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Editorial policy

The JVCKENWOOD Integrated Report contains a review of the Group's strengths and processes for value creation up to fiscal year ended March, 2021. With a focus on the JVCKENWOOD's newly formulated Medium-Term Management Plan VISION 2023, the report explains the vision, strategies for each business sector, and the initiatives that contribute to a sustainable society.

Notes on the outlook for the future

Statements in this report that are estimates about the future are forward-looking statements. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results to differ substantially from those discussed in the forward-looking statements. These statements are current as of the date of publication of this report. The Company is under no obligation to update and announce any forward-looking statements in the event that economic or market conditions affect the performance.

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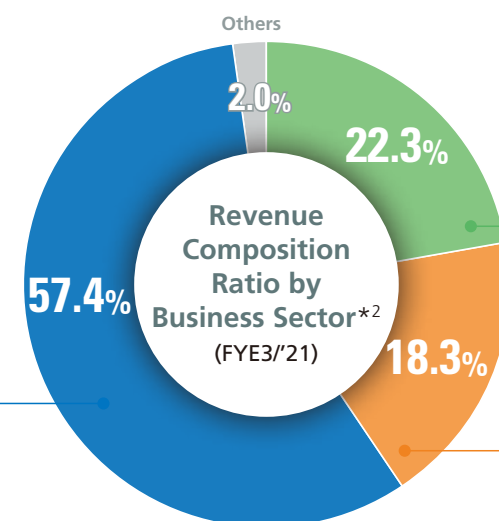
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Business Areas

The JVCKENWOOD Group aims to provide products, services, and solutions that realize its corporate vision of “Creating excitement and peace of mind for the people of the world” in the three business sectors: Mobility & Telematics Services Sector*¹, Public Service Sector, and Media Service Sector.



*1 Effective July 1, 2021, the Telematics Business of the Digital Transformation (DX) Business Division, which was included in the Others segment, was incorporated into the Automotive Sector and renamed the Mobility & Telematics Services Sector. The revenue composition ratio by business sector is calculated based on the new field classification for the fiscal year ended March 2021.

*2 Rounded to the first decimal place

Mobility & Telematics Services Sector

The Mobility & Telematics Services Sector consists of the OEM Business, which provides car navigation systems, dashcams, and other related products to customers through automobile manufacturers and dealers, and the Aftermarket Business, which provides products to customers through mass merchandisers and distributors. We are also developing the Telematics Service Business for automobile insurances by equipping dashcams, which boast top-class performance in the industry, with communication functions. Furthermore, by expanding our business areas to the data service business as an IoT platform business, we aim to provide solution services that contribute to a safer and more secure mobility.

Main products



Car navigation system



Dashcam



Telematics service



Display audio system



Car audio system



In-vehicle amplifier/Antenna/Speaker

Public Service Sector

The Public Service Sector consists of Communications Systems Business and Professional Systems Business. We provide products, services, and solutions that contribute to people's lives, livelihoods, and the creation of safe and secure cities through professional radio systems, wireless broadband solutions, security systems, professional broadcasting systems, and medical image display monitors.

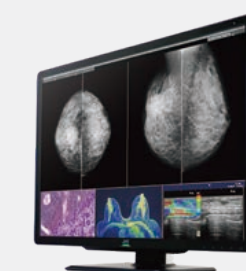
Main products



Professional radio system



Security system

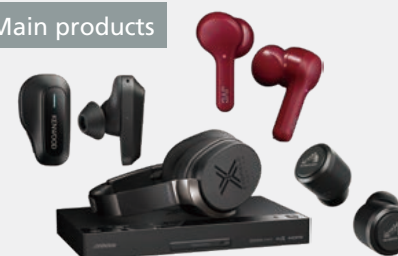


Medical image display monitor

Media Service Sector

The Media Service Sector consists of the Media Business and the Entertainment Business. The Media Business develops a wide range of products that respond to the stay-at-home demand due to the increase in time spent at home and the growing awareness of natural disasters and pandemics. We also aim to expand the business related to next-generation optical communications for the 5G and 6G era. In the Entertainment Business, with a number of popular artists, we are working to expand the share of the packaged and distributed music business and to strengthen the non-music business.

Main products



Headphones/Earphones



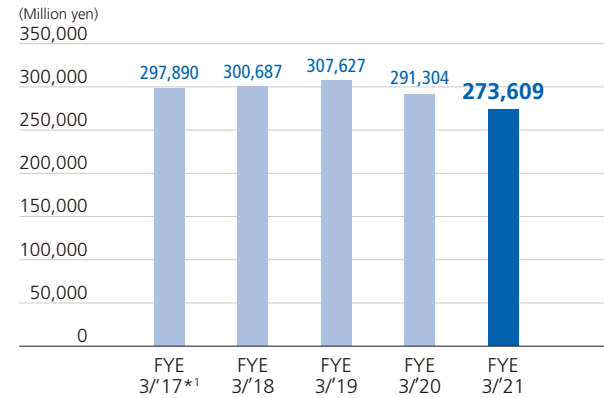
Portable power station



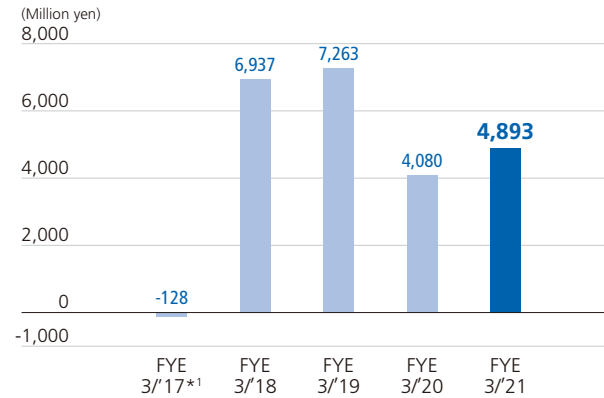
Music and video content

Financial Highlights

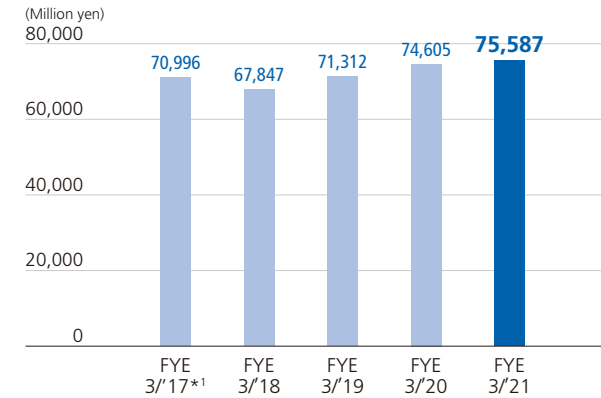
Revenue



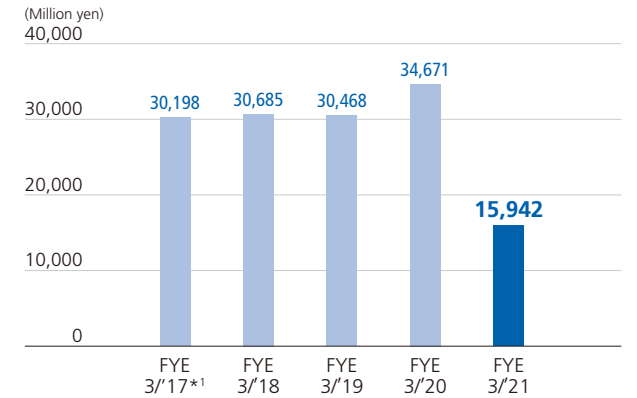
Operating profit (loss)



Interest-bearing debts

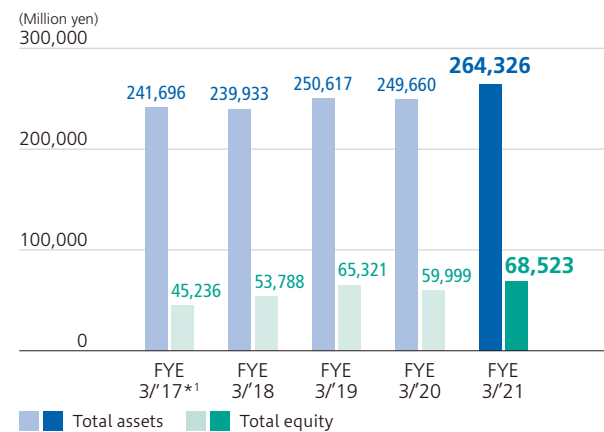


Net debt*

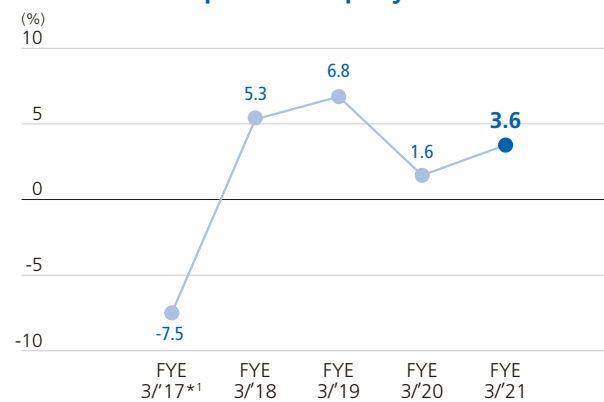


*Calculated using formula "Interest-bearing debt - Cash and deposits" for JGAAP and "Interest-bearing debt - Cash and cash equivalents at the end of the fiscal year" for IFRS

Total assets/Total equity

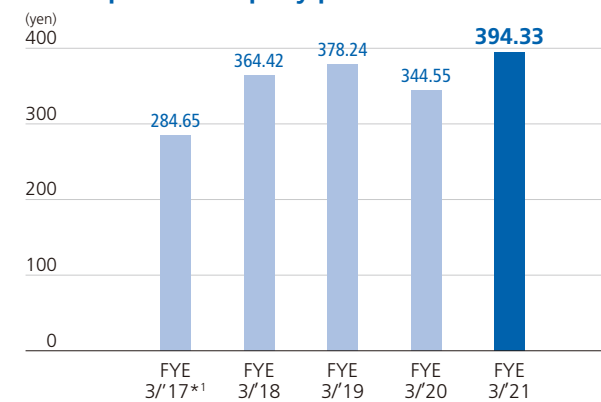


Ratio of profit (loss) attributable to owners of the parent company*



*Ratio of profit (loss) attributable to owners of the parent company (ROE) = Net income attributable to owners of the parent ÷ Average equity attributable to owners of the parent for the fiscal year x 100

Equity attributable to owners of the parent company per share*



*Equity attributable to owners of the parent per share = Total equity attributable to owners of the parent ÷ Number of shares issued

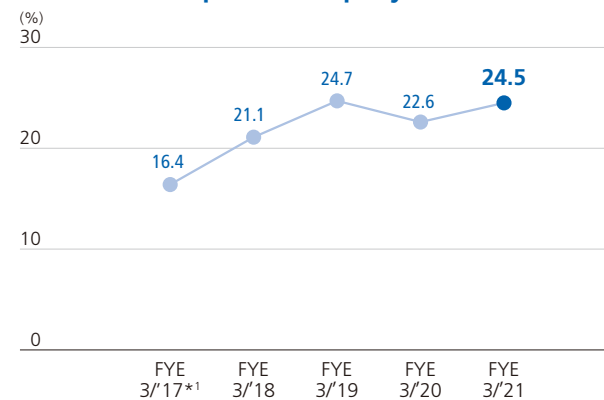
Capital investment/Depreciation expense/Research and development expenses

(Million yen)

	FYE 3/17*1	FYE 3/18	FYE 3/19	FYE 3/20	FYE 3/21
Capital investment*	9,069	8,287	8,700	11,837	10,269
Depreciation expense	15,417	16,862	17,794	20,200	19,316
Research and development expenses	19,282	17,890	18,309	17,445	15,720

*Tangible fixed assets only

Ratio of equity attributable to owners of the parent company*



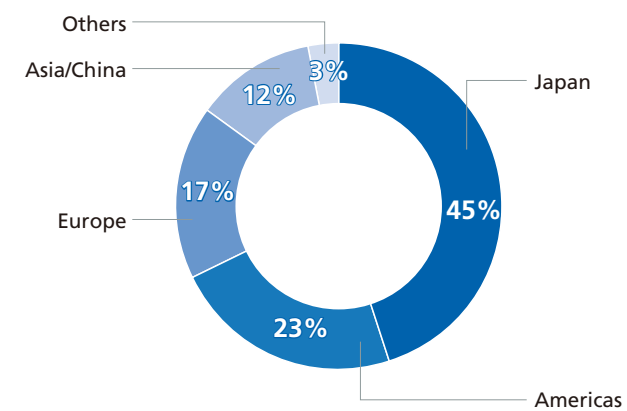
*Equity attributable to owners of the parent = Equity attributable to owners of the parent ÷ Total assets x 100

Cash flows

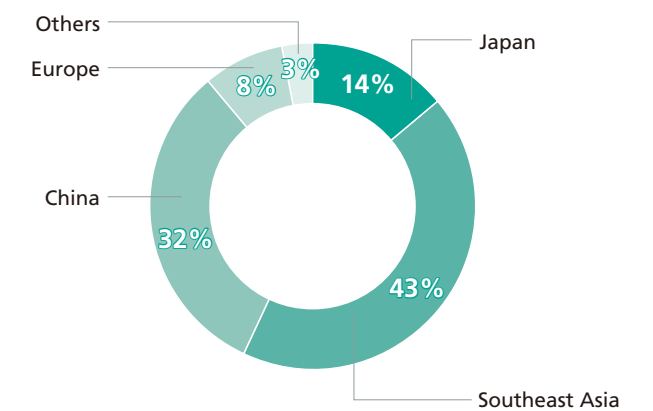
(Million yen)

	FYE 3/17*1	FYE 3/18	FYE 3/19	FYE 3/20	FYE 3/21
Cash flow from operating activities	19,624	18,379	20,983	21,642	35,829
Cash flows from investing activities	-17,690	-14,835	-25,768	-19,675	-11,804
Cash flows from financing activities	-2,052	-7,043	8,479	-1,665	-5,342
Free cash flows	1,934	3,544	-4,785	1,967	24,205

Revenue composition ratio by region (FYE 3/21)



Production ratio by region (FYE 3/21)



*1: While disclosure was previously made under JGAAP, the amounts shown were calculated under IFRS to allow year-on-year comparisons, in preparation for disclosure under IFRS in the fiscal year ended March 2018.