

January 11, 2012

To Whom It May Concern:

Funai Electric Co., Ltd.
Representative Director
President and CEO: Tomonori Hayashi
(Code No.: 6839 First Section of TSE/OSE)

Funai Announces P&F USA to Remain as Exclusive Licensee for Philips Consumer Televisions and Video Products in North America, Mexico, and select LATAM Countries

Funai Electric Co., Ltd. (TSE/OSE 6839) today announced the extension of its current brand licensing agreement with Royal Philips (AEX:PHI, NYSE:PHG) maintaining responsibility for the sourcing, distribution, marketing and sales activities of Philips consumer televisions and Video Products in North America, Mexico and select LATAM countries through December 31, 2015.

P&F USA, a subsidiary of Funai, is the sales and marketing operation for North America and handles sales and marketing for Philips consumer televisions and video products in North America, including Canada, Mexico and select LATAM countries. In addition, P&F USA also handles Philips Hospitality division and will continue to do so under the same extension terms of the agreement.

"The Philips brand is part of our strategy to deliver premium products to consumers in North America," said Tomonori Hayashi, president & CEO of Funai Electric. We have had a long and successful relationship and we are very pleased that both Royal Philips and Funai could reach an agreement to extend the term through December 2015."

Confirming the extension, Andy Mintz, senior vice president and head of global brand licensing for Philips Consumer Lifestyle added, "Philips is pleased with the progress Funai has made and its representation of the Philips brand in the marketplace."

P&F USA will be exhibiting a new line of Philips branded televisions and video products line at the 2012 Consumer Electronics Show.

For further information, please contact
Toru Fujii
Investors and Public Relations
E-mail: fujit@funai.co.jp