



March 12, 2010

Company JVC KENWOOD Holdings, Inc.
 Representative Haruo Kawahara, Chairman, President and CEO
 (Code: 6632; First Section of the Tokyo Stock Exchange)
 Contact Hiroshi Odaka, Director and CFO
 (Tel: +81-45-444-5232)
 (E-mail: priir@jk-holdings.com)

Notice on Revision of Earnings Forecast for the Fiscal Year Ending March 2010

JVC KENWOOD Holdings, Inc. (JVC Kenwood) announces it will revise its consolidated earnings forecast for the fiscal year ending March 2010 (from April 1, 2009 to March 31, 2010) that was announced on October 23, 2009, taking into account the revision of financial statements, etc., for the consolidated second-quarter of the current fiscal year that was announced in the notice dated today: "Adjustments to Previous Earnings Results of JVC Kenwood and JVC, Formulation of Measures to Prevent a Recurrence of Inappropriate Accounting, and Submission of Quarterly Report on Earnings Results for the Third Quarter of the Fiscal Year Ending March 2010," earnings results of JVC Kenwood for the third quarter and earnings forecast for the fourth quarter.

1. Revisions to Earnings Forecast for Fiscal Year Ending March 2010

(Million yen)

	Net sales	Operating profit (loss)	Ordinary income (loss)	Net income (loss)	Net income (loss) per share (yen)
Previous forecast (A) (Announced on October 23, 2009)	430,000	(3,500)	(10,500)	(20,000)	(20.68)
Revised forecast (B)	400,000	(9,000)	(17,500)	(28,500)	(29.48)
Amount of change (B - A)	(30,000)	(5,500)	(7,000)	(8,500)	-
Rate of change (%)	-7.0%	-	-	-	-
(Reference) Results for the fiscal year ended March 2009	311,299	(1,537)	(9,760)	(30,734)	(46.14)

- (Reference) Results for the fiscal year ended March 2009 are consolidated results of Kenwood Corporation for the fiscal year ended March 2009 and results of Victor Company of Japan, Ltd. (JVC) for the second half of the same fiscal year. The results of JVC for the first half of the same fiscal year are not consolidated.
- (Reference) Results for the previous fiscal year (ended March 2009) are based on the revision announced separately.

2. Reasons for Revision

JVC Kenwood revised the earnings results of Victor Company of Japan, Limited (JVC), a consolidated subsidiary of JVC Kenwood, for the period between the fiscal year ended March 2005 and the second quarter of the current fiscal year (including part of consolidated financial statements, etc., relating to JVC) and those of JVC Kenwood for the period from establishment on October 1, 2008 through the second quarter of the current fiscal year, as announced separately today in the "Adjustments to Previous Earnings Results of JVC Kenwood and JVC, Formulation of Measures to Prevent a Recurrence of Inappropriate Accounting, and Submission of Quarterly Report on Earnings Results for the Third Quarter of the Fiscal Year Ending March 2010."

As a result, a considerable portion of 7.6 billion yen (a total of about 5.5 billion yen of operating expenses, 1.2

TRANSLATION - FOR REFERENCE ONLY -

billion yen of non-operating expenses, and 0.9 billion yen of extraordinary loss), which was previously booked in financial statements for the second quarter of the current fiscal year as losses associated with JVC's overseas sales companies in Europe (including Russia) and China, and other structural reforms to the business, has been stated as losses incurred before the fiscal year ended March 2009. This reduced these expenses, but due to newly booked losses, etc., operating expenses were about 2.2 billion yen for the consolidated second-quarter of the current fiscal year and non-operating expenses were about 0.8 billion yen. There was an extraordinary loss of about 0.1 billion yen.

As for profits and losses for the third quarter under review, both net sales and operating profit of all companies of the JVC Kenwood Group were notably lower than expectations, as stated in "Accounting Report for the Third Quarter of Fiscal Year Ending March 2010," which was announced March 12, 2010. The Car Electronics business continued to recover steadily, as it did in the second quarter, and its sales and operating profit exceeded projections. Meanwhile, in the camcorder sector of the Home & Mobile Electronics business, earnings declined substantially in Europe due to price declines caused by a decrease in the competitiveness of product lineups for 2009 and delayed introduction of new products. In the Professional Systems business, earnings decreased due to a slow recovery of orders received.

In the fourth quarter of the current fiscal year, the mainstay consumer sector of the Car Electronics business and the camcorder sector of the Home & Mobile Electronics business are expected to introduce new products. In addition, in the business solution (professional systems) sector of the Professional Systems business, the fourth quarter includes the year-end high demand season in Japan when the sector's sales composition ratio by country is high. Given these factors, both sales and profits are forecasted to pick up in the fourth quarter. However, we will revise the earnings forecast for the fiscal year ending March 31, 2010, anticipating that the tough market environment seen in the third quarter will linger, and taking into account the above-mentioned adjustments to the earnings results for the consolidated second-quarter.

3. Future Outlook

Operating profit for the current fiscal year was affected by the revision of earnings results for previous fiscal years. In the first quarter, there was an operating loss of about 6.9 billion yen, the worst recorded so far in the current fiscal year. Subsequently, that operating loss improved significantly, registering approximately 0.9 billion yen in the second quarter. In the third quarter, the operating loss remained unchanged from the second quarter at about 0.9 billion yen, despite seasonal factors weighing down profitability. This improvement was attributed to the revival of intrinsically strong businesses thanks to the effects of structural reforms implemented so far and management integration, as seen in the facts that the Car Electronics business segment and the home audio sector moved into the black, and earnings of the land mobile radio sector recovered. In the display sector, earnings stopped declining due to the apparent effects of various measures, which also helped to improve operating profit. As for the camcorder sector, earnings were substantially lower than earlier expectations, hurt by a decrease in the competitiveness of product lineups for 2009, price declines, and delayed introduction of new products mainly in Europe, but they are expected to rebound steadily in the fourth quarter backed by the effects of structural reforms in Europe and plant reforms, as well as the effects of new product launches.

The JVC Kenwood Group will improve earnings and financial conditions at the earliest possible time to reconstruct a corporate structure that was damaged by revisions to earnings results of the previous fiscal years, with future growth strategies in mind. To this end, we will concentrate management resources on prioritized businesses, and further promote structural reforms centering on unprofitable businesses, cost reforms including a sharp reduction of fixed expenses and financial reforms including a review of funds and capital policies.

Notes on Earnings Forecast

The earnings forecast provided here is a forecast for the future period based on the Company's judgment derived from information that is available at this time; please be advised that actual earnings may differ substantially from the earnings forecast. Consequently, please refrain from making any decisions based solely on this forecast.
--