

May 13, 2008

Funai Electric Exhibits Tru2way™ Set Top Box at The Cable Show '08 in New Orleans.

Osaka, Japan. -- May 13, 2008 -- Funai Electric Co., Ltd. (TSE/OSE 6839) today announced to exhibit Funai tru2way™ set top box at The Cable Show '08, May 18–20 in New Orleans, LA. (Funai Booth#: 3705) This will be the first time for Funai to exhibit its product at The Cable Show.

Funai has been developing tru2way™ STB platform for the past two years with its middleware partner, VividLogic Inc. Funai and VividLogic Inc. has been collaborating on development of a tru2way™ STB, in order to enter into the cable market in the U.S.

“VividLogic is delighted to work with Funai Electric. The next generation of VividLogic’s tru2way™ software products and services will deliver compelling features, performance and reliability to Funai’s tru2way™ Set Top Box.” said Shiva Patibanda, CEO of VividLogic Inc.

In the past, Funai has exhibited the Phase 1 working sample at the CES '07, and the Phase 2 working sample at this years CES '08 in Las Vegas. Now, Funai will exhibit the Phase 2.5 working sample at The Cable Show '08.

Funai tru2way™ STB platform will feature DVR, Dual Decode, NTSC, ATSC and various network capabilities. Funai is targeting to deploy this tru2way™ STB in two ways by the middle of 2009. The first market is retail; the second is through the MSO.

Funai is a signatory company of CableCARD Host Interface Licensing Agreement (CHILA). Funai plans to exhibit two different types of platform at The Cable Show.

Funai has a history of over 20 years for leading and delivering cost effective solutions in STB related business, such as DVD players/recorders, and other audio video related products in the U.S. market. Funai’s products have been sold as store-brand items at major nationwide chain retail stores and ODM products of which result made us in the top 3 position in this market share. “We believe that both our engineering expertise and our high volume production capability will provide synergies to help us breaking into the new CATV market.” said Hideo Nakai, senior executive officer of Funai Electric.

About Funai

Funai Electric Co., Ltd. was founded in 1961 in Osaka, Japan. Funai today is engaged in the development, manufacturing, marketing and sales of information and communications products such as Printers, Digital Still Camera, and audio-visual products, such as LCD TVs, PDP TVs, VCRs, DVD Players, DVD Recorders and Projectors. Funai has established a significant presence as a leading supplier in the North America DVD market. For more information on the Funai group, please visit www.funaiworld.com.

About VividLogic Inc.

VividLogic Inc. is based in Fremont, California with an off shore development office in Bangalore, India and sales distributors in Taiwan, Korea and Japan. VividLogic Inc. is the world's leading provider of Home Entertainment infrastructure and applications for consumer electronics devices (HDTV, DVD, DVR, etc), PCs and Set Top Boxes. For more information about VividLogic Inc., please visit www.vividlogic.com.

Tru2way™ is a trademark of Cable Television Laboratories, Inc.

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