

# FY 2012 FIRST QUARTER IN CUMULATIVE FINANCIAL REPORT

〔 From April 1, 2012  
To June 30, 2012 〕



FUNAI ELECTRIC CO., LTD.

First Quarter (April-June) Consolidated Financial Summary for the Period Ending March 2013

(Million yen)

	Previous Year First Quarter 〔 From April 1, 2011 to June 30, 2011 〕		Current Year First Quarter 〔 From April 1, 2012 to June 30, 2012 〕		Rate of increase or decrease
	Amount	%	Amount	%	
Net Sales	65,618	100.0	40,020	100.0	39.0
Operating Income / Loss	322	0.5	947	2.4	-
Ordinary Income / Loss	75	0.1	2,060	5.1	-
Net Income / Loss before Taxes and Other Adjustments	60	0.1	2,130	5.3	-
Net Loss after Tax	2,350	3.6	1,848	4.6	-
Net Loss per Share	68.90		54.17		

Notes: Includes 15 consolidated subsidiaries, 1 non-consolidated subsidiary accounted for by the equity method.



## Financial Report for the 3-Month Period ended June 30, 2012

July 30, 2012

Listed company name: Funai Electric Co., Ltd.

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

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Scheduled date of Quarterly Report; August 8, 2012

Scheduled date of Commencement of Annual Dividend Payment; -

Quarterly Financial Results Supplementation: Yes

Quarterly Financial Results Seminar: Yes

## 1. First Quarter Consolidated Results for the Period Ending March 2013 (April 1, 2012 – June 30, 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	%
1 <sup>st</sup> Quarter FY2012	40,020	39.0	947	-	2,060	-	1,848	-
1 <sup>st</sup> Quarter FY2011	65,618	12.5	322	87.2	75	94.1	2,350	-

(Reference) Comprehensive Income 1<sup>st</sup> Quarter FY 2012 ended June 30, 2012 3,790 million yen (- %)  
1<sup>st</sup> Quarter FY 2011 ended June 30, 2011 4,667 million yen (- %)

	Net Income Per Share		Net Income Per Share on a Fully Diluted Basis	
	Yen		Yen	
1 <sup>st</sup> Quarter FY2012	54.17		-	
1 <sup>st</sup> Quarter FY2011	68.90		-	

## (2) Consolidated Financial Position

	Total Assets		Net Assets		Shareholders' Equity Ratio	
	Million yen		Million yen		%	
1 <sup>st</sup> Quarter FY2012	171,111		118,340		68.5	
Fiscal Year 2011	176,607		123,843		69.5	

(Reference) Shareholders' Equity 1<sup>st</sup> Quarter FY 2012 ended June 30, 2012 117,261 million yen  
Fiscal Year 2011 ended March 31, 2012 122,762 million yen

## 2. Dividends

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

(Note) Revision of Annual Dividends Forecast in this 1<sup>st</sup> 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
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending Sep.30.2012	102,000	27.5	1,100	48.1	1,200	130.8			5.86
Full Year	229,000	7.0	4,000	766.7	4,000	-	200	-	73.27
							2,500	-	

(Note) Revision of Forecast of Consolidated Results for the six month period or the Full Year in this 1<sup>st</sup> 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 1<sup>st</sup> quarter: Yes

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

Changes arising from revision of accounting standards: Yes

Changes arising from other factors: No

Changes in accounting estimates: Yes

Restatement: No

(4) Number of Shares Outstanding (Ordinary Shares)

Number of shares outstanding (including treasury stock) as of June 30, 2012; 36,130,796 shares

as of March 31, 2012; 36,130,796 shares

Number of shares of treasury stock as of June 30, 2012; 2,011,607 shares

as of March 31, 2012; 2,011,607 shares

The Average number of outstanding shares on June 30, 2012; 34,119,189 shares

on June 30, 2011; 34,112,710 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

During the first quarter of the current fiscal term, a drop in the pace of hiring and sluggish personal consumption in the United States, our mainstay market, have been a drag on economic recovery, despite a noticeable upturn in the housing market. The direction of global economy outside the United States also remains unclear due to factors such as the European sovereign debt crisis and a slowdown in the Chinese economy.

Consumer electronics appliances industry growth appears to be declining. Demand for LCD TVs continues to be sluggish in Japan and Europe, although it is comparatively firm in the United States. Even among the emerging markets, the labor day retail sales wars in China ended on a low note. The anticipated upsurge in Olympic-related demand also has not occurred. All of the major companies are showing signs of moving toward implementation of structural reforms and business reorganization amidst this tough environment.

As a result of the above factors, the Group posted net sales of JPY 40,020 million, a 39.0% decrease compared with the same period last year.

On the profit front, operating loss was JPY 947 million (operating income for the same period last year was JPY 322 million), ordinary loss was JPY 2,060 million (ordinary income for the same period last year was JPY 75 million); and a quarterly net loss of JPY 1,848 million (the quarterly net loss for the same period last year was JPY 2,350 million).

Segment conditions by location were as follows:

#### i) Japan

Reduced orders for printers prompted a major falloff in revenue from sales of information equipment, and sales of LCD TVs and antennas and related devices declined year-on-year, due to a drop after completion of the transition to digital terrestrial broadcasting. The market for Blu-ray Disc recorders, which are often bought in tandem with LCD TVs, also declined. As a result, net sales were JPY 12,743 million, a decrease of 63.6% year on year. Our segment loss (operating loss) was JPY 39 million (the operating profit for this segment for the same period last year was JPY 1,925 million).

#### ii) North America

Revenues for LCD TVs were up due to strong sales at mass retailers. Overall revenues for DVD-related equipment declined year-on-year due to a shrinking of the market, although revenue from Blu-ray Disc player sales was up. As a result, net sales amounting to JPY 26,049 million, down 1.9% year on year. Our segment loss (operating loss) was JPY 130 million (the operating loss for this segment for the same period last year was JPY 712 million).

#### iii) Asia

Net sales came to JPY 339 million, a decrease of 88.2% year on year. Our segment loss (operating loss) of JPY 239 million (operating loss for this segment for the same period last year was JPY 84 million).

#### iv) Europe

While revenues for video increased, those for LCD TVs declined due to a sluggish market, in addition to the fact that the anticipated upsurge in Olympic-related demand did not occur. As a result, net sales down 21.8% year on year, to JPY 888 million, and an segment loss (operating loss) of JPY 43 million (operating loss for the same period last year was JPY 440 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 from Blue-ray Disc recorders sold in Japan, as well as lower revenue for other DVD-related equipment. Despite a firm tone for LCD TVs in North America, the overall market declined in the aftermath of the completion of the transition to digital terrestrial broadcasting in Japan. As a result, net sales of this equipment were JPY 32,075 million, a decrease of 30.5% year on year.

#### ii) Information Equipment

In the information equipment sector, decreases in orders for printers resulted in net sales of this equipment were JPY 2,658 million, a decrease of 69.4% year on year.

#### iii) Others Products

Sales of other products that are not included in the above categories amounted to JPY 5,286 million, a decrease of 50.9% year on year, as sales of antennas and related devices fell, reflecting the conclusion of the transition to digital terrestrial broadcasting.

(2) Qualitative Information Relating to Consolidated Financial Position

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

Total assets decreased by JPY 5,495 million as compared to the end of the previous consolidated fiscal year. This was mainly due to an increase of JPY 2,587 million and JPY 2,372 million in cash and deposits, goods and products, and a decrease of JPY 5,097 million and JPY 4,500 million in notes and accounts receivable-trade, securities.

Total liabilities increased by JPY 7 million as compared to the end of the previous consolidated fiscal year. This was mainly due to the JPY 696 million and JPY 376 million increases in accounts payable-other, accrued expenses and decrease of JPY 676 and JPY 644 million in notes and accounts payable-trade, short-term loans payable.

Net assets fell by JPY 5,503 million as compared to the end of the previous consolidated fiscal year. This was mainly due to a decrease of JPY 3,554 million and JPY 1,877 million in the retained earnings and foreign currency translation adjustment account.

(3) Qualitative Information Relating to Consolidated Performance Forecasts:

We have not revised its consolidated operating results forecast released on May 7, 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.

## 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.

(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 first 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)	1st Quarter FY2012 (As of June 30, 2012)
<b>ASSETS;</b>		
Current Assets		
Cash and deposits	68,146	70,733
Notes and accounts receivable-trade	32,296	27,198
Securities	4,500	-
Merchandise and finished goods	22,387	24,759
Work in process	1,570	1,238
Raw materials and supplies	10,005	9,937
Other	6,905	7,645
Allowance for doubtful accounts	120	105
Total current assets	145,689	141,406
Noncurrent assets		
Tangible fixed assets	14,785	14,123
Intangible assets	4,795	4,393
Investment and other assets		
Other	11,634	11,388
Allowance for doubtful accounts	297	201
Total investments and other assets	11,336	11,187
Total noncurrent assets	30,917	29,704
<b>TOTAL ASSETS</b>	<b>176,607</b>	<b>171,111</b>
<b>LIABILITIES;</b>		
Current Liabilities		
Notes and accounts payable-trade	29,623	28,946
Short-term loans payable	4,583	3,938
Income taxes payable	325	73
Provision	1,072	1,168
Other	14,451	16,009
Total current liabilities	50,054	50,136
Noncurrent liabilities		
Provision	2,108	2,067
Other	600	566
Total noncurrent liabilities	2,708	2,633
<b>TOTAL LIABILITIES</b>	<b>52,763</b>	<b>52,770</b>



(Units : Million Yen)

	Fiscal year 2011 (As of March 31, 2012)	1st Quarter FY2012 (As of June 30, 2012)
<b>NET ASSETS;</b>		
Shareholders' equity		
Capital stock	31,307	31,307
Capital surplus	33,272	33,272
Retained earnings	111,384	107,830
Treasury stock	24,341	24,341
Total shareholders' equity	151,623	148,069
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	56	12
Foreign currency translation adjustment	28,917	30,795
Total accumulated other comprehensive income	28,861	30,807
Subscription right to shares	106	110
Minority interests	974	968
Total net asset	123,843	118,340
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>176,607</b>	<b>171,111</b>

(2). Consolidated Quartely Statements of Income and Consolidated Quartely Statement of Comprehensive Income  
(Consolidated Quartely Statements of Income)

(Units : Million Yen)

	1st Quarter FY2011 ( from April 1, 2011 to June 30, 2011 )	1st Quarter FY2012 ( from April 1, 2012 to June 30, 2012)
Net sales	65,618	40,020
Cost of sales	56,037	32,936
Gross profit	9,580	7,084
Selling, general and administrative expenses	9,258	8,031
Operating income / loss	322	947
Non-operating income		
Interest income	48	69
Dividends income	23	15
Other	61	120
Total non-operating income	133	205
Non-operating expenses		
Interest expenses	34	21
Equity in losses of affiliates	19	9
Foreign exchange losses	304	1,265
Other	20	21
Total non-operating expenses	379	1,318
Ordinary income / loss	75	2,060
Extraordinary income		
Gain on disposal of noncurrent assets	0	1
Total extraordinary income	0	1
Extraordinary loss		
Loss on disposal of noncurrent assets	-	7
Loss on valuation of investment securities	0	64
Other	15	-
Total extraordinary loss	16	71
Income / loss before income taxes	60	2,130
Income taxes	1,405	288
Income taxes for prior periods	936	-
Total income taxes	2,341	288
Loss before minority interests	2,281	1,842
Minority interests in income	68	6
Net loss	2,350	1,848

(Consolidated Quartely Statement of Comprehensive Income)

(Units : Million Yen)

	1st Quarter FY2011 ( from April 1, 2011 to June 30, 2011 )	1st Quarter FY2012 ( from April 1, 2012 to June 30, 2012 )
Loss before minority interest adjustment	2,281	1,842
Other comprehensive Income		
Valuation difference on avaiable-for-sale securities	138	70
Foreign currency translation adjustment	2,531	1,892
Share of other comprehensive income of associates accounted for using equity method	5	14
Total other comprehensive Income	2,386	1,948
Comprehensive income	4,667	3,790
(Breakdown)		
Comprehensive income attributable to owners of parent	4,735	3,794
Comprehensive income attributable to minority interests	67	3

(3) Notes for Continuing Enterprises  
Not Applicable

(4) Notes of remarkable changes in Shareholders Equity:  
Not Applicable

(5) Information by Segment

[Segment Information]

. First Quarter Consolidated Fiscal Period – Year to Date (April 1, 2011 to June 30, 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	35,041	26,561	2,879	1,135	65,618	-	65,618
(2) Inter-segment sales	23,665	0	40,143	0	63,810	(63,810)	-
Total	58,707	26,561	43,023	1,136	129,428	(63,810)	65,618
Segment Income and Loss( )	1,925	712	84	440	687	(364)	322

Note:

1. The negative JPY 364 million adjustment amount under segment income includes items such as the JPY 0 million relating to the cancellation of inter-segment transactions, JPY 262 million of overall Group expenses that are not apportioned to each reporting segment, and the JPY 101 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 first quarter consolidated income statement.

. First Quarter Consolidated Fiscal Period – Year to Date (April 1, 2012 to June 30, 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	12,743	26,049	339	888	40,020	-	40,020
(2) Inter-segment sales	28,233	0	29,430	0	57,663	(57,663)	-
Total	40,976	26,049	29,770	888	97,683	(57,663)	40,020
Segment Income and Loss( )	39	130	239	43	452	(494)	947

Note:

1. The negative JPY 494 million adjustment amount under segment loss includes items such as the JPY 0 million relating to the cancellation of inter-segment transactions, JPY 222 million of overall Group expenses that are not apportioned to each reporting segment, and the JPY 272 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 first quarter consolidated income statement.

(6) Important Subsequent Event  
Not Applicable

# FIRST QUARTER IN CUMULATIVE FINANCIAL RESULTS SUPPLEMENTATION

## FY 2012

( from 2012.4.1  
to 2012.6.30 )

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FUNAI ELECTRIC CO., LTD.

## 1. Summary of 1Q Financial Statements (Consolidated)

### (1) Operating Results, Financial Conditions

(Units : 100 million yen, %)

	FY 2011						FY 2012					
	1Q			Full-Year			1Q			Full-Year (Projections)		
	Amount	%	Change	Amount	%	Change	Amount	%	Change	Amount	%	Change
Net Sales	656	100.0	12.5	2,461	100.0	16.8	400	100.0	39.0	2,290	100.0	7.0
Operating Income	3	0.5	87.2	4	0.2	40.2	9	2.4	-	40	1.7	766.7
Ordinary Income	0	0.1	94.1	1	0.1	86.5	20	5.1	-	40	1.7	-
Net Income / Loss after Tax	23	3.6	-	46	1.9	-	18	4.6	-	25	1.1	-
Total Assets	1,960	-	-	1,766	-	-	1,711	-	-	-	-	-
Net Assets	1,256	-	-	1,238	-	-	1,183	-	-	-	-	-

### ( ) Yen-Dollars / Exchange rate

(Units : Yen / Dollars)

	FY 2011		FY 2012	
	1Q	Full-Year	1Q	Full-Year (Projections)
Average Rate in each Period	81.23	78.81	79.80	80.00

### (2) Profitability and Per Share Data etc.

	FY 2011		FY 2012	
	1Q	Full-Year	1Q	Full-Year (Projections)
Gross Profit Ratio (%)	14.6	15.2	17.7	18.1
Operating Income Ratio (%)	0.5	0.2	2.4	1.7
Ordinary Income Ratio (%)	0.1	0.1	5.1	1.7
Shareholders' Equity Ratio (%)	63.6	69.5	68.5	-
Net Assets Per Share (yen)	3,653.36	3,598.03	3,436.82	-
Net Income Per Share (yen)	68.90	135.69	54.17	73.27
Return on Assets (%)	1.1	2.5	1.0	-
Return on Shareholders' Equity (%)	1.8	3.7	1.5	-

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

(Units : 100 million yen, %)

	FY 2011				FY 2012			
	1Q		Full-Year		1Q		Full-Year (Projections)	
	Amount	Change	Amount	Change	Amount	Change	Amount	Change
Capital Expenditures	12	60.0	40	33.3	8	33.3	52	30.0

	FY 2011						FY 2012					
	1Q			Full-Year			1Q			Full-Year (Projections)		
	Amount	%	Change	Amount	%	Change	Amount	%	Change	Amount	%	Change
Depreciation Expenses	12	1.8	20.0	49	2.0	2.1	10	2.5	16.7	48	2.1	2.0
R&D	27	4.1	12.9	105	4.3	18.6	23	5.8	14.8	117	5.1	11.4

## (4) CashFlow

(Units : 100 million yen)

	FY 2011		FY 2012	
	1Q	Full-Year	1Q	Full-Year (Projections)
Cash flows provided by operating activities	74	164	26	-
Income Before Income Taxes	0	5	21	-
Depreciation Expenses	16	65	14	-
Others	58	104	33	-
Cash flows used in investing activities	131	64	52	-
Free cash flows	205	100	78	-
Cash flows provided by financing activities	34	67	23	-
Effect of exchange rate changes on cash and cash equivalents	2	2	5	-
Net increase in cash and cash equivalents	162	28	49	-

## 2. Operating Activities (Consolidated)

## (1) Sales by Equipment

(Units : 100 million yen, %)

	FY 2011						FY 2012					
	1Q			Full-Year			1Q			Full-Year (Projections)		
	Amount	%	Change	Amount	%	Change	Amount	%	Change	Amount	%	Change
Audio Visual Equipment	461	70.3	6.2	1,835	74.5	7.6	321	80.2	30.5	1,906	83.2	3.9
DVD	60	9.2	14.3	219	8.9	18.6	38	9.5	36.7	173	7.5	21.0
BD	119	18.1	133.3	380	15.4	7.6	38	9.5	68.1	354	15.4	6.8
LCD TV	277	42.2	23.5	1,209	49.1	9.1	240	60.0	13.4	1,341	58.6	10.9
Others	5	0.8	44.4	27	1.1	20.6	5	1.2	-	38	1.7	40.7
Information Equipment	87	13.3	49.2	300	12.2	46.8	26	6.6	69.4	180	7.9	40.0
Others	108	16.4	24.6	326	13.3	20.3	53	13.2	50.9	204	8.9	37.4
Total	656	100.0	12.5	2,461	100.0	16.8	400	100.0	39.0	2,290	100.0	7.0

## (2) Sales by Areas in Equipment

(Units : 100 million yen, %)

	FY 2011						FY 2012					
	1Q			Full-Year			1Q			Full-Year (Projections)		
	Amount	%	Change	Amount	%	Change	Amount	%	Change	Amount	%	Change
Audio Visual Equipment	461	70.3	6.2	1,835	74.5	7.6	321	80.2	30.5	1,906	83.2	3.9
North America	263	40.1	20.5	1,222	49.7	5.2	258	64.5	1.9	1,423	62.1	16.4
Europe	15	2.4	50.0	67	2.7	19.3	14	3.5	6.7	69	3.0	3.0
Asia and Others	7	1.0	12.5	43	1.7	13.2	9	2.2	28.6	101	4.4	134.9
Japan	176	26.8	43.1	503	20.4	12.7	40	10.0	77.3	313	13.7	37.8
Information Equipment	87	13.3	49.2	300	12.2	46.8	26	6.6	69.4	180	7.9	40.0
North America	28	4.3	57.6	103	4.2	51.9	9	2.3	67.9	67	3.0	35.0
Europe	15	2.3	64.3	59	2.4	61.7	1	0.3	93.3	30	1.3	49.2
Asia and Others	41	6.2	29.3	131	5.3	26.8	16	4.0	61.0	59	2.6	55.0
Japan	3	0.5	40.0	7	0.3	58.8	0	0.0	-	24	1.0	242.9
Others	108	16.4	24.6	326	13.3	20.3	53	13.2	50.9	204	8.9	37.4
Total	656	100.0	12.5	2,461	100.0	16.8	400	100.0	39.0	2,290	100.0	7.0

## (3) Sales by Equipment in Areas

(Units : 100 million yen, %)

	FY 2011						FY 2012					
	1Q			Full-Year			1Q			Full-Year (Projections)		
	Amount	%	Change	Amount	%	Change	Amount	%	Change	Amount	%	Change
North America	298	45.4	27.3	1,341	54.5	13.9	269	67.4	9.6	1,490	65.1	11.1
Audio Visual Equipment	263	40.1	20.5	1,222	49.6	5.2	258	64.5	1.9	1,423	62.1	16.4
Information Equipment	28	4.3	57.6	103	4.2	51.9	9	2.3	67.9	67	3.0	35.0
Others	7	1.0	46.2	16	0.7	70.9	2	0.6	71.4	0	0.0	-
Europe	30	4.7	57.7	126	5.1	47.2	15	3.8	50.4	99	4.3	21.4
Audio Visual Equipment	15	2.4	50.0	67	2.7	19.3	14	3.5	6.7	69	3.0	3.0
Information Equipment	15	2.3	64.3	59	2.4	61.7	1	0.3	93.3	30	1.3	49.2
Others	0	0.0	-	0	0.0	-	0	0.0	-	0	0.0	-
Asia and Others	51	7.7	23.9	181	7.4	18.1	26	6.4	49.0	160	7.0	11.6
Audio Visual Equipment	7	1.0	12.5	43	1.8	13.2	9	2.2	28.6	101	4.4	134.9
Information Equipment	41	6.2	29.3	131	5.3	26.8	16	4.0	61.0	59	2.6	55.0
Others	3	0.5	200.0	7	0.3	75.0	1	0.2	66.7	0	0.0	-
Japan	277	42.2	38.2	813	33.0	13.7	90	22.4	67.6	541	23.6	33.5
Audio Visual Equipment	176	26.8	43.1	503	20.4	12.7	40	10.0	77.3	313	13.7	37.8
Information Equipment	3	0.5	40.0	7	0.3	58.8	0	0.0	-	24	1.0	242.9
Others	98	14.9	36.1	303	12.3	13.2	50	12.4	49.0	204	8.9	32.7
Total	656	100.0	12.5	2,461	100.0	16.8	400	100.0	39.0	2,290	100.0	7.0





# **FUNAI ELECTRIC CO., LTD.**

( Company )

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