

June 18, 2008

To Whom It May Concern:

**Funai Electric Co., Ltd.**

Representative: Tetsuro Funai, President and CEO  
(Code No.: 6839 1st Section of TSE/OSE)  
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Investor / Public Relations Department  
(TEL.: 81-3-3254-5612)

## Notice Concerning Establishment of a Subsidiary

Funai Electric Co., Ltd. (H.Q. Daito City, Osaka Pref. in Japan) is pleased to announce the establishment of a subsidiary for the sourcing, distribution, marketing, and sales activities of Philips brand consumer television business in the United States and Canada [ Please refer to the public announcement of the intended license agreement dated April 9, 2008 with Royal Philips Electronics (H.Q. in The Netherlands , AEX; PHI, NYSE;PHG) ]

### 【Outline of the Subsidiary】

- (1) Company Name: P&F USA, Inc.
- (2) Address: 3015 Windward Plaza, Windward Fairways 11, Alpharetta, Georgia  
30005, U.S.A.
- (3) Paid in Capital: USD 30,000,000. – (JPY ca3billion)
- (4) Ownership: 100% wholly-owned
- (5) Representative: Shinji Seki (Funai Electric Co., Ltd. Officer)
- (6) Date of Establishment: June 13, 2008