



Presentation of Operating Results in 1st Quarter (Apr.- Jun.) of FY 2009

August 11, 2009

FUNAI ELECTRIC.,LTD.

Security code 6839



Outline of 1st Quarter (Apr.-Jun.) of FY2009 Operating Results (Consolidated)

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1 Summary of Operating Results (April-June)

(100 million yen)

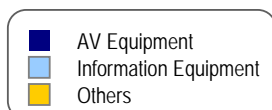
	Previous 1Q	Previous 4Q	Current 1Q	Changes From Previous 1Q	Changes From Previous 4Q
	amount	amount	amount		
Net Sales	594	627	776	+30.6%	+23.9%
Operating Income	9	18	37	+275.0%	—
Margin	(1.7%)	(3.0%)	(4.8%)	+3 (1)	
Ordinary Income	44	11	40	8.2%	—
Margin	(7.5%)	(1.9%)	(5.3%)	9 (2)	
Net Income after tax	137	13	31	—	—
Margin	(23.2%)	(2.1%)	(4.1%)		
Average USD-JPY Exchange Rate	105. ⁴³	95. ¹⁹	96. ⁷⁵		
USD-JPY Exchange Rate on Budget	100. ⁰⁰	100. ⁰⁰	95. ⁰⁰		

(1) Interest receivables +3, Forex gain +1, Other 1

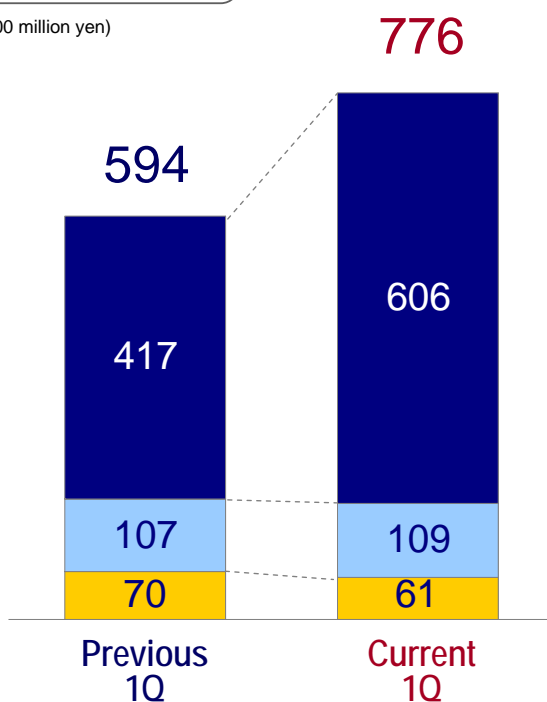
(2) Income taxes for prior periods 9

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2 Breakdown of Sales by Equipment



(100 million yen)

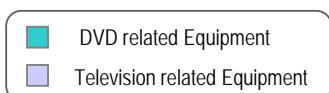


(100 million yen)

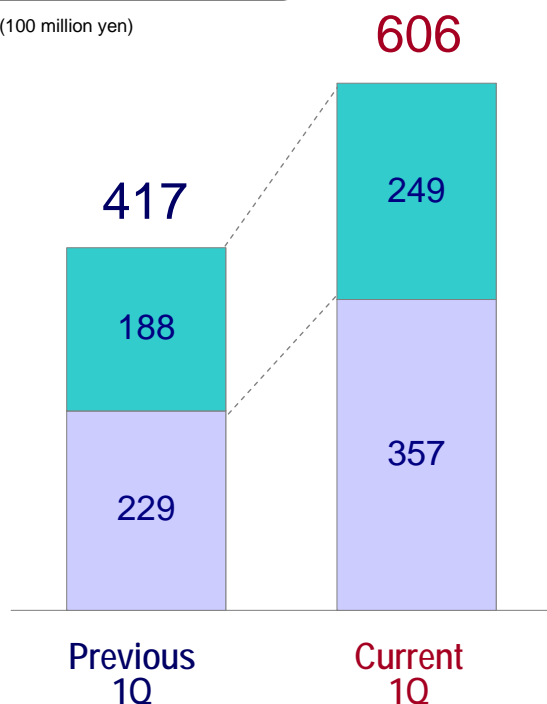
Comparison to Previous 1Q	
AV Equipment	: + 189 (+ 45.5%)
Information Equipment	: + 2 (+ 1.9%)
Others	: 9 (13.4%)
Total	: + 182 (+ 30.6%)

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3 Sales of Audio and Visual Equipment



(100 million yen)



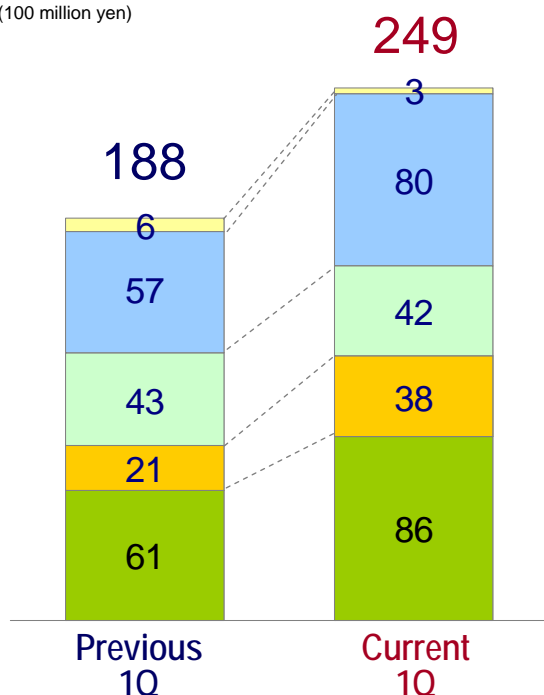
(100 million yen)

Comparison to Previous 1Q	
DVD related Equipment	: + 61 (+ 32.4%)
Television related Equipment	: + 128 (+ 55.9%)
Total	: + 189 (+ 45.5%)

4 Sales of DVD related Equipment



(100 million yen)



DVD Players DVD Recorders

- Remarkably increased in particular single DVD player.
- DVD recorders, slightly declined.

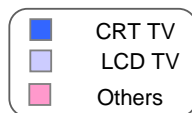
Blu-ray disc Player · Expanded as projected.

Digital STB · Final demand rushed before the end of on-air analogue broadcasting in June.

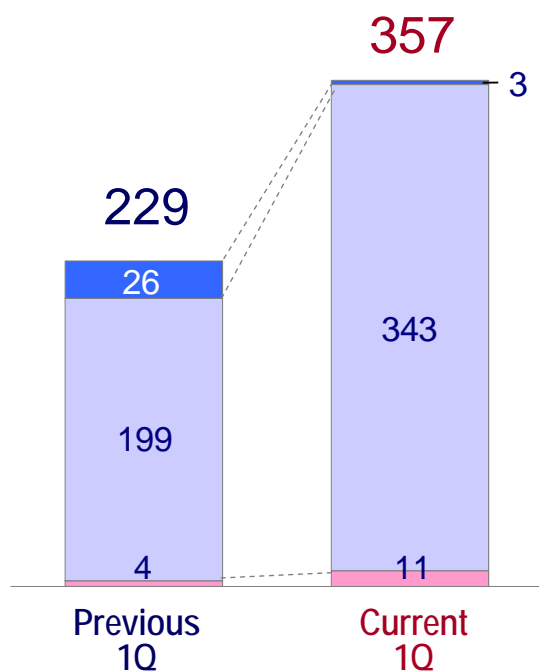
(100 million yen)

Comparison to Previous 1Q	
Video	: 3 (50.0%)
DVD Player related Equipment	: + 23 (+ 40.4%)
DVD Recorder related Equipment	: 1 (2.3%)
BD Player	: + 17 (+ 81.0%)
Digital STB	: + 25 (+ 41.0%)
Total	: + 61 (+ 32.4%)

5 Sales of Television related Equipment



(100 million yen)



CRT TV

- Accelerated replacement with rapid expansion of LCD TV.

LCD TV

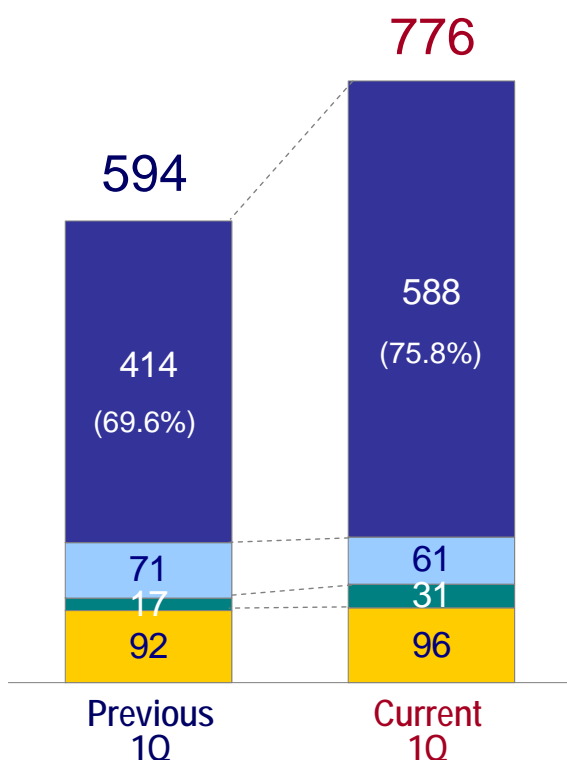
- Thanked for outstanding contribution by Philips brand.

(100 million yen)

Comparison to Previous 1Q

CRT TV	:	23	(- 88.5%)
LCD TV	:	+ 144	(+ 72.4%)
Others	:	+ 7	(+ 175.0%)
Total	:	+ 128	(+ 55.9%)

6 Geographic Breakdown of Sales



North America

- Substantial increase of LCD TV due to successful introduction of Philips brand.
- Handsome gain of DVD related products, in particular single DVD player and Blu-ray disc player.

Europe

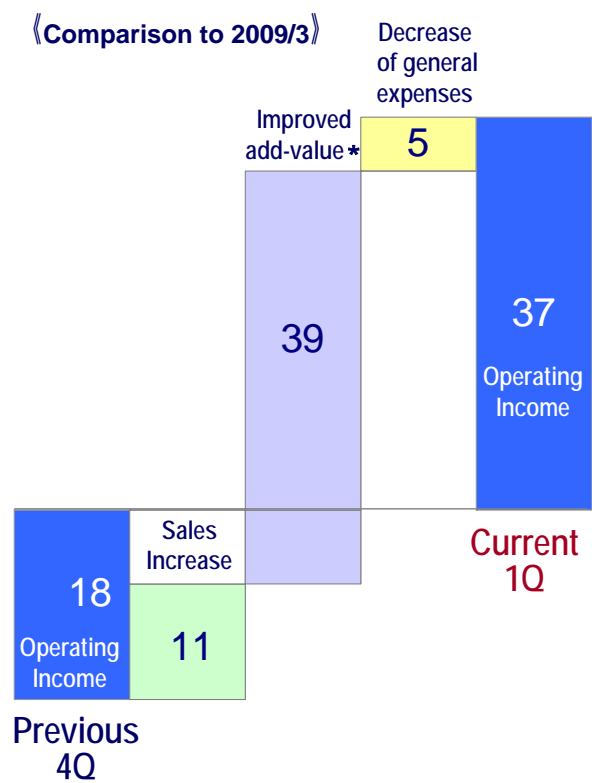
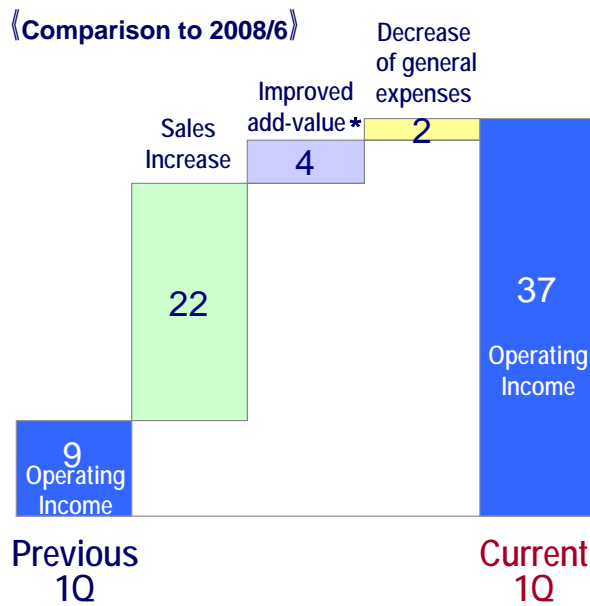
- Organizational restructuring adversely affected sales of AV equipment.

(100 million yen)

Comparison to Previous 1Q

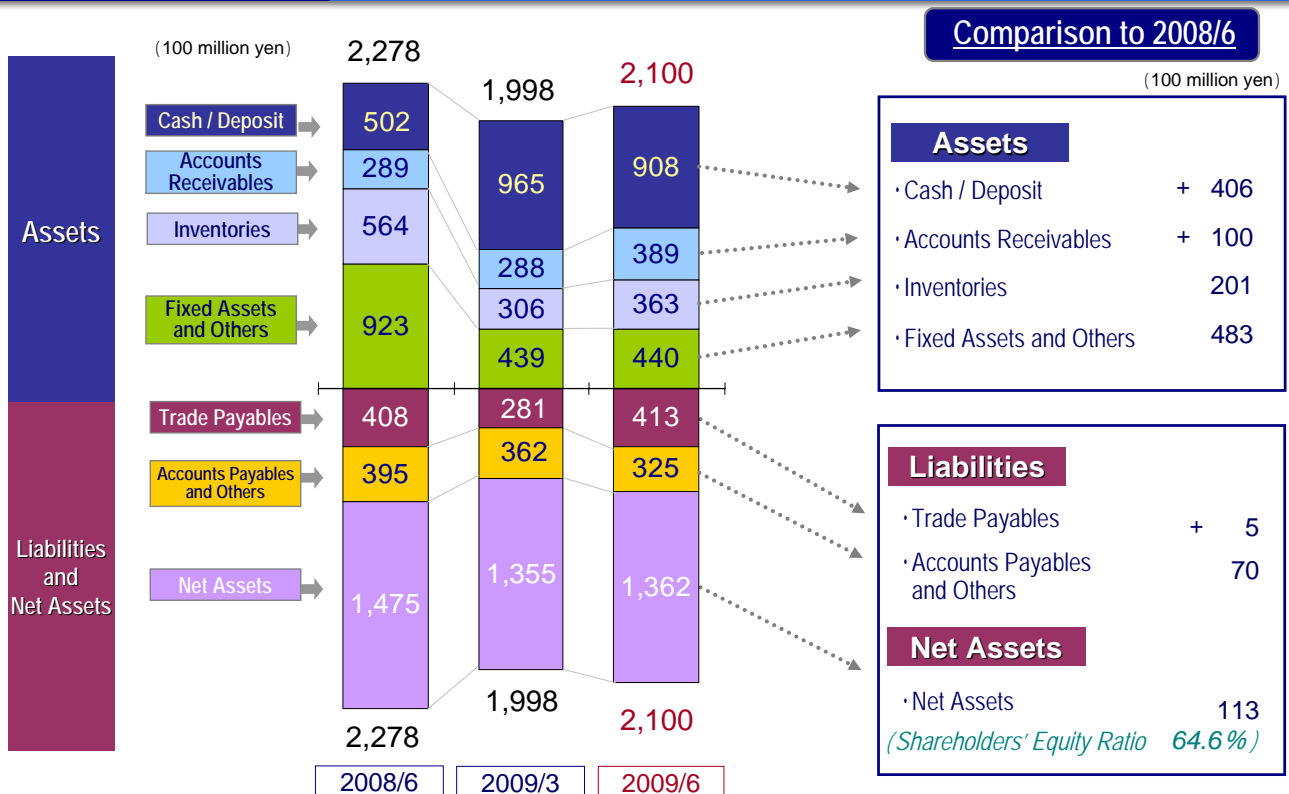
North America	:	+ 174	(+ 42.2%)
Europe	:	10	(14.6%)
Asia & Others	:	+ 14	(+ 82.4%)
Japan	:	+ 4	(+ 3.8%)
Total	:	+ 182	(+ 30.6%)

7 Factor of Changes of Operating Income

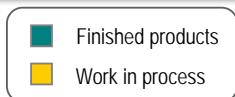


* Add-value=Sales - (Cost of sales + selling expenses)

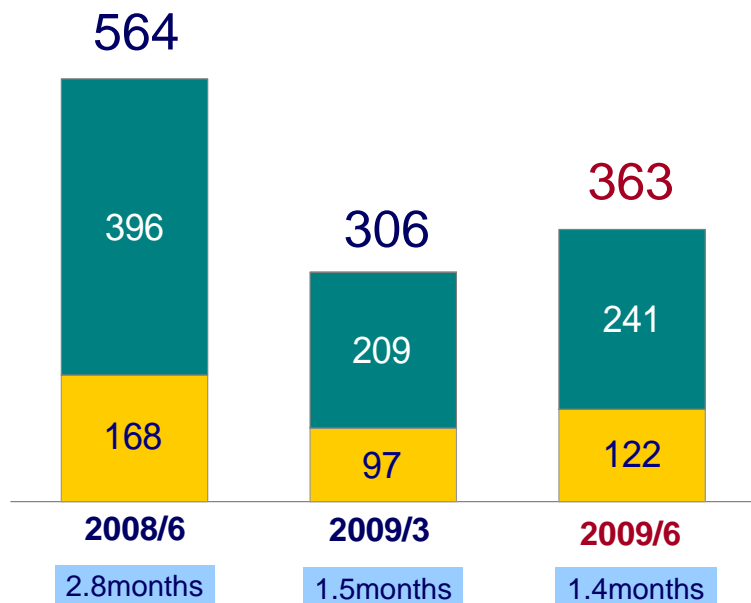
8 Financial Conditions



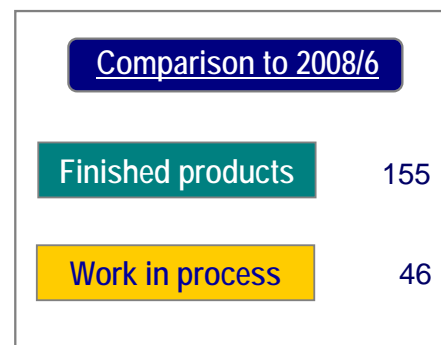
9 Changes of Inventories



(100 million yen)



(100 million yen)



Inventories Turnover

2.8months

1.5months

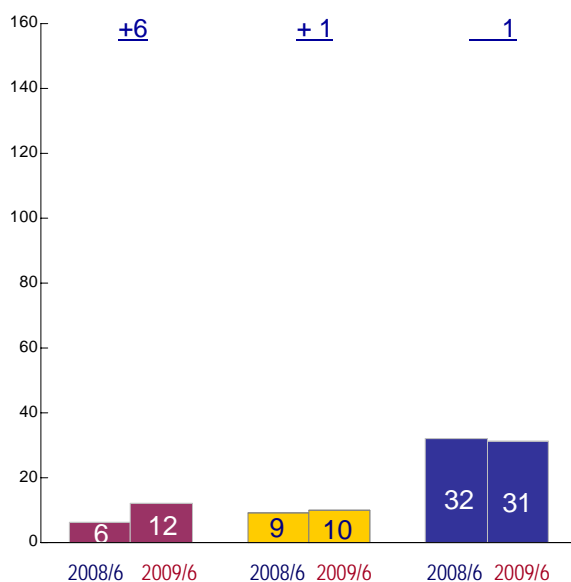
1.4months

10 Capital Expenditures, Depreciation Expense and R&D Expenditures

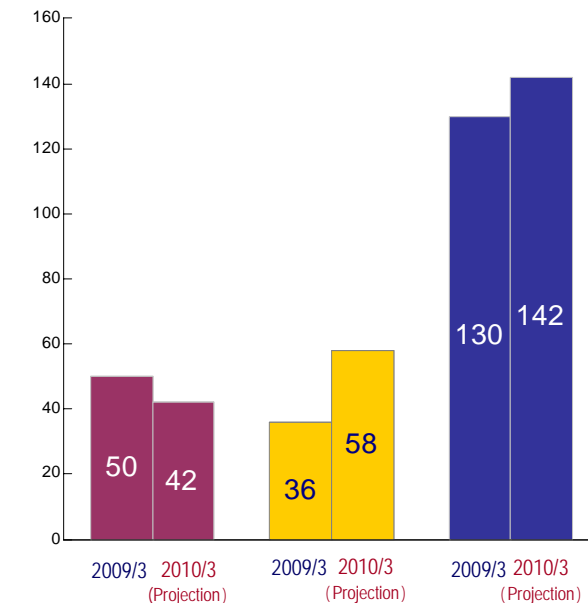


(100 million yen)

Comparison to Previous 1Q



(100 million yen)



(100 million yen)

	Forecast 1H		Forecast FY2009
	Previously Announced Forecast	Revised Forecast	
Net Sales	1,745	1,745	3,400
Operating Income (Margin)	41 (2.3%)	55 (3.2%)	60 (1.8%)
Ordinary Income (Margin)	38 (2.2%)	53 (3.0%)	53 (1.6%)
Net Income After Tax (Margin)	30 (1.7%)	39 (2.2%)	39 (1.1%)

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Disclaimer

- This document contains forward-looking statements and projections regarding business performance which are not historical facts. Please note that these statements are based on information relating to factors that may impact future business performance that was available for analysis at the time this document was printed. These factors include industry trends relating to the business areas of Funai Electric Co., Ltd. or the Funai Group, such as audio-visual devices and information communication equipment, the economic conditions of both domestic and international markets, and fluctuations in currency exchange rates. Actual performance may greatly differ from projections included in this document because of the impacts of uncertainty in such areas as the competitive conditions of the electronics industry, market trends, currency exchange rate, introduction and success of new products, and various other global conditions that may affect the tax system and other systems.

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