

FOR IMMEDIATE RELEASE

Matsushita Avionics Systems Corporation's System 3000 IFE IFE selected by Lauda Air Italia for 3 A330-200s

IFE system likely to include Head-End DVD

Bothell, WA, USA (3 February 2003) - Matsushita Avionics Systems Corporation has been selected by Lauda Air Italia to provide MAS' flagship System 3000 In-Flight Entertainment system for the airline's new A330-200 fleet.

Milan Malpensa-based Lauda Air Italia, which is part of Ventaglio Group (one of the most important Tour Operators in Italy), is acquiring three A330s from International Lease Finance Corporation (ILFC), for use primarily on routes to the Caribbean, South America and the Far East. Lauda Air Italia's passengers will be able to enjoy inflight entertainment presented on System 3000, the most advanced IFE system in the air today.

This is the first System 3000 order placed by Lauda Air Italia. System 3000 comes with a wide-ranging selection of entertainment options for airlines. Lauda Air Italia anticipates installing in-seat audio and overhead video for coach class and in-seat audio and video with 10.4" seatback monitors for business class passengers. Additional business class IFE applications will include: iXplor™, MAS' exciting new interactive moving map system; a full range of interactive menus; and connectivity that includes Inflight Communicator, MAS' seatback e-mail / SMS service.

Lauda Air Italia also anticipates inclusion of Head-End DVD Players as part of this order. Pending OEM design approval, Lauda Air Italia will become the very first customer for MAS Head-End DVD Player. MAS DVD Players are designed to replace older video cassette players with all the benefits of digital media, providing passengers with audio and video output that is fully compliant with WAEA DVD Specification 0598.

"Today it is quite normal to read about airlines trying to overcome difficulties thanks to cuts in staff and in the service offered on board." - says Luciano Di Fazio, President of Lauda Air Italia - "I think that passengers choose to fly with an airline because of its reliability and its on-board amenities. That's why

we keep on investing in quality in order to offer to our passengers the best on-board service possible. To this respect, we believe that System 3000 represents the best choice for us, being the best example of In-Flight Entertainment currently available on the market."

Alan Pellegrini, MAS Senior Vice President- Marketing and Operations, notes, "Lauda Air Italia is currently flying our System 2000E on their B767 fleet. Their selection of System 3000 is certainly gratifying for MAS and speaks volumes about the strength of our shared relationship. We are also very excited that Lauda Air Italia will likely be our launch customer for our new DVD solution."

The first of Lauda Air Italia's three new A330-200s is scheduled for November 2003 delivery, with the others following into service in July and October 2004.

About Panasonic Avionics Corporation:

Panasonic Avionics Corporation Panasonic Avionics Corporation is the world's leading supplier of in-flight entertainment and communication systems. Headquartered in Lake Forest, CA Panasonic Avionics Corporation employs approximately 2500 employees based in over 70 locations worldwide.

Panasonic Avionics Corporation is a subsidiary of **Panasonic North America** (PNA). Based in Secaucus, NJ, PNA is the principal North American subsidiary of **Matsushita Electric Industrial Co., Ltd.** (NYSE: MC) and the hub of Panasonic's US marketing, sales and service operations. Additional information on Panasonic Avionics Corporation is available at www.panasonic.aero. Additional information on Matsushita Electric and Panasonic is available at www.panasonic.com.