

JVC KENWOOD
creates excitement & peace of mind

Company Profile Section

Annual Report

2012



JVC KENWOOD Corporation
Annual Report 2012 Company Profile Section

Corporate Visions

**Creating excitement and
peace of mind
for the people of the world.**

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Disclaimer

Forward-looking statements and charts contained in our documents are based on currently available information and therefore actual results may significantly differ from projected figures depending on various factors. Please do not make any material judgments based on the projections contained herein alone. Our core businesses deal with the rapidly changing electronics sector and factors including technology, demand, price, competitive environment, changes in economic environment, exchange rate fluctuations and many other factors may adversely impact management results or the financial condition of the Company.

Financial Highlights

Financial Highlight

JVC KENWOOD Corporation and Consolidated Subsidiaries
Fiscal Year ended March 31

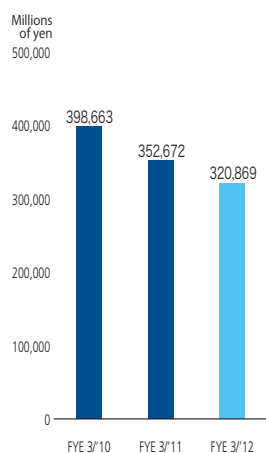
(Millions of yen)

	FYE 3/'10	FYE 3/'11	FYE 3/'12
Net Sales	398,663	352,672	320,869
Operating income (loss)	(6,454)	12,957	13,105
Ordinary income (loss)	(14,753)	7,579	6,712
Net income (loss)	(27,796)	(4,025)	6,213

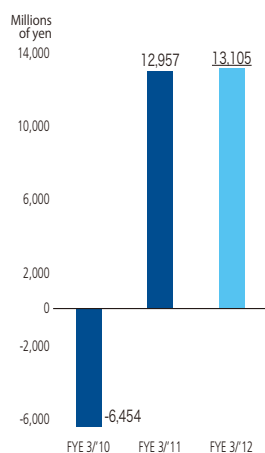
(Millions of yen)

	FYE 3/'10	FYE 3/'11	FYE 3/'12
Total assets	274,752	260,664	241,650
Net assets	46,819	52,740	57,253
Net assets per share (Yen)	47.45	375.19 ^{※1}	401.07
Stockholders' equity ratio (%) ^{※2}	16.7	20.0	22.9
Retained earnings	(38,301)	(41,305)	24,188
Interest-bearing debt	108,306	93,053	86,368
Net debt	64,804	28,081	20,808
Cash flows from operating activities	21,453	19,987	8,883
Cash flows from investing activities	(3,158)	5,354	(6,498)
Cash flows from financing activities	(27,120)	(2,291)	(1,523)
Number of employees	18,446	17,271	13,594

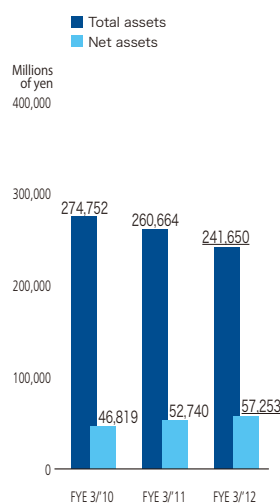
Net sales



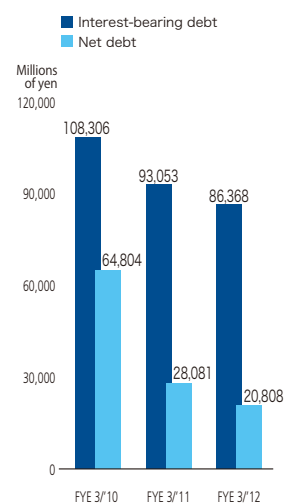
Operating income (loss)



Total assets/Net assets



Interest-bearing debt/Net debt

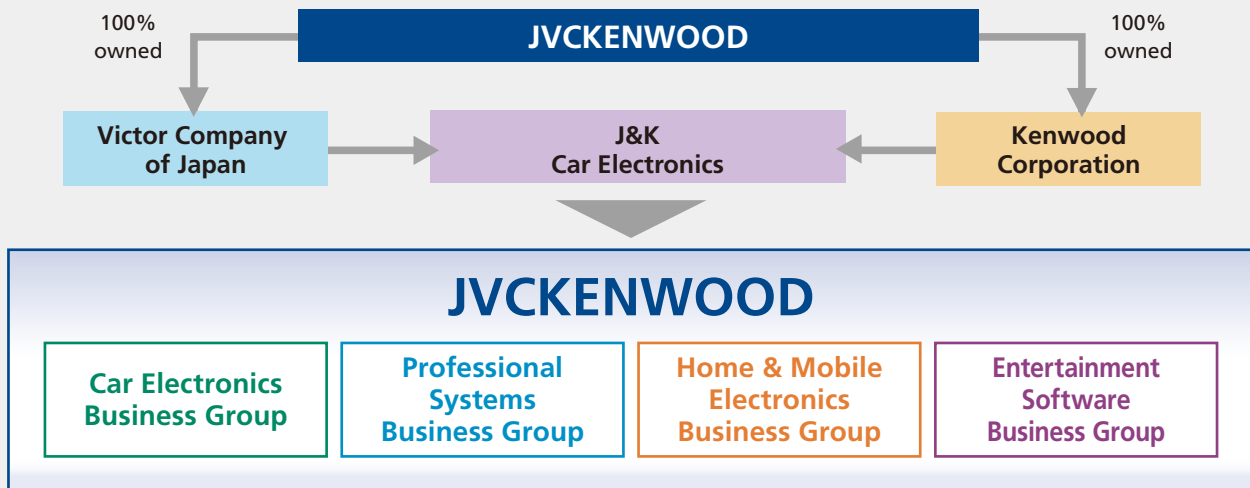


※1. JVC KENWOOD conducted a 10-for-1 stock consolidation of its common shares, effective August 1, 2010.

※2. (Net assets – Minority interests) ÷ Total assets

Overview of the JVCKENWOOD Group

Management Integration



JVCKENWOOD merged the three operating companies by absorption effective Oct. 1, 2011 to reorganize the four business groups of Car Electronics, Professional Systems, Home & Mobile Electronics and Entertainment.

Branding

JVC

KENWOOD

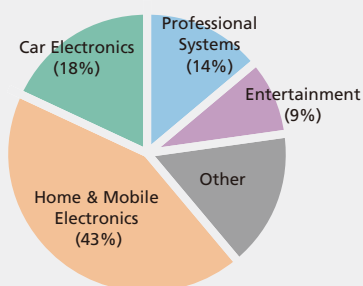
New Brand, New-category Products

The JVCKENWOOD Group will make more efforts than before to increase and maintain the attractiveness of the JVC and KENWOOD brands as the global brands, while disseminating the JVC brand in Japan, where the Victor brand has been used instead.

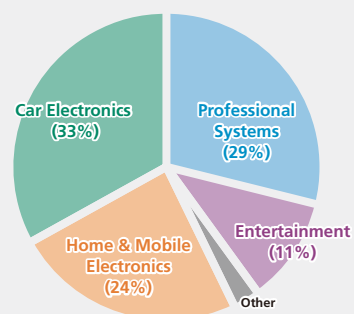
By business field, we will basically use the KENWOOD and JVC brands for car electronics and audio equipment, the brands of KENWOOD and Zetron (the name of a U.S. subsidiary) for land mobile radio equipment, the JVC brand for cameras and video equipments, and the brands of Victor Entertainment, Inc. and Teichiku Entertainment, Inc., both JVCKENWOOD's domestic subsidiaries, and their labels for music and video software. Furthermore, we will consider creating new brands for new-category products, if the currently used brands are inappropriate for them.

Business Composition

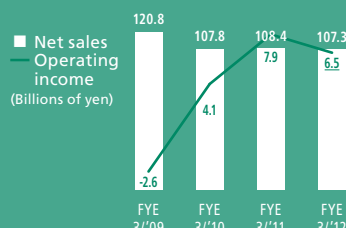
FYE 3/08
(Figures are provided for reference based on the sum of the Victor and Kenwood totals.)



FYE 3/12



Car Electronics Business

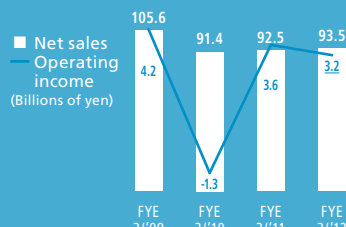


Car Electronics Business

Major Products

- Car Audio
- Car AV Systems
- Car Navigation Systems
- CD and DVD mechanism for car-mounted equipment

Professional Systems Business

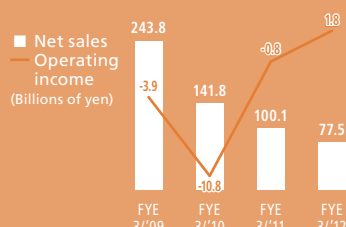


Professional Systems Business

Major Products

- Land Mobile Radio Equipment
- Video Surveillance Equipment
- Audio Equipment
- Video Equipment
- Display Equipment

Home & Mobile Electronics Business

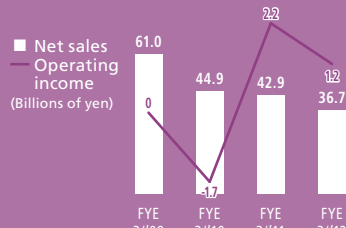


Home & Mobile Electronics Business

Major Products

- Camcorders
- Home Audio
- AV Accessories
- Projectors
- Displays

Entertainment Business



Entertainment Business

Major Products

- Planning, Production and Sales of Audio and Video Content including CDs and DVDs
- Production and Sales of CDs and DVDs (pre-recorded)

※The results for FYE 3/09 are for reference and include Victor's results for the first half of the fiscal year.

Creating excitement and peace of mind for the people of the world.



President, Representative Director and Chief Executive Officer (CEO) **Shoichiro Eguchi**

We will constantly ride the current of the times and provide excitement as well as peace of mind to customers by continuously introducing products and services that are one step ahead of our competitors.

Nearly five years have passed since July 2007, when the former Victor Company of Japan, Limited and the former Kenwood Corporation formed a capital and business alliance with a view to management integration and becoming a specialized manufacturer that leads the world.

When we formed that alliance, we also launched efforts to create synergies. Such efforts have produced significant results over the ensuing five-year period, and the presence of the Car Electronics business has grown substantially both in the after-market and OEM businesses. Since management integration in October 2008, we have been focusing our efforts on implementing drastic restructuring, while concentrating management resources on businesses where we can exert our strengths. As a result, the JVCKENWOOD Group's earnings structure has radically changed and become leaner.

During the fiscal year ended March 2012, we shifted focus to a growth strategy by using procured funds to display our strengths to the maximum possible extent, executing capital and fund policies to sustain growth. In October 2011, we merged the holding company with three operating companies. For the fiscal year ended March 2012, net income was posted on a consolidated basis, and operating income was recorded at each of the four main business segments, marking the first occasion that either of these key financial indicators had been recorded since the Group's establishment. This stable return to profit enabled us to start paying dividends to shareholders.

Over the past five years, the Group has overcome various difficulties and set the stage for profitable growth thanks in no small part to your support. I would like to express my heartfelt gratitude to you all.

With passion and swift action we will resolutely take on challenges of achieving profitable growth.

From now on, we will shift our focus significantly away from achieving a turnaround to pursuing profitable growth. The

Japanese electronics industry has now entered its period of greatest change since World War II, which no company can cope with based purely on past successes. Such change can be seen in the way that rapid growth in the volume zone of emerging markets is engulfing that of industrialized country markets, where Japan has been at its strongest. Another change has been prompted by conventional manufacturing—that based on the approach of downgrading products from high-end to low-end models—having reached its limit. We must now adopt a new manufacturing approach from the viewpoint of emerging countries, whereby competition with rivals is based on the strength of material superiority while products are upgraded from radically inexpensive, low-end models to high-end models; in other words a different way of thinking, from the bottom to the top.

To quickly ride the current in a period of change as it bids to achieve profitable growth through passion and swift action, the JVCKENWOOD Group will continuously introduce products in keeping with its corporate vision of delivering excitement and peace of mind to customers and in line with the key policies described below.

1) Making inroads into growth markets

To win over the volume zone of burgeoning emerging markets, we will achieve innovation in new manufacturing from the viewpoint of emerging countries, to which we will decisively shift management resources.

2) Shifting from manufacturer to value creator

To shift away from pursuing functions alone to creating user-led value, we will develop easy-to-use products and services that feature breathtaking design, not only by using cutting-edge technologies, but also by combining them with optimum technologies. By doing so, we will exert a unique presence in the global market.

3) Shifting away from principle of self-sufficiency to create value

To provide unique products and services that meet customer needs, we will clarify and protect the Group's core technologies and fields as well as implement flexible management measures that prioritize time and cost considerations, including cooperation and alliances with other companies, and M&A. To master manufacturing practiced in emerging countries, which cannot be achieved based on the conventional approach, we will thoroughly study companies that have had successes in emerging countries, and use the results of those studies to create the Group's value.

4) Establishing global brand much sought after by customers

To increase awareness and the value of the Group's brand around the world, we will actively invest in the brand and in advertising. We will also enhance brand loyalty through the continued introduction of iconic products, developing our brand into one that is much sought after by customers throughout the world.

We will remain a corporate group that is widely trusted by society.

In order for a company to achieve continued development in society, we believe it important that the company should meet the expectations of its various stakeholders, earn the trust of society, and continue contributing to society.

JVC KENWOOD Group will continue its efforts to improve its business performance and financial conditions as

well as to maintain highly transparent and reliable management. To facilitate these efforts, at the Fourth Ordinary General Shareholders' Meeting held on June 26, 2012, we added one external director and established a structure under which the chairman of the Board and three external directors are committed to corporate governance, and five directors including me serve concurrently as executive officers. The merger also resulted in a shift from a corporate Audit & Supervisory Board Member system to that for an integrated company, which now consists of one Audit & Supervisory Board Member and two external Audit & Supervisory Board Members.

Under the new corporate structure, we will provide shareholders with stable returns and improve the quality of not only products and services but also every corporate activity, so that we remain trusted and counted on by all our customers, corporate clients, and other stakeholders. Furthermore, we will contribute to society through business activities that reflect our strengths, while strengthening our regionally based social contribution activities and environmental protection activities for the next generation.

Enhancing our crisis management system by drawing on the lessons learned from the Great East Japan Earthquake and Thai floods, we will strengthen measures against a range of risks that have the potential to have significant effects on management as well as promote systematic steps for business continuity.

I would like to take this opportunity to ask for your continued understanding and support.

July 2012



President, Representative Director and
Chief Executive Officer (CEO)
JVC KENWOOD Corporation



Targeting sustainable “Profitable Growth” in a rapidly changing business environment, JVC KENWOOD Corporation (JVCKENWOOD) reviewed its Mid-term Business Plan through the fiscal year ending March 2014 (the previous Mid-term Business Plan), which had been formulated on September 16, 2011. The review resulted in JVCKENWOOD drawing up a new mid-term business plan with the fiscal year ending March 2016 as the final year (the new Mid-term Business Plan) under the new business execution system established in June 2012.

1. Outline of New Mid-term Business Plan

(1) Mid-term vision “Re Design”- Redesigning the lifestyles of people around the world

Under its corporate vision of “Creating excitement and peace of mind for the people of the world,” JVCKENWOOD generates excitement and creates peace of mind for its customers as a global specialty manufacturer, while endeavoring to achieve “Profitable Growth” in three ways: by concentrating on strong businesses, providing stakeholders with new value, and remaining a company that is widely trusted by society.

A mid-term vision—“Re Design”—has been established under the Group’s new Mid-term Business Plan as the first step of a long-term strategy toward sustainable “Profitable Growth.” The entire Group and each business segment will focus on reorganizing business models as well as head office and business divisions, and on redesigning people’s lifestyles around the world to make them more comfortable and exciting, while continuing to create peace of mind.

The Group will utilize the cash and profits these efforts generate to invest in sustainable “Profitable Growth,” strengthen its financial base, and provide stable returns to its shareholders.

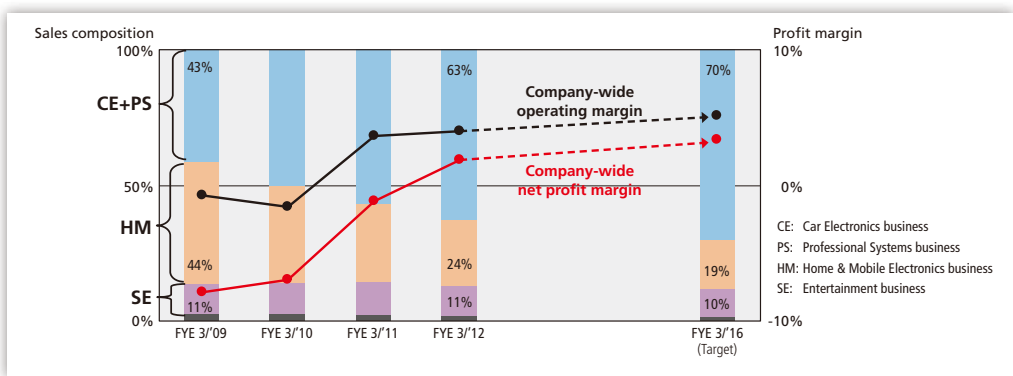
(2) Key mid-term strategies

JVCKENWOOD is now utilizing funds totaling approximately 13.9 billion yen, which were procured in January 2011, to promote M&As and a partnership strategy, including strategic alliances, as well as to plan and implement strategic investments in R&D and capital expenditures.

Under its partnership strategy, the Group is promoting growth centering on its Car Electronics business, its Professional Systems business, and on optical-related businesses that contribute to those two businesses. As part of these activities, the Group formed capital and business alliances with Shinwa International Holdings Limited (Shinwa, which the Group plans to make a subsidiary by April 2015), a car-mounted equipment company based in Hong Kong, and Syndiant, Inc. (“Syndiant”), a U.S. firm engaged in developing and designing microminiature LCOS devices, while adding to its subsidiaries AltaSens, Inc. (“AltaSens”), a U.S. company specializing in the development and design of CMOS image sensors.

During the new Mid-term Business Plan, the Group will reap the benefits from these enterprising investments and strengthen its existing cooperative relationships with Garmin Ltd. (“Garmin”), a leading U.S. manufacturer of portable/personnel navigation devices (PNDs), and the leading Japanese automotive components manufacturer DENSO Corporation (“DENSO,” in which the Group held 3.0% shareholding as of September 30, 2012). The Group will also strive to enhance and expand its Car Electronics and Professional Systems businesses, improve the sales contribution of the business-to-business (BtoB) segment, on which there will be an ongoing focus, and increase the sales contribution of emerging markets, where there is considerable room for growth.

Business portfolio mid-term sales composition targets
 - Car Electronics and Professional Systems: from 63% in FYE 3/’12 to 70% in FYE 3/’16

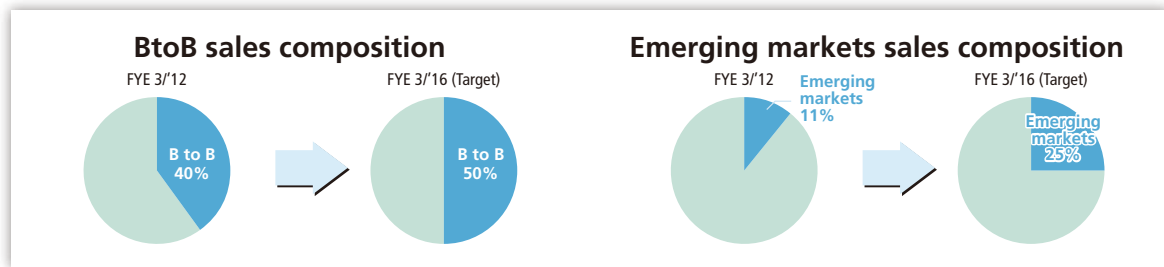


Special Feature : New Mid-term Business Plan

Growth driver

- BtoB:
from 40% in FYE 3/12 to 50% in FYE 3/16

- Emerging markets:
from 11% in FYE 3/12 to 25% in FYE 3/16



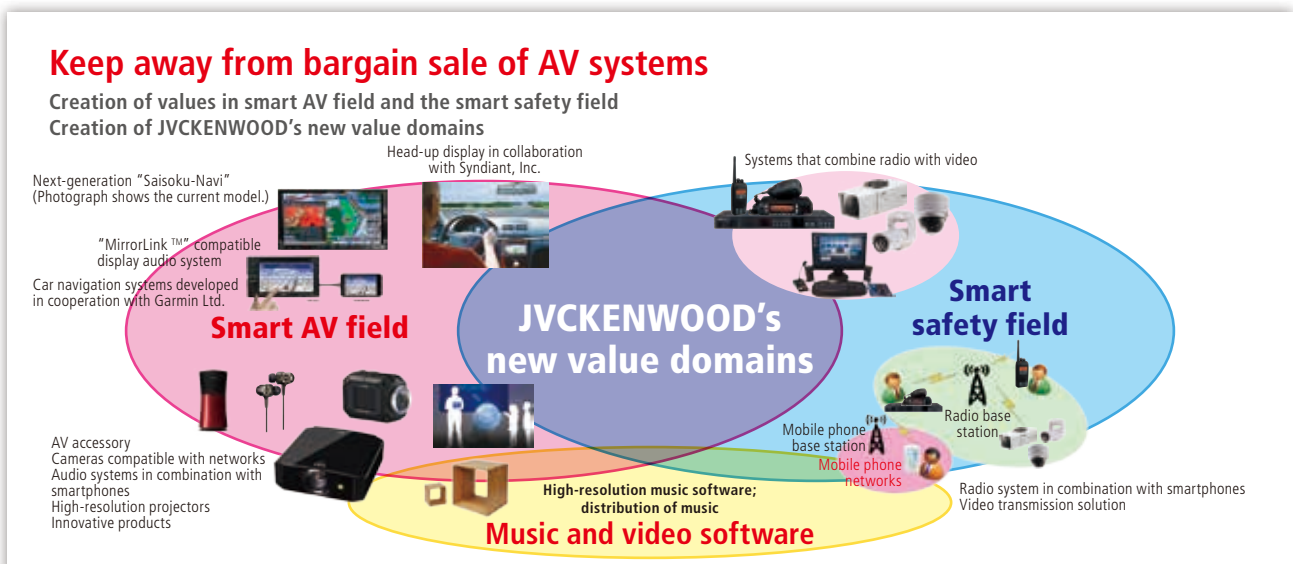
a. The challenge of creating new value

A corporate group that supports interaction among people—including the mutual understanding and sharing of events, experiences, and feelings, in various arenas—via audio, video, and radio communication, JVC KENWOOD operates four global businesses (Car Electronics, Professional Systems, Home & Mobile Electronics, and Entertainment) as it shifts its focus from business-to-consumer (BtoC) to BtoB.

In its new Mid-term Business Plan, the Group defines the “smart AV field” and the “smart safety field” as two business areas in which the Group can continue to apply its strengths. This assessment takes into account the diffusion of new information terminals, as typified by smartphones and tablets, the progress being made in high-speed communications and next-generation information networks such as cloud services, and the rapidly changing lifestyles and ways of doing business amid a growing awareness of the need for safety and security. Centering on these two fields, the Group will create new value by combining the strengths of the four business groups and its Strategic Research & Development Division, which is responsible for developing fundamental cutting-edge technologies, to rapidly and develop a series of superior products and services that generate excitement and create peace of mind from their use, design, functions, and performance.

* Smart AV field

In the Car Electronics business, significant improvements are expected in the connectivity between people traveling in vehicles and external information networks, for example via smartphones. Taking advantage of this as a new business opportunity, the Group will shift its emphasis from constructing systems with conventional car audio and car navigation systems to product development and the establishment of systems that have high connectivity with smartphones and other devices. In concert with this move, the Group will promote market creation and business reforms, drawing on its extensive share of the after-markets in North America and Europe.



The Group will also seize new opportunities in the businesses engaged in cameras, video and audio equipment, and entertainment, taking into account the spread of smartphones and other mobile devices, high-speed communications, the shift from HDD to SSD, and the transition from memory media to cloud services. The focus will be on products and services that are compatible with these trends, and the development of new business areas that are closely related to existing businesses.

*** Smart safety field**

To develop new areas in the Car Electronics business, the Group will focus on developing devices—including head-up displays (HUDs), rear-view cameras, and drive recorders—that support drivers by improving safety and functionality.

With regard to the opportunities presented by the mobile radio business, in which the Group holds the world's second largest market presence, the focus will be on digitization. Currently expanding its business in proprietary digital professional radio systems for U.S. private companies, the Group will begin sales to the public safety sector in the U.S. and private companies in Japan. Business expansion will also result from focusing on the development of new digital professional radio systems that meet the needs of the markets in Europe, China, and other Asian countries.

In the businesses of cameras and video equipment, in recognition of the opportunities presented by the trend toward enhanced security and the growing awareness of the need for security, the Group's camera and video equipment businesses will concentrate on combining the advanced technologies used in cameras, video, data compression, and radio communications. Slated for development is a system that combines a land mobile radio with a security camera, as well as security products connected to smartphones.

b. Expanding businesses in emerging markets

Launched in September 2012 as a company-wide organization under the direct control of the CEO, the Emerging Market Planning Division is responsible for expanding the Group's businesses to match regional needs, where there is ample room for growth. To achieve this goal, we will draw on manufacturing innovations from emerging market countries, based on the concept of departing from full in-house production, through partnerships with Shinwa and other companies, to deliver products specifically designed for emerging markets via enhanced sales structures.

*** Deliver products specifically designed for emerging markets**

- Improve car audio for digital media; enhance completed products with Shinwa-supplied mechanisms
- Analog radio systems, community-based radio systems, security cameras, and professional video cameras
- Consumer-use video cameras, headphones, and projectors

*** Sales forces in emerging markets**

- Integration of sales subsidiaries in emerging markets
- Exploration of sales channels, including non-home appliance shops
- Establishment of marketing companies in India and Indonesia

*** Acquisition of new businesses**

- Expansion of business with automobile and equipment manufacturers
- Acquisition of low-tier businesses for governments and consumers

c. Establishment of a lean corporate structure

In implementing its growth strategy from a long-term perspective, the Group has adopted a three-pronged approach by: reorganizing its head office functions to make them leaner and more efficient and reinforcing its business divisions by shifting management resources from the head office to business divisions; improving the efficiency of manufacturing and sales functions by integrating overseas sales companies; and innovating the consolidated value chain. The Group will utilize the cash and profits these efforts generate to bolster its financial base.

*** Reorganizing head office functions; reinforcing business divisions**

Following the management integration of Victor and Kenwood in October 2008, JVC KENWOOD centralized all of its head office functions to integrate and streamline those functions that were common to both companies, which had operated under different systems, and, as a result, to maximize the effects of management integration; after four years, this process has been completed. The Group then reorganized its head office on November 1, 2012, establishing a leaner head office and stronger business divisions. Concurrently, the Group has been shifting human resources from the head office to business divisions and a newly established Professional Business Support Division.

Special Feature : New Mid-term Business Plan

* Integrating overseas sales companies

We have been promoting the integration of overseas sales companies and operating offices to improve overseas sales efficiency and enhance competitiveness, for example by integrating the sales companies in emerging markets, as well as the sales subsidiaries of the former Victor and the former Kenwood in North America, Europe, and Asia.

* Innovating consolidated value chain

The four business groups and a company-wide task force will promote innovation of the consolidated value chain—consisting of production/procurement, sales/marketing, logistics/services—which will be reconstructed with an emergency response capability. By doing so, the Group will also reduce inventories and waste, shorten lead times from sales division order placement to factory shipment, cut procurement costs, and minimize market defect rates.

Furthermore, a system will be established to enable the rapid commencement of production at alternative facilities in the event of disasters that could disrupt supply chains, which occurred as a result of the Great East Japan Earthquake and the floods in Thailand.

d. Establishment of JVCKENWOOD brand

Centering on the corporate brands of JVC and KENWOOD as well as the business and product brands of JVC, Kenwood, Victor Entertainment, Inc., and Teichiku Entertainment, Inc., the Group will make brand strategy investments. These will involve stepping up sponsorship activities and the promotion of joint brands in collaboration with other companies, and conducting activities to increase awareness of our business and product brands. These brand investments will also raise the JVCKENWOOD profile as a worldwide brand.

(3) Policy for distributing profits

JVCKENWOOD regards the provision of stable returns to shareholders as one of its most important managerial issues. Decisions on the distribution and appropriation of retained earnings are made by comprehensively taking into account profitability and financial conditions.

To combine both sustainable, continued growth and the provision of stable returns under the new Mid-term Business Plan, the Group will adhere to the basic policy of using the cash and profits generated to invest in “Profitable Growth,” strengthen its financial base, and provide shareholders with stable returns. The plan sets the target of achieving a consolidated dividend payout ratio of 25% for the fiscal year ending in March 2016.

(4) Management targets

In addition to the appreciation of the yen to historic levels, the outlook for the global economy remains uncertain due to deterioration of the European economy caused by financial uncertainty, the sluggishness of the Middle Eastern economy, and the slow economic growth in emerging markets. In the electrical equipment industry, among others, the consumer-use AV equipment sector in particular continued to face a difficult business climate amid intensified international competition in the progress of digitization and commoditization.

Under such circumstances, JVCKENWOOD has incorporated growth measures, based on its established corporate base and business structure, to make up for delays resulting from the effects of the Great East Japan Earthquake and floods in Thailand.

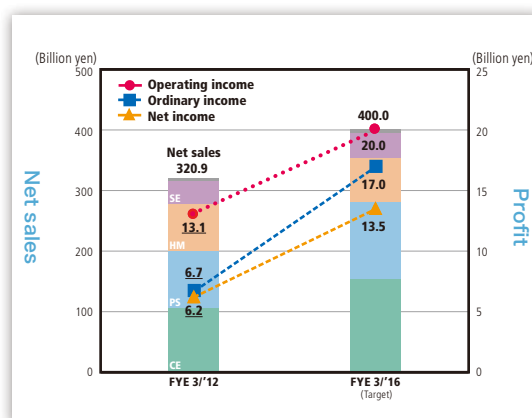
Mid-term numerical targets (consolidated)

- Net sales: 400.0 billion yen
- Operating profit: 20.0 billion yen (operating margin: 5%)
- Ordinary income: 17.0 billion yen; net income: 13.5 billion yen
- Shareholders' equity ratio: 35%; - Net-debt: zero;
- ROE: 10%; net income per share: 81 yen
- Dividend payout ratio: 25%

(Reference) Earnings trends (consolidated)

(Unit: Billion yen)

	(For reference) FYE 3/'12	New Mid-term Business Plan FYE 3/'16 Target	(Announced in September 2011) Previous Mid-term Business Plan FYE 3/'14 Target (Current)
Net sales	320.9	400	430
Operating income	13.1	20	20
Ordinary income	6.7	17	14
Net income	6.2	13.5	11



The Group is now less susceptible to the effects of changes in the business environment and exchange-rate fluctuations as it strives to reach the management targets set for the fiscal year ending March 2016,, some of which take into account measures for achieving sustainable, continued growth and strategic measures for creating new growth areas.

The exchange rates assumed in the new Mid-term Business Plan are 80 yen to the U.S. dollar and 103 yen to the euro.

In the new Mid-term Business Plan, the Group has set a net sales target of 400.0 billion yen, down 30.0 billion yen or 7.0% from the previous Mid-term Business Plan, to take into account factors such as a decrease in amounts converted into yen due to the strong yen. The operating income target of 20.0 billion yen remains unchanged from the previous Mid-term Business Plan, due to the increased profitability of each business segment. The ordinary income target has been set at 17.0 billion yen, up 3.0 billion yen or 21.4% from the previous Mid-term Business Plan, reflecting improved non-operating income and loss resulting from reduced interest-bearing debt, extended maturities of borrowings, and decreased interest rates. The net income target has been set at 13.5 billion yen, up 2.5 billion yen or 22.7%.

When setting these targets, the Group took into account the assumption that it would make Shinwa into a subsidiary, as scheduled, by April 2015. Shinwa became an equity-method company in April 2012.

We will set new earnings targets for the fiscal year ending March 2014 and disclose earnings forecasts for the fiscal year ending March 2014 when announcing the operating results for the fiscal year ending March 2013.

In terms of the financials of the Group, which will work to generate cash and profits, the shareholders' equity ratio target has been set at 35%, the net-debt target at zero, the ROE target at 10%, and the net income per share target at 81 yen. The dividend payout ratio target has been fixed at 25% on a consolidated basis.

These targets assume that all remaining bonds (unsecured bonds worth 12.0 billion yen) issued by the Group will be redeemed, and that all the stock acquisition rights (current exercise price: 454 yen; total number of latent shares: 26,431,200) issued in August 2011 will be exercised.

2. Key Measures by Business Segment

(1) Car Electronics business

JVCKENWOOD will focus on expanding its businesses—targeting the OEM segment, the domestic after-market segment, and emerging markets, where there is ample room for the Group business growth—by promoting growth strategies that leverage the strengths of JVCKENWOOD and its partners.

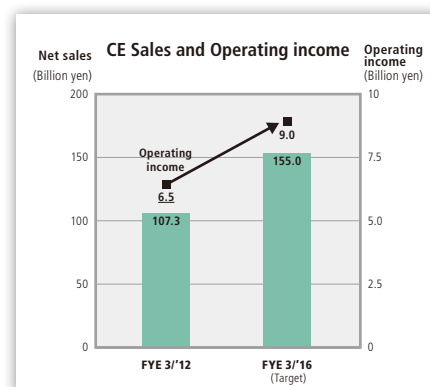
In addition, to achieve a “New mobile life” in response to the worldwide popularization of smartphones and the growing awareness of safety and peace of mind, the Group will develop both entertainment and driver safety support functions with new system configurations that provide an emotional design, as well as the user interfaces enabling those functions. These initiatives will generate market and business opportunities based on our strengths in the U.S. and European markets.

a. Expanding OEM business

- * Win new orders by leveraging our technological development and after-market product planning capabilities in video and audio fields, and develop after-market products into dealer option products
- * Expand in-car device business (mechanisms, optical pickups, water-based paint plastic panel) by enhancing collaboration with Shinwa and making that company a subsidiary

b. Enhancing car multimedia products for after-market business

- * Increase Japanese sales by strengthening Saisoku-Navi products and sales network
- * Boost after-market sales by making use of DENSO Group's sales network
- * Enhance and globally expand car electronics compatible with MirrorLink™, and collaborate with Garmin Ltd.
- * Enhance display audio systems linked with smartphones, targeting overseas markets where ratio of car audio systems in which displays are not mounted is overwhelmingly high



Special Feature : New Mid-term Business Plan

c. Enhancing “smart AV field” and “smart safety field”

- * Pioneer deployment of HUDs by leveraging our capital and business alliance with Syndiant, and develop rear-view cameras and drive recorders that will extend functions of car navigation and display audio systems
- * Develop innovative products in collaboration with DENSO

d. Expanding businesses in emerging markets

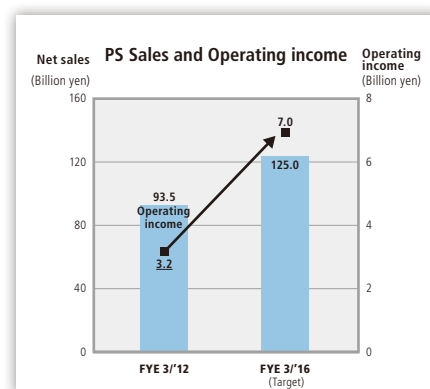
- * Develop and sell strategic products for emerging markets
- * Strengthen product capability of JVCKENWOOD to manufacture finished products by leveraging Shinwa’s in-car mechanisms
- * Expand business activities with car makers and car accessory makers in ASEAN, Indian, and Chinese markets (For more details on products specifically designed for emerging markets, please refer to section 1.(2)-b.).

(2) Professional Systems business

In the radio systems segment, the focus will be on the development and sale of digital radio equipment and systems that match the characteristics of each market worldwide, and reconcile extremely high reliability and operability. These will be achieved by taking into account the global trend of enhanced security and the measures being taken by countries to effectively use frequency bands as a chance to popularize and expand digital radio systems.

The business solutions segment will be expanded by applying proprietary video and shooting technologies, including the conversion of 2D videos into 3D videos and 4K shooting, to business applications, while enhancing both the security camera product lineup and its sales network.

Furthermore, we will proceed with the development and introduction of strategic products for emerging markets in the respective segments, and introduce systems that combine professional radio systems and security cameras by merging radio communications and video technologies. We will also develop professional radio systems, which make the most of smartphones, solutions that include video transmission through broadband and simple video transmission through narrowband, and expand business by sharing sales networks between the radio systems and business solutions segments.



a. Expand digital LMR business

- * Introduce NEXEDGE professional digital radio system, our proprietary system for private corporations, to large-scale systems for public safety sector
- * Develop and market digital LMR for public safety sectors in China, the rest of Asia, and Europe
- * Boost sales of digital LMR for public safety sector in North America through collaboration with EADS Group companies
- * Expand digital LMR using Zetron’s network systems for Japanese broadcasters and communication business companies
- * Expand digital LMR for Japanese taxi operators that are focusing on discontinuation of analog radio communication

b. Expand business solutions business

- * Expand IP security camera lineup and enhance sales network
- * Strengthen competitiveness in professional video cameras and security cameras by taking full advantage of making AltaSens into a subsidiary
- * Expand the 3D image production service business, which uses original technologies to convert 2D images into 3D images
- * Increase sales of 4K systems, centered on 4K video cameras

c. Enhance “smart safety field”

- * Develop and introduce solutions based on systems that merge professional radio systems and security cameras

- * Develop professional radio systems, making best use of smartphones, etc.
- * Develop solutions such as broadband radio video transmission and narrowband transmission of simple video

d. Expand businesses in emerging markets

- * Acquire business opportunities primarily with the Chinese and Indian governments, develop sales networks, and promote localization

(For more details on products specifically designed for emerging markets, please refer to section 1.(2)-b.).

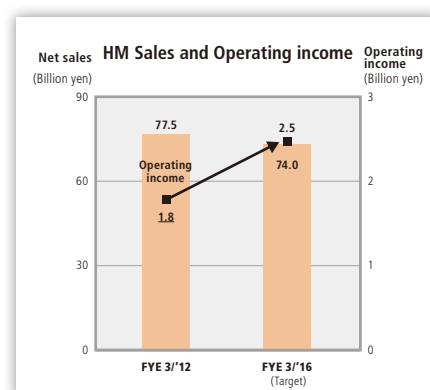
(3) Home & Mobile Electronics business

In response to market bipolarization, JVCKENWOOD will focus on developing and selling highly functional products based on its core technologies and proposal-based products with new value in the mid- and high-price ranges. With regard to mass-market products, we will reorganize the product lineup by rapidly and consecutively launching AV equipment and peripheral equipment with strong connectivity to smartphones by leveraging established asset-light business models.

The Group will also contribute to the development of new products and services in the Car Electronics and Professional Systems businesses, while developing innovative products using our core technologies.

a. Enhancing “smart AV field”

- * Enhance AV accessory product range and expand into emerging markets
- * Strengthen horizontal expansion of product lineups using highly functional products, including hybrid cameras, and proposal-based products such as cameras that are compatible with networks and furniture audio systems
- * Strengthen development of LCOS products, including high-resolution projectors and projectors based on new concepts
- * Develop innovative products and contribute to development of new products and services in Car Electronics and Professional Systems businesses



b. Expanding businesses in emerging markets

- * Develop emerging market sales networks, including non-home electronics channels

(For more details on products specifically designed for emerging markets, please refer to section 1.(2)-b.).

(4) Entertainment business

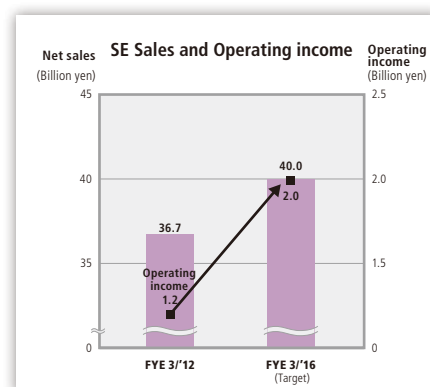
In response to the new business opportunities presented by the increase and diversification of areas where music and video software products are used, brought about by the popularization of smartphones and other mobile devices, JVCKENWOOD will adopt a number of initiatives. These will include scouting for and fostering new and middle-standing artists, strengthening the overall entertainment business, and reinforcing the music distribution business, while making use of its music and video technologies, as well as the expertise and comprehensive strengths of the Group.

a. Expand overall entertainment business

- * Scout for and foster new and middle-standing artists
- * Promote innovation in entertainment as a whole, mainly by strengthening artist management and animation category

b. Enhance “smart AV field”

- * Expand music distribution business by providing original high-resolution music software and by digital rights management (DRM)



Outline of Business

Car Electronics Business



Memory Navigation Systems "Saisoku-Navi" for the Domestic After-market



CD / DVD Drive Mechanisms for Car-mounted Equipment



Optical Pickups



Memory Navigation Systems for the Overseas After-market developed in cooperation with Garmin



Dealer-option Memory Navigation Systems for Automobile Dealers



Display Audio Systems with MirrorLink™ for the Overseas After-market



Car Audio Systems for After-market

Home & Mobile Electronics Business



All-in-one Tower Design Audio System



Action Camera



LIVE Streaming Camera



Inner-ear Headphones with Stream Woofer



Full HD Memory Camcorder Equipped with Wi-Fi Technology



Full HD Memory Camcorder



Solar Mobile Battery for Smart Phone Charge



Wood Cone DVD Compact Component System for Network



Compact HiFi System with Bluetooth® streaming



4K E-shift2 D-ILA Projector

Professional Systems Business



Digital Land Mobile Radio



VoIP Radio Dispatch System



Amateur Radio
(High Performance HF Transceiver)



License-free Transceiver



Professional Video Camera Recorder



Security Video Camera



Emergency Broadcasting Equipment

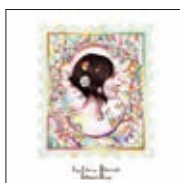
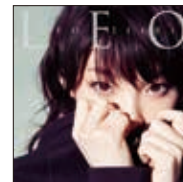
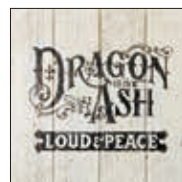


Professional 3D LCD Monitor

Entertainment Business



Production of CD, DVD, BD

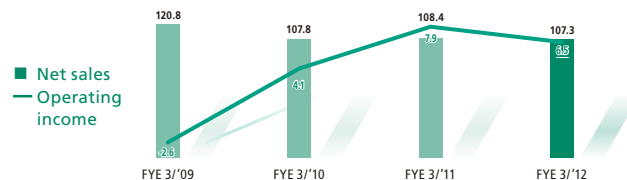


Car Electronics Business



Chief Operating Officer (COO),
Car Electronics Business Group
Toshiaki Matsuzawa

■ Net sales and Operating income (Billions of yen)



■ Major Products

- Car Audio
- Car AV Systems
- Car Navigation Systems
- CD and DVD Mechanism for Car-mounted Equipment

One of the pillars of JVCKENWOOD's growth strategies, the Car Electronics business consists of after-market and OEM products, such as car navigation, AV, and audio systems as well as car-mounted devices, such as optical disk drive mechanisms and optical pickups.

A business domain in which Japanese corporations can exercise their strengths, car electronics must be of a high quality and reliable enough to cope with the special temperature, vibration, and dust conditions inside vehicles. The JVC KENWOOD Group has positioned the Car Electronics business, in which both JVC and Kenwood participated, as its largest business. We expect this business to display the greatest effects of integration, and have therefore been pushing forward with efforts to integrate the technological development, production, procurement, product planning, and marketing functions in this business since October 2007. Over many years, the two companies had fostered acoustic, video, and car-mounting technologies as well as product planning capabilities. We have focused on developing new products by combining these with cutting-edge data compression and extension technologies as well as user interface technologies. In addition, we have developed marketing and sales strategies by making the most of the Kenwood and JVC brands, each of which have different features. At the same time, we have further enhanced our cost competitiveness by integrating production and procurement.

As a result, in the after-market segment, which accounts for a large proportion of our sales, we have achieved and are maintaining the largest share in the European and U.S. after-market for car navigation systems and car audio. Unlike the overseas after-market, the main product in the domestic after-market is car navigation systems. We are rapidly increasing our share of the domestic market, where the Saisoku-Navi, a car navigation system with a memory function developed by integrating the technologies of the two companies, has become a big hit.

Keeping an eye on the shift from the after-market to the genuine product market, we are increasing orders received for dealer-option products for automobile dealers and genuine products for automobile manufacturers. We are achieving this by strengthening the OEM segment and forming alliances with partner corporations. We are also quickly expanding the business scale of CD and DVD drive mechanisms for car-mounted equipment by winning large orders not only from Japanese but also from European

and U.S. car accessory manufacturers. These orders are backed by our top-level product quality, merchandising capabilities, and cost performance.

From now on, we will aim to expand our market share in the after-market segment by enhancing our Saisoku-Navi lineup, which continues to be a hit product in the domestic after-market, by acquiring new distribution channels and by diverting this lineup to dealer-option products. In the overseas after-market, we will increase our lineup of products with enhanced connection to smartphones, such as display audio systems with MirrorLink™ integration between smartphones and car-mounted equipment. In addition, we will launch Saisoku-Navi in the overseas after-market. At the same time, we will aim to expand sales in emerging markets by introducing strategic models, which will be differentiated from the models offered in Europe and the United States.

In the OEM segment, we will strive to obtain new orders for products for automobile manufacturers as well as dealer-option products for automobile dealers by leveraging our strength in the after-market and cooperating with partners. In the CD/DVD mechanisms for the car-mounted AV systems segment, we will make the most of a capital and business alliance with Shinwa International Holdings Limited, which became an equity-method Group subsidiary in April 2012, with a view to expanding and strengthening business in emerging markets, especially in the Chinese market which continues to offer prospects for significant growth.

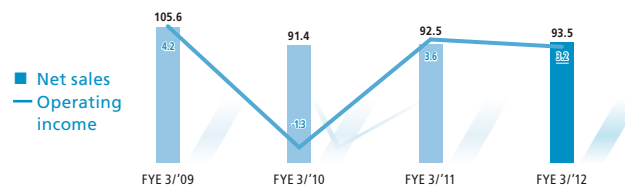
Focusing on establishing a car-mounted network environment, we will apply the imaging, video, sound and data compression and extension technologies accumulated in the Home & Mobile Electronics business to the Car Electronics business. To these technologies we will add those of the land mobile radio equipment segment in wireless communication and the Companywide, cross-sectional, cutting-edge elemental technologies handled by the Kurihama R&D Center. In this way, we will expand the product mix of the Car Electronics business, which is centered on head units, speakers, and amplifiers, to automotive network products and services by interfacing with head-up displays, cameras, and external servers as well as external mobile devices.

Professional Systems Business



Chief Operating Officer (COO),
Professional Systems Business Group
Kazuhiro Aigami

Net sales and Operating income (Billions of yen)



Major Products

- Land Mobile Radio Equipment
- Video Surveillance Equipment
- Audio Equipment
- Video Equipment
- Display Equipment

To provide radio, image pickup, video, and acoustic technologies to professionals, we will develop systems to offer excitement and peace of mind to people across the world.

The Professional Systems business consists of two segments: communications and business solutions. The former engages in land mobile radio and its systems, license-free transceivers, amateur radio sets, and sales of cellular phones. The latter segment handles infrastructure system solutions—including security cameras and systems, professional audio equipment and facilities—as well as business solutions, such as professional video cameras and monitors.

The communications segment boasts the world's second largest market share in the current mainstay area of land mobile radio equipment. It has achieved this by combining radio technologies, which have been cultivated over the many years since the era of amateur radio equipment, with cutting-edge digital and network technologies. Featuring a high overseas sales ratio and high profitability, this segment supplies highly reliable professional radio terminals and systems to the public safety sector (police and fire departments), the public service sector (electricity, water, and gas), and the private sector (railways, buses, hotels, and plants) around the world. This segment is focusing on the market shift from analog to digital equipment. Hence, it is moving ahead with the development and sale of digital land mobile radio equipment and systems compatible with the world's various digital radio formats.

The business solutions segment provides highly reliable, professional-use video and audio equipment in such markets as electrical facilities, education and the public sector, private corporations, and amusement facilities. The segment achieves this as a business that shares advanced imaging pickup, video, and acoustic technologies with the Home & Mobile Electronics business. Boasting high market shares in the domestic electrical and amusement facility markets, JVCKENWOOD's security cameras are highly rated for their features. These include sharp image quality even at night, ease of operability and outdoor installation as security cameras that are deemed to be among the most effective in preventing crimes and ensuring people remain safe and secure. Meanwhile, the Company's professional video cameras, which have been adopted by a major U.S. news broadcasting station, are mainly

increasing their presence overseas.

We have continued to improve our management base by reducing expenses and fixed costs thanks to the effects of structural reforms implemented by the fiscal year ended March 2011. There was a temporary cost increase due to switching production to the Yokosuka Production Center in response to disruption at the Group's plant in Thailand, where flooding followed heavy downpours that had begun in July 2011. However, production at the Thailand plant returned to normal at the end of May 2012, and sales in Japan have been robust since then.

We recognize that the shift to digital models and the systematization of land mobile radio equipment present business opportunities. Therefore, from now on the communications segment will work to develop solution systems by integrating wireless and imaging technologies with an eye on broadband and aim to grow new business domains to expand sales. Specifically, we will work on expanding large-scale, wide-area network systems by making the most of JVCKENWOOD's proprietary NEXEDGE® digital professional radio and network solutions. We will do this by promoting the development of solution systems through leveraging the console systems of Zetron, Inc., a U.S. subsidiary engaged in radio communications systems. The business solutions segment will reinforce its sales system suited to each market and region and streamline the product development process. In addition, we will concentrate on initiatives designed to expand our existing business domains: an infrastructure system solutions business, including network security systems, emergency broadcast equipment, and digital wireless intercom systems; and a media system solutions business, encompassing video cameras for broadcasting and professional use, such as next-generation, ultra-high resolution 4K video cameras and professional monitors.

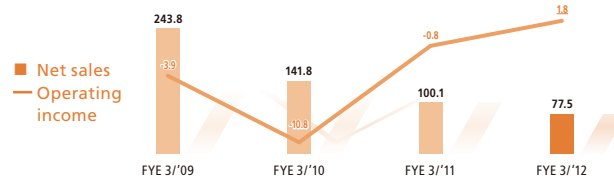
We will also endeavor to develop new solutions that provide safety and security by integrating radio, security, and audio systems. At the same time, JVCKENWOOD will strive to make the most of its music, image, and network technologies, and to offer the excitement of reliably delivering messages, conveying sensitivity, and appealing to the five senses.

Home & Mobile Electronics Business



Chief Operating Officer (COO),
Home & Mobile Electronics Business Group
Naokazu Kurihara

■ Net sales and Operating income (Billions of yen)



■ Major Products

- Camcorders
- Home Audio
- AV Accessories
- Projectors
- Displays

Proposing products and services backed by proven technologies and quality to support people interacting with one another more easily and enjoyably in the domains of video shooting, watching, and listening; this is the mission of the Home & Mobile Electronics business.

The Home & Mobile Electronics business consists of image pickup equipment such as camcorders; video equipment, including projectors and displays; and audio equipment, encompassing such products as home audio systems and headphones.

Market maturation and the advance of digitization have brought about significant changes in the business environment for consumer AV equipment. In response to these changes, JVC KENWOOD is proceeding to shift its business structure to one in which its strengths as a specialty manufacturer can be demonstrated. It recognizes that this can be achieved by developing products that result in increased convenience and enjoyable communications. To this end, in addition to the advanced video and acoustic technologies that JVC and Kenwood have fostered over their long histories, the Company is making full use of the latest image pickup and processing technologies as well as communication, network, and user interface technologies.

In the image pickup equipment segment, we are making progress with the creation of new added value amid the advances in and maturation of the existing camcorder market. We regard as business opportunities the invigoration of moving image communications and the popularization of short message service (SMS) technologies. To this end, we are planning and developing products that will enable users to experience the world of moving image communications with more ease and convenience. Our efforts include reinforcing the linkage between smartphones and tablets using Wi-Fi technology and expanding the shooting fields with our new ADDIXION series cameras. In addition, we maintain a great presence in principal markets around the world. We have achieved this by developing high-value-added products that meet the needs of the professional and high-level amateur markets, including camcorders compatible with the 4K2K imaging infrastructure, 3D camcorders, and hybrid cameras that leverage the new-generation FALCONBRID™ image engine.

In the video equipment segment, we have commercialized full-scale home projectors by making the most of our advanced video, cutting-edge image

processing, and 3D technologies based on our proprietary Liquid Crystal on Silicon (LCOS) micro display technology. Simultaneously, we have promoted a fabless structure for liquid crystal displays, the market for which has matured. We are also working to expand business by launching projectors for professional use that are 4K2K-compatible. In addition, we are proposing a novel AV projector that offers a new spatial presentation.

In the audio equipment segment, the market for home audio systems is also maturing, so we are concentrating on high-value-added products in which WOOD CONE, the K-series, and other JVC and KENWOOD brands can display their strengths. We will also promote a fabless production structure, while enhancing network compatibility and our lineup of design-specific products.

In the area of headphones, which is the core of our AV accessory segment, we regard the popularization of portable information devices, such as smartphones and tablet PCs, as another business opportunity. Therefore, we are increasing our presence in the major markets of the world through speedy and flexible development and production systems as well as by an extensive product range that leverages advanced acoustic and noise cancellation technologies.

We place the highest value on promoting ties and communication among people, proposing products and services backed by proven technologies and quality to support people interacting with one another more easily and enjoyably. This is the mission of the Home & Mobile Electronics business, the role of which we refer to as a “communication driver.”

We will expand our business domains from the delivery of products to mass markets by adding the supply of products and solutions for niche and professional markets. We will also push ahead with the breaking of new ground to realize communication through shooting, watching, and listening. We will do this by making use of the image pickup, video, and acoustic technologies that have been advanced under the JVC and KENWOOD brands, in collaboration with the Car Electronics, Professional Systems, and Entertainment businesses.

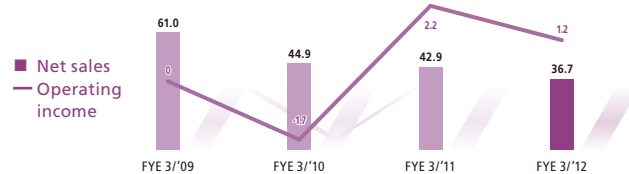
Entertainment Business



Chief Operating Officer (COO),
Entertainment Software Business Group

Masaaki Saito

■ Net sales and Operating income (Billions of yen)



■ Major Products

Planning, Production and Sales of Audio and Video Content including CDs and DVDs
Production and Sales of CDs and DVDs (pre-recorded)

We will expand the business to become a total entertainment business and promote the expansion of the original equipment manufacturer (OEM) business.

The Entertainment business consists of the content segment, which has as its core Victor Entertainment, Inc. and Teichiku Entertainment, Inc., and the OEM business that specializes mainly in the production of CDs, DVDs, and BDs. The second and fourth oldest record companies in Japan, Victor Entertainment and Teichiku Entertainment have continued to deliver excitement to people through artists and music for over 80 years. In 2011, Victor Entertainment relocated all its previously far-flung group companies to a new office in Shibuya, Tokyo, thereby increasing operational efficiency and enhancing the Group's overall strength. The OEM business has fully supported customers and met their requests—from the production of content to the creation of package media—centered on Victor Creative Media Co., Ltd. and JVC America, Inc.

As the content business of the JVC KENWOOD Group, the Entertainment business will expand to become a total entertainment business and promote the expansion of the OEM business.

The content business will endeavor to enhance its core music business in two ways: by responding to changes in the entertainment industry environment, such as the diversification of user preferences and the popularization of Internet and mobile phone distribution as a result of improved infrastructure; and by making enterprising investments in talented new artists to discover and foster such artists and promote a partnership strategy to create hits. The content business will also promote the realization of total entertainment by enhancing B-to-B as well as artist- and anime-related businesses.

In its B-to-B operations, Victor Entertainment established an Entertainment Laboratory (eLab) in April

2010 to make deep inroads into the B-to-B world, a domain different from its core business of music and video content sales. The Entertainment Laboratory (eLab) largely comprises its three core businesses: (i) a planning and production business for music and video content, (ii) a promotion business that enhances the corporate and brand images by promoting content created in the business; and (iii) a space production business for office buildings and retail premises. The company engages in new business services through which expertise in Entertainment business marketing and promotion, as well as in music and video content production, are turned into hits and utilized in different industries and business categories. Through its eLab business, Victor Entertainment will thus endeavor to develop the entire music industry by playing a role in the development of new businesses, with music content as its core. This will also be achieved by increasing awareness of an entertainment business that has its sights on collaborative growth strategies based on a new concept.

With regard to artist-related businesses, we will enhance events and concerts, as well as the sales of goods and property rights-based businesses, such as music publishing. We will also continue to expand anime businesses and strive to enhance the partnership strategy to further expand our business domains.

With a view to expanding the OEM business, we will adopt a two-pronged approach by: (i) enhancing the non-package business, which makes the most of highly experienced staff, who have provided excellent facilities and equipment of the highest quality, cutting-edge technologies, know-how, and assets; and (ii) improving the fulfillment business, which covers all processes, from planning to distribution.

Environmental Management and Social Activities

Many countries and regions are working to solve the problems that the planet on which we live is facing: global warming, pollution from harmful substances, loss of biodiversity, and the depletion of resources.

To respond to these global efforts in an appropriate manner, the JVC KENWOOD Group is itself working on a global scale to help preserve and conserve the beauty of the natural environment for subsequent generations. Formulated under Eco Promotion Plan 2020, which is based on the Group's Environmental Vision and Policies, initiatives include energy conservation, 3R (Reduce, Reuse, Recycle) activities, and the appropriate management of chemicals.

Environmental Vision

We will contribute to society as an eco-promoting company active in efforts focused on reducing environmental impact.

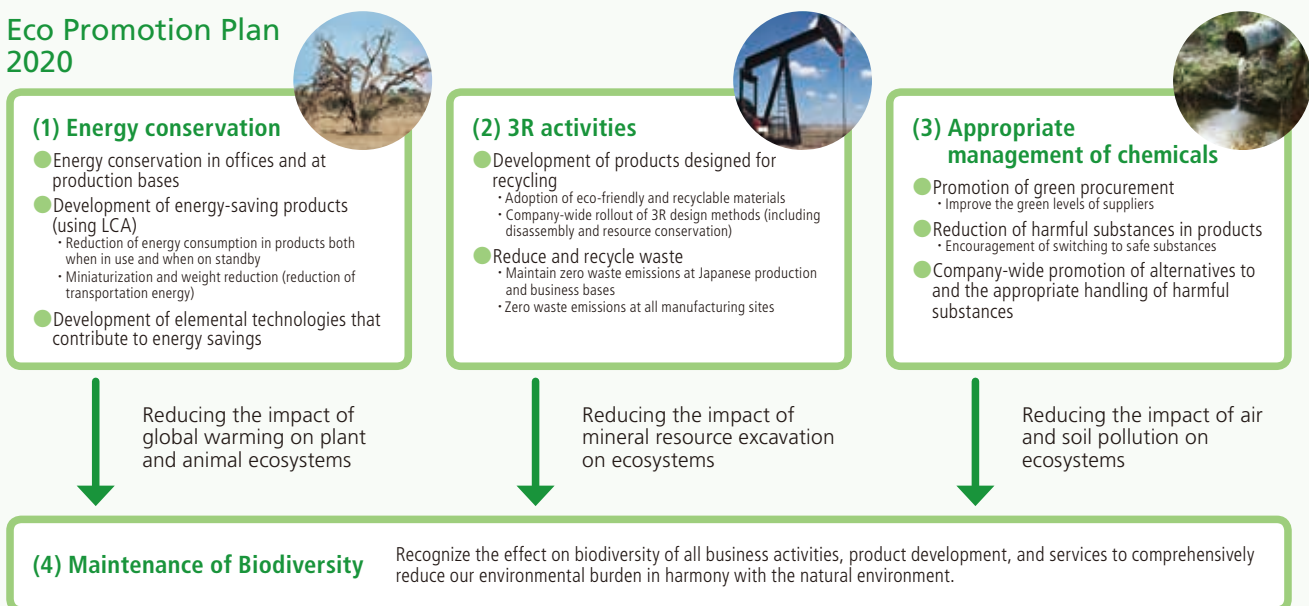
Environmental Policies

To preserve the global environment as well as resources and to prevent pollution, we will manage our business activities, product

development, and services by focusing on ongoing improvements with a full awareness of our environmental impact.

1. Prevent global warming by promoting the reduction of CO2 emissions throughout product lifecycles, including business activities, by developing technologies and products that reduce environmental impact
2. Use limited global resources effectively to create a sustainable society by reducing the resources we use within a framework of 3R activities and the progressive usage of eco-friendly materials
3. Manage chemicals that affect the world's environment and biosphere, continue efforts to reduce their consumption by switching to eco-friendly materials
4. Recognize the effect on biodiversity of all business activities, product development, and services to comprehensively reduce our environmental impact in harmony with the natural environment
5. Comply with environmental legislation and other permissible requirements
6. Educate employees on the environment to cultivate greater environmental awareness

Eco Promotion Plan 2020



Global Environment Interaction

The JVCKENWOOD Group reduces overall environmental impact through its promotion of energy conservation, 3R activities, and the appropriate management of chemicals. The results of these efforts can be seen in a more pleasant and secure global environment.

Trees planted in Horqin desert, China (JVC Workers' Union)



Since 1994, we have been planting trees in the Horqin desert in cooperation with a local NGO in an effort to make China's deserts green.

Beach and park cleanup (Kenwood plant, Singapore)



Plant employees cleaned up the East Coast Park and its beach, contributing to environmental beautification.

Families investigate water quality (Kenwood Nagano)



Researching water quality in the wetlands of the Tenryu River during summer vacation. Polluted locations were reported at a presentation.

Biotope Dragonfly Pond (Head Office & Yokohama Business Center)



The Biotope Dragonfly Pond has been operated since 2003 as part of the Yokohama City-sponsored Keihin Forest Creation project.

Relationships with Local Communities

The JVCKENWOOD Group deepens its relationships and interaction with regions and focuses on a variety of social contribution activities that are rooted in local communities.

Satoyama improvement activities



On October 9, 2011, Kenwood Yamagata Corporation employees took part in improvement activities in satoyama (mountains close to rural settlement habitats) around the Yamagata Kinpo Children's Center. Many participants brought their children. After experiencing the work, including the pruning, vine cutting, and weeding that help saplings to grow, the children enjoyed handicrafts made using leaves from Mt. Kinpo.

Donated radios help Thais recover from flooding



The JVCKENWOOD Group donated 200 radios, capable of communications independent of public infrastructure, to help recovery efforts in damaged areas and to provide relief to refugees from the flooding that began in October 2011. A total of 2.8 million yen was also donated by the Company matching the amount raised by Group employees and unions.

Participation in elementary school science fair



The JVC America Plant has been providing judges at a science fair that has been held every year for the last 15 years at the nearby Arcadia Elementary School. On February 7, 2012, six employees judged the science projects of students from kindergarten to fifth grade on creativity, originality, and scientific comprehension.

Cosponsoring Yokohama Triennale 2011



The JVCKENWOOD Group supported the Yokohama Triennale 2011, an international exhibition of modern art held from August 6 to November 6, 2011. The support included assisting with event management and the lending of equipment. In addition, JVCKENWOOD employees took part as volunteers in the Hatsushiba Project, which creates an exhibition artwork by running trajectories.

Corporate Governance Structure

JVCKENWOOD maintains the transparency and efficiency of its managerial decision-making process and improves its corporate value by strengthening corporate governance, which the Company regards as an important management issue. To strengthen corporate governance, we have improved the internal control system on a Group-wide basis by separating management functions from the execution of operations, recruited external directors and Audit & Supervisory Board Members, and enhanced monitoring functions by establishing an internal audit section.

Corporate Organizations

1. The Company's supreme decision-making organization, the General Shareholders' Meeting makes decisions on fundamental matters set forth under Corporate Law. Unless otherwise provided for by Corporate Law, however, some matters related to the implementation of flexible capital and dividend policies—including the distribution of retained earnings, provided for by items in Article 459, Paragraph 1, of Corporate Law—are decided by resolution of the Board of Directors without recourse to the General Shareholders' Meeting, in accordance with the provisions of the Company's Articles of Incorporation.

Regarded as the organization for making fundamental and strategic decisions as well as for overseeing business execution, the Board of Directors holds regular monthly meetings and extraordinary meetings when necessary. These meetings provide directors with opportunities to deliberate and decide on basic management policies and important matters as well as to monitor and oversee the status of business execution. To clarify their responsibilities and to accelerate the management process, directors have one-year terms of office. In addition, we proactively recruit external directors in order to increase the transparency of decision making.

JVCKENWOOD designates as independent officers all eligible external directors and Audit & Supervisory Board Members. Established by the Tokyo Stock Exchange Group, Inc., the Guidelines Concerning Listed Company Compliance, etc. (hereinafter referred to as "the Guidelines") serve as the Company standard for independence. In principle, the Guidelines ensure the effectiveness of the management oversight that independent officers perform—based on their experience, past performance, expert perspective, and insights—and that their independence will not cause any conflicts of interest with ordinary shareholders. In accordance with the Guidelines, we nominate external director and Audit & Supervisory Board Member candidates after confirming that they have not been a major shareholder of the Company or a managing director of any of its main corporate customers. The agreement of the Audit & Supervisory Board Members is also obtained when nominating candidates for external Audit & Supervisory Board Member positions. Since the Ordinary General Shareholders' Meeting of June 26, 2012, we have recruited Nobuo Seo, Koji Kashiwaya, and Junichi Hikita as external directors, and Akihiko Washida and Shojiro Asai as external Audit & Supervisory Board Members.

We have notified the Tokyo Stock Exchange Group, Inc. regarding the status of these five independent officers pursuant to the provisions prescribed by the exchange.

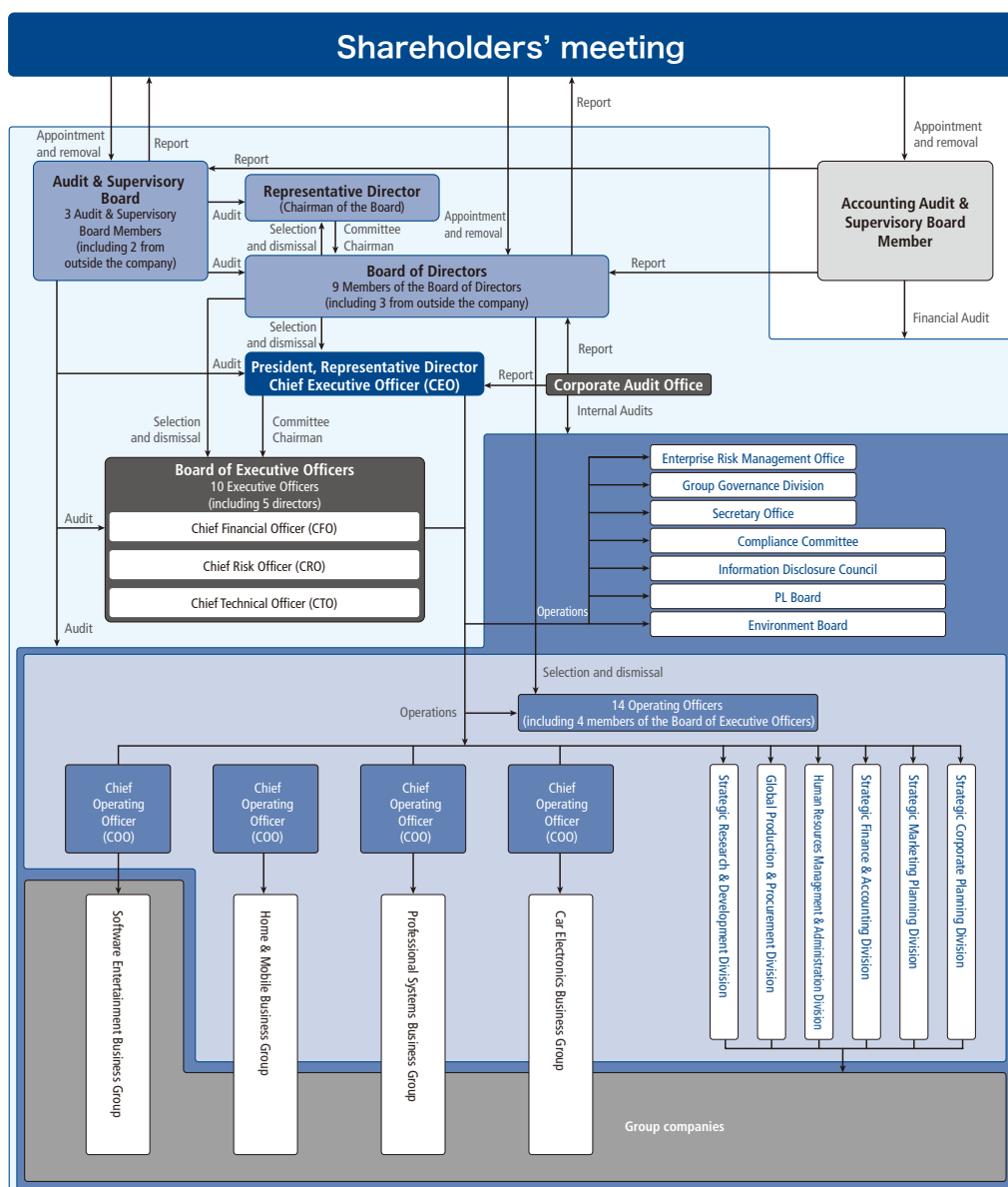
2. JVCKENWOOD adopted an executive officer system under which the functions of corporate strategy implementation and business execution were divided, and the responsibility for management separated from that for business execution. Consisting of four full-time directors (including three external directors) and five directors, who concurrently hold executive officer positions, the nine-member Board of Directors has been fulfilling its management responsibility since June 26, 2012. The Board of Executive Officers, consisting of 10 executive officers, including five directors, who concurrently hold executive positions, has fulfilled its responsibility for business execution.

We also established four Business Groups—corresponding to the four business segments of the JVCKENWOOD Group—and introduced an operating officer system, by which operating officers are placed in

charge of the operations of each Business Group and of organizations with head office functions. These are managed by the chief executive officer (CEO). Since June 26, 2012, 14 operating officers (four concurrently holding executive officer positions) have fulfilled these responsibilities. Appointed from among the operating officers for each Business Group, a chief operating officer (COO) in effect heads the operations of the relevant Business Group. Under this structure, the operating officers focus on measures in future growth areas, the creation of new growth areas, and the necessary strategic measures.

- JVCKENWOOD is a company with an Audit & Supervisory Board. Audit & Supervisory Board Members attend Board of Directors' meetings and other important meetings, hold Audit & Supervisory Board meetings, audit the execution of duties by directors and the entire Group's business execution, perform accounting audits, and fulfill the corporate audit function. The Audit & Supervisory Board holds monthly meetings and whenever necessary. Since June 26, 2012, three Audit & Supervisory Board Members (including two external Audit & Supervisory Board Members) have been engaged in corporate audits.

Organization System (As of June 26, 2012)



Internal Audits and Audit & Supervisory Board Members' Audit Systems

JVCKENWOOD's Corporate Audit Office conducts internal audits on the overall business execution of the entire Group and reports the results of those audits to the oversight organization, the Board of Directors. Conducting the integrated monitoring of internal control execution results in the early detection of problems from the perspective of values different from those of work sites, and strengthens the Company's ability to prevent such events from occurring. As of the Securities Report submission date, ten staff members were serving in the Corporate Audit Office, three of whom were also serving as executives or management staff of overseas headquarters. The Corporate Audit Office acts as their base during internal audits. Tasked with auditing the operations of the entire Group, the Corporate Audit Office prepares a Risk Assessment Form when formulating an audit schedule and selects the subjects of audits based on risk assessment, resulting in an increase in the effectiveness of internal audits. Audit & Supervisory Board Members implement audits according to the audit schedule, audit the entire Group's operations, and check in-house approval documents based on the monitoring of directors and executive officers. Audit & Supervisory Board Members also attend audits performed by the Corporate Audit Office, thereby broadening the scope of their audits.

The relationships among Audit & Supervisory Board Members, Accounting Audit & Supervisory Board Members, and internal audit sections are as follows. All Audit & Supervisory Board Members, including external Audit & Supervisory Board Members, conduct management audits themselves, attend Board of Directors meetings to keep track of internal audits conducted by the Corporate Audit Office regarding the Group's overall operations, and hold discussions with the Corporate Audit Office, when necessary, to exchange and confirm information with each other. If the Corporate Audit Office senses any sign of misconduct on the part of management, the office will report on the matter to the Audit & Supervisory Board Members.

At Audit & Supervisory Board meetings, Audit & Supervisory Board Members regularly receive reports on the results of accounting audits by Accounting Audit & Supervisory Board Members, and endeavor to improve the effectiveness of each audit through mutual cooperation.

JVCKENWOOD strengthens its internal audit structure, conducts audits of the Corporate Audit Office in cooperation with the Group's finance and accounting section, and implements audits along compliance themes in concert with the Compliance Committee, resulting in an enhanced monitoring function.

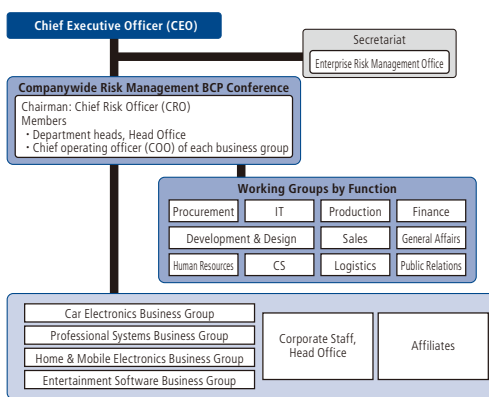
The certified public accountants (CPAs) who have executed the accounting audits of JVCKENWOOD and of the JVCKENWOOD Group are Toshiyuki Ono, Toshiharu Matsuura, and Yan-Sheng Sun. Designated Limited Liability and Engagement Partners of Deloitte Touche Tohmatsu LLC, all three have conducted the audits continuously for four years. The team of audit assistants consists of 35 persons: 16 CPAs and 19 other assistants.

Enterprise Risk Management Activities

Key Philosophy

Currently, the JVCKENWOOD Group is working to move toward the concept of enterprise risk management. Regarding risks as inhibitors to the fulfillment of a company's business plans, this concept accordingly involves the identification, assessment, and management of risks at the enterprise level to support the achievement of company targets.

To accomplish its business plans, the Group will be putting in place a corporate strategy that correctly identifies and responds to risk in the course of its day-to-day corporate activities. Although risk management and corporate strategy would appear to be different, this move indicates that they are the same in terms of their objectives.



Risk Management Organization

In order to implement risk management, initiatives under the leadership of the chief executive officer (CEO), a chief risk officer (CRO) has been appointed to build, maintain, and administer an efficient risk management system as well as to explore ways to improve the organizational structures for monitoring and reporting. Comprising chosen members from Company executives and chaired by the CRO, the Companywide Enterprise Risk Management BCP (Business Continuity Plan) Conference will not only deliberate on key issues relevant to the Group's risk management, but also put into practice risk management initiatives by establishing a committee of working groups by function, made up of representatives from each function of the JVCKENWOOD Group.

Business Continuity Plan (BCP)

An increasing proportion of the JVCKENWOOD Group's operations are B to B (Business to Business), in which the Group bears greater responsibility for deliveries to customers. In line with this trend, the basic BCP policy—defined as "contributing to social security and safety through continuing business"—has been clearly established in the Company, emphasizing the significance of business continuity. At the same time, the Enterprise Risk Management Office was established to strengthen the Group's approaches to business continuity management.

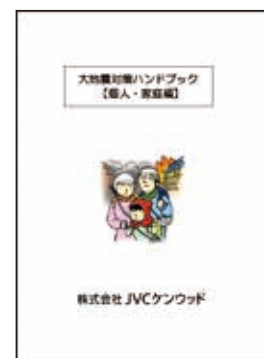
Established on a Companywide basis, the Business Continuity Management Rules prioritize respect for human life, followed by the fulfillment of the Group's social responsibility to its stakeholders, including its customers, of delivering products and services. In keeping with this policy, the Group is streamlining its procedures for confirming the safety of its employees and their family members, making disaster readiness preparations, and stockpiling emergency supplies.

Driving Companywide Disaster Prevention

The JVCKENWOOD Group has streamlined its CRO-headed framework for disaster prevention and, after prolonged consideration, revised its General Disaster and Accident Countermeasures Manual in the aftermath of the Great East Japan Earthquake.

Furthermore, the Group has distributed a copy of the Major Earthquake Countermeasures Handbook (Individuals and Homes) to every employee working for Group firms in Japan.

The Group is also conducting a broad range of drills to maintain awareness of and readiness against disasters, including safety confirmation drills, evacuation drills in anticipation of tsunamis, emergency attendance and set-up drills for members of the emergency countermeasures headquarters, and emergency communication drills using satellite telephones and radios.



"Large Earthquake Countermeasures Handbook"

Management Team

As of November 1, 2012

Directors of the Board



Haruo Kawahara



Shoichiro Eguchi



Kazuhiro Aigami



Satoshi Fujita



Naokazu Kurihara



Toshiaki Matsuzawa



Nobuo Seo



Koji Kashiwaya



Junichi Hikita

Directors of the Board

Representative Director of the Board, Chairman of the Board
Co-leader of CVC Taskforce

Haruo Kawahara

President, Representative Director of the Board

Shoichiro Eguchi

Director of the Board

Kazuhiro Aigami

Director of the Board

Satoshi Fujita

Director of the Board

Naokazu Kurihara

Director of the Board

Toshiaki Matsuzawa

Director of the Board (External) *1

Nobuo Seo

Director of the Board (External) *1

Koji Kashiwaya

Director of the Board (External) *1

Junichi Hikita

*1 External Directors specified in Item 16, Article 2 of the Corporate Law

Audit & Supervisory Board Members

Audit & Supervisory Board Member

Takayoshi Sakamoto

Audit & Supervisory Board Member (External) *2

Akihiko Washida

Audit & Supervisory Board Member (External) *2

Shojiro Asai

*2 Audit & Supervisory Board Member (External) specified in Item 16, Article 2 of the Corporate Law

Executive Officers

Chief Executive Officer (CEO), Chief Risk Officer (CRO),
Chairman of Growth Strategy Promotion Conference,
Co-leader of CVC Taskforce

*Shoichiro Eguchi

Senior Executive Vice President & Executive Officer,
Assistant to CRO, General Executive of Emerging Market
Planning Division, CVC Taskforce, Chief Operating Officer
(COO) of Professional Systems Business Group

*Kazuhiro Aigami

Chief Financial Officer (CFO), General Executive of
Strategic Finance & Accounting Division, General Executive
of Finance & Accounting Division

*Satoshi Fujita

Senior Vice President & Executive Officer, Assistant to CRO,
Deputy General Executive of Emerging Market Planning
Division, CVC Taskforce, Chief Operating Officer (COO) of
Car Electronics Business Group

*Toshiaki Matsuzawa

Senior Vice President & Executive Officer, Assistant to CRO,
Emerging Market Planning Division, CVC Taskforce, Chief
Operating Officer (COO) of Home & Mobile Electronics
Business Group

*Naokazu Kurihara

Senior Vice President & Executive Officer, Assistant to CRO,
Chief Operating Officer (COO) of Entertainment Software
Business Group

Masaaki Saito

Chief Technology Officer (CTO), General Executive of
Strategic Research & Development Division, General
Executive of Research & Development Division, General
Executive of New Business Incubation Center, Research &
Development Division, General Executive of Software
Factory, Research & Development Division

Kensuke Kawai

Senior Vice President & Executive Officer, General
Executive of Strategic Corporate Planning Division, General
Executive of Overseas Marketing Division, Emerging
Market Planning Division, CVC Taskforce

Masaki Imai

Senior Vice President & Executive Officer, General
Executive of Human Resources Management Division,
President of J&K Partners Corporation

Masachika Komiyama

Senior Vice President & Executive Officer, General
Executive of Strategic Production & Procurement Division,
General Executive of Global Production & Procurement
Division, General Executive of Global Procurement
Operation, Global Production & Procurement Division,
Corporate Representative of JVCKENWOOD ASIA
Headquarters, CVC Taskforce

Nobuo Ochiai

* Concurrently serving as Director of the Board.

Audit & Supervisory Board Members



Takayoshi Sakamoto

Akihiko Washida

Shojiro Asai

Executive Officers



Masaaki Saito

Kensuke Kawai

Masaki Imai

Masachika Komiyama

Nobuo Ochiai

Operating Officers

Operating Officer, President of JVC Americas Corp.
Business Executive of Home & Mobile Electronics Business
Group, JVC KENWOOD AMERICAS Headquarters
Junji Kobayashi

Operating Officer, General Executive of Intellectual Property
Division
Tetsuro Fuse

Operating Officer, General Executive of Domestic Marketing
Division
Nobuchika Kinoshita

Car Electronics Business Group

Chief Operating Officer (COO) of Car Electronics Business Group, General Executive of OEM Division
*Toshiaki Matsuzawa

Operating Officer of Car Electronics Business Group, General Executive of Consumer Division,
Emerging Market Planning Division
Makoto Inukai

Operating Officer of Car Electronics Business Group, General Executive of Technology Development
Division, General Executive of CE Strategic Business Planning Division, President of Kenwood Nagano
Corporation, CVC Taskforce
Shigenori Abe

Professional Systems Business Group

Chief Operating Officer (COO) of Professional Systems Business Group
*Kazuhiro Aigami

Operating Officer of Professional Systems Business Group, General Executive of Communications
System Division, General Executive and Chief Engineer of Communications System Division,
Emerging Market Planning Division
Akira Suzuki

Operating Officer of Professional Systems Business Group, General Executive of Business Solution
Division, General Executive of Communications System Operation, Business Solution Division,
Emerging Market Planning Division
Osamu Muraoka

Operating Officer of Professional Systems Business Group, Chief Engineer of Business Solution
Division, General Executive of Engineering Operation, Business Solution Division
Kiyoshi Morohashi

Home & Mobile Electronics Business Group

Chief Operating Officer (COO) of Home & Mobile Electronics Business Group
*Naokazu Kurihara

Operating Officer of Home & Mobile Electronics Business Group, General Executive of Imaging
Division, General Executive of Business Planning Division, Emerging Market Planning Division
Masayuki Suzuki

Operating Officer of Home & Mobile Electronics Business Group, General Executive of Sound &
Acoustic Division, General Executive of AV Communications Operation, Sound & Acoustic Division,
Emerging Market Planning Division, President of Kenwood Home Electronics Corporation
Masatoshi Miyamoto

Entertainment Software Business Group

Chief Operating Officer (COO) of Entertainment Software Business Group, President of Victor
Entertainment, Inc.
*Masaaki Saito

* Concurrently serving as Executive Officer.

Corporate History

JVC KENWOOD Corporation

JVC KENWOOD

- 2007 Jul. Victor Company of Japan, Limited (JVC) and Kenwood Corporation (Kenwood) entered into an agreement on a capital and business alliance to cooperate in their car electronics and home audio businesses and integrate their management
- Aug. JVC increased its capital through a third-party allocation of new shares of a total of 35 billion yen to Kenwood and multiple investment funds managed by SPARX International (Hong Kong), Ltd.
- Oct. JVC and Kenwood established the technology development joint venture J&K Technologies Corp. (J&K Technologies)
- 2008 May JVC and Kenwood agreed to and signed an agreement to integrate their management through the establishment of a joint holding company (stock transfer)
- Oct. JVC and Kenwood established the joint holding company JVC KENWOOD Holdings, Inc. (JVCKENWOOD) through a stock transfer (JVCKENWOOD's shares were listed on the First Section of the Tokyo Stock Exchange)
- Oct. Development and production functions of the car electronics business of JVC and Kenwood were taken over by J&K Technologies through a company split (simplified absorption-type split)
- Dec. Product planning and marketing functions for Kenwood's home electronics business were taken over by the newly established Kenwood Home Electronics Corporation through a company split (simplified absorption-type split)
- 2009 Jun. J&K Technologies renamed J&K Car Electronics Corporation (J&K Car Electronics), making J&K Car Electronics a virtually independent company engaged in the car electronics business
- Jul. Functions in Japan and abroad, such as planning, technologies, marketing, quality assurance, and production, with the exception of sales, for the home audio business of JVC and Kenwood were integrated into JVC in July
- 2010 Mar. Implemented adjustments to earnings results of JVC for the period between the fiscal year ended March 31, 2005 and the second quarter of the fiscal year ended March 31, 2010 (including consolidated financial statements as a consolidated subsidiary of JVCKENWOOD), and to those of JVCKENWOOD for the period from its establishment on October 1, 2008 to the second quarter of the fiscal year ended March 31, 2010
- May Put in place a mid-term management plan to promote renewed growth
- Dec. Undertook steps to relocate the Company's head office and realign business divisions to promote Group management integration, enhance operating efficiency and maximize integration effects
- 2011 Aug. JVC KENWOOD Holdings, Inc. changed its name to JVC KENWOOD Corporation
- Sep. Formulation of New Mid-term Business Plan
- Oct. JVC KENWOOD Corporation completed an absorption-type merger of its three subsidiaries Victor Company of Japan, Limited, Kenwood Corporation, and J&K Car Electronics Corporation
- 2012 Apr. JVCKENWOOD acquired a total of 45.0% of the outstanding shares of Shinwa International Holdings Limited, a large-scale Hong Kong-based manufacturer and sellers of CD/DVD mechanisms for car AV equipment (in-car CD/DVD mechanism), making it into an equity-method company
- Jun. Distributed dividends (¥5/share) for the first time since the inauguration of the Group
- Sep. Completion of development of first-generation in-vehicle head-up display and start of shipments of the display to a specific sales route through a company promoting car robotics

Victor Company of Japan, Limited

- 1927 Victor Talking Machine Company of Japan, Limited, established (Photo①)
- 1939 Produced Japan's first TV receiver
- 1956 Developed 45/45 stereo record format
- 1963 Introduced KV-200, the world's smallest 2-head professional VCR
- 1976 Introduced HR-3300, the world's first VHS home video recorder (Photo②)
- 1986 Introduced GR-C7, the world's smallest and lightest VHS-C video camera
- 1991 Introduced AV-36W1, the first 16:9 TV in the industry
- 1995 Introduced GR-DV1, the world's first pocket-sized digital video camera
- 2003 Introduced GR-HD1, high-definition digital video camera
Introduced EX-A1, compact component system
- 2005 JVC co-developed high-quality audio compression technology "net K2" with Victor Entertainment, Inc.
- 2006 JVC awarded the prestigious IEEE Milestone for the development of VHS video
- 2007 Introduced Everio GZ-HD7, the world's first full HD hard disk camcorder targeted at consumers
- 2009 Introduced the JVC global brand throughout Japan
Introduced the GD-463D10, full HD 3D LCD Monitor for professional use
- 2010 JVC LSI Enables High-speed Image Processing in HD Camcorders (Photo③)
- 2011 Merged into JVC KENWOOD Corporation



①A gramophone in 1928



②The world's first VHS home video recorder "HR-3300"



③JVC LSI Enables High-speed Image Processing in HD Camcorders

Kenwood Corporation

- 1946 Established Kasuga Radio Co., Ltd. (predecessor of Kenwood Corporation)
- 1947 Succeeded in manufacturing high-performance radio parts (high-frequency coils)
- 1957 Began exporting FM tuners for the first time as a Japanese manufacturer (Photo④)
- 1960 Renamed Trio Electronics, Inc.
- 1962 Launched the industry's first transistor amplifier
- 1966 Introduced fully transistorized audio products for the first time in the industry
- 1978 Entered the commercial wireless radio equipment field in Japan
- 1980 Entered the car audio field in the U.S.
- 1983 Entered the Business & Industry sector of commercial wireless radio field in the U.S. (Photo⑤)
- 1986 Renamed Kenwood Corporation
- 1991 Developed the radio systems used in F1 world championship races and executed an official supplier contract with Team McLaren
- 1992 Entered the car navigation system field, launching the industry's first 1DIN-size GPS car navigation system
- 1997 Supplied Real Focus Sound System for the Forester and 2nd Legacy models of Subaru, establishing a base for the OEM business
- 2004 Acquired the wireless radio operations of Toyo Communication Equipment Co., Ltd.
- 2005 Formed a technical and capital alliance with Icom Inc. to jointly research the standardization of technical specifications for digital wireless radio equipment
- 2007 Converted Zetron, Inc., a U.S. systems-based communication company into a subsidiary
Formed a new aftermarket collaboration agreement for AV-integrated navigation systems for the consumer aftermarket with Garmin, the largest PND maker in the U.S.
- 2008 Launched a voluntary organization jointly to contribute to the development of land mobile radios in the Americas
- 2009 Launched the Simultaneous Communications System and VoIP Radio Dispatch System
- 2010 Basic Land Mobile Radio equipment for emerging markets (Photo⑥)
- 2011 Merged into JVC KENWOOD Corporation



④FM Tuners



⑤Land Mobile Radio launched in the U.S.



⑥Basic Land Mobile Radio equipment for emerging markets

As of December 1, 2012

Global Affiliated Manufacturing Company

Company Name	Location	Main Products
JVC America, Inc.	Alabama, U.S.A.	CDs, DVDs (prerecorded software)
JVC Manufacturing Malaysia Sdn. Bhd.	Selangor, Malaysia	Camcorders, home audio
JVC Manufacturing (Thailand) Co., Ltd.	Pathumthani, Thailand	Professional products
JVC Optical Components (Thailand) Co., Ltd.	Nakhon Ratchasima, Thailand	Electronic components (optical pickups, etc.)
P.T. JVC Electronics Indonesia	West Java, Indonesia	Audio and visual equipment
Kenwood Electronics Bretagne S.A.	Janze, France	Car electronics
Kenwood Electronics Technologies (S) Pte. Ltd.	Singapore	Communications equipment
Kenwood Electronics Technologies (M) Sdn. Bhd.	Johor, Malaysia	Car electronics, home electronics
Shanghai Kenwood Electronics Co. Ltd.	Shanghai, China	Car electronics, communications equipment, home electronics

Europe: Affiliated Sales Company

Company Name	Location
JVC Europe Ltd.	The United Kingdom
JVC Professional Europe Ltd.	The United Kingdom
JVC France S.A.S.	France
JVC Deutschland GmbH	Germany
JVC Espana, S.A.	Spain
JVC Benelux B.V.	Netherlands
JVC Professional Belgium SA / NV	Belgium
JVC International (Europe) GmbH	Austria
JVC Polska Sp. Zo. o.	Poland
LLC "JVC KENWOOD RUS"	Russia
LLC "JVC KENWOOD Ukraine"	Ukraine
Kenwood Electronics Europe B.V.	Netherlands
Kenwood Electronics Belgium N.V.	Belgium
Kenwood Electronics UK Ltd.	The United Kingdom
Kenwood Electronics Deutschland GmbH	Germany
Kenwood Electronics France S.A.	France
Kenwood Electronics Italia S.p.A.	Italy
Kenwood Iberica, S.A.	Spain

Americas: Affiliated Sales Company

Company Name	Location
JVC Americas Corp.	U.S.A.
JVC Canada Inc.	Canada
JVC Professional Products Canada Inc.	Canada
JVCKENWOOD Latin America, S.A.	Panama
JVC KENWOOD do Brasil Comércio de Eletrônicos Ltda	Brazil
Kenwood U.S.A. Corp.	U.S.A.
Kenwood Electronics Canada Inc.	Canada

Asia, Oceania, the Middle East, and Africa: Affiliated Sales Company

Company Name	Location
JVC Asia Pte. Ltd.	Singapore
JVCKENWOOD Malaysia Sdn. Bhd.	Malaysia
JVC Sales & Service (Thailand) Co., Ltd.	Thailand
JVC Taiwan Corp.	Taiwan
JVCKENWOOD Gulf Fze	U.A.E.
Kenwood Electronics Singapore Pte. Ltd.	Singapore
JVC KENWOOD Australia Pty. Ltd.	Australia
Kenwood Electronics (Thailand) Co., Ltd.	Thailand

China: Affiliated Sales Company

Company Name	Location
JVC (China) Investment Co., Ltd.	China
Kenwood Electronics (Hong Kong) Ltd.	China
Kenwood Electronics Trading (Shanghai) Co., Ltd.	China

Other Main Global Affiliated Company

Company Name	Location
JVC Logistics Europe N.V.	Belgium
Beijing JVC AV Equipment Co., Ltd.	China
JVC Purchasing Center (H.K.), Ltd.	China
JVC Electronics Singapore Pte. Ltd.	Singapore
Zetron, Inc.	U.S.A.
AltaSens, Inc.	U.S.A.
Shinwa International Holdings Limited	China

As of December 1, 2012

R&D Center • Business Center

Name	Location	Main R&D Products
Head Office & Yokohama Business Center	Yokohama, Kanagawa	Video cameras, displays
Kurihama R&D Center	Yokosuka, Kanagawa	Video cameras, displays, projectors
Hachioji Business Center	Hachioji, Tokyo	Car Electronics, home audio
Hakusan Business Center	Yokohama, Kanagawa	Communications

Main Japanese Manufacturing Sites and Affiliated Manufacturing Company

Name	Location	Main R&D Products
Head Office & Yokohama Business Center	Yokohama, Kanagawa	Electronic components (for optical pickups)
Yokosuka Business Center	Yokosuka, Kanagawa	Projectors, D-ILA devices, equipment for business use related to audio and video
Victor Creative Media Co., Ltd.	Yamato, Kanagawa	CD and DVD discs (pre-recorded)
Victor Interior Furniture Co., Ltd.	Fukuroi, Shizuoka	Home furniture
Kenwood Yamagata Corporation	Tsuruoka, Yamagata	Communications, home electronics
Kenwood Nagano Corporation	Ina, Nagano	Car electronics
Kenwood Devices Corporation	Yokohama, Kanagawa	Components

Main Japanese Consolidated Affiliated Company

Name	Location	Main R&D Products
J&K Optical Components Corporation	Yokohama, Kanagawa	Sales of electronic components (optical pickups, etc)
J&K Business Solutions Co., Ltd.	Yokohama, Kanagawa	Development, manufacturing, and sales of equipment for business use related to audio, video and communication
Victor Arcs Co., Ltd.	Minato-ku, Tokyo	Sales of professional audio and visual equipment
Video Tech Co., Ltd.	Shibuya-ku, Tokyo	Production, editing and sales of visual media
Victor Entertainment, Inc.	Shibuya-ku, Tokyo	Planning, production, and sales of audio and video software, etc.
Teichiku Entertainment, Inc.	Shibuya-ku, Tokyo	Planning, production, and sales of audio and video software, etc.
Flyingdog Inc.	Shibuya-ku, Tokyo	Planning and production of animation audio and animation video software, etc.
JVC Networks, Inc.	Shibuya-ku, Tokyo	Network delivery, and planning, production, and management of sales promotion tool
Victor Music Arts, Inc.	Shibuya-ku, Tokyo	Music copyright management and artist management
Victor Service & Engineering Co., Ltd.	Yokosuka, Kanagawa	Repair of electric equipment
Victor Techno Brain Co., Ltd.	Yokosuka, Kanagawa	Dispatch of engineers, undertaking of engineering-related work, and other operations
Kenwood Kenex Corporation	Hachioji, Tokyo	Sales and other operations relating to audio and communications equipment
Kenwood Geobit Corporation	Shibuya-ku, Tokyo	Sales agency of mobile phones; Operations and other support for Softbank shops
Kenwood Home Electronics Corporation	Yokohama, Kanagawa	Sales of home electronics products, etc.
Kenwood Service (Japan) Corporation	Yokosuka, Kanagawa	After-sales services and other operations relating to audio, communications and other equipment
Kenwood Design Corporation	Meguro-ku, Tokyo	Planning and production of industrial designs for audio, communications and other equipment
Kenwood Engineering Corporation	Hachioji, Tokyo	Dispatch of engineers, undertaking of engineering-related work, and other operations
J&K Partners Corporation	Yokohama, Kanagawa	Undertaking of welfare program, general, personnel, accounting and other affairs

Company Name	JVC KENWOOD Corporation
Business Segments	Controlling and managing the business activities by operating the Car Electronics business, Professional Systems business, Home & Mobile Electronics business and Entertainment business and owning shares and interest in the companies which run those businesses
Representative Directors	Haruo Kawahara, Representative Director, Chairman of the Board of Directors Shoichiro Eguchi, President, Representative Director and CEO
Date of Incorporation	October 1, 2008
Capital	¥10 billion
Number of Employees (as of end of June 2012)	13,270
Head Office	3-12, Moriyacho, Kanagawa-ku, Yokohama-shi, Kanagawa 221-0022 Tel : +81-45-444-5500
Stock Exchange Listing	Tokyo Stock Exchange, First Section
Securities Code	6632
Net Assets (as of end of March 2012)	¥ <u>57,253</u> million
Total Assets (as of end of March 2012)	¥ <u>241,650</u> million
Fiscal Year	End of March
URL	http://www.jvckenwooc.co.jp/
Main Domestic Offices	Yokohama Head Office and Business Center, Hachioji Business Center, Hakusan Business Center, Yokosuka Business Center and Kurihama R&D Center
Main Production Bases	Japan: Nagano, Yamagata, Yokosuka, etc. ※Overseas production ratio 90% Overseas: Malaysia, Indonesia, Thailand, China (Shanghai), etc.
Showroom	1F, Shin-Kokusai Bldg., 3-4-1, Marunouchi, Chiyoda-ku, Tokyo
Shareholders (as of end of March 2012)	Japan Trustee Services Bank, Ltd. (Trust Account) (6.9%) Morgan Stanley & Co. LLC (4.5%) Japan Trustee Services Bank, Ltd. (Trust Account 9) (3.8%)

JVC KENWOOD

creates excitement & peace of mind

JVC KENWOOD Corporation

3-12, Moriyacho, Kanagawa-ku, Yokohama-shi
Kanagawa, 221-0022, Japan

For further information, please contact:

Public and Investor Relations, Strategic Corporate Planning Div.

Tel: +81-(0)45-444-5232 Fax: +81-(0)45-444-5239

E-mail: prir@jvckenwood.com

