

May 28, 2004

Corporate Name: Kenwood Corporation  
Representative: Haruo Kawahara, President and CEO  
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**Notice Regarding Dissolution and Liquidation of Overseas Subsidiaries**

Kenwood Corporation (Headquarters: Hachioji, Tokyo; President: Haruo Kawahara) announces the commencement of proceedings for the dissolution and liquidation of the following overseas subsidiaries.

**1. Kenwood Logistics (S) Pte. Ltd. (“KLSP”) and Kenwood Logistics (M) Sdn. Bhd. (“KLMS”)**

**(1) Reason for dissolution and liquidation proceedings**

KLSP was established in 1997 in Singapore as a distribution center of the Company and as a subsidiary of Kenwood Logistics Corporation, which merged with Kenwood Service Corporation, the Company’s subsidiary, on January 1, 2004. KLMS, a subsidiary of KLSP, was established in Malaysia for the same purpose as KLSP.

As a result of the distribution streamlining in the context of the Company’s production reorganization launched Group-wide last year, the Company reviewed the functions of KLSP and KLMS, both serving as interim storage/logistics bases, and determined liquidation of the two companies.

**(2) Outline of KLSP and KLMS**

	KLSP	KLMS
(1) Corporate name	Kenwood Logistics (S) Pte. Ltd.	Kenwood Logistics (M) Sdn. Bhd.
(2) Representative	Mikio Okame, President and CEO	Mikio Okame, President and CEO
(3) Location	No.1 Ang Mo Kio Street 63, Singapore 569110	Level 19, Uptown 1 No.1, Jalan SS 21158 Damansara Uptown 47400 Petaling Jaya Selangor, Malaysia
(4) Established	June 1, 1997	September 1, 1998
(5) Capital	150,000 Singapore Dollars	1,000,000 Malaysia Ringgit
(6) Shareholders	Kenwood Service Corporation: 100%	KLSP: 100%

**(3) Schedule**

Completion of liquidation (both KLSP and KLMS) is slated for December 2005.

**2. Kenwood Technologies (USA) Inc. (“KTI”)**

**(1) Reason for dissolution and liquidation proceedings**

KTI was established in the U.S. as a wholly owned subsidiary of the Company in 1997 to market CD-ROM products in the U.S., in which the Company no longer engages.

In the wake of the Company’s withdrawal from the CD-ROM business in 2001, KTI shifted its primary focus to customer services. However, with the termination of such services, the Company has commenced proceedings for the liquidation of KTI.

**(2) Outline of KTI**

(1) Corporate name	Kenwood Technologies (USA) Inc.
(2) Representative	Makoto Inukai, President and CEO
(3) Location	2201 East Dominguez St., P.O. Box 22745, Long Beach, CA 90801-5745, U.S.A.
(4) Established	November 17, 1997
(5) Capital	250,000 US Dollars
(6) Shareholders	Kenwood Corporation: 100%

**(3) Schedule**

Completion of liquidation is slated for October 2004.

**3. Effects of the dissolution and liquidation on the Company’s consolidated earnings**

The dissolution and liquidation of the three overseas subsidiaries described in 1 and 2 will have no material effect on the Company’s consolidated earnings. These effects have been factored into the earnings outlook that the Company announced on May 21, 2004.