



FY2019 Financial Results

Monday, May 18, 2020
Funai Electric Co., Ltd.

Securities Code: 6839

I. Consolidated Financial Highlights

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1. Financial Highlights for Q4 (Jan-Mar 2020)

Units: billion yen

	Q4 FY2018	Q4 FY2019	YoY Change (): Change in %
Net Sales	24.5	18.2	-6.3 (-25.9%)
Operating Income (operating margin)	1.1 (4.8%)	0.1 (0.9%)	-1.0
Ordinary Income (ordinary margin)	1.4 (6.1%)	-0.2 (-0.6%)	-1.6
Net Income Attributable to Owners of Parent (Q4 net margin)	1.9 (7.8%)	-0.9 (-4.5%)	-2.8

Average USD/JPY Exchange Rate	110.²⁷	109.¹⁰
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Month-end exchange rate	Dec. 2018	Mar. 2019	Dec. 2019	Mar. 2020
(USD/JPY)	111. ⁰⁰	110. ⁹⁹	109. ⁵⁶	108. ⁸³

2. Financial Highlights for Full Year 2019

Units: billion yen

	FY2018 Results	FY2019 Forecasts	FY2019 Results	YoY Change (): Change in %	Difference from Forecast (): Achievement Rate
Net Sales	105.5	85.0	88.4	-17.1 (-16.2%)	+3.4 (103.8%)
Operating Income (operating margin)	0.6 (0.6%)	-3.0 (-3.5%)	-1.8 (-2.0%)	-2.4	+1.2
Ordinary Income (ordinary margin)	1.3 (1.3%)	-3.1 (-3.6%)	-1.6 (-1.8%)	-2.9	+1.5
Net Income Attributable to Owners of Parent (net margin)	2.6 (2.5%)	-3.2 (-3.8%)	-2.4 (-2.7%)	-5.0	+0.8

Average USD/JPY Exchange Rate	111. ⁰⁶	106. ⁹⁴	108. ⁹⁴
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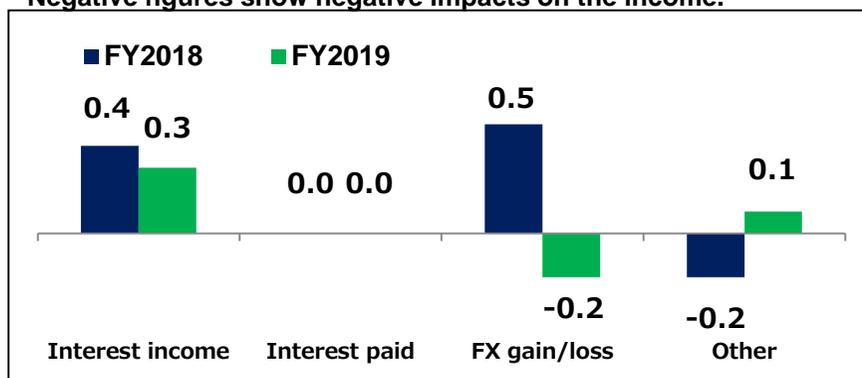
Month-end exchange rate	Mar. 2019	Mar. 2020
(USD/JPY)	110. ⁹⁹	108. ⁸³

3. Ordinary Income & Net Income for Full Year 2019

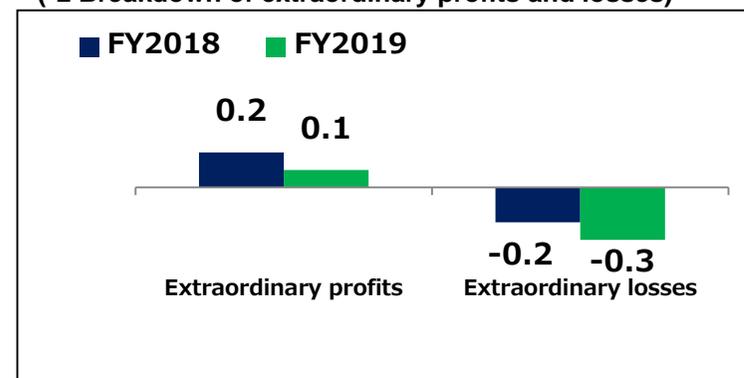
Units: billion yen

	FY2018 Results	FY2019 Results	YoY Change
Operating Income	0.6	-1.8	-2.4
Non-operating revenues	(*1) 1.1	0.7	-0.4
Non-operating expenses	0.4	0.5	+0.1
Ordinary Income	1.3	-1.6	-2.9
Extraordinary profits	(*2) 0.2	0.1	-0.1
Extraordinary losses	0.2	0.3	+0.1
Net Income Before Tax	1.3	-1.8	-3.1
Corporate tax, etc.	-1.3	0.6	+1.9
Net Income Attributable to Owners of Parent	2.6	-2.4	-5.0

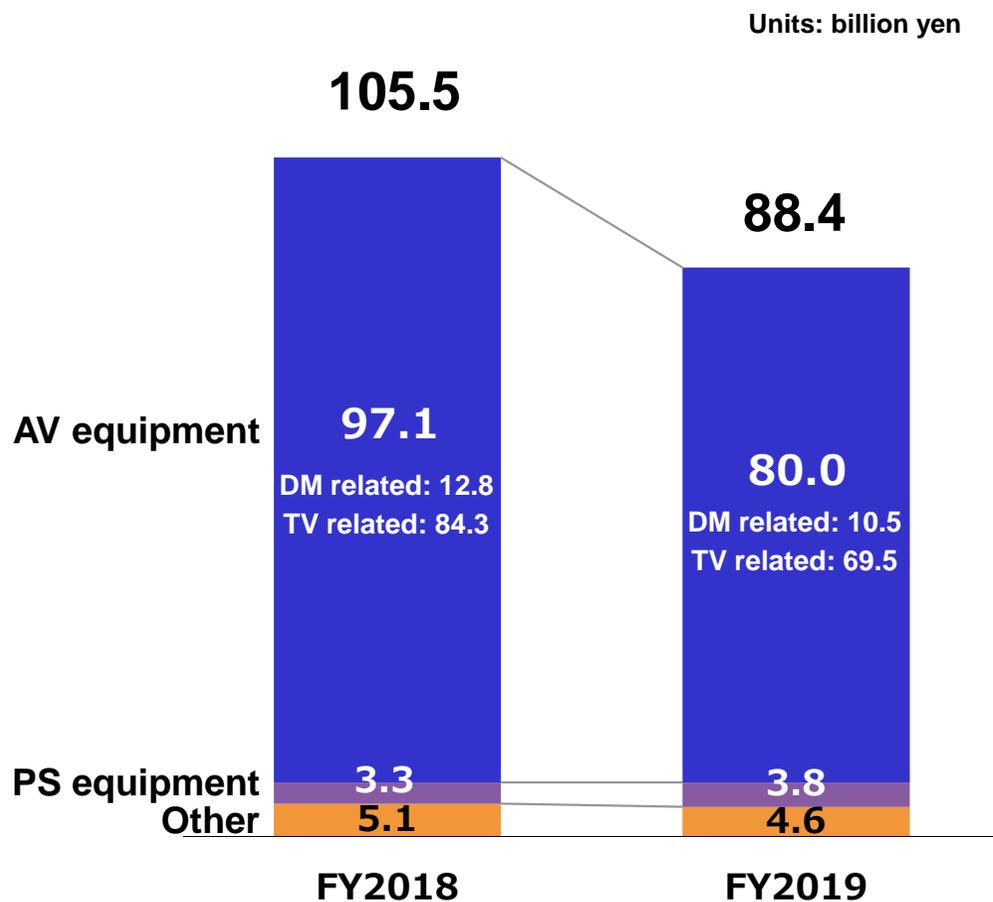
(*1 Breakdown of non-operating revenues and losses)
Negative figures show negative impacts on the income.



(*2 Breakdown of extraordinary profits and losses)

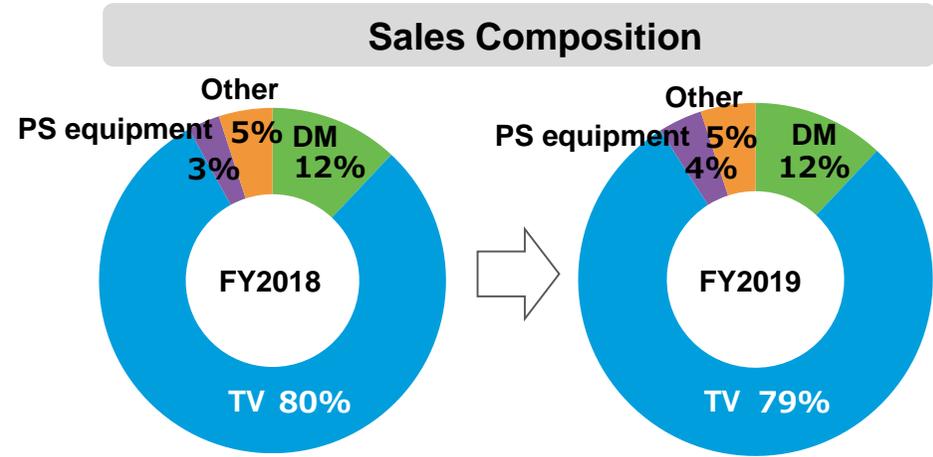


4. Sales by Equipment



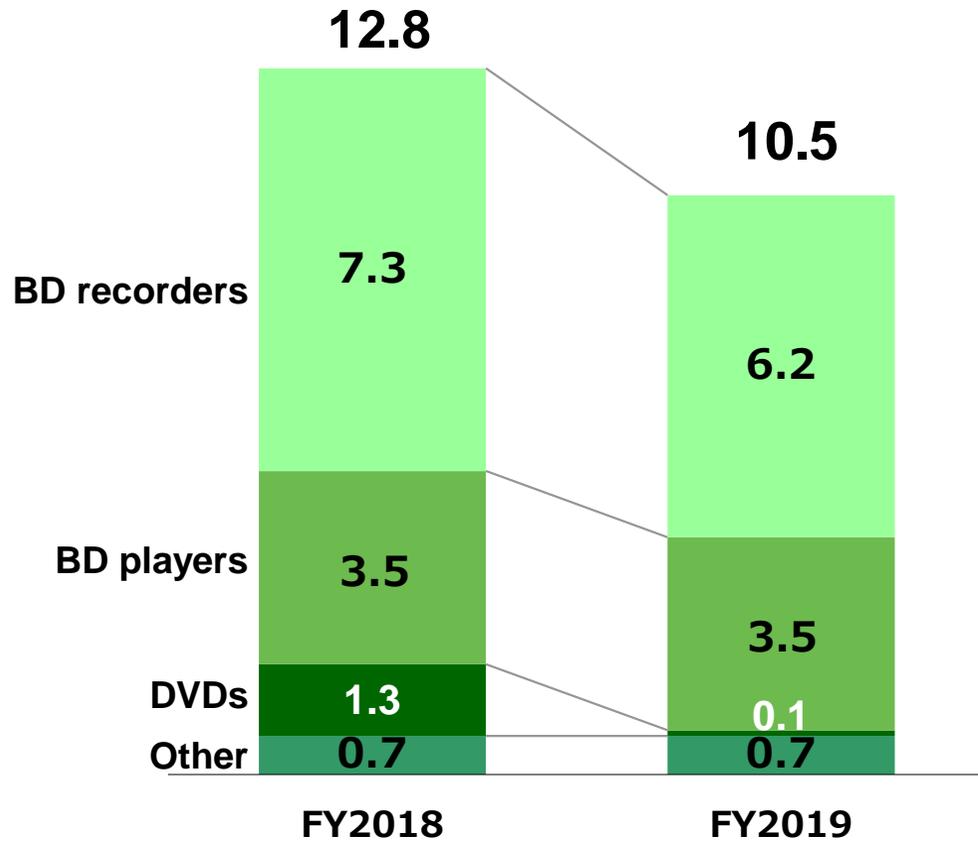
YoY Change Units: billion yen (): Change in %

AV equipment	-17.1	(-17.5%)
DM-related	-2.3	(-18.4%)
TV-related	-14.8	(-17.4%)
PS equipment	+0.5	(+17.0%)
Other	-0.5	(-12.6%)
Total	-17.1	(-16.2%)



5. Sales of DM-related Equipment

Units: billion yen

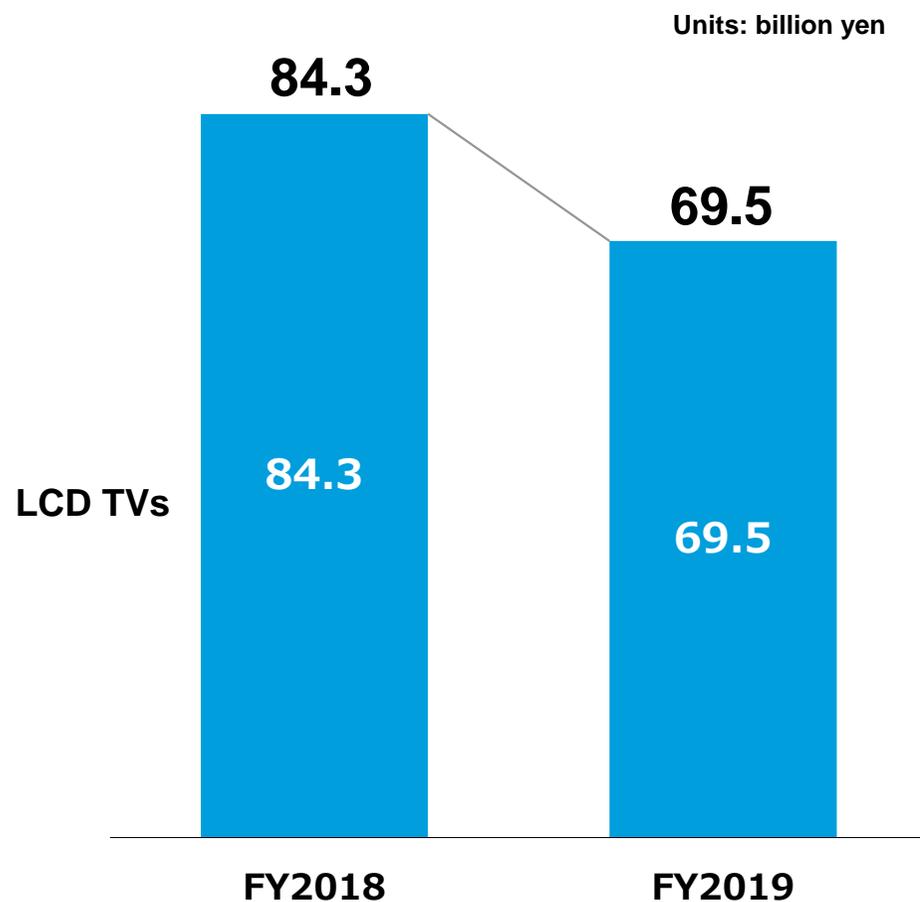


YoY Change Units: billion yen (): Change in %

BD recorders	-1.1	(-15.7%)
BD players	-0	(-0.4%)
DVDs	-1.2	(-92.6%)
Other	-0	(-1.7%)
Total	-2.3	(-18.4%)



6. Sales of TV-related Equipment

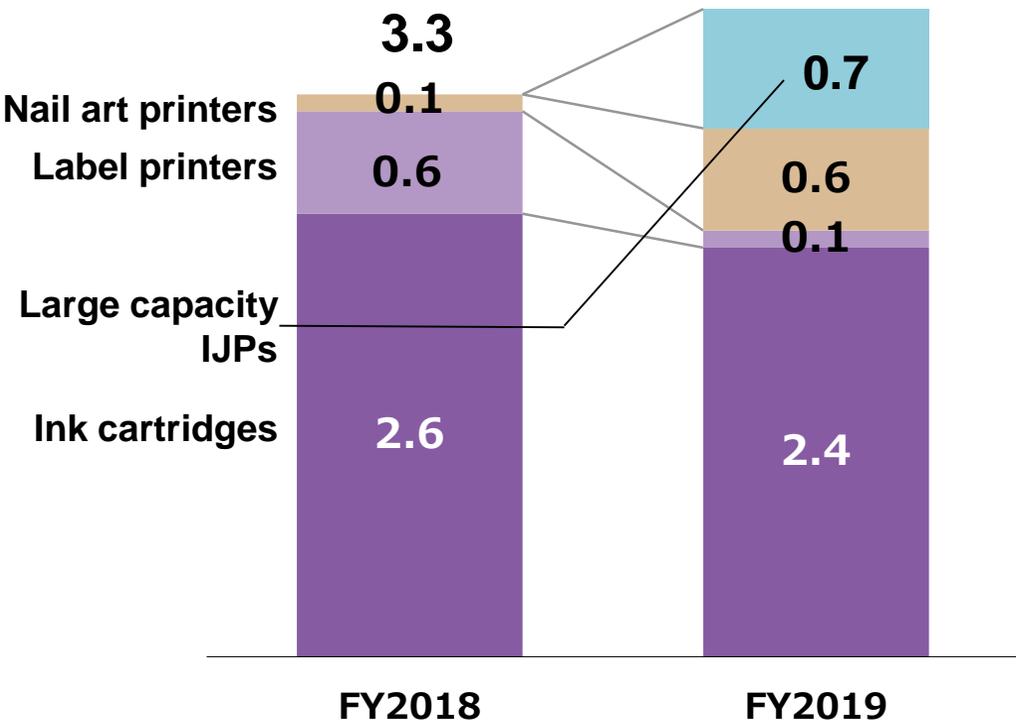


YoY Change	Units: billion yen ()	Change in %
LCD TVs	-14.8	(-17.4%)

7. Sales of PS Equipment

Units: billion yen

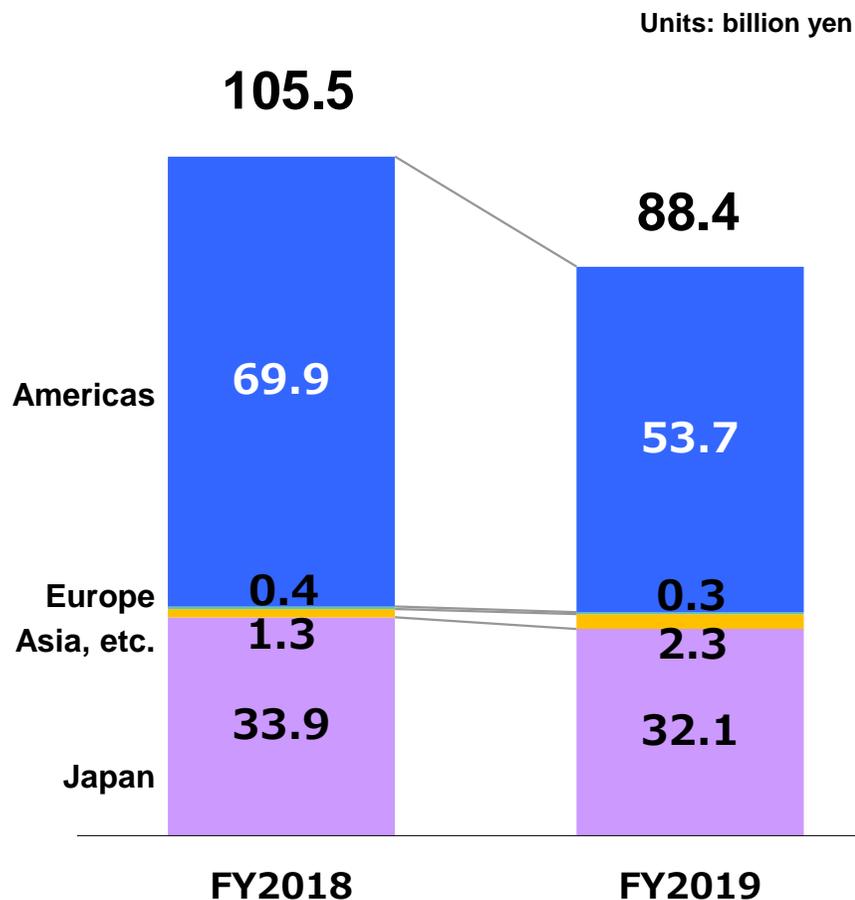
3.8



YoY Change Units: billion yen (): Change in %

Large capacity IJPs	+0.7	(-)
Nail art printers	+0.5	(+425.3%)
Label printers	-0.5	(-73.2%)
Ink cartridges	-0.2	(-4.4%)
Total	+0.5	(+17.0%)

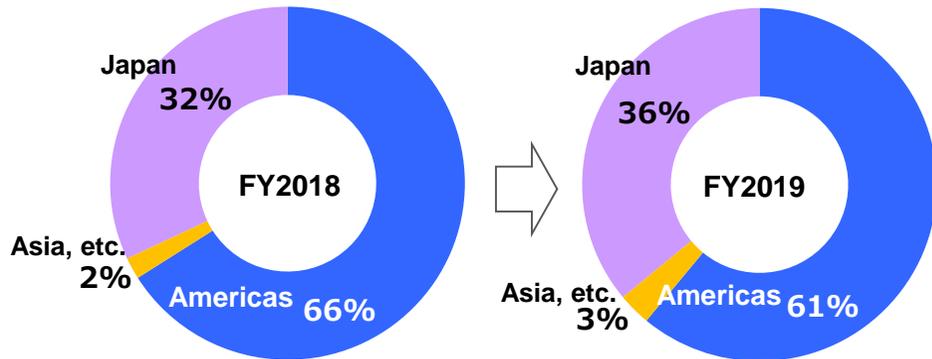
8. Sales by Region



YoY Change Units: billion yen (): Change in %

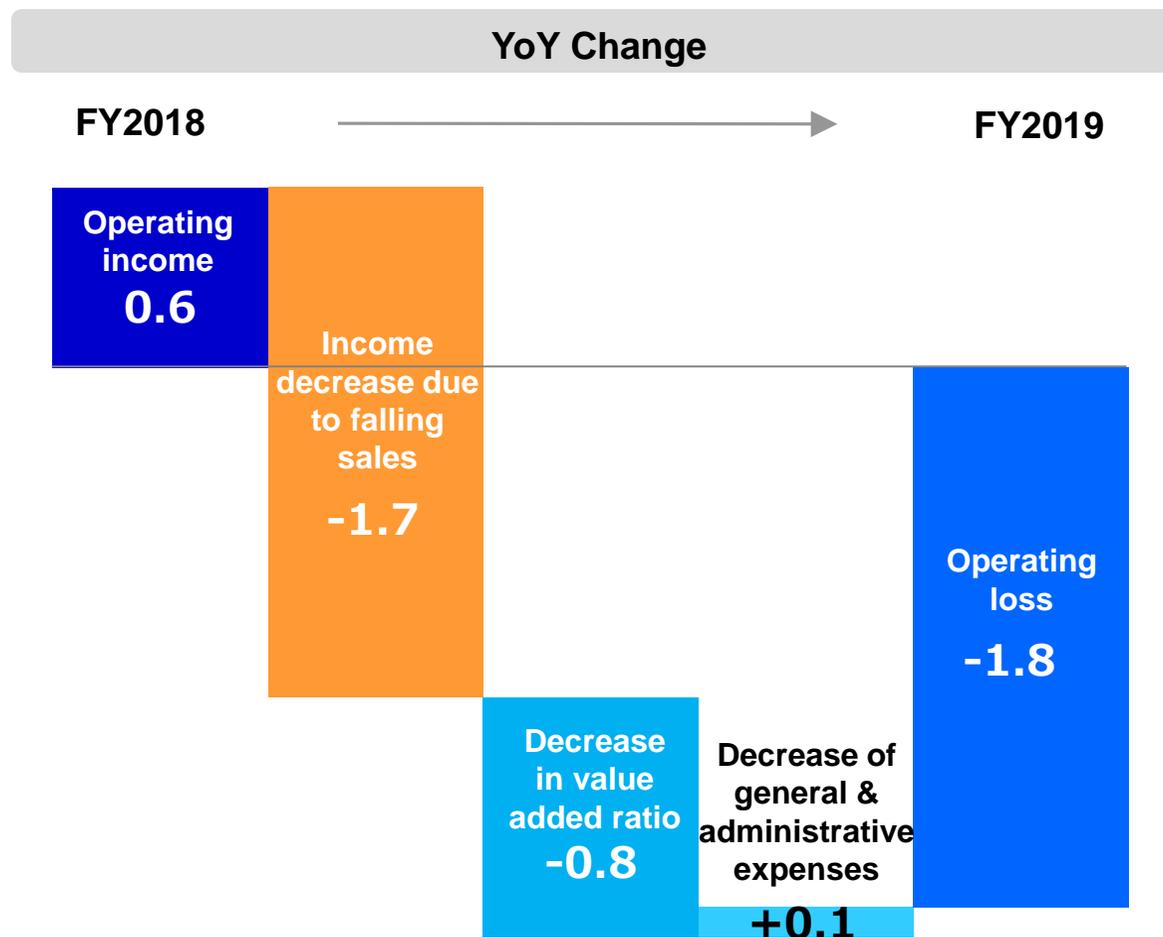
Americas	-16.2	(-23.1%)
Europe	-0.1	(-21.0%)
Asia, etc.	+1.0	(+70.7%)
Japan	-1.8	(-5.3%)
Total	-17.1	(-16.2%)

Sales Composition



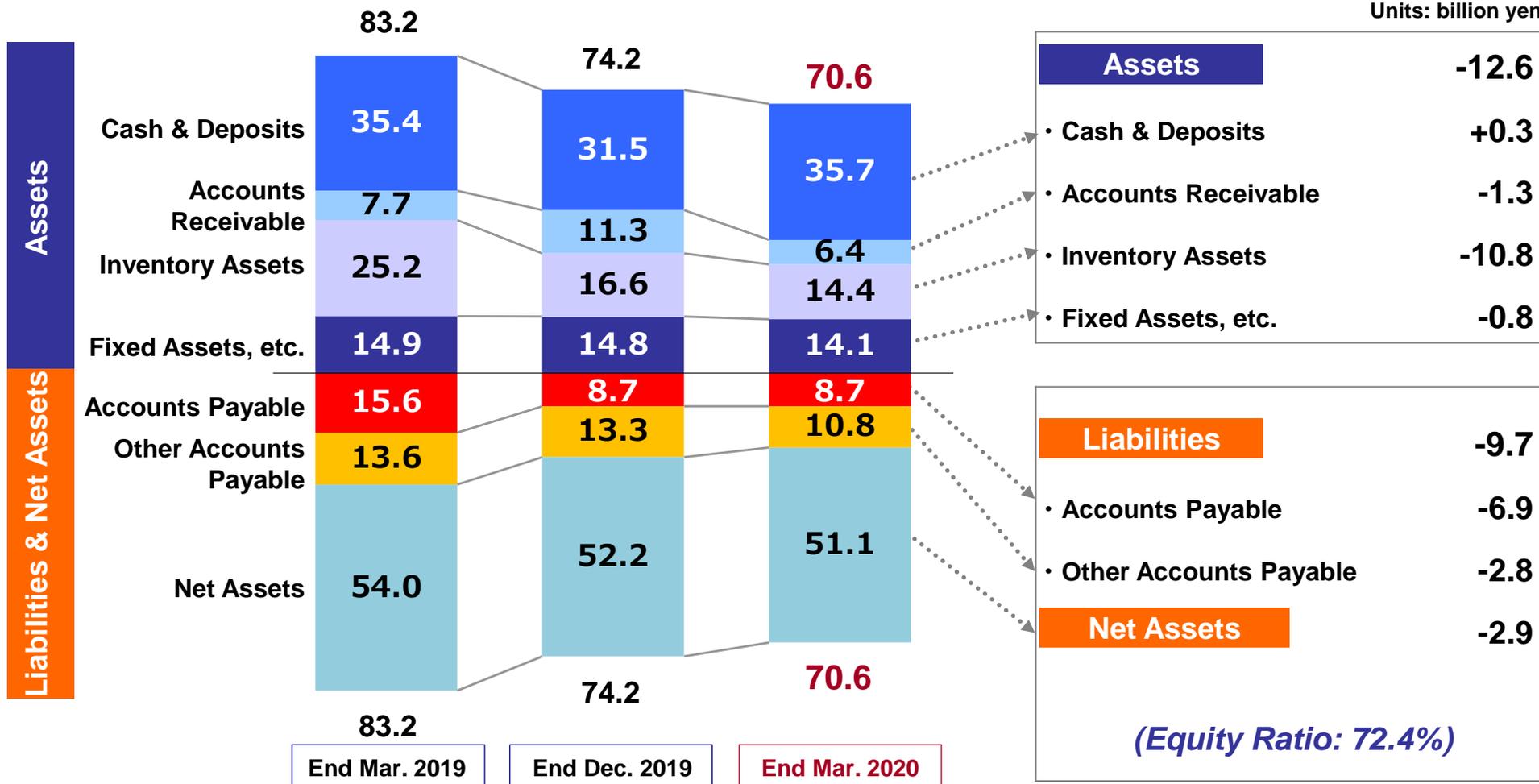
9. Operating Income Analysis

Units: billion yen



10. Balance Sheet Situation

Units: billion yen





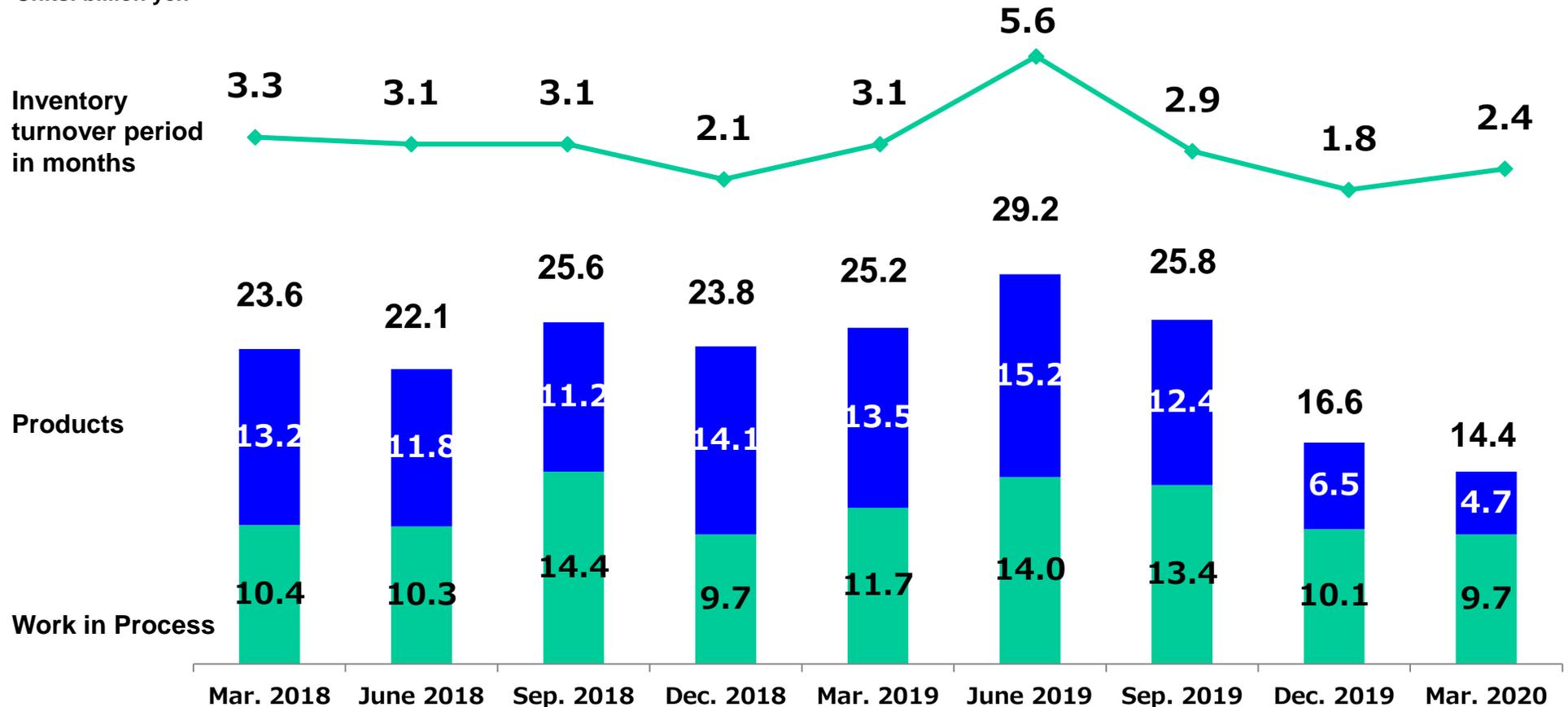
11. Inventory Assets

Change from Mar. 2019

Finished Products : -8.8

Work in Process : -2.0

Units: billion yen



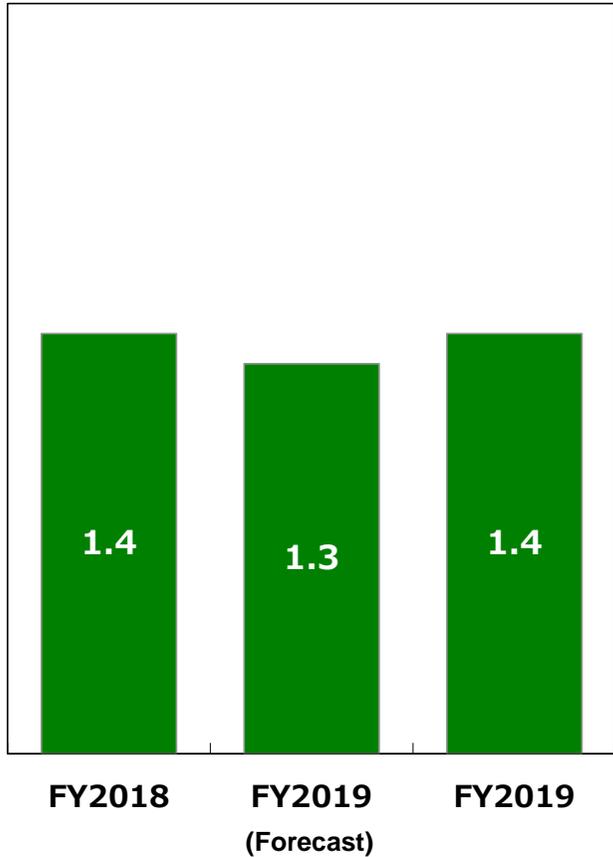
* Inventory turnover period in months = Inventory Assets / Av. Sales in the Past Three Months



12. Capital Expenditure, Depreciation Expenses and R&D Expenses

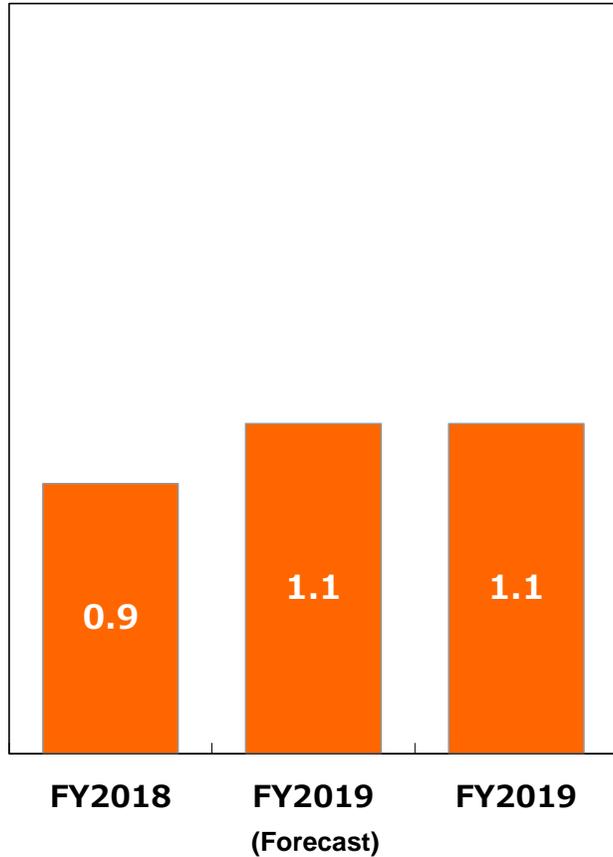
CAPEX

Change from FY2018: 0 bn. yen



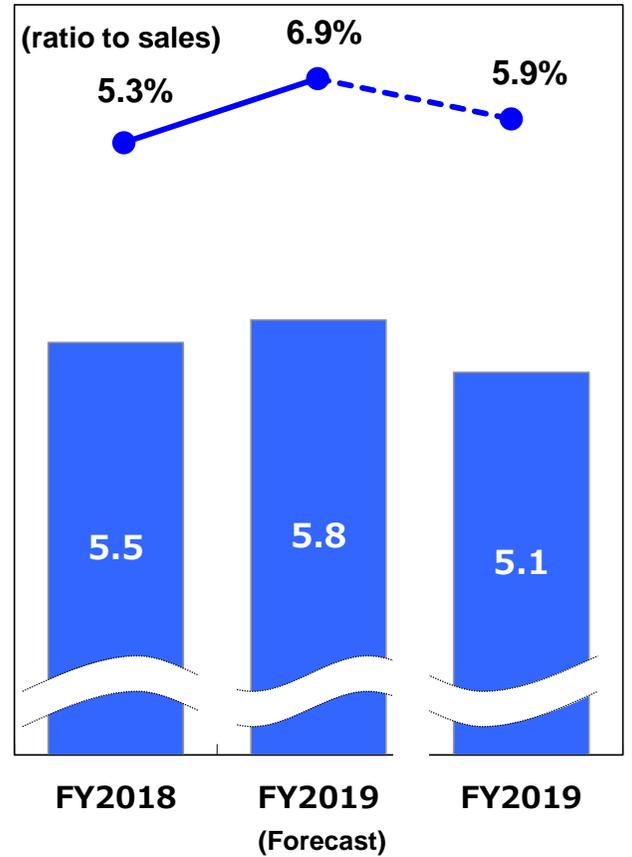
Depreciation Expenses

Change from FY2018: +0.2 bn. yen



R&D Expenses

Change from FY2018: -0.4 bn. yen





13. Performance Outlook for Full Year 2020

- **The world is still in the middle of the COVID-19 pandemic and the light at the end of the tunnel cannot be seen. Long-term implications on the global economy and the Japanese economy are unavoidable.**
- **The consolidated performance outlook for the third quarter of FY2021 has not been made yet.**
- **Forecasts will be disclosed immediately after being reasonably calculated.**

14. Sales Results by Equipment

Units: billion yen

DM-related Equipment
Change from FY2018: -18.4%



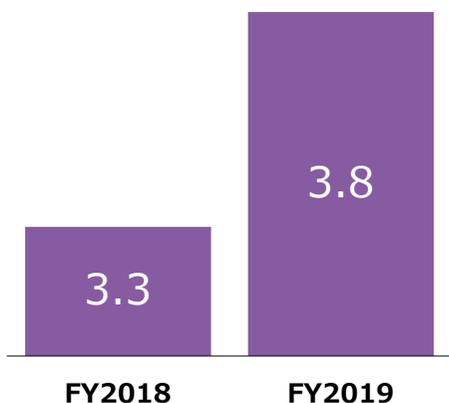
TV-related Equipment
Change from FY2018: -17.4%



105.5



PS Equipment
Change from FY2018: +17.0%



New & Other
Change from FY2018: -12.6%





Appendixes

1. **Quarterly Financial Highlights**
2. **Quarterly Sales Trends by Equipment**
3. **Quarterly Sales Trends by Region**

1. Quarterly Financial Highlights

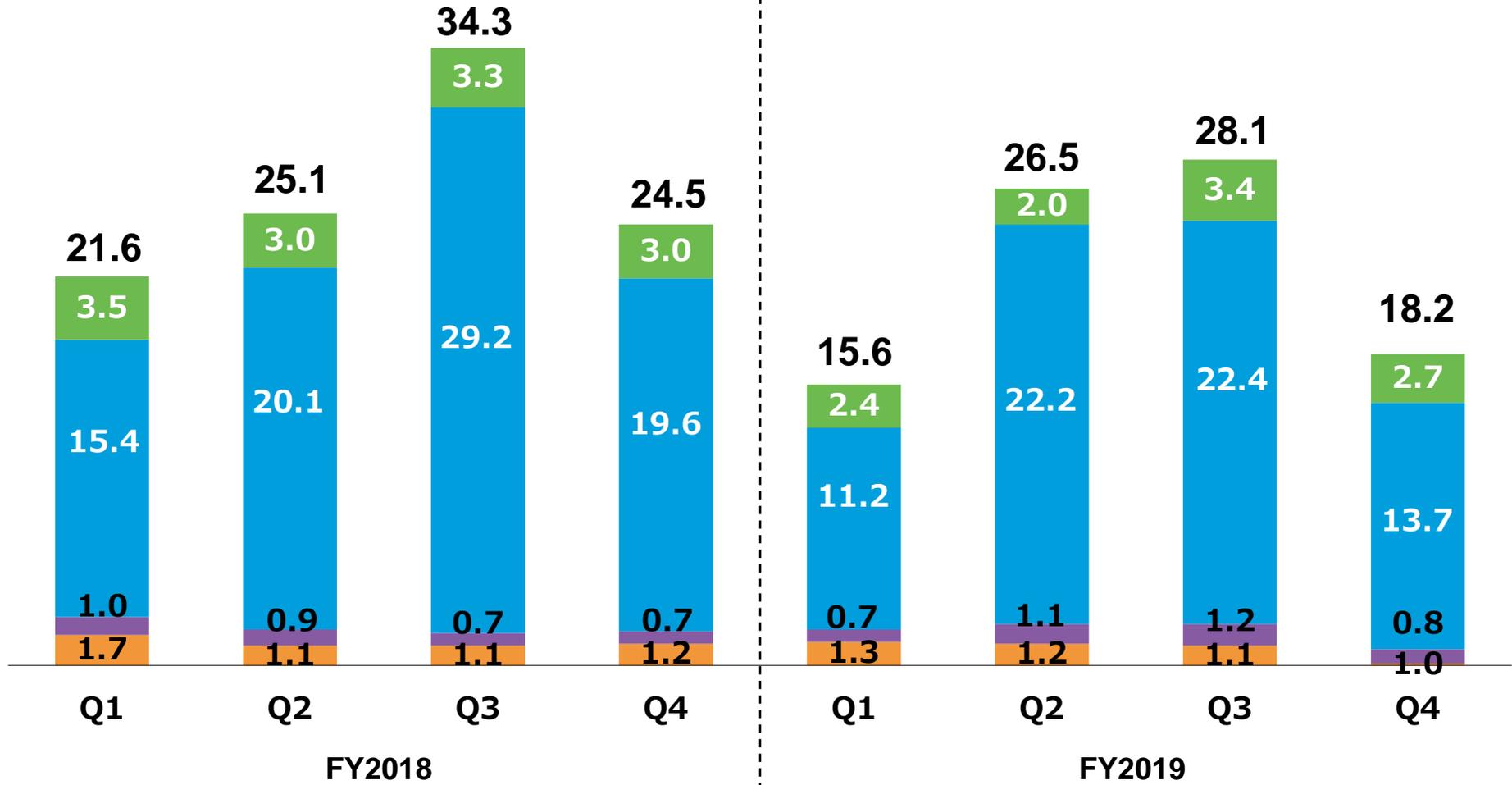
Units: billion yen

	FY2018				FY2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net Sales	21.6	25.1	34.3	24.5	15.6	26.5	28.1	18.2
Operating Income (operating margin)	-1.2 (-5.7%)	-0.4 (-1.6%)	1.1 (3.4%)	1.1 (4.8%)	-0.9 (-5.8%)	-1.0 (-3.8%)	+0 (0.1%)	0.1 (0.9%)
Ordinary Income (ordinary margin)	-0.9 (-4.2%)	0.7 (2.9%)	+0 (0.2%)	1.4 (6.1%)	-1.2 (-7.3%)	-0.7 (-2.5%)	0.3 (1.2%)	-0.2 (-0.6%)
Net Income Attributable to Owners of Parent (Q4 net margin)	-0 (-0.1%)	0.6 (2.7%)	+0 (0.2%)	1.9 (7.8%)	-1.2 (-7.6%)	-0.7 (-2.6%)	0.2 (1.0%)	-0.9 (-4.5%)
USD/JPY Exchange Rate	109.⁵³	111.⁸⁸	112.⁵⁷	110.²⁷	109.⁶⁶	107.⁶⁷	109.³³	109.¹⁰

2. Quarterly Sales Trends by Equipment



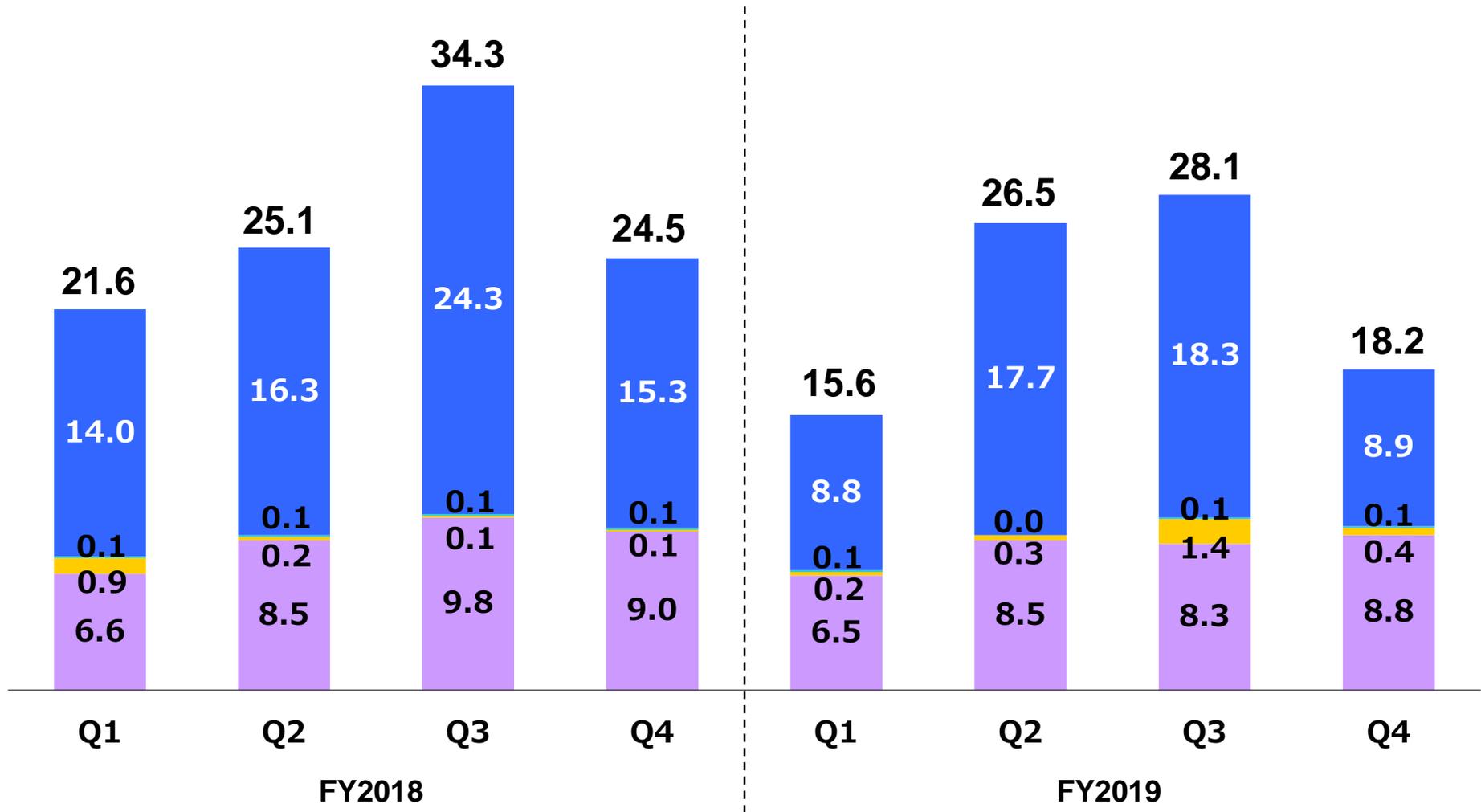
Units: billion yen



3. Quarterly Sales Trends by Region



Units: billion yen



This presentation contains forward-looking statements and projected figures concerning the future performance which are not historical facts.

These statements are assumptions and projections based on currently available information as to industry trends, Japanese and global economic conditions, foreign exchange rate fluctuations, and other implications on the future performance regarding AV equipment, information-related equipment and other business categories of Funai and its Group companies.

The actual performance can be affected by uncertain factors, including electronics industry competition, market trends, currency movements, new product launches and results, taxation policies, and other systems around the world, thereby significantly differing from the matters stated in this presentation.