



Presentation of Operating Results for the 1st Quarter (Apr.-Jun.) of FY2015

August 3, 2015

FUNAI ELECTRIC CO., LTD.

TSE 6839

I . Outline of Operating Results

1. Summary of 1st Quarter (Apr.-Jun.)
2. Summary of 1st Quarter (Apr.-Jun.) (Ordinary Income, Net Income)
3. Breakdown of Sales by Equipment
4. Sales of DVD related Equipment
5. Sales of LCD Television
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 1st Quarter (Apr.-Jun.)



(100 million yen)

	FY2014 1Q	FY2015 1Q	Y / Y (Changes)
Net Sales	430	377	-53 (-12.4%)
Operating Income (Margin)	-21 (-4.9%)	-43 (-11.4%)	-22 (-)
Ordinary Income (Margin)	-24 (-5.7%)	-37 (-9.9%)	-13 (-)
Net Income Attributable to owners of parent (Margin)	-23 (-5.4%)	-40 (-10.7%)	-17 (-)
Average USD-JPY Exchange Rate	101. ⁸⁷	121. ⁷²	

Month End Exchange Rate	14/3	14/6	15/3	15/6
(USD/JPY)	102. ⁹²	101. ³⁶	120. ¹⁷	122. ⁴⁵

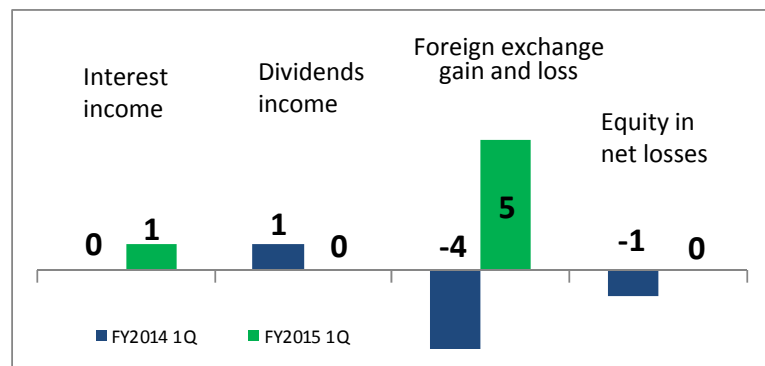
2. Summary of 1st Quarter (Apr.-Jun.) (Ordinary Income, Net Income)



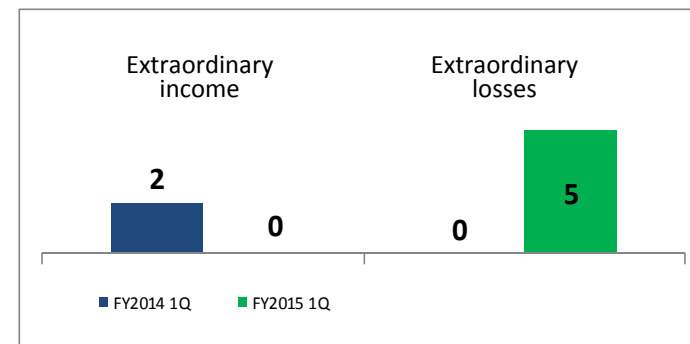
(100 million yen)

	FY2014 1Q	FY2015 1Q	Y / Y
Non-operating income	(note:1) { 3	6	3
Non-operating expenses	{ 6	0	-6
Ordinary Income	-24	-37	-13
Extraordinary income	(note:2) { 2	0	-2
Extraordinary losses	{ 0	5	5
Income before Income Taxes	-22	-42	-20
Income taxes	1	-2	-3
Net Income Attributable to owners of parent	-23	-40	-17

(note:1 Non-operating income and expenses)

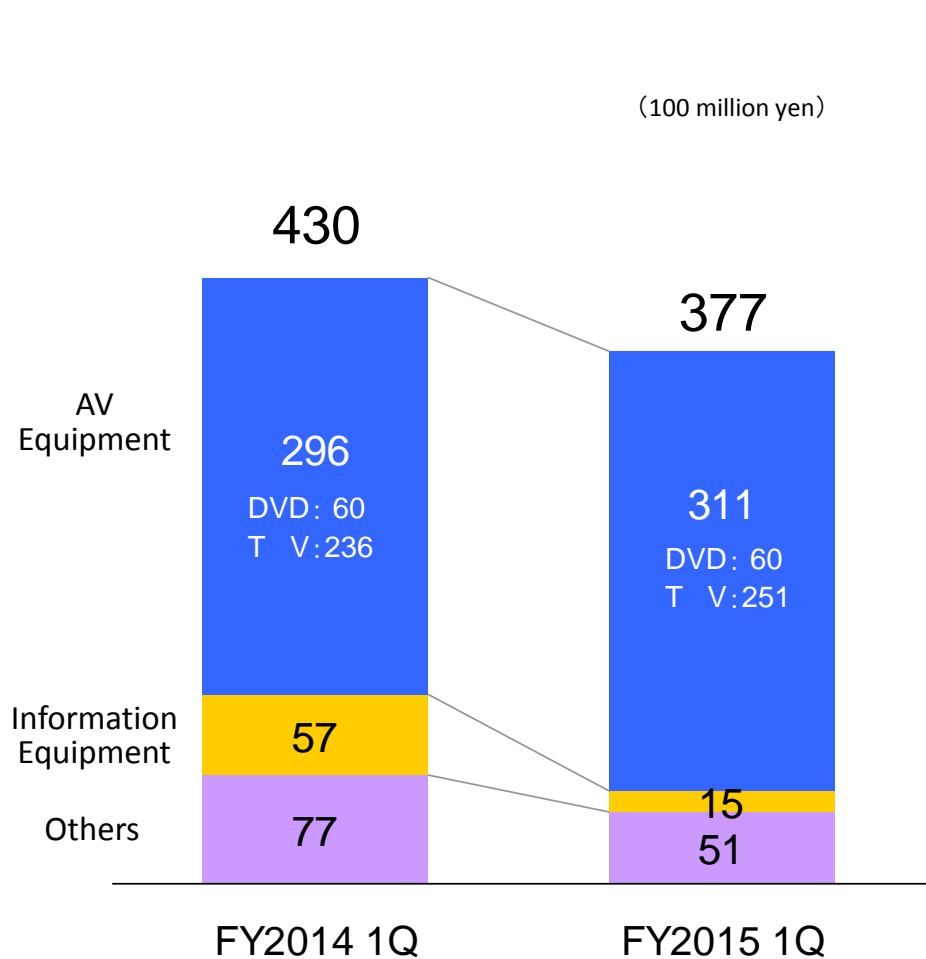


(note:2 Extraordinary income and losses)



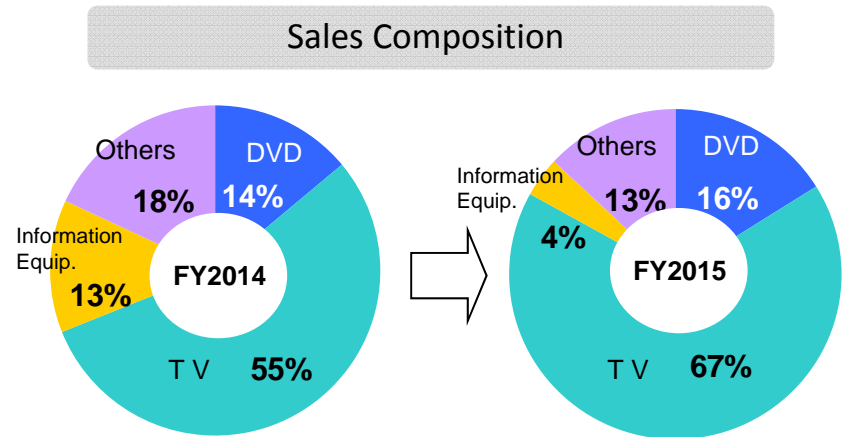
3. Breakdown of Sales by Equipment

- AV Equipment: LCD TVs increased, DVD related products increased slightly.
- Info Equipment: Printers declined.
- Others: Audio Accessories declined.



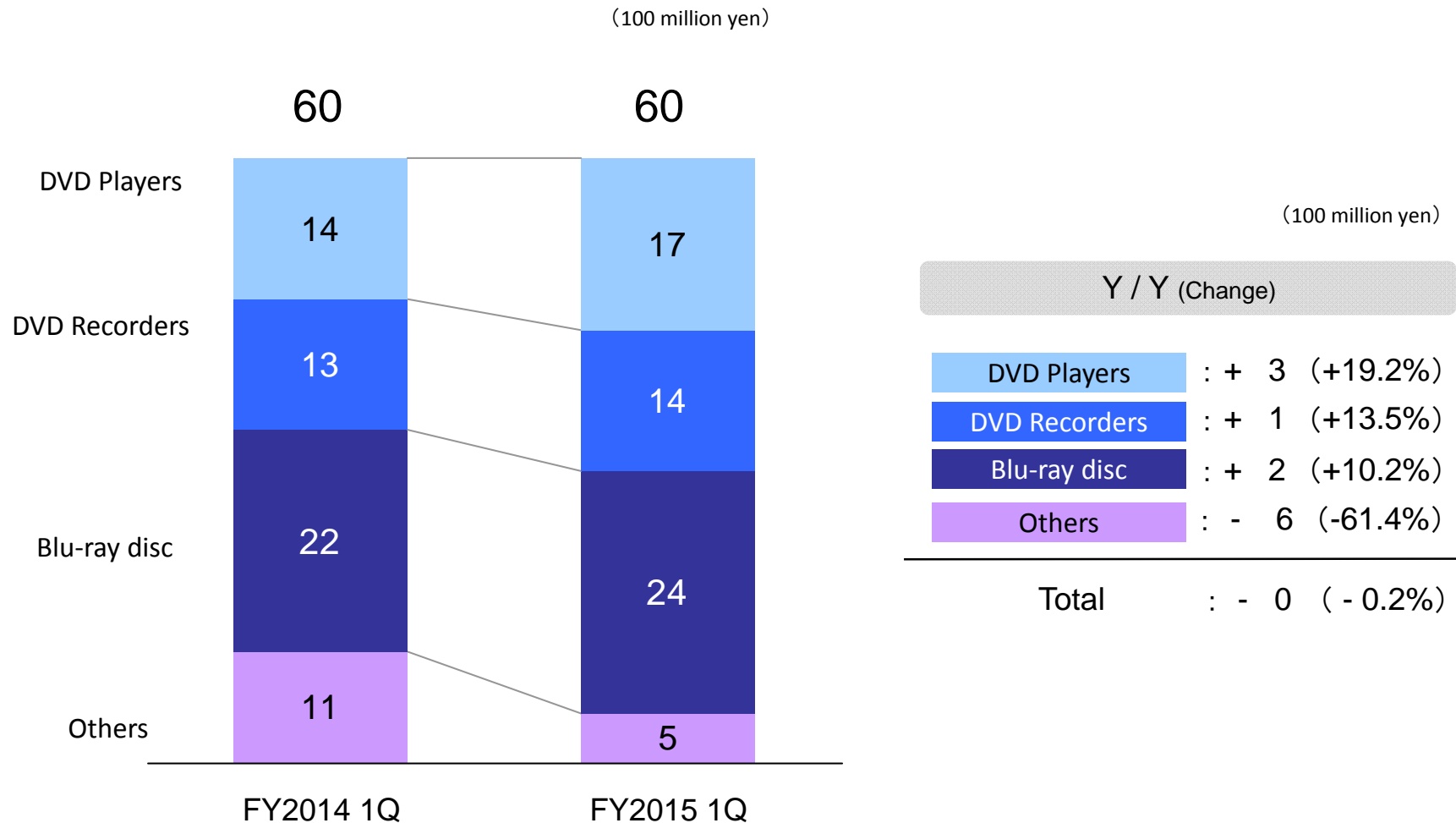
(100 million yen)

Y / Y (Change)	
AV Equipment	: + 15 (+ 4.9%)
DVD Equip.	: - 0 (- 0.2%)
TV Equip.	: + 15 (+ 6.2%)
Information Equipment	: - 42 (- 73.1%)
Others	: - 26 (- 33.7%)
Total	: - 53 (-12.4%)



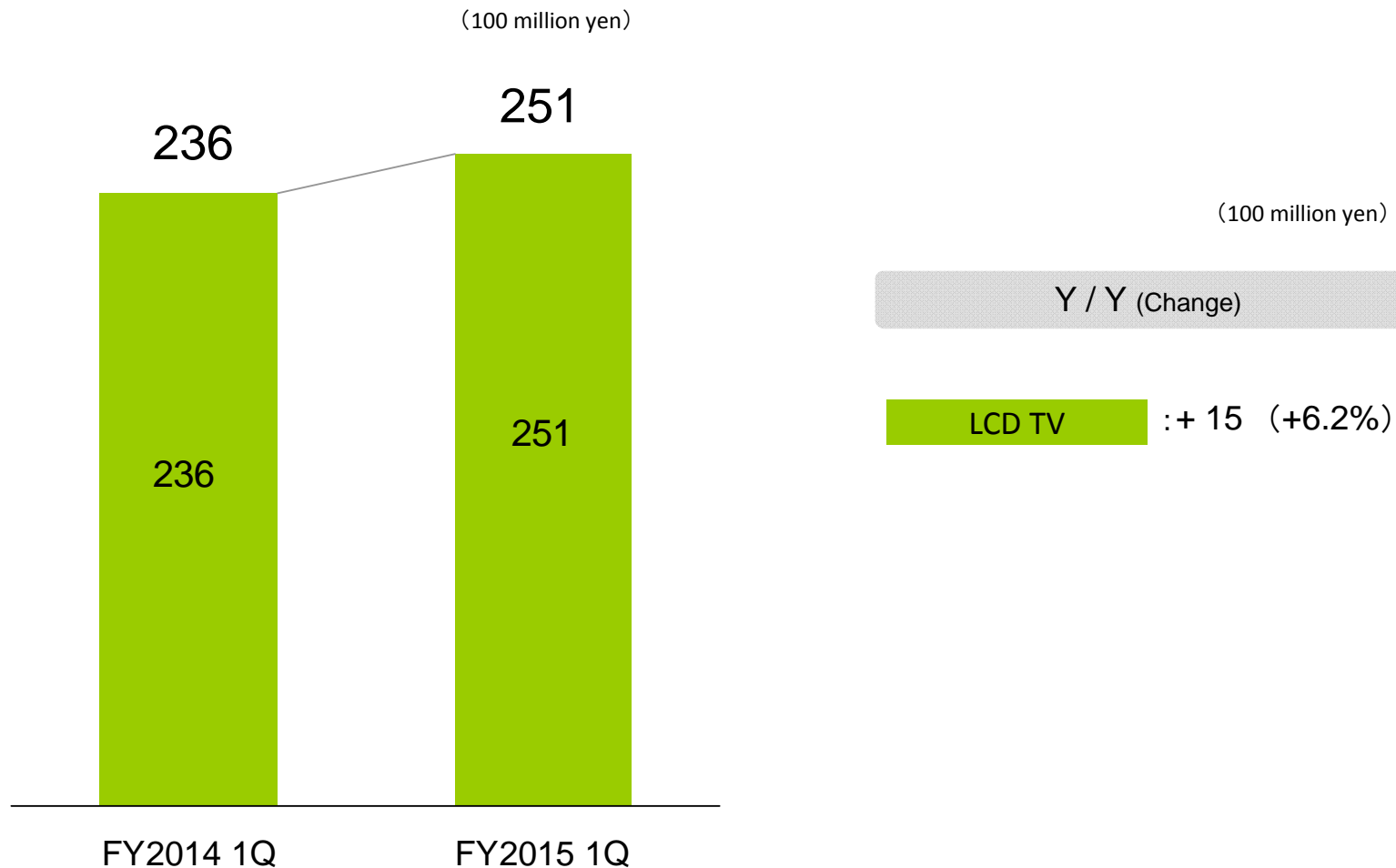
4. Sales of DVD related Equipment

- Sales have increased slightly, due to an end in the effect of consumption tax hike.



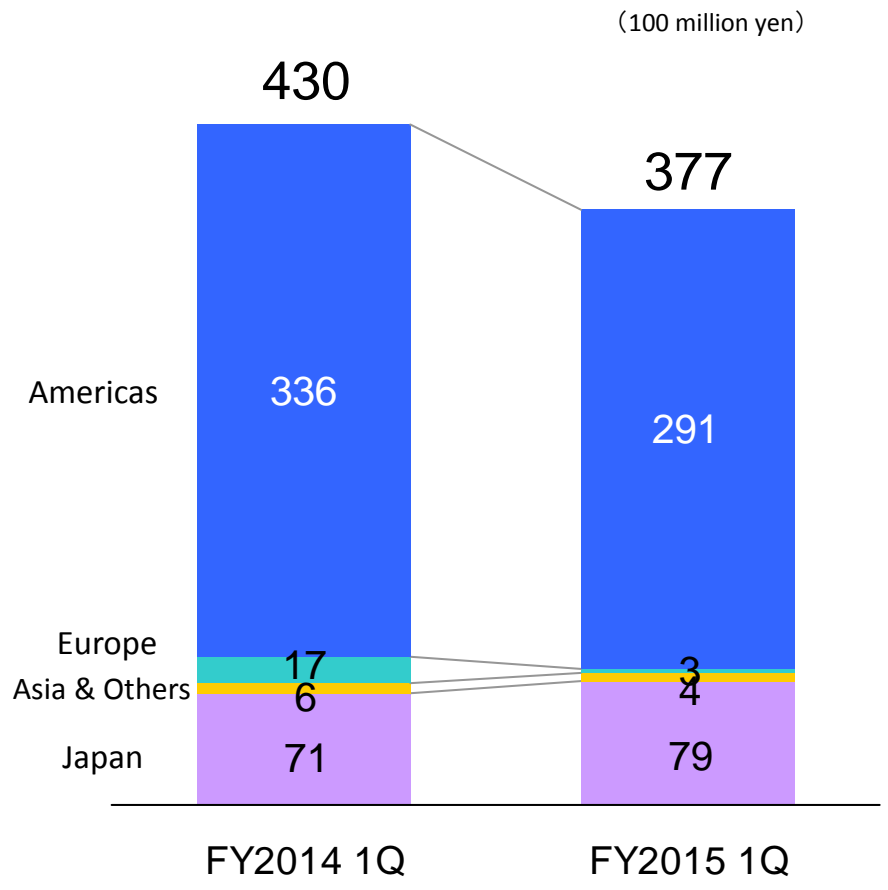
5. Sales of LCD Television

- Good sales in Japan, because the influence of consumption tax hike came to an end. And sales have increased slightly in US.



6. Geographic Breakdown of Sales

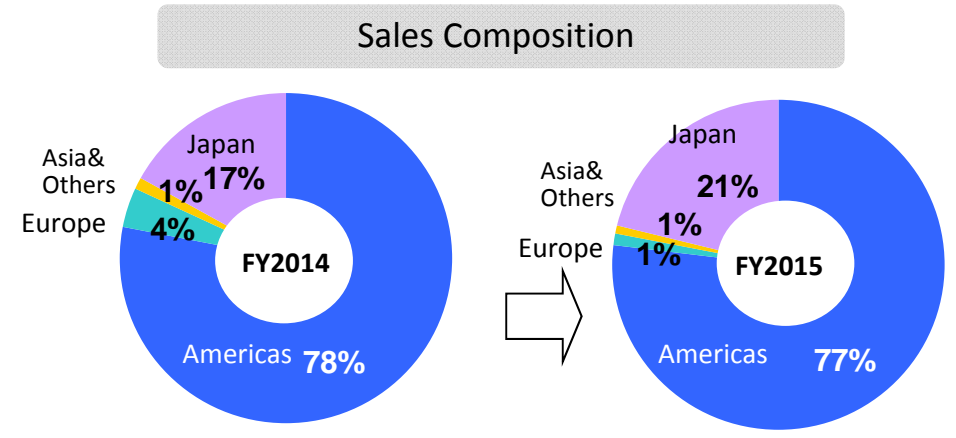
- Americas: LCD TVs increased slightly, but Audio Accessories declined.
- Japan: LCD TVs and Blu-ray Disc Recorders had good sales.



(100 million yen)

Y / Y (Change)

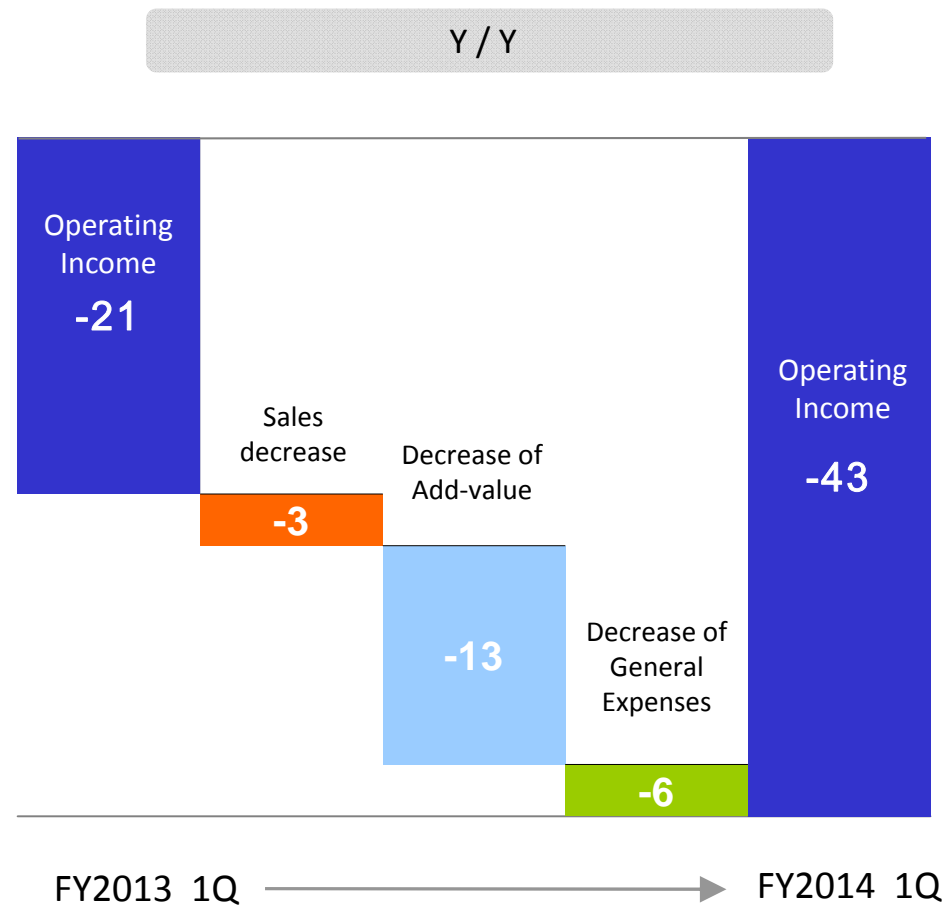
Americas	: - 45 (-13.5%)
Europe	: - 14 (-79.9%)
Asia & Others	: - 2 (-37.2%)
Japan	: + 8 (+11.5%)
Total	: - 53 (-12.4%)



7. Factor of Changes of Operating Income

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

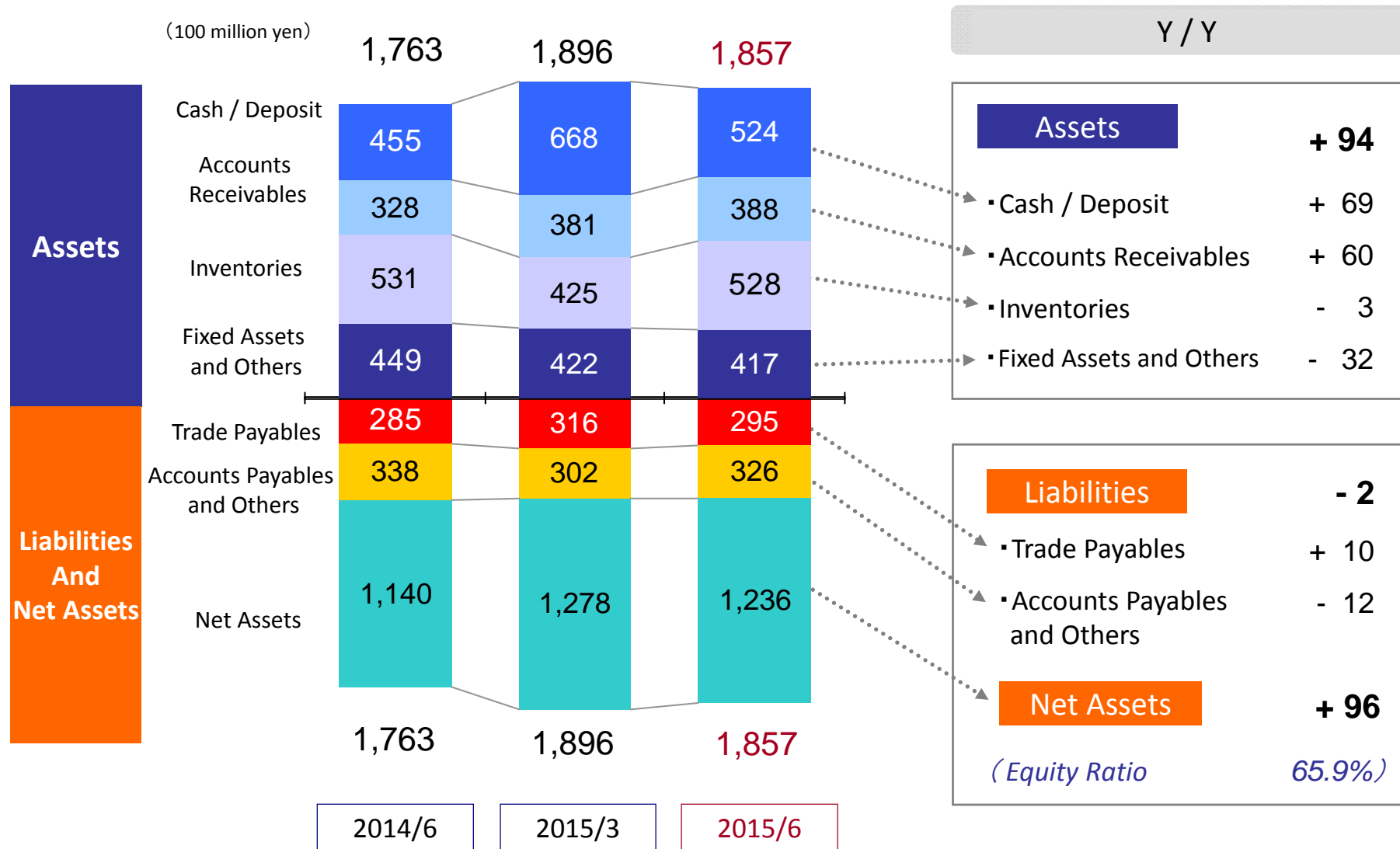
(100 million yen)



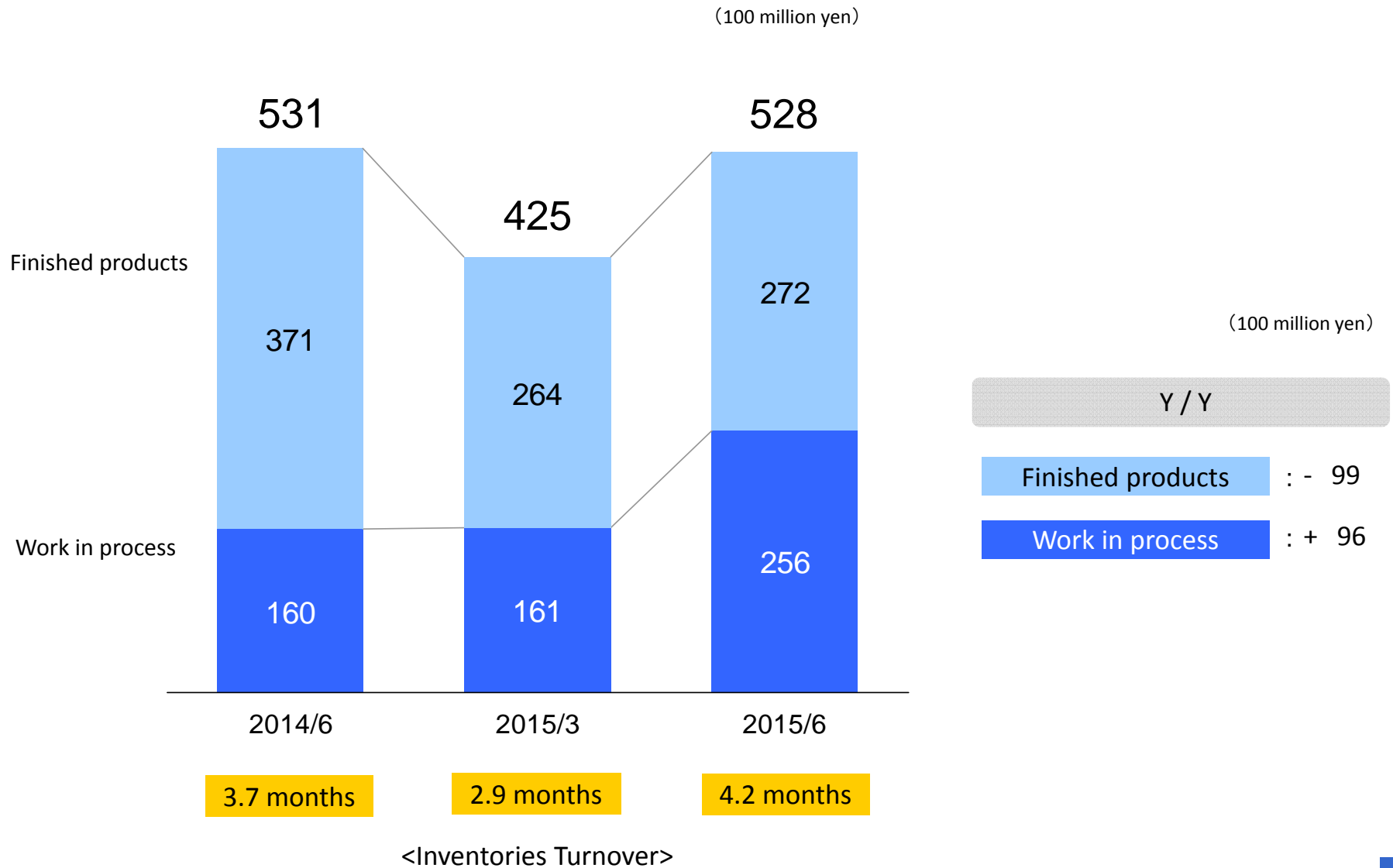
8. Financial Conditions



(100 million yen)



9. Changes of Inventories



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

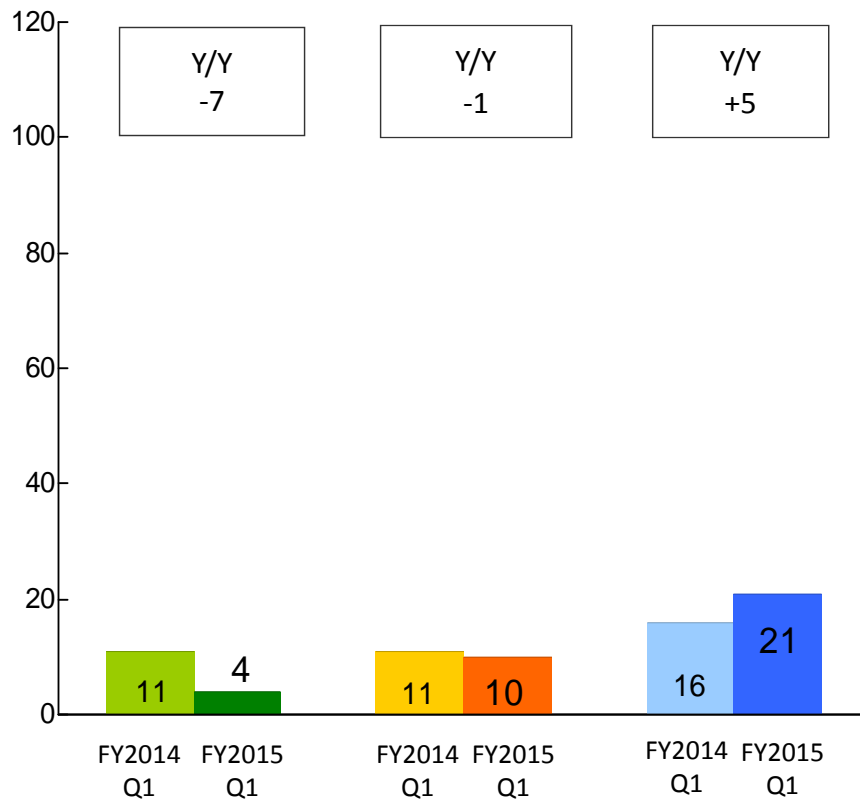
1Q

Full Year

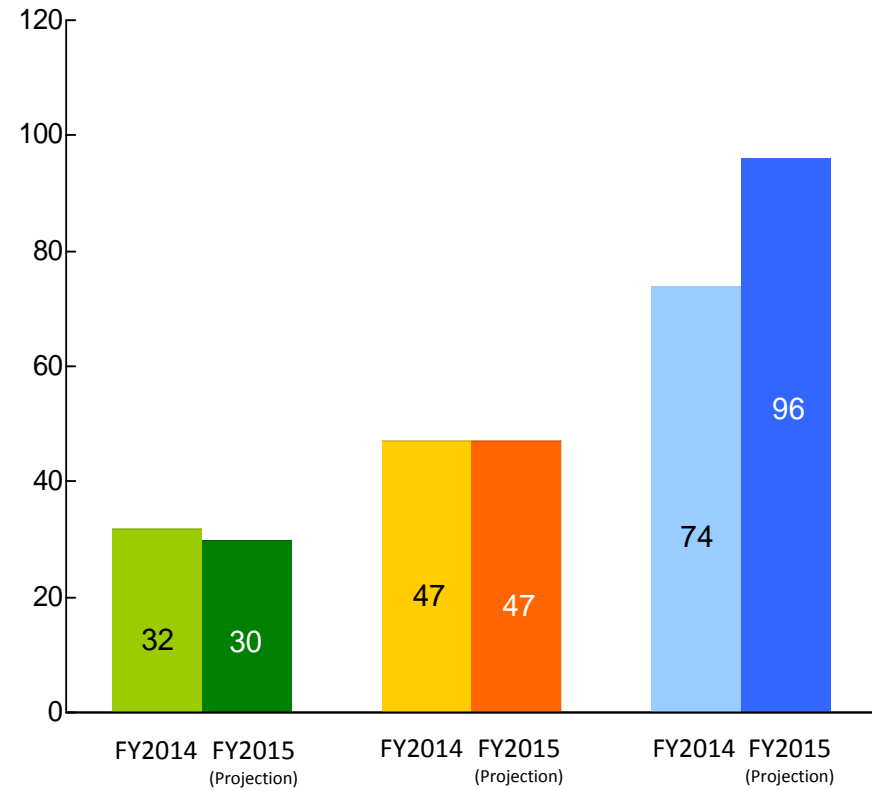
Capital Expenditures Depreciation Expense R&D Expenditures

Capital Expenditures Depreciation Expense R&D Expenditures

(100 million yen)



(100 million yen)



II . Appendix

1. Quarterly Operating Summary of FY 2014 - 2015
2. Quarterly Changes of Sales Amount by Equipment
3. Quarterly Changes of Sales Amount by Geography
4. Projection of FY 2015 (Full Year)
5. Projection of Sales by Equipment in FY 2015 (Full Year)
6. Projection of Sales by Geography in FY 2015 (Full Year)

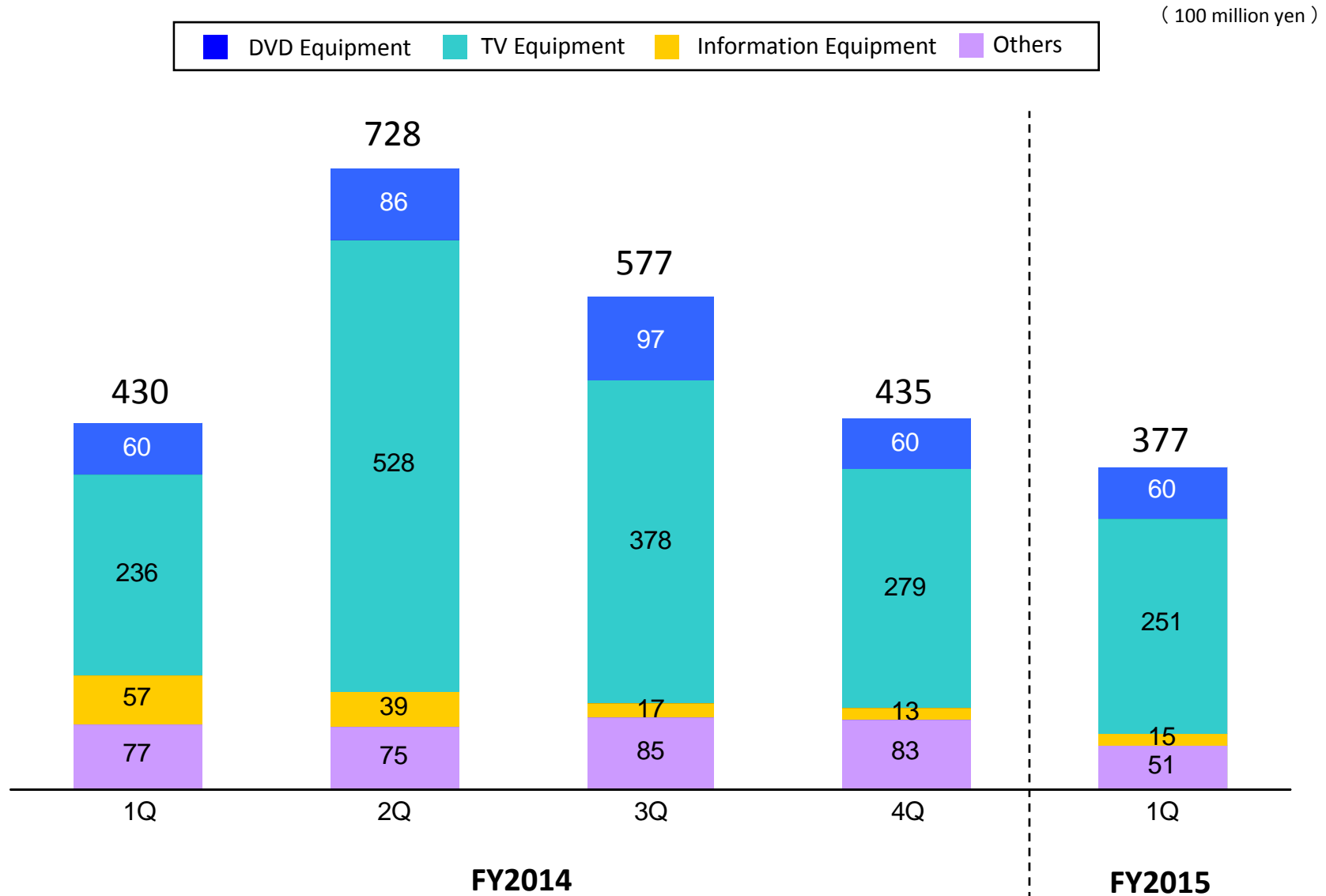
1. Quarterly Operating Summary of FY 2014 - 2015



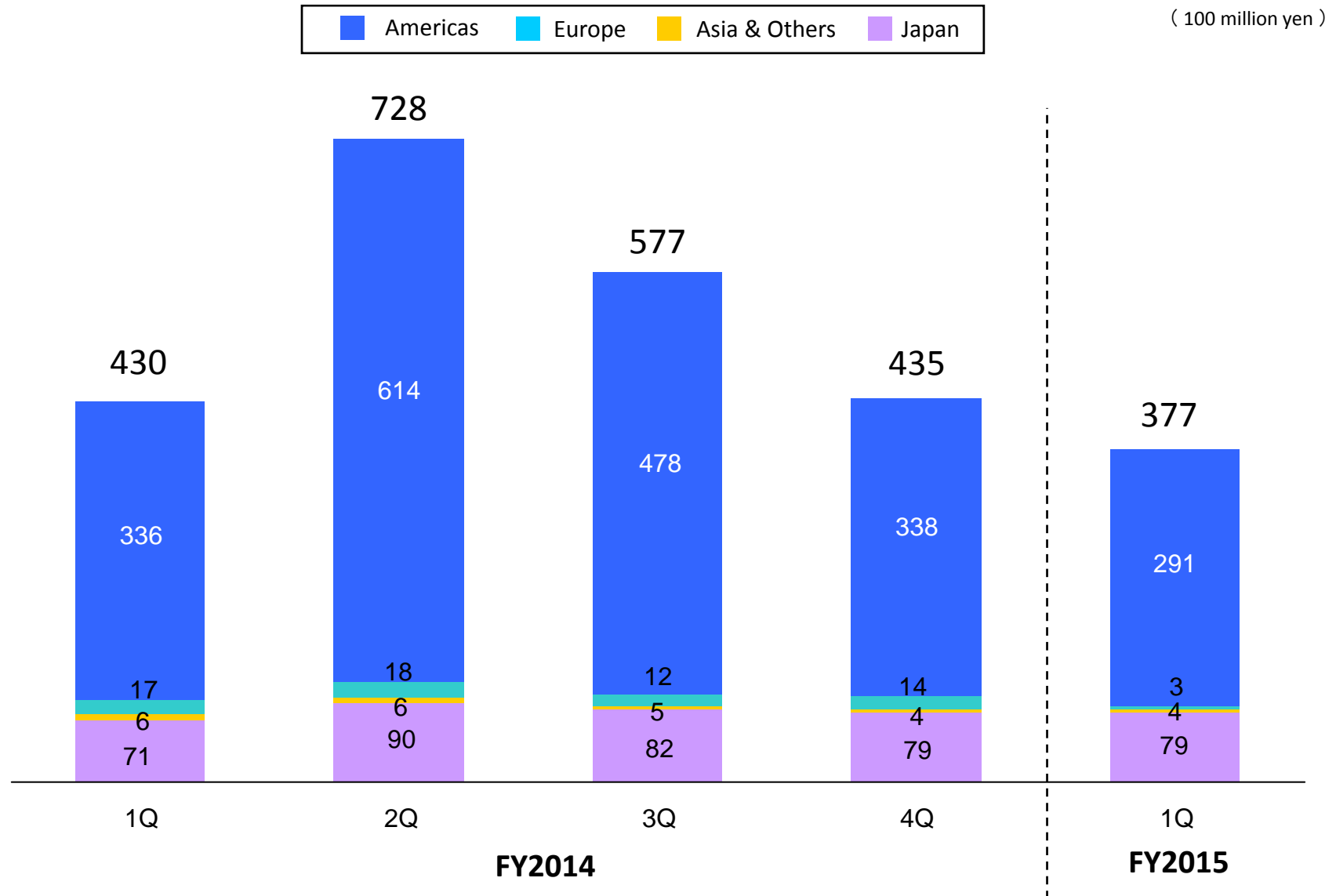
(100 million yen)

	FY2014				FY2015
	1Q	2Q	3Q	4Q	1Q
Net Sales	430	728	577	435	377
Operating Income (Margin)	-21 (-4.9%)	34 (4.7%)	0 (0.1%)	-8 (-1.9%)	-43 (-11.4%)
Ordinary Income (Margin)	-24 (-5.7%)	52 (7.1%)	15 (2.6%)	-23 (-5.5%)	-37 (-9.9%)
Net Income Attributable to owners of parent (Margin)	-23 (-5.4%)	49 (6.7%)	13 (2.3%)	-25 (-5.9%)	-40 (-10.7%)
Average USD-JPY Exchange Rate	101. ⁸⁷	105. ³⁴	116. ⁰⁴	119. ²³	121. ⁷²

2. Quarterly Changes of Sales Amount by Equipment



3 . Quarterly Changes of Sales Amount by Geography



4 . Projection of FY 2015 (Full Year)



(100 million yen)

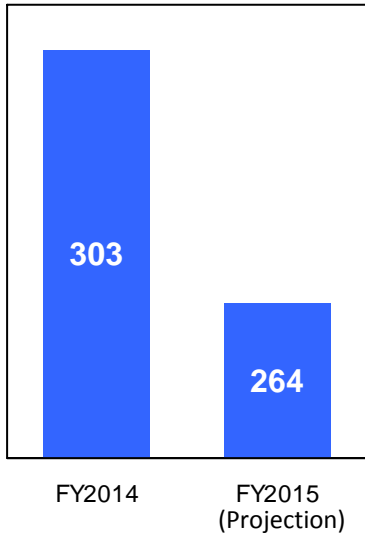
	FY 2014 Actual			FY 2015 Projection			Y / Y (Change)		
	1H	2H	Full year	1H	2H	Full year	1H	2H	Full year
Net Sales	1,158	1,012	2,170	911	1,289	2,200	-247 (-)	+277 (+27.3%)	+30 (+1.3%)
Operating Income (margin)	13 (1.2%)	-7 (-0.8%)	5 (0.3%)	-14 (-1.5%)	30 (2.3%)	16 (0.7%)	-27 (-)	+37 (-)	+11 (+1.3%)
Ordinary Income (margin)	27 (2.4%)	-8 (-0.9%)	19 (0.9%)	-18 (-2.0%)	30 (2.3%)	12 (0.5%)	-45 (-)	+38 (-)	-7 (-36.8%)
Net Income Attributable to owners of parent (margin)	26 (2.3%)	-12 (-1.3%)	13 (0.6%)	-21 (-2.3%)	25 (1.9%)	4 (0.2%)	-47 (-)	+37 (-)	-9 (-69.2%)
Average USD-JPY Exchange Rate	103. ⁶¹	117. ⁶³	110. ⁶²	118. ⁰⁰					

5 . Projection of Sales by Equipment in FY 2015 (Full Year)



(100 million yen)

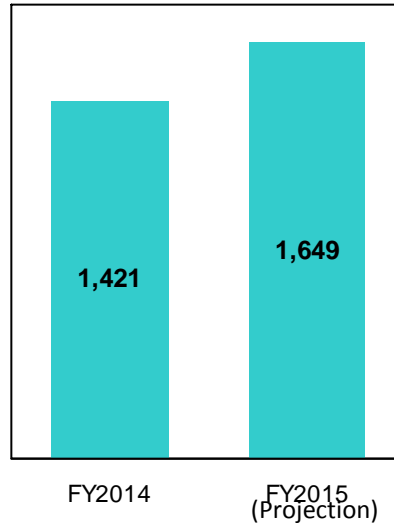
DVD related Equipment



【FY2014 vs FY2015】
- 12.8%

【Minus Factor】
• Market had shrunk

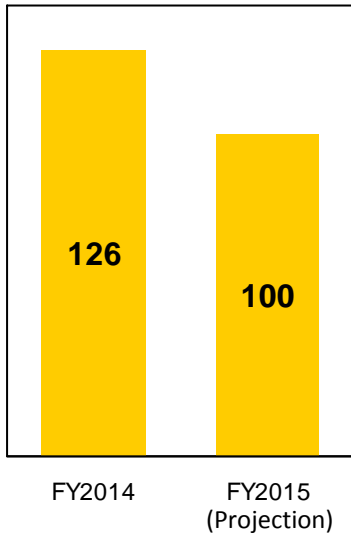
TV related Equipment



【FY2014 vs FY2015】
+16.0%

【Plus Factor】
• Alter strategy of brand and distribution channels

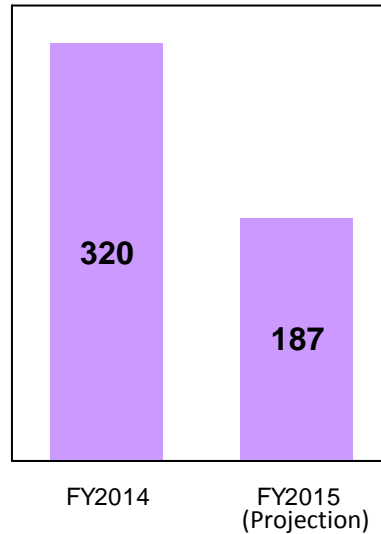
Information Equipment



【FY2013 vs FY2014】
- 21.0%

【Minus Factor】
• Ink jet Printers (sell first year)

Others



【FY2014 vs FY2015】
- 41.7%

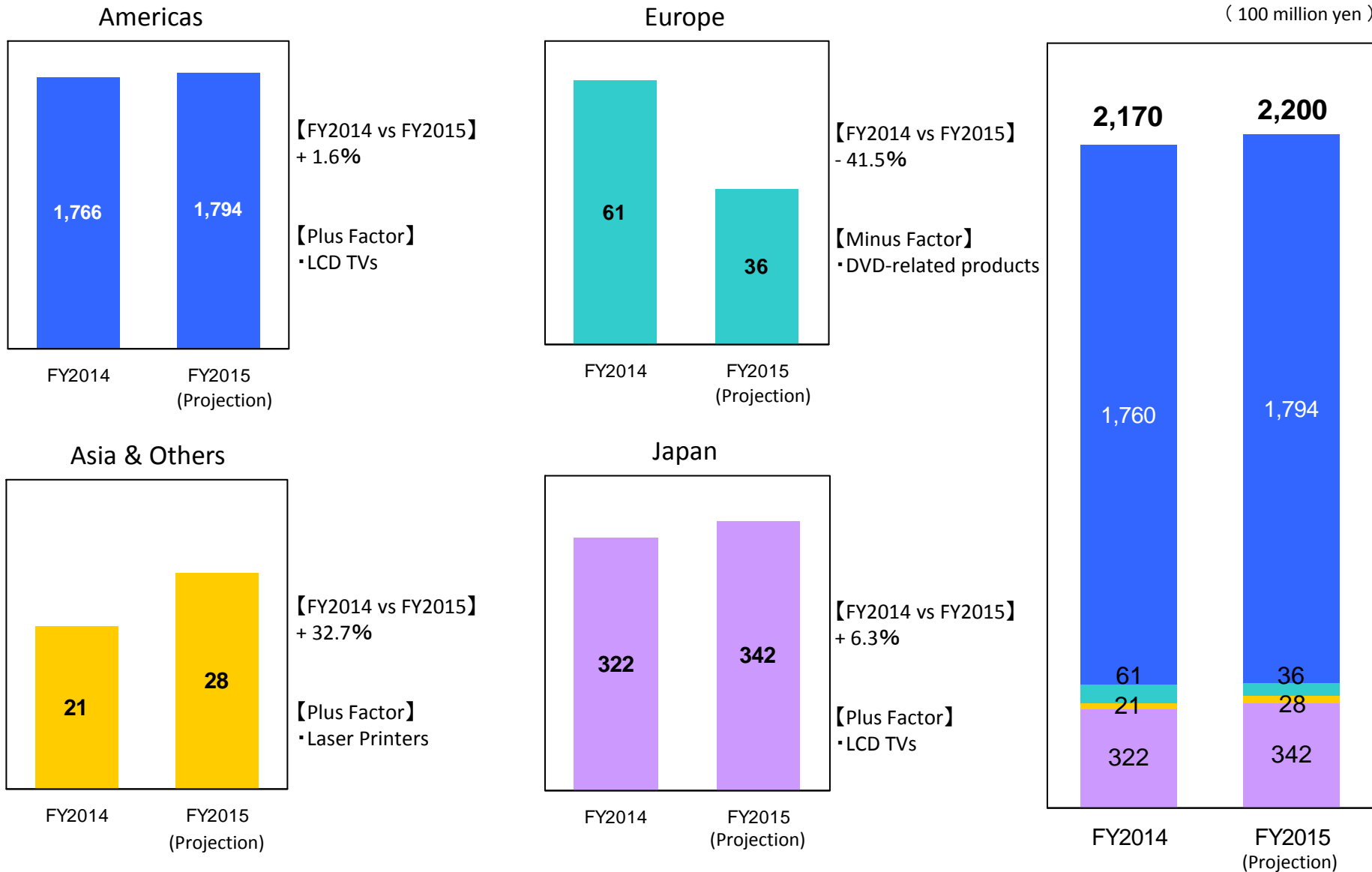
【Minus Factor】
• Audio accessories



6 . Projection of Sales by Geography in FY 2015 (Full Year)



(100 million yen)



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