



December 15, 2009

Company JVC KENWOOD Holdings, Inc.
 Representative Haruo Kawahara, Chairman, President and CEO
 (Code: 6632; First Section of the Tokyo Stock Exchange)
 Contact Tomohiro Kushima, General Executive, Strategic
 Corporate Planning Division
 (Tel: +81-45-444-5232)
 (E-mail: prir@jk-holdings.com)

Notice of Basic Agreement on Transfer of Subsidiary Shares

JVC KENWOOD Holdings, Inc. (JVC Kenwood) today concluded a basic agreement with TL LOGICOM Co., Ltd. (TL LOGICOM), a subsidiary of SBS Holdings, Inc. (SBS Holdings), on the transfer of shares of Victor Logistics, Inc. (Victor Logistics), a logistics subsidiary of the JVC Kenwood Group company Victor Company of Japan, Limited (JVC) to TL LOGICOM, as described below. JVC Kenwood and TL LOGICOM will begin to discuss the signing of a formal share transfer contract.

1. Reason for the share transfer

Through structural reforms within the JVC Kenwood Group so far, JVC's Japanese business structure and product lineups have drastically changed. In response, the Group has worked on building a Japanese logistics system that can respond to such changes. This time, JVC Kenwood has reached a basic agreement with TL LOGICOM on the transfer of all outstanding shares of Victor Logistics (the shares) to TL LOGICOM, and the two companies signed a basic agreement today. The two parties will begin to have talks on the conclusion of a formal basic share transfer contract.

With the transfer of the shares, JVC will be able to have an efficient logistics system by outsourcing third-party logistics (3PL) services and concentrate management resources on the core business, through which JVC will aim to improve its earnings at an early stage.

2. Overview of the subsidiary whose shares will be transferred (as of September 30, 2009)

(1) Company name	Victor Logistics, Inc.
(2) Location	1-1 Izuta-cho, Kanagawa-ku, Yokohama, Kanagawa Prefecture
(3) Representative's name and title	Fumitaka Kichise, President and Representative Director
(4) Business	Warehousing, trucking, cargo automobile transportation/handling businesses, etc.
(5) Net sales	4,350 million yen (for fiscal year ended March 2009)
(6) Capital	300 million yen
(7) Establishment	October 1, 1997
(8) Major shareholders and shareholding ratio	JVC: 100%

3. Overview of transferee (as of September 30, 2009)

(1) Company name	TL LOGICOM Co., Ltd.
(2) Location	4-1-3 Taihei, Sumida-ku, Tokyo
(3) Representative's name and title	Masahiko Kamata, President and Representative Director
(4) Business	Transport, warehousing and real estate leasing/management businesses
(5) Net sales	39,741 million yen (for fiscal year ended December 2008)
(6) Capital	2,846 million yen
(7) Establishment	January 26, 1940
(8) Major shareholders and shareholding ratio	SBS Holdings: 100%

(9) Relation with JVC Kenwood	There have been no special capital, personnel and transaction relationships.
-------------------------------	--

4. Schedule

- December 15, 2009: Conclusion of a basic agreement
- February 28, 2010: Conclusion of a share transfer contract (planned)
- February 28, 2010: Transfer of shares (planned)

5. Future outlook

JVC Kenwood will begin to discuss with TL LOGICOM about an agreement on the final conditions so that the two parties can sign a share transfer contract on February 28, 2010 as shown in 4. above. Although the effect of this transaction on JVC Kenwood's earnings is expected to be insignificant, we will immediately notify you of such effect when confirmed.