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Funai Electric Co., Ltd.
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For Immediate Release:

Funai Reports Revised Forecast of Consolidated Operating Results

Funai Electric Co., Ltd. has revised its forecast of consolidated operating results released on February 2, 2009, as described below.

1. Revised Consolidated Fiscal Year Results (April 1, 2008, to March 31, 2009)

(Units: Million Yen)

	Net sales	Operating income	Ordinary income	Net income (before deduction of income tax for prior periods)	Net income (after deduction of income tax for prior periods) *
Previously Announced Forecast (A)	304,000	500	(1,500)	(2,200)	(19,000)
Revised Forecast (B)	302,700	1,400	1,200	(600)	(17,400)
Amount of Increase/Decrease (B-A)	(1,300)	900	2,700	1,600	1,600
Percentage Changed (%)	(0.4)	180.0	—	—	—
(Reference) Previous FY results (FY Ended March 2008)	277,167	(2,405)	(39)	(5,376)	(5,376)

The Company plans to announce its consolidated operating results for the current period on May 13, 2009.

*Note: Funai Electric Co., Ltd. received a rectification notice from the Osaka Regional Taxation Bureau on June 16, 2008. The total supplementary tax based on this notice is ¥16.8 billion, which the Company has reported as income taxes for prior periods. Because Funai Electric Co., Ltd. has already brought a case to the Osaka Regional Court for the cancellation of the taxation disposition, for information purposes net income for the fiscal year is also shown before deduction of the supplementary tax amount.

For details concerning this supplementary tax assessment, please refer to the press releases on June 16 and November 14, 2008.

2. Reasons for revision of consolidated results forecast

Since October 2008, there has been a marked downward trend in prices for key products such as LCD televisions as sales have stagnated in the United States, one of the major markets for the Funai Group, as a result of weakened consumer confidence against the backdrop of a rapid economic slowdown. These conditions did not improve during the year-end sales season, normally a period of peak demand, and the severe business environment continued during the fourth quarter as well.

Given such market circumstances, in information equipment net sales were generally in line with the Company's projection, while in the audiovisual equipment category sales of LCD televisions, Blu-ray Disc players and television set-top boxes* for the U.S. market fell slightly below projected results.

With regard to earnings, operating income exceeded the Company's projection as a result of inventory reductions and other measures.

Ordinary income was also higher than projected. This reflected the increase in operating income, as well as the fact that the Company did not incur any additional exchange rate losses as depreciation of the yen in the fourth quarter was greater than anticipated.

Based on the above reasons, the Company has revised the net sales, operating income, ordinary income, and net income projections for the consolidated fiscal year announced on February 2, 2009.

(Notes)

The aforementioned estimates are forward-looking statements about the future performance of Funai Electric Co., Ltd. and are based on management's assumptions and beliefs in light of information currently available, and involve known and unknown risks and uncertainties.

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