

July 24, 2009

Funai Electric Co., Ltd.
President and CEO: Tomonori Hayashi
(Code No.: 6839 First Section of TSE/OSE)

For Immediate Release:

Result of Request for Review of Supplementary Tax Assessment Based on Application of the Taxation System Concerning Tax Havens

On July 23, 2009, Funai Electric Co., Ltd. received the written ruling of the Osaka Regional Tax Tribunal concerning the Company's request for review of the supplementary tax assessment under the taxation system concerning tax havens.

Funai Electric Co., Ltd. received a rectification notice from the Osaka Regional Taxation Bureau on June 16, 2008.

The Company objected to this supplementary tax assessment and filed a request for review of the assessment with the Osaka Regional Tax Tribunal on August 6, 2008, and filed a complaint with the Osaka District Court for the rescission of the supplementary tax assessment order, pursuant to the applicable laws and regulations. The Company has now received the written verdict from the Osaka Regional Tax Tribunal stating it will dismiss the Company's assertion.

Funai Electric Co., Ltd. believes this judgment indeed regrettable and is not a ruling to which it can agree, and will continue to assert the validity of its arguments in the future. The lawsuit, jointly with the other lawsuit filed on June 28, 2005, is now pending at the court.

The verdict from the Osaka Regional Tax Tribunal will not have a material effect on the Company's operating results for the fiscal year ending on March 31, 2010.

INQUIRIES ABOUT THIS PRESS RELEASE
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Reference

Press Release



August 6, 2008

F u n a i E l e c t r i c C o . , L t d .
President and CEO: Tomonori Hayashi
(Code No.: 6839 First Section of TSE/OSE)
C o n t a c t : N a o y u k i T a k a n a k a
Investor / Public Relations Department
T e l : 8 1 - 7 2 - 8 7 0 - 4 3 9 5

For Immediate Release:

Notice of Appeals Application Submitted concerning Regulatory Tax Assessment on Tax Haven Applicability

On June 16, 2008, Funai Electric Co., Ltd. (hereinafter referred to as the “Company”) received a special tax assessment notice from the Osaka Regional Taxation Bureau claiming that the Company’s Hong Kong-based subsidiary did not meet the conditions to allow for it to be treated as an exception under the tax haven system. In light of the previous notice received for a similar issue on June 28, 2005, and the continuing related legal proceedings in the Osaka District Court, the submission of another claim is highly regrettable and unacceptable. As such, the Company has taken the necessary steps to submit an appeals application today to the Osaka Regional Taxation Bureau’s Board of Tax Appeals.

Under this new claim for the three fiscal years running from April 2004 through March 2007, the Osaka Regional Taxation Bureau has indicated a preliminary additional tax assessment of ¥15 billion (¥16.8 billion including other incidental taxes), inclusive of corporate, residential, and business taxes, based on an additional unreported income amount of ¥33.9 billion. In accordance with the “Handling of Audits Relating to Accounting Procedures and Disclosures for Taxes” (as per Report No. 63 of the Auditing and Guaranteeing Work Committee Report of the Japan Institute of Certified Public Accountants), the Company has decided to report this amount under the category of “retroactive corporate taxes” in the first quarter of the current fiscal year ending March 2009.

Reference

Press Release



November 14, 2008

Funai Electric Co., Ltd.
President and CEO: Tomonori Hayashi
(Code No.: 6839 First Section of TSE/OSE)
Contact: Naoyuki Takanaka
Investor / Public Relations Department
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For Immediate Release:

Filing of The Complaint For The Rescission of The Osaka Regional Taxation Bureau's Supplementary Tax Assessment Order Based on The Application of The Anti-Tax Haven Taxation Rule

On June 16, 2008, Funai Electric Co., Ltd. (hereinafter referred to as the "Company") received a special tax assessment notice from the Osaka Regional Taxation Bureau claiming that the Company's Hong Kong-based subsidiary did not meet the conditions to allow for it to be treated as an exception under the tax haven system. In light of the previous notice received for a similar issue on June 28, 2005, and the continuing related legal proceedings in the Osaka District Court, the submission of another claim is highly regrettable and unacceptable. As such, the Company has taken the necessary steps to submit an appeals application on August 6, 2008 to the Osaka Regional Taxation Bureau's Board of Tax Appeals.

Presently, the review proceedings based on the Company's petition is pending in the National Tax Tribunal (the "Tribunal"). However, three months have passed since the Company filed its petition with the Tribunal for a review of the supplementary tax assessment order, and now, the circumstances have become ripe for the Company to seek a judicial remedy. Therefore, today, the Company filed a complaint with the Osaka District court for the rescission of the supplementary tax assessment order, pursuant to the applicable laws and regulations.

Under this new claim for the three fiscal years running from April 2004 through March 2007, the Osaka Regional Taxation Bureau has indicated a preliminary additional tax assessment of ¥15 billion (¥16.8 billion including other incidental taxes), inclusive of corporate, residential, and business taxes, based on an additional unreported income amount of ¥33.9 billion. In accordance with the “Handling of Audits Relating to Accounting Procedures and Disclosures for Taxes” (as per Report No. 63 of the Auditing and Guaranteeing Work Committee Report of the Japan Institute of Certified Public Accountants), the Company has decided to report this amount under the category of “retroactive corporate taxes” in the first quarter of the current fiscal year ending March 2009.