

Presentation of Operating Results in 3rd Quarter (Apr.-Dec.) of FY2011

January 30, 2012

FUNAI ELECTRIC CO., LTD.

Security code 6839

. Outline of Operating Results

1. Summary of 3rd Quarter (Oct.-Dec.)
2. Summary of 3rd Quarter (Apr.-Dec.)
3. Breakdown of Sales by Equipment
4. Sales of DVD related Equipment
5. Sales of Television related Equipment
6. Geographic Breakdown of Sales
7. Factor of Changes of Operating Income
8. Financial Conditions
9. Changes of Inventories
10. Capital Expenditures, Depreciation Expense and R&D Expenditures

1 . Summary of 3rd Quarter (Oct.-Dec.)



(100 million yen)

	FY 2010	FY 2011	Y / Y
Net Sales	760	628	132 (17.2%)
Operating Income (M a r g i n)	5 (0.7%)	8 (1.3%)	+ 13 - (1) + 2 (3)
Ordinary Income (M a r g i n)	7 (0.9%)	8 (1.4%)	+ 15 13 (2) 4 (4)
Net Income after tax (M a r g i n)	16 (2.2%)	5 (1.0%)	+ 11
Average USD-JPY Exchange Rate	82. ²¹	77. ²⁰	

(1) interest received + 1, forex gain + 1, interest expense 1, other 1

(3) forex gain and loss + 3, other 1

(2) extraordinary loss 3, income taxes 10

(4) increase of extraordinary loss 6, decrease of income taxes + 2

Month End Exchange Rate	10/9	10/12	11/9	11/12
(USD/JPY)	83. ⁸²	81. ⁴⁹	76. ⁶⁵	77. ⁷⁴

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2 . Summary of 3rd Quarter (Apr.-Dec.)



(100 million yen)

	FY 2010	FY 2011	Y / Y
Net Sales	2,300	2,034	266 (11.5%)
Operating Income (M a r g i n)	40 (1.8%)	29 (1.4%)	11 15 (1) 15 (3)
Ordinary Income (M a r g i n)	40 (1.8%)	14 (0.7%)	26 49 (2) 30 (4)
Net Income after tax (M a r g i n)	21 (1.0%)	35 (1.8%)	56
Average USD-JPY Exchange Rate	86. ¹⁷	78. ⁵⁰	

(1) interest received+2, interest expense 1, forex loss 16

(3) decrease of interest received 1, increase of forex loss 13, other 1

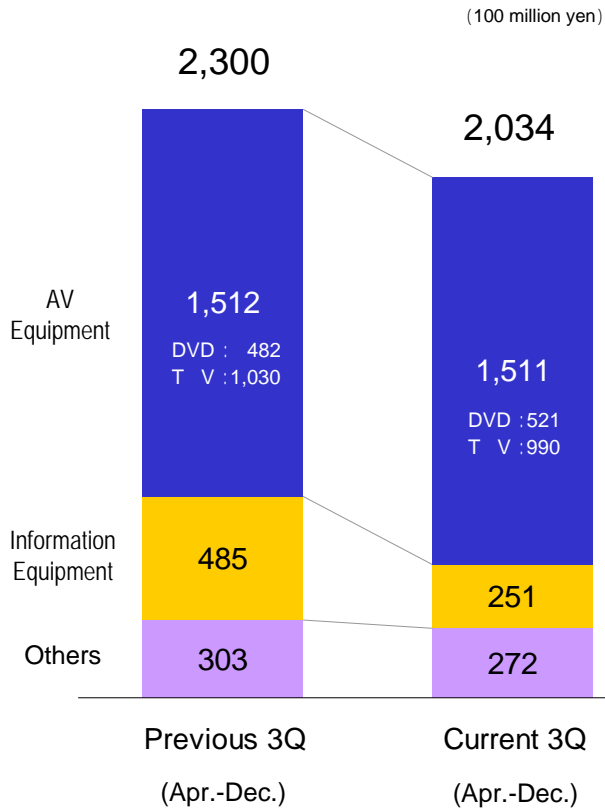
(2) extraordinary loss 4, income taxes 36, income taxes for prior period 9

(4) extraordinary loss and gain 6, increase of income taxes 15, increase of income taxes for prior period 9

Month End Exchange Rate	10/3	10/12	11/3	11/12
(USD/JPY)	93. ⁰⁴	81. ⁴⁹	83. ¹⁵	77. ⁷⁴

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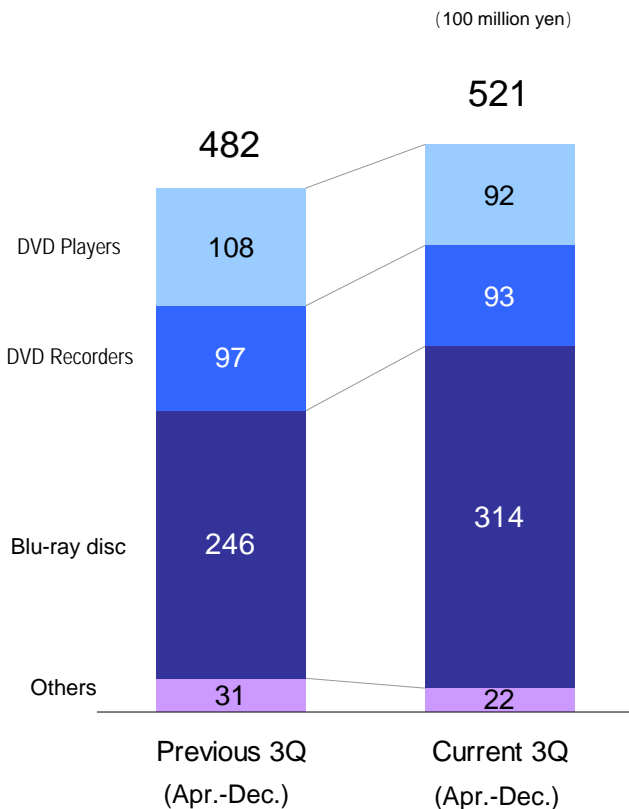
3 . Breakdown of Sales by Equipment



(100 million yen)

Y / Y	
AV Equipment	: 1 (0.1%)
DVD Equip.	: + 39 (+ 8.1%)
T V Equip.	: 40 (3.9%)
Information Equipment	: 234 (48.1%)
Others	: 31 (10.2%)
Total	: 266 (11.5%)

4 . Sales of DVD related Equipment



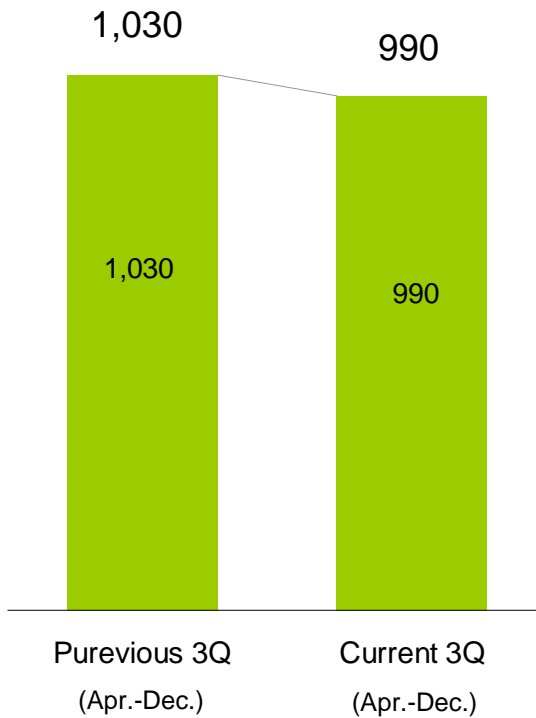
- DVD Players** **DVD Recorders**
- Both DVD player and recorder declined.
- Blu-ray disc**
- BD recorder more gained than decline of BD player.

(100 million yen)

Y / Y	
DVD Players	: 16 (14.8%)
DVD Recorders	: 4 (4.1%)
Blu-ray disc	: + 68 (+ 27.6%)
Others	: 9 (29.0%)
Total	: + 39 (+ 8.1%)

5 . Sales of Television related Equipment

(100 million yen)



LCD TV

· In spite of the market ASP decline, single unit of LCD TV increased. DVD player combination, however, dragged the total sales.

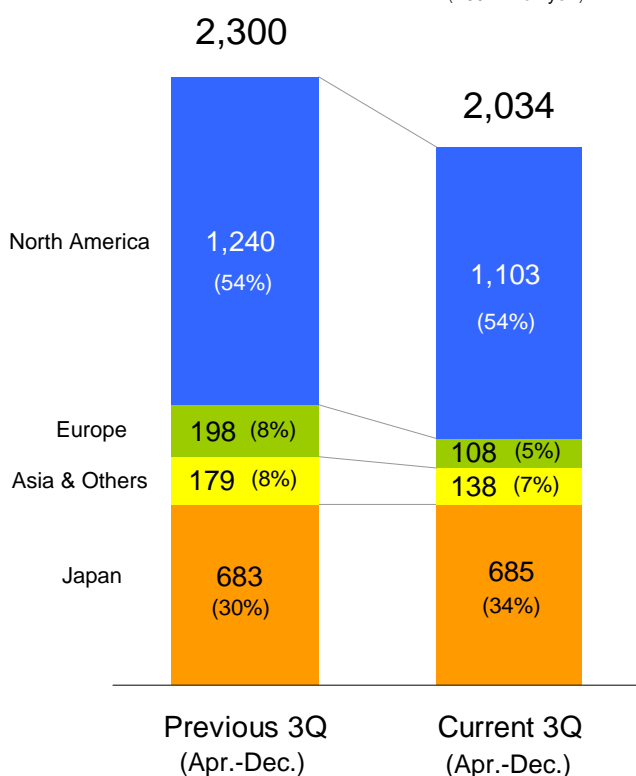
(100 million yen)

Y / Y

LCD TV : 40 (3.9%)

6 . Geographic Breakdown of Sales

(100 million yen)



North America

· Although LCD TV increased, information Equipment largely dropped and DVD related equipment also declined.

Japan

· Although LCD TV declined, BD recorder increased.

(100 million yen)

Y / Y

North America : 137 (11.0%)

Europe : 90 (45.5%)

Asia & Others : 41 (22.9%)

Japan : + 2 (+ 0.4%)

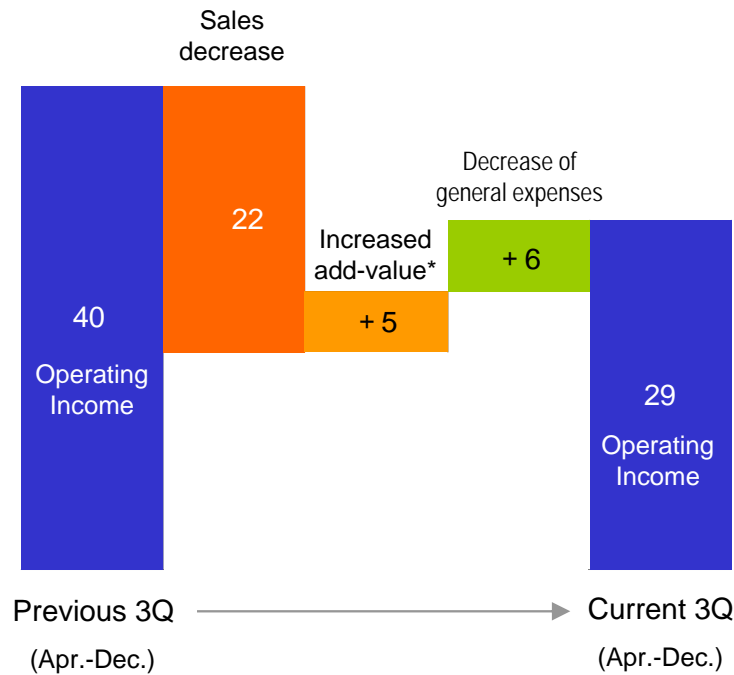
Total : 266 (11.5%)

7 . Factor of Changes of Operating Income

(Comparison to 2010/12)

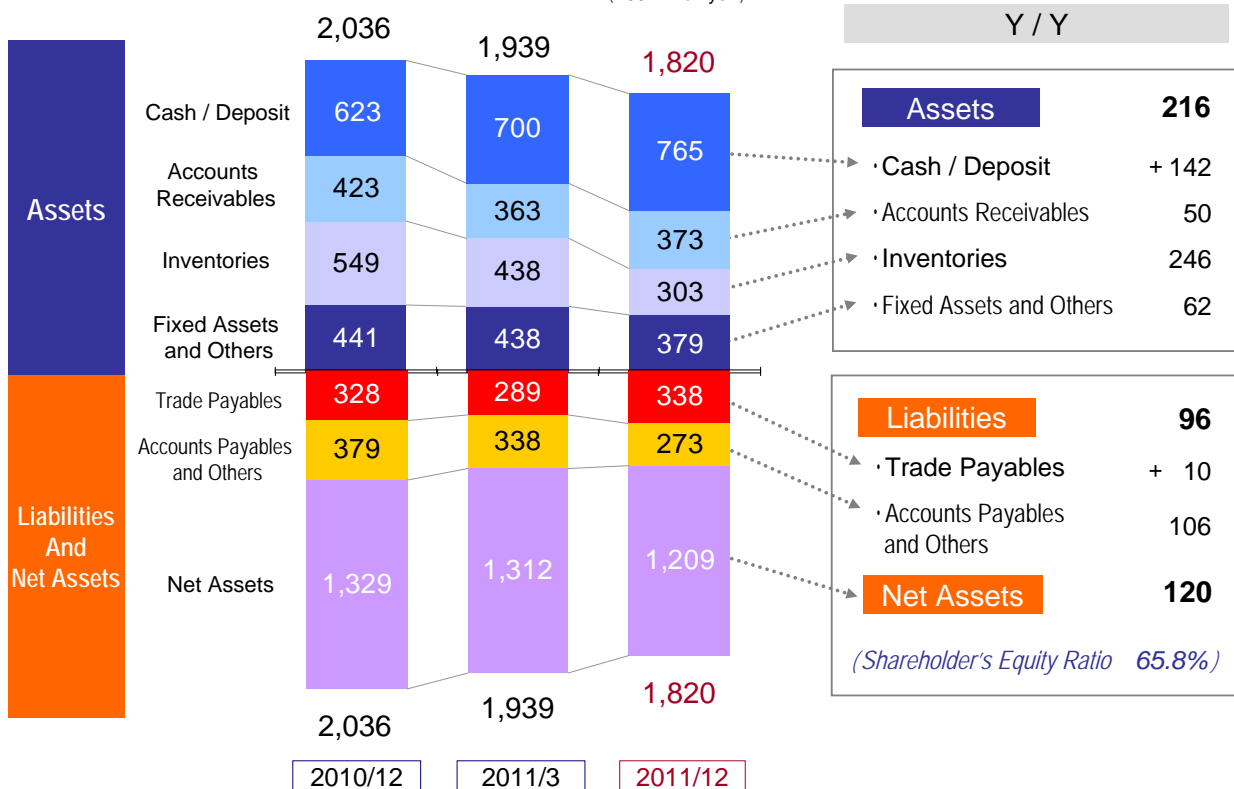
* Add-value=Sales – (Cost of sales + selling expenses)

(100 million yen)

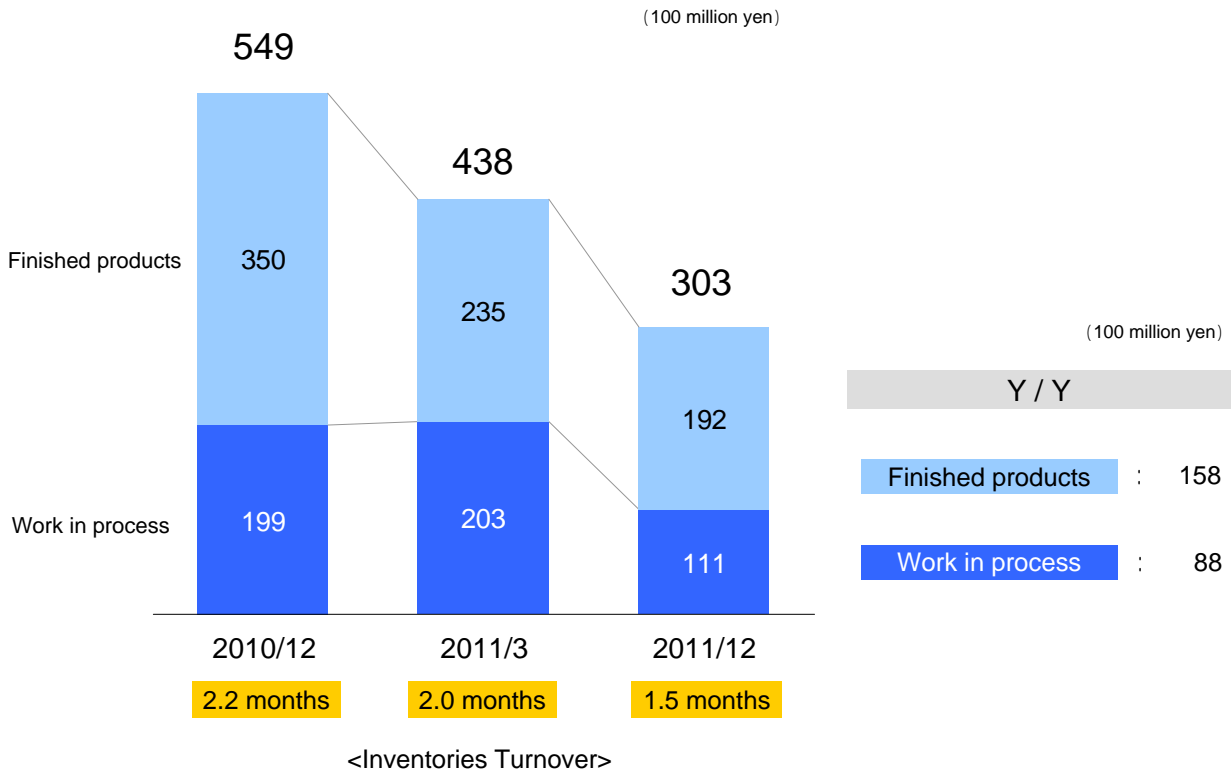


8 . Financial Conditions

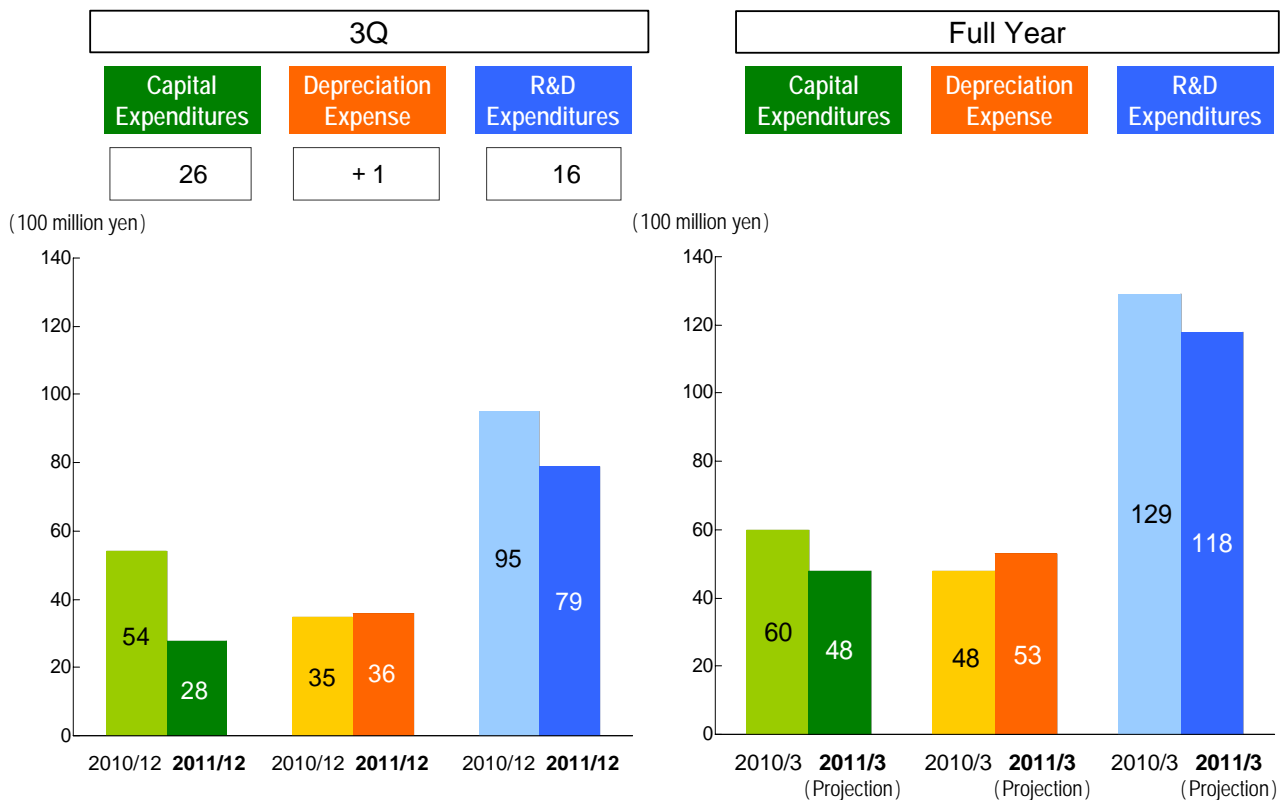
(100 million yen)



9 . Changes of Inventories



10 . Capital Expenditures, Depreciation Expense and R&D Expenditures

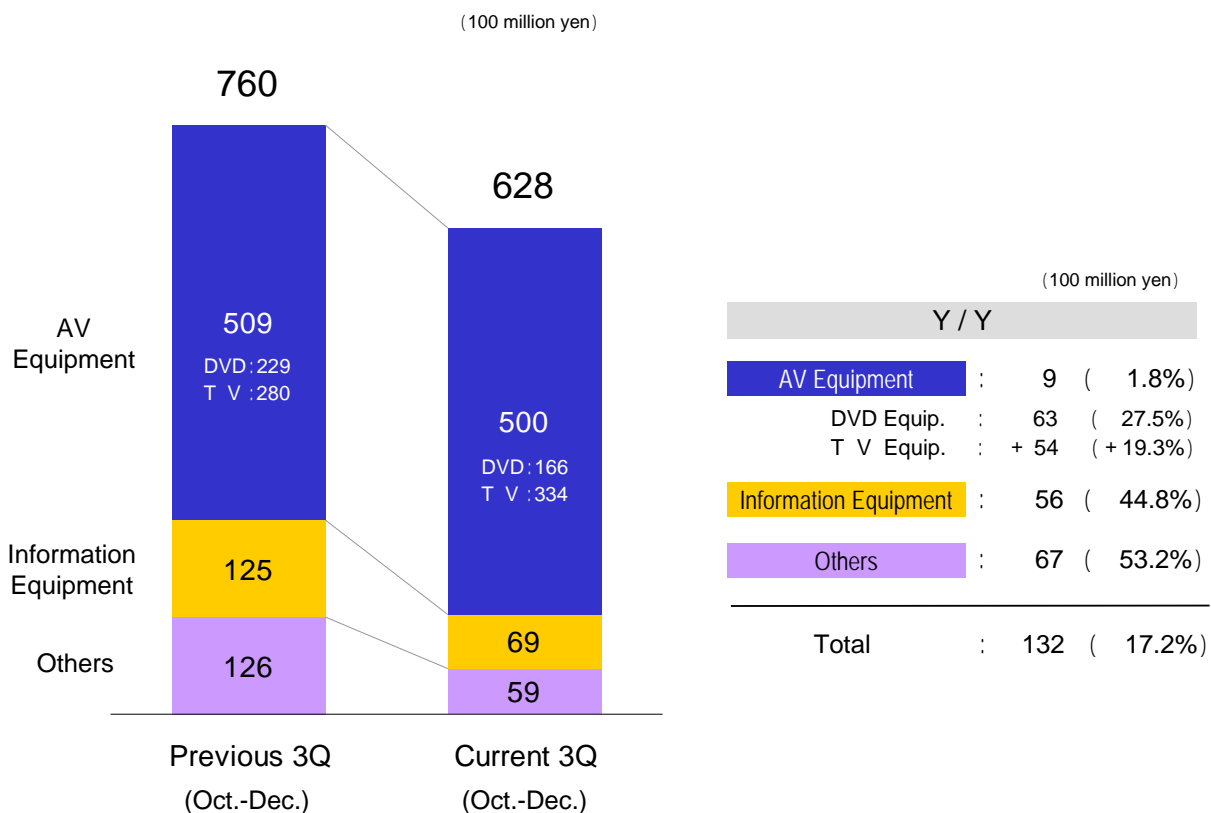


Supplemental Data

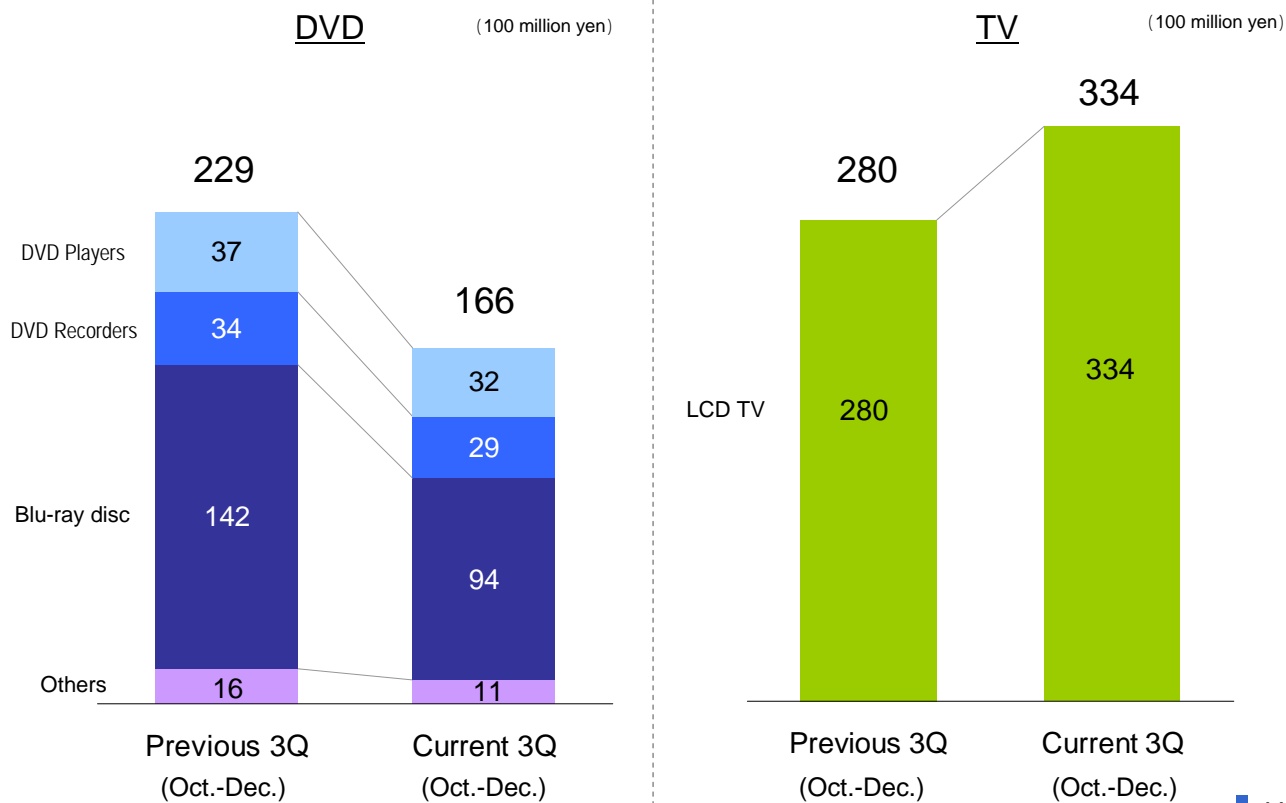
Summary of Operating Results (Oct.-Dec.)

1. Sales by Equipment
2. Sales by AV Equipment
3. Geographic Sales

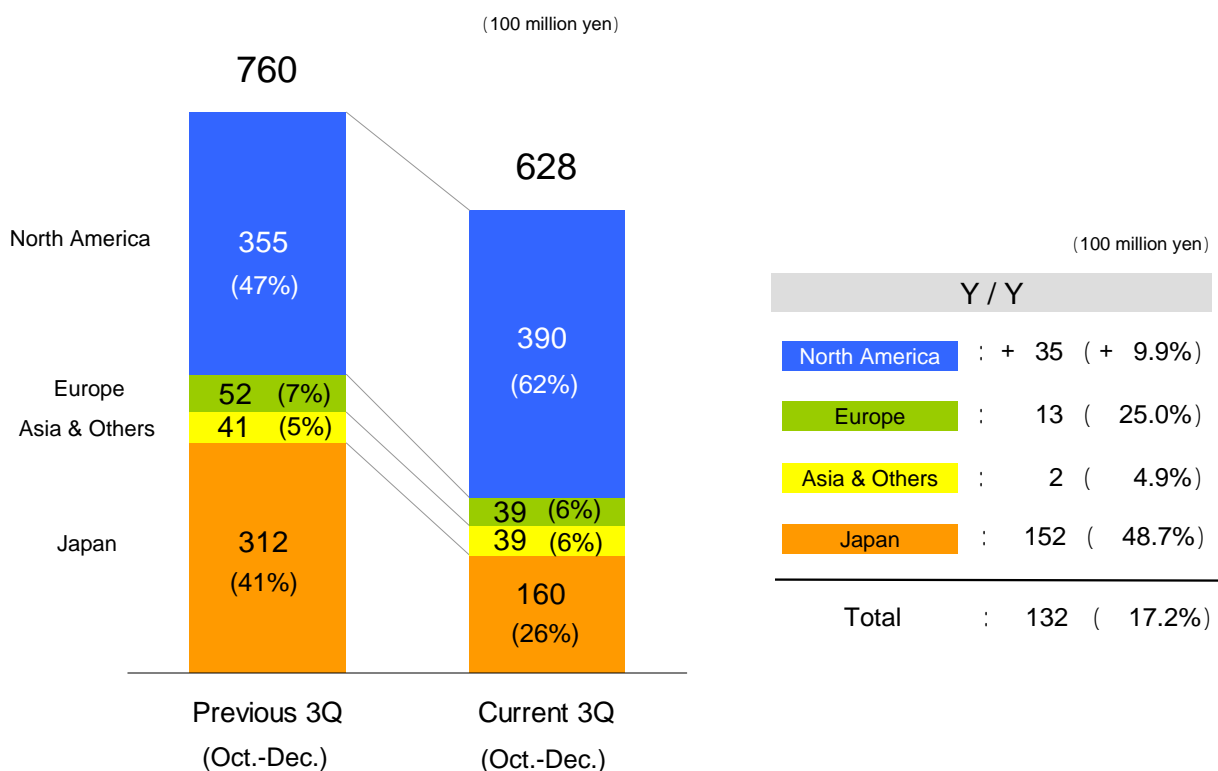
1 . Sales by Equipment



2 . Sales by AV Equipment



3 . Geographic Sales



. Supplemental Data

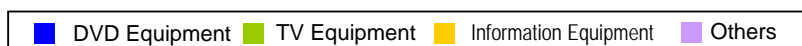
1. Quarterly Operating Summary of FY 2010 / 2011
2. Quarterly Changes of Sales Amount by Equipment

1 . Quarterly Operating Summary of FY 2010 / 2011

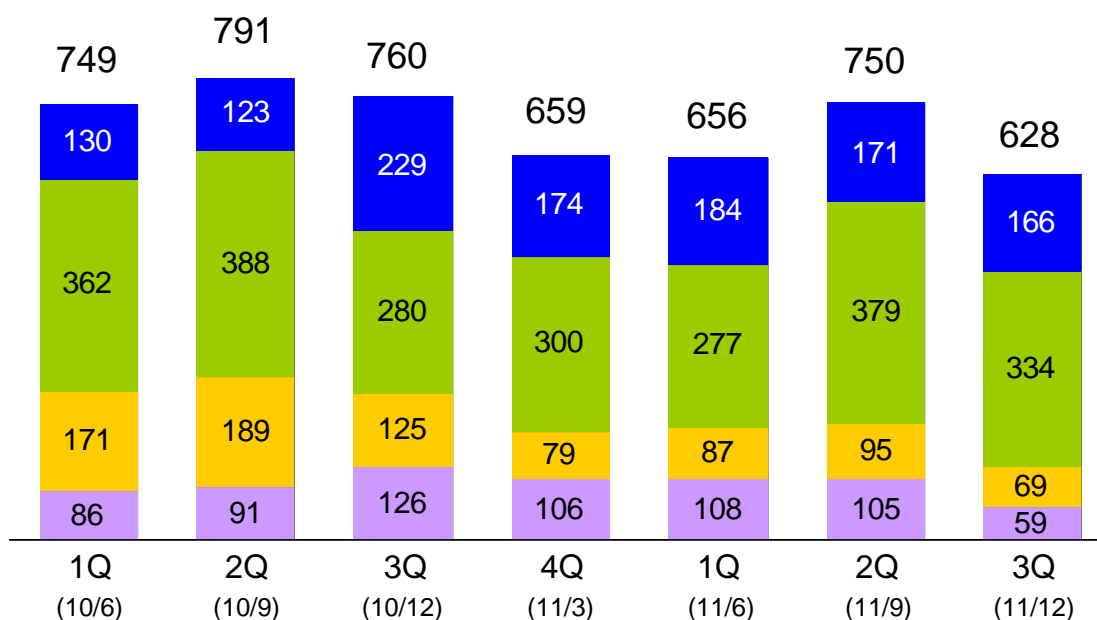
(100 million yen)

	FY 2010				FY 2011		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Net Sales	749	791	760	659	656	750	628
Operating Income	25	20	5	32	3	17	8
(Margin)	(3.4%)	(2.6%)	(0.7%)	(5.0%)	(0.5%)	(2.4%)	(1.3%)
Ordinary Income	12	34	7	27	0	4	8
(Margin)	(1.7%)	(4.4%)	(0.9%)	(4.2%)	(0.1%)	(0.6%)	(1.4%)
Net Income after tax	4	34	16	33	23	6	5
(Margin)	(0.6%)	(4.4%)	(2.2%)	(5.1%)	(3.6%)	(0.9%)	(1.0%)

2 . Quarterly Changes of Sales Amount by Equipment



(100 million yen)



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