



Notice of Dissolution and Liquidation of Overseas Subsidiaries

May 27, 2005

Company Name: Kenwood Corporation (Code No.: 6765, TSE Section1)
 URL: <http://www.kenwood.com>
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Kenwood Corporation (President & CEO: Haruo Kawahara, Headquarters: Hachioji, Tokyo) announces that a meeting of the Board of Directors held on May 27, 2005 resolved to commence procedures for the dissolution and liquidation of the overseas subsidiaries, as described below. Kenwood Corporation (hereinafter "the Company") had proceeded with the closure of the subsidiaries as described in the Consolidated Annual Summary Report for the Fiscal Year Ended March 31, 2005.

1. Commencement of Procedures for the Dissolution and Liquidation of Kenvon, LLC; KNT, LLC; Kenteal, LLC; and K&S, LLC

(1) Reasons for the commencement of procedures for the dissolution and liquidation
 Kenvon, LLC; KNT, LLC; Kenteal, LLC; and K&S LLC are subsidiaries of Kenwood U.S.A Corporation (hereinafter "K-USA"), which were established as retail outlets jointly by K-USA and its sales representative from 1997 to 2000.

The Company has decided to reinforce the profitability of K-USA as part of its endeavor to bolster the sales system in the United States, which the Company has been undertaking since last year, and to remove its "negative legacies" by commencing the procedures for the liquidation of the subsidiaries above for outlet sales in the United States, which have been underperforming along with the business restructuring.

(2) Overview of Kenvon, LLC; KNT, LLC; Kenteal, LLC; and K&S LLC

(1) Corporate name	Kenvon, LLC	KNT, LLC
(2) Representative	Jule Von Sternberg	Jim Durnal
(3) Location	4007 Bergenline Avenue Union City, NJ 07087	2340 E. Trinity Mills Road, #300 Carrollton, TX 75006
(4) Established	April 13, 1998	June 1, 2000
(5) Paid-in capital	US\$10,000	US\$10,000
(6) Shareholders	K-USA 51%, The OVS Partnership 49%	K-USA 51%, Kensun, LLC 49%

(1) Corporate name	Kenteal, LLC	K&S, LLC
(2) Representative	James H. Teal	Marcus Sorenson
(3) Location	6624 Dawson Blvd., #31 Norcross, GA 30093-1050	14134 E. Firestone Blvd. Santa Fe Springs, CA 90670-5810
(4) Established	November 4, 1998	June 9, 1997
(5) Paid-in capital	US\$10,000	US\$10,000
(6) Shareholders	K-USA 51% THL, LLC 49%	K-USA 51% C.M. Sorenson Co., Inc. 49%

K-USA is a wholly-owned subsidiary of the Company.

TRANSLATION - FOR REFERENCE ONLY -

(3) Schedule

The liquidation is scheduled to be completed in December 2005 (for all Kenvon, LLC; KNT, LLC; Kenteal, LLC; and K&S, LLC)

2. Impact on Consolidated Business Results of the Company

The overseas subsidiaries described in Section 1 above have already ceased or downsized operations, and accounting for the related losses was mostly completed in the previous fiscal year. As a result, the impact on the current fiscal year should be insignificant.

Note: This press release has been prepared for the purpose of announcing the information related to the Company Group to the public and not for the purpose of solicitation to invest in securities or of offering securities in the United States. Except for registering securities or being exempted from registration under the US Securities Act of 1933, the offering or sale of securities in the United States is prohibited.