

April 1, 2005

To Whom It May Concern:

Funai Electric Co., Ltd.

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

Inquires: Hiroyuki Hayashi, General Manager
Corporate Planning/Investor Relations Department
(Tel: 81-72-870-4395)

Notice of Transfer of Business between Subsidiaries

FUNAI ELECTRIC CO., LTD has announced that the subsidiary, FUNAI SALES CO., LTD. (President and CEO: Yutaka Matsumoto) transferred the business to the subsidiary, DX ANTENNA CO., LTD. (President and CEO: Susumu Okumura) on April 1, 2005.

1. Purpose of the Transfer of Business

In order to strengthen the competitiveness and marketing of FUNAI group in the domestic market, we integrate our domestic sales front by transferring the business of FUNAI SALES CO., LTD. to DX ANTENNA CO., LTD. that has a nationwide sales channel.

2. Assignee Profile

DX ANTENNA CO., LTD.

Address: 2-15 Hamazaki-dori, Hyogo-ku, Kobe City, Hyogo

President: Susumu Okumura

Paid in Capital: JPY 950 million

The Main Shareholder: 83.5% held by FUNAI ELECTRIC CO., LTD.

Business Line: Manufacture and Sales of TV Reception Products

3. Assignor Profile

FUNAI SALES CO., LTD.

Address: 1-6-24 Nakatsu, Kita-ku, Osaka City, Osaka

President: Yutaka Matsumoto

Paid in Capital: JPY 450 million

The Main Shareholder: 100% held by FUNAI ELECTRIC CO., LTD.

Business Line: Manufacture and Sales of Electrical Products

4. Perspective for the Future (Effects on Business Performance)

This transfer has no material effect on our consolidated performance because both are our consolidated subsidiaries.