



May 14, 2010

Company: JVC KENWOOD Holdings, Inc.
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Notice on Share Consolidation

At its Board of Directors meeting held today, JVC KENWOOD Holdings, Inc. (JVC Kenwood) decided to submit a proposal for consolidating shares to the 2nd Ordinary General Meeting of Shareholders to be held on June 24, 2010.

1. Purpose of share consolidation

JVC Kenwood was established on October 1, 2008 through a joint stock transfer by Victor Company of Japan, Limited (JVC) and Kenwood Corporation (Kenwood). At that time, it issued one of its shares for every two JVC shares and for every one Kenwood share so that the shareholders could easily understand the share transfer scheme, based on factors such as the then share price level.

At that time, JVC Kenwood set its minimum trading unit at 100 shares in accordance with the policy of the "Action Plan Toward the Unification of Trading Units," which was announced in November 2007 by national stock exchanges. Meanwhile, the minimum trading unit for shares of both JVC and Kenwood was 1,000 shares.

As a result, the number of JVC Kenwood's outstanding shares exceeded 1.0 billion. Then the stock price of JVC Kenwood declined amid the overall fall in share prices caused by rapid changes in the economic environment following the collapse of Lehman Brothers and other negative factors. Under such circumstances, the stock price of JVC Kenwood fluctuated relatively widely, and a number of our stakeholders such as financial institutions and corporate clients and ordinary investors asked us to take improvement measures. Such fluctuation had significant effects on the performance of the JVC Kenwood Group.

Given the above, JVC Kenwood has decided to consolidate its shares of common stock, hoping that its stock price will move in response to the decrease in number of outstanding shares.

The JVC Kenwood Group also expects that it will be able to raise funds needed to implement structural reforms and growth measures from the capital market.

A capital increase actually increases the number of shares, but we believe that if our financial position and corporate value are improved by this capital increase, the values of shares held by existing shareholders will eventually increase.

Along with this share consolidation, JVC Kenwood will reduce the number of outstanding shares by the same ratio as that applied to the share consolidation, and introduce an additional purchase system for shares of less than one trading unit to minimize the effects of share consolidation on those holding shares of less than one unit. Refer to "Notice on Partial Amendment to the Articles of Incorporation" announced today for details of the partial amendment to the Articles of Incorporation pertaining to the introduction of the additional purchase system.

We have no specific plan for a capital increase at the moment.

2. Details of share consolidation

- (1) Type of shares to be consolidated: Common stock
- (2) Consolidation ratio: 1 share for every 10 shares

TRANSLATION - FOR REFERENCE ONLY -

(3) Decrease in number of shares

Number of outstanding shares (as of March 31, 2010)	1,090,002,015
Decrease in number of shares due to the consolidation	981,001,814
Number of outstanding shares after the consolidation	109,000,201
Total number of authorized shares after the consolidation	400,000,000

(4) Disposition of fractional shares of less than one share

If any fractional shares of less than one share are created due to the share consolidation, such shares will be sold in a lump for cash that will be distributed to shareholders who hold fractional shares in proportion to the number of fractional shares they hold.

3. Schedule of share consolidation

May 14, 2010	Resolution by the Board of Directors meeting
June 24, 2010 (planned)	2nd Ordinary General Meeting of Shareholders (Resolution on the share consolidation)
August 1, 2010 (planned)	Effective date of the share consolidation

4. Conditions for share consolidation

This share consolidation is subject to approval at the 2nd Ordinary General Meeting of Shareholders of JVC Kenwood to be held on June 24, 2010.