

March 29, 2007

FOR IMMEDIATE RELEASE

Media Contacts:

*Akira Kadota (Japan)
International PR
(Tel: +81-3-3578-1237)*

*Panasonic News Bureau (Japan)
(Tel: +81-3-3542-6205)*

*Jim Reilly (U.S.)
(Tel: +1-201-392-6067)*

*Munetsugu Takeda (Europe)
(Tel: +49-611-235-305)*

Investor Relations Contacts:

*Makoto Mihara (Japan)
Investor Relations
(Tel: +81-6-6908-1121)*

*Akihiro Takei (U.S.)
Panasonic Finance (America), Inc.
(Tel: +1-212-698-1365)*

*Hiroko Carvell (Europe)
Panasonic Finance (Europe) plc
(Tel: +44-20-7562-4400)*

Matsushita to Close Panasonic Electronic Devices do Brasil Ltda.

Osaka, Japan, March 29, 2007 -- Matsushita Electric Industrial Co., Ltd. (MEI [NYSE symbol: MC]), best known for its Panasonic brand, today announced plans to discontinue operations at Panasonic Electronic Devices do Brasil Ltda. - PEDBR and its subsidiary Panasonic Componentes Electronicos da Amazonia Ltda. - PACOB-AM at the end of April 2007, and to begin closing/liquidation procedures. PEDBR is a manufacturing site in Brasil of Panasonic Electronic Devices Co., Ltd. (PED), as well as consolidated subsidiaries of MEI.

PEDBR and PACOB-AM, which manufacture several types of components, have faced severe price declines due to intensified competition. This closing is a part of PED's global restructuring initiatives.

[Reference]

PEDBR Company Overview

1. Basic Information (as of February 28, 2007)

Company name	Panasonic Electronic Devices do Brasil Ltda.
Representative	Makoto Tone, Managing Director
Location of head office	Sao Jose, Brasil
Date of incorporation	April, 1974
Principal business	Manufacture and sales of transformers and car speakers
Share capital	BRL 42,230,000 (USD 23,648,000)
Number of employees	190
Total number of outstanding shares	42,230,000 shares
Stockholders' equity	USD 10,928,000
Total assets	USD 14,615,000
Financial closing date	March 31
Shareholders (% ownership)	Matsushita Electric Industrial Co., Ltd. 100%
Principal customers	Domestic automotive manufacturers, etc. in Brasil
Financial Institution	Sumitomo Mitsui Banking Corporation (Sao Paulo branch)

2. Financial Results (for the most recent three fiscal years)

(thousands of US dollars, except per share amounts, which are in US dollars)

Fiscal year ended:	March 2004	March 2005	March 2006
Net sales	17,927	23,194	21,660
Income (loss) before income taxes	(2,887)	(1,194)	(1,837)
Net income (loss)	(2,887)	(1,194)	(1,837)
Net income (loss) per share	(0.299)	(0.124)	(0.190)
Cash dividends per share	---	---	---
Stockholders' equity per share	0.207	0.050	(0.154)

This matter will have no material effect on Matsushita's consolidated or parent-alone financial position or performance.