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FOR IMMEDIATE RELEASE

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Matsushita to Close Panasonic Mobile Communications Corporation of the Philippines

Osaka, Japan, December 9, 2005 -- Matsushita Electric Industrial Co., Ltd. - MEI [NYSE symbol: MC], best known for its Panasonic brand, today announced plans to discontinue operations at its subsidiary Panasonic Mobile Communications Corporation of the Philippines (PMCP) in March 2006, after which it will begin closing/liquidation procedures.

PMCP is mainly responsible for the manufacture of Global Standard for Mobile Communications (GSM) mobile terminals for the Asian market, in addition to in-vehicle Electronic Toll Collection (ETC) terminals, video surveillance CRT monitors and other products. In explaining the reason for the closing of PMCP, Matsushita cited intensified global competition in the GSM market and a strategic decision by the company to shift management resources to the third generation (3G) mobile terminal business, for which the market is rapidly expanding. This closing is a part of Matsushita's global restructuring initiatives in its mobile terminal business.

PMCP was established in 1987 under the name of Matsushita Communication Industrial Corporation of the Philippines, as a manufacturing base for floppy disk drives and electret condenser microphones. PMCP began manufacturing mobile terminals in 1999, and has since supplied the market with approximately 14 million units.

[Reference]

Panasonic Mobile Communications Corporation of the Philippines
Company Overview (as of September 30, 2005)

Company name	Panasonic Mobile Communications Corporation of the Philippines
Representative	Reynaldo S. Lico, President
Location of head office	102 Laguna Boulevard, Laguna Technopark, Sta.Rosa, Laguna 4026, Philippines
Date of incorporation	December 4, 1987
Principal business	Manufacture of GSM mobile terminals, in-vehicle ETC terminals, video surveillance CRT monitors and other products
Share capital	Peso 728,000,000
Financial closing date	March 31
Number of employees	842
Total number of outstanding shares	728,000,000 shares
Shareholder's equity	Peso 3,248,254,000
Total assets	Peso 8,525,381,000
Shareholders (% ownership)	Panasonic Mobile Communications Co., Ltd.: 57.9% MEI: 37.1%
Principal customers	Sales companies of Matsushita in Asia
Principal Financial Institution	Citibank

Financial Results (for the most recent three fiscal years)

(Thousands of Pesos, except per share amounts, which are in Pesos)

Fiscal year ended:	March 2003	March 2004	March 2005
Net Sales*	26,248,220	35,786,846	27,030,988
Income before taxes *	799,124	2,108,055	132,338
Net income *	768,800	1,939,809	60,649
Net income per share	1.06	2.66	0.08
Cash dividends per share	0.10	0.25	2.16
Shareholders' equity per share	4.20	6.61	4.53

(Note) * Amounts less than 1,000 Pesos have been omitted.

This matter is not expected to have any material effect on Matsushita's consolidated financial position or performance for the year ending March 31, 2006.

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