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FOR IMMEDIATE RELEASE

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**Matsushita to sell shares of MT Picture Display Germany GmbH**

Osaka, Japan, June 29, 2007 -- Matsushita Electric Industrial Co., Ltd. (MEI [NYSE symbol: MC]), best known for its Panasonic brand, announced the sale of its shares in MT Picture Display Germany GmbH (MTPDG), a subsidiary of MT Picture Display Co., Ltd (MTPD) and a consolidated subsidiary of MEI.

Despite the previous announcement regarding the liquidation of MTPDG released on November 30, 2005, MEI has decided to sell all of its shares in MTPDG and has reached an agreement thereon with the purchasers as described below.

**Outline of sale of the shares**

**1. Reason for sale of the shares**

MEI, on the termination of the production by MTPDG, had also considered selling shares in MTPDG in the process of liquidating MTPDG. As a result of such consideration, MEI has reached an agreement with the purchasers about the sale of the shares as described below.

**2. MTPDG Company Overview**

Company name	MT Picture Display Germany GmbH
Representative	Eberhard Buettner, Managing Director
Location of head office	Fritz-Mueller str. 112, Esslingen, Germany
Date of incorporation	February 1, 1995
Principal business	Manufacturing and sales of CRTs for TVs (Operation was closed in March 2006)
Number of employees	17 (as of June 29, 2007)
Share capital	Euro 1,020,000

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3. Purchasers of the shares

1) HERE Genesis BV

Company name	HERE Genesis BV
Percentage of shares to be purchased	96%
Location of head office	Holland
Relationship with MEI	No relationship to be noted

2) SCHE31 Verwaltungsgessellschaft

Company name	SCHE31 Verwaltungs GmbH
Percentage of shares to be purchased	4%
Location of head office	Germany
Relationship with MEI	No relationship to be noted

4. MEI's portion of shares in MTPDG

Before the sale of shares:	100%
After the sale of shares:	0%

5. Schedule

Date of resolution:	June 29, 2007
Date of transfer of shares:	July 1, 2007 (planned)

6. Influence to financial outlook

There shall be no change in the financial outlook for fiscal 2008, ending March 31, 2008.