

August 5, 2008

**Funai Electric Co., Ltd.**

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

## **Funai Announces Digital TV License and Settlement of Patent Litigation with Polaroid Corporation and Petters Group Worldwide, LLC**

**OSAKA**--Funai Electric Co., Ltd. announced today that it entered a patent license agreement with Polaroid Corporation and Petters Group Worldwide, LLC for Funai's digital television patent portfolio. Funai also announced that it will be moving to dismiss Polaroid and Petters Group from Funai's action before the United States District Court for the Central District of California and that Funai, together with Funai Corporation, Inc. (Funai's sales subsidiary in the United States), has moved to terminate Polaroid and Petters Group from the Investigation at the International Trade Commission.

With the addition of Polaroid and Petters Group, Funai has over fifteen licensees of its digital television patent portfolio. Funai's portfolio includes patents essential or related to the ATSC standards (\*1) as well as other digital television technologies. The Federal Communications Commission's regulations mandate that television sets sold in the United States must be compatible with certain ATSC standards.

In addition to its license and settlement with Polaroid, Funai earlier this year entered license and settlement agreements with International Reliance Corporation and International Norcent Technology, and these companies were dismissed from the related patent litigation.

After the settlement with Polaroid and Petters Group, eleven companies remain as respondents in the International Trade Commission proceeding, and the Investigation at the Commission will continue in relation to these eleven companies.

\*1 The digital television system used in the United States is described by a set of standards published by the Advanced Television Standards Committee (ATSC).

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