



January 31, 2014

**Announcement of Acquisition of North American
Professional Wireless Systems Company
(Conversion to Subsidiary)**

JVC KENWOOD Corporation (JVCKENWOOD), with a core revenue base in communications (professional wireless) business, is pleased to announce that, today (January 31, 2014), the Board of Directors resolved to acquire all of the equity interests in EF Johnson Technologies, Inc. (EFJT), a company focused on delivering mission-critical, digital P25 communications solutions, to enhance the expansion of its North American public safety digital communications business.

To acquire ownership of EFJT, EFJT will be merged into FP-EF Holding Corporation (FPEF HLDG) and FPEF HLDG will then change its corporate name from FPEF HLDG to EFJT. After the merger, JVCKENWOOD will obtain 100% ownership of FPEF HLDG from the U.S. investment funds ("Francisco Partners II, L.P." and "Francisco Partners Parallel Fund II, L.P."), each managed by Francisco Partners Management, L.P.

By acquiring 100% ownership of EFJT, JVCKENWOOD will also take ownership of EFJT's wholly-owned subsidiary, E.F. Johnson Company (EFJC, generic term: EFJ Group), which is in the business of delivering mission-critical, digital P25 communications solutions to the public safety market.

1. Reasons for Acquiring the Shares

JVCKENWOOD's core communications business focuses a sizeable portion of its marketing efforts in P25 digital Land Mobile Radio (LMR) for public safety, such as police, fire, and emergency services in North America. JVCKENWOOD understands that this is its business strength, and it needs to focus more on P25 digital LMR systems for future business.

The other significant portion of JVCKENWOOD's Communication Systems business sales for North America is mainly focused on the "NEXEDGE" series, providing mission-critical systems and solutions to the construction and business & industrial markets. However, JVCKENWOOD also needs to focus on augmenting the existing P25 digital LMR business, not only with terminal radio sales but also with turnkey radio systems solutions to its public safety business centered around U.S. Federal state and local municipal government use, all markets which it has not yet entered.

Today, JVCKENWOOD has acquired the EFJ Group to enhance the development and sales of P25 digital LMR systems, including multi-band terminals, base stations and other system infrastructure, as well as to expand its radio platforms as a means of introducing turnkey LMR system solutions for the North American market, where the digital P25 market is growing.

TRANSLATION – FOR REFERENCE ONLY –

EFJC was founded in 1923 in the U.S. as a specialized wireless communication manufacturer, developing and selling public safety, professional and amateur radio equipment. EFJC's primary customer base includes the U.S. Federal government, state and local governmental agencies, as well as Latin American governmental agencies (including Mexico). EFJC is one of North America's leading companies in mission-critical, digital LMR system solutions, providing P25 standards-based digital radios, multi-band radios, and system infrastructure including base stations which address the digital migration of legacy LMR systems to P25.

The acquisition of the EFJ Group will enable JVCKENWOOD to offer turnkey P25 LMR solutions to the market by adding EFJT's multi-band radio and system infrastructure, and to enhance its sales channel with access to EFJT's customers, such as the U.S. Federal government, state and local governmental agencies, and Latin American governmental agencies (including Mexico). In addition, JVCKENWOOD will be able to reduce cost and gain efficiencies via joint development, obtain access to new technology and leverage its production capability since EFJT is a fables company (company without a factory). JVCKENWOOD expects to increase its P25 North American public safety and professional LMR system market share from top 6 to top 3 through this acquisition.

JVCKENWOOD will use this opportunity to enter into not only the North American market but also into Europe, Asia, Latin America, and emerging countries to expand its market share.

In addition to this notice, JVCKENWOOD formed an alliance with Airbus Defense and Space on January 16, 2014, to jointly evaluate common development in public safety wireless broadband technology. JVCKENWOOD will enhance communications business with both Airbus Defense and Space with the EFJ Group.

2. Outline of the new subsidiary

1) FP-EF Holding Corporation (Consolidated holding company including EFJT)

(1) Company name	FP-EF Holding Corporation (After EFJT merger, the company name will change from FP-EF Holding Corporation to EF Johnson Technologies, Inc.)
(2) Address	1440 Corporate Drive, Irving, TX 75038, United States
(3) Representative's Name and Title	President & CEO Andrew L. Adams
(4) Business	Holding Company of EFJT (Management company of E.F. Johnson Company after EFJT merger)
(5) Established	May 13, 2010
(6) Major Shareholders and Holding ratio	Francisco Partners II, L.P. 99% Francisco Partners Parallel Fund II, L.P. 1%

2) E. F. Johnson Company

(1) Company name	E. F. Johnson Company
(2) Address	1440 Corporate Drive, Irving, TX 75038, United States
(3) Representative's Name and Title	President & CEO Andrew L. Adams
(4) Business	Professional wireless system development, production, and sales specialized mainly for P25
(5) Established	November 6, 1953
(6) Major Shareholders and Holding ratio	EFJT 100%

3. Sellers of shares

1) Francisco Partners II, L.P.

(1)Company Name	Francisco Partners II, L.P.
(2)Address	One Letterman Drive, Building C, - Suite 410, San Francisco, CA 94129, United States
(3)Basis for formation, etc.	LPS (Limited Partnership) based on the Limited Partnership Law of the State of Delaware
(4)Purpose for formation	Formed to make investments in technology companies in and outside the U.S.
(5)Compositional Date	July 1, 2005

2) Francisco Partners Parallel Fund II, L.P.

(1)Company Name	Francisco Partners Parallel Fund II, L.P.
(2)Address	One Letterman Drive Building C - Suite 410 San Francisco, CA 94129
(3)Basis for formation, etc.	LPS (Limited Partnership) based on the Limited Partnership Law of the State of Delaware
(4)Purpose for formation	Formed to make investments in technology companies in and outside the U.S.
(5)Compositional Date	March 15, 2006

4. Number of shares to be acquired and status of shares held before and after acquisition

For the acquisition of 100% of equity interests in EFJT, immediately before this share acquisition, EFJT will merge into FPEF HLDG, with FPEF HLDG as the surviving company and FPEF HLDG will then change its corporate name from FPEF HLDG to EFJT. After the merger, JVCKENWOOD will obtain 100% of the outstanding shares of FPEF HLDG from Francisco Partners II, L.P. and Francisco Partners Parallel Fund II, L.P.

Through the above procedure, EFJC will also become JVCKENWOOD's indirect subsidiary as well.

(1) Number of Shares Held Before the Acquisition	0 shares (Number of voting rights: 0units) (Holding ratio: 00.0%)
(2) Number of Shares to be Transferred	Common Stock 380,000.00 shares Preferred Stock 1,533.33 shares (convertible into 1,533,333 shares of Common Stock) (Number of voting rights: 1,913,333 units) (Ratio to the number of outstanding shares: 100.0%)
(3) Number of Shares Held After the Acquisition	Common Stock 380,000.00 shares Preferred Stock 1,533.33 shares (convertible into 1,533,333 shares of Common Stock) (Number of voting rights: 1,913,333 units) (Ratio to the number of outstanding shares: 100.0%)

5. Schedule

January 31, 2014 Signing of share purchase agreement

Calendar Year

Q1 2014 Closing of share purchase agreement (scheduled)

6. Future prospects

As described in “5. Schedule” above, JVCKENWOOD (Company) will complete the closing of share transfer from Francisco Partners II, L.P. and Francisco Partners Parallel Fund II, L.P. in the calendar year Q1 of 2014. The impact of this share acquisition on the Company’s earnings for the current fiscal year is insignificant, and such effect on the Company’s earnings for the next fiscal year will be announced contingent on the closing.