

October 8, 2004

To Whom It May Concern:

Funai Electric Co., Ltd.

Representative: Tetsuro Funai, the President
(Code No.: 6839 1st section of TSE/OSE)

Inquires: Toshihiko Morita, General Manager
General Administration Department
(Tel: 81-72-870-4304)

Notice of Dissolution of Subsidiary

A decision to dissolve one of our consolidated subsidiaries, Daisho Electronics (Thailand) Co., Ltd. on October 8, 2004 was arrived at its special shareholder's meeting on the same date.

1. Reason of Dissolution

Daisho Electronics (Thailand) Co., Ltd. has been broadening the manufacture of small electric motors. However, the business environment around the company was increasingly getting tougher.

After having serious considerations on the future directions of the business in a variety of angles, we made the decision of the dissolution based on our judgement that the continuing business is difficult.

2. Outline of Daisho Electronics (Thailand) Co., Ltd.

- (1) Address: 835 Moo, 18 Tambon Chantuek, Ampor Pakuchong, Province Nakhonratsima, 30130 Thailand
- (2) President: Yukimi Hirose
- (3) Established: July 2, 2001
- (4) Business Line: Manufacture of Small Motor
- (5) Paid in Capital: THB 150 million
- (7) The Main Shareholder: 100 % held by Funai

3. Perspective for the future

The affect on the forecast of fiscal year 2004 operating results from the dissolution of subsidiary is negligible.