

January 19, 2005

To Whom It May Concern:

**Funai Electric Co., Ltd.**

Representative: Tetsuro Funai, President and CEO  
(Code No.:6839 1<sup>st</sup> section of TSE/OSE)

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**FUNAI ELECTRIC ENTERS INTO A COMPREHENSIVE  
BUSINESS ALLIANCE WITH THOMSON GROUP  
RELATING TO THE DIGITAL TELEVISION AREA**

Funai Electric Co., Ltd. (Headquarters: Daito-city, Osaka; Director & President: Tetsuro Funai) and Thomson Group (Headquarters: Boulogne-Billancourt, France) entered into a comprehensive business alliance relating to the digital television area. This alliance includes the exclusive license of certain patents relating to the digital television area, joint development, and purchase of cathode ray tubes.

Through this business alliance, Funai Electric is able to strengthen its intellectual property rights that are the basis of business involving digital television and other related products and, by introducing patent rights through the exclusive license, is able to gain its strong intellectual property position in the digital television area. On the other hand, Thomson Group is able to leverage its intellectual property rights, to make effective use of its developers and to expand its sale of cathode ray tubes. Further, the two companies will aim to strengthen the mutual relationship through joint development in the digital television area.

Both companies expect that this alliance will provide synergy effects to each of them and contribute to their respective business expansion.