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FOR IMMEDIATE RELEASE

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ANNOUNCEMENT OF FINANCIAL RESULTS

MATSUSHITA REPORTS ANNUAL NET PROFIT INCREASE

- Sales and Earnings Exceed the Previous Forecast -

Osaka, Japan, April 28, 2008 -- Matsushita Electric Industrial Co., Ltd. (Matsushita [NYSE symbol: MC]) today reported its consolidated financial results for the year ended March 31, 2008 (fiscal 2008).

Consolidated Results

Consolidated group sales for fiscal 2008 amounted to 9,068.9 billion yen, mostly the same level from 9,108.2 billion yen in the previous fiscal year. Explaining fiscal 2008 results, the company cited sales gains in all product categories except JVC (Victor Company of Japan, Ltd. and its subsidiaries)[1], due mainly to favorable sales in digital AV products and white goods. Of the consolidated group total, domestic sales amounted to 4,544.8 billion yen, down 2% from 4,616.5 billion yen a year ago. Overseas sales increased 1% to 4,524.1 billion yen, from 4,491.7 billion yen in fiscal 2007, ended March 31, 2007.

[1] Victor Company of Japan, Ltd. and its consolidated subsidiaries became associated companies under the equity method from Matsushita's consolidated subsidiaries in August 2007. Accordingly, JVC sales for the period from then on are not included in Matsushita's consolidated results. For more information, see Note 3 of the Notes to consolidated financial statements on page 13.

The electronics industry in the fiscal year ended March 31, 2008 faced severe business conditions in Japan and overseas, due mainly to ever-rising prices for crude oil and other raw materials, and continued price declines caused by continuously intensifying global competition, mainly in digital products.

Under these circumstances, the Matsushita Group worked to accelerate growth strategies in fiscal 2008, the first year of the new three-year mid-term management plan GP3. Matsushita promoted initiatives to transform itself into a manufacturing-oriented company—one that combines all the business activities of the Group toward the launch of products, thereby contributing to the creation of customer value. Matsushita promoted wider collaboration across business fields and operating regions in order to reinforce product design and quality, procurement, logistics, overseas sales and other areas of its operations.

Specifically, Matsushita continued to strengthen V-products, which are the core of its growth strategies and make a significant contribution to overall business results in order to boost market shares. With regard to the strategic plasma display panel (PDP) business, Matsushita started operation of its fourth domestic PDP plant in June 2007, and began construction of its fifth in November 2007. In addition, Matsushita implemented initiatives to achieve double-digit growth in overseas sales of consumer products. To accelerate growth in emerging markets as well as the U.S. and Europe, the Company established a framework to boost sales in Russia, Brazil and India, and also promoted its cutting-edge products.

Regarding earnings, operating profit[2] for this fiscal year was up 13%, to 519.5 billion yen, from 459.5 billion yen in the previous year, despite the effects from rising prices for crude oil and other raw materials, and ever-intensified global price competition. This improvement was due primarily to sales gains excluding the effect of JVC and the cost reduction efforts including materials costs and fixed costs. In other income (deductions), the company incurred expenses associated with the implementation of early retirement programs and impairment losses on the investments, as well as impairment losses from tangible fixed assets. These factors, despite the

[2] For information about operating profit, see Note 2 of the Notes to consolidated financial statements on page 13.

increased operating profit, led to a consolidated pre-tax income of 435.0 billion yen, down 1% from 439.1 billion yen in the previous year. Net income hit a record-high of 281.9 billion yen, up 30% from 217.2 billion yen in the previous year, as a result of a decrease in provision for income taxes. The company's net income per common share was 132.90 yen on a diluted basis, versus 99.50 yen in the previous year.

Consolidated Sales Breakdown by Product Category

The company's annual consolidated sales by product category, as compared with prior year amounts, are summarized as follows:

AVC Networks

AVC Networks sales increased 6% to 4,001.8 billion yen, from 3,764.7 billion yen in the previous year. Sales of video and audio equipment increased 8% from the previous year, due mainly to strong sales in digital AV products such as flat-panel TVs and digital cameras. In information and communications equipment, favorable sales of automotive electronics and mobile phones led to a 5% increase overall from a year ago.

Home Appliances

Sales of Home Appliances increased 6% to 1,283.0 billion yen, compared with 1,212.1 billion yen in the previous year, due mainly to favorable sales of air conditioners and refrigerators.

Components and Devices

Sales of Components and Devices were also up 2% to 1,150.3 billion yen, compared with 1,126.9 billion yen in the previous year, due mainly to favorable sales in general electronic components.

MEW and PanaHome

Sales of MEW and PanaHome increased 2% to 1,730.7 billion yen, from 1,698.1 billion yen a year ago. At Matsushita Electric Works, Ltd. (MEW) and its subsidiaries, despite weak sales of building products as a result of a decrease in residential construction starts, sales gains in electrical construction materials and electronic and plastic materials led to an overall increase in sales. At PanaHome Corporation and its subsidiaries, sluggish housing market conditions led to a slight decrease in sales.

JVC

Sales for JVC (Victor Company of Japan, Ltd. and its subsidiaries) totaled 180.5 billion yen.

Other

Sales for Other totaled to 722.6 billion yen, up 8% from 667.8 billion yen in the same period a year ago. Sales increases were recorded in factory automation equipment within this category.

Consolidated Financial Condition

Net cash provided by operating activities in fiscal 2008 amounted to 466.1 billion yen. This was attributable primarily to cash inflows from net income and depreciation. Net cash used in investing activities amounted to 61.4 billion yen. Capital expenditures for tangible fixed assets were 418.7 billion yen, mainly consisting of manufacturing facilities for priority business areas such as PDPs and semiconductors, while the company recorded a decrease in time deposits from the end of fiscal 2007 (March 31, 2007). Net cash used in financing activities was 203.5 billion yen. Major factors included the repurchase of the company's common stock and the payment of cash dividends. All these activities, as well as a net decrease in cash and cash equivalents of 223 billion yen associated with the effect of exchange rate changes and the effects that JVC became associated companies under the equity method from Matsushita's consolidated subsidiaries, resulted in cash and cash equivalents of 1,214.8 billion yen at the end of fiscal 2008, down 21.8 billion yen compared with the end of the last fiscal year.

The company's consolidated total assets as of March 31, 2008 decreased 453.3 billion yen to 7,443.6 billion yen, as compared with 7,897.0 billion yen at the end of the last fiscal year (March 31, 2007). Stockholders' equity decreased 174.4 billion yen, compared with the end of the last fiscal year, to 3,742.3 billion yen as of March 31, 2008. Despite increases in retained earnings, this result was due primarily to a decrease in accumulated other comprehensive income, as well as an increase in treasury stock on continued repurchases of the company's own shares.

Year-end Dividend

Total dividends for fiscal 2008, ended March 31, 2008, including an interim dividend of 17.5 yen per common share paid in November 2007, are expected to be 35 yen per common share, up from 30 yen per common share for fiscal 2007.

Outlook for Fiscal 2009

Regarding the business environment for the fiscal 2009 ending March 31, 2009, the company currently expects to encounter severe conditions, such as a stronger yen against the dollar, rising prices for crude oil and other raw materials, and ever-intensified global price competition, as well as uncertainty about the global economic conditions as a result of subprime loan problems in the United States. Under these circumstances, in fiscal 2009, the middle year of the mid-term management plan GP3, Matsushita has to produce successful results and work on getting growth on track. The Company will steadily implement initiatives focused on four major themes: double-digit growth for overseas sales, four strategic businesses, manufacturing innovation and the eco ideas strategy. The company currently expects fiscal 2009 sales on a consolidated basis to total 9,200 billion yen, an increase of 1% from the previous fiscal year. Consolidated operating profit is forecasted to increase by 8% to 560 billion yen. Consolidated income before income taxes[3] is anticipated to increase to 500 billion yen, up 15%, with net income expected to improve to 310 billion yen, an increase of 10% from the previous fiscal year.

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 and New York stock exchanges.

For more information, please visit the following web sites:

Matsushita home page URL: http://panasonic.net/

Matsushita IR web site URL: http://ir-site.panasonic.com/

[3] Factors affecting the forecast for other income (deductions) of 60 billion yen (the difference between operating profit and income before income taxes) include business restructuring charges of 25 billion yen.

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 it, 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, China 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, the Chinese yuan, 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 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; the possibility of incurring expenses resulting from any defects in products or services of the Matsushita Group; the possibility that the Matsushita Group may face intellectual property infringement claims by third parties; current and potential, direct and indirect restrictions imposed by other countries over trade, manufacturing, labor and operations; fluctuations in market prices of securities and other assets in which the Matsushita Group has holdings or changes in valuation of long-lived assets, including property, plant and equipment and goodwill, and deferred tax assets; future changes or revisions to accounting policies or accounting rules; as well as natural disasters including earthquakes and other events that may negatively impact business activities of the Matsushita Group. The factors listed above are not all-inclusive and further information is contained in Matsushita's latest annual report on Form 20-F, which is on file with the U.S. Securities and Exchange Commission.

(Financial Tables and Additional Information Attached)