

FY 2009 SECOND QUARTER IN CUMULATIVE FINANCIAL REPORT

〔 From April 1, 2009
To September 30, 2009 〕



FUNAI ELECTRIC CO., LTD.

Second Quarter (April-September) Consolidated Financial Summary
for the Period Ending March 2010

	Previous Year Second Quarter 〔 From April 1, 2008 To September 30, 2008 〕		Current Year Second Quarter 〔 From April 1, 2009 To September 30, 2009 〕		% increase or decrease from the same period of the previous consolidated fiscal year
	Amount	Percent	Amount	Percent	
	Million yen	%	Million yen	%	%
Net Sales	144,659	100.0	167,095	100.0	15.5
Operating Income	4,320	3.0	10,068	6.0	133.0
Ordinary Income	5,992	4.1	9,588	5.7	60.0
Net Income before Taxes and Other Adjustments	4,546	3.1	9,560	5.7	110.3
Net Income /Loss after Tax	12,102	8.4	7,309	4.4	
Net Income/Loss per Share	354.97		214.41		

Notes:

Includes 14 consolidated subsidiaries and 2 affiliated companies accounted for by the equity method.

Financial Report for the 6-Month Period ended September 30, 2009

November 5, 2009

Listed company name: Funai Electric Co., Ltd.

Securities Code: 6839 Tokyo Stock Exchange
and Osaka Securities Exchange, First Sections(URL <http://www.funai.jp/>)Inquiries: Representative's position and name
President and CEO

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Scheduled date of Submission of Quarterly Report ; November 10, 2009

1. Second Quarter Consolidated Results for the Period Ending March 2010 (April 1, 2009 – September 30, 2009)

(1) Consolidated Operating Results

(% denotes year on year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
2 nd Quarter FY2009	167,095	15.5	10,068	133.0	9,588	60.0	7,309	-
2 nd Quarter FY2008	144,659	-	4,320	-	5,992	-	12,102	-

	Net Income Per Share	Net Income Per Share on a Fully Diluted Basis
	Yen	Yen
2 nd Quarter FY2009	214.41	212.96
2 nd Quarter FY2008	354.97	-

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets Per Share
	Million yen	Million yen	%	Yen
2 nd Quarter FY2009	214,067	135,948	63.2	3,970.00
Fiscal Year 2008	199,882	135,596	67.6	3,963.72

(Reference) Shareholders' Equity

2nd Quarter FY2009 ended September 30, 2009 135,348 million yen

Fiscal Year 2008 ended March 31, 2009 135,134 million yen

2. Dividends

Corresponding Period	Dividend per Share				
	1 st Quarter	2 nd Quarter	3 rd Quarter	Year end	Annual
	yen	yen	yen	yen	yen
Fiscal Year 2008	-	0.00	-	40.00	40.00
Fiscal Year 2009	-	0.00			
Fiscal Year 2009 (Projection)			-	40.00	40.00

3. Forecast of Consolidated Results for the Full Year (April 1, 2009 - March 31, 2010)

(% 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
Full Year	330,000	9.0	12,000	751.3	11,400	829.7	8,700	-	255.19

Note:

Revision of Forecast of Consolidated Results for the Six month period and the Full Year in this 2nd Quarter;

No.

4. Other Information

- (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 for fiscal quarter : Yes
Note: Please refer to “Qualitative Information and Financial Statements”.
- (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
Note: Please refer to “Qualitative Information and Financial Statements”.
- (4) Number of Shares Outstanding (Ordinary Shares)
(1) Number of shares outstanding (including treasury stock) as of September 30, 2009; 36,104,196 shares
as of March 31, 2009; 36,104,196 shares
(2) Number of shares of treasury stock as of September 30, 2009; 2,011,434 shares
as of March 31, 2009; 2,011,321 shares
(3) The Average number in the quarter of outstanding shares on September 30, 2009; 34,092,798 shares
on September 30, 2008; 34,093,138 shares

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.

Qualitative Information and Financial Statements

1. Qualitative information relating to consolidated business performance

During the first half of the consolidated fiscal year (April 1, 2009 to September 30, 2009), a recovery trend was evident as a result of the monetary and fiscal policies in the developed and leading countries, and the global economy pulled back from the crisis situation that had prevailed following the Lehman Shock in the autumn of 2008. With uncertainty factors including exchange rates and job insecurities not yet eliminated, however, the future outlook for the economy remained opaque.

In the consumer electronics industry, global demand for LCD televisions, the largest key product, continued to grow not only in Japan, the United States, and Europe, but in China as well, and a halt in the downward trend in sales prices was temporarily seen. On the other hand, tight supply and demand conditions continued for LCD panels, the most primary component.

Under such conditions, net sales for the Funai Group for the first half of the consolidated fiscal year increased 15.5% compared with the same period of the previous consolidated fiscal year to JPY167,095 million.

Viewed by individual products, in the audio-visual equipment category sales of LCD televisions increased substantially, reflecting the contribution of Philips-brand products. Sales of DVD players were also higher, as were sales of Blu-ray Disc players, which are expected to grow in the future. Sales of DVD-related products overall fell slightly, however, as sales of television set-top boxes* for the U.S. market declined following the termination of production in June 2009. As a result, net sales of audio visual equipment rose 23.6% year-on-year to JPY128,248 million.

*Devices to convert digital signals into analog signals, enabling viewers to watch terrestrial digital broadcasting on existing analog televisions. Terrestrial analog broadcasting in the United States ended in June 2009.

For information equipment, sales of printers increased because of higher in-coming orders from OEM partners. Growth in digital still camera sales failed to materialize, however, as in-coming orders from OEM partners ran the course. As a result, net sales of information equipment slipped 4.5% compared with the same period one year ago to JPY26,514 million.

Net sales of receivers and other related electronic devices fell 6.3% year-on-year to JPY12,332 million.

With regard to earnings, operating income jumped 133.0% compared with the same period of the previous consolidated fiscal year to JPY10,068 million, mainly because of the boost to earnings from Philips-brand products. Ordinary income rose 60.0% year-on-year to JPY9,588 million, reflecting the deterioration of extraordinary income and extraordinary loss that occurred in the interim period of the previous consolidated fiscal year. Net income for the first half was JPY7,309 million, compared with a net loss of JPY12,102 million in the first half of the previous consolidated fiscal year that reflected in part the recognition of "income taxes for prior periods."

2. Qualitative information relating to consolidated financial position

The financial position of Funai Electric Co., Ltd. at the end of the first half is discussed below.

Assets increased by JPY14,184 million compared with the end of the previous consolidated fiscal year. This primarily reflected an increase in notes and accounts receivable-trade of JPY7,633 million, an increase in merchandise and finished goods of JPY8,963 million, an increase in raw materials and supplies of JPY5,892 million, and a decrease of JPY6,518 million in cash and deposits.

Liabilities increased by JPY13,832 million compared with the end of the previous consolidated fiscal year. The primary factors were an increase in notes and accounts payable-trade of JPY20,483 million and a decrease in short-term loans

payable of JPY10,934 million.

Net assets rose by JPY352 million compared to the end of the previous consolidated fiscal year. This mainly reflected an increase of JPY5,946 million in retained earnings, an increase of JPY457 million in valuation difference on marketable securities, and a decrease of JPY6,189 million in foreign currency translation adjustment.

3. Qualitative Information Relating to Consolidated Performance Forecasts:

Please refer to the “Funai Reports Revised Forecast of Consolidated Operating Results” published on October 29, 2009 for information regarding earnings forecasts.

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.

4. Other

(1) Important changes relating to subsidiaries and affiliates during the fiscal term (changes involving specific subsidiaries that resulted in changes to the scope of consolidated accounting)

There are no relevant changes.

(2) Application of simplified accounting procedure and use of unique accounting procedure for preparation of financial statements covering consolidated accounting for fiscal quarter

a. Simplified accounting procedure

The amount of allowance for depreciation and amortization is calculated by distributing the applicable amount for the consolidated fiscal year over fiscal terms. This is because our company, as well as our consolidated domestic subsidiaries, adopt the diminishing balance or fixed percentage depreciation method (except for buildings acquired on or after April 1, 1998 that do not include incidental facilities, which are calculated using the fixed amount or straight line depreciation method).

b. 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 second fiscal quarter.

The corporate tax adjustment is included in the indicated corporate taxes.

(3) Changes to general rules and procedures, as well as denotation methods for accounting relating to the preparation of consolidated financial statements for the fiscal quarter

- Changes relating to items concerning accounting procedure standards

In the past, the Construction Completion Method was exclusively used to account for revenues associated with contract works. Starting from the current first quarter consolidated accounting period, the “Accounting Standard for

Construction Contracts” (Accounting Standard No. 15 of the Financial Accounting Standards Foundation dated December 27, 2007) and the “Guidance on Accounting Standard for Construction Contracts” (Guidance No. 18 of the Financial Accounting Standards Foundation dated December 27, 2007) have been applied to certain contract works. As such, any contract works that commenced during the first quarter consolidated accounting period and from the first quarter to the current second quarter consolidated accounting period had a degree of progress which can be calculated with a certain level of accuracy at the end of such quarter was accounted for using the Percentage of Completion Method (the cost ratio method was used to calculate contract work completion rate). For other contract works, the Construction Completion Method continued to be used.

The effect on net sales or profit/loss is minimal as a result of this accounting standards change.

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

- a. On June 28, 2005 we received a notice from the Osaka Regional Taxation Bureau regarding the implementation of corrective action. This notice indicated a decision regarding our subsidiary in Hong Kong, suggesting that it did not satisfy the conditions for exclusion from application of the Anti-Tax Haven Law.

The notification furthermore indicated that the Osaka Regional Taxation Bureau decided to incorporate the income generated by our subsidiary in Hong Kong into the income of our company for the duration of three years, from April 1, 2001, to March 31, 2004, for taxation purposes. We applied for an assessment by the Administrative Review Office of the Osaka Regional Taxation Bureau on July 25, 2006, and filed an appeal to have the action cancelled with the Osaka District Court on November 16, 2006, as we object to this corrective action.

Thereafter, on July 3, 2008, we received a written verdict on this case from the Administrative Review Office of the Osaka Regional Taxation Bureau, which indicated that our assertion had been dismissed. This arbitration is truly unfortunate and unacceptable. Currently, we are making every effort to assert the validity of our position to the court. The additional tax amounts to JPY16,651 million (JPY19,184 million including incidental taxes), including corporate, residential, and business taxes. We processed these amounts in the fiscal term ending March 2007 as “retroactive corporate taxes,” since the accounting procedures relating to additional tax amounts have been clarified through the amendment of the “Handling of Audits Relating to Accounting Procedures and Disclosures for Taxes” (Report No. 63 of the Auditing and Guaranteeing Work Committee of the Japanese Institute of Certified Public Accountants) on March 8, 2007.

- b. On June 16, 2008 we received a notice from the Osaka Regional Taxation Bureau indicating their decision to incorporate the income generated by our subsidiary in Hong Kong into the income of our company for the duration of three years, from April 1, 2004, to March 31, 2007, for taxation purposes. In response, we applied for an assessment by the Administrative Review Office of the Osaka Regional Taxation Bureau on August 6, 2008 and filed an appeal to have the action cancelled with the Osaka District Court on November 14, 2008.

Thereafter, on July 23, 2009, we received a written verdict on this case from the Administrative Review Office of the Osaka Regional Taxation Bureau, which indicated that our assertion had been dismissed. The Company deems this decision to be truly unfortunate and unacceptable, and we intend to continue asserting the validity of our position to the court in the future. At present, the Osaka District Court is reviewing the action in conjunction with the previous action (dated June 28, 2005).

A provisional estimate for the additional tax, including corporate, residential, and business taxes, amounts to JPY15,038 million (JPY16,838 million including incidental taxes). This amount has been processed as expenses under the category of “retroactive corporate taxes” in this first fiscal quarter of the consolidated fiscal term.

Since decisions regarding the tax system under action will be made according to the condition of the applicable overseas subsidiaries at the time such subsidiaries' fiscal years are completed, we can only offer reference figures at this time. As such, in regard to the consolidated fiscal years following the year of the investigation (i.e., the fiscal years ending March 2008 and those thereafter), a calculation to assess the impact of the applicable tax system on the income of the Hong Kong subsidiary was carried out. The calculated impact at the parent company level after deducting the dividend income received from the Hong Kong subsidiary for the fiscal years ended March 2008 and 2009 was estimated to be JPY700 million including corporate, residential, and business taxes. Due to the aforementioned reason, however, the accounting procedure for the figure relating to this effect has not yet been conducted.

5. Consolidated Financial Statements

(1).Consolidated quarterly balance sheets

(Mil. Yen)

	2nd Quarter FY2009 (As of September 30, 2009)	Fiscal year 2008 (As of March 31, 2009)
ASSETS;		
Current Assets		
Cash and deposits	89,984	96,503
Notes and accounts receivable-trade	36,478	28,844
Merchandise and finished goods	29,889	20,925
Work in process	1,911	1,635
Raw materials and supplies	14,009	8,116
Others	5,782	7,957
Allowance for doubtful accounts	216	273
Total current assets	177,839	163,709
Noncurrent assets		
Property, plant and equipment	16,386	16,025
Intangible assets	5,487	5,647
Investments and other assets		
Others	15,220	16,061
Allowance for doubtful accounts	866	1,561
Total investments and other assets	14,353	14,499
Total noncurrent assets	36,227	36,173
TOTAL ASSETS	214,067	199,882
LIABILITIES;		
Current Liabilities		
Notes and accounts Payable-trade	48,641	28,157
Short-term loans payable	2,003	12,938
Income taxes payable	1,165	1,623
Reserve for products guarantee	2,782	2,191
Provision	410	302
Others	18,925	15,168
Total current liabilities	73,928	60,382
Noncurrent liabilities		
Long-term loans receivable	833	666
Provision	2,376	2,343
Others	980	894
Total noncurrent liabilities	4,190	3,904
TOTAL LIABILITIES	78,118	64,286

(Mil. Yen)

	2nd Quarter FY2009 (As of September 30, 2009)	Fiscal year 2008 (As of March 31, 2009)
NET ASSETS;		
Shareholders' equity		
Capital stock	31,280	31,280
Capital surplus	33,245	33,245
Retained earnings	115,993	110,047
Treasury stock	24,340	24,340
Total shareholders' equity	156,178	150,233
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	358	98
Foreign currency translation adjustment	21,189	14,999
Total valuation and translation adjustments	20,830	15,098
Subscription rights to shares	40	17
Minority interests	559	443
TOTAL NET ASSET	135,948	135,596
TOTAL LIABILITIES AND NET ASSETS	214,067	199,882

(2).Concolidated quartely statements of income

(Mil. Yen)

	2nd Quarter FY2008 (from April 1, 2008 to September 30, 2008)	2nd Quarter FY2009 (from April 1, 2009 to September 30, 2009)
Net sales	144,659	167,095
Cost of sales	117,043	133,083
Gross profit	27,615	34,012
Selling, general and administrative expenses	23,294	23,943
Operating income	4,320	10,068
Non-operating income		
Interest income	1,785	446
Dividends income	42	23
Foreign exchange gains	164	-
Other	432	217
Total non-operating income	2,424	688
Non-operating expenses		
Interest expenses	174	43
Equity in losses of affiliates	121	30
Foreign exchange loss	-	969
Other	455	125
Total non-operating expenses	751	1,168
Ordinary income	5,992	9,588
Extraordinary income		
Gain on prior period adjustment	357	-
Gain on sales of noncurrent assets	6	0
Profit on Sales of Investment Securities	-	34
Other	109	9
Total extraordinary income	474	43
Extraordinary loss		
Loss on disposal of noncurrent assets	41	56
Special sales promotion	850	-
Liquidation loss on affiliated company	656	-
Other	372	15
Total extraordinary losses	1,921	72
Income before income taxes and minority interests	4,546	9,560
Income taxes	277	2,117
Income taxes for prior periods	16,838	-
Total income taxes	16,561	2,117
Minority interests in income	87	132
Net income/ loss	12,102	7,309

(3).Concolidated quartely statements of cash flows

(Mil. Yen)

	2nd Quarter FY2008 (from April 1, 2008 to September 30, 2008)	2nd Quarter FY2009 (from April 1, 2009 to September 30, 2009)
Net cash provided by (used in) operating activities:		
Income before income taxes and minority interests	4,546	9,560
Depreciation and amortization	2,470	2,785
Increase(decrease) in allowance for doubtful accounts	375	750
Increase(decrease)in provision for retirement benefits	82	38
Interest and dividends income	1,827	470
Interest expenses	174	43
Equity in (earnings) losses of affiliates	121	30
Loss (gain) on sales of property, plant and equipment	30	1
Loss (gain) on sales of investment securities	26	34
Loss (gain) on valuation of investment securities	45	4
Evaluation loss of affiliated company's equity	327	-
Decrease (increase) in notes and accounts receivable-trade	15,834	10,897
Decrease (increase) in inventories	33,765	17,633
Increase (decrease) in notes and accounts payable-trade	28,140	25,405
Other, net	11,640	6,023
Subtotal	3,663	14,105
Interest and dividends income received	1,660	579
Interest expenses paid	170	42
Income taxes paid	4,445	2,499
Income taxes refund	-	1,737
Prior year's taxes paid	16,838	-
Net cash provided by (used in) operating activities	23,457	13,879
Net cash provided by (used in) investment activities:		
Payments into time deposits	19,781	45,410
Repayments from time deposits	12,379	55,825
Purchase of property, plant and equipment	1,446	2,448
Proceeds from sales of property, plant and equipment	617	196
Purchase of intangible assets	139	606
Purchase of investment securities	245	28
Proceeds from sales of investment securities	1,137	184
Other, net	44	19
Net cash provided by (used in) investment activities	7,522	7,692
Net cash provided by (used in) financing activities:		
Net increase (decrease) in short-term loans payable	7,954	10,647
Increase of long-term loans payable	-	600
Repayment of long-term loans payable	1,086	433
Cash dividends paid	1,704	1,363
Other, net	10	48
Net cash provided by (used in) financing activities	5,153	11,892
Effect of exchange rate change on cash and cash equivalents	198	1,746
Net increase (decrease) in cash and cash equivalents	25,628	7,932
Cash and cash equivalents at beginning of period	57,100	40,180
Cash and cash equivalents at end of period:	31,471	48,113

(4) Notes for Continuing Enterprises

Not Applicable

(5) Information by Segment

a; Operating Segment Information

The Funai Group concentrates on the single business segment of manufacture and sales of electric products. Therefore, we make no distinction between operating segments.

b; Geographic Segment Information

Previous Second Quarter (April 1, 2008 - September 30, 2008)

(Units: Million Yen)

	Japan	N. America	Asia	Europe	Total	Elimination	Consolidated
Net Sales							
Sales to outside customers	62,281	74,814	322	7,239	144,659	-	144,659
Inter-segment sales	80,974	13	113,397	14	194,399	(194,399)	-
Total	143,256	74,828	113,720	7,253	339,058	(194,399)	144,659
Operating Income and Losses()	1,814	1,666	3,607	1,644	5,443	(1,123)	4,320

Current Second Quarter (April 1, 2009 - September 30, 2009)

(Units: Million Yen)

	Japan	N. America	Asia	Europe	Total	Elimination	Consolidated
Net Sales							
Sales to outside customers	52,426	111,349	191	3,128	167,095	-	167,095
Inter-segment sales	98,561	24	104,262	1	202,850	(202,850)	-
Total	150,988	111,373	104,454	3,129	369,946	(202,850)	167,095
Operating Income and Losses()	5,490	4,371	4,237	906	13,194	(3,125)	10,068

c; Overseas sales

Previous Second Quarter (April 1, 2008 - September 30, 2008)

(Units: Million Yen)

	N. America	Asia	Europe	Other	Total
Overseas sales	100,026	4,138	19,506	3,052	126,723
Consolidated sales					144,659
Ratio of overseas sales to consolidated sales (%)	69.1	2.9	13.5	2.1	87.6

Current Second Quarter (April 1, 2009 - September 30, 2009)

(Units: Million Yen)

	N. America	Asia	Europe	Other	Total
Overseas sales	124,905	3,662	14,953	4,474	147,995
Consolidated sales					167,095
Ratio of overseas sales to consolidated sales (%)	74.8	2.2	8.9	2.7	88.6

(6) Notes of remarkable changes in Shareholders Equity:

Not Applicable

6. Other Information

Detailed Statement of Net Sales by Equipment Type and Region

(Units: Million Yen)

Classification		Period		Previous Year Second Quarter		Current Year Second Quarter		% increase or decrease from the same period of the previous consolidated fiscal year
				From April 1, 2008 To September 30, 2008		From April 1, 2009 To September 30, 2009		
		Amount	Percent	Amount	Percent	Percent		
By Equipment Type	Audiovisual Equipment	103,739	71.7	128,248	76.7	23.6		
	Information Equipment	27,754	19.2	26,514	15.9	4.5		
	Other Equipment	13,165	9.1	12,332	7.4	6.3		
	Total	144,659	100.0	167,095	100.0	15.5		
By Region	Japan	17,935	12.4	19,100	11.4	6.5		
	Export	N. America	100,026	69.1	124,905	74.8	24.9	
		Europe	19,506	13.5	14,953	8.9	23.3	
		Asia	4,138	2.9	3,662	2.2	11.5	
		Other Areas	3,052	2.1	4,474	2.7	46.6	
	Subtotal	126,723	87.6	147,995	88.6	16.8		
Total	144,659	100.0	167,095	100.0	15.5			

(Note) Main Products by Type of Equipment

Equipment	Main Products
Audiovisual Equipment	LCD Televisions, DVD Players, DVD Recorders, Blu-ray Disc Players
Information Equipment	Printers, Digital Still Cameras
Other Equipment	Receiver-Related Electronic Equipment

(Reference) Change in Operating Results for the Most Recent Quarters

Fiscal Period Ending March 2010 (Consolidated)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
	April - June 2009	July - Sept 2009	Oct - Dec 2009	Jan - March 2010
	Million Yen	Million Yen	Million Yen	Million Yen
Net Sales	77,668	89,426	-	-
Gross Profit	15,239	18,772	-	-
Operating Income	3,706	6,362	-	-
Ordinary Income	4,081	5,506	-	-
Quarterly Net Income Before Taxes and Other Adjustments	4,106	5,453	-	-
Quarterly Net Income/Loss	3,171	4,138	-	-
	Yen	Yen	Yen	Yen
Quarterly Net Income per Share	93.01	121.40	- -	- -
Fully Diluted Quarterly Net Income per Share	92.42	120.53	- -	- -
	Million Yen	Million Yen	Million Yen	Million Yen
Total Assets	210,089	214,067	-	-
Net Assets	136,253	135,948	-	-
	Yen	Yen	Yen	Yen
Net Assets per Share	3,981.10	3,970.00	-	-

Fiscal Period Ended March 2009 (Consolidated)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
	April - June 2008	July - Sept 2008	Oct - Dec 2008	Jan - March 2009
	Million Yen	Million Yen	Million Yen	Million Yen
Net Sales	59,449	85,209	95,436	62,681
Gross Profit	12,336	15,278	10,220	6,637
Operating Income	988	3,332	1,047	1,863
Ordinary Income	4,448	1,544	3,599	1,166
Quarterly Net Income Before Taxes and Other Adjustments	3,967	579	6,222	1,586
Quarterly Net Income/Loss	13,779	1,676	3,943	1,318
	Yen	Yen	Yen	Yen
Quarterly Net Income per Share	404.16	49.18	115.68	38.67
Fully Diluted Quarterly Net Income per Share	- -	- -	- -	- -
	Million Yen	Million Yen	Million Yen	Million Yen
Total Assets	227,888	244,460	210,728	199,882
Net Assets	147,591	146,345	130,470	135,596
	Yen	Yen	Yen	Yen
Net Assets per Share	4,312.60	4,275.73	3,810.66	3,963.72

SECOND QUARTER IN CUMULATIVE FINANCIAL RESULTS SUPPLEMENTATION FY 2009

(from 2009.4.1
to 2009.9.30)

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FUNAI ELECTRIC CO.,LTD.

1. Summary of Second Quarter Operating Results (Consolidated)

(1) Operating Results, Financial Conditions

(Units: 100million yen, %)

	FY2008						FY2009					
	2Q			Full-Year			2Q			Full-Year (Projections)		
	Amount	%	Change	Amount	%	Change	Amount	%	Change	Amount	%	Change
Net Sales	1,446	100.0	7.5	3,027	100.0	9.2	1,670	100.0	15.5	3,300	100.0	9.0
Operating Income	43	3.0	108.8	14	0.5	-	100	6.0	133.0	120	3.6	751.3
Ordinary Income	59	4.1	18.6	12	0.4	-	95	5.7	60.0	114	3.5	829.7
Net Income/Los afterTax	121	8.4	-	173	5.7	-	73	4.4	-	87	2.6	-
Total Assets	2,444	-	-	1,998	-	-	2,140	-	-	-	-	-
Net Assets	1,463	-	-	1,355	-	-	1,359	-	-	-	-	-

() Yen - Dollars / exchange rate

(Units: Yen / Dollars)

	FY2008		FY2009	
	2Q	Full-Year	2Q	Full-Year (Projections)
Average Rate in each Period	106.22	100.66	94.78	90.00

(2) Profitability and Per Share Data etc.

	FY2008		FY2009	
	2Q	Full-Year	2Q	Full-Year (Projections)
Gross Profit Ratio (%)	19.1	14.7	20.4	18.6
Operating Income Ratio (%)	3.0	0.5	6.0	3.6
Ordinary Income Ratio (%)	4.1	0.4	5.7	3.5
Shareholders' Equity Ratio (%)	59.6	67.6	63.2	-
Net Assets Per Share (yen)	4,275.73	3,963.72	3,970.00	-
Net Income Per Share (yen)	354.97	509.33	214.41	255.19
Return On Asset (%)	4.6	8.2	3.2	-
Return On Shareholders' Equity (%)	7.5	11.9	5.2	-
Number of Total Employees (人)	2,659	2,590	2,447	-

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

(Units: 100million yen, %)

	FY2008				FY2009			
	2Q		Full-Year		2Q		Full-Year (Projections)	
	Amount	Change	Amount	Change	Amount	Change	Amount	Change
Capital Expenditures	13	64.9	50	2.0	29	123.1	54	8.0

	FY2008						FY2009					
	2Q			Full-Year			2Q			Full-Year (Projections)		
	Amount	% to Sales	Change	Amount	% to Sales	Change	Amount	% to Sales	Change	Amount	% to Sales	Change
Depreciation Expenses	18	1.2	35.7	36	1.2	25.0	20	1.2	11.1	43	1.3	19.4
R&D	67	4.6	13.0	130	4.3	11.6	66	4.0	1.5	139	4.2	6.9

(4) Cash Flow

(Units: 100million yen)

	FY2008			FY2009		
	2Q		Full-Year	2Q		Full-Year (Projections)
Cash flows provided by operating activities	234		7	138		-
Income Before Income Taxes	45		32	95		-
Depreciation Expenses	24		49	27		-
Others	303		24	16		-
Cash flows used in investing activities	75		107	76		-
Free Cash flows	309		114	214		-
Cash flows provided by financing activities	51		25	118		-
Effect of exchange rate changes on cash and cash equivalents	1		28	17		-
Net increase in cash and cash equivalents	256		169	79		-

2. Operating Activities (Consolidated)

(1) Sales by Equipment

(Units: 100million yen, %)

	FY2008						FY2009					
	2Q			Full-Year			2Q			Full-Year (Projections)		
	Amount	%	Change	Amount	%	Change	Amount	%	Change	Amount	%	Change
Audio Visual Equipment	1,037	71.7	5.8	2,306	76.1	25.2	1,282	76.7	23.6	2,522	76.4	9.4
VCRs	11	0.8	56.0	20	0.7	55.6	8	0.5	27.3	10	0.3	50.0
DVD	239	16.5	18.7	402	13.3	23.3	238	14.2	0.4	410	12.4	2.0
BD Players	76	5.3	-	122	4.0	-	109	6.5	43.4	195	5.9	59.8
Televisions	57	3.9	59.6	82	2.7	68.0	5	0.3	91.2	6	0.2	92.7
LCD Televisions	498	34.4	10.7	1,342	44.3	49.6	791	47.4	58.8	1,710	51.8	27.4
Others	156	10.8	680.0	338	11.1	686.0	131	7.8	16.0	191	5.8	43.5
Information Equipment	277	19.2	38.7	450	14.9	30.7	265	15.9	4.5	519	15.7	15.3
Others	132	9.1	1.4	271	9.0	3.0	123	7.4	6.3	259	7.9	4.4
Total	1,446	100.0	7.5	3,027	100.0	9.2	1,670	100.0	15.5	3,300	100.0	9.0

(2) Sales by Areas in Equipment

(Units: 100million yen, %)

	FY2008						FY2009					
	2Q			Full-Year			2Q			Full-Year (Projections)		
	Amount	%	Change	Amount	%	Change	Amount	%	Change	Amount	%	Change
Audio Visual Equipment	1,037	71.7	5.8	2,306	76.1	25.2	1,282	76.7	23.6	2,522	76.4	9.4
North America	869	60.1	17.0	1,971	65.1	41.7	1,151	68.9	32.5	2,204	66.8	11.8
Europe	110	7.6	32.5	211	7.0	26.7	56	3.3	49.1	114	3.4	46.0
Asia and Others	0	0.0	-	1	0.0	66.7	3	0.2	-	7	0.2	600.0
Japan	58	4.0	19.4	123	4.0	22.6	72	4.3	24.1	197	6.0	60.2
Information Equipment	277	19.2	38.7	450	14.9	30.7	265	15.9	4.5	519	15.7	15.3
North America	125	8.6	53.9	174	5.8	56.8	92	5.5	26.4	209	6.3	20.1
Europe	82	5.7	33.9	149	4.9	9.1	92	5.5	12.2	189	5.8	26.8
Asia and Others	68	4.7	21.4	122	4.0	58.4	76	4.6	11.8	114	3.4	6.6
Japan	2	0.2	100.0	5	0.2	16.7	5	0.3	150.0	7	0.2	40.0
Others	132	9.1	1.4	271	9.0	3.0	123	7.4	6.3	259	7.9	4.4
Total	1,446	100.0	7.5	3,027	100.0	9.2	1,670	100.0	15.5	3,300	100.0	9.0

(3) Sales by Equipment in Areas

(Units: 100million yen, %)

	FY2008						FY2009					
	2Q			Full-Year			2Q			Full-Year (Projections)		
	Amount	%	Change	Amount	%	Change	Amount	%	Change	Amount	%	Change
North America	1,000	69.1	2.3	2,161	71.4	19.3	1,249	74.8	24.9	2,419	73.3	11.9
Audio Visual Equipment	869	60.1	17.0	1,971	65.1	41.7	1,151	68.9	32.5	2,204	66.8	11.8
Information Equipment	125	8.6	53.9	174	5.8	56.8	92	5.5	26.4	209	6.3	20.1
Others	6	0.4	40.0	16	0.5	5.9	6	0.4	0.0	6	0.2	62.5
Europe	195	13.5	32.6	364	12.0	20.2	149	8.9	23.3	304	9.2	16.5
Audio Visual Equipment	110	7.6	32.5	211	7.0	26.7	56	3.3	49.1	114	3.4	46.0
Information Equipment	82	5.7	33.9	149	4.9	9.1	92	5.5	12.2	189	5.8	26.8
Others	3	0.2	50.0	4	0.1	0.0	1	0.1	66.7	1	0.0	75.0
Asia and Others	72	5.0	18.0	132	4.4	45.1	81	4.9	12.5	123	3.7	6.8
Audio Visual Equipment	0	0.0	-	1	0.0	66.7	3	0.2	-	7	0.2	600.0
Information Equipment	68	4.7	21.4	122	4.0	58.4	76	4.6	11.8	114	3.4	6.6
Others	4	0.3	100.0	9	0.4	18.2	2	0.1	50.0	2	0.1	77.8
Japan	179	12.4	5.0	370	12.2	10.3	191	11.4	6.5	454	13.8	22.7
Audio Visual Equipment	58	4.0	19.4	123	4.0	22.6	72	4.3	24.1	197	6.0	60.2
Information Equipment	2	0.2	100.0	5	0.2	16.7	5	0.3	150.0	7	0.2	40.0
Others	119	8.2	2.6	242	8.0	2.4	114	6.8	4.2	250	7.6	3.3
Total	1,446	100.0	7.5	3,027	100.0	9.2	1,670	100.0	15.5	3,300	100.0	9.0

3. 2Q (July to September) Operating Activities (Consolidated)

(1) Operating Results

(Units: 100million yen, %)

	FY2008			FY2009		
	2Q(Jul. - Sep.)			2Q(Jul. - Sep.)		
	Amount	%	Change	Amount	%	Change
Net Sales	852	100.0	7.9	894	100.0	4.9
Operating Income	33	3.9	271.9	63	7.1	90.9
Ordinary Income	15	1.8	169.4	55	6.2	256.6
Net Income/Los afterTax	16	2.0	-	41	4.6	146.9

() Yen - Dollars / exchange rate

(Units: Yen / Dollars)

	FY2008		FY2009	
	2Q(Jul. - Sep.)		2Q(Jul. - Sep.)	
Average Rate in each Period		107.01		92.80

(2) Sales by Equipment

(Units: 100million yen, %)

	FY2008			FY2009		
	2Q(Jul. - Sep.)			2Q(Jul. - Sep.)		
	Amount	%	Change	Amount	%	Change
Audio Visual Equipment	620	72.8	26.0	676	75.6	9.0
VCRs	5	0.6	58.3	5	0.6	0.0
DVD	139	16.3	1.4	116	13.0	16.5
BD Players	55	6.5	-	71	7.9	29.1
Televisions	31	3.6	26.2	2	0.2	93.5
LCD Televisions	299	35.1	21.1	446	50.1	49.8
Others	91	10.7	355.0	34	3.8	62.6
Information Equipment	170	20.0	29.2	156	17.5	8.2
Others	62	7.2	6.9	62	6.9	0.0
Total	852	100.0	7.9	894	100.0	4.9



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