



Announcement of the returning of the previously delegated portion of the National Pension Welfare Fund

July 1, 2005

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Kenwood Corporation (President & CEO: Haruo Kawahara; Head Office: Hachioji, Tokyo) is pleased to announce that dated July 1, 2005, it has received the approval from the Minister of Health, Labor and Welfare to return the portion of the National Pension Welfare Fund that used to be disbursed as a proxy of the state. This was performed in accordance with the Defined Benefit Corporate Pension Law that came into effect.

When Article 44-2 in "the business indicator concerning retirement benefit accounting (interim report)" released by JICPA (The Japanese Institute of Certified Public Accountants), Accounting System Committee, Report No. 13 is applied as of July 1, 2005, the estimated amount of the extraordinary profit will be approximately 4.8 billion yen but there are possibilities of its final value to fluctuate based on the calculation at the most recent point.

Business forecasts released on May 20, 2005, including the interim forecast as well as the annual forecast for the fiscal year ending March 2006 both consolidated and non-consolidated, will not be changed since abovementioned extraordinary profit is already reflected in these forecasts.