Gain from the transfer of the substitutional portion of Japanese Welfare Pension Insurance		39,580		
Interest expense	(5,075)	(6,412)		(49)
Restructuring charges **	(10,000)	(35,919)		(96)
Write-down of investment securities	(1,409)	(13)		(14)
Other income (loss), net	5,210	8,328		50
Income before income taxes	83,090	82,977	100%	799
Provision for income taxes	(35,701)	(52,030)		(343)
Minority interests	(10,029)	(6,888)		(97)
Equity in earnings (losses) of associated companies	(1,790)	187		(17)
Net income	¥ 35,570	¥ 24,246	147%	\$ 342
Net income, basic per common share	15.56 yen	10.50 yen		\$0.15
per ADS	15.56 yen	10.50 yen		\$0.15
Net income, diluted per common share	15.56 yen	10.32 yen		\$0.15
per ADS	15.56 yen	10.32 yen		\$0.15

(Parentheses indicate expenses, deductions or losses.)

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

Supplementary Information
(Three months ended December 31)

	Yen		U.S. Dollars
	(millions)		(millions)
	2004	2003	2004
Depreciation (tangible assets):	¥ 69,370	¥ 60,669	\$ 667
Capital investment:	¥ 76,908	¥ 58,723	\$ 740
R&D expenditures:	¥ 148,649	¥ 140,555	\$ 1,429
Number of employees (Dec. 31)	337,863	294,614	

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

	Yen		Percentage	U.S. Dollars
	(millions)			(millions)
	2004	2003	2004/2003	2004
Net sales	¥ 6,615,062	¥ 5,671,007	117%	\$ 63,606
Cost of sales	(4,706,826)	(4,007,059)		(45,258)
Selling, general and administrative expenses	(1,663,648)	(1,513,406)		(15,996)
Operating profit	244,588	150,542	162%	2,352
Other income (deductions):				
Interest income	13,762	14,827		132
Dividend income	5,374	5,017		52
Gain from the transfer of the substitutional portion of Japanese Welfare Pension Insurance	31,509	39,580		303
Interest expense	(16,569)	(20,300)		(159)
Restructuring charges **	(58,191)	(36,788)		(560)
Write-down of investment securities	(3,072)	(48,024)		(30)
Other income (loss), net	2,962	35,377		29
Income before income taxes	220,363	140,231	157%	2,119
Provision for income taxes	(96,533)	(74,377)		(928)
Minority interests	(25,375)	(15,104)		(244)
Equity in earnings (losses) of associated companies	(6,706)	(3,358)		(65)
Net income	¥ 91,749	¥ 47,392	194%	\$ 882
Net income, basic per common share	39.79 yen	20.38 yen		\$0.38
per ADS	39.79 yen	20.38 yen		\$0.38
Net income, diluted per common share	39.79 yen	20.11 yen		\$0.38
per ADS	39.79 yen	20.11 yen		\$0.38

(Parentheses indicate expenses, deductions or losses.)

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

Supplementary Information

(Nine months ended December 31)

	Yen		U.S. Dollars
	(millions)		(millions)
	2004	2003	2004
Depreciation (tangible assets):	¥ 208,038	¥ 183,187	\$ 2,000
Capital investment:	¥ 222,551	¥ 180,603	\$ 2,140
R&D expenditures:	¥ 465,176	¥ 418,210	\$ 4,473

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Matsushita Electric Industrial Co., Ltd.**Consolidated Balance Sheet ******December 31, 2004****With comparative figures for September 30, 2004**

	Yen		U.S. Dollars
	(millions)		(millions)
	Dec. 31, 2004	Sept. 30, 2004	Dec. 31, 2004
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	¥ 1,255,716	¥ 1,253,608	\$ 12,074
Time deposits	104,851	171,630	1,008
Marketable securities	8,536	7,645	82
Trade receivables (notes and accounts) and other current assets	1,867,896	1,800,993	17,961
Inventories	991,694	1,068,646	9,536
	<hr/>	<hr/>	<hr/>
Total current assets	4,228,693	4,302,522	40,661
	<hr/>	<hr/>	<hr/>
Noncurrent receivables	251,211	253,243	2,415
Investments and advances	1,154,621	1,113,505	11,102
Property, plant and equipment, net of accumulated depreciation	1,629,950	1,642,578	15,673
Other assets	1,064,566	1,093,502	10,236
	<hr/>	<hr/>	<hr/>
Total assets	¥ 8,329,041	¥ 8,405,350	\$ 80,087
	<hr/>	<hr/>	<hr/>
<u>Liabilities and Stockholders' Equity</u>			
Current liabilities:			
Short-term borrowings	¥ 468,789	¥ 387,572	\$ 4,508
Trade payables (notes and accounts) and other current liabilities	2,499,048	2,494,878	24,029
	<hr/>	<hr/>	<hr/>
Total current liabilities	2,967,837	2,882,450	28,537
	<hr/>	<hr/>	<hr/>
Long-term debt	524,462	577,688	5,043
Other long-term liabilities	795,842	866,048	7,652
Minority interests	485,241	474,572	4,666
Common stock	258,740	258,740	2,488
Capital surplus	1,230,365	1,230,315	11,830
Legal reserve	88,395	88,166	850
Retained earnings	2,493,782	2,475,725	23,979
Accumulated other comprehensive income (loss) *	(285,409)	(264,262)	(2,744)
Treasury stock	(230,214)	(184,092)	(2,214)

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Total liabilities and stockholders' equity	¥ 8,329,041	¥ 8,405,350	\$ 80,087
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* Accumulated other comprehensive income (loss) breakdown:

	Yen (millions)		U.S. Dollars (millions)
	Dec. 31, 2004	Sept. 30, 2004	Dec. 31, 2004
Cumulative translation adjustments	¥ (276,372)	¥ (217,897)	\$ (2,657)
Unrealized holding gains of available-for-sale securities	81,261	70,453	781
Unrealized gains of derivative instruments	4,878	4,964	47
Minimum pension liability adjustments	(95,176)	(121,782)	(915)

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

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

	Yen		Percentage	U.S. Dollars
	(billions)			(millions)
	2004	2003		2004
<u>AVC Networks</u>				
Video and audio equipment	¥ 476.2	¥ 457.1	104%	\$ 4,579
Information and communications equipment	490.7	556.3	88%	4,718
Subtotal	966.9	1,013.4	95%	9,297
<u>Home Appliances</u>	316.5	306.9	103%	3,043
<u>Components and Devices</u>	279.1	301.4	93%	2,684
<u>MEW and PanaHome</u>	376.6			3,621
<u>JVC</u>	209.4	225.9	93%	2,014
<u>Other</u>	148.0	183.7	81%	1,423
Total	¥ 2,296.5	¥ 2,031.3	113%	\$ 22,082
Domestic sales	1,189.0	932.5	128%	11,433
Overseas sales	1,107.5	1,098.8	101%	10,649

(Nine months ended December 31)

	Yen		Percentage	U.S. Dollars
	(billions)			(millions)
	2004	2003		2004

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<u>AVC Networks</u>				
Video and audio equipment	¥ 1,208.4	¥ 1,127.0	107%	\$ 11,619
Information and communications equipment	1,504.5	1,612.9	93%	14,466
	<hr/>	<hr/>		<hr/>
Subtotal	2,712.9	2,739.9	99%	26,085
	<hr/>	<hr/>		<hr/>
<u>Home Appliances</u>				
	926.0	893.1	104%	8,904
	<hr/>	<hr/>		<hr/>
<u>Components and Devices</u>				
	861.6	864.1	100%	8,285
	<hr/>	<hr/>		<hr/>
<u>MEW and PanaHome</u>				
	1,088.2			10,463
	<hr/>	<hr/>		<hr/>
<u>JVC</u>				
	563.6	629.6	90%	5,419
	<hr/>	<hr/>		<hr/>
<u>Other</u>				
	462.8	544.3	85%	4,450
	<hr/>	<hr/>		<hr/>
Total	¥ 6,615.1	¥ 5,671.0	117%	\$ 63,606
	<hr/>	<hr/>		<hr/>
Domestic sales	3,391.9	2,608.9	130%	32,614
Overseas sales	3,223.2	3,062.1	105%	30,992

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

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[Domestic/Overseas Sales Breakdown for Three Months ended December 31, 2004]

(in yen only)

	Domestic sales		Overseas sales	
	Yen (billions)	Percentage	Yen (billions)	Percentage
	2004	2004/2003	2004	2004/2003
<u>AVC Networks</u>				
Video and audio equipment	¥ 154.8	113%	¥ 321.4	100%
Information and communications equipment	230.8	88%	259.9	89%
Subtotal	385.6	96%	581.3	95%
<u>Home Appliances</u>	205.8	99%	110.7	112%
<u>Components and Devices</u>	114.7	91%	164.4	94%
<u>MEW and PanaHome</u>	325.4		51.2	
<u>JVC</u>	61.0	90%	148.4	94%
<u>Other</u>	96.5	74%	51.5	96%
Total	¥ 1,189.0	128%	¥ 1,107.5	101%

[Domestic/Overseas Sales Breakdown for Nine Months ended December 31, 2004]

(in yen only)

	Domestic sales		Overseas sales	
	Yen (billions)	Percentage	Yen (billions)	Percentage
	2004	2004/2003	2004	2004/2003
<u>AVC Networks</u>				
Video and audio equipment	¥ 379.3	115%	¥ 829.1	104%
Information and communications equipment	710.2	92%	794.3	94%

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Subtotal	1,089.5	99%	1,623.4	99%
<u>Home Appliances</u>	571.8	99%	354.2	112%
<u>Components and Devices</u>	342.5	98%	519.1	101%
<u>MEW and PanaHome</u>	936.5		151.7	
<u>JVC</u>	158.5	82%	405.1	93%
<u>Other</u>	293.1	75%	169.7	111%
Total	¥ 3,391.9	130%	¥ 3,223.2	105%

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Matsushita Electric Industrial Co., Ltd.**Consolidated Information by Segments ***

(Three months ended December 31)

By Business Segment:

	Yen (billions)		Percentage 2004/2003	U.S. Dollars (millions)
	2004	2003		2004
[Sales]				
AVC Networks	¥ 1,041.0	¥ 1,068.4	97%	\$ 10,009
Home Appliances	343.8	312.6	110%	3,306
Components and Devices	356.3	432.3	82%	3,426
MEW and PanaHome	390.8			3,758
JVC	213.4	233.3	91%	2,052
Other	250.5	238.6	105%	2,409
Subtotal	2,595.8	2,285.2	114%	24,960
Eliminations	(299.3)	(253.9)		(2,878)
Consolidated total	¥ 2,296.5	¥ 2,031.3	113%	\$ 22,082
[Segment Profit] **				
AVC Networks	¥ 25.7	¥ 33.6	77%	\$ 247
Home Appliances	21.6	20.0	108%	208
Components and Devices	9.1	13.5	67%	87
MEW and PanaHome	20.3			195
JVC	7.2	10.0	72%	69
Other	8.9	4.3	208%	86
Subtotal	92.8	81.4	114%	892
Corporate and eliminations	(4.5)	(10.5)		(43)
Consolidated total	¥ 88.3	¥ 70.9	124%	\$ 849

(Nine months ended December 31)

By Business Segment:

	Yen (billions)		Percentage	U.S. Dollars
	2004	2003		(millions)
			2004/2003	2004
[Sales]				
AVC Networks	¥ 2,924.5	¥ 2,896.3	101%	\$ 28,120
Home Appliances	1,004.2	916.5	110%	9,656
Components and Devices	1,148.7	1,258.8	91%	11,045
MEW and PanaHome	1,125.3			10,820
JVC	573.8	642.7	89%	5,517
Other	789.8	714.7	111%	7,594
Subtotal	7,566.3	6,429.0	118%	72,752
Eliminations	(951.2)	(758.0)		(9,146)
Consolidated total	¥ 6,615.1	¥ 5,671.0	117%	\$ 63,606
[Segment Profit] **				
AVC Networks	¥ 94.0	¥ 91.8	102%	\$ 904
Home Appliances	59.4	39.1	152%	571
Components and Devices	48.6	39.3	124%	467
MEW and PanaHome	44.9			432
JVC	11.8	20.1	59%	114
Other	25.0	11.4	219%	240
Subtotal	283.7	201.7	141%	2,728
Corporate and eliminations	(39.1)	(51.2)		(376)
Consolidated total	¥ 244.6	¥ 150.5	162%	\$ 2,352

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

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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 4 for U.S. GAAP reconciliation.
3. Comprehensive income was reported as a gain of 14,423 million yen (\$139 million) for the third quarter ended December 31, 2004, a gain of 223,115 million yen for the third quarter ended December 31, 2003. Comprehensive income was a gain of 205,842 million yen (\$1,979 million) for the nine months ended December 31, 2004, and a gain of 252,750 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.
4. Restructuring charges in Other income (deductions) of the consolidated statements of income for the third quarter and nine months ended December 31, 2004 and 2003 include expenses associated with the implementation of early retirement programs at certain domestic companies. Under U.S. generally accepted accounting principles, these charges are included as part of operating profit in the statement of income.
5. On April 1, 2004, the company acquired 19.2% of the issued common shares of MEW through a tender offer, of which the company had a 31.8% equity ownership until then, to obtain its controlling interest. This acquisition also resulted in another acquisition of controlling interest of PanaHome because both the company and MEW have 27% equity ownership. The acquired assets and assumed liabilities on April 1, 2004 are as shown below. As a result, the total assets at the beginning of the period increased 1,043,282 million yen, the balance that deducts 343,844 million yen, the company's new basis of investment in MEW and PanaHome upon the acquisition of additional shares, from 1,387,126 million yen, the total assets acquired.

	Yen (millions)
Current assets	¥ 658,544
Property, plant and equipment	440,584
Other assets	287,998
	<hr/>
Total assets acquired	1,387,126
	<hr/>
Current liabilities	335,899
Noncurrent liabilities	419,803
	<hr/>
Total liabilities assumed	755,702
	<hr/>
Minority interests	287,580

Net assets acquired

¥ 343,844

6. 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. The gain of 31,509 million yen for the nine months ended December 31, 2004 from the transfer of the substitutional portion of the Japanese Welfare Pension Insurance is reported as other income in the consolidated statement of income.

Matsushita Electric Welfare Pension Funds obtained approval from the Ministry for exemption from the past benefit obligation with respect to the substitutional portion and transferred it to the Government in December 2003. Income related to the transfer of the substitutional portion of the Employees Pension Funds is reported as other income of 39,580 million yen for the third quarter and for the nine months, ended December 31, 2003 in the consolidated statement of income.

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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.

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. MEW, PanaHome and their respective subsidiaries became consolidated subsidiaries of the company on April 1, 2004. Accordingly, a new segment, MEW and PanaHome, has been added to the company's business segment classifications from this fiscal year (fiscal 2005).

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, Matsushita Kotobuki Electronics Industries, 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.,
Matsushita Electronic Components 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 Industrial Information Equipment Co., Ltd.

9. Number of consolidated companies: 565
10. Number of companies reflected by the equity method: 82
11. United States Dollar amounts are translated from yen for convenience at the rate of U.S. \$1.00 = 104 yen, the approximate rate on the Tokyo Foreign Exchange Market on December 30, 2004.
12. Each American Depositary Share (ADS) represents 1 share of common stock.

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Details of Product Categories

AVC Networks

Color TVs, PDP and LCD TVs, VCRs, camcorders, digital cameras, DVD players, DVD recorders, 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 disk 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, dish washer/dryers, electric fans, air purifiers, heating equipment, kitchen fixture systems, electric, gas and kerosene hot water supply equipment, bath and 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, electro-mechanical components, high frequency components, printed circuit boards, etc.), magnetic recording heads, electric motors, dry batteries, rechargeable batteries, etc.

MEW and PanaHome

Lighting fixtures, wiring devices, distribution panelboards, personal-care products, healthy-life products, exterior and interior furnishing materials, bathroom units, molding compounds, laminates, relays, connectors, housings, etc.

JVC

VCRs, camcorders, CRT TVs, PDP TVs, LCD TVs, stereo hi-fi and related equipment, car audio, DVD players, DVD recorders, CD radio cassette recorders, business-use audiovisual equipment, information equipment, video projectors, display components, optical pickups, motors, high-density multi-layered printed circuit boards, AV software for DVD, CD and video tapes, recordable media, etc.

Other

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

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February 4, 2005

Matsushita Electric Industrial Co., Ltd.

Supplemental Consolidated Financial Data for Fiscal 2005**Third Quarter, ended December 31, 2004****1. Sales breakdown for Fiscal 2005 Third Quarter, ended December 31, 2004****Third Quarter <Oct. to Dec. 2004>**

yen (billions)

By Product Category	Total		Domestic		Overseas			
	05/04	Local currency basis 05/04		05/04	05/04	Local currency basis 05/04		
Video and audio equipment	476.2	104%	104%	154.8	113%	321.4	100%	100%
Information and communications equipment	490.7	88%	88%	230.8	88%	259.9	89%	89%
AVC Networks	966.9	95%	95%	385.6	96%	581.3	95%	95%
Home Appliances	316.5	103%	104%	205.8	99%	110.7	112%	115%
Components and Devices	279.1	93%	93%	114.7	91%	164.4	94%	95%
MEW and PanaHome	376.6			325.4		51.2		
JVC	209.4	93%	92%	61.0	90%	148.4	94%	92%
Other	148.0	81%	81%	96.5	74%	51.5	96%	96%
Total	2,296.5	113%	113%	1,189.0	128%	1,107.5	101%	101%

Nine Months <Apr. to Dec. 2004>

yen (billions)

Total	Domestic	Overseas
-------	----------	----------

By Product Category	Local currency			05/04			Local currency		
	05/04	basis 05/04		05/04		05/04	basis 05/04		
Video and audio equipment	1,208.4	107%	109%	379.3	115%	829.1	104%	106%	
Information and communications equipment	1,504.5	93%	95%	710.2	92%	794.3	94%	97%	
AVC Networks	2,712.9	99%	101%	1,089.5	99%	1,623.4	99%	102%	
Home Appliances	926.0	104%	105%	571.8	99%	354.2	112%	117%	
Components and Devices	861.6	100%	102%	342.5	98%	519.1	101%	104%	
MEW and PanaHome	1,088.2			936.5		151.7			
JVC	563.6	90%	91%	158.5	82%	405.1	93%	95%	
Other	462.8	85%	86%	293.1	75%	169.7	111%	113%	
Total	6,615.1	117%	118%	3,391.9	130%	3,223.2	105%	108%	

yen (billions)

Overseas Sales by Region	Fiscal 2005 Third Quarter Results			Fiscal 2005 Nine Months Results		
	05/04	Local currency basis 05/04		05/04	Local currency basis 05/04	
North and South America	356.5	98%	100%	1,006.7	97%	102%
Europe	329.0	104%	99%	889.3	108%	106%
Asia	267.6	101%	102%	810.6	107%	110%
China	154.4	102%	107%	516.6	117%	123%
Total	1,107.5	101%	101%	3,223.2	105%	108%

Table of Contents**2. Segment Information**

<Consolidated>

yen (billions)

	Fiscal 2005 Third Quarter Results					Fiscal 2005 Nine Months Results				
	Sales	05/04	Segment profit	% of sales	05/04	Sales	05/04	Segment profit	% of sales	05/04
AVC Networks	1,041.0	97%	25.7	2.5%	77%	2,924.5	101%	94.0	3.2%	102%
Home Appliances	343.8	110%	21.6	6.3%	108%	1,004.2	110%	59.4	5.9%	152%
Components and Devices	356.3	82%	9.1	2.5%	67%	1,148.7	91%	48.6	4.2%	124%
MEW and PanaHome	390.8		20.3	5.2%		1,125.3		44.9	4.0%	
JVC	213.4	91%	7.2	3.4%	72%	573.8	89%	11.8	2.1%	59%
Other	250.5	105%	8.9	3.5%	208%	789.8	111%	25.0	3.2%	219%
Total	2,595.8	114%	92.8	3.6%	114%	7,566.3	118%	283.7	3.7%	141%
Corporate and eliminations	-299.3		-4.5			-951.2		-39.1		
Consolidated total	2,296.5	113%	88.3	3.8%	124%	6,615.1	117%	244.6	3.7%	162%

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

<Consolidated>

Capital Investment

yen (billions)

	Fiscal 2005 Third Quarter Results		Fiscal 2005 Nine Months Results	
	05-04	05-04	05-04	05-04
AVC Networks	18.0	+2.4	53.4	+6.3
Home Appliances	8.4	+2.8	24.9	+8.9
Components and Devices	32.3	+1.6	91.9	-1.8
MEW and PanaHome	9.8	+9.8	21.1	+21.1
JVC	2.7	-1.6	13.6	+2.0
Other	5.7	+3.2	17.7	+5.4

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Total 76.9 +18.2 222.6 +41.9

Depreciation

(Tangible Assets)

yen (billions)

Fiscal 2005 Third Quarter Results Fiscal 2005 Nine Months Results

05-04		05-04	
69.4	+8.7	208.0	+24.9

R&D Expenditures

yen (billions)

Fiscal 2005 Third Quarter Results Fiscal 2005 Nine Months Results

05-04		05-04	
148.6	+8.1	465.2	+47.0

Table of Contents4. Foreign Currency Exchange Rates

<Export Rates>

	Fiscal 2004			Fiscal 2005		
	Third Quarter	Nine Months	Full Year	Third Quarter	Nine Months	Full Year
						(Forecast)
U.S.Dollars	¥115	¥117	¥115	¥108	¥109	¥107
Euro	¥130	¥130	¥129	¥133	¥132	¥132

<Rates Used for Consolidation>

	Fiscal 2004			Fiscal 2005		
	Third Quarter	Nine Months	Full Year	Third Quarter	Nine Months	Full Year
						(Forecast)
U.S.Dollars	¥109	¥115	¥113	¥106	¥109	¥107
Euro	¥130	¥132	¥133	¥137	¥134	¥135

5. Number of Employees

<Consolidated>

	(persons)			
	end of Dec. 2003	end of Mar. 2004	end of Sep. 2004	end of Dec. 2004
Domestic	123,327	119,528	150,474	150,154
Overseas	171,287	170,965	189,133	187,709
Total	294,614	290,493	339,607	337,863

6. Other Information

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		(shares)
Issued Shares as of December 31, 2004	(a)	2,453,053,497
Treasury Stock as of December 31, 2004	(b)	178,499,139
		<hr/>
Outstanding Shares (excluding treasury stock) as of December 31, 2004	(a)-(b)	2,274,554,358

	Fiscal 2004			Fiscal 2005	
	Third Quarter	Nine Months	Annual Results	Third Quarter	Nine Months
Net income per common share, basic	¥10.50	¥20.38	¥18.15	¥15.56	¥39.79
Net income per common share, diluted	¥10.32	¥20.11	¥18.00	¥15.56	¥39.79
Stockholders' equity per common share at the end of each period	¥1,446.80		¥1,488.77	¥1,563.23	

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Table of Contents**7. Annual Forecast for Fiscal 2005, ending March 31, 2005**

<Consolidated>	yen (billions)					
	Fiscal 2004 Results		Fiscal 2005 Forecast (a)		Fiscal 2005 Forecast (b)	
			(as of Apr. 28, 2004)		(as of Feb. 4, 2005)	
		04/03		05/04		05/04 (b)-(a)
Sales	7,479.7	101%	8,800.0	118%	8,800.0	118%
Operating profit *	195.5	154%	280.0	143%	300.0 **	153%
(% of Sales)	(2.6%)		(3.2%)		(3.4%)	+20.0
Income before income taxes	170.8	248%	230.0	135%	230.0 **	135%
(% of Sales)	(2.3%)		(2.6%)		(2.6%)	
Net income	42.1		63.0	149%	50.0	119%
(% of Sales)	(0.6%)		(0.7%)		(0.6%)	-13.0

* 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 income before income taxes include other income of 60 billion yen, such as a gain from the transfer of the substitutional portion of Japanese Welfare Pension Insurance, and business restructuring charges of 130 billion yen.

8. Segment Information (Annual Forecast)

<Consolidated>	Fiscal 2005 Forecast (as of Apr. 28, 2004)					Fiscal 2005 Forecast (as of Feb. 4, 2005)				
	Sales	05/04	Segment profit	% of sales	05/04	Sales	05/04	Segment profit	% of sales	05/04
AVC Networks	3,900.0	102%	155.0	4.0%	120%	3,850.0	100%	117.0	3.0%	91%
Home Appliances	1,220.0	100%	58.0	4.8%	110%	1,310.0	107%	74.0	5.6%	140%
Components and Devices	1,630.0	98%	65.0	4.0%	130%	1,520.0	92%	51.0	3.4%	102%
MEW and PanaHome	1,470.0		50.0	3.4%		1,535.0		60.0	3.9%	
JVC	825.0	101%	27.0	3.3%	109%	795.0	97%	22.0	2.8%	89%
Other	960.0	101%	15.0	1.6%	102%	1,010.0	106%	32.0	3.2%	218%

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Total	10,005.0	118%	370.0	3.7%	136%	10,020.0	118%	356.0	3.6%	131%
Corporate and eliminations	-1,205.0		-90.0			-1,220.0		-56.0		
Consolidated total	8,800.0	118%	280.0	3.2%	143%	8,800.0	118%	300.0	3.4%	153%

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 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 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, 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; 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; 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.

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February 4, 2005

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Signing of Agreements on Reorganization of New Matsushita Group

Osaka, Japan, February 4, 2005 Matsushita Electric Industrial Co., Ltd. (MEI [NYSE: MC]), best known for its Panasonic brand name, and Matsushita Electric Works, Ltd. (MEW), today announced the signing of agreements regarding reorganization of the building materials and equipment business, the home appliances business and the industrial equipment business (see September 28, 2004 press release [Reorganization of New Matsushita Group](#) and November 29, 2004 press release [Matsushita Group to Reorganize and Consolidate Industrial Equipment Business](#)). Details of the reorganization are outlined below.

I. Reorganization of building materials and equipment business

1. Transfer of MEI's building materials and equipment business to MEW

A. Outline of business transfer

MEI will transfer the Corporate Housing Equipment Sales Division (including shares in Matsushita Housing Equipment & Systems Corporation (MHESC), but not including City Gas Equipment Business Promotion Department and OEM sales of equipment and instruments) of Matsushita Home Appliances Company to MEW.

B. Schedule

February 4, 2005
April 1, 2005 (planned)

Signing of business transfer agreement
Date of business transfer

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C. Assets and liabilities of the businesses to be transferred (forecast for March 31, 2005)

<u>Item</u>	(in millions of yen) <u>Book value</u>
Assets	1,293
Liabilities	

D. Transfer price and payment method

	(in millions of yen)
Transfer price	5,687
Payment method	Decision will be separately made after due consultation.

2. Transfer of MHESC s building materials and equipment business to MEW