

Company JVCKENWOOD Corporation  
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## Notice Regarding Posting of Deferred Tax Assets and Extraordinary Loss and Revision of Earnings Forecast

JVCKENWOOD Corporation (JVCKENWOOD) hereby announces that at its Board of Directors meeting held today, it resolved the below-mentioned posting of deferred tax assets and extraordinary loss and revision of the consolidated earnings forecast for the fiscal year ended March 2016 that was announced on October 30, 2015.

### 1. Posting of Deferred Tax Assets

JVCKENWOOD examined the amount of deferred tax assets posted based on the U.S. federal tax law at JVCKENWOOD USA Corporation (“JKUSA”), a wholly-owned subsidiary that JVCKENWOOD established in October 2014 through the integration of its two U.S. subsidiaries, in view of JKUSA’s latest earnings performance and future earnings outlook. As a result, JVCKENWOOD expects to post deferred tax assets for its fourth quarter of the fiscal year ended March 2016, with about 2,300 million yen to be credited as income taxes-deferred.

### 2. Posting of Extraordinary Loss

JVCKENWOOD received a proposal regarding a sale of part of the real estate of Maebashi Office, based on which it changed the use of the real estate. Accordingly, JVCKENWOOD expects to post an extraordinary loss of about 1,000 million yen as an impairment loss on real estate.

### 3. Revision of Consolidated Earnings Forecast for the Fiscal Year Ended March 2016 (April 1, 2015 to March 31, 2016)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share (yen)
Previous Forecast (A) (Announced on October 30, 2015)	295,000	4,500	1,000	1,500	10.82
Revised Forecast (B)	292,000	4,200	1,000	3,200	23.06
Amount of Change (B-A)	(3,000)	(300)	0	1,700	
Rate of Change (%)	(1.0)	(6.7)	0.0	113.3	
(Reference) Results for the Fiscal Year Ended March 2015	285,010	6,570	3,176	4,654	33.56

#### **4. Reasons for Revising Earnings Forecast**

JVCKENWOOD expects that net income attributable to owners of parent will exceed the forecasted amount as a result of posting income taxes-deferred in association with the posting of deferred tax assets at its U.S. subsidiary and posting of an extraordinary loss as an impairment loss on Maebashi Office due to change of land use. Accordingly, JVCKENWOOD has revised the consolidated earnings forecast for the fiscal year ended March 2016 that was announced on October 30, 2015.

Note: The statements about the future, including the earnings forecast, in this document are made based on information available and certain assumptions deemed reasonable at the time the material was released, and actual earnings may differ significantly from the forecast due to various factors.