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System 3000 Soars on Test Flight

Matsushita Avionics Systems Launches Its Latest Interactive System on Singapore Airlines 747-400

Singapore (March 9, 2001) – MAS (Matsushita Avionics Systems Corporation) announced today the successful completion of the initial in-flight test for System 3000, the company's latest In-Flight Entertainment system. Working with launch customer Singapore Airlines (SIA), MAS field engineers installed the system on an SIA 747-400 for today's flight trial. Singapore Airlines expects the aircraft to return to revenue service tomorrow (Saturday, 10 March 2001) with System 3000 in a fully operational mode.

Installation on SIA's 747 aircraft began on February 28, with a power-up on March 4th. Following extensive testing and inspection, the aircraft departed Singapore's Changi Airport today for a full in-flight test of the system. According to MAS President Takashi Mizuma, "we are delighted to report that all IFE system functions worked perfectly, and we are very pleased to have Singapore Airlines as our launch customer."

This initial installation of System 3000, a retrofit for MAS' market-leading System 2000E, highlights the upgrade path for the company's IFE systems. New features available with System 3000 include MPEG2 DVD-quality movies on demand; the potential to offer AVOD (Audio and Video On Demand) to all seat classes throughout the aircraft; Nintendo Gateway GameBoy[®] (with twenty-five games, including Pokémon); and multiple player network PC games that can pit game-playing passengers against each other no matter where they are seated. The new system also features "smart load" technology that rapidly uploads new entertainment content while leaving repeat content in place. Typically, this will result in content loading times of 30 minutes or less.

Mr. Mizuma noted that MAS has already received System 3000 orders – both retrofit and new installation – from seventeen airlines. "We believe this level of customer confidence prior to the launch of a new system is absolutely unprecedented in the history of IFE, and we are committed to keeping their trust," according to Mr. Mizuma. "With this successful flight test under our belts and

the upcoming launch of revenue service, we believe that System 3000 is already well on its way to becoming the new IFE market standard."

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.