

November 2, 2010

To Whom It May Concern:

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

Funai Reports Revised Forecast of Consolidated Operating Results

This is to notify that the following changes have been made to the earnings forecast that was previously announced on May 10, 2010.

1. Revisions to the Second Quarter (2Q) Year-to-Date (YTD) Consolidated Earnings Forecast (April 1, 2010 to September 30, 2010)

(Units: Millions of Japanese Yen)

	Net Sales	Operating Income	Ordinary Income	Quarterly Net Income
Previous Forecast announced on May 10, 2010 (A)	170,000	7,200	7,000	5,600
Current Forecast (B)	154,000	4,500	4,700	3,800
Net Change (B-A)	16,000	2,700	2,300	1,800
Net Change (%)	9.4	37.5	32.9	32.1
(Reference) 2Q YTD Actuals from the Previous Fiscal Year ended March 2010	167,095	10,068	9,588	7,309

2. Revisions to the Full-Year Consolidated Earnings Forecast (April 1, 2010 to March 31, 2011)

(Units: Millions of Japanese Yen)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast announced on May 10, 2010 (A)	350,000	130,000	12,900	10,000
Current Forecast (B)	320,000	9,000	9,200	7,100
Net Change (B-A)	30,000	4,000	3,700	2,900
Net Change (%)	8.6	30.8	28.7	29.0
(Reference) Actuals from the Previous Fiscal Year ended March 2010	314,911	11,148	11,684	10,328

3. Factors Behind the Revisions to the Second Quarter (2Q) Year-to-Date (YTD) Consolidated Earnings Forecast

The economy in the United States, which is one of the Group's key markets, has remained flat as the prolonged decline of the housing market and the unemployment rate remaining high has hampered any economic recovery. Demand continues to remain weak, while at the same time, unit prices of household electronic goods has sustained its fall. Consequently, the sluggish US economy and the intense price competition in the industry have led to a decline in the sales of one of the Group's main products, LCD televisions. In addition to this, the rapid strengthening of the Japanese Yen has also put downward pressure on overall sales figures. As a result, the Group is projecting that sales will fall short of the original forecast.

Income is also projected to fall short of the original forecast as the fall in sales negatively impacts overall profits.

Due to the above factors, the Group has decided to revise the net sales, operating income, ordinary income and quarterly net income figures from the 2Q YTD consolidated earnings forecast that was previously announced on May 10, 2010.

4. Factors Behind the Revisions to the Full-Year Consolidated Earnings Forecast (April 1, 2010 to March 31, 2011)

Although the United States economy is anticipated to recover, the pace of such recovery is projected to be slow. Moreover, the cooling-off of consumer sentiment is expected to result in more price competition for LCD televisions, a main product of the Group.

In consideration of these conditions, the Group has decided to revise the full-year consolidated fiscal earnings forecast that was previously announced on May 10, 2010 as per the above.

(Note)

The earnings forecast is based on information available to the Group at the time such forecast is made, and contains risk and uncertainty. Actual results may differ from the forecast due to a variety of factors including changes in the economic conditions of overseas markets such as the United States (a key market for the Group), and significant fluctuations in product prices.

INQUIRIES ABOUT THIS PRESS RELEASE
Investor / Public Relations Department
Naoyuki Takanaka
TEL:+81-72-870-4395
Mutsuo Takei
TEL:+81-3-3254-5611