

February 3, 2014

To Whom It May Concern:

Funai Electric Co., Ltd.
Representative Director
President and CEO: Yoshikazu Uemura
(Code No.: 6839 First Section of TSE)

Notice Concerning Extraordinary Loss (Advisory Fees)

We hereby provide notice as follows concerning the extraordinary loss occurring during the third quarter of the fiscal year ending March 31, 2014 (April 1, 2013 – December 31, 2013).

1. Posting of extraordinary loss

During the nine months ended December 31, 2013, we recorded advisory fees of ¥1,166 million as an extraordinary loss.

These fees were paid as specified compensation and fees to third-party advisors to determine an acquisition price for the intended acquisition of all shares in a company handling the Lifestyle business of Koninklijke Philips N.V. (hereinafter, "PHILIPS"). However, we are treating these fees as expenses, as PHILIPS has terminated the share purchase agreement and submitted a request for arbitration with the International Chamber of Commerce, and we have filed a counterclaim in this regard.

2. Effect on results

The impact on the performance due to the recording of extraordinary loss please refer to the FY 2013 third quarter in cumulative financial report released on February 3, 2013.

For further information, please contact
Toru Fujii
Investors and Public Relations
E-mail: investor_relations@funai.co.jp