

FY 2012 THIRD QUARTER IN CUMULATIVE FINANCIAL REPORT

〔 From April 1, 2012
To December 31, 2012 〕



FUNAI ELECTRIC CO., LTD.

Third Quarter (April-December) Consolidated Financial Summary
for the Period Ending March 2013

(Million yen)

	Previous Year Third Quarter 〔 From April 1, 2011 to December 31, 2011 〕		Current Year Third Quarter 〔 From April 1, 2012 to December 31, 2012 〕		Rate of increase or decrease
	Amount	%	Amount	%	
Net Sales	203,482	100.0	147,017	100.0	(27.7)
Operating Income (Loss)	2,929	1.4	(1,850)	(1.3)	-
Ordinary Income	1,407	0.7	142	0.1	(89.9)
Net Income (Loss) before Taxes and Other Adjustments	991	0.5	(1,277)	(0.9)	-
Net Income (Loss) after Tax	(3,592)	(1.8)	(2,294)	(1.6)	-
Net Income (Loss) per Share	(105.32)		(67.24)		

Notes: Includes 16 consolidated subsidiaries, 1 non-consolidated subsidiary of equity method, 1 affiliated company of equity method.



Financial Report for the 9-Month Period ended December 31, 2012

January 28, 2013

Listed company name: Funai Electric Co., Ltd.

Securities Code: 6839 Tokyo Stock Exchange
and Osaka Securities Exchange, First Section(URL <http://www.funai.jp/>)

Representative: President and CEO

Tomonori Hayashi

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Scheduled date of Quarterly Report; February 6, 2013

Scheduled date of Commencement of Annual Dividend Payment; -

Quarterly Financial Results Supplementation: Yes

Quarterly Financial Results Seminar: Yes

1. Third Quarter Consolidated Results for the Period Ending March 2013 (April 1, 2012 – December 31, 2012)

(1) Operating Results (Consolidated)

(% denotes year on year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
3 rd Quarter FY2012	147,017	(27.7)	(1,850)	-	142	(89.9)	(2,294)	-
3 rd Quarter FY2011	203,482	(11.5)	2,929	(27.6)	1,407	(65.4)	(3,592)	-

(Reference) Comprehensive Income 3rd Quarter FY 2012 ended December 31, 2012 834 million yen (- %)
3rd Quarter FY 2011 ended December 31, 2011 (9,347) million yen (- %)

	Net Income Per Share	Net Income Per Share on a Fully Diluted Basis
	Yen	Yen
3 rd Quarter FY2012	(67.24)	-
3 rd Quarter FY2011	(105.32)	-

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	Million yen	Million yen	%
3 rd Quarter FY2012	179,674	123,136	67.8
Fiscal Year 2011	176,607	123,843	69.5

(Reference) Equity 3rd Quarter FY 2012 ended December 31, 2012 121,857 million yen
Fiscal Year 2011 ended March 31, 2012 122,762 million yen

2. Dividends

	Dividend per Share				
	1 st Quarter	2 nd Quarter	3 rd Quarter	Year-End	Annual
	yen	yen	yen	yen	yen
Fiscal Year 2011	-	0.00	-	50.00	50.00
Fiscal Year 2012	-	0.00			
Fiscal Year 2012 (Projection)			-	-	-

(Note) Revision of Annual Dividends Forecast in this 3rd Quarter: No

The dividend for FY 2012 has been undecided. The company's dividend policy of DOE is unchanged.

Because of the high impact stemmed from the recent fluctuations in exchange rates give to the consolidated net assets, the dividend is to be disclosed at the time of disclosure has become possible to public.

3. Forecast of Consolidated Results for the Fiscal Year ending March 2013 (April 1, 2012 - March 31, 2013)

(% denotes year on year)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income Per Share
Full Year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	205,000	(16.7)	(2,500)	-	(4,100)	-	(5,800)	-	(169.99)

(Note) Revision of Forecast of Consolidated Results for the six month period or the Full Year in this 3rd Quarter: No

*Note

(1) Changes in Consolidated Subsidiaries (Changes in Scope of Consolidation): No

(2) Application of simplified accounting procedure and use of unique accounting procedure for preparation of financial statements covering consolidated accounting in this 3rd quarter: Yes

(3) Changes in Accounting Practices, Procedures and Presentation Methods for Consolidated Financial Results

1. Changes arising from revision of accounting standards: Yes
2. Changes arising from other factors: No
3. Changes in accounting estimates: Yes
4. Restatement: No

(4) Number of Shares Outstanding (Ordinary Shares)

1. Number of shares outstanding (including treasury stock) as of December 31, 2012; 36,130,796 shares
as of March 31, 2012; 36,130,796 shares
2. Number of shares of treasury stock as of December 31, 2012; 2,011,615 shares
as of March 31, 2012; 2,011,607 shares
3. The Average number of outstanding shares on December 31, 2012; 34,119,187 shares
on December 31, 2011; 34,114,194 shares

* The Recording of Implementation Conditions Regarding Quarterly Review Procedures

This quarterly financial summary does not fall within the scope of the Quarterly Review Procedures referenced in the Financial Instruments and Exchange Act. At the time of disclosure of the quarterly financial summary, the Group was in the process of implementing the quarterly review procedures for its quarterly financial statements.

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.

1. Qualitative Information Regarding Quarterly Financial Results

(1) Qualitative Information Relating to Consolidated Business Performance

The first nine months of the fiscal year ending March 31, 2013, were marked by a gradual economic growth in our mainstay U.S. market, evidenced by improvements in the housing market and employment data, as well as the bottoming out of personal consumption and the fact that the government has managed to avoid the crisis presented by the fiscal cliff for the time being. The economic climate in Europe remained sluggish, but the euro economic region has staved off the debt crisis for the moment, owing to the European Central Bank's clarification of its policy to purchase Spanish government bonds without limitation. A new administration has been decided on in China, and its economic policies appear likely to prompt a rally. Meanwhile, in Japan, during the second half of the period the new Abe administration's policies, including monetary easing, have prompted yen depreciation and an upswing in stock prices. In the consumer electronics market, in 2012 the digital consumer electronics market has continued the decline that has persisted since 2009. Under these difficult market conditions, demand for LCD TVs has been sluggish, while demand for smartphones and tablet devices has grown sharply, in a changing role of the products that are driving the market.

As a result of the above factors, the Group posted net sales of JPY 147,017 million, a 27.7% decrease compared with the same period last year.

On the profit front, operating loss was JPY 1,850 million (operating income for the same period last year was JPY 2,929 million), ordinary income was JPY 142 million, a decrease of 89.9% year on year and a quarterly net loss of JPY 2,294 million (the quarterly net loss for the same period last year was JPY 3,592 million).

Segment conditions by location were as follows:

i) Japan

A reduction in printer orders prompted a major revenue falloff in information equipment. Moreover, sales of Blu-ray Disc recorders significantly declined year-over-year due to weakening demand.

Sales of LCD TVs, antennas and related devices declined year-over-year due to reduced demand in the wake of Japan's transition to digital terrestrial broadcasting.

As a result, net sales were JPY 37,890 million, a decrease of 59.8% year on year. Our segment loss (operating loss) was JPY 559 million (the operating profit for this segment for the same period last year was JPY 5,532 million).

ii) North America

While sales of Blu-ray Disc players increased, sales of DVD-related equipment declined year-over-year due to market contraction. Meanwhile, sales of LCD TVs increased year-over-year including Mexico market due to strong sales of competitively priced products at a major mass retailer. Additionally, the Philips branded audio and accessories products that started selling on September 2012 contributed to the sales.

As a result, net sales amounting to JPY 105,573 million, an increase of 5.0% year on year. Our segment loss (operating loss) was JPY 184 million (the operating loss for this segment for the same period last year was JPY 870 million).

iii) Asia

Net sales came to JPY 654 million, a decrease of 84.7% year-on-year. Our segment profit (operating profit) was JPY 505 million, a decrease of 14.4% year on year.

iv) Europe

Sales of LCD TVs and DVD-related products declined due to sluggish market conditions and tough competition.

As a result, net sales down 36.4% year on year, to JPY 2,899 million, and an segment loss (operating loss) of JPY 202 million (operating loss for the same period last year was JPY 953 million).

Sales by product segment were as follows:

i) Audio-Visual Equipment

In the audio-visual equipment sector, the DVD-related equipment field witnessed a decline in revenue due to weakness in the domestic Blu-ray Disc recorder market. Despite stability in the North American market for LCD TVs, the LCD TV market experienced an overall decline in the wake of Japan's transition to digital terrestrial broadcasting. As a result, net sales of this equipment were JPY 121,037 million, a decrease of 19.9% year on year.

ii) Information Equipment

In the information equipment sector, a decrease in printer orders resulted in net sales of JPY 7,555 million, a decrease of 70.0% year on year.

iii) Other Products

Although the Philips branded audio and accessories products started selling, sales of other products that not included in the above categories declined because of the decrease of sales of antennas and related devices fell in the wake of Japan's transition to digital terrestrial broadcasting.

As a result, net sales were JPY 18,424 million, a decrease of 32.3% year-over-year.

(2) Qualitative Information Relating to Consolidated Financial Position

Our financial position at the end of third quarter is described below.

Total assets increased by JPY 3,067 million as compared to the end of the previous consolidated fiscal year. This was mainly due to a decrease of JPY 7,565 million and JPY 3,500 million in cash and deposits, securities and an increase of JPY 2,899 million and JPY 11,801 million in notes and accounts receivable-trade, goods and products.

Total liabilities increased by JPY 3,774 million as compared to the end of the previous consolidated fiscal year. This was mainly due to an increase of JPY 3,697 million in accounts payable – other which included in other current liability.

Net assets fell by JPY 707 million as compared to the end of the previous consolidated fiscal year. This was mainly due to a decrease of JPY 4,000 million in retained earnings and an increase of JPY 3,037 million in foreign currency translation adjustment account.

(3) Qualitative Information Relating to Consolidated Performance Forecasts:

We have not revised its consolidated operating results forecast released on November 2, 2012.

Note: Our performance forecasts include figures based on decisions according to the information available at the time and include items that are subject to risks and uncertainties. Actual performance may vary from these forecasts due to rapid changes in economic conditions in the United States, our primary market, and other regions overseas, as well as rapid fluctuations in product prices and currency exchange.

2. Summary Information

(1) Important changes relating to subsidiaries and affiliates during the fiscal term

Funai India Private Limited took on increased importance in the first quarter of the current fiscal term, so it has been included within the scope of consolidation. The newly-established Zhong Shan Funai Electron Co. has also been included within the scope of consolidation.

The newly-established FUNAI CMET Optical Electronics Co., Ltd. has also been included within the scope of consolidation in the second quarter.

CMET FUNAI Optical Electronics Co., Ltd. took on increased importance in the third quarter of the current fiscal term, so it has been included within the scope of equity method.

(2) Unique accounting procedure for preparation of consolidated financial statements for fiscal quarter

Expenses relating to taxes are calculated by applying the estimated effective tax rates on the before-tax net profit for the fiscal quarter, through a practical estimation of the effective tax rates that will take effect after the application of the tax effect accounting for before-tax net profits of the consolidated fiscal year, including this third fiscal quarter.

(3) Changes arising from revision of accounting standards, Changes in accounting estimates, Restatement (Switch to the method of depreciation)

In accordance with revisions to the corporate tax code, beginning in the first quarter of the current fiscal term the Company and its consolidated subsidiaries in Japan will switch to the method of depreciation called for in the revised tax code for tangible fixed assets acquired on or after April 1, 2012.

The resultant impact on operating loss, ordinary loss and net loss before taxes and other adjustments is minor.

(4) Other

Corrective action implemented based on the application of the Anti-Tax Haven Law

1. We received a rectification notices from the Osaka Regional Taxation Bureau on June 28, 2005, and June 16, 2008. The Bureau determined that our Hong Kong subsidiary does not meet the requirements for exclusion under the anti-tax haven system and the Hong Kong subsidiary's income for the three fiscal years ended March 31, 2002 through 2004, and the three years from March 31, 2005 through 2007, will be considered, and taxed as, our income. We objected to this supplementary tax assessment, and filed petitions seeking a review of the decision with the Osaka Regional Tax Tribunal on July 25, 2006, and August 6, 2008. On July 3, 2008, and July 23, 2009, we received written verdicts on this case from the Administrative Review Office of the Osaka Regional Taxation Bureau, which indicated that our assertions had been dismissed. On November 16, 2006 and November 14, 2008, the Company filed suits in the Osaka District Court to overturn the supplementary tax assessment orders, and a hearing for consolidation of those actions was filed on November 26, 2008. The court dismissed the claims of our Company on June 24, 2011. As the Company is unable to accept the Osaka District Court's judgment, we filed a notice of appeal at the Osaka Superior Court on July 7, 2011. With respect to this action, on July 20, 2012, the

court dismissed the claims of the Company. In response to this judgment, the company will promptly examine the contents of the judgment. The Company intends to appeal this matter with the High Court.

The additional taxes of JPY 16,651 million (JPY 19,184 million including incidental taxes) and JPY 15,038 million (JPY 16,838 million including incidental taxes) include corporate, enterprise and residence taxes. In accordance with the "Accounting Practices, Disclosure and Audit Treatment for Various Taxes" (Japanese Institute of Certified Public Accountants, Auditing and Assurance Practice Committee, Audit Committee Report No. 63) we charged the tax assessments to income as "prior year's taxes" in the fiscal year ended March 31, 2007, and the fiscal year ended March 31, 2009.

2. We received a rectification notice from the Osaka Regional Taxation Bureau on June 29, 2011. The Bureau determined that our Hong Kong subsidiary does not meet the requirements for exclusion under the anti-tax haven system and the Hong Kong subsidiary's income for the three fiscal years ended March 31, 2008 through 2010, will be considered, and taxed as our income. We objected to these supplementary tax assessments, and filed a petition with the Osaka Regional Tax Tribunal on August 25, 2011, to overturn the supplementary tax assessment order. Thereafter, we received written verdicts on this case on July 24, 2012 indicating that our assertions had been dismissed. We will continue to assert the validity of its arguments in the future. The additional tax of JPY 825 million (JPY 935 million including incidental taxes) includes corporate, enterprise and residence taxes. We charged the tax assessments to income as "prior year's taxes" in the fiscal year ended March 31, 2012.
3. With regard to the actions the Company filed with the Osaka District Court on June 28, 2005, and June 16, 2008, seeking the rescission of supplementary tax assessments, on June 24, 2011, a decision was reached in which the court dismissed the claims of the Company. Accordingly, the Company treated this amount as an expense during the fiscal year under review, which is the fiscal year ended March 31, 2012 following the year to which the assessment was applied.

3. Consolidated Financial Statements

(1).Consolidated Quarterly Balance Sheets

(Units : Million Yen)

	Fiscal year 2011 (As of March 31, 2012)	3rd Quarter FY2012 (As of December 31, 2012)
ASSETS;		
Current Assets		
Cash and deposits	68,146	60,580
Notes and accounts receivable-trade	32,296	35,195
Securities	4,500	1,000
Merchandise and finished goods	22,387	34,188
Work in process	1,570	1,310
Raw materials and supplies	10,005	8,343
Other	6,905	8,101
Allowance for doubtful accounts	(120)	(162)
Total current assets	145,689	148,556
Noncurrent assets		
Tangible fixed assets	14,785	14,650
Intangible assets	4,795	3,180
Investment and other assets		
Other	11,634	13,492
Allowance for doubtful accounts	(297)	(205)
Total investments and other assets	11,336	13,287
Total noncurrent assets	30,917	31,117
TOTAL ASSETS	176,607	179,674
LIABILITIES;		
Current Liabilities		
Notes and accounts payable-trade	29,623	29,275
Short-term loans payable	4,583	3,925
Income taxes payable	325	1,436
Provision	1,072	1,107
Other	14,451	18,189
Total current liabilities	50,054	53,934
Noncurrent liabilities		
Provision	2,108	2,048
Other	600	555
Total noncurrent liabilities	2,708	2,603
TOTAL LIABILITIES	52,763	56,537

(Units : Million Yen)

	Fiscal year 2011 (As of March 31, 2012)	3rd Quarter FY2012 (As of December 31, 2012)
NET ASSETS;		
Shareholders' equity		
Capital stock	31,307	31,307
Capital surplus	33,272	33,272
Retained earnings	111,384	107,384
Treasury stock	(24,341)	(24,341)
Total shareholders' equity	151,623	147,623
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	56	113
Foreign currency translation adjustment	(28,917)	(25,879)
Total accumulated other comprehensive income	(28,861)	(25,766)
Subscription right to shares	106	118
Minority interests	974	1,161
Total net asset	123,843	123,136
TOTAL LIABILITIES AND NET ASSETS	176,607	179,674

(2) Consolidated Quarterly Statements of Income and Consolidated Quarterly Statement of Comprehensive Income
(Consolidated Quarterly Statements of Income)

(Units : Million Yen)

	3rd Quarter FY2011 (from April 1, 2011 to December 31, 2011)	3rd Quarter FY2012 (from April 1, 2012 to December 31, 2012)
Net sales	203,482	147,017
Cost of sales	172,078	122,721
Gross profit	31,404	24,295
Selling, general and administrative expenses	28,474	26,146
Operating income (loss)	2,929	(1,850)
Non-operating income		
Interest income	159	213
Dividends income	91	35
Foreign exchange gains	-	1,749
Other	176	265
Total non-operating income	427	2,265
Non-operating expenses		
Interest expenses	106	62
Equity in losses of affiliates	32	23
Foreign exchange losses	1,601	-
Penalty	-	68
Other	208	116
Total non-operating expenses	1,949	271
Ordinary income	1,407	142
Extraordinary income		
Gain on disposal of noncurrent assets	6	341
Gain on disposal of investment securities	0	-
Total extraordinary income	6	341
Extraordinary loss		
Loss on disposal of noncurrent assets	28	62
Impairment loss	-	1,614
Other	393	84
Total extraordinary loss	422	1,761
Income (loss) before income taxes	991	(1,277)
Income taxes	3,496	73
Income taxes for prior periods	935	1 922
Total income taxes	4,432	995
Income (loss) before minority interests	(3,440)	(2,273)
Minority interests in income	152	20
Net income (loss)	(3,592)	(2,294)

(Consolidated Quartely Statement of Comprehensive Income)

(Units : Million Yen)

	3rd Quarter FY2011 (from April 1, 2011 to December 31, 2011)	3rd Quarter FY2012 (from April 1, 2012 to December 31, 2012)
Loss before minority interest adjustment	(3,440)	(2,273)
Other comprehensive Income		
Valuation difference on available-for-sale securities	(628)	55
Foreign currency translation adjustment	(5,261)	3,053
Share of other comprehensive income of associates accounted for using equity method	(17)	(2)
Total other comprehensive Income	(5,907)	3,107
Comprehensive income	(9,347)	834
(Breakdown)		
Comprehensive income attributable to owners of paren	(9,498)	801
Comprehensive income attributable to minority interest	151	33

(3) Consolidated Quarterly Statements of Income

Third Quarter Consolidated Fiscal Period – Year to Date (April 1, 2012 to December 31, 2012)

* 1. Supplementary tax assessment

A consolidated subsidiary, FUNAI EUROPE GmbH, is under investigation by the German tax authorities with regard to transfer pricing taxation on transactions with FUNAI ELECTRIC EUROPE Sp.z o.o., which is also a consolidated subsidiary. During the first nine months, the Company posted a “supplementary tax assessment” based on the anticipated additional tax amount, based on the belief that a request for correction by the German tax authorities was increasingly likely under the transfer pricing taxation scheme.

(4) Notes for Continuing Enterprises

Not Applicable

(5) Notes of remarkable changes in Shareholders Equity:

Not Applicable

(6) Information by Segment

[Segment Information]

. Third Quarter Consolidated Fiscal Period – Year to Date (April 1, 2011 to December 31, 2011)
Information Regarding Net Sales and Profit/Loss Conditions by Reporting Segment

(Units: Million Yen)

	Japan	N. America	Asia	Europe	Total	Adjustments (Note 1)	Consolidated (Note 2)
Net Sales							
(1) Outside customers	94,143	100,503	4,276	4,558	203,482	-	203,482
(2) Inter-segment sales	89,474	0	130,848	3	220,327	(220,327)	-
Total	183,618	100,503	135,125	4,562	423,810	(220,327)	203,482
Segment Income (Loss)	5,532	(870)	590	(953)	4,299	(1,369)	2,929

Note:

1. The negative JPY 1,369 million adjustment amount under segment income includes items such as the JPY 5 million relating to the cancellation of inter-segment transactions, JPY 693 million of overall Group expenses that are not apportioned to each reporting segment, and the JPY 681 million negative adjustment relating to inventory assets. Overall Group expenses are comprised of general administrative expenses that do not belong to a specific reporting segment.
2. Segment income has been adjusted to operating income noted on the second quarter consolidated income statement.

. Third Quarter Consolidated Fiscal Period – Year to Date (April 1, 2012 to December 31, 2012)
Information Regarding Net Sales and Profit/Loss Conditions by Reporting Segment

(Units: Million Yen)

	Japan	N. America	Asia	Europe	Total	Adjustments (Note 1)	Consolidated (Note 2)
Net Sales							
(1) Outside customers	37,890	105,573	654	2,899	147,017	-	147,017
(2) Inter-segment sales	103,851	0	106,559	0	210,411	(210,411)	-
Total	141,742	105,573	107,214	2,899	357,428	(210,411)	147,017
Segment Income (Loss)	(559)	(184)	505	(202)	(440)	(1,410)	(1,850)

Note:

1. The negative JPY 1,410 million adjustment amount under segment loss includes items such as the JPY 13 million relating to the cancellation of inter-segment transactions, JPY 647 million of overall Group expenses that are not

apportioned to each reporting segment, and the JPY 776 million negative adjustment relating to inventory assets. Overall Group expenses are comprised of general administrative expenses that do not belong to a specific reporting segment.

2. Segment loss has been adjusted to operating loss noted on the second quarter consolidated income statement.

2. Information on Impairment Losses Relating to Fixed Assets and Goodwill by Reporting Segment

(Impairment Losses on Fixed Assets)

During the first nine months, the Company revised its production model in line with decreasing global demand in the Japan segment. As a result, the Company revalued its licensing of patents based on their expected future degree of use, thereby reducing the expected amount collectible for these assets by ¥1,614 million. This impairment loss was recorded as an extraordinary loss.

THIRD QUARTER IN CUMULATIVE FINANCIAL RESULTS SUPPLEMENTATION

FY 2012

(from 2012.4.1
to 2012.12.31)

	Page
1. Summary of 3Q (April to December) Financial Statements (Consolidated)	
(1) Operating Results, Financial Conditions	1
(2) Profitability and Per Share Data etc.	1
(3) Capital Expenditures, Depreciation, R&D Expenses	1
(4) Cash Flow	2
2. Operating Activities (Consolidated)	
(1) Sales by Equipment	2
(2) Sales by Area in Equipment	3
(3) Sales by Equipment in Areas	3
3. Summary of 3Q (October to December) Financial Statements(Consolidated)	
(1) Operating Results	4
(2) Sales by Equipment	4



FUNAI ELECTRIC CO., LTD.

1 . Summary of 3Q (April to December) Financial Statements (Consolidated)

(1) Operating Results, Financial Conditions

(Units : 100 million yen, %)

	FY 2011						FY 2012					
	3Q (Apr. - Dec.)			Full-Year			3Q (Apr. - Dec.)			Full-Year (Projections)		
	Amount	%	Change	Amount	%	Change	Amount	%	Change	Amount	%	Change
Net Sales	2,034	100.0	(11.5)	2,461	100.0	(16.8)	1,470	100.0	(27.7)	2,050	100.0	(16.7)
Operating Income (Loss)	29	1.4	(27.6)	4	0.2	(40.2)	(18)	(1.3)	-	(25)	(1.2)	-
Ordinary Income (Loss)	14	0.7	(65.4)	1	0.1	(86.5)	1	0.1	(89.9)	(41)	(2.0)	-
Net Loss after Tax	(35)	(1.8)	-	(46)	(1.9)	-	(22)	(1.6)	-	(58)	(2.8)	-
Total Assets	1,820	-	-	1,766	-	-	1,796	-	-	-	-	-
Net Assets	1,209	-	-	1,238	-	-	1,231	-	-	-	-	-

() Yen-Dollars / Exchange rate

(Units : Yen / Dollars)

	FY 2011		FY 2012	
	3Q (Apr. - Dec.)	Full-Year	3Q (Apr. - Dec.)	Full-Year (Projections)
Average Rate in each Period	78.50	78.81	80.23	78.48

(2) Profitability and Per Share Data etc.

	FY 2011		FY 2012	
	3Q (Apr. - Dec.)	Full-Year	3Q (Apr. - Dec.)	Full-Year (Projections)
Gross Profit Ratio (%)	15.4	15.2	16.5	16.3
Operating Income Ratio (%)	1.4	0.2	(1.3)	(1.2)
Ordinary Income Ratio (%)	0.7	0.1	0.1	(2.0)
Shareholders' Equity Ratio (%)	65.8	69.5	67.8	-
Net Assets Per Share (yen)	3,513.73	3,598.03	3,571.51	-
Net Income Per Share (yen)	(105.32)	(135.69)	(67.24)	(169.99)
Return on Assets (%)	(1.9)	(2.5)	(1.3)	-
Return on Shareholders' Equity (%)	(2.9)	(3.7)	(1.9)	-

(3) Capital Expenditures, Depreciation, R&D Expenses

(Units : 100 million yen, %)

	FY 2011				FY 2012			
	3Q (Apr. - Dec.)		Full-Year		3Q (Apr. - Dec.)		Full-Year (Projections)	
	Amount	Change	Amount	Change	Amount	Change	Amount	Change
Capital Expenditures	28	(48.1)	40	(33.3)	28	-	40	-

	FY 2011						FY 2012					
	3Q (Apr. - Dec.)			Full-Year			3Q (Apr. - Dec.)			Full-Year (Projections)		
	Amount	%	Change	Amount	%	Change	Amount	%	Change	Amount	%	Change
Depreciation Expenses	36	1.8	2.9	49	2.0	2.1	29	2.0	(19.4)	40	2.0	(18.4)
R&D	79	3.9	(16.8)	105	4.3	(18.6)	69	4.7	(12.7)	103	5.0	(1.9)

(4) CashFlow

(Units : 100 million yen)

	FY 2011		FY 2012	
	3Q (Apr. - Dec.)	Full-Year	3Q (Apr. - Dec.)	Full-Year (Projections)
Cash flows provided by operating activities	214	164	(69)	-
Income Before Income Taxes	9	(5)	(12)	-
Depreciation Expenses	47	65	40	-
Others	158	104	(97)	-
Cash flows used in investing activities	(144)	(64)	(53)	-
Free cash flows	70	100	(122)	-
Cash flows provided by financing activities	(58)	(67)	(26)	-
Effect of exchange rate changes on cash and cash equivalents	(11)	2	7	-
Net increase in cash and cash equivalents	(6)	28	(141)	-

2 . Operating Activities (Consolidated)

(1) Sales by Equipment

(Units : 100 million yen, %)

	FY 2011						FY 2012					
	3Q (Apr. - Dec.)			Full-Year			3Q (Apr. - Dec.)			Full-Year (Projections)		
	Amount	%	Change	Amount	%	Change	Amount	%	Change	Amount	%	Change
Audio Visual Equipment	1,511	74.2	(0.1)	1,835	74.5	(7.6)	1,211	82.3	(19.9)	1,647	80.3	(10.2)
DVD	185	9.1	(9.8)	219	8.9	(18.6)	143	9.7	(22.7)	140	6.8	(36.1)
BD	314	15.4	27.6	380	15.4	7.6	107	7.3	(65.9)	150	7.3	(60.5)
LCD TV	990	48.6	(3.9)	1,209	49.1	(9.1)	934	63.5	(5.7)	1,323	64.5	9.4
Others	22	1.1	(29.0)	27	1.1	(20.6)	27	1.8	22.7	34	1.7	25.9
Information Equipment	251	12.4	(48.1)	300	12.2	(46.8)	75	5.2	(70.0)	104	5.1	(65.3)
Others	272	13.4	(10.2)	326	13.3	(20.3)	184	12.5	(32.3)	299	14.6	(8.3)
Total	2,034	100.0	(11.5)	2,461	100.0	(16.8)	1,470	100.0	(27.7)	2,050	100.0	(16.7)

(2) Sales by Areas in Equipment

(Units : 100 million yen, %)

	FY 2011						FY 2012					
	3Q (Apr. - Dec.)			Full-Year			3Q (Apr. - Dec.)			Full-Year (Projections)		
	Amount	%	Change	Amount	%	Change	Amount	%	Change	Amount	%	Change
Audio Visual Equipment	1,511	74.2	(0.1)	1,835	74.5	(7.6)	1,211	82.3	(19.9)	1,647	80.3	(10.2)
North America	1,003	49.3	(0.1)	1,222	49.7	(5.2)	978	66.5	(2.5)	1,312	64.0	7.4
Europe	57	2.8	(13.6)	67	2.7	(19.3)	38	2.5	(33.3)	36	1.8	(46.3)
Asia and Others	23	1.1	(4.2)	43	1.7	13.2	60	4.1	160.9	128	6.2	197.7
Japan	428	21.0	2.4	503	20.4	(12.7)	135	9.2	(68.5)	171	8.3	(66.0)
Information Equipment	251	12.4	(48.1)	300	12.2	(46.8)	75	5.2	(70.0)	104	5.1	(65.3)
North America	85	4.2	(54.8)	103	4.2	(51.9)	36	2.5	(57.6)	55	2.7	(46.6)
Europe	51	2.5	(61.4)	59	2.4	(61.7)	8	0.6	(84.3)	8	0.4	(86.4)
Asia and Others	109	5.4	(27.8)	131	5.3	(26.8)	31	2.1	(71.6)	33	1.6	(74.8)
Japan	6	0.3	(57.1)	7	0.3	(58.8)	0	0.0	-	8	0.4	14.3
Others	272	13.4	(10.2)	326	13.3	(20.3)	184	12.5	(32.3)	299	14.6	(8.3)
Total	2,034	100.0	(11.5)	2,461	100.0	(16.8)	1,470	100.0	(27.7)	2,050	100.0	(16.7)

(3) Sales by Equipment in Areas

(Units : 100 million yen, %)

	FY 2011						FY 2012					
	3Q (Apr. - Dec.)			Full-Year			3Q (Apr. - Dec.)			Full-Year (Projections)		
	Amount	%	Change	Amount	%	Change	Amount	%	Change	Amount	%	Change
North America	1,103	54.2	(11.0)	1,341	54.5	(13.9)	1,065	72.5	(3.5)	1,463	71.4	9.1
Audio Visual Equipment	1,003	49.3	(0.1)	1,222	49.6	(5.2)	978	66.5	(2.5)	1,312	64.0	7.4
Information Equipment	85	4.2	(54.8)	103	4.2	(51.9)	36	2.5	(57.6)	55	2.7	(46.6)
Others	15	0.7	(68.8)	16	0.7	(70.9)	51	3.5	240.0	96	4.7	500.0
Europe	108	5.3	(45.5)	126	5.1	(47.2)	46	3.1	(57.1)	46	2.3	(63.5)
Audio Visual Equipment	57	2.8	(13.6)	67	2.7	(19.3)	38	2.5	(33.3)	36	1.8	(46.3)
Information Equipment	51	2.5	(61.4)	59	2.4	(61.7)	8	0.6	(84.3)	8	0.4	(86.4)
Others	0	0.0	-	0	0.0	-	0	0.0	-	2	0.1	-
Asia and Others	138	6.8	(22.9)	181	7.4	(18.1)	95	6.3	(32.6)	169	8.2	(6.6)
Audio Visual Equipment	23	1.1	(4.2)	43	1.8	13.2	60	4.1	160.9	128	6.2	197.7
Information Equipment	109	5.4	(27.8)	131	5.3	(26.8)	31	2.1	(71.6)	33	1.6	(74.8)
Others	6	0.3	50.0	7	0.3	75.0	2	0.1	(66.7)	8	0.4	14.3
Japan	685	33.7	0.4	813	33.0	(13.7)	266	18.1	(61.2)	372	18.1	(54.2)
Audio Visual Equipment	428	21.0	2.4	503	20.4	(12.7)	135	9.2	(68.5)	171	8.3	(66.0)
Information Equipment	6	0.3	(57.1)	7	0.3	(58.8)	0	0.0	-	8	0.4	14.3
Others	251	12.4	0.0	303	12.3	(13.2)	131	8.9	(47.8)	193	9.4	(36.3)
Total	2,034	100.0	(11.5)	2,461	100.0	(16.8)	1,470	100.0	(27.7)	2,050	100.0	(16.7)

3 . Summary of 3Q (October to December) Financial Statements (Consolidated)

(1) Operating Results

(Units : 100 million yen, %)

	FY 2011			FY 2012		
	3Q (Oct. - Dec.)			3Q (Oct. - Dec.)		
	Amount	%	Change	Amount	%	Change
Net Sales	628	100.0	(17.2)	580	100.0	(7.6)
Operating Income (Loss)	8	1.3	-	(3)	(0.7)	-
Ordinary Income	8	1.4	-	32	5.5	300.0
Net Income (Loss) after Tax	(5)	(1.0)	-	6	1.2	-

() Yen-Dollars / Exchange rate

(Units : Yen / Dollars)

	FY 2011		FY 2012	
	3Q (Oct. - Dec.)		3Q (Oct. - Dec.)	
Average Rate in each Period		77.20		82.78

(2) Sales by Equipment

(Units : 100 million yen, %)

	FY 2011			FY 2012		
	3Q (Oct. - Dec.)			3Q (Oct. - Dec.)		
	Amount	%	Change	Amount	%	Change
Audio Visual Equipment	500	79.6	(1.8)	466	80.3	(6.8)
DVD	61	9.7	(14.1)	60	10.3	(1.6)
BD	94	15.0	(33.8)	50	8.6	(46.8)
LCD TV	334	53.2	19.3	340	58.6	1.8
Others	11	1.7	(31.3)	16	2.8	45.5
Information Equipment	69	11.0	(44.8)	34	5.9	(50.7)
Others	59	9.4	(53.2)	80	13.8	35.6
Total	628	100.0	(17.2)	580	100.0	(7.6)



FUNAI ELECTRIC CO., LTD.

(Company)

FUNAI ELECTRIC CO., LTD.

INVESTOR / RELATIONSDEPARTMENT

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