

April 24, 2006

## **Funai Electric Co., Ltd.**

Representative: Tetsuro Funai, President  
(Code No.: 6839 First Section of the TSE/OSE)

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### **Notice of Dissolution of Subsidiary**

At the Board of Directors meeting held on April 24, 2006, the Directors of Funai Electric Co., Ltd. approved a resolution to dissolve Funai Sales Co., Ltd.; one of the Companies's consolidated subsidiaries.

#### 1. Reason of Dissolution

To strengthen the competitiveness and marketing and sales capabilities of Funai Group by consolidating its domestic sales network, the Company transferred the operations of Funai Sales Co., Ltd. to DX Antenna Co., Ltd. and changed its status to a dormant subsidiary on April 1, 2005, and decided at today's board meeting to dissolve the dormant subsidiary.

#### 2. Outline of Funai Sales Co., Ltd.

- |                      |  |
|----------------------|--|
| (1) Head Office      | 7-1, Nakagaito 7-chome, Daito city, Osaka Prefecture     |
| (2) President        | Hiroshi Ishizaki   |
| (3) Established      | June 21, 1982  |
| (4) Business         | Sales of electrical equipment and devices                |
| (5) Paid-in Capital  | 450 million yen  |
| (6) Main Shareholder | 100% wholly-owned subsidiary of Funai Electric Co., Ltd. |

#### 3. Dissolution Schedule

- |                |                                    |
|----------------|------------------------------------|
| April 24, 2006 | Approval of dissolution resolution |
| August 2006    | Planned liquidation                |

#### 4. Perspective for the Future

The dissolution of the above-mentioned subsidiary will not have a material effect on the consolidated operating results for the fiscal year ending in March 2007.

End