

MATSUSHITA ELECTRIC INDUSTRIAL CO LTD

Form 6-K

November 10, 2004

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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 October 2004

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 October 14, 2004, by Matsushita Electric Industrial Co., Ltd. (the registrant ), announcing the repurchase of a portion of its own shares.
2. News release issued on October 18, 2004, by the registrant, announcing the ground-breaking at new industrial park in China.
3. News release issued on October 28, 2004, by the registrant, announcing consolidated financial results for the fiscal 2005 first half, ended September 30, 2004.
4. Supplemental consolidated financial data for the fiscal 2005 first half, ended September 30, 2004.
5. News release issued on October 28, 2004, by the registrant, announcing new policy for providing return to shareholders, and increase of interim dividends for fiscal 2005 together with revision of year-end dividend forecast.
6. News release issued on October 28, 2004, by the registrant, announcing the closing MT Picture Display Corporation of America (New York).
7. News release issued on October 29, 2004, by the registrant, announcing that Hitachi, Toshiba and the registrant concluded an agreement for the establishment of a TV LCD panel joint venture, IPS Alpha Technology.

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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

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Yukitoshi Onda, Attorney-in-Fact

President

Panasonic Finance (America), Inc.

Dated: November 10, 2004

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**October 14, 2004**

FOR IMMEDIATE RELEASE

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**Matsushita Electric Executes Own Share Repurchase**

Osaka, Japan, October 14, 2004 Matsushita Electric Industrial Co., Ltd. (MEI [NYSE symbol: MC]), best known for its Panasonic brand, announced that it has repurchased a portion of its own shares from the market in conformity with provisions of Article 211-3, Paragraph 1, Item 2 of the Japanese Commercial Code.

Details of the share repurchase are as follows:

1. Class of shares: Common stock
2. Period of repurchase: Between October 1, 2004 and October 14, 2004
3. Aggregate number of shares repurchased: 6,570,000 shares

4. Aggregate repurchase amount: 9,999,283,000 yen
5. Method of repurchase: Shares were repurchased on the Tokyo Stock Exchange

(Reference 1)

- 1) The following details were resolved at the Board of Directors meeting held on August 27, 2004:

Class of shares: Common stock

Aggregate number of repurchasable shares: Up to 80 million shares

Aggregate repurchase amount: Up to 100 billion yen

- 2) Cumulative total of shares repurchased since the August 27, 2004 Board of Directors resolution through today:

Aggregate number of shares repurchased: 19,904,000 shares

Aggregate repurchase amount: 29,998,265,000 yen

(Reference 2)

- 1) The number of shares issued and treasury stock as of July 30, 2004:

Total number of shares issued (excluding treasury stock): 2,318,404,818 shares

Treasury stock: 134,648,679 shares

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***October 18, 2004***

***FOR IMMEDIATE RELEASE***

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*International PR*

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**Matsushita Breaks Ground at New Industrial Park in China**

Hangzhou now production center for its Home Appliances Group

Osaka, Japan Matsushita Electric Industrial Co., Ltd., best known for its Panasonic brand products, today announced it will build a new 270,000 square-meter industrial park in the Hangzhou Economic & Technological Development Area (Xia Sha), Zhejiang Province. The industrial park initiative will strategically position the Hangzhou area as the production hub of its Home Appliances Group in China. Senior officials from Zhejiang Province and Hangzhou City will oversee the ground-breaking ceremony for the Matsushita Hangzhou Industrial Park today on the site.

The company will build two factories in the new industrial park: Panasonic Home Appliances (Hangzhou) Co., Ltd. will manufacture air conditioning compressors and electronic home appliances while Panasonic Home Appliances (Hangzhou) Precision Machining Co., Ltd. will precision-process compressor components. Both companies were locally incorporated on September 29 and April 28, 2004, respectively. Matsushita plans to relocate Panasonic Home Appliances Washing Machine (Hangzhou) Co., Ltd., now operating in Hangzhou City, to the Park, developing the company into a leading washing machine factory in the world by lifting its annual production capacity to 2.5 million units in the short haul.

The total investment will be 1.9 billion yuan (about 27 billion yen)<sup>1</sup>. The factories will be in operation by October 2005.

With the efficient industrial infrastructure and human resources, Matsushita focuses on Hangzhou area as the key to the future growth of its home appliances business in China. The area hosts many of the Home Appliances Group's production bases for gas cookers, rice cookers and vacuum cleaners among others. To respond to China's growing market, Matsushita will continue to build and expand new and existing facilities in the area. Panasonic Home Appliances (Hangzhou) (Export Processing Zone) Co., Ltd.,

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located in the Hangzhou Export Processing Zone, will reinforce the company's global supply site as it starts producing vacuum cleaners for Europe. The company will also look into the possible establishment of a product development center in the site.



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Matsushita is expanding its business in China as it considers the market a growth engine for its home appliances business around the world. In Japan, the company has been winning customers' support by developing ecology and environment-sensitive products and proposing new lifestyles. Making Hangzhou area the core of its home appliances operation in China, Matsushita will develop products for China based on the same corporate commitment to the environment. Matsushita is also committed to providing superior value-added quality products that are designed to integrate appropriately into Chinese culture and daily life.

The Home Appliances Group, headquartered in Toyonaka City, Osaka, is comprised of the four companies: Matsushita Home Appliances Company, Matsushita Refrigeration Company, Matsushita Housing Equipment & Systems Corporation, and Matsushita Food Service System Company.

### **Outline of the New Companies:**

#### **Panasonic Home Appliances (Hangzhou) Co., Ltd.**

President: Kazuhiko Kuroki  
 Location: Xia Sha, Hangzhou Economic & Technological Development Area, Zhejiang Province  
 Capital: 760 million yuan (10.7 billion yen)<sup>1</sup>  
 Equity: 100% owned by Matsushita Electric (China) Co., Ltd.  
 Foundation: September 29, 2004  
 Operations: Manufacturing and marketing of electric home appliances and air conditioning compressors

#### **Panasonic Home Appliances (Hangzhou) Precision Machining Co. Ltd.**

President: Kazuhiko Kuroki  
 Location: Xia Sha, Hangzhou Economic & Technological Development Area, Zhejiang Province  
 Capital: 200 million yuan (2.8 billion yen)<sup>1</sup>  
 Equity: 100% owned by Matsushita Electric (China) Co., Ltd.  
 Foundation: April 28, 2004  
 Operations: Precision processing of components for air conditioning compressors

Production: Scheduled to commence in October 2005 (for the two companies)  
 Production volume<sup>2</sup>: 1.8 billion yuan (26 billion yen<sup>1</sup>, for 2006)  
 Number of employees<sup>2</sup>: 2,600 (for 2006)  
 Lot area<sup>2</sup>: 146,000 square meters  
 Floor space<sup>2</sup>: 53,000 square meters

<sup>1</sup> Exchange rate: 1 yuan = 14.1 yen

<sup>2</sup> Combined figures for the two companies

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**<Reference>****The Home Appliances Group Companies in Hangzhou Area Now**

<b>Company</b>	<b>Location</b>	<b>Main Products</b>	<b>Capacity (projected for 2006)</b>
Panasonic Home Appliances Washing Machine (Hangzhou) Co., Ltd.  (PHAWMH)  (Hangzhou Matsushita Home Appliance Co., Ltd.)	93, Chang Ban Xiang, Gong Shu District, Hangzhou, Zhejiang (To be moved to Xia Sha, Hangzhou Economic & Technological Development Area)	Fully automatic washers, twin-tub washers	2.5 million
Panasonic Home Appliances Rice Cooker (Hangzhou) Co. Ltd.  (PHARCH)  (Hangzhou Matsushita Kitchen Appliances Co., Ltd.)	Avenue 3, Hangzhou Economic & Technological Development Area	Rice cookers and warmers	2 million
Panasonic Home Appliances & System (Hangzhou) Co., Ltd.  (PHASH)	19 Avenue 3, Hangzhou Economic & Technological Development Area	Gas cookers, vacuum cleaners for China market, hygiene toilet seats	1 million (gas cookers)
(Hangzhou Matsushita Home Appliances & System Co., Ltd.) Panasonic Home Appliances (Hangzhou) (Export Processing Zone) Co., Ltd.  (PHAH-EP)	Building No. 9, Export Processing Zone, Avenue12, Hangzhou Economic & Technological Development Area	Vacuum cleaners for export	2 million

[Hangzhou Matsushita Home Appliances &amp; System

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(Export Processing Zone) Co., Ltd.]

As of October 1, 2004 the above four companies were renamed as part of Matsushita's global brand unification strategy. They were formerly known by the names indicated in parentheses.

### **About Matsushita Electric Industrial Co., Ltd. (Panasonic)**

Matsushita Electric Industrial Co., Ltd., best known for its Panasonic brand name, is a worldwide leader in the development and manufacture of electronic products for a wide range of consumer, business, and industrial needs. Based in Osaka, Japan, the company recorded consolidated sales of US\$71.92 billion for the fiscal year ended March 31, 2004. Matsushita's shares are listed on the Tokyo, Osaka, Nagoya, New York (NYSE:MC), Euronext Amsterdam and Frankfurt stock exchanges. For more information on the company and its Panasonic brand, visit the Matsushita website at <http://www.panasonic.co.jp/global/top.html>.

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***October 28, 2004***

*FOR IMMEDIATE RELEASE*

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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 = 111 yen.)

**MATSUSHITA REPORTS SECOND QUARTER AND FIRST HALF RESULTS**

***- Earnings exceed previous forecast -***

Osaka, Japan, October 28, 2004 Matsushita Electric Industrial Co., Ltd. (Matsushita [NYSE symbol: MC]) today reported its consolidated financial results for the second quarter and first half, and non-consolidated (parent company alone) results for the first half, ended September 30, 2004, of the current fiscal year, ending March 31, 2005 (fiscal 2005).

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**Consolidated Second-quarter Results<sup>1</sup>**

Consolidated group sales for the second quarter increased 18% to 2,216.5 billion yen (U.S.\$19.97 billion), from 1,876.1 billion yen in the same three-month period a year ago. Of the total, domestic sales increased 35% to 1,150.1 billion yen (\$10.36 billion). Overseas sales also improved, up 4% to 1,066.4 billion yen (\$9.61 billion). Excluding the effects of currency translation, overseas sales increased 8% from a year ago on a local currency basis<sup>2</sup>.

During the second quarter, the domestic economy in Japan showed moderate recovery in consumer spending, as well as increases in both exports and capital investment by corporations, although concerns arose regarding inventory adjustments that began in some areas of the electronic components industry and rising materials costs, including crude oil prices. Overseas, the U.S. economy showed modest progress, mainly a result of proactive monetary and low-interest rate policies. Meanwhile, the economy in China also continued high growth, despite government policies to curb excessive capital expenditure.

In fiscal 2005, the first year of Matsushita's three-year Leap Ahead 21 plan, the company implemented initiatives relating to product competitiveness, enhanced profitability and strengthened overseas businesses, all aimed at achieving global excellence and sustainable growth. Regarding product competitiveness, Matsushita is focusing management resources into growth areas, while developing a new line of competitive V-products that incorporate proprietary black-box technologies, universal design concepts and environmentally friendly features. To enhance profitability, the company is accelerating business restructuring initiatives that will improve productivity. Matsushita is also focusing efforts on the reduction of inventories and overall costs. To strengthen overseas businesses, Matsushita will continue to promote simultaneous global product introductions to meet rising worldwide demand for digital products for consumer use. Finally, through collaboration activities with Matsushita Electric Works, Ltd. (MEW), the new Matsushita Group will provide customers all over the world with solutions for comfortable living based on the concepts of security and brand loyalty, as well as providing products that are easy to use and inspiring.

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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. Just as in the previously-announced first quarter results, the current second quarter and first half consolidated results include the results of these subsidiaries on a full consolidated basis. For more information, see Notes 6 and 8 of Notes to consolidated financial statements on pages 17 and 18.
  2. Sales on a local currency basis is not a measure conforming with 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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Regarding earnings, negative factors such as a strong yen, rising raw materials costs and intensified global price competition were more than offset by sales increases, as well as cost reductions and other positive factors. As a result, operating profit<sup>3</sup> increased to 112.9 billion yen (\$1.02 billion), up 89% compared with 59.6 billion yen in the same three-month period a year ago. In other income (deductions), the company recorded a 4.0 billion yen (\$36 million) gain from the transfer by one of the company's subsidiaries of the substitutional portion of the Employees Pension Funds (EPF) to the Government<sup>4</sup>, and incurred restructuring charges of 44.3 billion yen (\$399 million), including expenses associated with the implementation of early retirement programs at certain of the company's domestic subsidiaries. These, and other factors, resulted in a 77% increase in income before income taxes to 56.8 billion yen (\$512 million), from 32.1 billion yen in last year's second quarter. Net income for the second quarter totaled 23.4 billion yen (\$210 million), up 14% from 20.4 billion yen in the same quarter of the previous year.

This resulted in a net income per common share of 10.10 yen (\$0.09) on a diluted basis in the second quarter, versus 8.68 yen on the same basis a year ago.

**Consolidated First-half Results**

Combining the second quarter results with those of the first quarter, consolidated group sales for the first fiscal half ended September 30, 2004 increased 19% to 4,318.5 billion yen (\$38.91 billion), compared with 3,639.7 billion yen in the same six-month period a year ago. Domestic sales increased 31% to 2,202.9 billion yen (\$19.85 billion), while overseas sales were up 8% to 2,115.6 billion yen (\$19.06 billion). Excluding the effects of currency translation, overseas sales increased 12% from a year ago on a local currency basis.

For reasons similar to those given for second quarter results, the company's operating profit for the first fiscal half increased 96% to 156.3 billion yen (\$1.41 billion), from 79.6 billion yen in the comparable period a year ago.

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3. For information about operating profit, see Note 2 of Notes to consolidated financial statements on page 17.

4. For information about the transfer of the substitutional portion of the EPF to the Government, see Note 5 of Notes to consolidated financial statements on page 17.

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Income before income taxes for the six-month period more than doubled (up 140%) to 137.3 billion yen (\$1.24 billion), compared with 57.3 billion yen a year ago. In other income (deductions), the company incurred restructuring charges of 48.2 billion yen, while recording a 31.5 billion yen gain from the transfer of the substitutional portion of the EPF to the Government. Net income was also up, increasing 143% to 56.2 billion yen (\$506 million), as compared with 23.1 billion yen in the first half of the previous year. The company's net income per common share was 24.26 yen (\$0.22) on a diluted basis, versus 9.83 yen in the first half of last year.

**Consolidated First-half 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<sup>1</sup>. The six new product categories are: AVC Networks, Home Appliances, Components and Devices, MEW and PanaHome, JVC, and Other.

An unusually hot summer in Japan, rising demand for digital audiovisual (AV) products and consumer demand related to the Athens Olympics contributed to steady sales gains in digital AV products, including V-products, as well as Home Appliances, and Components and Devices. The consolidation of MEI and PanaHome is also a factor for the increase in consolidated sales. The company's first-half consolidated sales by reclassified product category, as compared with prior year amounts, are summarized as follows:

**AVC Networks**

AVC Networks sales increased 1% to 1,746.0 billion yen (\$15.73 billion), from 1,726.5 billion yen in the same six-month period a year ago. Within this category, sales of video and audio equipment increased 9%, due mainly to strong sales of digital AV products, such as flat-panel TVs and digital cameras, which were more than sufficient to offset sales declines in audio equipment.

Sales of information and communications equipment were down 4% from the previous year's first half. Although increased sales were recorded for PCs and automotive electronics, sluggish sales in cellular phones, fixed-line telephones and facsimile machines led to an overall decline.

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Home Appliances

Sales of Home Appliances increased 4% to 609.4 billion yen (\$5.49 billion), compared with 586.2 billion yen in the previous year's first half. Within this category, products such as air conditioners and compressors recorded sales gains, due mainly to an unusually hot summer in Japan. Sales of washing machines and ventilating fans also increased.

Components and Devices

Sales of Components and Devices were up 4% to 582.5 billion yen (\$5.25 billion), compared with 562.7 billion yen in the first half of the previous year. Although sales of electric motors and batteries decreased from the same period a year ago, sales of semiconductors and general components increased steadily.

MEW and PanaHome

Sales of MEW and PanaHome (MEW, PanaHome and their respective subsidiaries) totaled 711.6 billion yen (\$6.41 billion).

JVC

Sales for JVC (Victor Company of Japan, Ltd. and its subsidiaries) totaled 354.2 billion yen (\$3.19 billion), down 12% from 403.7 billion yen in the first half of the previous year. Whereas sales of AV equipment increased in the Japanese domestic market, overseas sales, particularly in the Americas, declined from the same period a year ago. Sales decreases were also recorded in software.

Other

Sales for Other were down 13% to 314.8 billion yen (\$2.84 billion), from 360.6 billion yen a year ago. Strong sales were achieved for factory automation (FA) equipment and industrial-use equipment. However, the reclassification of MEW products (those traditionally sold through the parent company) into a new product category (MEW and PanaHome) resulted in overall lower sales.



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**Consolidated Financial Condition**

Net cash provided by operating activities in the fiscal 2005 first half amounted to 146.5 billion yen (\$1.32 billion). This was attributable to improved net income and an increase in depreciation, despite increased inventories caused by seasonal factors. Net cash used in investing activities amounted to 26.8 billion yen (\$0.24 billion). This was attributable mainly to capital expenditures of 134.6 billion yen in manufacturing facilities for priority business areas such as semiconductors, despite an increase in cash flows due to the consolidation of MEW and PanaHome. Net cash used in financing activities was 157.4 billion yen (\$1.42 billion). Major factors included a repurchase of the company's common stock and the transfer of certain employee deposits and advances to external institutions. All these activities resulted in cash and cash equivalents of 1,253.6 billion yen (\$11.29 billion) at the end of the fiscal 2005 first half.

The company's consolidated total assets as of September 30, 2004 increased 967.3 billion yen as compared with the end of the last fiscal year (March 31, 2004), to 8,405.4 billion yen (\$75.72 billion). The increase was mainly due to the consolidation of MEW and PanaHome. Stockholders' equity increased 153.0 billion yen, as compared with the end of the last fiscal year (March 31, 2004), to 3,604.6 billion yen (\$32.47 billion) as of September 30, 2004. This increase was due to an increase in retained earnings and a decrease in accumulated other comprehensive loss, owing to the return to the Government of the substitutional portion of the EPF that resulted in a decrease in minimum pension liability adjustments, despite an increase in treasury stock on continued repurchases of the company's own shares.

**Non-Consolidated (Parent Company Alone) First Half Results<sup>5</sup>**

First-half parent-alone sales increased 6% to 2,071.3 billion yen, from 1,958.9 billion yen in the same six-month period a year ago. Sales increases were recorded in all product categories.

Regarding parent-alone earnings, operating profit totaled 59.7 billion yen, up 288% from 15.4 billion yen a year ago. This increase was realized mainly by sales gains and various cost reduction initiatives. Recurring profit also increased 27% to 68.1 billion yen, from 53.7 billion yen in the previous first half. In addition to operating profit, factors affecting recurring profit included dividend income and provisions for losses on investments. Parent-alone net income increased, up 10% to 50.4 billion yen, from 45.9 billion yen in the first half of last year, despite restructuring charges of 11.5 billion yen.

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5. Non-consolidated (parent company alone) results are in conformity with Japanese generally accepted accounting principles.

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### **Interim Dividend**

The Board of Directors of the company voted today to distribute an interim (semiannual) cash dividend of 7.50 yen per common share to shareholders of record on September 30, 2004, payable November 30, 2004. This dividend rate is changed from the interim dividend of last year (6.25 yen), based on a new policy for profit distribution to shareholders (see page 26).

### **Year-end Dividend**

The Board of Directors of the company also voted today in favor of a plan to propose a year-end cash dividend of 7.50 yen per common share (payable to shareholders of record on March 31, 2005) subject to approval at the company's ordinary general meeting of shareholders to be held in June 2005. If implemented, total dividends for fiscal 2005, including the aforementioned interim dividend of 7.50 yen per common share, will be 15.00 yen per common share (see page 26).

### **Outlook for the Full Fiscal Year 2005**

Regarding the business environment for the second half of fiscal 2005, the company currently expects to encounter severe conditions, such as wide-spreading concern for slower economic growth in Japan and the United States, ever intensifying global price competition, and increasing oil prices. Considering these conditions, Matsushita, as of today, has not changed its previous forecast for the full fiscal year 2005, announced on April 28, 2004. At that time, the company forecasted fiscal 2005 sales on a consolidated basis to increase by about 18%, compared to fiscal 2004, to approximately 8,800 billion yen. The operating profit outlook is also unchanged from April 28, 2004, at which time the company forecasted fiscal 2005 operating profit to increase by about 43% from fiscal 2004 to approximately 280 billion yen, with consolidated income before income taxes<sup>6</sup> anticipated to rise to approximately 230 billion yen, up 35% from fiscal 2004. Net income was expected to improve to approximately 63 billion yen, an increase of 49% from the previous fiscal year. This forecast also remains unchanged.

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6. Other income (deductions) affecting the forecast of income before income taxes consists of other income expected to amount to 25 billion yen, and restructuring charges forecasted at 75 billion yen.

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Similarly, on a parent company alone basis, Matsushita did not alter its forecast made on April 28, 2004. At that time, sales in fiscal 2005 were expected to decrease by 2%, compared to fiscal 2004, to approximately 4,020 billion yen. Recurring profit was projected to increase 1% from fiscal 2004 to approximately 106 billion yen, and net income was forecast to increase 21% from fiscal 2004 to approximately 72 billion yen.

The company will review these forecasts again, and make any announcement regarding a revision at the time of the announcement of fiscal 2005 third quarter results.

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, visit the Matsushita web site at the following URL: <http://panasonic.co.jp/global/> and the IR web site at: <http://ir-site.panasonic.com/>

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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 them, 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 realize expected benefits of various restructuring activities in its business and organization; 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; and fluctuations in market prices of securities and other assets in which the Matsushita Group has holdings; as well as future changes or revisions to accounting policies or accounting rules.*

(Financial Tables Attached)

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**Matsushita Electric Industrial Co., Ltd.****Consolidated Statement of Income \*****(Three months ended September 30)**

	<b>Yen (millions)</b>		<b>Percentage</b>	<b>U.S. Dollars (millions)</b>
	<b>2004</b>	<b>2003</b>	<b>2004/2003</b>	<b>2004</b>
Net sales	¥ 2,216,510	¥ 1,876,088	118%	\$ 19,969
Cost of sales	(1,609,269)	(1,342,784)		(14,498)
Selling, general and administrative expenses	(494,368)	(473,700)		(4,454)
Operating profit	112,873	59,604	189%	1,017
Other income (deductions):				
Interest income	4,405	5,125		40
Dividend income	329	498		3
Gain from the transfer of the substitutional portion of Japanese Welfare Pension Insurance	3,999			36
Interest expense	(4,013)	(7,004)		(36)
Restructuring charges **	(44,272)	(869)		(399)
Write-down of investment securities	(1,663)	(48,011)		(15)
Other income (loss), net	(14,847)	22,709		(134)
Income before income taxes	56,811	32,052	177%	512
Provision for income taxes	(26,221)	(6,048)		(236)
Minority interests	(4,716)	(6,480)		(43)
Equity in earnings (losses) of associated companies	(2,513)	924		(23)
Net income	¥ 23,361	¥ 20,448	114%	\$ 210
Net income, basic per common share	10.10 yen	8.77 yen		\$ 0.09
per ADS	10.10 yen	8.77 yen		\$ 0.09
Net income, diluted per common share	10.10 yen	8.68 yen		\$ 0.09
per ADS	10.10 yen	8.68 yen		\$ 0.09

(Parentheses indicate expenses, deductions or losses.)

\* \*\* See Notes to consolidated financial statements on pages 17-18.

**Supplementary Information****(Three months ended September 30)**

	Yen (millions)		U.S. Dollars (millions)
	2004	2003	2004
Depreciation (tangible assets):	¥ 74,821	¥ 64,161	\$ 674
Capital investment:	¥ 76,214	¥ 69,476	\$ 687
R&D expenditures:	¥ 161,788	¥ 140,432	\$ 1,458
Number of employees (Sept. 30)	339,607	295,546	

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**Matsushita Electric Industrial Co., Ltd.****Consolidated Statement of Income \*****(Six months ended September 30)**

	<b>Yen (millions)</b>		<b>Percentage</b>	<b>U.S. Dollars (millions)</b>
	<b>2004</b>	<b>2003</b>	<b>2004/2003</b>	<b>2004</b>
Net sales	¥ 4,318,537	¥ 3,639,688	119%	\$ 38,906
Cost of sales	(3,075,596)	(2,584,096)		(27,708)
Selling, general and administrative expenses	(1,086,607)	(975,986)		(9,790)
Operating profit	156,334	79,606	196%	1,408
Other income (deductions):				
Interest income	9,118	9,809		82
Dividend income	3,908	3,558		35
Gain from the transfer of the substitutional portion of Japanese Welfare Pension Insurance	31,509			284
Interest expense	(11,494)	(13,888)		(103)
Restructuring charges **	(48,191)	(869)		(434)
Write-down of investment securities	(1,663)	(48,011)		(15)
Other income (loss), net	(2,248)	27,049		(20)
Income before income taxes	137,273	57,254	240%	1,237
Provision for income taxes	(60,832)	(22,347)		(548)
Minority interests	(15,346)	(8,216)		(138)
Equity in earnings (losses) of associated companies	(4,916)	(3,545)		(45)
Net income	¥ 56,179	¥ 23,146	243%	\$ 506
Net income, basic per common share	24.26 yen	9.92 yen		\$ 0.22
per ADS	24.26 yen	9.92 yen		\$ 0.22
Net income, diluted per common share	24.26 yen	9.83 yen		\$ 0.22
per ADS	24.26 yen	9.83 yen		\$ 0.22

(Parentheses indicate expenses, deductions or losses.)

\* \*\* See Notes to consolidated financial statements on pages 17-18.

**Consolidated Statement of Surplus \*****(Six months ended September 30)**

	Yen (millions)		U.S. Dollars (millions)
	2004	2003	2004
Retained earnings at beginning of period	¥ 2,442,504	¥ 2,432,052	\$ 22,005
Net income	56,179	23,146	506
Cash dividends	(17,967)	(14,746)	(162)
Transfer from (to) legal reserve	(4,991)	(2,098)	(45)
Balance at end of year	¥ 2,475,725	¥ 2,438,354	\$ 22,304

\* See Notes to consolidated financial statements on pages 17-18.

### Supplementary Information

(Six months ended September 30)

	Yen (millions)		U.S. Dollars (millions)
	2004	2003	2004
Depreciation (tangible assets):	¥ 138,668	¥ 122,518	\$ 1,249
Capital investment:	¥ 145,643	¥ 121,880	\$ 1,312
R&D expenditures:	¥ 316,527	¥ 277,655	\$ 2,852



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

	<b>Yen (millions)</b>		<b>U.S. Dollars (millions)</b>
	<b>Sept. 30, 2004</b>	<b>March 31, 2004</b>	<b>Sept. 30, 2004</b>
<b><u>Assets</u></b>			
Current assets:			
Cash and cash equivalents	¥ 1,253,608	¥ 1,275,014	\$ 11,294
Time deposits	171,630	170,047	1,546
Marketable securities	7,645	2,684	69
Trade receivables (notes and accounts)	1,234,654	1,067,667	11,123
Inventories	1,068,646	777,540	9,627
Other current assets	566,339	482,025	5,102
Total current assets	4,302,522	3,774,977	38,761
Noncurrent receivables	253,243	280,398	2,282
Investments and advances	1,113,505	1,237,427	10,032
Property, plant and equipment, net of accumulated depreciation	1,642,578	1,209,502	14,798
Other assets	1,093,502	935,708	9,851
Total assets	¥ 8,405,350	¥ 7,438,012	\$ 75,724
<b><u>Liabilities and Stockholders' Equity</u></b>			
Current liabilities:			
Short-term borrowings	¥ 387,572	¥ 290,208	\$ 3,492
Trade payables (notes and accounts)	896,319	784,734	8,075
Other current liabilities	1,598,559	1,494,844	14,401
Total current liabilities	2,882,450	2,569,786	25,968
Long-term debt	577,688	460,639	5,204
Other long-term liabilities	866,048	827,896	7,802
Minority interests	474,572	128,115	4,276
Common stock	258,740	258,740	2,331
Capital surplus	1,230,315	1,230,476	11,084
Legal reserve	88,166	83,175	794
Retained earnings	2,475,725	2,442,504	22,304
Accumulated other comprehensive income (loss) *	(264,262)	(399,502)	(2,381)

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Treasury stock	(184,092)	(163,817)	(1,658)
Total liabilities and stockholders' equity	¥ 8,405,350	¥ 7,438,012	\$ 75,724

\* Accumulated other comprehensive income (loss) breakdown:

	Yen (millions)		U.S. Dollars (millions)
	Sept. 30, 2004	March 31, 2004	Sept. 30, 2004
Cumulative translation adjustments	¥ (217,897)	¥ (282,287)	\$ (1,963)
Unrealized holding gains of available-for-sale securities	70,453	88,104	634
Unrealized gains of derivative instruments	4,964	6,676	45
Minimum pension liability adjustments	(121,782)	(211,995)	(1,097)

\*\* See Notes to consolidated financial statements on pages 17-18.

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## Matsushita Electric Industrial Co., Ltd.

### Consolidated Sales Breakdown \*

(Three months ended September 30)

	Yen (billions)		Percentage	U.S. Dollars (millions)
	2004	2003	2004/2003	2004
<u>AVC Networks</u>				
Video and audio equipment	¥ 386.7	¥ 353.7	109%	\$ 3,484
Information and communications equipment	524.0	530.8	99%	4,721
Subtotal	910.7	884.5	103%	8,205
<u>Home Appliances</u>	292.1	294.8	99%	2,631
<u>Components and Devices</u>	291.9	296.0	99%	2,630
<u>MEW and PanaHome</u>	375.4			3,382
<u>JVC</u>	182.0	211.1	86%	1,640
<u>Other</u>	164.4	189.7	87%	1,481
<b>Total</b>	<b>¥ 2,216.5</b>	<b>¥ 1,876.1</b>	<b>118%</b>	<b>\$ 19,969</b>
Domestic sales	1,150.1	851.2	135%	10,362
Overseas sales	1,066.4	1,024.9	104%	9,607

(Six months ended September 30)

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

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<u>AVC Networks</u>				
Video and audio equipment	¥ 732.2	¥ 669.8	109%	\$ 6,597
Information and communications equipment	1,013.8	1,056.7	96%	9,133
Subtotal	1,746.0	1,726.5	101%	15,730
<u>Home Appliances</u>	609.4	586.2	104%	5,490
<u>Components and Devices</u>	582.5	562.7	104%	5,248
<u>MEW and PanaHome</u>	711.6			6,411
<u>JVC</u>	354.2	403.7	88%	3,191
<u>Other</u>	314.8	360.6	87%	2,836
<b>Total</b>	<b>¥ 4,318.5</b>	<b>¥ 3,639.7</b>	<b>119%</b>	<b>\$ 38,906</b>
Domestic sales	2,202.9	1,676.3	131%	19,846
Overseas sales	2,115.6	1,963.4	108%	19,060

\* See Notes to consolidated financial statements on pages 17-18.

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**Matsushita Electric Industrial Co., Ltd.****Consolidated Sales Breakdown \*****(Six months ended September 30)****[Domestic/Overseas Sales Breakdown]**

(in yen only)

	<b>Domestic sales</b>		<b>Overseas sales</b>	
	<b>Yen (billions) 2004</b>	<b>Percentage 2004/2003</b>	<b>Yen (billions) 2004</b>	<b>Percentage 2004/2003</b>
<u><i>AVC Networks</i></u>				
Video and audio equipment	¥ 224.6	117%	¥ 507.6	106%
Information and communications equipment	479.4	95%	534.4	97%
Subtotal	704.0	101%	1,042.0	101%
<u><i>Home Appliances</i></u>	366.0	99%	243.4	112%
<u><i>Components and Devices</i></u>	227.8	102%	354.7	104%
<u><i>MEW and PanaHome</i></u>	611.1		100.5	
<u><i>JVC</i></u>	97.5	78%	256.7	92%
<u><i>Other</i></u>	196.5	75%	118.3	119%
<b>Total</b>	<b>¥ 2,202.9</b>	<b>131%</b>	<b>¥ 2,115.6</b>	<b>108%</b>

\* See Notes to consolidated financial statements on pages 17-18.

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**Matsushita Electric Industrial Co., Ltd.****Consolidated Information by Segments \*****(Six months ended September 30)****By Business Segment:**

	<b>Yen (billions)</b>			<b>U.S. Dollars</b>
	<b>2004</b>	<b>2003</b>	<b>Percentage 2004/2003</b>	<b>(millions) 2004</b>
<b>[Sales]</b>				
AVC Networks	¥ 1,883.6	¥ 1,827.9	103%	\$ 16,969
Home Appliances	660.4	604.0	109%	5,950
Components and Devices	792.4	826.5	96%	7,139
MEW and PanaHome	734.5			6,617
JVC	360.3	409.4	88%	3,246
Other	539.3	476.1	113%	4,859
Subtotal	4,970.5	4,143.9	120%	44,780
Eliminations	(652.0)	(504.2)		(5,874)
Consolidated total	¥ 4,318.5	¥ 3,639.7	119%	\$ 38,906
<b>[Segment Profit] **</b>				
AVC Networks	¥ 68.3	¥ 58.3	117%	\$ 615
Home Appliances	37.8	19.0	199%	341
Components and Devices	39.5	25.8	153%	356
MEW and PanaHome	24.6			222
JVC	4.6	10.1	46%	41
Other	16.1	7.1	225%	145
Subtotal	190.9	120.3	159%	1,720
Corporate and eliminations	(34.6)	(40.7)		(312)
Consolidated total	¥ 156.3	¥ 79.6	196%	\$ 1,408

**By Domestic and Overseas Company Location:**

				U.S. Dollars
	Yen (billions)			(millions)
	2004	2003	Percentage 2004/2003	2004
<b>[Sales]</b>				
Japan	¥ 3,285.6	¥ 2,701.5	122%	\$ 29,600
Americas	643.6	655.5	98%	5,798
Europe	528.4	483.1	109%	4,760
Asia, China and others	1,261.6	1,098.8	115%	11,366
Subtotal	5,719.2	4,938.9	116%	51,524
Eliminations	(1,400.7)	(1,299.2)		(12,618)
Consolidated total	¥ 4,318.5	¥ 3,639.7	119%	\$ 38,906
<b>[Segment Profit]</b>				
Japan	¥ 126.0	¥ 61.9	204%	\$ 1,135
Americas	11.5	10.3	111%	104
Europe	8.8	4.6	190%	79
Asia, China and others	50.6	43.5	116%	456
Subtotal	196.9	120.3	164%	1,774
Corporate and eliminations	(40.6)	(40.7)		(366)
Consolidated total	¥ 156.3	¥ 79.6	196%	\$ 1,408

\* \*\* See Notes to consolidated financial statements on pages 17-18.

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**Matsushita Electric Industrial Co., Ltd.****Consolidated Statement of Cash Flows \*****(Six months ended September 30)**

	<b>Yen (millions)</b>		<b>U.S. Dollars (millions)</b>
	<b>2004</b>	<b>2003</b>	<b>2004</b>
<i><u>Cash flows from operating activities:</u></i>			
Net income	¥ 56,179	¥ 23,146	\$ 506
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	156,922	134,550	1,414
Net gain on sale of investments	(10,914)	(9,287)	(98)
Provision for doubtful receivables	6,083	4,002	55
Deferred income taxes	5,758	(19,584)	52
Write-down of investment securities	1,663	48,011	15
Impairment loss on long-lived assets	13,032		117
Minority interests	15,346	8,216	138
(Increase) decrease in trade receivables	48,251	28,626	435
(Increase) decrease in inventories	(104,660)	(111,963)	(943)
(Increase) decrease in other current assets	(11,941)	(28,304)	(108)
Increase (decrease) in trade payables	(16,389)	30,923	(148)
Increase (decrease) in accrued income taxes	3,178	9,547	29
Increase (decrease) in accrued expenses and other current liabilities	46,837	35,940	422
Increase (decrease) in retirement and severance benefits	(58,235)	22,894	(525)
Other	(4,653)	28,037	(42)
Net cash provided by operating activities	¥ 146,457	¥ 204,754	\$ 1,319
<i><u>Cash flows from investing activities:</u></i>			
(Increase) decrease in short-term investments	505	(765)	\$ 5
Proceeds from disposition of investments and advances	43,459	50,219	392
Increase in investments and advances	(33,867)	(25,839)	(305)
Capital expenditures	(134,586)	(131,225)	(1,213)
Proceeds from sale of fixed assets	32,421	37,752	292
(Increase) decrease in finance receivables	4,597	8,546	41
(Increase) decrease in time deposits	4,446	17,265	40
Inflows due to acquisition of additional shares of newly consolidated subsidiaries, net of cash paid	79,724		718
Other	(23,531)	3,554	(212)
Net cash used in investing activities	¥ (26,832)	¥ (40,493)	\$ (242)

*Cash flows from financing activities:*



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Increase (decrease) in short-term borrowings	5,111	(5,999)	46
Increase (decrease) in deposits and advances from customers and employees	(134,185)	4,466	(1,209)
Proceeds from long-term debt	69,968	23,009	630
Repayments of long-term debt	(48,297)	(83,370)	(435)
Dividends paid	(17,967)	(14,746)	(162)
Dividends paid to minority interests	(11,772)	(3,699)	(106)
Repurchase of common stock	(20,275)	(58,397)	(182)
Other		1,782	
	<hr/>	<hr/>	<hr/>
Net cash used in financing activities	¥ (157,417)	¥ (136,954)	&nbsp;