

Jan 30, 2008

Progress of “Action Plan 2007” & Prospect for Display Business

Kunihiko Sato, President



1. Progress of “Action Plan 2007”

1. Achievement Progress by Quarterly basis in 2007
2. Business Structural Reform
3. Management & Operation Reform

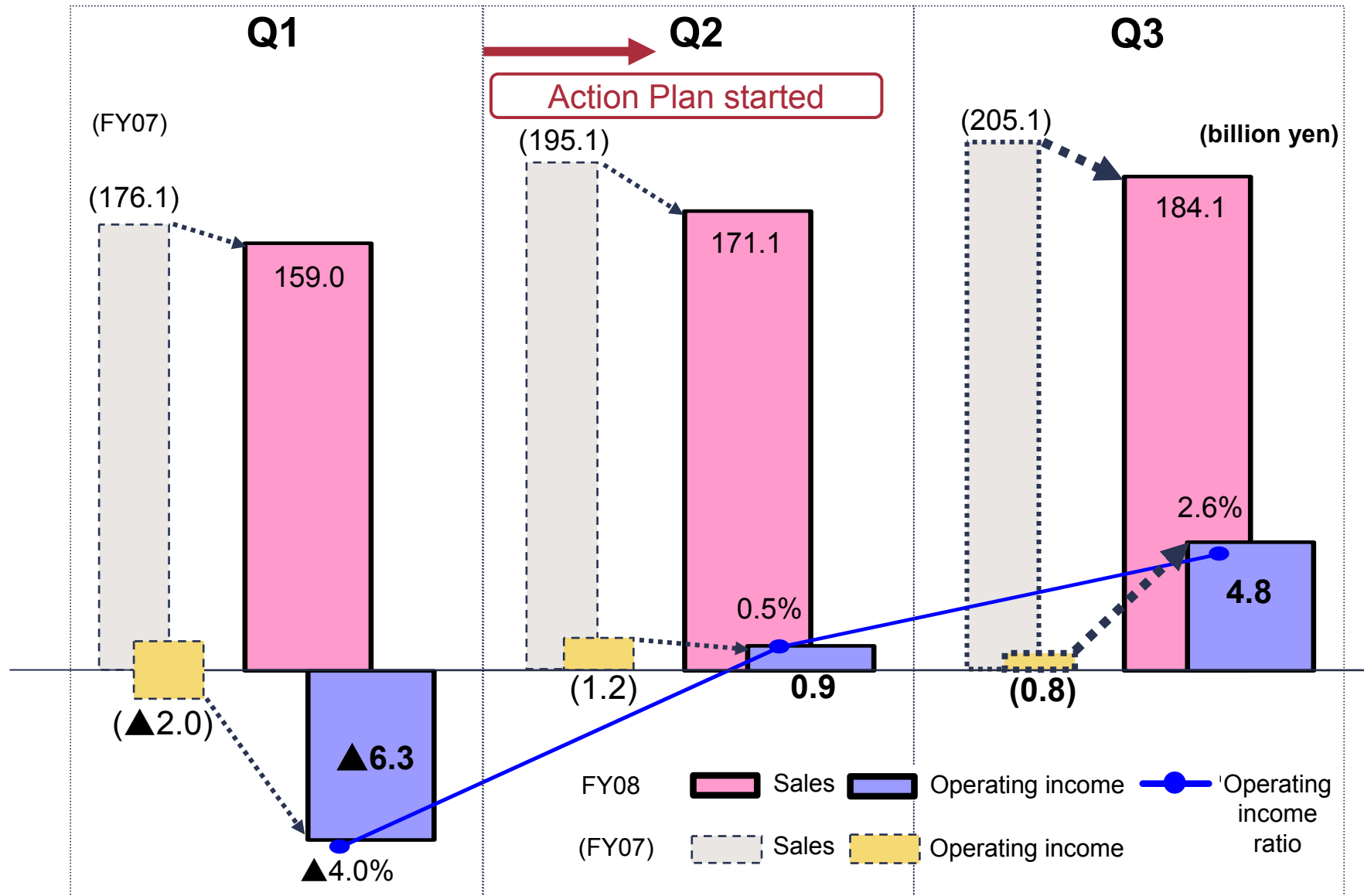
2. Prospect of Display Business

1. Reviewing the current situation, and Business Direction
2. Collaboration with FUNAI Electric Co., Ltd.

3. New Products being Launched in Quarter 4

1. Progress of Action Plan 2007 1. Progress by Quarter

Transformation to profitable structure



Business Structural Reform	Framing-up business structure	<p><Components & Devices></p> <ul style="list-style-type: none"> • Transfer out of Deflection Yoke business <ul style="list-style-type: none"> - Fujian Factory in China : Sell-off in Mar/2008 (*planned) • Withdrawal from VHS-related component business in Dec/2007 • Transfer out of Circuit business in Mar/2008
		<p><Entertainment></p> <ul style="list-style-type: none"> • Re-organizing for strengthening <ul style="list-style-type: none"> - Establishment of 'JVC Entertainment' in Apr/2007 - Spin-off of Recordable Media Business in Dec/2007
	Re-organizing Production Facility	<ul style="list-style-type: none"> • Two Consumer Factories in Malaysia: Combined in Apr/2007 • Scotland factory: Production system reform in Oct/2007 • Applying new production administration system, 'J-TOPS'
	<p>Sales sites in overseas</p> <ul style="list-style-type: none"> • Closing of sales subsidiaries in Indonesia, Korea and Mexico 	

- Early retirement scheme in Oct/2007

Result: 1,399 employees

-- Fixed Expense reduced by 2.6 billion Yen (3Q)

- Reform of headquarter organization in Oct/2007

23 sections → Slim down to 17 sections

- Re-organizing of subsidiaries and related companies

Shared-service and facility-management companies

- Measures to improve financial position/resources

- Compressing inventory assets:

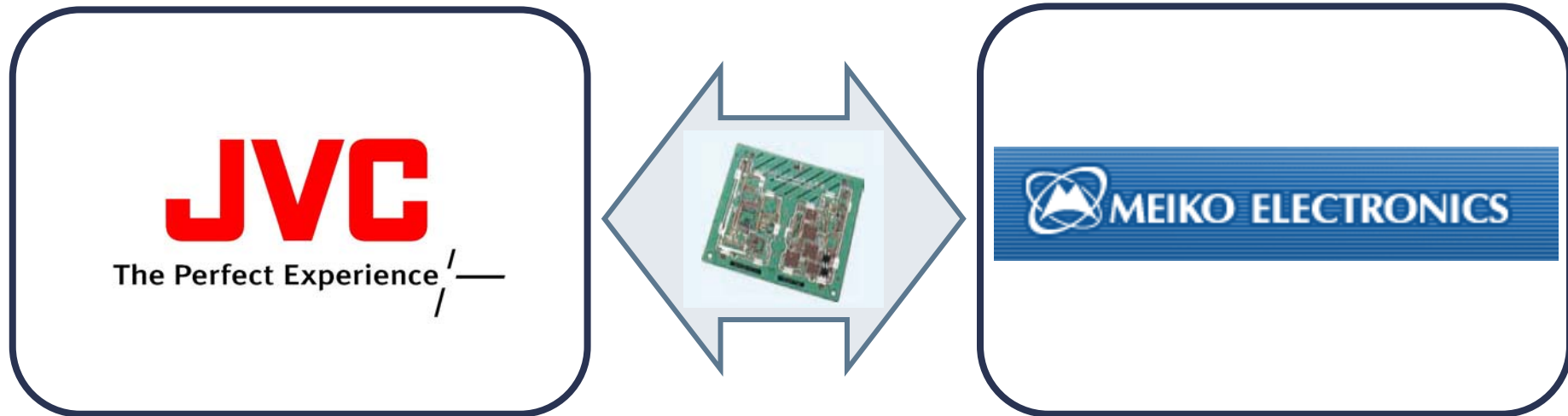
12.7 Billion Yen reduction (vs. previous year)

- Selling-off idle assets

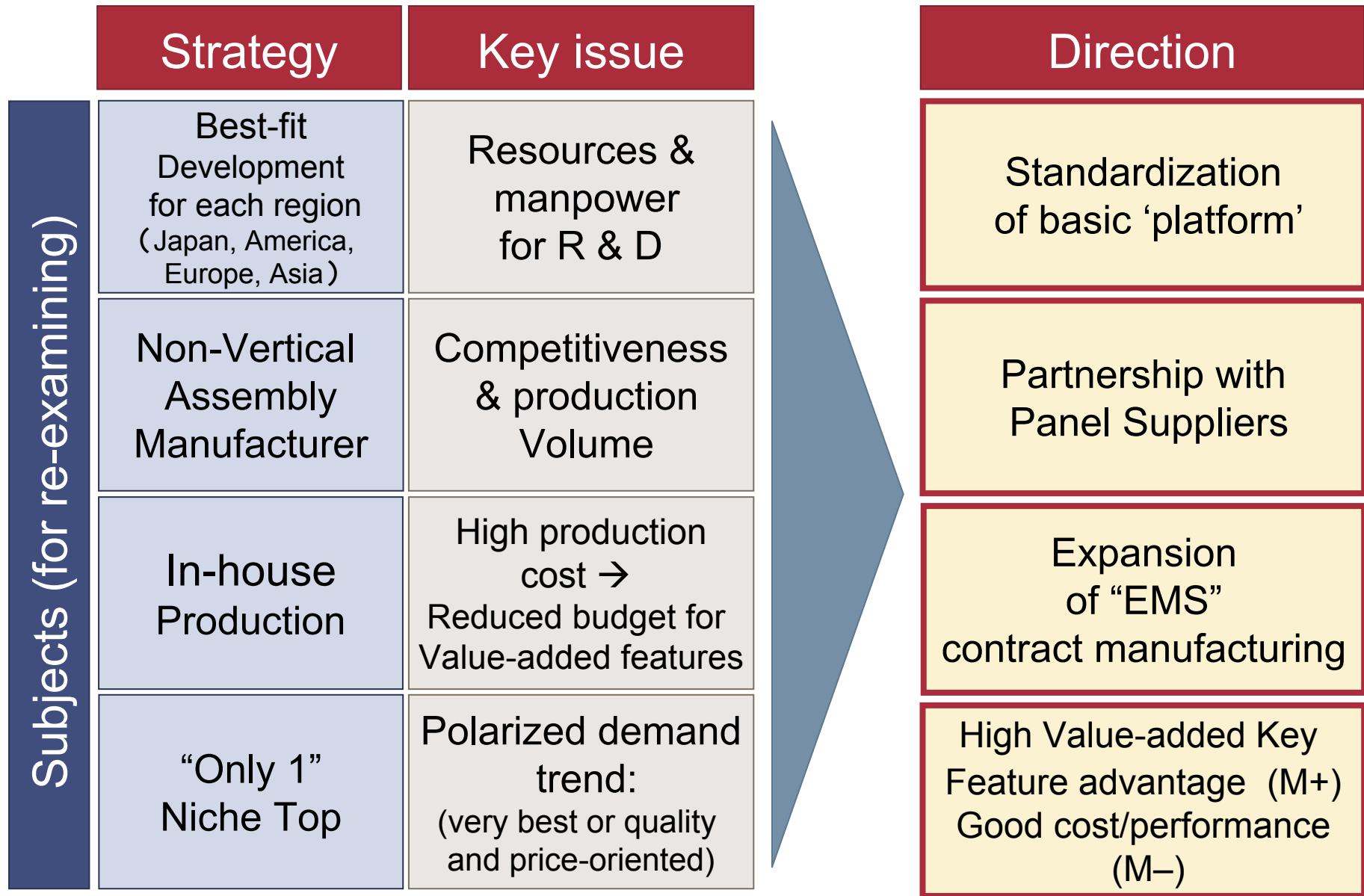
- Improvement in 'Cash position'

} Reduction of interest-bearing debt:
45.2 Billion Yen (*vs. previous year)

Transfer Circuit Business to MEIKO Elec.

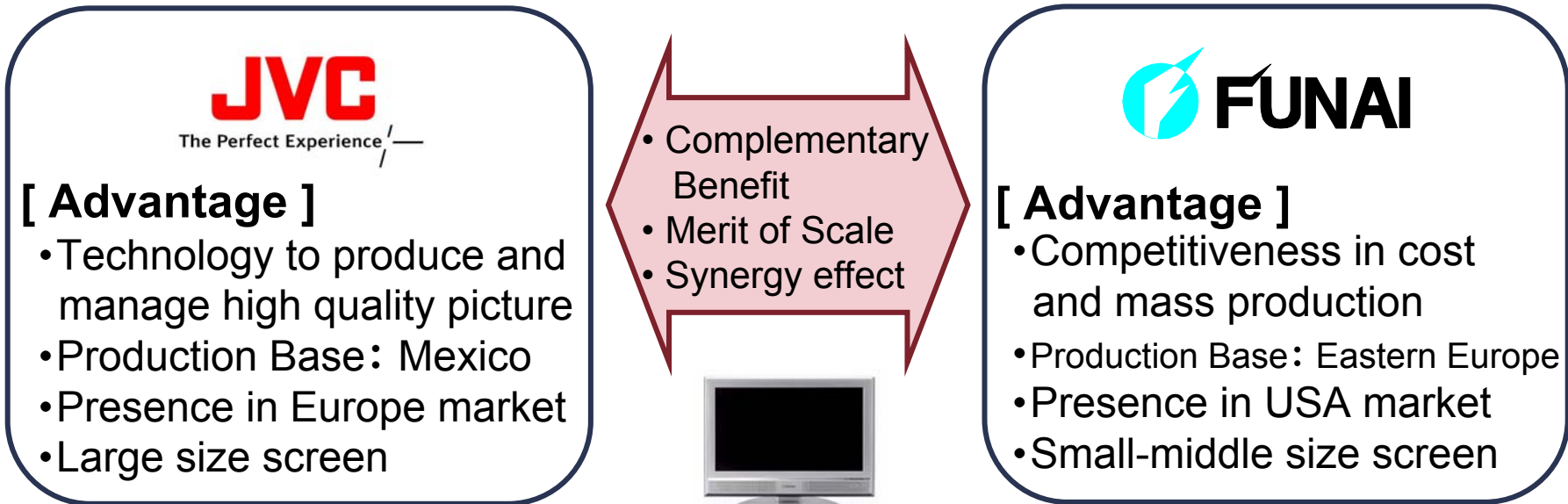


- JVC's original "**VIL (Victor Interconnected Layer) Technology**" is expected to be a core technology for MEIKO's strategic products.
- Securing of employment for those belonging to Circuit Business sector at JVC.
- Responsibility to supply parts to existing customers continuously.



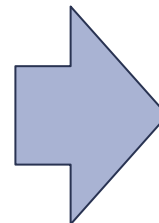
Purpose

Reinforcement of Business Potential by Collaboration with FUNAI



Frames of Collaboration

- Production sharing
- Joint development
- Other cooperation (logistics, etc.)




Merit Effect

- Reduction of production cost
- Saving cost & time for R&D
- Widening product line-up range


3. New Products being Launched in Quarter 4

Display

Clear Motion Drive & Full HD LCD




iPod-LCD




Super-slim LCD

Stylish
Layout-free



Personal use



Camcorder

Everio

HD Everio

3CCD & 1920 Full High Definition
120GB HDD



Everio

Slim & Compact
Attractive colors



Audio

Home theater

High quality front surround



for iPod/Portable



Car

DVD receiver

New operation style with gesture sensor



Accessories

Headphone

Wooden-dome Unit



Noise canceller





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