

JVCKENWOOD

September 4, 2015

Company	JVC KENWOOD Corporation
Representative	Haruo Kawahara, Chairman and CEO (Code: 6632; First Section of the Tokyo Stock Exchange)
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Notice Regarding Change in Specified Subsidiary and Posting Extraordinary Income

JVC KENWOOD Corporation (“JVCKENWOOD”) hereby announces that it completed the local liquidation proceedings (dissolution) of its subsidiary, JVC Manufacturing UK Limited (“JMUK”), effective September 3, 2015. Accordingly, JMUK has ceased to be a specified subsidiary of JVCKENWOOD. Following the change in said specified subsidiary, JVCKENWOOD expects to post extraordinary income of about 1.1 billion yen as a gain on foreign currency translation adjustment.

1. Outline of the Specified Subsidiary

(1) Corporate name	JVC Manufacturing UK Limited	
(2) Address	2 Glenburn Road, College Milton Industrial Estate, East Kilbride G74 5BA, Scotland, United Kingdom	
(3) Representative’s name and title	John C Reid, liquidator	
(4) Scope of business	Manufacturing and sale of imaging equipment	
(5) Capital	GBP 34,000 thousand (as of March 31, 2015)	
(6) Established	December 11, 1987	
(7) Major shareholders and shareholding ratio	JVCKENWOOD : 100.00%	
(8) Relation with JVCKENWOOD	Capital relationship	JVCKENWOOD owns 100.00% of the outstanding shares in JMUK.
	Personnel relationship	Two officers / employees of JVCKENWOOD served as Directors of JMUK.
	Transaction relationship	There was a transaction relationship between JVCKENWOOD and JMUK concerning sales of its products and provision of services to JVCKENWOOD.

(9) Operating results and financial conditions for the past three years As JMUK has already terminated its business, it does not have operating results for the past three years.			
Fiscal year	Fiscal year ended March 2013	Fiscal year ended March 2014	Fiscal year ended March 2015
Net assets	GBP 437 thousand (77 million yen)	GBP 437 thousand (77 million yen)	GBP 437 thousand (77 million yen)
Total assets	GBP 614 thousand (109 million yen)	GBP 566 thousand (100 million yen)	GBP 552 thousand (98 million yen)
Net assets per share	GBP 0.01 (2.29 yen)	GBP 0.01 (2.29 yen)	GBP 0.01 (2.29 yen)

(Reference) 1 GBP = approximately 178 yen (exchange rate as of end of March 2015)

2. Schedule for change

Liquidation procedures were completed on September 3, 2015.

3. Recognition of extraordinary income and future outlook

As a result of the change in specified subsidiary as mentioned above, JVCKENWOOD expects to recognize a gain on foreign currency translation adjustment of about 1.1 billion yen, which has already been factored into the consolidated earnings forecast for fiscal year ending March 2016 announced on April 28, 2015. In the meantime, JVCKENWOOD will make proper announcements immediately if matters to be disclosed arise as a result of a change in the impact of the dissolution of the specified subsidiary.

(Reference) Consolidated earnings forecast of JVCKENWOOD (disclosed on April 28, 2015) and consolidated results of the previous term

	(Million yen)			
	Consolidated net sales	Consolidated operating income	Consolidated ordinary income	Net income attributable to shareholders of the parent company (Fiscal year ending March 2016) Consolidated net income (Fiscal year ended March 2015)
Consolidated earnings forecast (Fiscal year ending March 2016)	300,000	8,000	4,500	2,000
Consolidated results of the previous term (Fiscal year ended March 2015)	285,010	6,570	3,176	4,654