

# Fiscal 2004 Third Quarter Financial Results

February 6, 2004  
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Matsushita Electric Industrial Co., Ltd.

- Notes: 1. This is an English translation from the original presentation in Japanese.*  
*2. In this presentation, "fiscal 2004" or "FY 2004" refers to the year ending March 31, 2004.*

## Third Quarter Financial Results

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1. Strong year-end shopping season
2. Acceleration of restructuring at business domain companies
3. Upward revision of full-year forecast

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1. Third quarter financial results
2. Upward revision of forecast for full fiscal year 2004 financial results
3. The new mid-term plan "Leap Ahead 21"

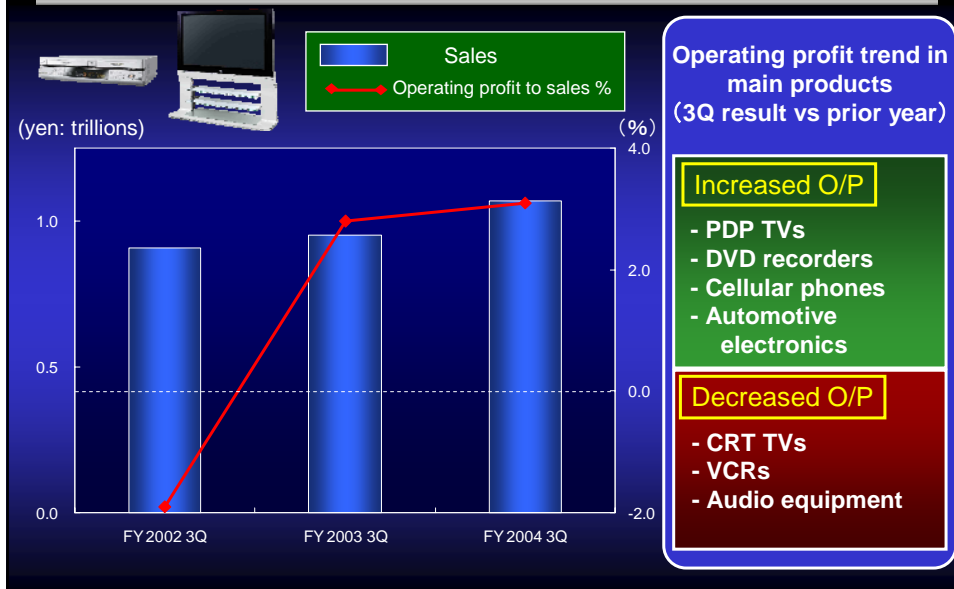
## Fiscal 2004 Third Quarter Consolidated Results

(yen: billions)

	FY 2004 Third Quarter	FY 2003 * Third Quarter	Change Vs. FY 2003 Third Quarter
<b>Sales</b>	2,031.3	1,935.0	105%
Domestic	932.5	864.6	108%
Overseas	1,098.8	1,070.4	103%
<b>Operating profit</b>	70.9	48.0	+22.9 bn
<b>Pre-tax income</b>	83.0	49.0	+34.0 bn
<b>Net income</b>	24.2	22.4	+1.8 bn

\* Results restated

# AVC Networks



# Results of Major Domain Companies

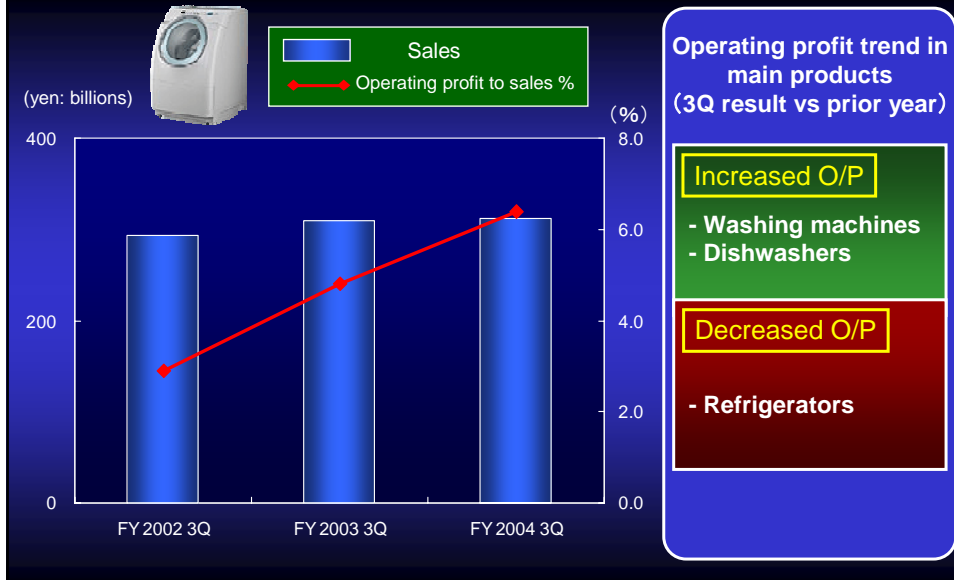
PAVC: Panasonic AVC Networks Company  
 PCC: Panasonic Communications Co., Ltd.  
 PMC: Panasonic Mobile Communications Co., Ltd.

(yen: billions, except operating profit to sales ratio)

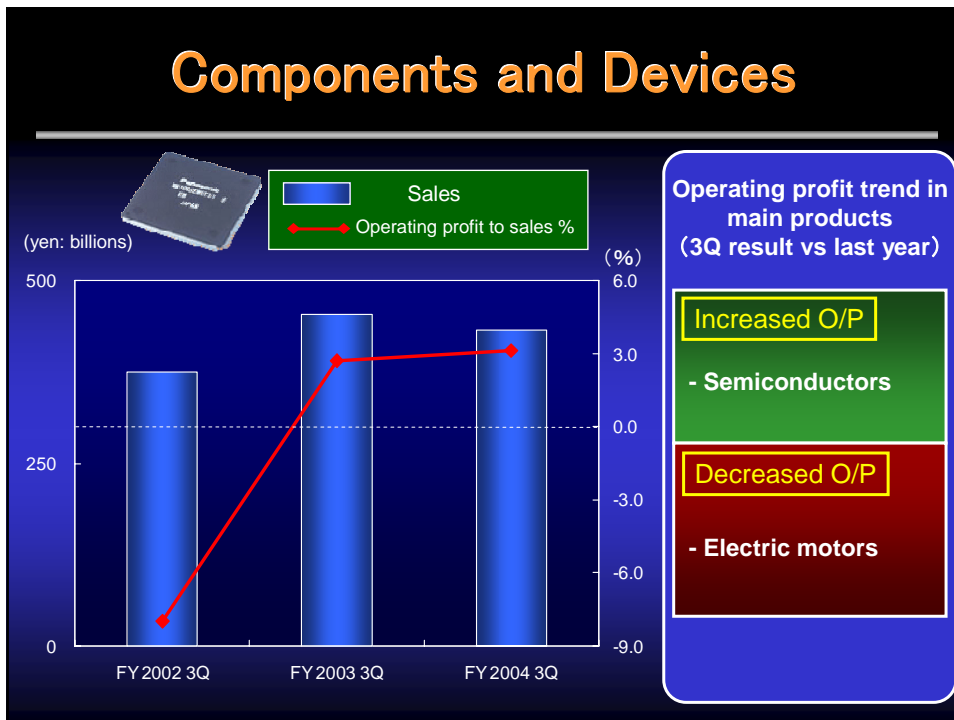
	PAVC *	PCC **	PMC **
Sales	346.5	121.0	163.7
Operating profit	10.1	4.8	6.0
(vs Sales)	( 2.9% )	( 4.0% )	( 3.6% )
Capital investment	5.6	2.2	0.7

\* PAVC results do not include sales, profit, etc. for display devices and domestic and overseas sales divisions.  
 \*\* Results for PCC and PMC do not include sales, profit, etc. for certain overseas sales divisions.

# Home Appliances



# Components and Devices



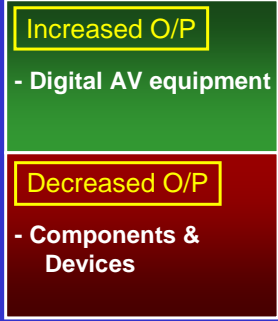
# JVC



■ Sales  
◆ Operating profit to sales %



Operating profit trend in main products (3Q result vs prior year)

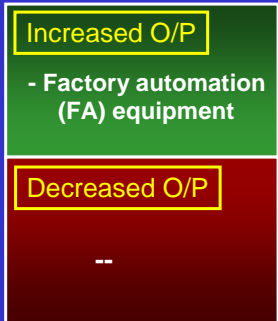


# Other

■ Sales  
◆ Operating profit to sales %

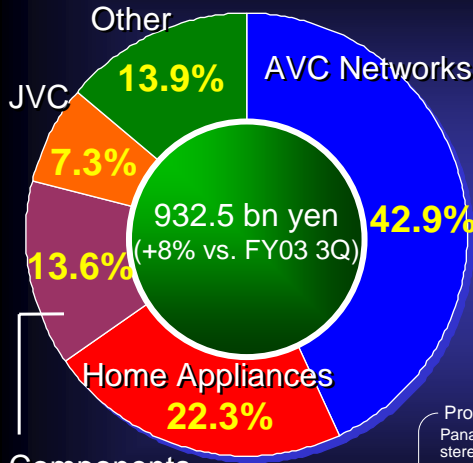


Operating profit trend in main products (3Q result vs prior year)



# Domestic Sales and Share Trends

## Third Quarter Domestic Sales



## Market share in Japan by brand

	Share	vs. FY 03
<b>Panasonic</b>	22.0%	+0.1%
<b>National</b>	25.6%	+2.4%

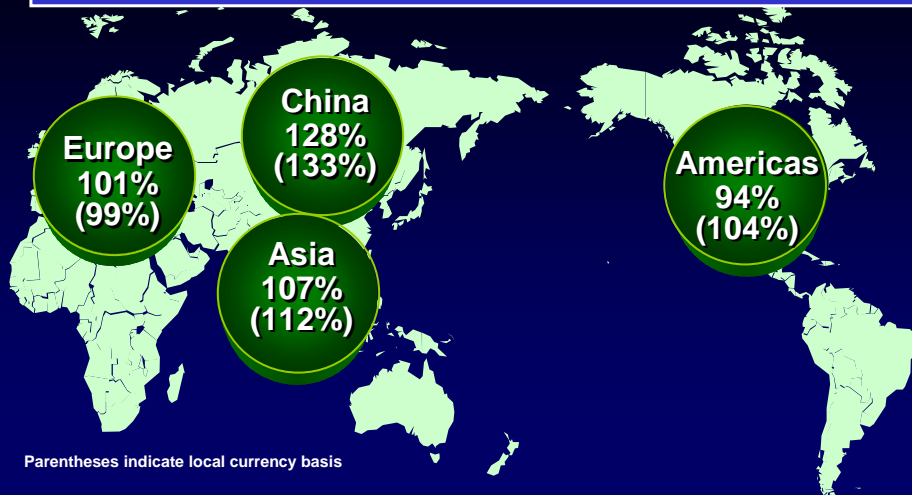
### Products:

Panasonic: TVs, VCRs, camcorders, DVD players/recorders, stereos, and other products (total 17 items)

National: vacuum cleaners, washing machines, refrigerators, microwave ovens, air conditioners, and other products (total 36 items)

# Global Sales

## Overseas sales up 8% on local currency basis



## Operating Profit Analysis (vs FY 2003 Third Quarter)

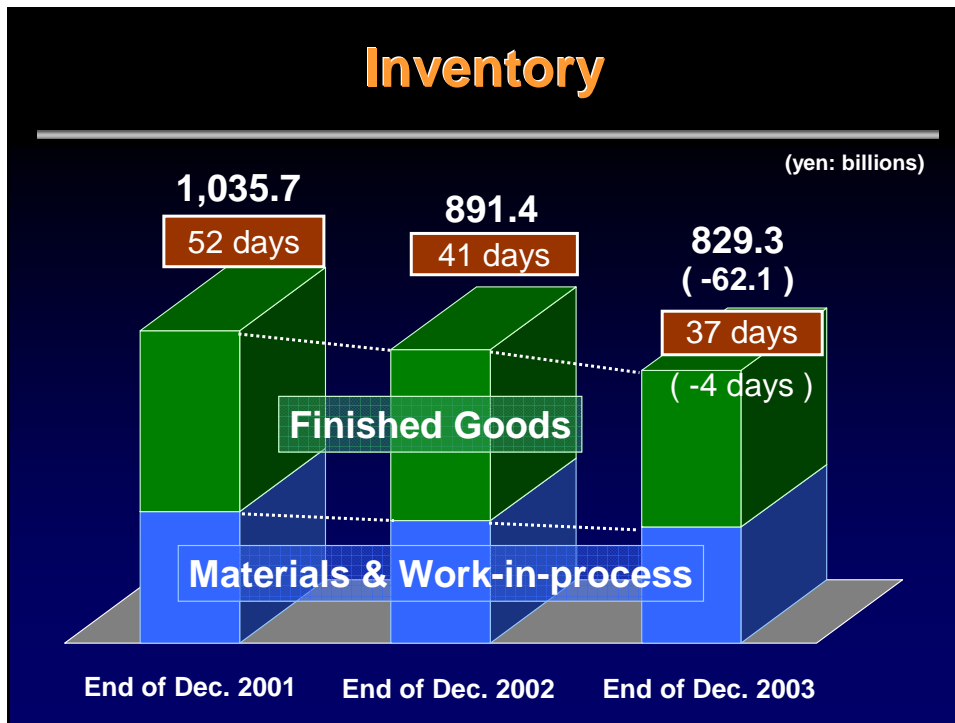


## Pre-tax and Net Income Analysis

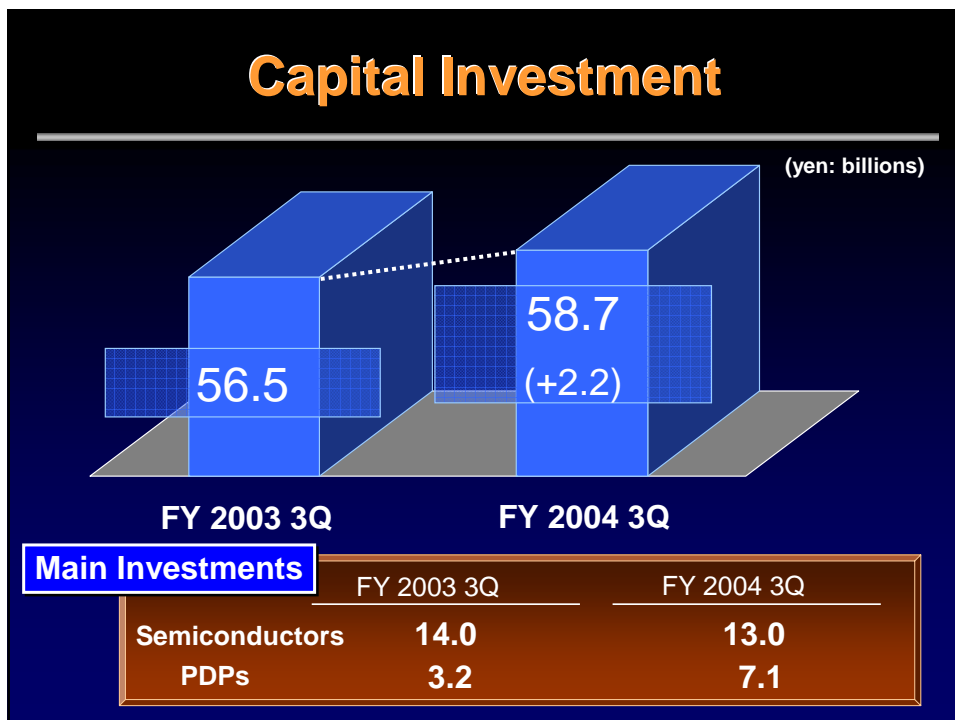
(yen: billions)

	Amount	vs. fiscal 2003 3Q
Operating profit	70.9	+22.9
Non-operating profit	12.1	+11.1
Financial income (net)	0.1	+1.3
Restructuring charges	-35.9	-35.3
Substitutional portion of pension fund	39.6	+39.6
Other	8.3	+5.5
Income before income taxes	83.0	+34.0
Provision for income taxes	52.1	+35.1
Minority interests	-6.9	-3.3
Equity in associated companies	0.2	6.2
Net income	24.2	+1.8

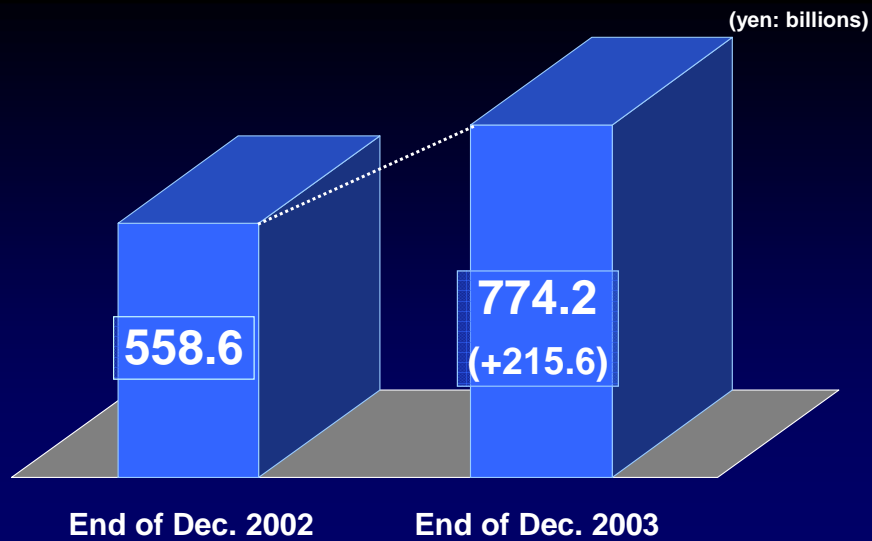
## Inventory



## Capital Investment



## Net Cash Balance



## Contents

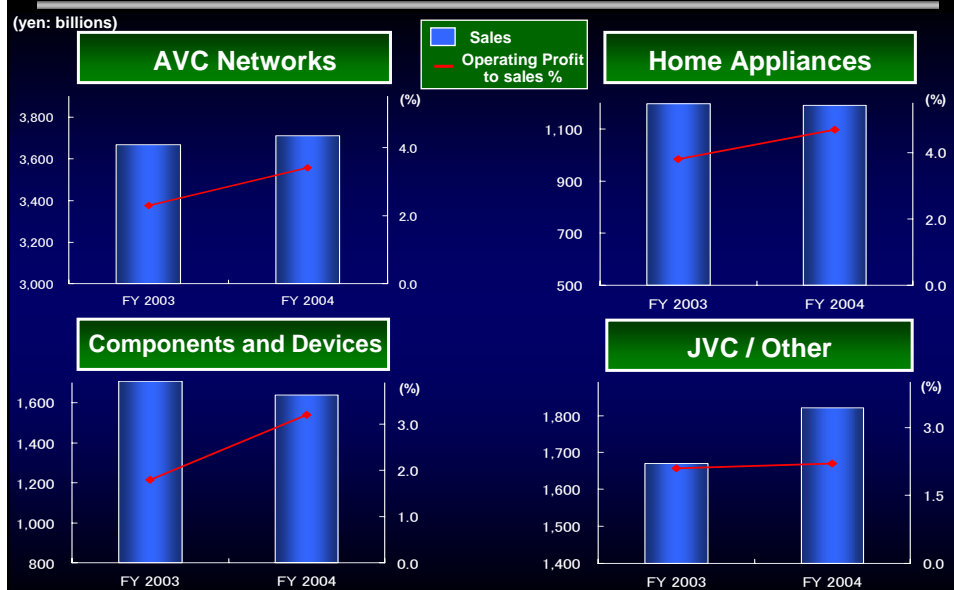
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## Fiscal 2004 Full Year Forecast

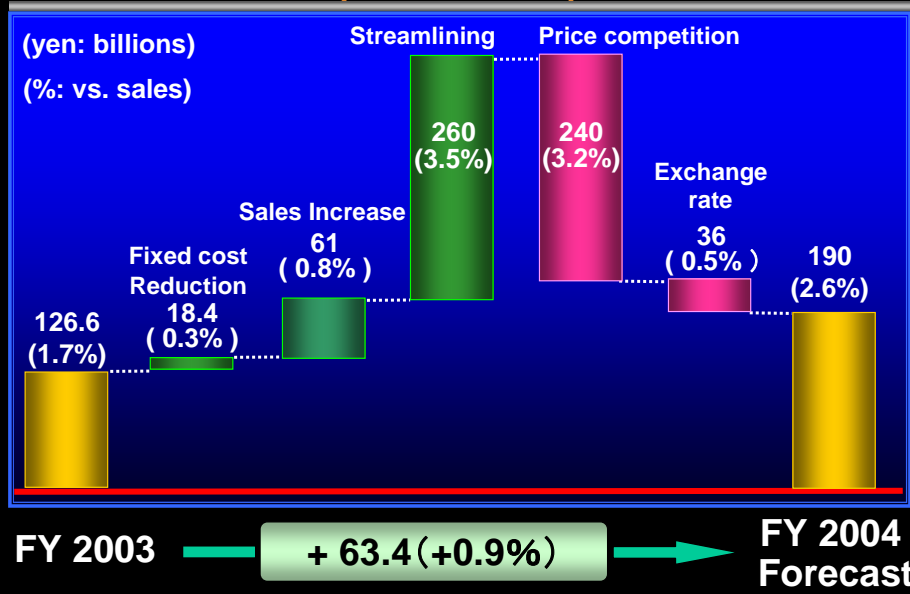
(yen: billions)

	Revised Forecast	Original Forecast	Change
Sales	7,450	7,450	-
Domestic	3,510	3,485	+ 25
Overseas	3,940	3,965	- 25
Operating Profit	190	150	+ 40
Pre-tax Income	160	120	+ 40
Net Income	35	30	+ 5

## Forecast by Segment



## Operating Profit Analysis (vs FY 2003)



## Restructuring at Business Domain Companies

	Details	FY 2004 Expense
AVC Networks	<ul style="list-style-type: none"> <li>• Integration or closure of mfg locations of PCC</li> <li>• Restructuring of overseas audio business</li> <li>• Matsushita Kotobuki organizational restructuring</li> </ul>	(yen: billions) Approx. <b>10</b>
Home Appliances	<ul style="list-style-type: none"> <li>• Refrigerator business &amp; employment restructuring</li> <li>• Matsushita Eco-systems employment restructuring</li> </ul>	<b>40</b>
Components and Devices, Other	<ul style="list-style-type: none"> <li>• Business restructuring of Motor Company</li> <li>• CRT business restructuring in U.S.</li> <li>• Integration or closure of FA business mfg locations</li> <li>• Integration or closure of industrial equipment mfg locations</li> </ul>	<b>30</b>
<b>Total</b>		<b>Approx. 80</b>

## Unfunded Portion of Pension Liability

(yen: billions)

Items		Amount
Unfunded portion as of March 2003 (result)		Approx. 1,000
Factors	1. Return of the substitutional portion of the welfare pension fund to the Government	
	2. Revisions to pension plan system	
	3. Improved return on plan assets	
Unfunded portion as of March 2004 (estimate)		Approx. 400

\* conditions 1) Discount rate for fiscal 2004 is 2.7%, same as end of fiscal 2003.

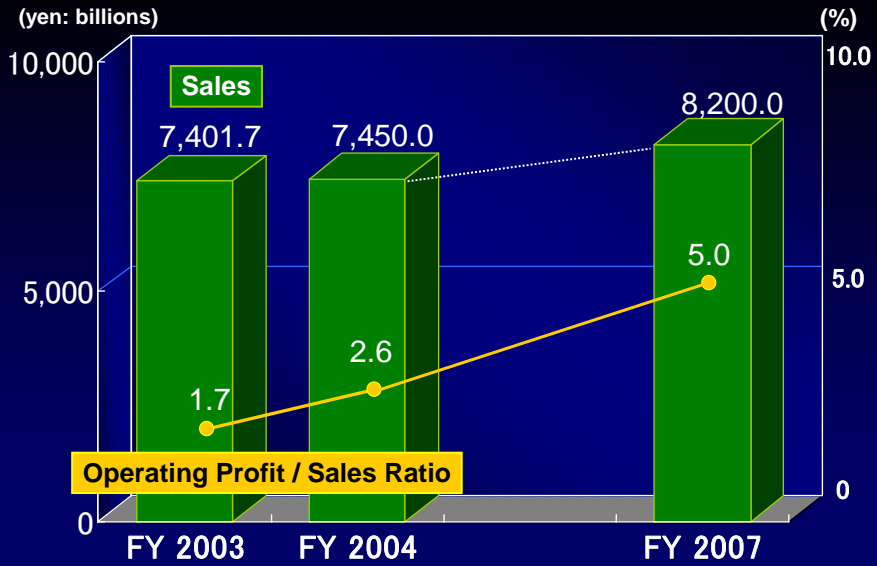
2) Return on plan assets for fiscal 2004 is 8%

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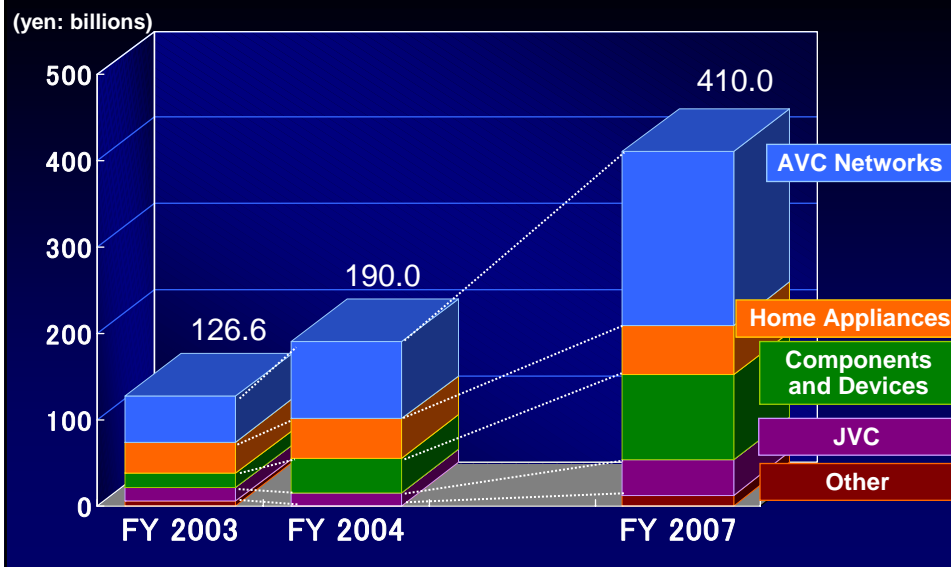
# Sales / Operating Profit

(consolidated basis, excluding MEW)



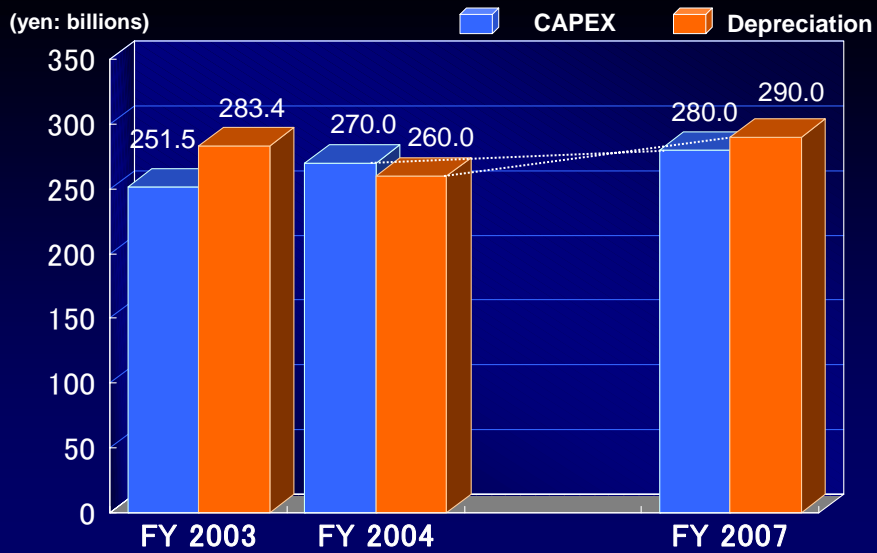
# Operating Profit by Segment

(consolidated basis, excluding MEW)



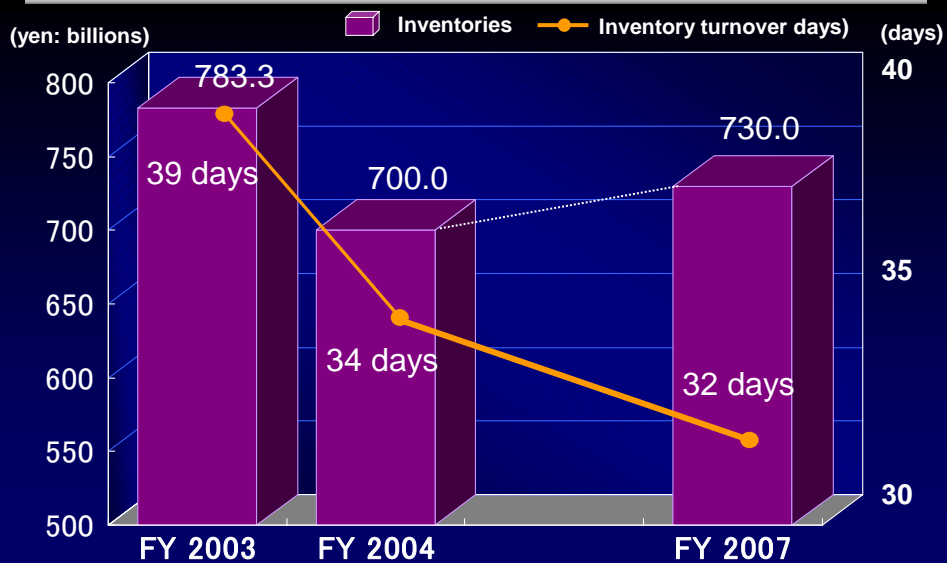
# Capital Expenditures and Depreciation

(consolidated basis, excluding MEW)



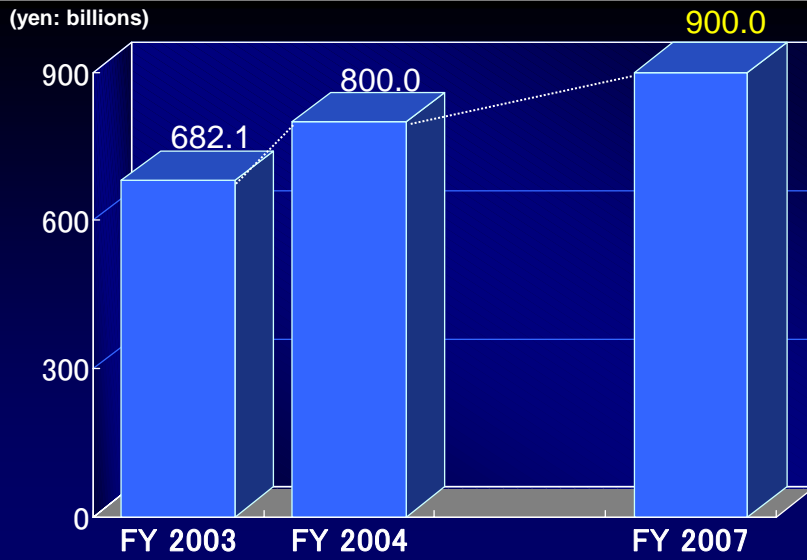
# Inventories

(consolidated basis, excluding MEW)

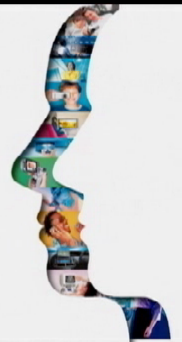


# Net Cash Balance

(consolidated basis, excluding MEW)



**Panasonic**  
ideas for life



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