



January 30, 2008

To whom it may concern:

Company Name	Kenwood Corporation (Code No. 6765, TSE Section 1)
Representative Contact	Kazuo Shiohata, President & CEO Takaaki Nose, Senior Manager, Public & Investor Relations Office, Corporate Relations Division (Tel. 042-646-6724)

Basic Agreement between JVC and Funai Electric on Business Alliance

Today, Victor Company of Japan, Ltd. (JVC) and Funai Electric Co., Ltd. (Funai Electric) have reached a basic agreement to implement a business alliance centered on display equipment in the video equipment business sector. Kenwood has given its full endorsement to this agreement, in the belief that it will contribute to a greater strategic framework built on the capital and business alliance, which JVC and Kenwood agreed and signed on July 24 last year, and the management integration that will be derived therefrom.

Kenwood is confident that a business alliance between JVC and Funai Electric will generate major positive effects as it will help JVC achieve mutual complement and gain advantages of scale in production, development and products in the said field. Kenwood therefore believes that JVC will be able to enhance its business foundations and competitive edge in the field of display equipment in the video equipment business, where competition is ever intensifying globally.

Therefore, when the management integration of Kenwood and JVC becomes a reality, JVC's business collaboration with Funai Electric will certainly bring added strengths and provide impetus for accelerated growth of the newly integrated company.

With this background in mind, Kenwood will be committed to actively helping JVC and Funai Electric form a business alliance.