

June 7, 2004

Corporate Name: Kenwood Corporation
Representative: Haruo Kawahara, President and CEO
(Code No.: 6765; TSE Section I, OSE Section I)
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Notice Regarding Determination of New Shares' Offering Price, Others

Kenwood Corporation (the Company) hereby announces today, June 7, 2004 that its Board of Directors determined the offering price and other matters in respect to the domestic and international offering of new shares of common stock resolved at the Board of Directors meeting on May 21, 2004.

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| (1) Type and Quantity of Shares to be Newly Issued | Common stock: 82,000,000 shares
(Domestic offering: 5,857,000 shares;
International offering: 76,143,000 shares)
In addition to the above 82,000,000 shares, the Company will grant international offering underwriter Lehman Brothers International (Europe) the option to purchase additional shares of common stock from the Company not exceeding 10,000,000 shares by notifying the Company no later than June 24, 2004. |
| (2) Offering Price | ¥250 per share |
| (3) Issue Price | ¥239.375 per share |
| (4) Portion of Issue Price not to be Included in Stated Capital | ¥119.375 per share
(Amount included in stated capital: ¥120 per share) |
| (5) Total Issue Price | Total amount obtained by adding ¥19,628,750,000 (domestic offering: ¥1,402,019,375; international offering: ¥18,226,730,625) and the total issue price for the additional shares of common stock issued through the execution of the option described in (1). |
| (6) Total Amount Included in Stated Capital | Total amount obtained by adding ¥9,840,000,000 (domestic offering: ¥702,840,000; international offering: ¥9,137,160,000) and the total amount included in stated capital in respect of the additional shares of common stock issued through the exercise of the option described in (1). |
| (7) Subscription Period for Domestic Offering | Thursday, June 17 to Friday, June 18, 2004 |

TRANSLATION (FOR REFERENCE ONLY) NOT FOR DISTRIBUTION IN THE USA

<For Reference>

1. Type and Quantity of Shares to be Newly Issued Common stock: 82,000,000 shares
(Domestic offering: 5,857,000 shares;
International offering: 76,143,000 shares)
In addition to the above 82,000,000 shares, the Company as described in (1) will grant the international underwriter option to purchase additional shares of common stock from the Company not exceeding 10,000,000 shares by notifying the Company no later than June 24, 2004.
2. Subscription Period (Domestic Offering) Thursday, June 17 to Friday, June 18, 2004
3. Subscription Unit 1,000 shares
4. Payment Deadline Wednesday, June 30, 2004
5. Dividend Date of Record Thursday, April 1, 2004
6. Others The new share issuance is contingent on a resolution for reduction of paid capital through the cancellation of No.1 Class A convertible preferred stock ("CPS") being passed at the 75th Ordinary General Meeting of Shareholders and the General Meeting of Class A CPS shareholders, both scheduled to be held on Tuesday, June 29, 2004. The domestic offering is contingent upon the registration under the Securities and Exchange Law taking effect.

7. Change in Total Shares Outstanding after Offering and Capital Reduction (estimate)

Total Shares Outstanding as of March 31, 2004 (including treasury stock)

Common Stock	210,455,995 shares
Class A CPS	31,250,000 shares
Class B CPS	31,250,000 shares
Total	272,955,995 shares

(For reference: Total shares outstanding after conversion of Class A and B CP)

(465,558,035 shares)

Number of Shares to be Issued in Offering (estimate)

Common Stock	92,000,000 shares
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Number of Shares to be Cancelled due to Capital Reduction

Class A CPS	31,250,000 shares
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Total Shares Outstanding after Offering and Capital Reduction (including treasury stock)

Common Stock	302,455,995 shares
Class A CPS	0 shares
Class B CPS	31,250,000 shares
Total	333,705,995 shares

(For reference: Total shares outstanding after conversion of Class A and B CPS)

(430,007,015 shares)

Notes:

1. “Number of Shares to be Issued in Offering” and “Total Shares Outstanding after Offering and Capital Reduction” represent the current estimates assuming that the international underwriter exercises its option in full, as described in “1. Type and Quantity of Shares to be Newly Issued.”
2. The final number of shares increased and the final total number of shares outstanding for the Common Stock will be determined from June 8 to June 24, 2004, the period in which the option described in the above 1. is exercisable.
3. Total shares outstanding with the conversion of Class A and B CPS is the sum of all current shares outstanding and newly issued common stock in case all of CPS are converted into the common stock. The number of new shares of the common stock as a result of the conversion of CPS is computed in accordance with the condition (Issue price of the CPS [¥400 per share]) / initial conversion price [¥98 per share]) as set forth on the CPS issuance date, December 27, 2002.

Notice:

This press release is formulated for announcement to the general public of the issuance of new shares of the Company, and is not intended to solicit investment.

In subscribing to the domestic offering of new shares, you are requested to refer to the prospectus (and its amendments) issued by the Company for the stock issuance and to make any investment decision accordingly.

This press release does not compose any part of the offering of securities in the U.S. The securities in the offering have not been and will not be registered under the U.S. Securities Act of 1933, nor may they be offered or sold in the U.S. without registration or an exemption from registration under the Securities Act of 1933. In order to make public offering of securities in the U.S., the English prospectus prepared in accordance with the Securities Act of 1933 shall be used. Said prospectus, which can be obtained from the Company or any securities trader, contains detailed information about the Company and its management, as well as financial statements. The public offering mentioned in this press release is not made in the U.S.