

January 3, 2008

To Whom It May Concern:

Funai Corporation, Inc.

Notice Concerning New Product

Funai to Introduce Blu-ray Disc™ Player to North American Market



Funai Corporation, Inc., the North American sales and marketing subsidiary of Funai Electric Co., Ltd., today announced the introduction of its first Blu-ray Disc player (NB500 series) for the North American market.

The Company will begin production in the first quarter of 2008, and plans to begin selling the player at retail stores in North America during the second quarter. The retail price is projected to be under \$300.

Demand for players that supports High Definition contents is increasing swiftly in the U.S. market thanks to the rapid spread of Full HD flat-panel televisions in addition to FCC mandate to switch from analog to digital formats. In the consumer products market in particular, movie and music contents are becoming more common in the Blu-ray Disc format, and shipments of specialized disc players and game machines compatible with Blu-ray Disc products are increasing. Within the healthy competitive environment in this next-generation DVD market, the Blu-ray Disc format is steadily enhancing its market position.

The player supports Profile 1.1 (Final Standard Profile), the latest Blu-ray Disc format standard, and will allow consumers to fully enjoy the Blu-ray Disc HD experience. The product is expected to further stimulate the Blu-ray Disc market, and enable customers to appreciate movies and music with even higher resolutions and higher quality sound. To see the exhibition of the product, please visit the BDA (Blu-ray Disc Association) booth at the CES Hall in 2008.

BD-VIDEO Profile 1.1, one of the player's main features, allows the user to enjoy watching two programs with sound by PinP (Picture-in-Picture) and Dolby Digital 5.1ch Re-Encoder technology. With the support of HDMI 1.3a, the player is capable of 1080p output, up-conversion from DVD to 1080p, Deep Color, high-bit-rate audio stream out and HDMI-CEC. SD Card Slot extends the player's usability for data playback from digital video camera and camcorder.

FOR INQUIRIES ABOUT THIS PRESS RELEASE

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