

JVC Kenwood Group

Results and Forecast Briefing

Fiscal Year Ended March 2009

JVC KENWOOD Holdings, Inc.
April 28, 2009

Financial Results Overview for Fiscal Year Ended March 2009

Hiroshi Odaka, Deputy President & CFO

Business Forecasts and Priority Policies for Fiscal Year Ending March 2010

Haruo Kawahara, Chairman & CEO

Financial Results Overview

for Fiscal Year Ended March 2009

Hiroshi Odaka

Deputy President & CFO
JVC KENWOOD Holdings, Inc.

April 28, 2009

FYE '09/3 - Summary of Business Results

- * We started the “Reform of Profitability Structure” along with the management integration and implemented “Additional Measures” in 4Q. As a result, we enjoyed the effects of structural reform and management integration in an amount of ¥11.8B in the 2nd half of FYE '09/3.
- * However, the influence of a stronger yen and lower sales offset above effects and the result was a decrease in both revenue and income

(billion yen)	Net Sales	Operating Profit	Ordinary Income	Net Income
FYE '09/3	309.8	0.1	-6.8	-18.8
Forecast on '09/4/14	310.0	0.0	-5.5	-18.0
Forecast on '08/10/1	400.0	12.5	7.5	5.0
(Reference) FYE '09/3 Including 1 st half of JVC	549.5	1.4	-9.5	-26.9
(Reference) FYE '08/3 combined of Kenwood and JVC	756.5	9.5	-4.1	-44.3

* 09/3 results are **not equivalent to the simple combined results of Kenwood and JVC** until 1st half of FYE '09/3 due to the purchase method of accounting.

* Exchange rates for FYE '09/3 account settlement are 1 US\$ = ¥101 and 1 Euro = ¥144.

* Sales of JVC included in the reference data is converted to the net method.

FYE '09/3 Financial Results - Quarterly Performance

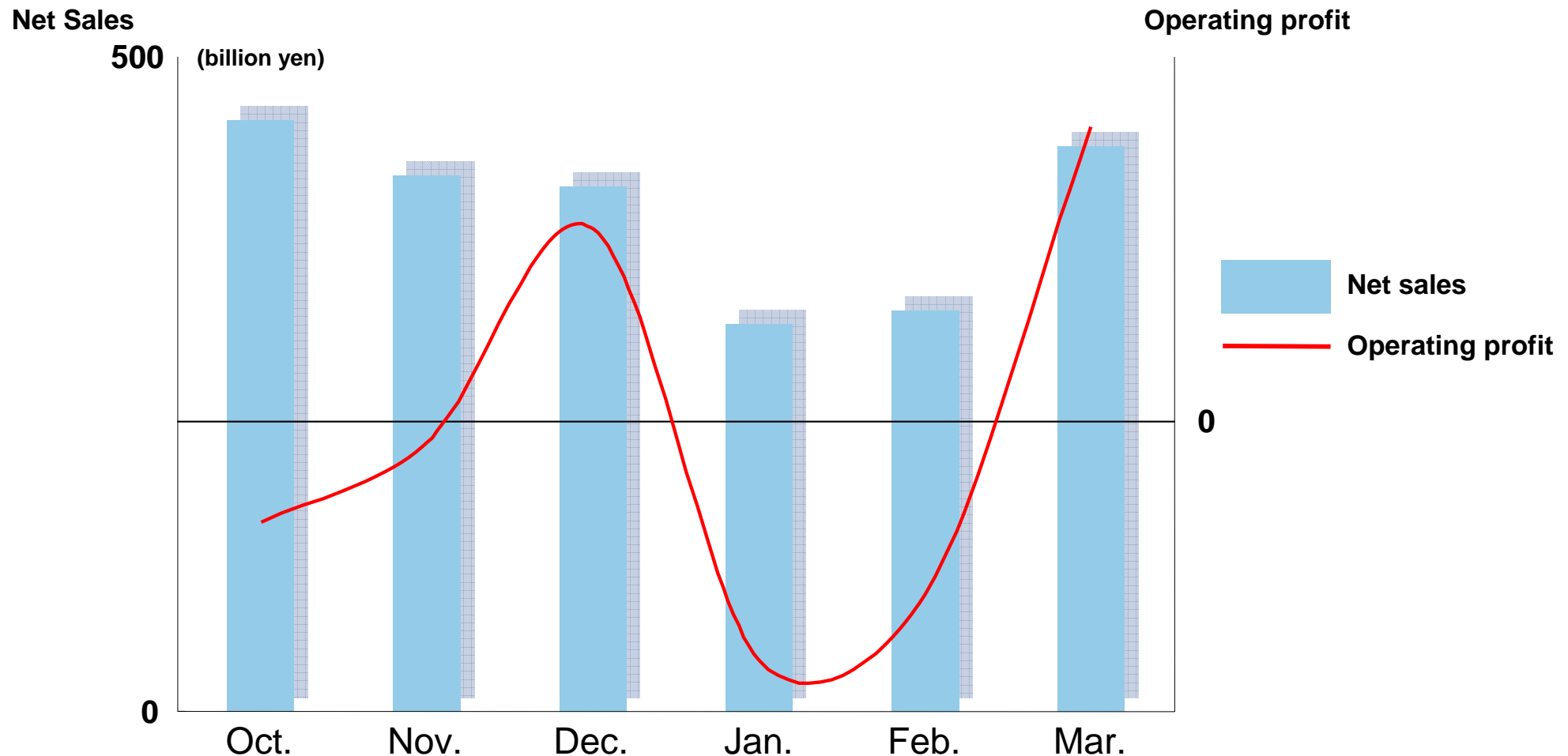
- * Operating loss was recorded in 4Q due to the economic deterioration despite the realization of structural reform effects.
- * Annual operating profit was secured for FYE '09/3 taking advantage of the structural reform and management integration effects.

(billion yen)	Net Sales	Operating Profit	Ordinary Income	Net Income	Exchange Rate
1Q	39.5 (157.3)	1.0 (-0.3)	0.4 (-1.9)	-0.5 (-7.4)	US\$: ¥105 Euro: ¥163
2Q	40.6 (162.6)	0.6 (3.2)	0.7 (0.3)	0.6 (-0.6)	US\$: ¥108 Euro: ¥162
3Q	126.3	1.9	-1.4	-3.4	US\$: ¥96 Euro: ¥127
4Q	103.4	-3.3	-6.5	-15.5	US\$: ¥94 Euro: ¥122
Full year	309.8 (549.5)	0.1 (1.4)	-6.8 (-9.5)	-18.8 (-26.9)	US\$: ¥101 Euro: ¥144

* Numbers in parentheses show financial results obtained by adding those of JVC in the 1st half for reference.

FYE '09/3 Financial Results - Monthly Performance

- * Both revenue and operating profit recovered, hitting the bottom in Jan. and Feb.
- * In March, monthly sales in the U.S. (on a local currency base) of Land Mobile Radio equipment marked the highest ever amount and monthly sales of consumer car electronics reached the highest level after the management integration, which contributed to the significant increase of operating profit.



FYE '09/3 Financial Results - Net Sales

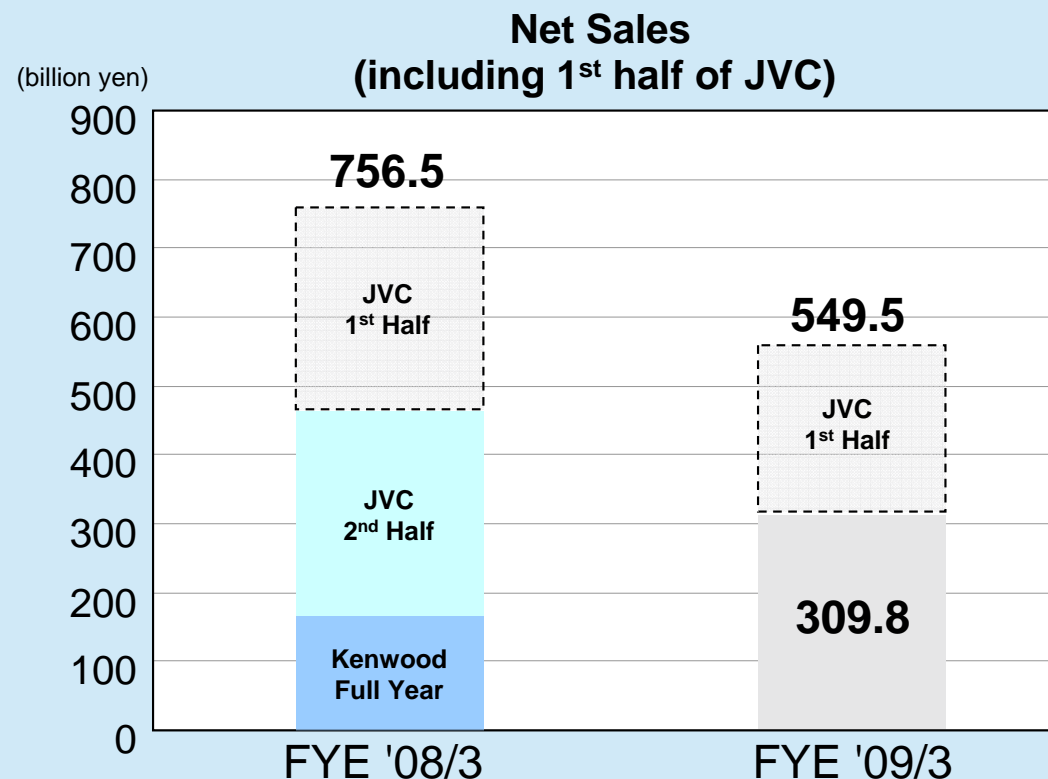
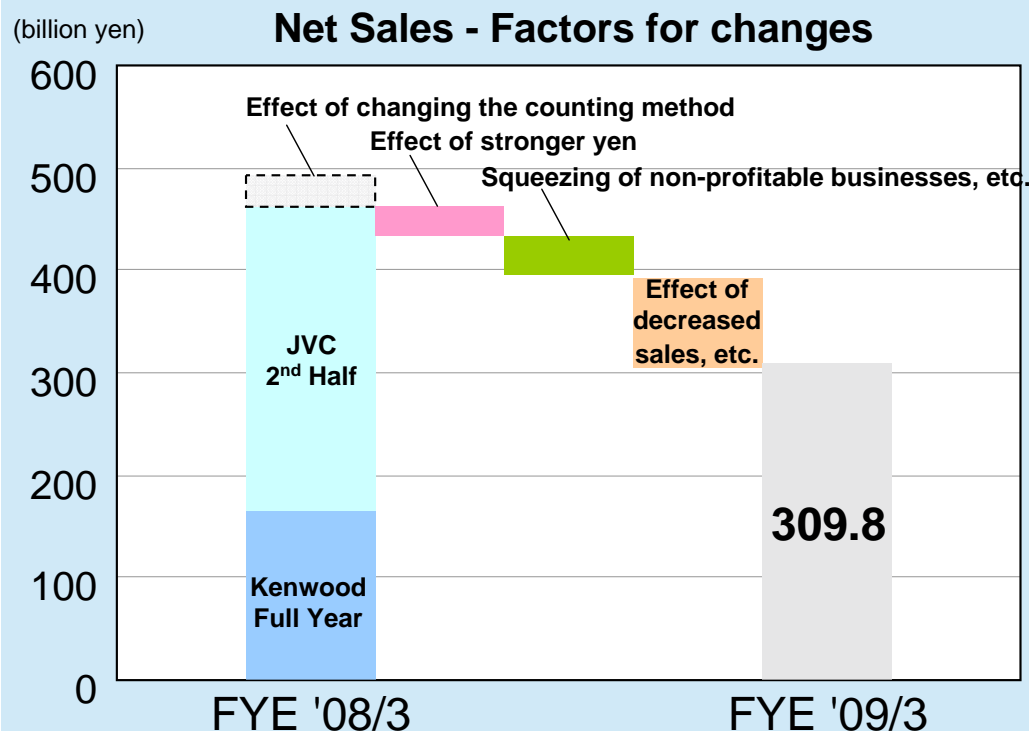
Net Sales: ¥309.8B (¥549.5B including 1st half of JVC)

* Effect of the assignment and discontinuation of non-core businesses due to the structural reform and the cut-down of non-profitable businesses (¥-35.7B)

* Effect of stronger yen (¥-29.2B)

(FYE '08/3: 1 US\$ = ¥114 and 1 Euro = ¥162, FYE '09/3: 1 US\$ = ¥101 and 1 Euro = ¥144)

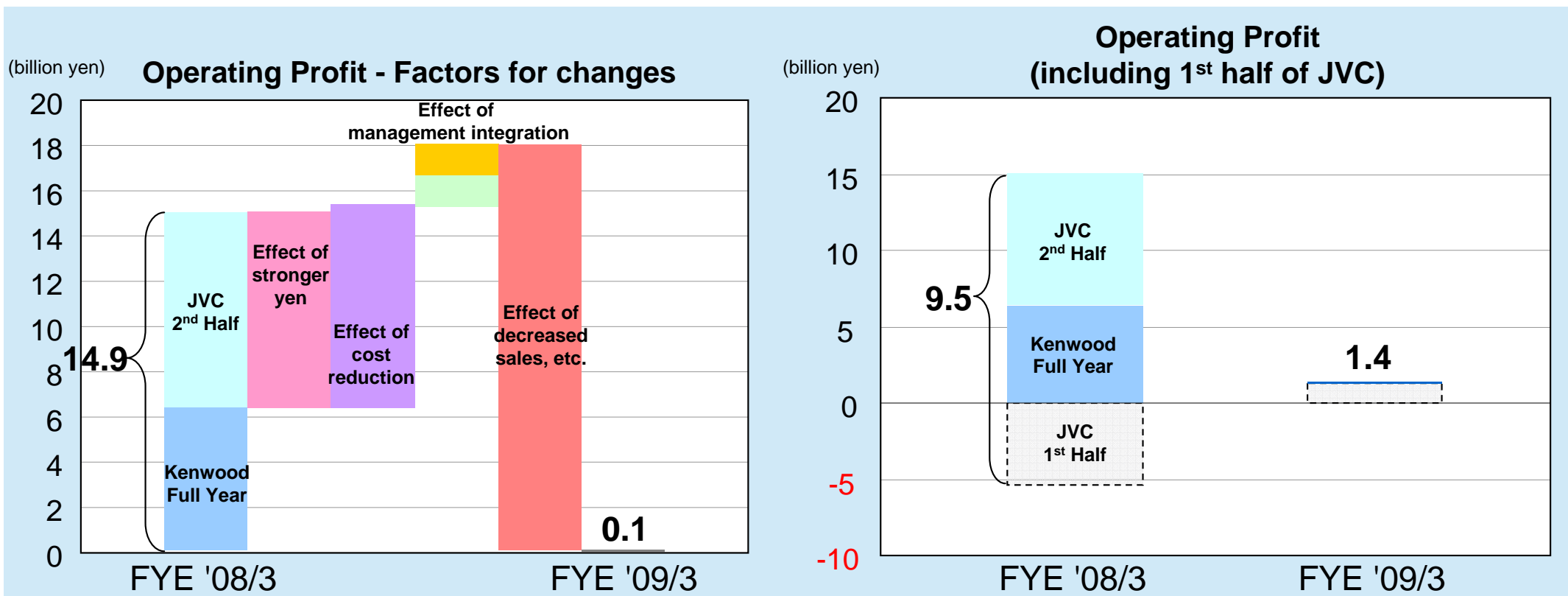
* Decrease of sales, etc. (¥-87.3B)



FYE '09/3 Financial Results - Operating Profit

Operating profit: ¥0.1B (¥1.4B including 1st half of JVC)

- * Effect of stronger yen (¥-8.7B) and effect of decreased sales (¥-17.9B) are negative factors.
- * Especially, production adjustment and promotion of old products made in 4Q and delay of new product purchasing largely effected decreased profit.
- * However, an effect of income structure reform (¥9B), cost synergy effect (¥1.4B) and accounting effect of business integration (¥1.4B) were realized and they contributed to the final profit



FYE '09/3 Financial Results - Operating Profit

Cost reduction effect and management integration effect (to the operating profit) in FYE '09/3 together amounted to ¥11.8B.

Effect of income structure reform: ¥9.0B

- * Structural Reform to Reduce Costs ¥2.4B
 - Cost structure reform of corporate and business dept.
 - Review of development cost and IT investment
 - Innovation of transactions among group companies by the reinforcement of consolidated management, etc.
- * Emergency measures ¥2.7B
 - Partial reduction of pay to directors and corporate officers
 - Review of events and related expenses
- * Structure Reform ¥3.9B
 - Car Electronics OEM business (Kenwood)
 - Home Audio business (Kenwood)

Integration effect: ¥2.8B

- * Cost synergy effect: ¥1.4B
- * Accounting effect: ¥1.4B

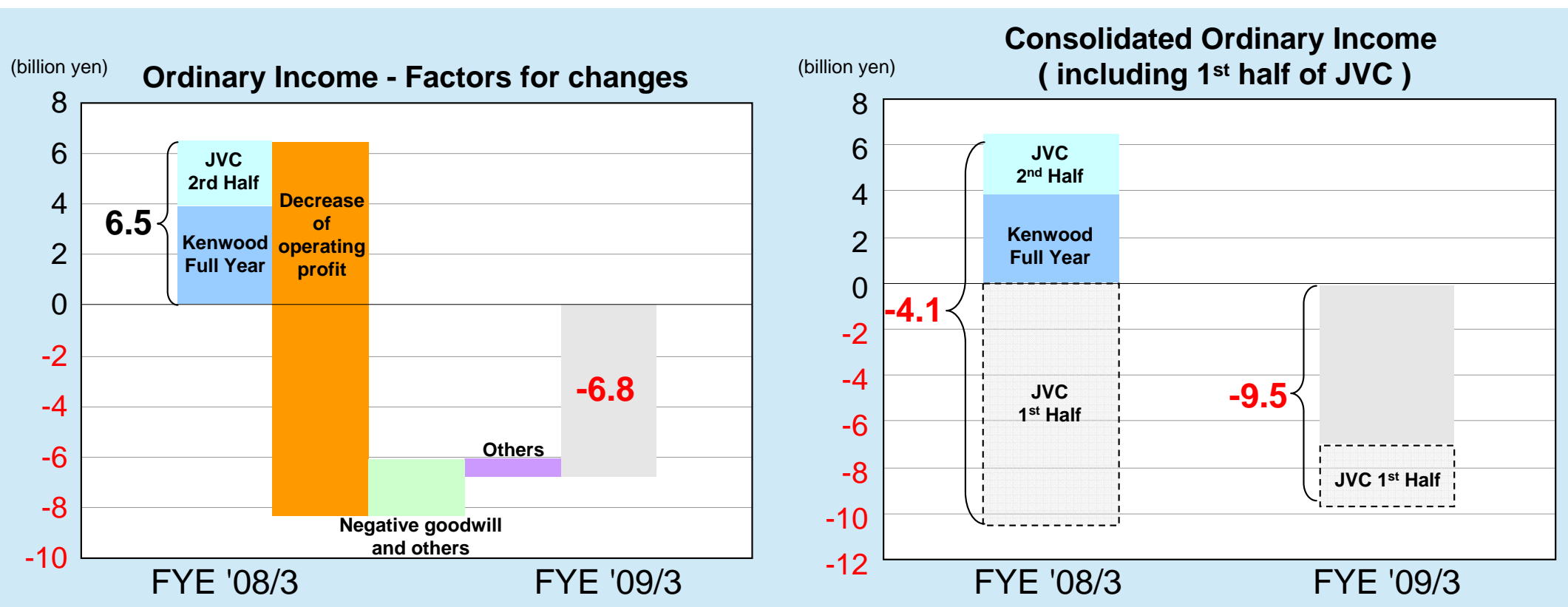
Integration effects.

- * Cost synergy effect (non-operating profit): ¥0.3B
- * Accounting effect (special profit/loss, corporate tax, etc.): ¥6.6B

FYE '09/3 Financial Results - Ordinary Income

Current ordinary income: ¥-6.8B (¥-9.5B including 1st half of JVC)

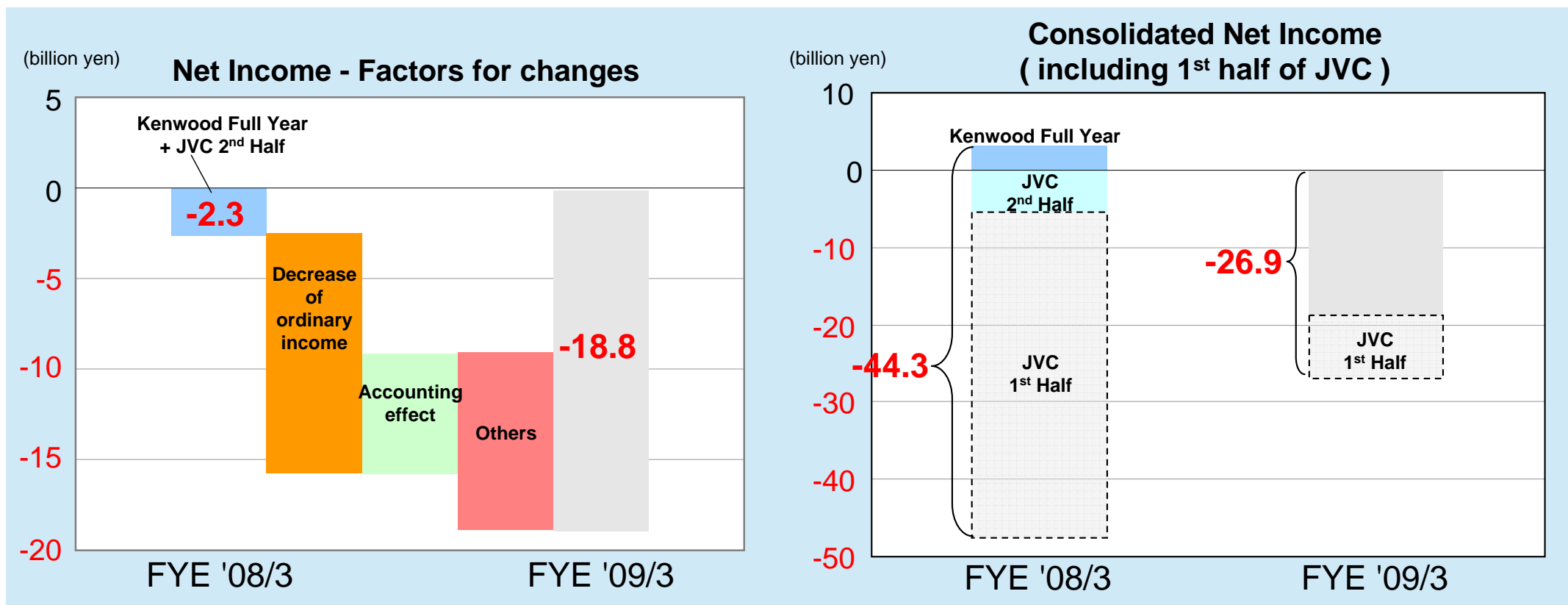
- * Decrease of operating profit (¥-14.8B) was the cause of decreased ordinary income.
- * Due to the accounting effects of amortizing negative goodwill, etc., (¥1.9B) and cost synergy effect (¥0.3B), the non-operating profit/loss improved.



FYE '09/3 Financial Results - Net Income

Current net income: ¥-18.8B (¥-26.9B including 1st half of JVC)

- * Decrease of ordinary income (¥-13.3B), extraordinary loss counted for the additional measures and non-existence of marketable securities sales profit which existed in the previous fiscal year were the causes of decreased net income.
- * However, there also were such improving factors that a part of the costs for additional measures had already been reserved and that an accounting effect was realized by the consolidated taxation system (¥6.6B).



FYE '09/3 Financial Results - Financial Status

Balance Sheet

- * Despite the decrease of trade receivables, total assets reached ¥354.7B due to the effects of the compression of inventory asset and sales of real estates.
- * Amount of interest bearing debt was ¥132.7B, net debt was ¥80.2B and total debt was ¥268.6B.
- * Net assets were ¥85.6B due to the effect of counting the foreign currency translation adjustment account of ¥-20.9B.

(billion yen)	JVC End of '08/9	Kenwood End of '08/9	JVC Kenwood '08/10/01	JVC Kenwood End of '08/12	JVC Kenwood End of '09/3	End of '09/3 minus End of '08/12
Total assets	301.9	115.3	431.6	396.5	354.7	-41.8
Interest-bearing debt	74.3	48.8	123.1	133.7	132.7	-1.0
Net debts	41.9	32.9	74.8	86.5	80.2	-6.3
Capital stock	51.6	11.1	10	10	10	0.0
Surplus, Treasury stock	65.9	34	110.9	107.5	92.1	-15.4
Valuation and translation adjustment	-11.2	-19.7	-7.1	-20.5	-16.5	+4.0
Net assets	106.3	25.4	113.9	97.1	85.6	-11.5
Equity ratio (%)	34.5%	22.0%	26.4%	24.0%	23.6%	-0.4%
Net assets per share (yen)	288.32	69.11	115.68	98.53	86.60	-11.93

Cash Flow

Cash flows from operating activities

- * Although current net income before tax was ¥-16.8B, the balance of necessary operating fund improved due to the reduction of inventory assets, etc., and the cash flow from operating activities was a net inflow of ¥9.8B.

Cash flows from investing activities

- * Despite the income by the sales of fixed assets, cash flow from investing activities was a net outflow of ¥11.3B due to the acquisition of tangible and intangible fixed assets, etc.

Cash flows from financing activities

- * Mainly due to the increase of short-term loans payable, cash flow from financing activities was a net inflow of ¥9.7B.
- * Cash and cash equivalents increased by ¥32.8B because of the management integration and reached ¥52.4B.

Net Sales and Operating Profit by Business Segment

Net sales: ¥92.2B (effect of exchange rate: ¥-7.1B) (¥120.8B including 1st half of JVC)

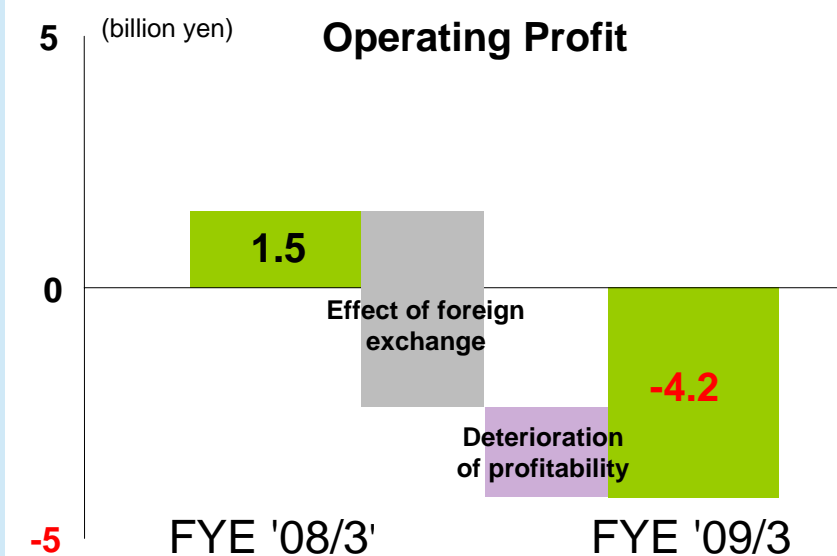
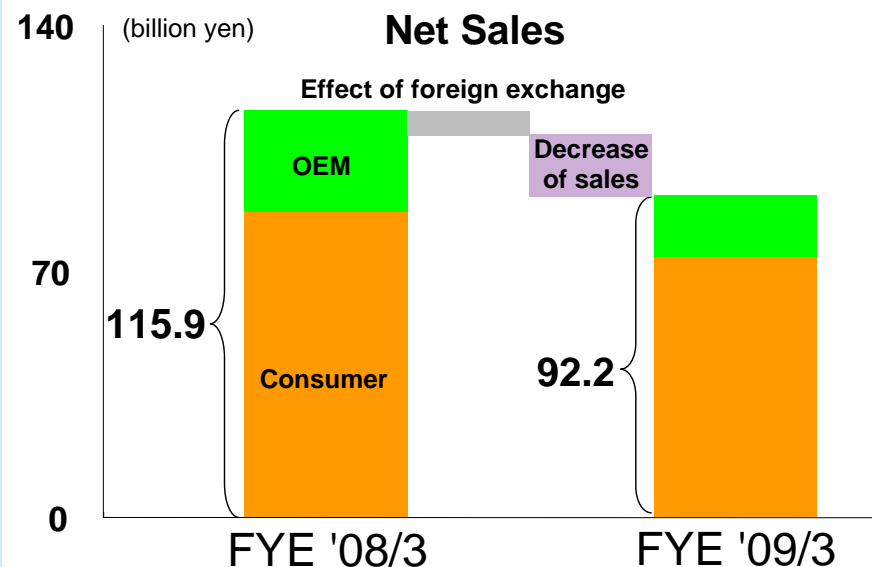
Operating profit: ¥-4.2B (effect of exchange rate: ¥-3.9B) (¥-2.6B including 1st half of JVC)

Consumer Business

- * The earnings worsened because of the costs for '08 models inventory reduction, the delayed effect of launching '09 models due to the weakening market in 4Q and the slowdown of sales in emerging markets due to the financial instability, in addition to the effect of a stronger yen.
- * In March, the promotion of new products began to take full effect and the monthly sales reached the highest level after the management integration to post an operating profit.

OEM Business

- * Shipments of audio mechanisms for car-mounted equipment increased, while sales of genuine products substantially decreased.
- * The increase of loss was minimized by the additional measures in 4Q.



Net sales: ¥103.9B (effect of exchange rate: ¥-18.1B) (¥240.8B including 1st half of JVC)

Operating profit: ¥0.1B (effect of exchange rate: ¥-1.5B) (¥1.2B including 1st half of JVC)

Display Business

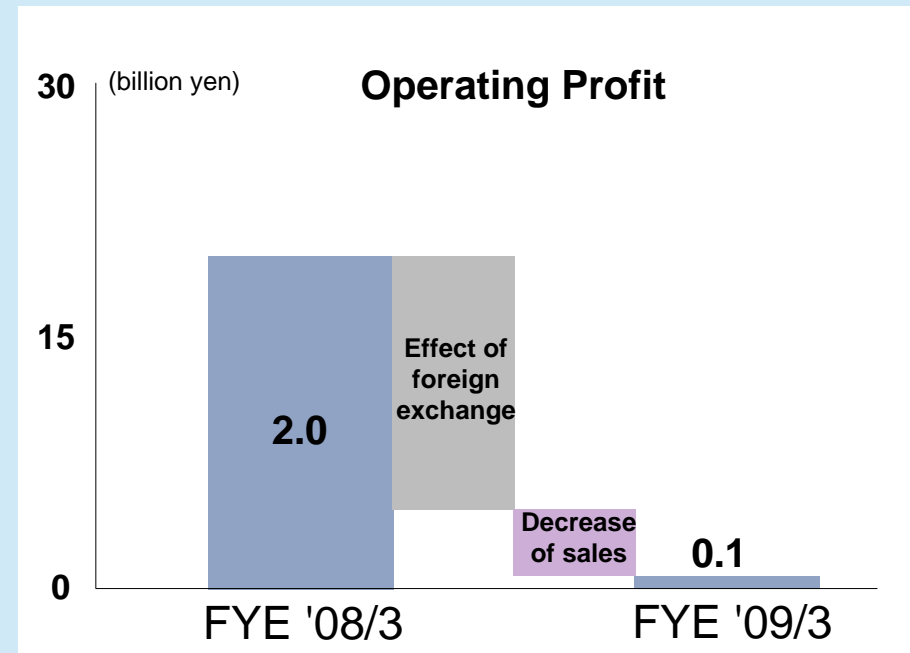
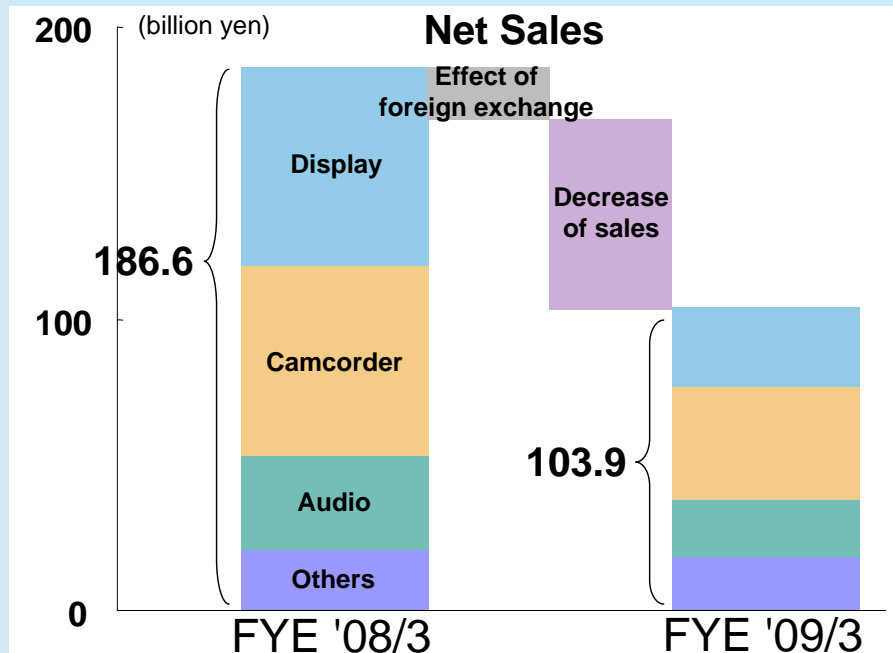
- * Due to the effects of structural reform such as the cut reduction of domestic consumer business and the utilization of EMS in Europe, the profitability largely improved.

Home Audio Business

- * Curtailment of unprofitable models, reinforcement of AV accessory business and the effect of spinning-off the home audio of Kenwood contributed to the improvement of profitability.

Camcorder Business

- * Although SD models acquired a big market globally and the domestic share of HD models expanded, the profitability deteriorated in 4Q like car equipment.



Net sales: ¥78.8B (effect of exchange rate: ¥-2.5B) (¥105.6B including 1st half of JVC)

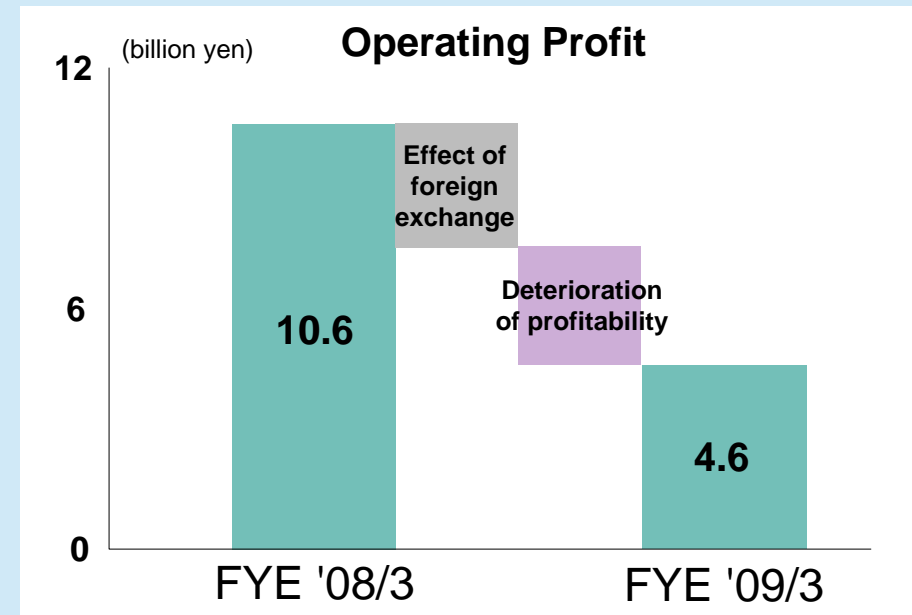
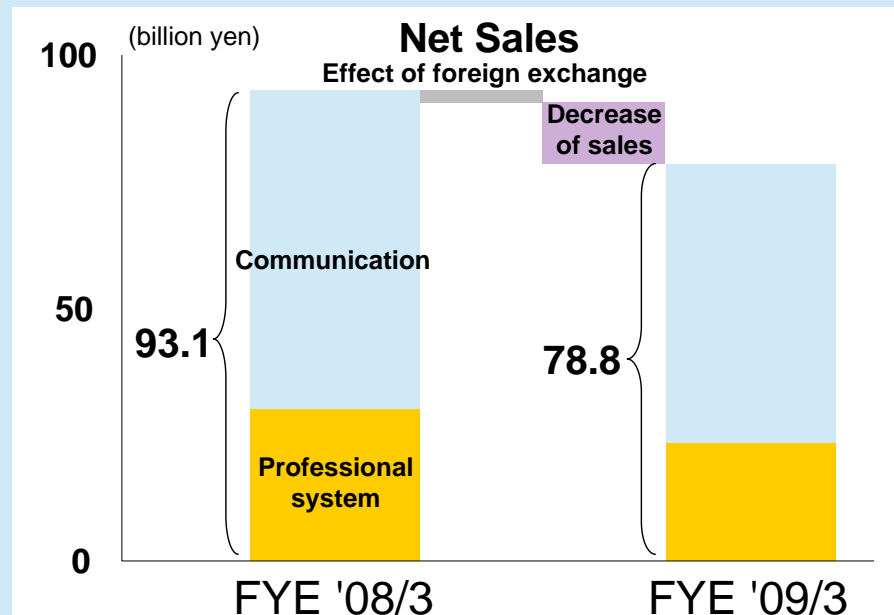
Operating profit: ¥4.6B (effect of exchange rate: ¥-3.1B) (¥4.1B including 1st half of JVC)

Communications Equipment Business

- * Due to the economic slowdown and stronger yen, the orders from business & industry sector decreased.
- * However, orders from public safety sector in the U.S. recovered and the monthly sales in March reached the highest ever (on a local currency basis).

Professional System Business

- * Sales stagnated due to the effect of the economic slowdown.
- * However, sales recovered in March due to strong overseas sales of new products and the increase of domestic orders.



FYE '09/3 - Entertainment Business

Net sales: ¥30.6B (¥61B including 1st half net sales of JVC)

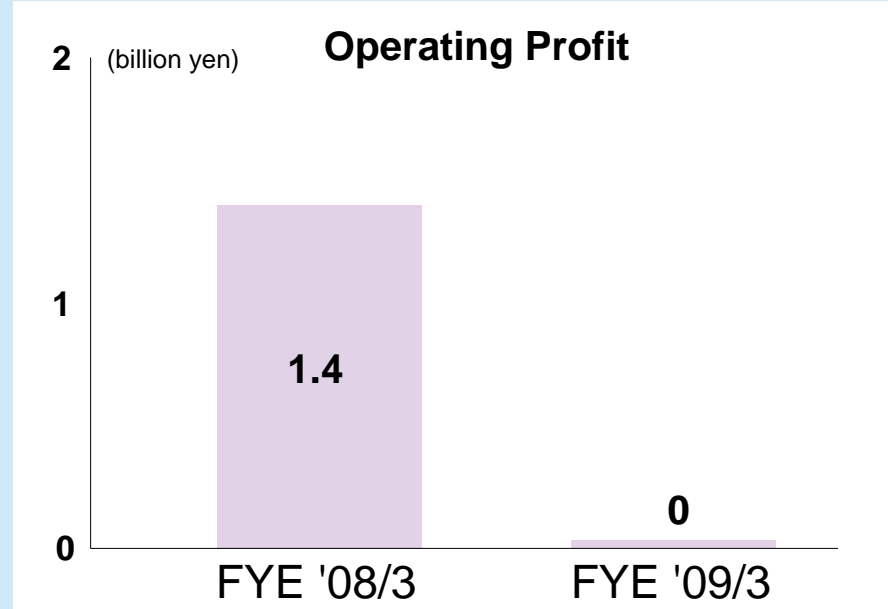
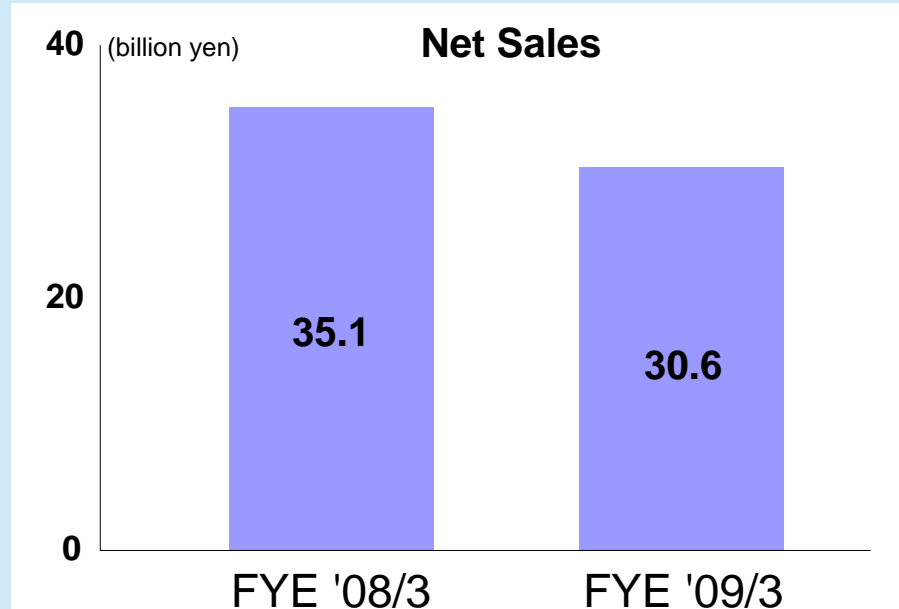
Operating profit: ¥0.03B (¥-0.2B including 1st half net sales of JVC)

Contents Business

- * Sales of old releases declined but sales of new releases continued to be stable thanks to massive popularity of some releases related to blockbuster movies and animation.

Consignment Business

- * Sales decreased but earnings improved due to the effect of income structure reform.



Business Forecasts and Priority Policies

for Fiscal Year Ending March 2010

Haruo Kawahara

Chairman & CEO
JVC KENWOOD Holdings, Inc.

April 28, 2009

Forecasts for FYE '10/3

- * Assuming that the business environment experienced in FYE '09/3 4Q will remain throughout FYE '10/3, we formulated the business plan by applying the same exchange rate and sales/operating profit of FYE '09/3 4Q as the basis.
- * Although the business in the U.S. shows signs of improvement, we made the assumption that the economy will be seriously stagnant in 1Q and will hit the bottom in 2Q, in consideration of the delay of recovery in Europe.
- * Under the above assumption, a cost reduction effect of ¥20.0B as the result of full scale reflection of additional measures was taken in.

(billion yen)	Net Sales	Operating Profit (operating profit ratio)	Ordinary Income (ordinary income ratio)	Net income (net income ratio)	Dividend
1 st Half	200.0	2.0 (1.0%)	-2.0 (-1.0%)	-4.0 (-2%)	-
2 nd Half	230.0	7.5 (3.3%)	5.0 (2.2%)	4.0 (1.7%)	TBD
FYE '10/3	430.0	9.5 (2.2%)	3.0 (0.7%)	0.0 (-)	US\$:¥90 Euro:¥120
FYE '09/3	549.5	1.4 (0.3%)	-9.5 (-1.7%)	-26.9 (-4.9%)	US\$:¥101 Euro:¥144

* Figures of '09/3 include those of JVC in 1st half FY.

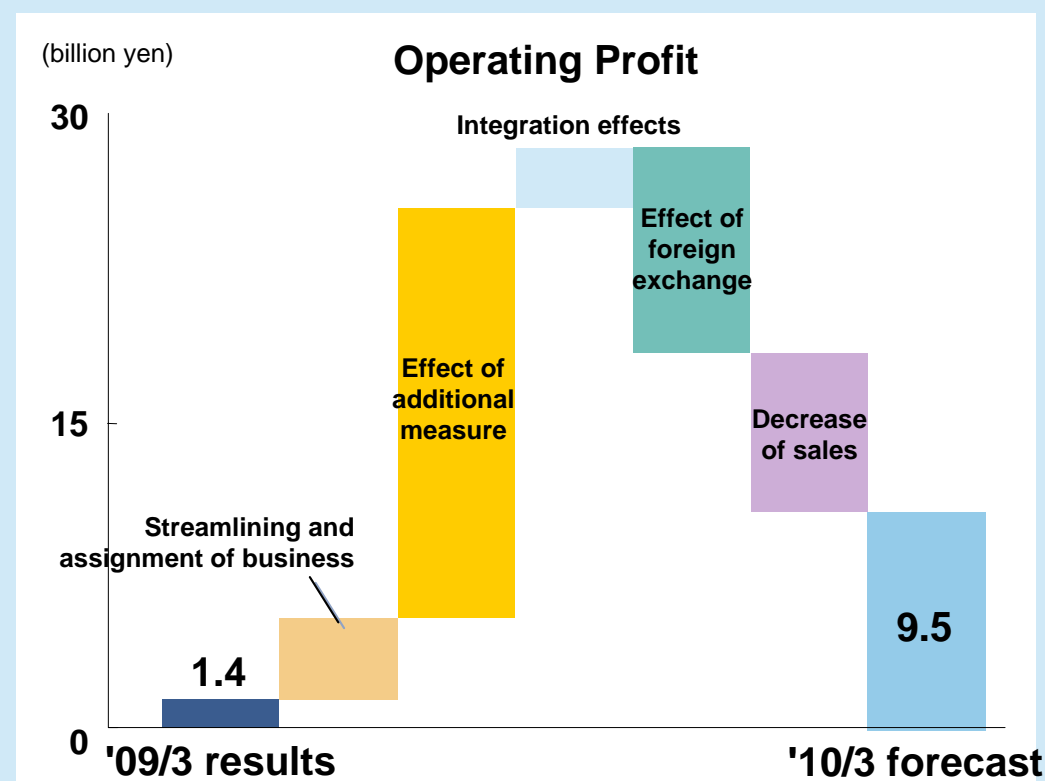
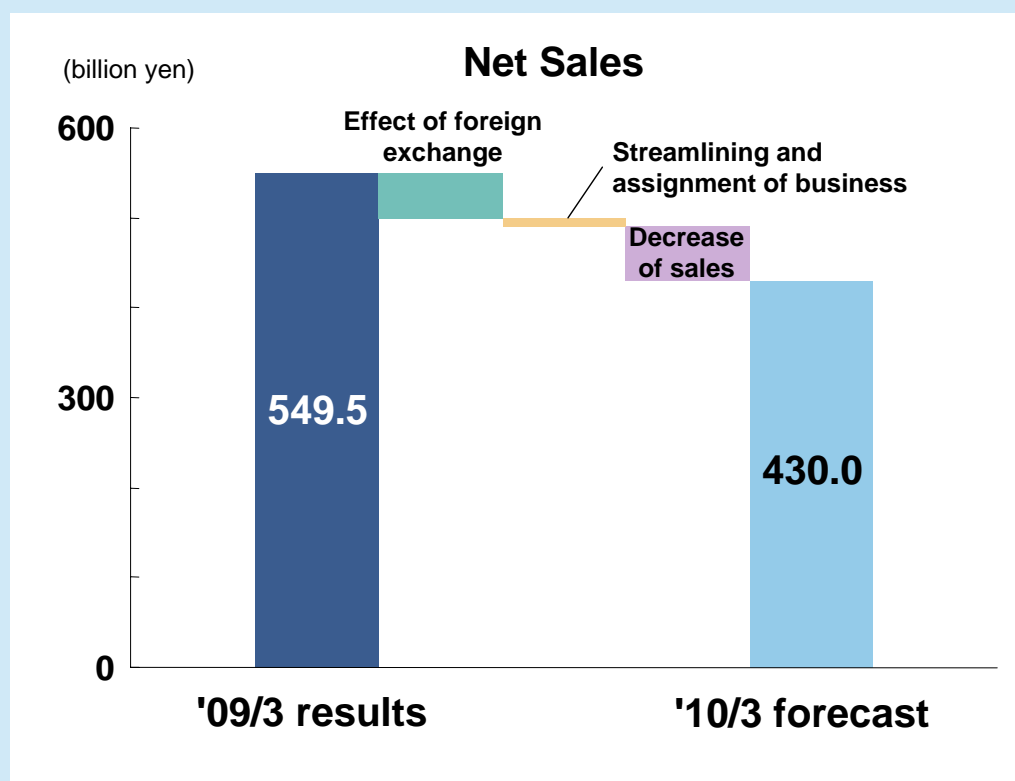
Forecasts for FYE '10/3 - Net Sales & Operating Profit

Net sales: ¥430B Operating profit: ¥9.5B

Compared with '09/3:

Net sales: Effect of stronger yen/¥-51.0B, streamlining and assignment of business/¥-9.0B

Operating profit: Effect of additional measures/¥+20.0B Effect of management integration/¥+3.0B



* Figures of '09/3 include those of JVC in 1st half FY.

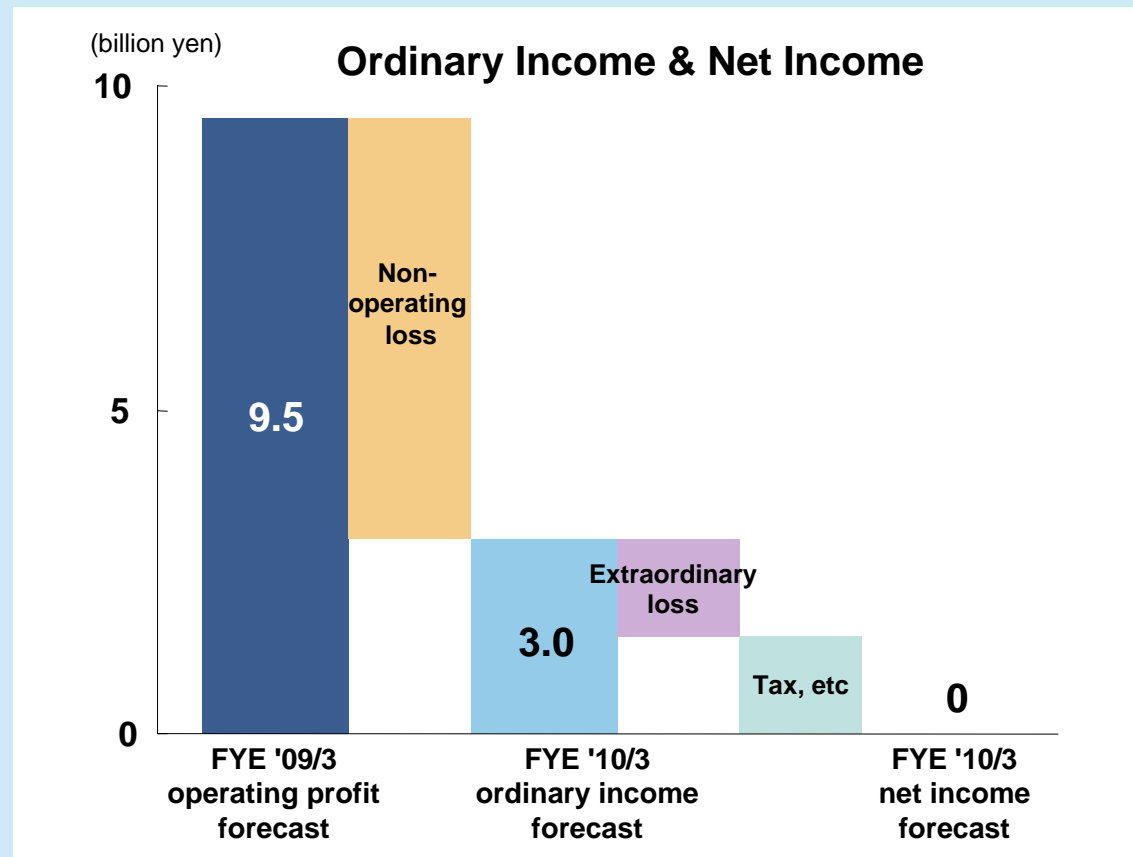
Forecasts for FYE '10/3 - Ordinary Income & Net Income

Ordinary income: ¥3.0B

Net income: Break-even

* Non-operating loss of ¥6.5B is expected.

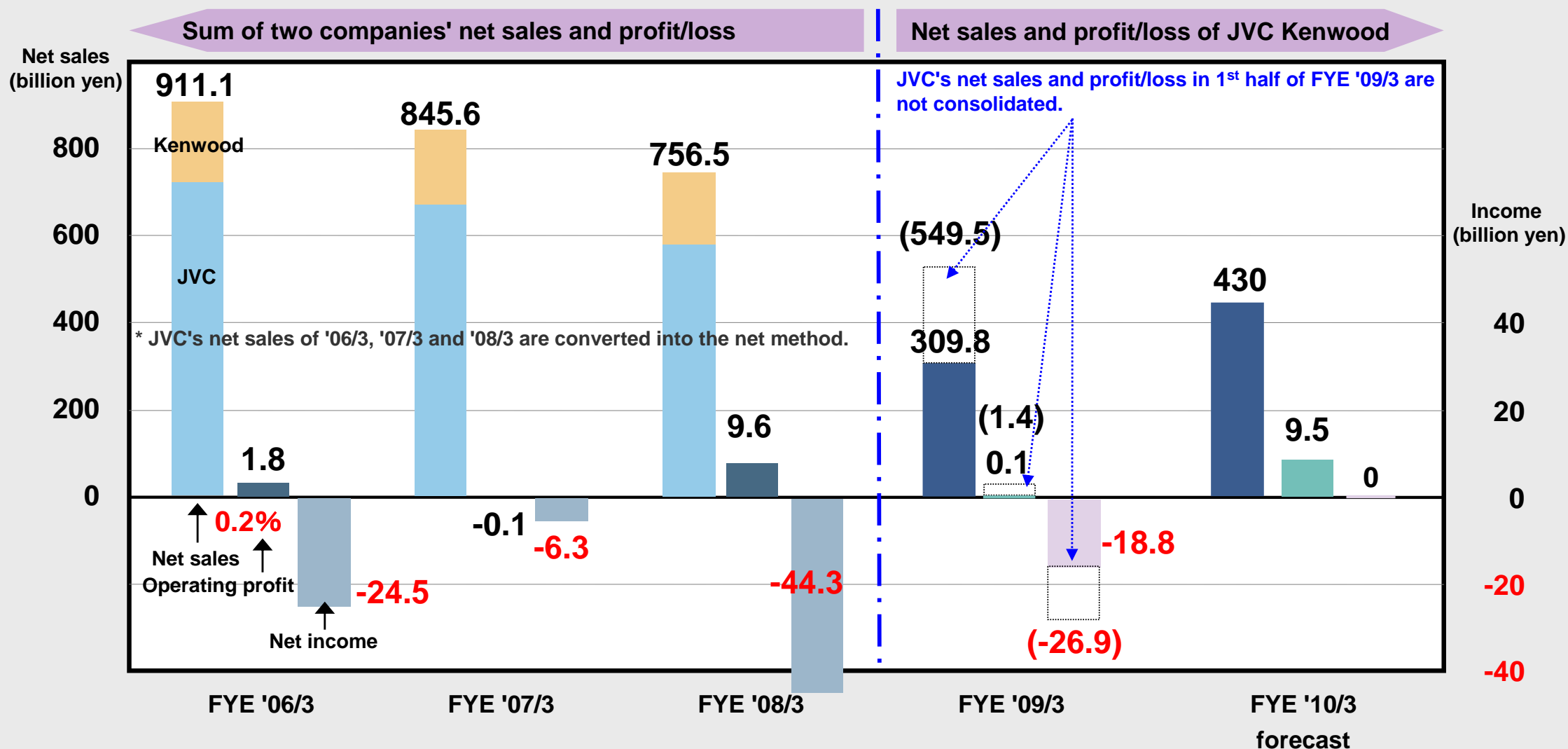
* Special loss of ¥1.5B and tax, etc., of ¥1.5B are expected.



* Figures of '09/3 include those of JVC in 1st half.

Forecasts for FYE '10/3

FYE '09/3 results are **not equivalent to the combined results of Kenwood and JVC** until 1st half of FYE '09/3



Priority Policies

1. Cash build-up

- * Inventory reform - Reduction of inventory days
- * Fund management reform - Increase and creation of free cash flow

2. Finalization of structural reform

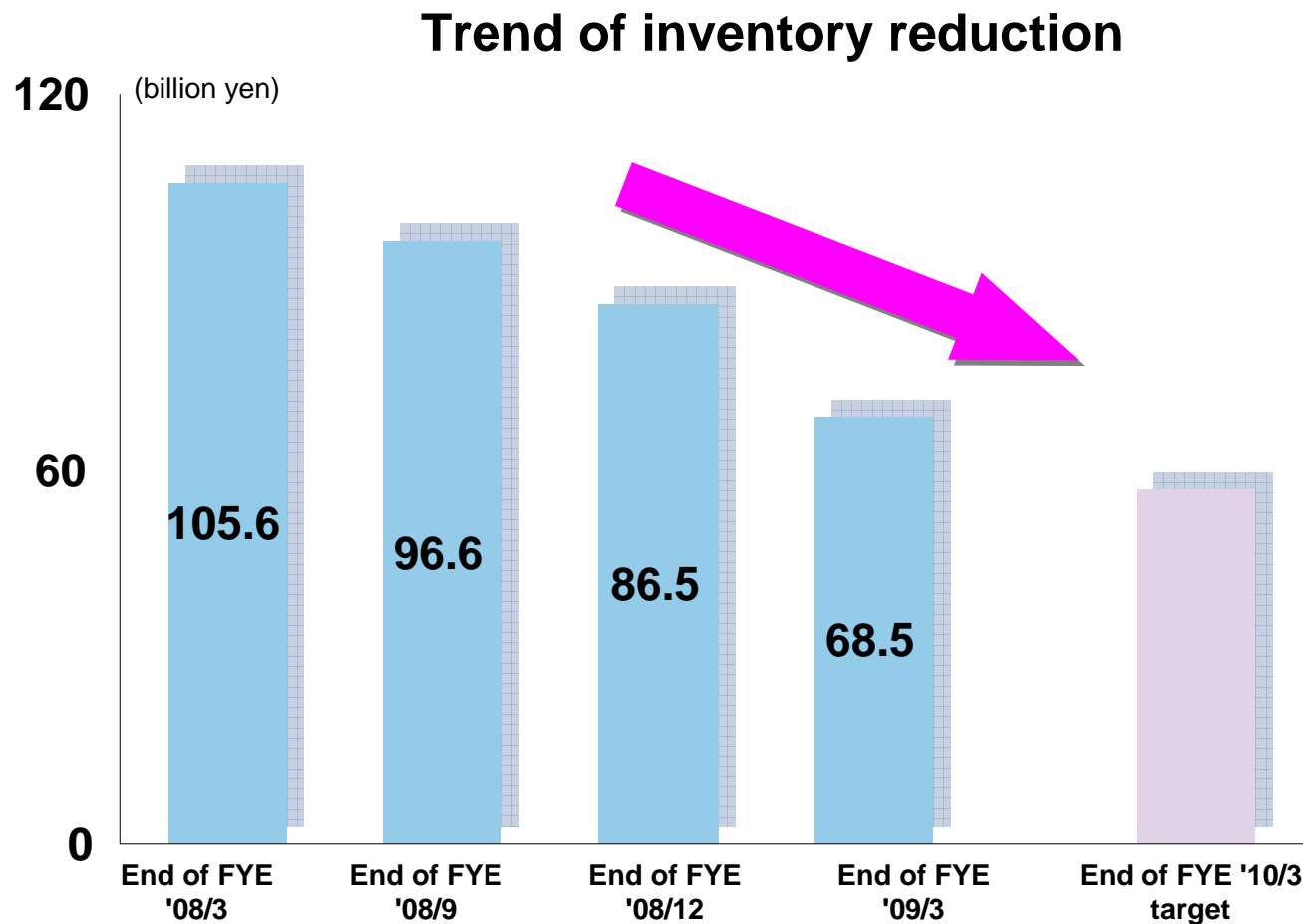
- * Reform of profitability structure - Continuation and reinforcement of emergency measures
- * Additional measures - Cost reduction effect of more than ¥20.0B

3. Sales expansion with profit

- * Restoration of current businesses by deepening the integration
- * Promotion of growth strategy by the fostering investment

Priority Policies - 1. Cash build-up

- * Inventory reform - Reduction of inventory days
- * Global fund management reform - Increase and creation of free cash flow



*** Additional measures - Cost reduction effect of more than ¥20.0B**

2nd half of FYE '09/3: Implementation of major measures completed

FYE '10/3: Realization of the effects of additional measures in full scale

*** Reform of Business Structure ¥8.0B**

- Business structure reform in the display, car electronics OEM and home audio businesses
- Restructure of sales and production structure in Japan, the U.S. and Europe
- Restructure of affiliate companies in the fields of logistics and services

*** Reform of Employment Structure ¥8.0B**

- Work force curtailment of 2,950 persons, which is 12.8% of all employees in the group

*** Emergency measures ¥5.0B**

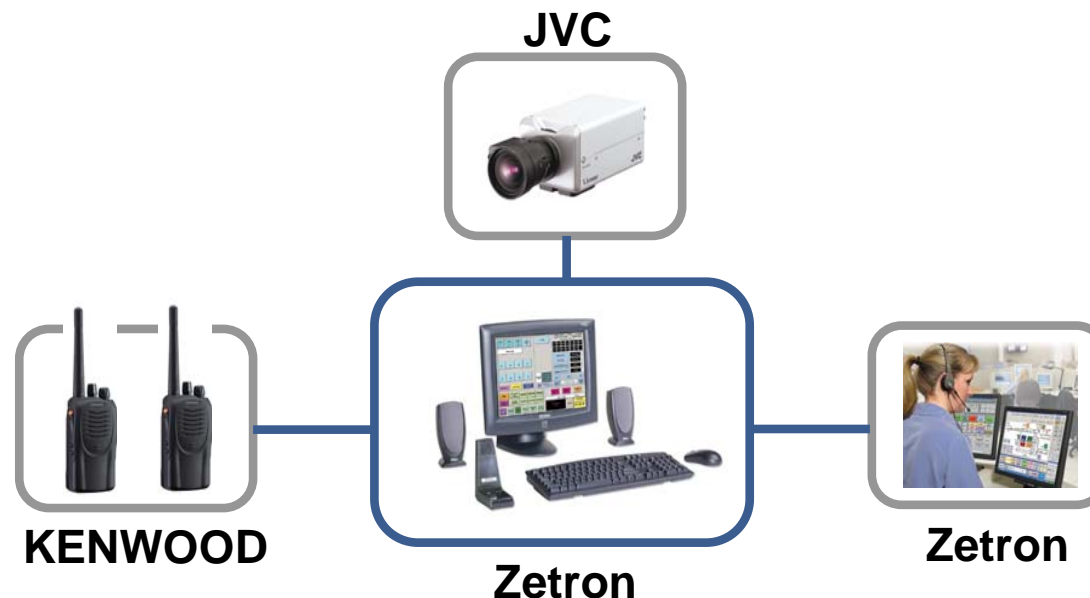
- Further enlarged return of remuneration from directors, corporate officers and employees, etc.

Priority Policies - 3. Sales Expansion with profit

* Restoration of current businesses by deepening the integration

Car electronics Business - Conversion into a virtually independent corporation
Integrated development of common platform and navigation software

Professional System Business - Multimedia security system, etc.



Affiliated companies - J&K Partners, domestic service providers, etc.

Priority Policies - 3. Sales Expansion with profit Survival to Growth

* Promotion of growth strategy by the educational investments

“Top Priority Strategy Products” - Early stage entrepreneur investment into promising businesses

“New Businesses” - Accelerated development of unconventional new products and new businesses

Basic concept

Sales/Income

Products which can be sold globally and contribute to the sales and income

Replacement

Products which can create new demand by shifting the product line and clients

Creation

Products which can accelerate the integration/cooperation and create new businesses

Entry

Products which enable the challenge in new business fields to vary the med-term business portfolio

Top priority strategic products - Rapid contribution to the business performance

FYE '10/3: 9 models, sales of ¥38.0B
Support of the company as a whole (funding,
technology and human resources)
To be continuously implemented till FYE '12/3

New businesses – from med- and long-term vision

Unconventional new products and new businesses
to be developed
by the New Business Development Center

New Management Organization for Unified and Integrated Group Management

Enhancement of integrated group management - Presidents of operating companies to be assigned as directors of JVC Kenwood

Directors

Chairman and President, Representative Director of the Board	Haruo Kawahara	(Current Chairman , Representative Director of the Board)
Senior Vice President, Director of the Board	Hiroshi Odaka	(Current Deputy President, Director of the Board)
Senior Vice President, Director of the Board	Jiro Iwasaki	(Current External Director)
Senior Vice President, Director of the Board	Motoyoshi Adachi	
* Senior Vice President, Director of the Board	Hidetoshi Yoshida	(Newly elected)
* Senior Vice President, Director of the Board	Kazuo Shiohata	(Newly elected)
* Senior Vice President, Director of the Board	Kazuhiro Aigami	(Newly elected)
Director of the Board (External)	Koji Kashiwaya	
Director of the Board (External)	Makoto Matsuo	

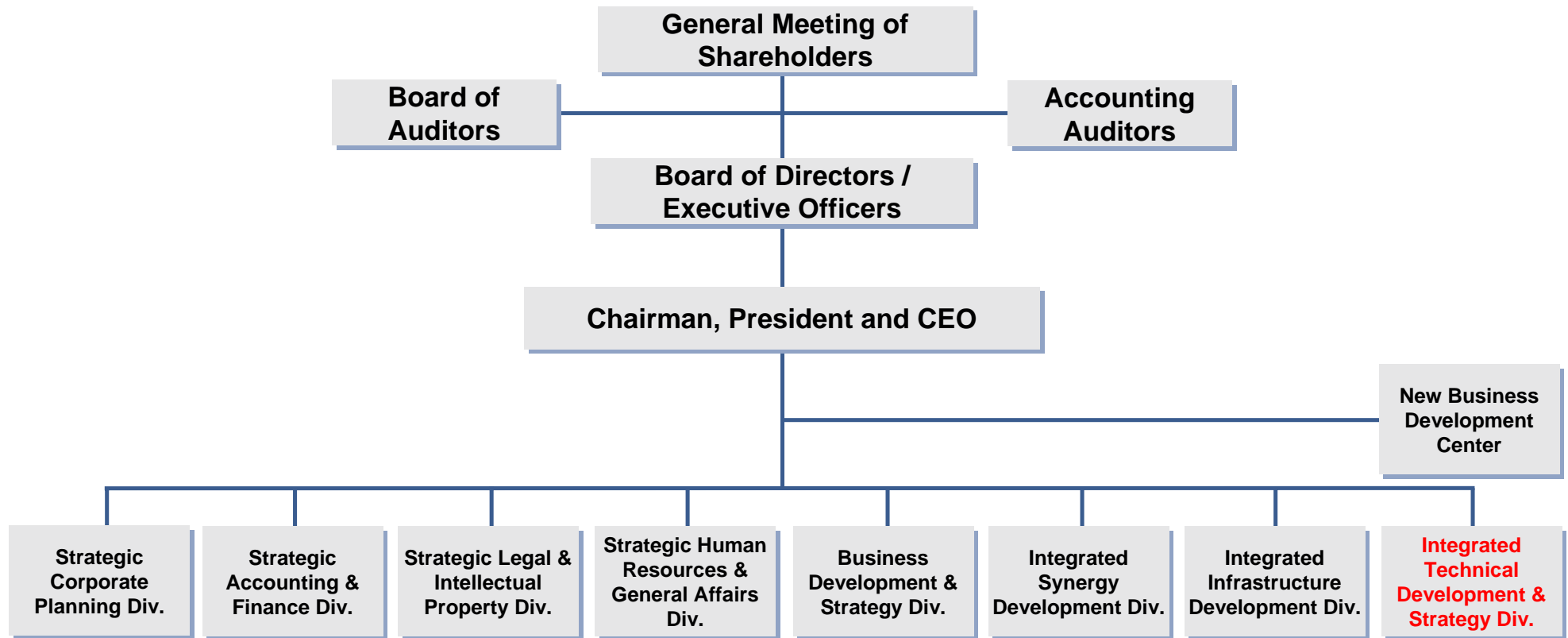
Note) Persons marked with an asterisk are concurrently serving as President and Representative Director (candidate) of each Operating Company.

Auditors

Auditor	Shigeharu Tsuchitani	
Auditor	Hideaki Kato	
Auditor (External Auditor)	Noriyuki Shouyama	
Auditor (External Auditor)	Akihiko Washida	
Auditor (External Auditor)	Koichi Kurosaki	(Newly elected)

New Management Organization for Unified and Integrated Group Management

- * **Single headperson for each department**
- * **New installation of the Integrated Technical Development & Strategy Division** - Unification of corporate R&D centers
- * **Integrated promotion of personnel affairs, general affairs, accounting and structural reform of operating companies**
- * **Exchange of human resources among operating companies**



New Management Organization for Unified and Integrated Group Management

New Management Structure of Operating Companies

Victor Company of Japan, Limited Representative Director

President and Representative Director	Hidetoshi Yoshida
Executive Vice President and Representative Director	Ryuhei Nakazawa
* Representative Director	Haruo Kawahara

Kenwood Corporation Representative Directors

President (Representative Director of the Board)	Kazuhiro Aigami (Current Executive Vice president)
* Representative Director of the Board	Kazuo Shiohata (Current President, Representative Director of the Board)

J&K Technologies Corp. Representative Directors

President (Representative Director of the Board)	Kazuo Shiohata (Current Representative Director)
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Note) Persons marked with an asterisk are concurrently serving as Director of JVC Kenwood or Operating Company (candidate).

Priority Policies for Each Segment

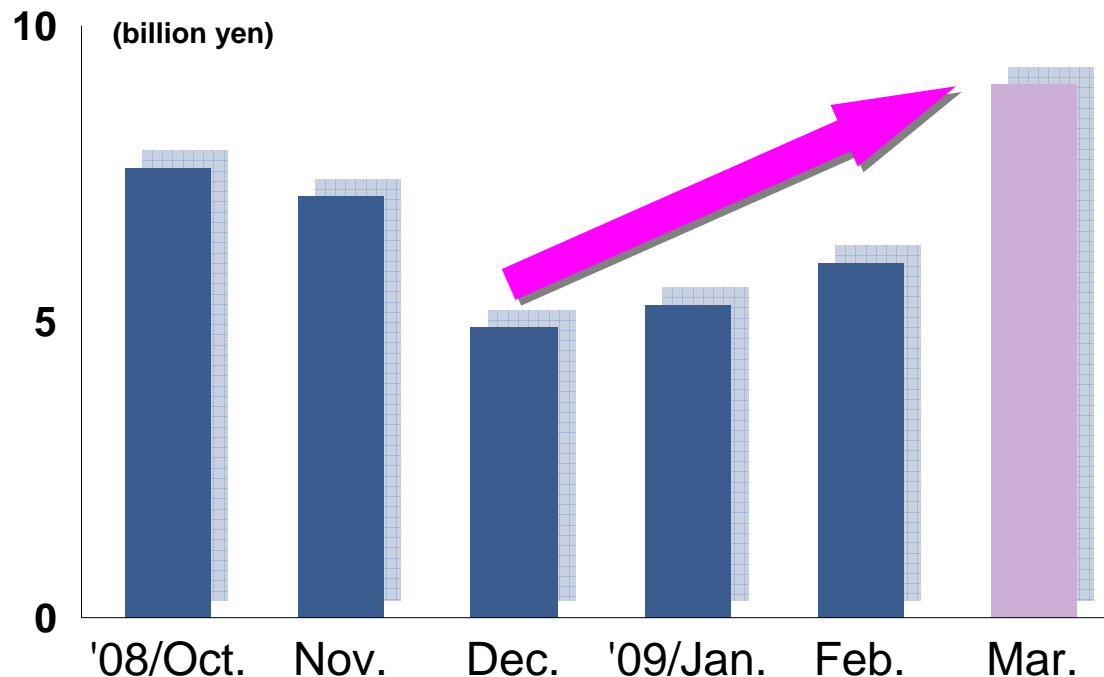
Product planning and marketing functions will be integrated and J&K Technologies will be converted into a virtually independent corporation.

*** Integration of platforms for car audio and car navigation systems**

*** Integration of consumer and OEM products of JVC and Kenwood**

- Consumer Business: Increase of synergy effects and reinforcement of car navigation product line-up
- OEM Business: Completion of structural reform and development of new car navigation systems and devices for car-mounted equipment

Trend of sales of the consumer car electronics business in FYE '09/3

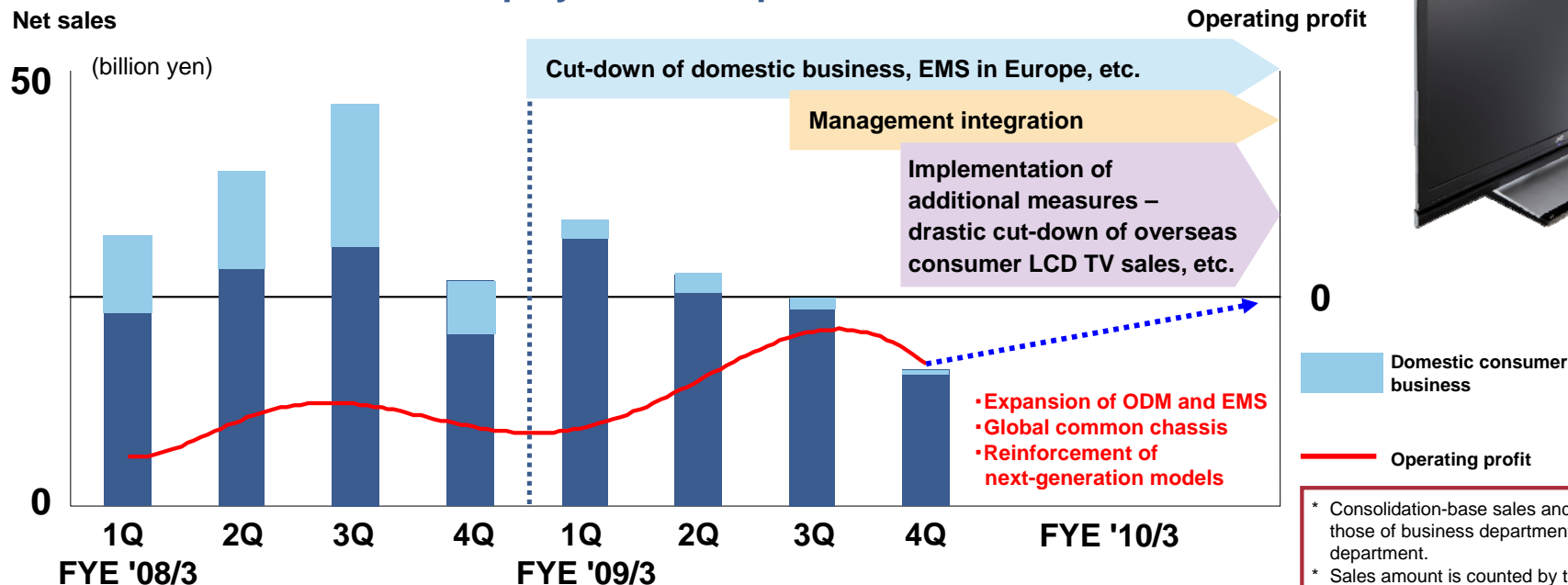


Sales in March reached the highest level since the integration



- * **Camcorder Business:** Full-scale introduction of new high-vision products to the global market and roll out of additional new concept products will be implemented, aiming to change the product mix to increase high value-added products.
- * **Display Business:** Reforms of production and sales of consumer LCD TVs will be enhanced to make the operation profitable. Improvement of product mix will be promoted by introducing 3D LCD monitors and thin LCD monitors for professional-use.
- * **Home Audio Business:** Business integration will be further advanced by integrating management resources of JVC and Kenwood. Sales of high value-added products and AV accessories will be enhanced to accelerate the improvement of profitability.

Trend of display business performance

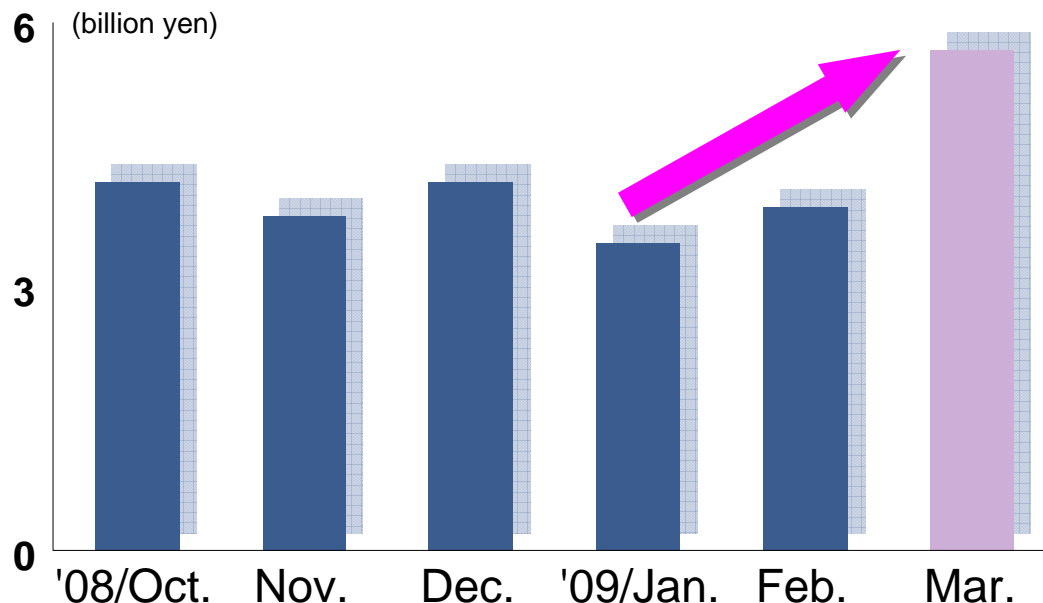


Establishment of stable income base which can withstand the economic fluctuation, by increasing the percentage of B-to-B businesses (especially for the public safety sector)

Development of multimedia security systems incorporating professional-use wireless terminals, wireless communication control & command systems and security cameras.

- * **Communications Equipment Business:** Sales expansion of Digital Land Mobile Radio and expansion of business field from supply of wireless terminals to supply of system solution
- * **Professional System Business:** Sales expansion by introducing a group of new security camera products

Trend of communications equipment business performance in FYE '09/3

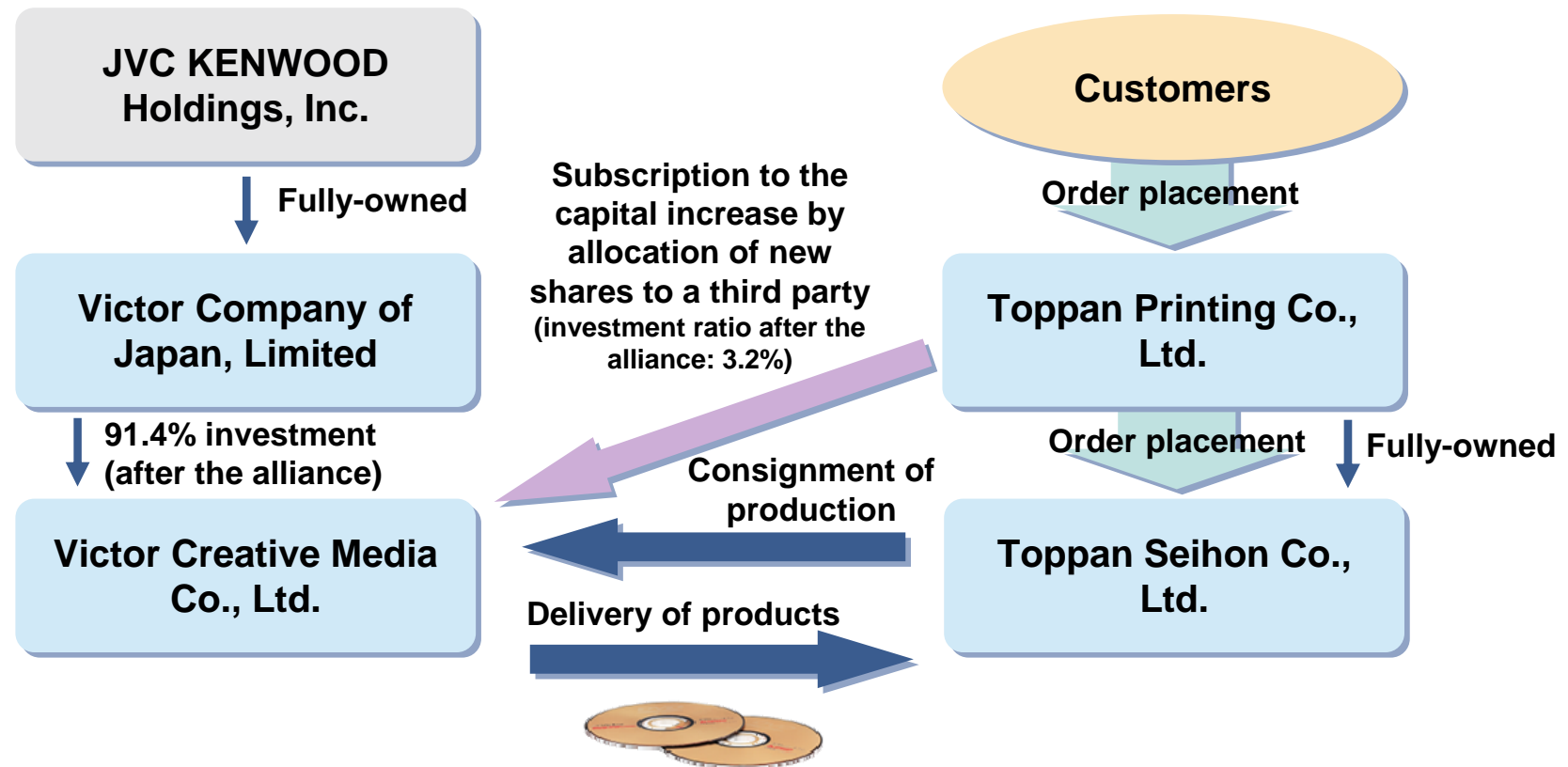


Sales of Land Mobile Radio in the U.S. in March recorded the highest ever (on a local currency basis).



- * Creation of many hit contents on a group-wide basis
- * Reinforcement of net media business centering on a newly established network/distribution company
- * Expansion of media business by fully utilizing the capital and business alliance with Toppan Printing Co., Ltd.

Concept diagram of capital and business alliance with Toppan Printing Co., Ltd.



JVC KENWOOD HOLDINGS

Expressions contained in this presentation materials referring to the Company's future plans, intentions and expectations are categorized as forward-looking statements. Such statements reflect management's expectations of future events, and accordingly, they are inherently susceptible to risk, uncertainty and other factors, whether known or unknown, and may be significantly different from future performance. These statements represent management's targets as at the time of issuing these presentation materials, and the Company is under no obligation and expressly disclaims any such obligation, to update, alter and publicize its forward-looking statements in the event of changes in economic climate and market conditions affecting performance of the Company. Risk factors and other uncertainty which may exert the Company's actual performance include: (1) violent fluctuations in economic circumstances and supply and demand system in major markets (Japan, the U.S., EU and Asia); (2) restrictions including trade regulations applicable to major markets including Japan and other foreign countries; (3) sharp currency fluctuations of the exchange rate of the dollar, euro, etc. against the yen; (4) marked fluctuations in exchange rate in the capital market; and (5) change in social infrastructure due to short-term change in technology, etc.; provided, however, that above is not a comprehensive list of all the factors which may exert a significant influence on the Company's performance.