

Presentation of Operating Results in 3rd Quarter (Apr.- Dec.) of FY 2009

February 4, 2010

FUNAI ELECTRIC.,LTD.

Security code 6839

Outline of 3rd Quarter (Apr.-Dec.) of FY2009 Operating Results (Consolidated)

1. Summary of Operating Results
2. Breakdown of Sales by Equipment
3. Sales of Audio and Visual Equipment
4. Sales of DVD Equipment
5. Sales of Television Equipment
6. Sales of Information Equipment
7. Geographic Breakdown of Sales
8. Factor of Changes of Operating Income
9. Financial Conditions
10. Changes of Inventories
11. Capital Expenditures, Depreciation Expense and R&D Expenditures
12. Forecast of Operating Results of FY2009 Ending March 2010

1 . Summary of Operating Results

(100 million yen)

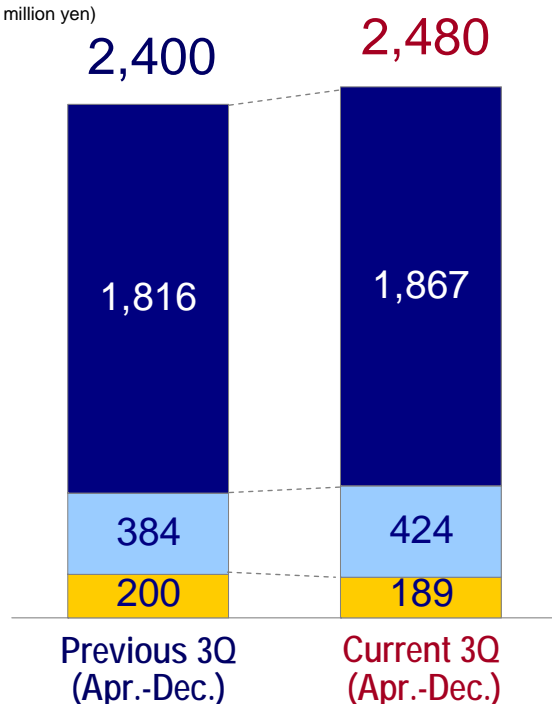
	FY2008	FY2009	Changes From Previous FY2008
Net Sales	2,400	2,480	+80 (+3.3%)
Operating Income	32	115	+83
Margin	(1.4%)	(4.7%)	+5 (1) +14 (3)
Ordinary Income	23	120	+97
Margin	(1.0%)	(4.9%)	29(2) +154(4)
Net Income after tax	160	91	+251
Margin	(6.7%)	(3.7%)	
Average Exchange Rate (USD/JPY)			
	102. ⁴⁸	93. ²²	
Month End Exchange Rate (USD/JPY)			
	2008/3 100. ¹⁹	2008/12 91. ⁰³	2009/3 98. ²³
			2009/12 92. ¹⁰

- (1) Interest receivables +6, Forex loss 1, (3) Interest receivables 25, Forex gain +34, Interest expenses +2, Others +3
 (2) Income taxes 29 (4) Extraordinary income 4, Extraordinary loss +45, Income taxes for prior periods +168, Income taxes 55 2

2 . Breakdown of Sales by Equipment



(100 million yen)

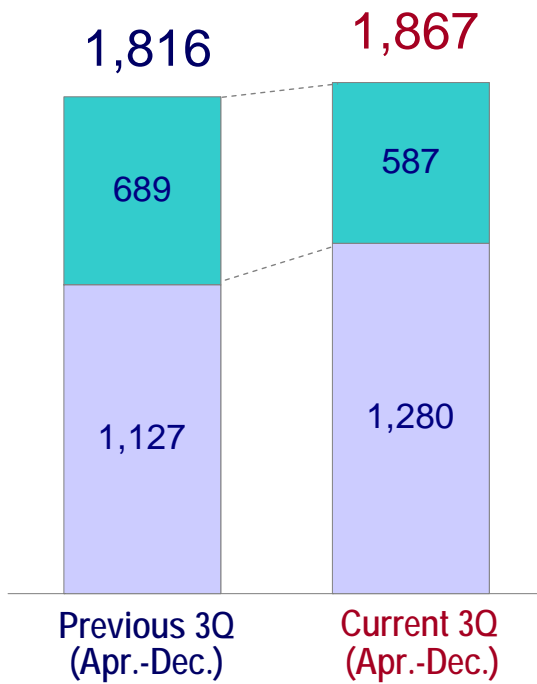


Comparison to Previous 3Q	
AV Equipment	: + 51 (+ 2.8%)
Information Equipment	: + 40 (+ 10.3%)
Others	: 11 (5.3%)
Total	: + 80 (+ 3.3%)

3 . Sales of Audio and Visual Equipment

■ DVD Equipment
■ Television Equipment

(100 million yen)

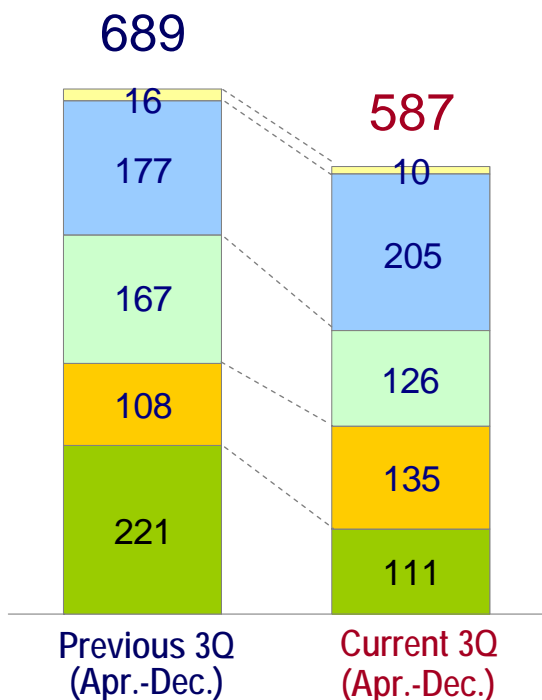


Comparison to Previous 3Q	
DVD Equipment	: 102 (14.8%)
Television Equipment	: + 153 (+ 13.6%)
Total	: + 51 (+ 2.8%)

4 . Sales of DVD Equipment

■ Video
■ DVD Player Equipment
■ DVD Recorder Equipment
■ Blu-ray disc
■ Digital STB

(100 million yen)



DVD Player

DVD Recorder

· In the midst of the market contraction, demand in U.S. for DVD player was larger than expected and DVD recorder tracked the market trend.

Blu-ray disc

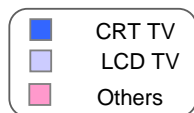
· Conditions for growth are still pre-matured.

Digital STB&Others

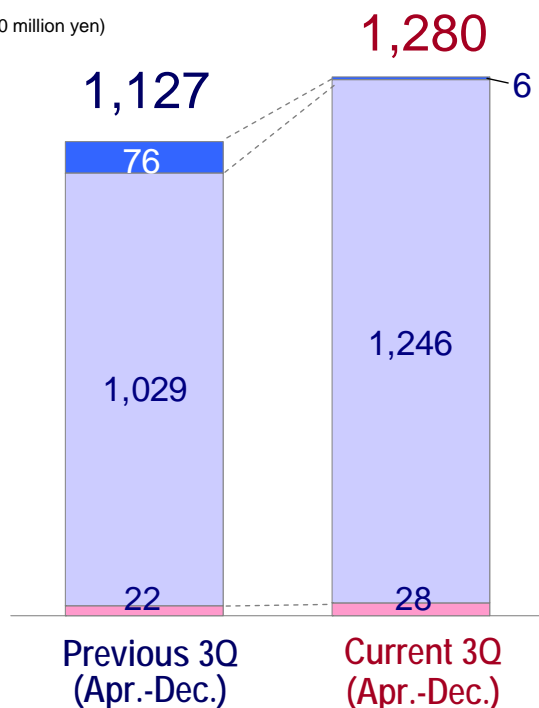
· Production and sales of Digital STB completely terminated in June.

Comparison to Previous 3Q	
Video	: 6 (37.5%)
DVD Player Equipment	: + 28 (+ 15.8%)
DVD Recorder Equipment	: 41 (24.6%)
Blu-ray disc	: + 27 (+ 25.0%)
Digital STB	: 110 (49.8%)
Total	: 102 (14.8%)

5 . Sales of Television Equipment



(100 million yen)



CRT TV

· Contraction was accelerated due to the rapid growth of FPD TV in the market.

LCD TV

· Philips brand in US started to contribute for sales growth.

Comparison to Previous 3Q

CRT TV : 70 (- 92.1%)

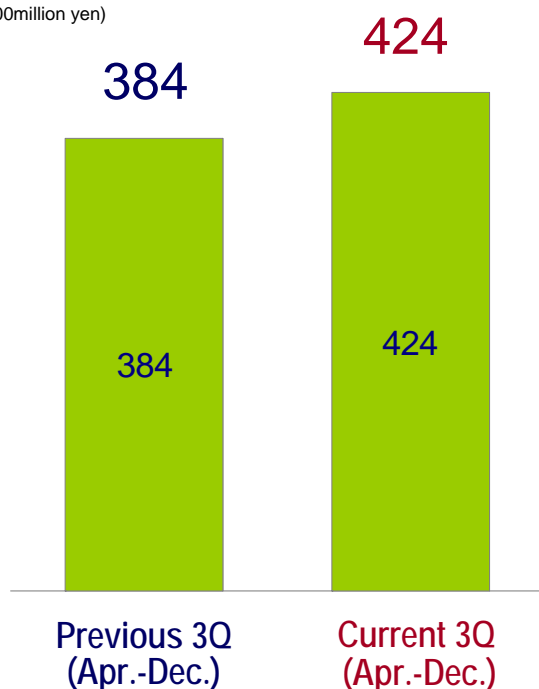
LCD TV : + 217 (+ 21.1%)

Others : + 6 (+ 27.3%)

Total : + 153 (+ 13.6%)

6 . Sales of Information Equipment

(100million yen)



Information Equipment

· After having run the course of incoming orders, DSC's production halted.

· Ink-jet printer's incoming orders increased.

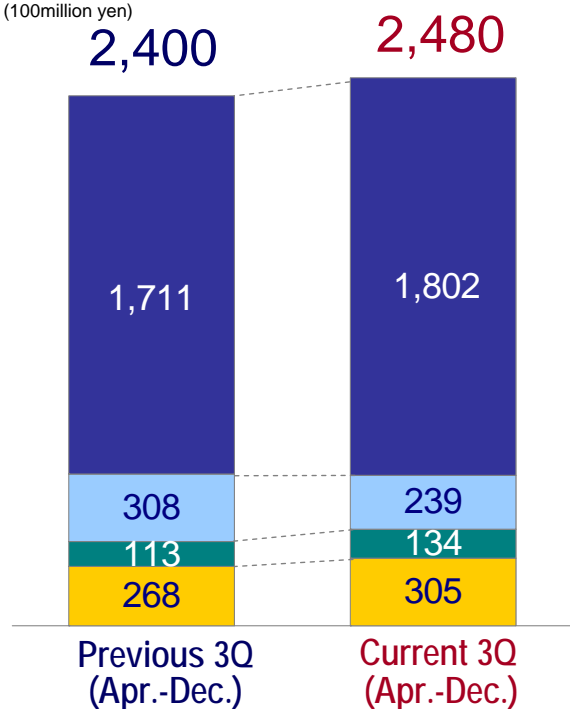
Comparison to Previous 3Q

Information Equipment : + 40 (+ 10.3%)

7 . Geographic Breakdown of Sales



(100million yen)



North America

- CRT TV : Shrank in line with the market trend.
- LCD TV : Big gained by adding Philips brand.
- D V D : DVD player in addition to Blu-ray disc player increased, but could not cover the decline of Digital STB.

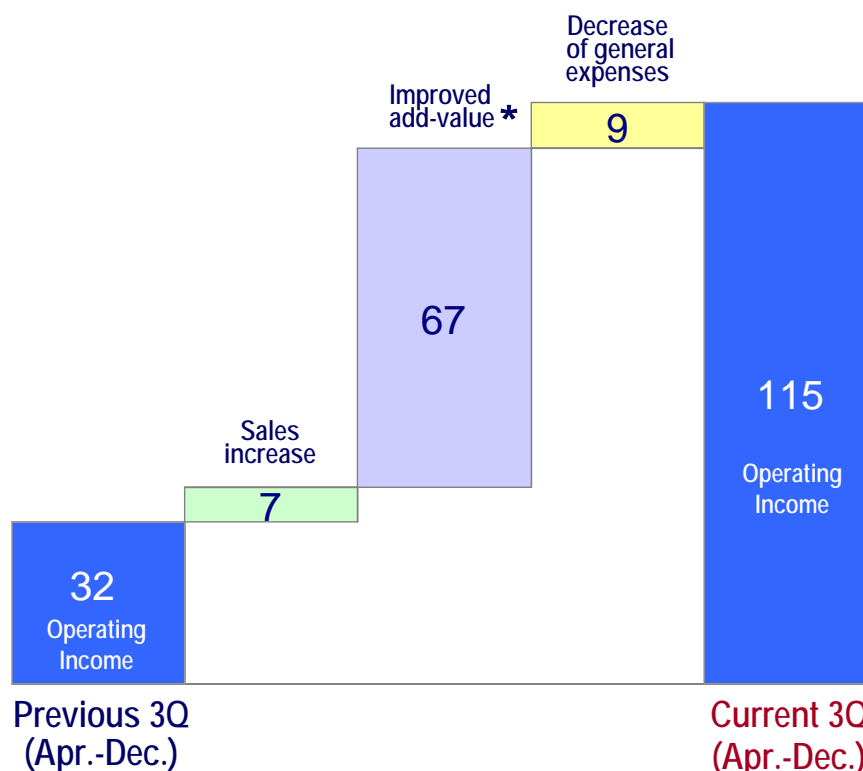
Europe

- Under on-going restructuring the organization both of DVD and LCD TV lost sales.

Comparison to Previous 3Q

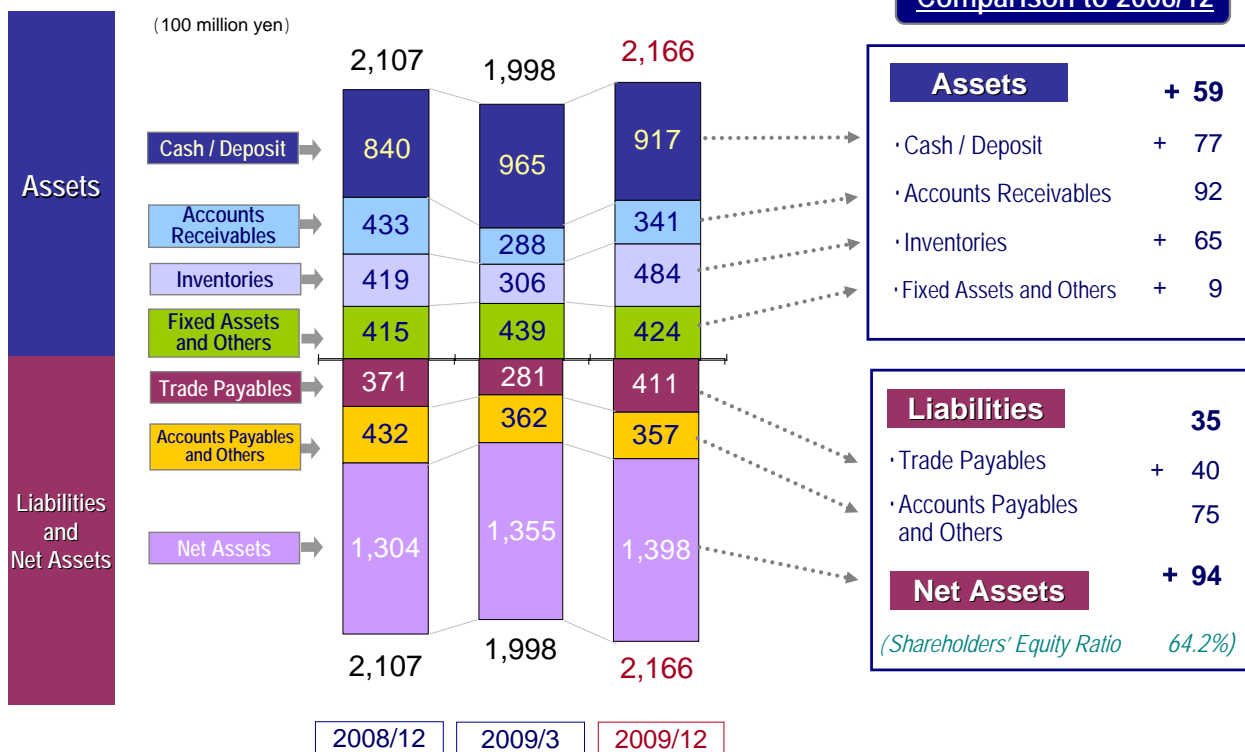
North America	: + 91 (+ 5.3%)
Europe	: 69 (22.7%)
Asia & Others	: + 21 (+ 18.6%)
Japan	: + 37 (+ 13.8%)
Total	: + 80 (+ 3.3%)

8 . Factor of Changes of Operating Income

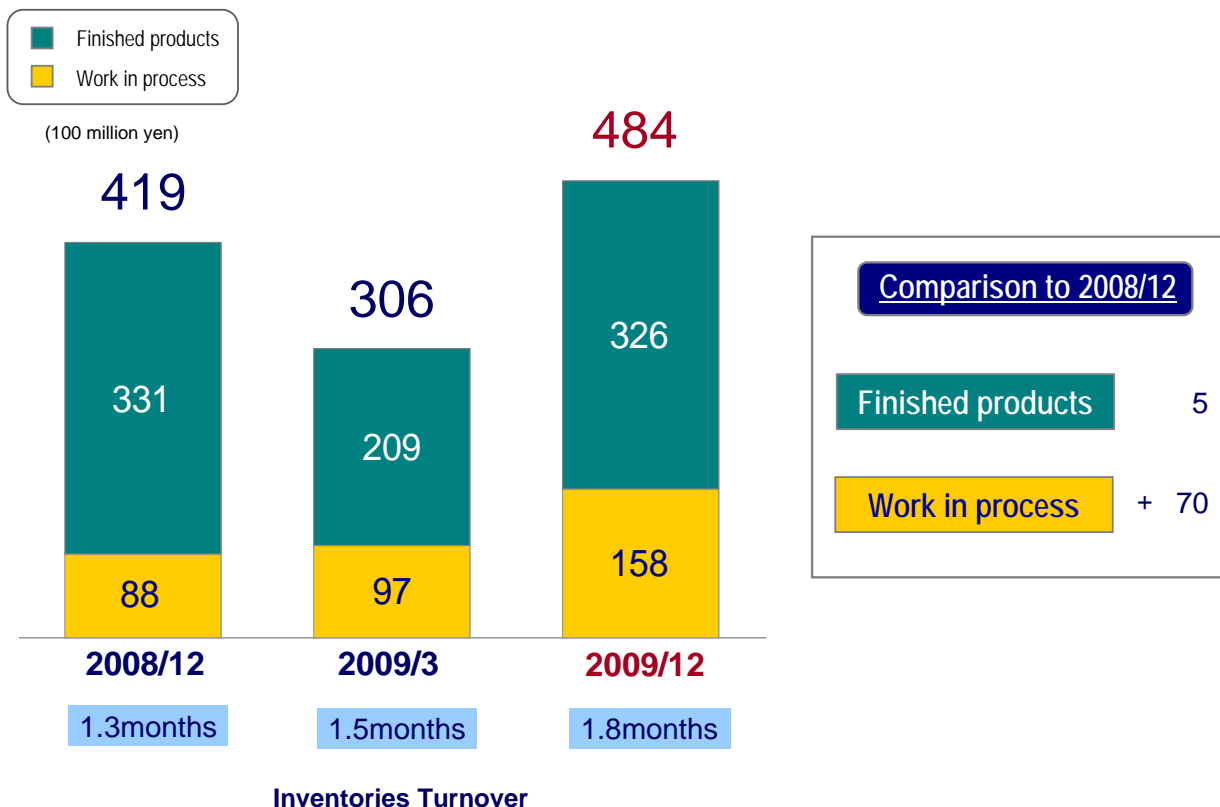


* Add-value=Sales - (Cost of sales + selling expenses)

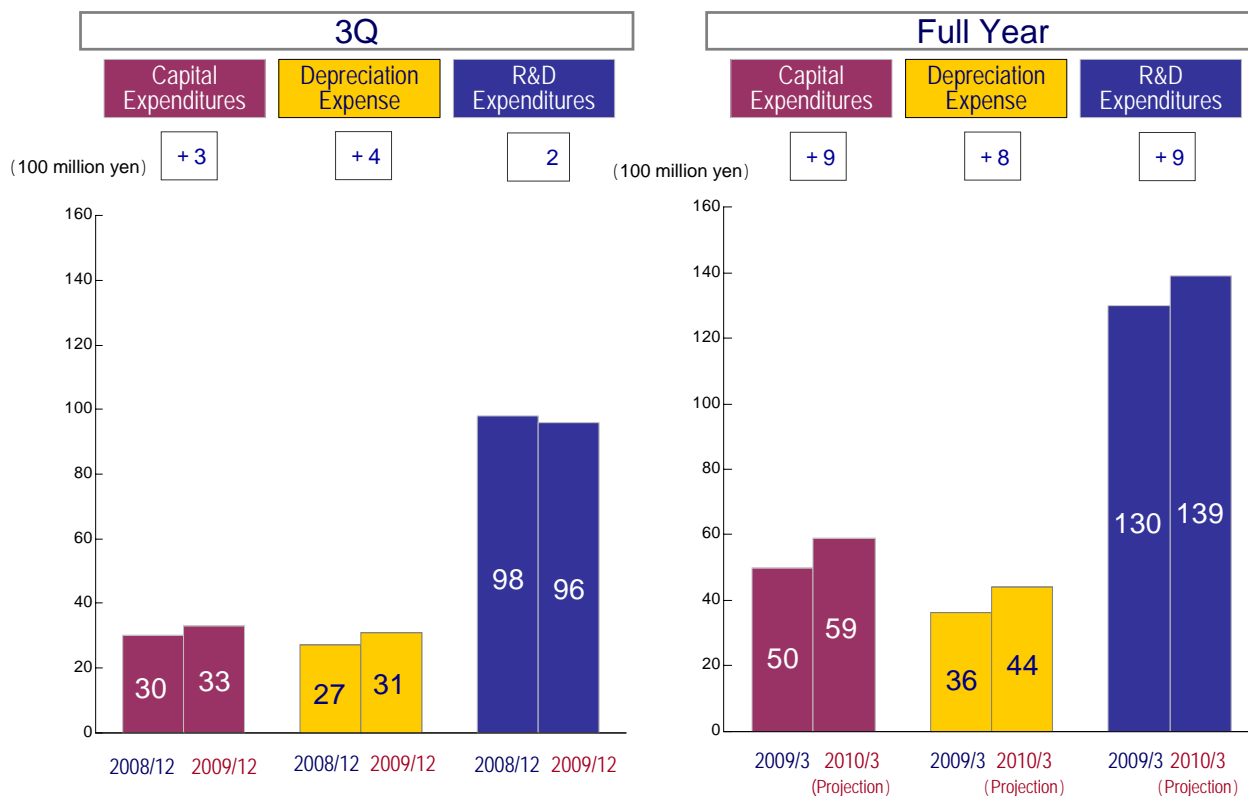
9 . Financial Conditions



10 . Changes of Inventories



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



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12. Forecast of Operating Results of FY2009 Ending March 2010



(100 million yen)

	FY2008 Results	Previous Forecast (Released in May 13)	Revision of Forecast (Released in Oct 29)	Changes From Previous FY2008	Changes From Previous Forecast
Net Sales	3,027	3,400	3,300	+273 (+9.0%)	100 (2.9%)
Operating Income	14	60	120	+106	+60
Margin	(0.5%)	(1.8%)	(3.6%)		
Ordinary Income	12	53	114	+102	+61
Margin	(0.4%)	(1.6%)	(3.5%)		
Net Income after tax	173	39	87	+260	+48
Margin	(5.7%)	(1.1%)	(2.6%)		
Average Exchange Rate (USD/JPY)	100. ⁶⁶	95. ⁰⁰	90. ⁰⁰		

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Supplemental Data

Summary of Operating Results (Oct.-Dec.)

1. Summary of Operating Results
2. Breakdown of Sales by Equipment
3. Sales of Audio and Visual Equipment
4. Sales of DVD Equipment
5. Sales of Television Equipment
6. Sales of Information Equipment
7. Geographic Breakdown of Sales

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1. Summary of Operating Results

(100 million yen)

	FY 2008 3Q	FY 2009 3Q	Changes from Previous 3Q
Net Sales	954	810	144 (15.2%)
Operating Income	10	14	+24
Margin	(1.1%)	(1.8%)	+10 (1) +35 (3)
Ordinary Income	35	24	+59
Margin	(3.8%)	(3.0%)	6(2) 2(4)
Net Income after tax	39	18	+57
Margin	(4.1%)	(2.3%)	
Average Exchange Rate (USD- JPY)	94. ⁹⁹	90. ¹¹	

(1) Interest receivables +1
Forex gain +8, Others +1

(2) Income taxes 6

(3) Interest receivables 12, Forex gain +45, Interest expenses +1, Others +1

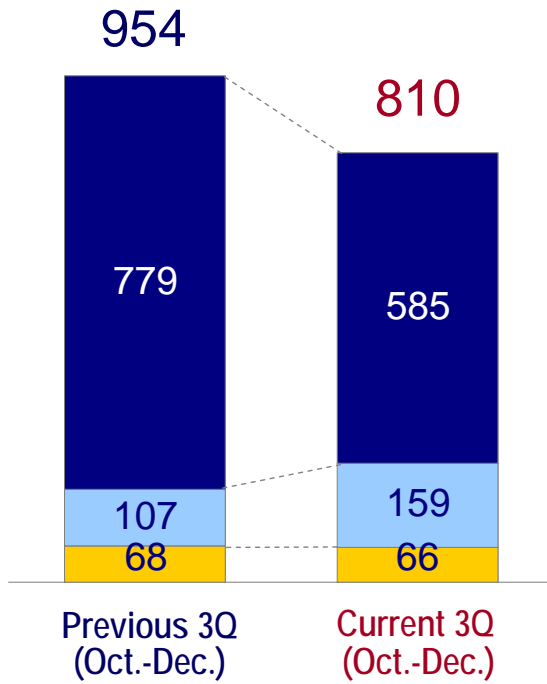
(4) Extraordinary loss +26, Income taxes 28

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2 . Breakdown of Sales by Equipment



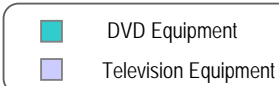
(100 million yen)



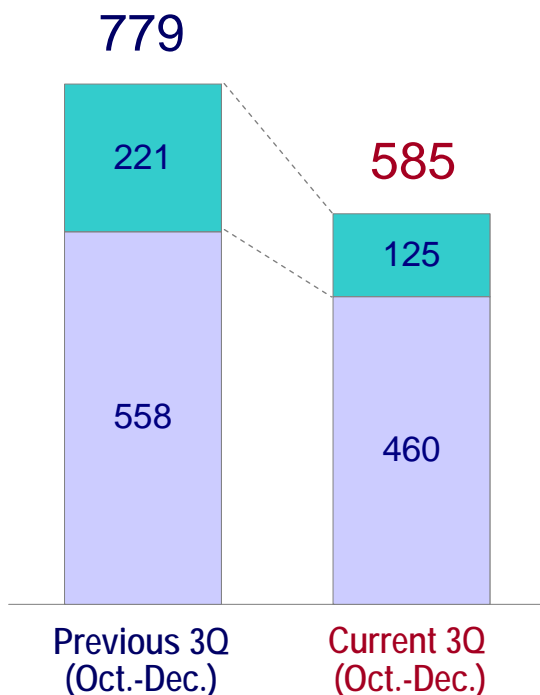
Comparison to Previous 3Q

AV Equipment	:	194	(24.9%
Information Equipment	:	+ 52	(+ 48.6%
Others	:	2	(2.9%
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Total	:	144	(15.2%

3 . Sales of Audio and Visual Equipment



(100million yen)



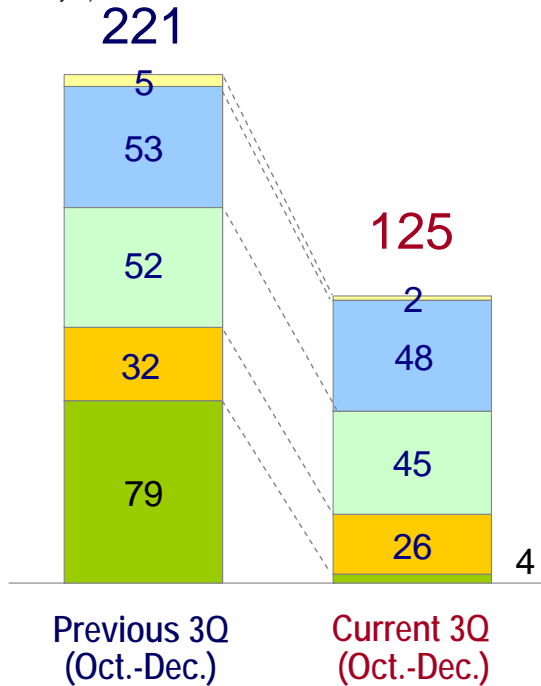
Comparison to Previous 3Q

DVD Equipment	:	96	(43.4%
Television Equipment	:	98	(17.6%
<hr/>				
Total	:	194	(24.9%

4 . Sales of DVD Equipment



(100 million yen)



DVD Player

DVD Recorder

· In line with the contraction of market, both of player and recorder shrank.

Blu-ray disc

· Larger sales price decline than expected in the pre-matured stage.

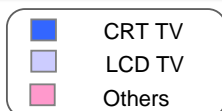
Digital STB&Others

· Production and sales of Digital STB completely terminated in June.

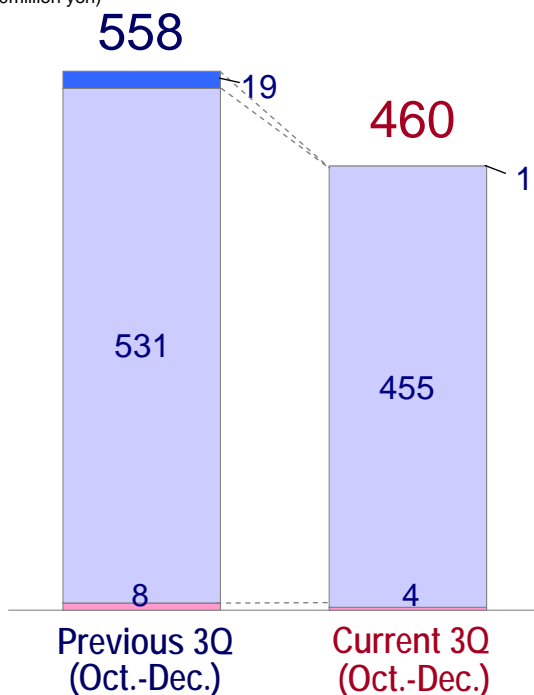
Comparison to Previous 3Q

Video	: 3 (60.0%)
DVD Player Equipment	: 5 (9.4%)
DVD Recorder Equipment	: 7 (13.5%)
Blu-ray disc	: 6 (18.8%)
Digital STB	: 75 (94.9%)
Total	: 96 (43.4%)

5 . Sales of Television Equipment



(100million yen)



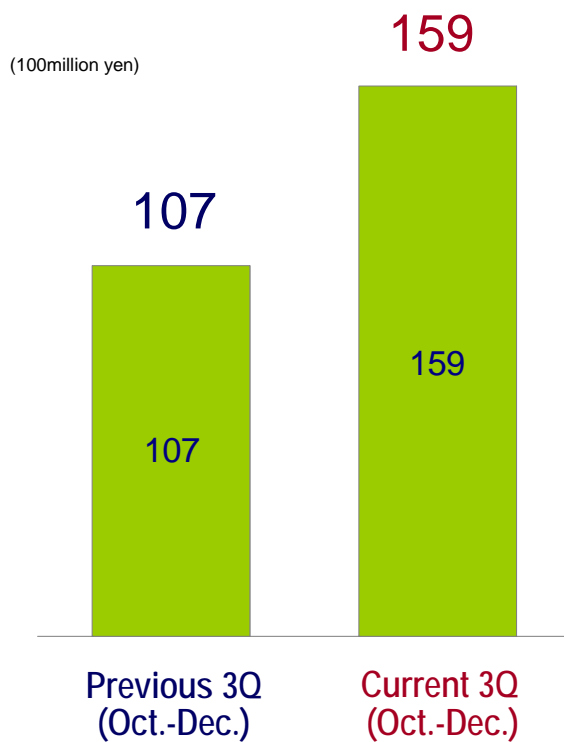
LCD TV

· Volume increased ,but revenue declined due to sales price decline in the market.

Comparison to Previous 3Q

CRT TV	: 18 (94.7%)
LCD TV	: 76 (14.3%)
Others	: 4 (50.0%)
Total	: 98 (17.6%)

6 . Sales of Information Equipment



Information Equipment

· Increase of ink-jet printer's incoming orders contributed to revenue increase.

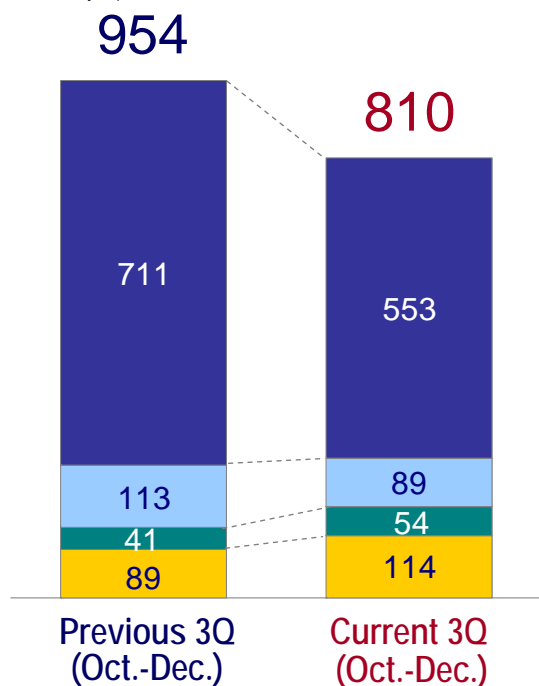
Comparison to Previous 3Q

Information Equipment : + 52 (+ 48.6%)

7 . Geographic Breakdown of Sales



(100million yen)



North America

· In addition to the termination of Digital STB, sales decline of LCD TV adversely affected the revenue.

Comparison to Previous 3Q

North America : 158 (22.2%)

Europe : 24 (21.2%)

Asia & Others : + 13 (+ 31.7%)

Japan : + 25 (+ 28.1%)

Total : 144 (15.2%)

Supplemental Data

Quarterly Comparison of FY 2008 and FY 2009

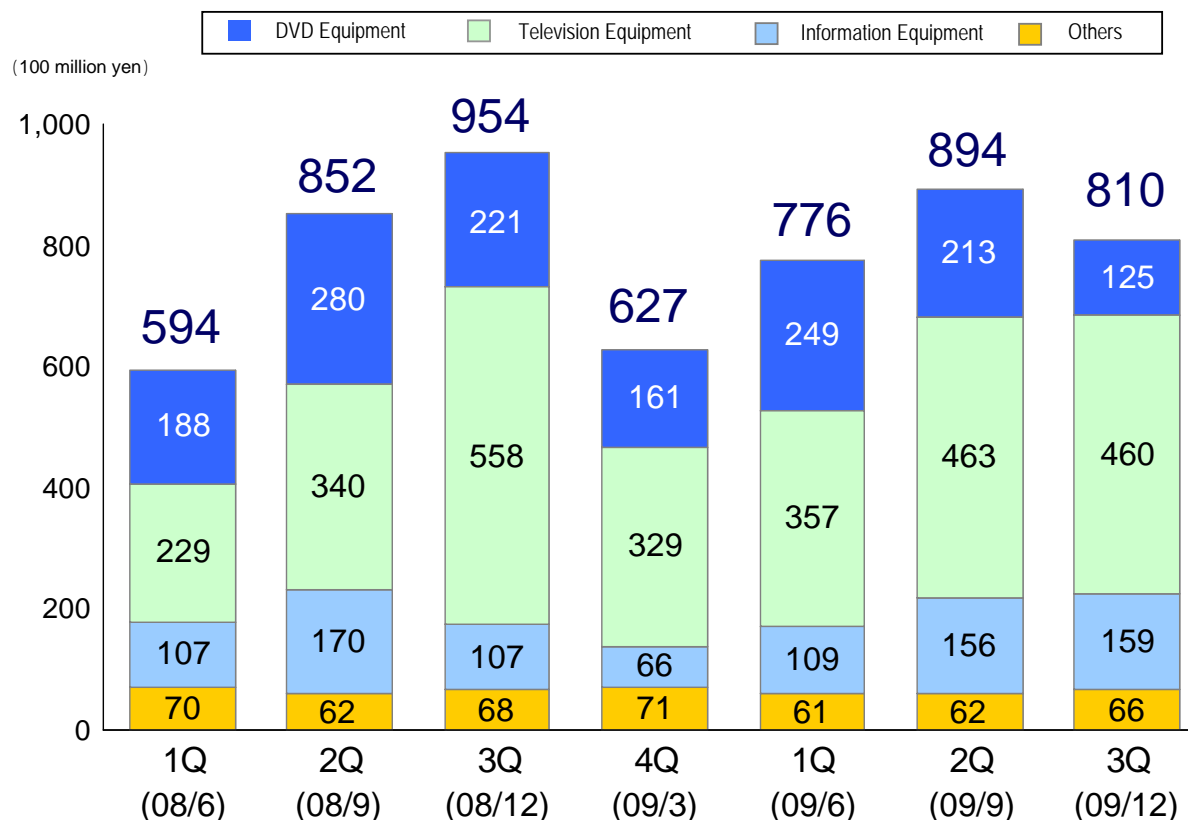
1. Operating Summary
2. Sales Amount by Equipment

1 . Quarterly Operating Summary of FY 2008, 2009

(100 million yen)

	FY 2008				FY 2009		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Net Sales	594	852	954	627	776	894	810
Operating Income	9	33	10	18	37	63	14
Margin	(1.7%)	(3.9%)	(1.1%)	(3.0%)	(4.8%)	(7.1%)	(1.8%)
Ordinary Income	44	15	35	11	40	55	24
Margin	(7.5%)	(1.8%)	(3.8%)	(1.9%)	(5.3%)	(6.2%)	(3.0%)
Net Income After Tax	137	16	39	13	31	41	18
Margin	(23.2)	(2.0%)	(4.1%)	(2.1%)	(4.1%)	(4.6%)	(2.3%)

2 . Quarterly Changes of Sales Amount by Equipment



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