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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 August 10, 2009, as described below.

1. Revised consolidated forecast results for the first half (April 1, 2009 to September 30, 2009)

(Units: Million Yen)

	Net sales	Operating income	Ordinary income	Net income
Announced Forecast on May 13 (A)	174,500	4,100	3,800	3,000
Announced Forecast on August 10 (B)	174,500	5,500	5,300	3,900
Revised Forecast (C)	167,000	10,000	9,500	7,300
Amount of Increase/Decrease (C-B)	7,500	4,500	4,200	3,400
Percentage Changed (%)	4.3	81.8	79.2	87.2
(Reference) Previous FY Results (Interim Period through September 2008)	144,659	4,320	5,992	12,102

2. Revised consolidated forecast results for Fiscal Year (April 1, 2009 to March 31, 2010)

(Units: Million Yen)

	Net sales	Operating income	Ordinary income	Net income
Announced Forecast on May 13 (A)	340,000	6,000	5,300	3,900
Announced Forecast on August 10 (B)	-	-	-	-
Revised Forecast (C)	330,000	12,000	11,400	8,700
Amount of Increase/Decrease (C-A)	10,000	6,000	6,100	4,800
Percentage Changed (%)	2.9	100.0	115.1	123.1
(Reference) Previous FY Results (FY Ended March 2009)	302,777	1,409	1,226	17,364

3. Reason for the revision of consolidated forecast results for the first half

Net sales of DVD-related products and printers rose steadily and are projected to exceed the Company's plan. Net sales for the LCD television product lineup, which the Company expanded with the addition of Philips-brand products, also increased sharply compared with the same period of the previous fiscal year. Because of the panel procurement shortage resulting from the rapid global growth of LCD TV demand and unexpected other factors, however, LCD TV net sales are projected to be less than the Company's plan.

Based on these forecasts, the Company projects total net sales will be less than planned.

Although net sales will fall below the plan, the increased earnings effect from the growth in LCD TV net sales has been substantially greater than planned and has significantly improved earnings. Earnings have been further boosted by net sales of DVD-related products and information equipment, which were also higher than the Company's plan.

Based on the above factors, Funai Electric Co., Ltd. has revised its consolidated net sales, operating income, ordinary income and net income for the first half announced on August 10, 2009.

4. Full-year consolidated operating results forecast (April 1, 2009 to March 31, 2010)

Although Funai Electric expects the panel procurement shortage to be eliminated from the third quarter, the Company anticipates no change in the strengthening tendency of the yen and also expects keen price competition, particularly in the audio-visual equipment category, to continue.

Furthermore, in the United States, the Funai Group's largest market, market surveys project that sales of LCD televisions, the Company's core product, will grow steadily even though customer traffic during the year-end sales season is likely to be lower than in the previous year. On the other hand, private consumption expenditures are being restrained by concerns over employment, which may most likely bring a possibility prices will slip further as well. Overall the situation remains uncertain.

As a result of considering these conditions, Funai Electric Co. Ltd. has revised the consolidated fiscal year operating results forecast announced on May 13, 2009 as described above.

(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.

Various factors such as a change in economic conditions overseas (especially changes in the company's key U.S. market) and severe price fluctuations may cause actual events and results to differ materially from those anticipated in these statements.