

March 20, 2014

To Whom It May Concern:

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

Funai Announces Revised Forecast of Consolidated Operating Results

The following changes have been made to the forecast of consolidated operating results announced on November 11, 2013.

Revisions to the Full-Year Consolidated Earnings Forecast (April 1, 2013 to March 31, 2014)

(Units: Millions of Japanese Yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income Per Share
Previous Forecast announced on November 11, 2013 (A)	229,000	500	2,100	100	2.93
Current Revised Forecast (B)	230,000	(5,100)	(2,500)	(6,500)	(190.51)
Net Change (B-A)	1,000	(5,600)	(4,600)	(6,600)	
Net Change (%)	0.4	—	—	—	
(Reference) Actual for the Previous Term (Year Ended March 31, 2013)	192,008	(5,273)	(355)	(8,542)	(250.38)

【Reasons for Revisions】

Although sales is outpacing previous forecasts, on the income front the Company has been affected by losses in North America and Mexico since the third quarter in PHILIPS-brand LCD TVs, audio accessory-related products and other items. Particularly in the fourth quarter, performance is being affected by the expenses to liquidate inventories. Such factors are expected to have a substantial downward impact on profitability. Accordingly, we now expect operating income to fall below previously forecast figures.

Owing to this worsening of operating income, the Company also expects ordinary income and net income to fall below its previous forecasts.

(Note)

The earnings forecast is based on information available to the Group at the time such forecast is made, and contains risk and uncertainty. Actual results may differ from the forecast due to a variety of factors including changes in the economic conditions of overseas markets such as the United States (a key market for the Group), and significant fluctuations in product prices and foreign exchange.

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