

**Matsushita Electric Works, Ltd.**

**PCB Materials Manufacturer to Cease U.S. Operations  
and Increase Production Capacity in China as Part of Global Production Strategy**

Osaka, Japan, April 28, 2005 -- Matsushita Electric Works, Ltd. ( "MEW" ), a Japanese corporation, is announcing that it is ceasing operations of Matsushita Electronic Materials, Inc. ( "MEM" ), a manufacturer of multi-layer Printed Circuit Board ( "PCB" ) materials located in Forest Grove, Oregon. MEW plans for MEM to cease production by the end of June, 2005, and to transfer its major manufacturing equipment to China in late 2005, to begin production of high performance multi-layer PCB materials in mid-2006.

MEM, established in January, 1992 in the State of Oregon, is a subsidiary of Aromat Corporation, which in turn is a wholly owned subsidiary of MEW. Since its founding, MEM has produced and sold approximately 8 Million square meters of PCB materials, mainly for high-end network equipment. Aromat Corporation ( "Aromat" ), MEW' s sales company in US market, provides sales and support for MEW representative products such as Automation Controls, Home Appliances, and Electronic Materials.

The decision to close the Forest Grove facility was a very difficult one for MEW and MEM, since it will affect the lives of its employees and their families. However, it was done only after MEW and MEM carefully considered all options. Because of market forces beyond its control, it was impossible for MEM to continue operations at this facility. Despite restructuring efforts over the last several years, market pressures have resulted in negative margins that persist for MEM today. MEW could no longer support an operation under these circumstances making it necessary to take these actions. MEM appreciates the hard work and dedication of its Forest Grove employees over the years, and will take measures to assist those who will need to re-enter the workforce. All employees will remain on the payroll with full benefits until the end of June.

Since the early 1990' s, MEW has established manufacturing facilities worldwide, including Taiwan, the U.S., China and Europe in response to the trends of PCB manufacturers and Original Equipment Manufacturers ( "OEMS" ). As of 2004, MEW held top market share in its industry. However, because the manufacture of network communication equipment and other digital equipment is increasingly shifting to Asia, particularly China, the U.S. market size of PCB has dropped to less than half of its peak.

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In the future, supply of PCB materials for the U.S. market will be made from MEW's facilities in Japan, Taiwan and China, and MEW will maintain its research and marketing efforts to support the qualification needs of these customers.

MEW multi-layer PCB materials operations in China include full production lines in Guangzhou, and back-end process lines in Suzhou for the cellular phone and digital home appliance market, with annual sales of approximately 7 Billion Japanese Yen.

Through this global restructuring of its multi-layer PCB materials production resources, MEW plans to be more active developing the market in Northern and Eastern China, where tremendous growth is expected. By 2008, MEW expects to double sales and production of multi-layer PCB materials in the China market alone.

<Reference>

- Outline of MEM in USA
- Outline of Aromat in USA

### ■ Outline of MEM in USA (as of March, 2005)

1. Company Name Matsushita Electronic Materials, Inc.
2. Location 4114 Heather Street, Forest Grove, Oregon 97116
3. Establishment January, 1992
4. Business body Manufacture of multi-layer Printed Circuit Board materials
5. Annual sales Approximately US\$28 Million (Y2004)
6. Capital US\$34 Million
7. Employees Approximately 120

### ■ Outline of Aromat in USA (as of March, 2005)

1. Company Name Aromat Corporation  
(Matsushita Electric Works, America)
2. Location 629 Central Avenue, New Providence, New Jersey 07974
3. Establishment July, 1974
4. Business body Sales of Automation Controls, Electronic Materials,  
Electronic  
Devices for Lighting Equipment, GPS antenna, Power Tools and  
Massage Loungers
5. Annual sales Approximately US\$230 Million
6. Capital US\$80.8 Million
8. Employees Approximately 170