



Financial Results of FY2017

May 15, 2018
FUNAI ELECTRIC CO.,LTD.

TSE 6839

I . Financial Results of FY2017

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1. Summary of 4th Quarter (Jan.-Mar.)

(100 million yen)

	FY2016 4Q	FY2017 4Q	Difference (Y / Y)
Net Sales	304	214	-90 (-29.8%)
Operating Income (Margin)	-21 (-7.1%)	-50 (-23.4%)	-29
Ordinary Income (Margin)	-28 (-9.4%)	-60 (-28.3%)	-32
Net Income Attributable to owners of parent (Margin)	-14 (-4.7%)	-92 (-43.1%)	-78

Average USD-JPY Exchange Rate	112. ⁸⁵	107. ⁴⁶
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Month End USD-JPY Exchange Rate	Dec.2016	Mar.2017	Dec.2017	Mar.2018
	116. ⁴⁹	112. ¹⁹	113. ⁰⁰	106. ²⁴

2. Summary of FY2017 (Apr.-Mar.) 1

(100 million yen)

	FY2016 Actual	FY2017 Forecast	FY2017 Actual	Difference (Y/Y)	VS Forecast
Net Sales	1,338	1,400	1,301	-37 (-2.8%)	-99 (92.9%)
Operating Income (Margin)	-67 (-5.1%)	-84 (-6.0%)	-108 (-8.4%)	-41	-24
Ordinary Income (Margin)	-77 (-5.8%)	-80 (-5.7%)	-119 (-9.2%)	-42	-39
Net Income Attributable to owners of parent (Margin)	-67 (-5.0%)	-174 (-12.5%)	-247 (-19.0%)	-180	-73

Average USD-JPY Exchange Rate	108. ⁸⁸	110. ⁶⁴	110. ⁶⁹
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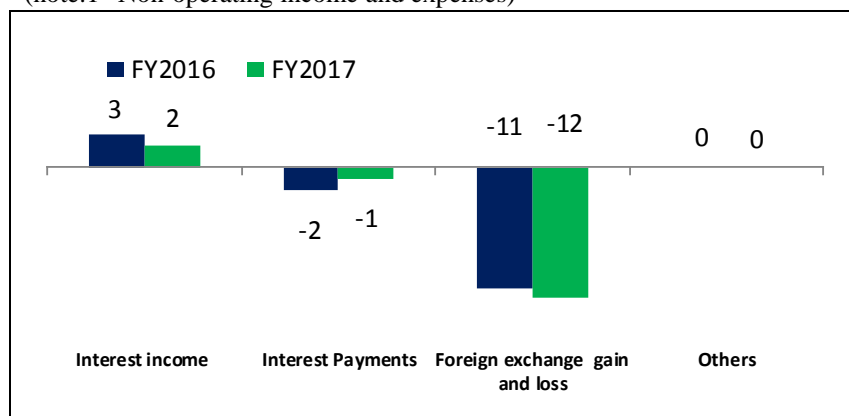
Month End USD-JPY Exchange Rate	Mar.2017	Mar.2018
	112. ¹⁹	106. ²⁴

3. Summary of FY2017 (Apr.-Mar.) 2

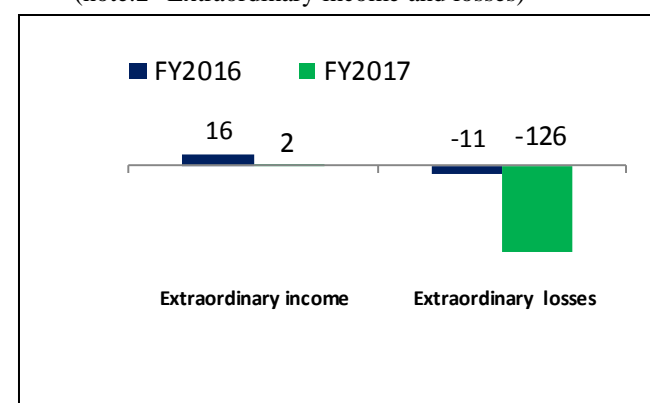
(100 million yen)

	FY2016	FY2017	Difference (Y / Y)
Operating Income	-67	-108	-41
Non-operating income	5	5	0
Non-operating expenses	15	16	+1
Ordinary Income	-77	-119	-42
Extraordinary income	16	2	-14
Extraordinary losses	11	126	+115
Income before Income Taxes	-72	-243	-171
Income taxes	-5	4	+9
Net Income Attributable to owners of parent	-67	-247	-180

(note:1 Non-operating income and expenses)

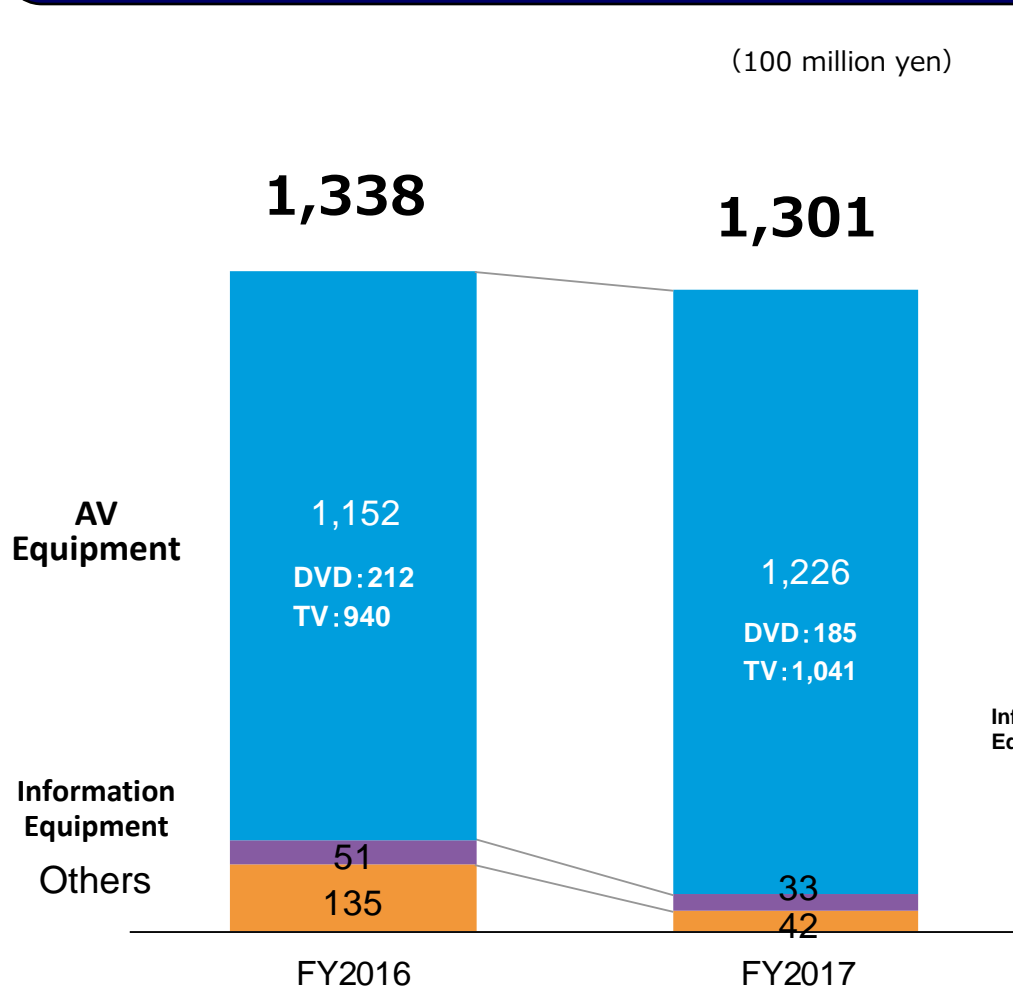


(note:2 Extraordinary income and losses)



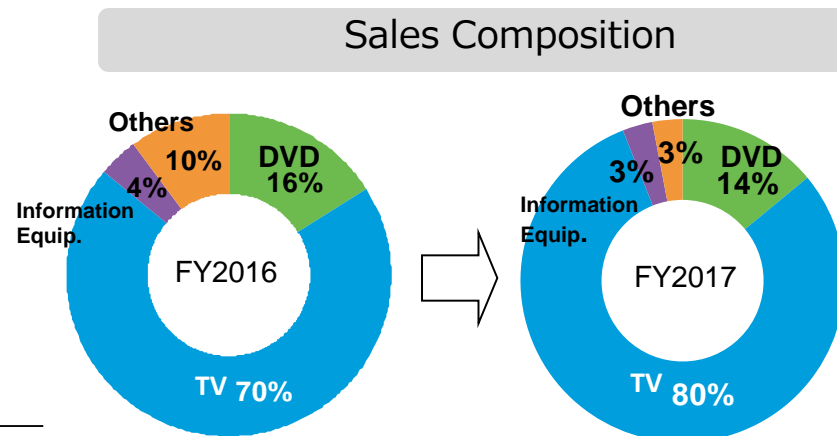
4. Breakdown of Sales by Equipment

- AV Equipment: Increased due to the good sales of LCD TV in Japan.
- Info Equipment: Decreased due to slow sales of inkjet-printers and ink-cartridge.
- Others: Sales of electronic reception devices ceased due to the transfer of the DX antenna.



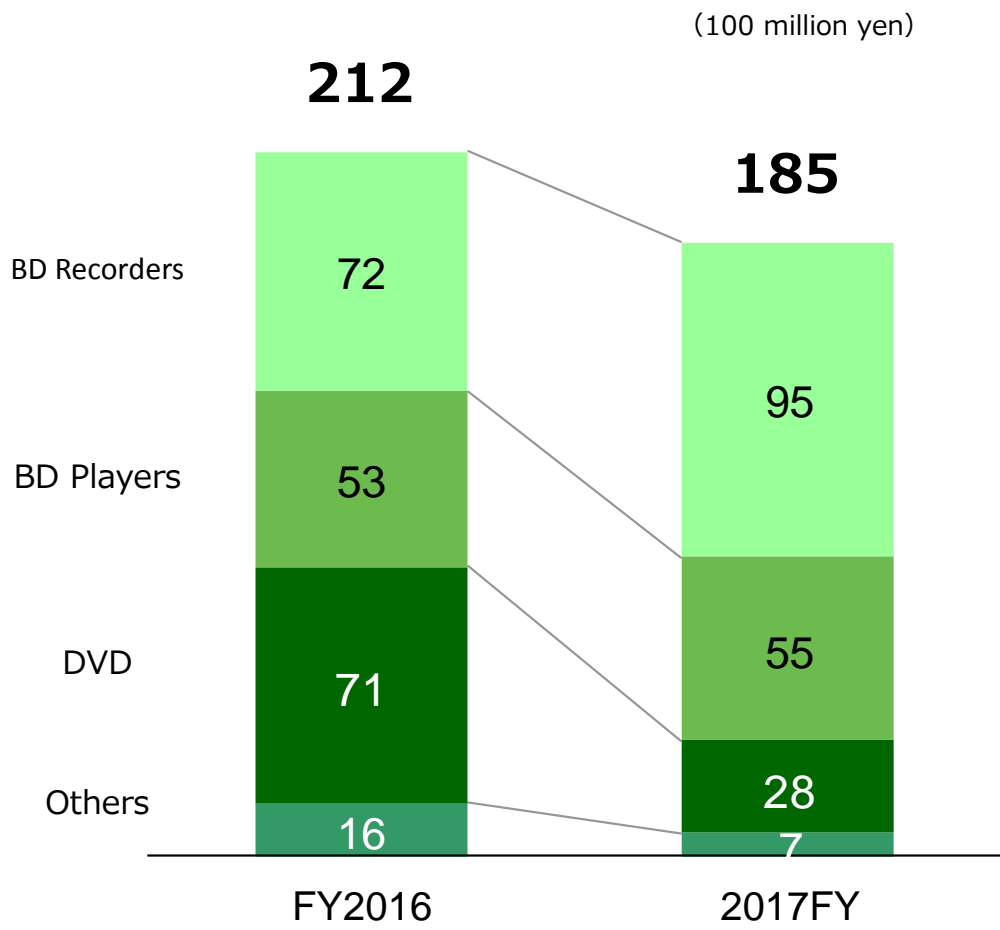
(100 million yen)

Y / Y (Change)		
AV Equip	+74	(+6.3%)
DVD Equip	-27	(-13.0%)
TV Equip	+101	(+10.7%)
Information Equip	-18	(-34.3%)
その他Others	-93	(-68.7%)
Total	-37	(-2.8%)



5. Sales of DVD related Equipment

➤ Decrease in DVD-related sales exceeded BD-related sales increase.



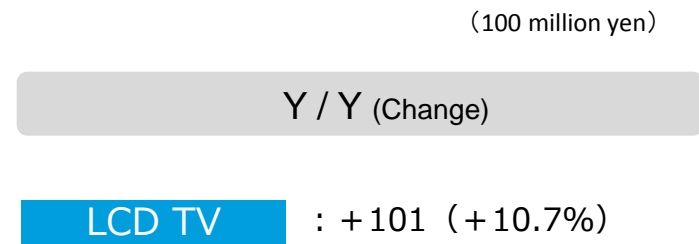
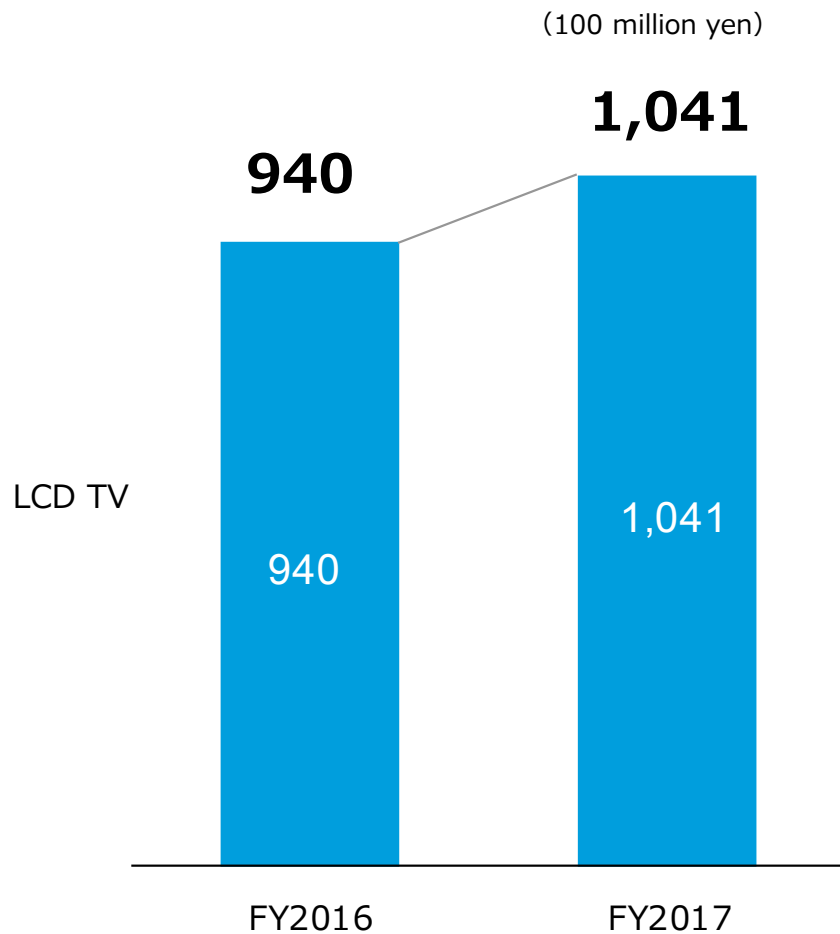
(100 million yen)

Y / Y (Change)

BD Recorders	+23	(+30.3%)
BD Players	+2	(+4.3%)
DVD	-43	(-60.6%)
Others	-9	(-55.7%)
Total	-27	(-13.0%)

6. Sales of LCD Television

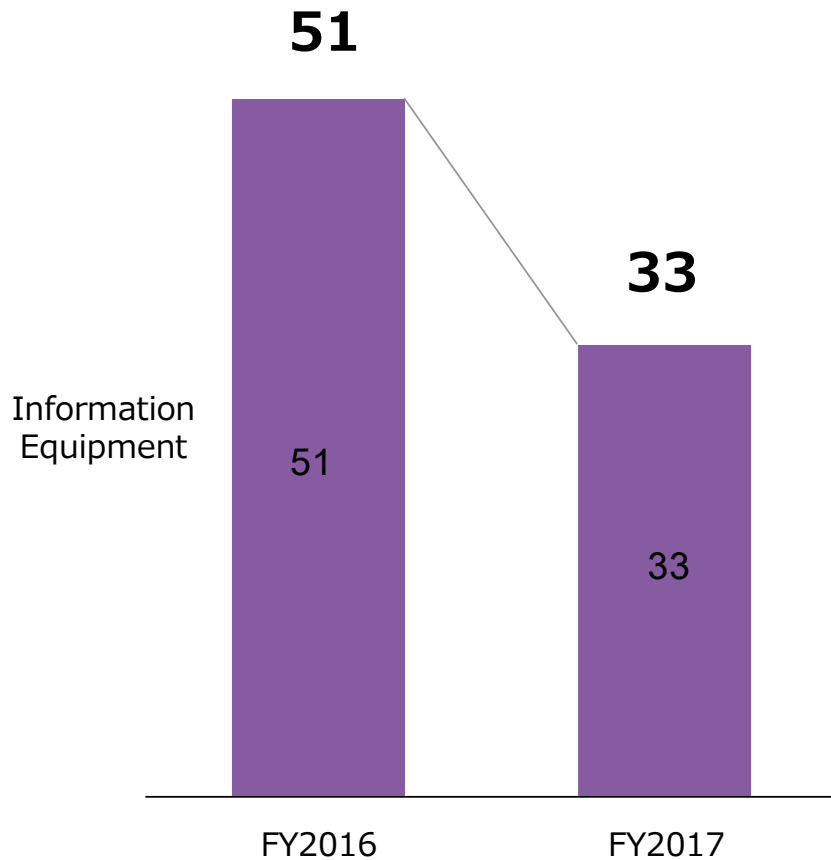
➤ Sales increased due to increase in unit price by upsizing the mainstream size of LCD TV and exclusive sales of Yamada Denki in Japan.



7. Sales of Information Equipment

➤ Decreased due to decreased sales of ink-jet printers and ink-cartridges.

(100 million yen)



(100 million yen)

Y / Y (Change)

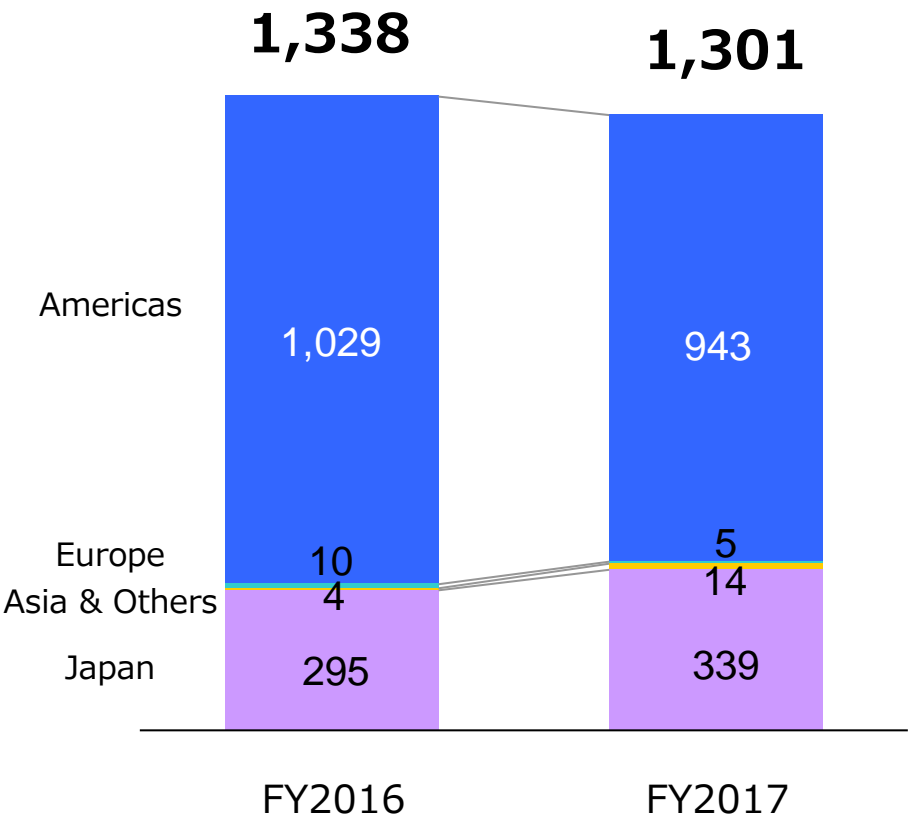
Information Equipment : -18 (-34.3%)

8. Geographic Breakdown of Sales

- Americas: Decrease in DVD-related sales, ink-cartridge sales and LCD TV sales.
- Japan: LCD TVs and Blu-ray disc recorders increased.

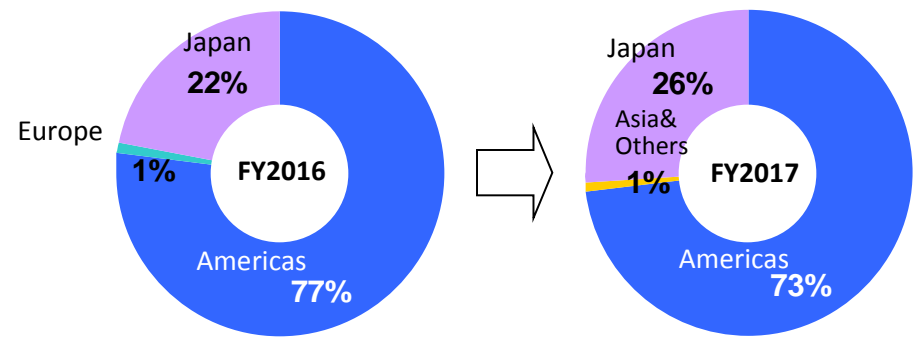
(100 million yen)

(100 million yen)



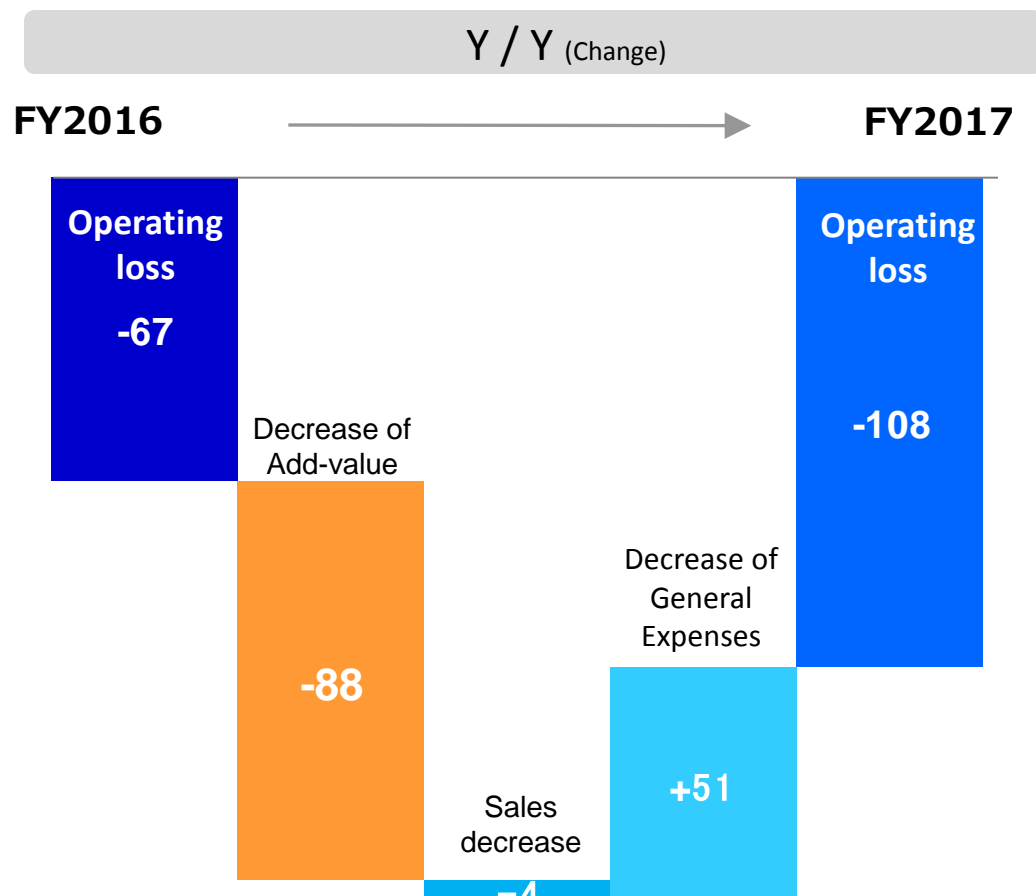
Y / Y (Change)		
Americas	-86	(-8.3%)
Europe	-5	(-47.4%)
Asia & Others	+10	(+227.5%)
Japan	+44	(+14.8%)
Total	-37	(-2.8%)

Sales Composition



9. Operating Income Analysis (Y/Y)

(100 million yen)

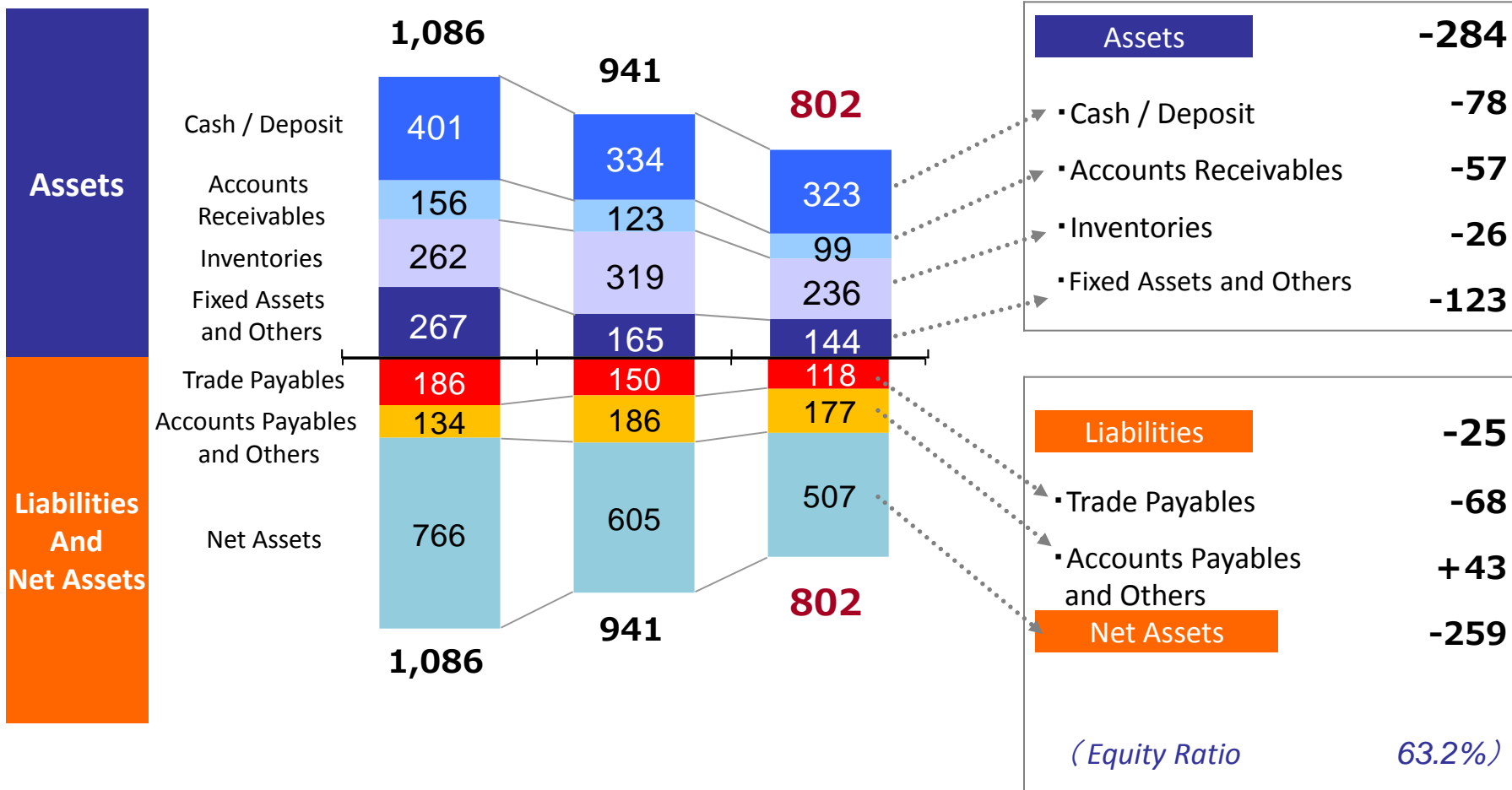


10. Financial Conditions

(100 million yen)

(100 million yen)

Y / Y (Change)

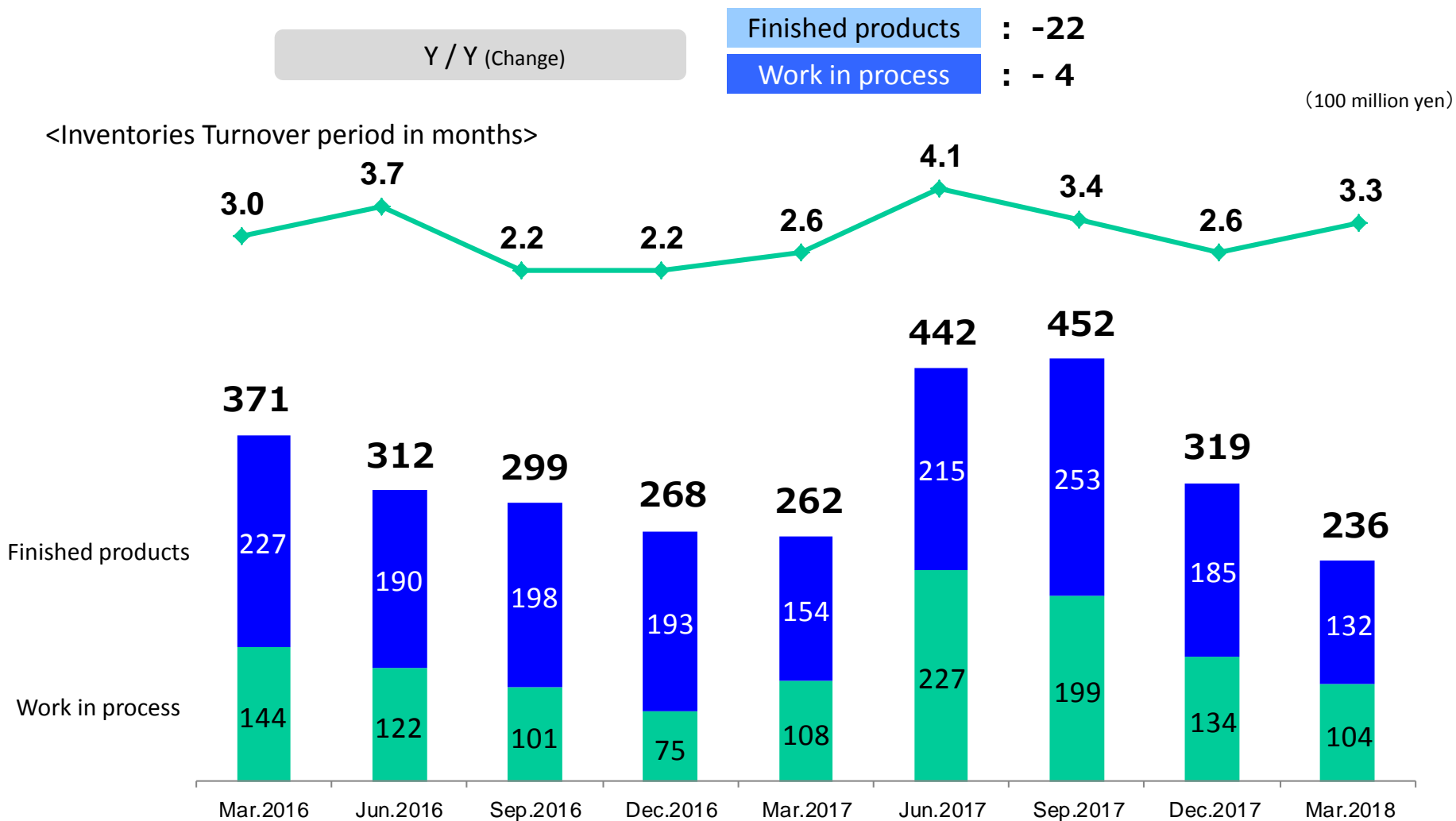


Mar.2017

Dec.2017

Mar.2018

11. Inventories Trends



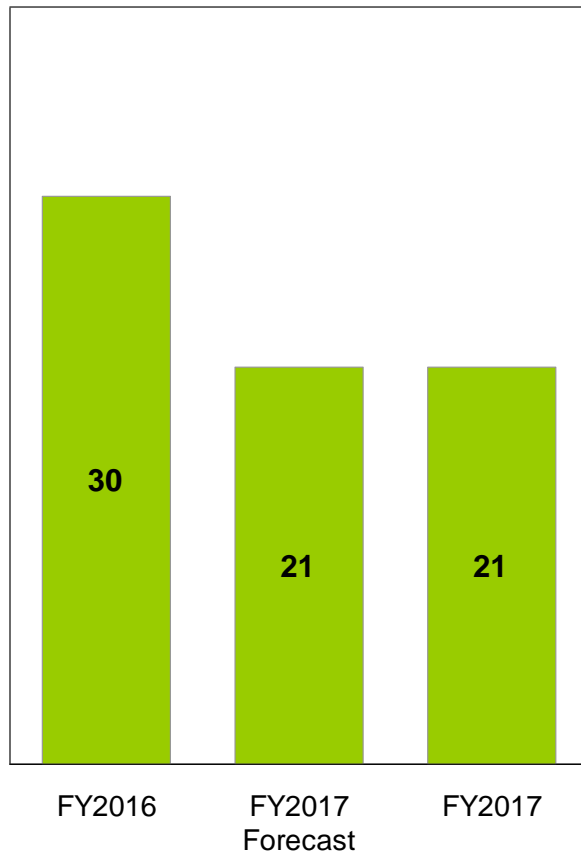
* Inventories Turnover period in months = Last 3 months sales average ÷ Inventories

12. Capital, Depreciation, R&D

(100 million yen)

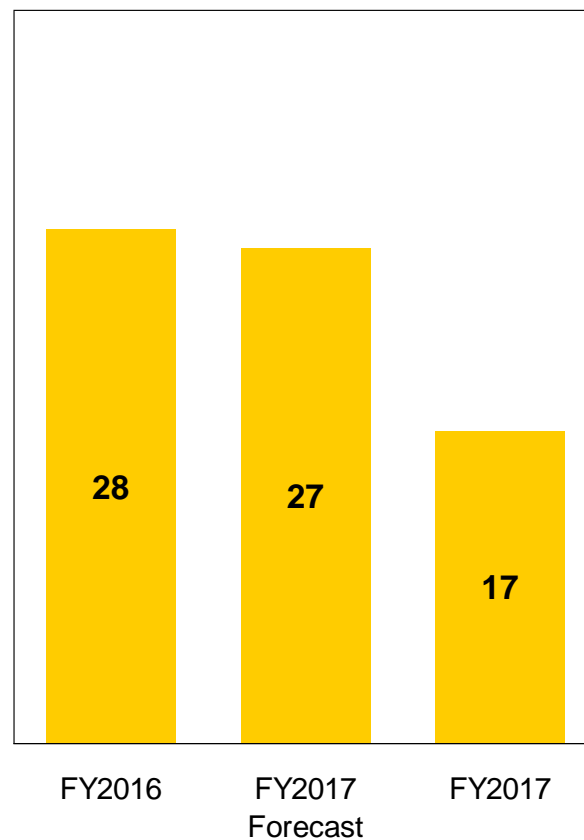
Capital

【FY2016 vs FY2017】
-29.8%



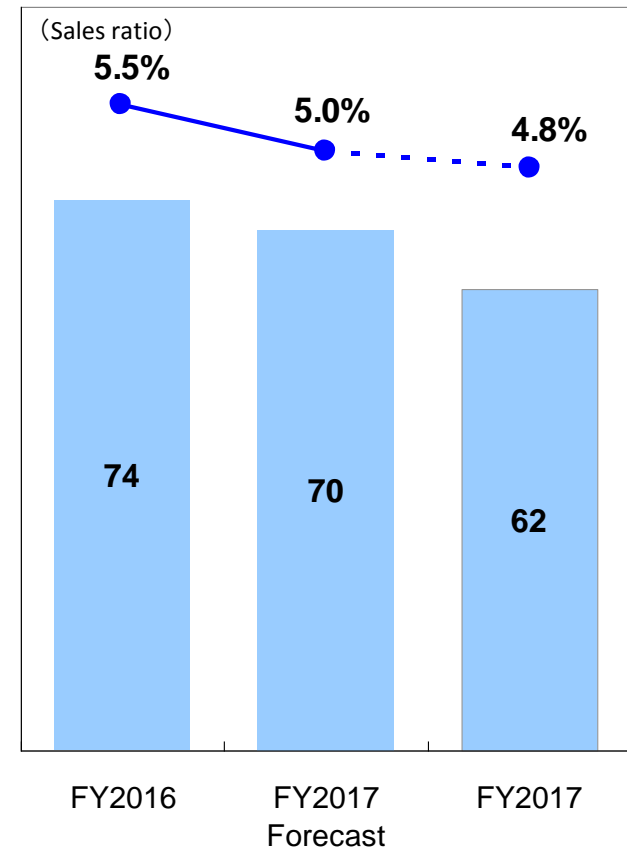
Depreciation

【FY2016 vs FY2017】
-38.7%



R&D

【FY2016 vs FY2017】
-15.1%



13. Forecast FY2018

(100 million yen)

	FY2017 Actual			FY2018 Forecast			Change(Y/Y)		
	1 half	2 half	Full year	1 half	2 half	Full year	1 half	2 half	Full year
Net Sales	721	580	1,301	450	580	1,030	-271	0	-271 (-20.8%)
Operating Income (Margin)	-40 (-5.6%)	-68 (-11.8%)	-108 (-8.4%)	-24 (-5.3%)	28 (4.8%)	4 (0.4%)	+16	+96	+112
Ordinary Income (Margin)	-36 (-5.1%)	-83 (-14.2%)	-119 (-9.2%)	-25 (-5.6%)	19 (3.3%)	-6 (-0.6%)	+11	+102	+113
Net Income Attributable to owners of parent (Margin)	-130 (-18.1%)	-117 (-20.0%)	-247 (-19.0%)	-23 (-5.1%)	16 (2.8%)	-7 (-0.7%)	+107	+133	+240

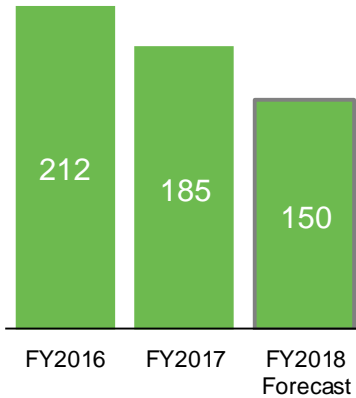
Average USD-JPY Exchange Rate	111. ²⁹	110. ¹⁰	110. ⁶⁹	105. ⁰⁰
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14. Forecast of Sales by Business

(100 million yen)

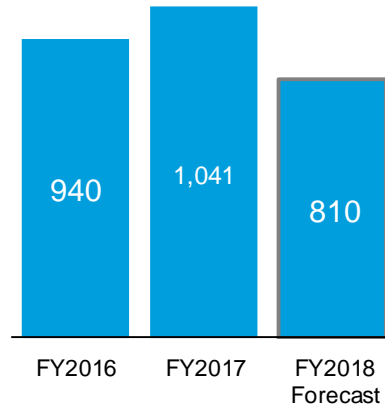
DVD/BD

【FY2017 vs FY2018】 -18.9%



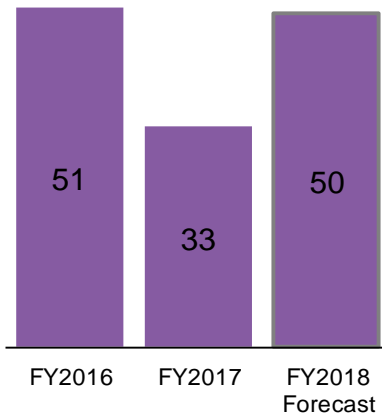
LCD TVs

【FY2017 vs FY2018】 -22.2%



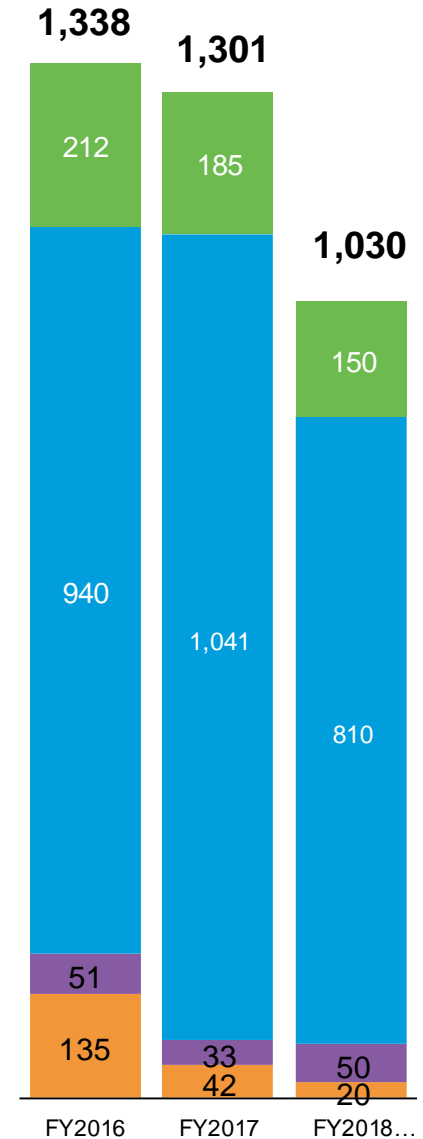
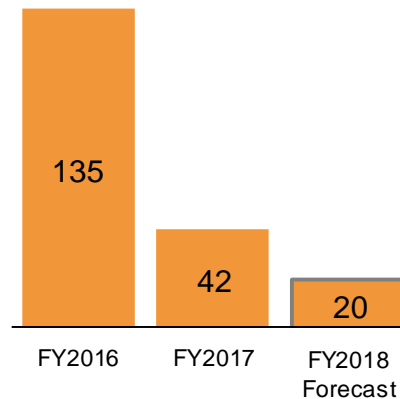
Office Solution

【FY2017 vs FY2018】 +51.5%



Others

【FY2017 vs FY2018】 -52.4%



II. Appendix

1. Quarterly Financial Summary
2. Quarterly Sales Trends by Equipment
3. Quarterly Sales Trends by Geography

1. Quarterly Financial Summary of FY 2016 - 2017

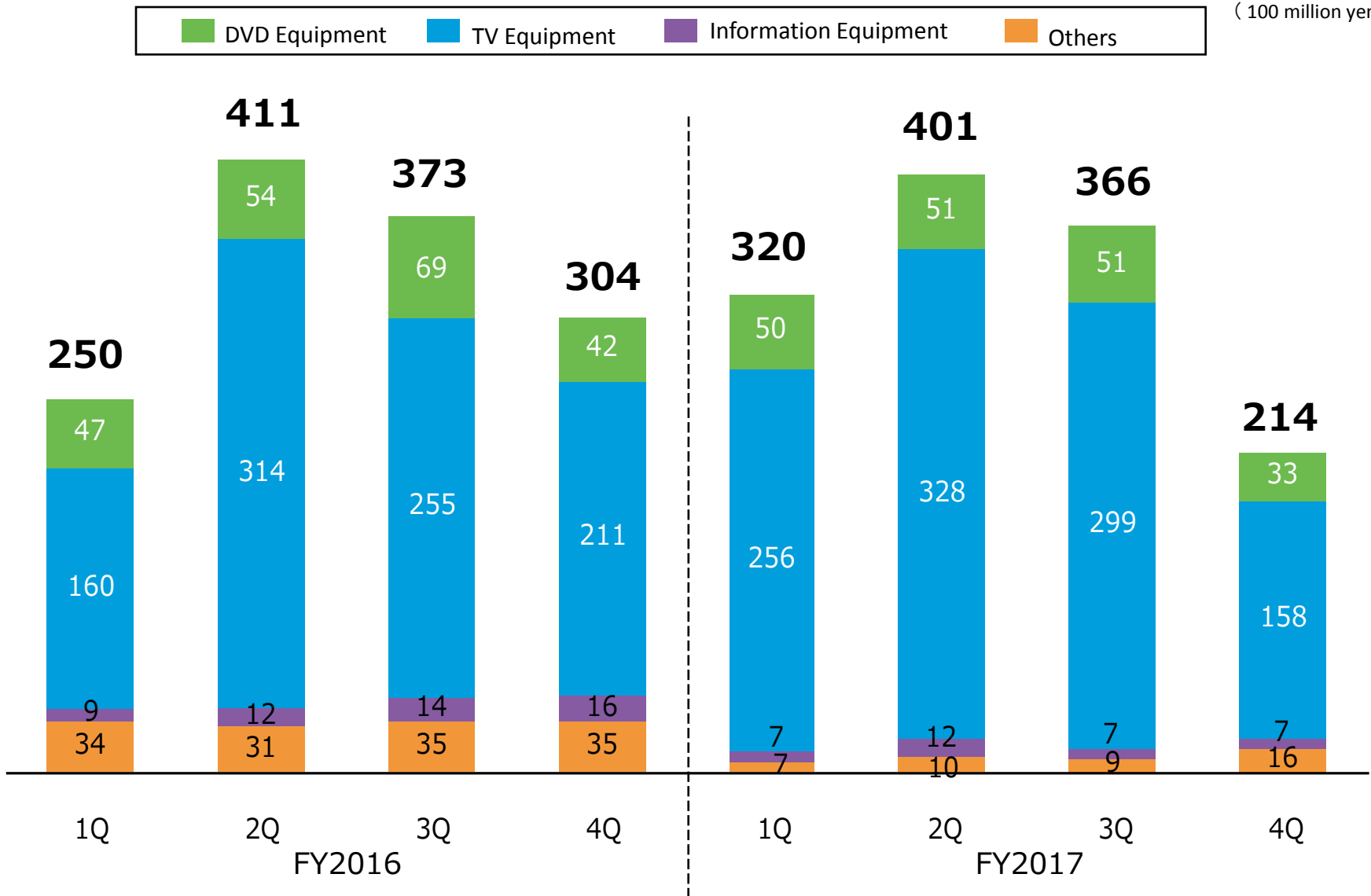


(100 million yen)

	FY2016				FY2017			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net Sales	250	411	373	304	320	401	366	214
Operating Income (Margin)	-28 (-11.5%)	-7 (-1.8 %)	-10 (-2.7%)	-21 (-7.1%)	-23 (-7.3%)	-17 (-4.3%)	-18 (-5.0%)	-50 (-23.4%)
Ordinary Income (Margin)	-58 (-23.4%)	-16 (-3.9%)	26 (7.0%)	-28 (-9.4%)	-21 (-6.7%)	-14 (-3.7%)	-22 (-6.1%)	-60 (-28.3%)
Net Income Attributable to owners of parent (Margin)	-57 (-22.8%)	-19 (-4.6%)	23 (6.2%)	-14 (-4.7%)	-15 (-4.7%)	-115 (-28.9%)	-24 (-6.6%)	-92 (-43.1%)
Average USD-JPY Exchange Rate	108. ⁵³	102. ⁹⁰	111. ²⁵	112. ⁸⁵	111. ⁴¹	111. ¹⁶	112. ⁷³	107. ⁴⁶

2. Quarterly Sales Trends by Equipment

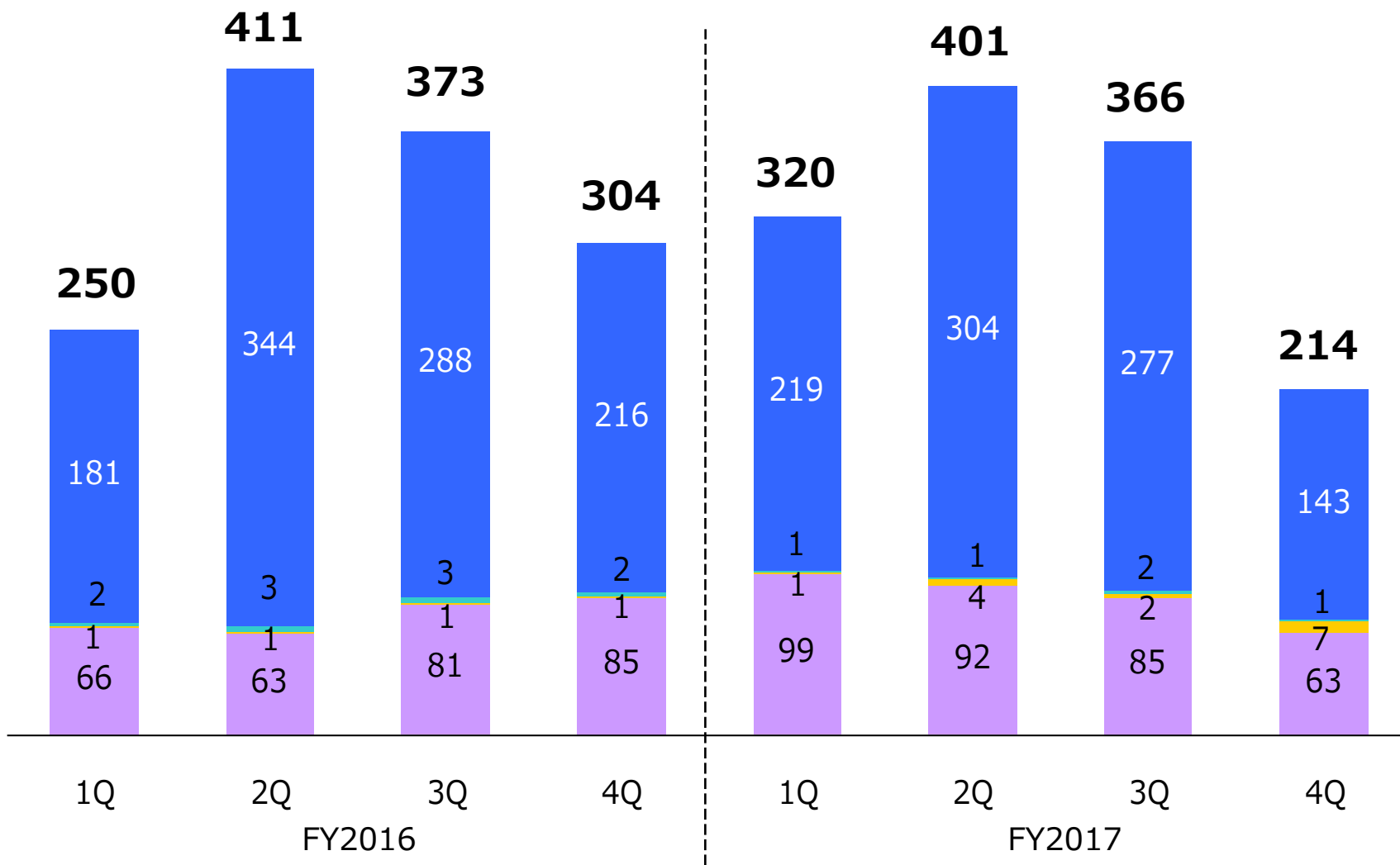
(100 million yen)



3. Quarterly Sales Trends by Geography



(100 million yen)



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