

BUSINESS

Matsushita to shut down appliance plant in Malaysia

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KUALA LUMPUR (Kyodo) Matsushita Electric Co. (Malaysia) Berhad will shut down its washing machine and refrigerator plant in Malaysia on Oct. 1, with the loss of 300 jobs, the company said Thursday.

The Malaysian arm of Matsushita Electric Industrial Co., known as Melcom, said the decision was made in response to “tough market conditions and severe price competition in the electrical home appliances business.”

The company said it would close its plant in Bangi, south of Kuala Lumpur, after taking into account accumulated losses and unfavorable forecasts for growth and profitability in the washing machine and refrigerator business.

Melcom will instead concentrate on its two other plants, also on the outskirts of Kuala Lumpur, which are manufacturing other home appliances and batteries.

The company said Wednesday that revenue for the third quarter that ended Dec. 31, fell 14.2 percent, or 29.4 million ringgit (about \$7.7 million), from 177.5 million ringgit a year earlier.

Its pretax profit of 8 million ringgit was 46 percent lower than in the corresponding quarter of 2003.

In a statement, the company also said the board of directors has approved the termination scheme for about 300 employees at the Bangi plant.

Its associated company, Panasonic Malaysia Sdn. Bhd., will continue to sell Panasonic washing machines and refrigerators in Malaysia by obtaining supplies from other countries, it said.

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