

# JVCKENWOOD



May 1, 2026

Company	JVCKENWOOD Corporation
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## **Announcement of the New Medium-Term Management Plan “VISION2030” — Move Forward —**

JVCKENWOOD Corporation hereby announces that it has formulated a new Medium-Term Management Plan, “VISION2030,” covering the period up to the fiscal year ending March 31, 2031 (fiscal year 2030). Please refer to the attached materials for further details.

New Medium-Term Management Plan VISION 2030

***Move Forward***

JVCKENWOOD Corporation

May 1, 2026

**Evolve the theme of “Change for Growth” under VISION 2025 and enhance our business portfolio strategy to advance management that is aware of capital costs and stock prices**

- ✓ **Conduct management with a stronger focus on our shareholders’ and investors’ perspectives**
- ✓ **Evolve the strategy through the optimization of the business portfolio**
- ✓ **Contribute to the realization of a sustainable society through sustainability management**

**Formulate VISION 2030, as a five-year management plan with a long-term perspective, considering the long-term nature of our business and changes in market structure**

# **■ Review of Medium-Term Management Plan VISION 2025**

# Review of VISION 2025

## Achieve our major KPIs by optimizing the business portfolio to maximize corporate value

	FY2023 results	FY2024 results	FY2025 results		FY2025 targets
<b>Revenue</b> (billion yen)	<b>359.5</b>	<b>370.3</b>	<b>356.9</b>	△	370.0 or higher
<b>Core operating income margin</b> *1	<b>5.5%</b>	<b>6.8%</b>	<b>5.9%</b>	○	5.0% or higher
<b>EBITDA margin</b> *2	<b>11.3%</b>	<b>11.9%</b>	<b>11.7%</b>	○	10% or higher
<b>ROE</b>	<b>12.2%</b>	<b>16.9%</b>	<b>12.5%</b>	○	10% or higher
<b>ROIC</b>	<b>8.9%</b>	<b>12.1%</b>	<b>8.9%</b>	△	9% or higher
<b>Debt-to-equity (D/E) ratio</b>	<b>0.5 times</b>	<b>0.4 times</b>	<b>0.5 times</b>	○	0.6 times or less
<b>P/B ratio</b>	<b>1.24 times</b> <small>(as of March 31, 2024)</small>	<b>1.49 times</b> <small>(as of March 31, 2025)</small>	<b>1.07 times</b> <small>(as of March 31, 2026)</small>	○	Over 1.0 times

Target achieved

\*1: Calculated by deducting cost of sales and selling, general and administrative expenses from revenue and does not include other income, other expenses, and foreign exchange gains and losses, which are nonrecurring items that mainly occur temporarily

\*2: Profit (loss) before tax + Interest expense + Depreciation expense + Impairment loss

### Issues

- Establishment of a resilient supply chain responsive to geopolitical risks and rapid market fluctuations
- Further strategic investment in growth driving business and acceleration of structural reforms in restructuring business
- Further enhancement of sustainability management
- Strengthening of human capital management

# Recognition of Environment

## Continuation of the VUCA Era

- Increasing macroeconomic uncertainty
- Rising geopolitical and trade risks
- Supply chain constraints and rising raw material costs
- Changes in demand structures resulting from a stronger focus on economic security



## Changes in technology

- Accelerating business reforms through AI, quantum computing and data utilization
- Acceleration of life-impacting technological innovation, such as Advanced Communications Infrastructure and Humanoid Robots
- Accelerated transition to a service-based business model



## Changes in society and customer value

- Expanding Social Issues Expected of Companies, Including Sustainability, Climate Change, and Diversity
- Emphasis on peace of mind due to increasing social risks
- Growing demand for improved operational efficiency due to structural labor shortages



# **■ Objectives for the New Medium-Term Management Plan VISION 2030**

# Our Objectives for VISION 2030

Our Philosophy

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

## VISION 2025

**Change for Growth**  
Accelerate  
growth  
momentum

## VISION2030

***Move Forward***

**Pursuit of sustainable  
value creation**

Evolution of business portfolio  
strategy and  
management with a focus  
on capital cost and  
share price

## Long-term vision

**A leap toward  
becoming an  
excellent company  
with strength  
and resilience**

Contribute to profitable  
growth and the resolution  
of global social issues to  
enhance corporate value  
and realize a sustainable  
society

# Overview of VISION 2030

※ : Safety & Security Sector

## Business portfolio strategy

- Thoroughly shift management resources to growth areas and continuously optimize the business portfolio dynamically

## Financial strategy

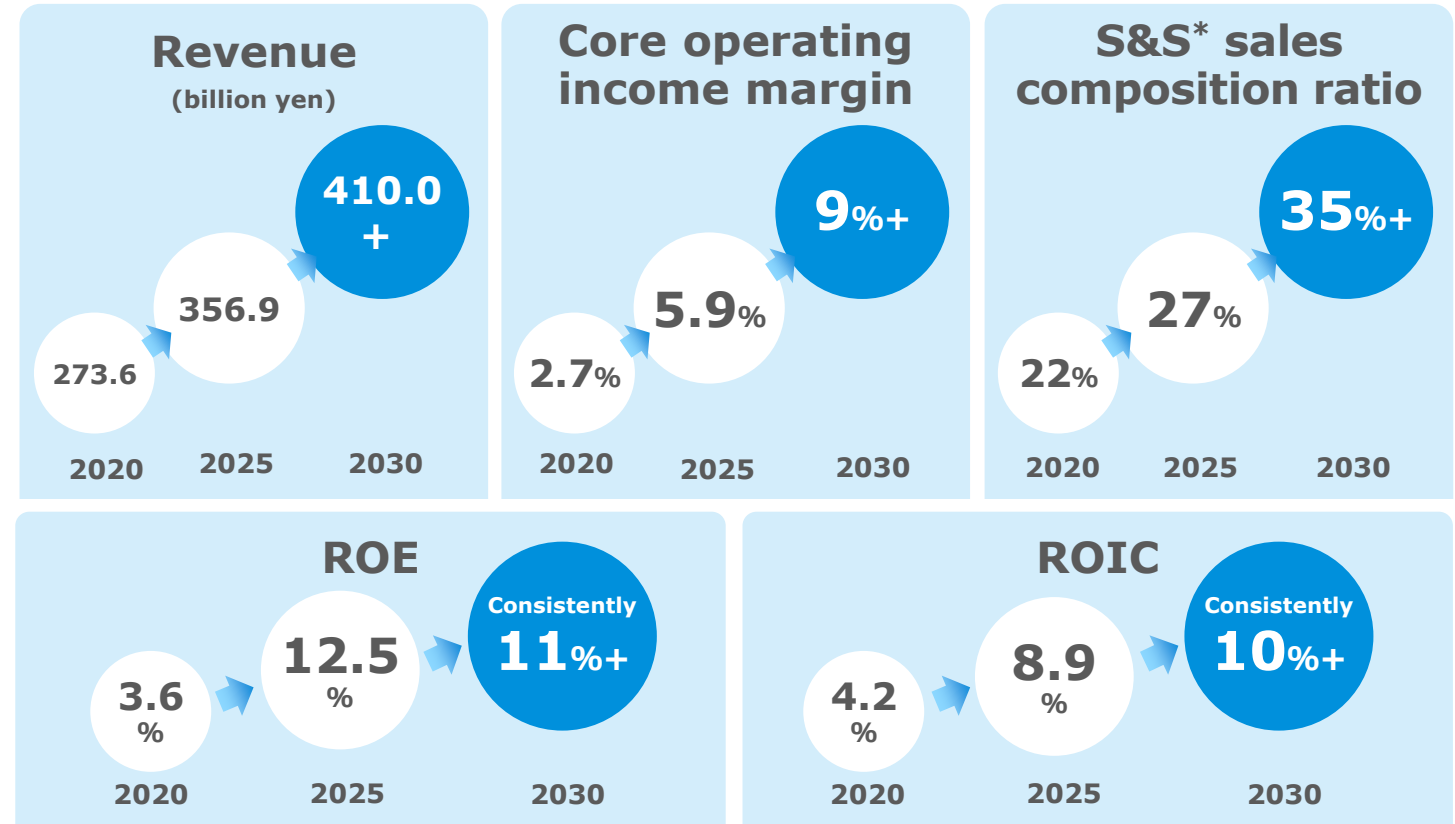
- Implement investment proactively and flexibly based on the capital allocation policy

## Sustainable strategy

- Enhance both economic and social value by strengthening ESG management

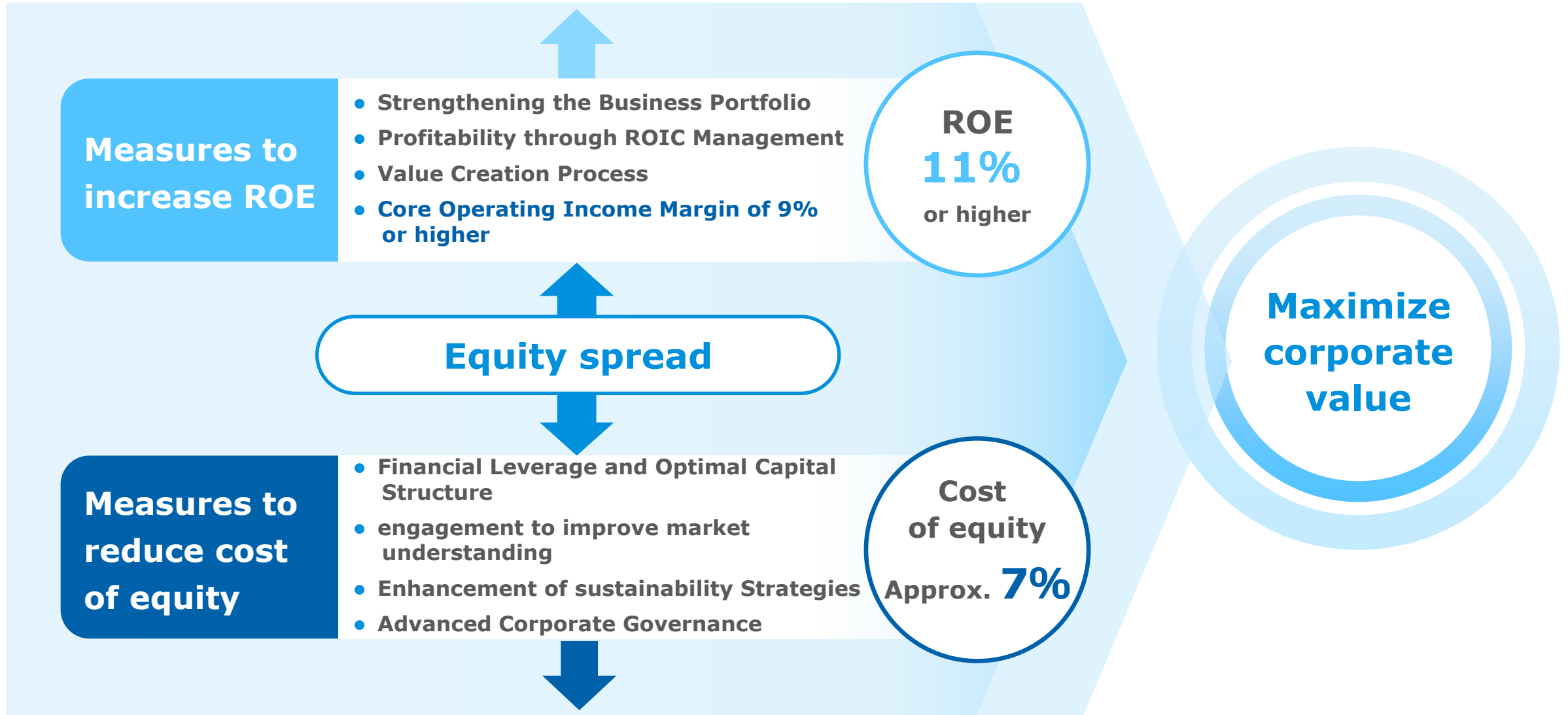
**Strengthen the management base**

## Key performance indicators



Total payout ratio of **30–45%** as a target

# Improve Earning Power and Maximize Equity Spread through Lower Cost of Capital



# Setting Target Levels

Under VISION 2030, strengthen the foundation that supports sustainable value creation and achieve target levels at an early stage to become an excellent company

## Target Levels

Revenue	Core operating income margin	S&S sales composition ratio
<b>500</b> billion yen or higher	<b>10%</b> or higher	<b>50%</b> or higher

## Key management indicators for VISION 2030

Revenue	Core operating income margin	S&S sales composition ratio
<b>410</b> billion yen or higher	<b>9%</b> or higher	<b>35%</b> or higher

### Major initiatives

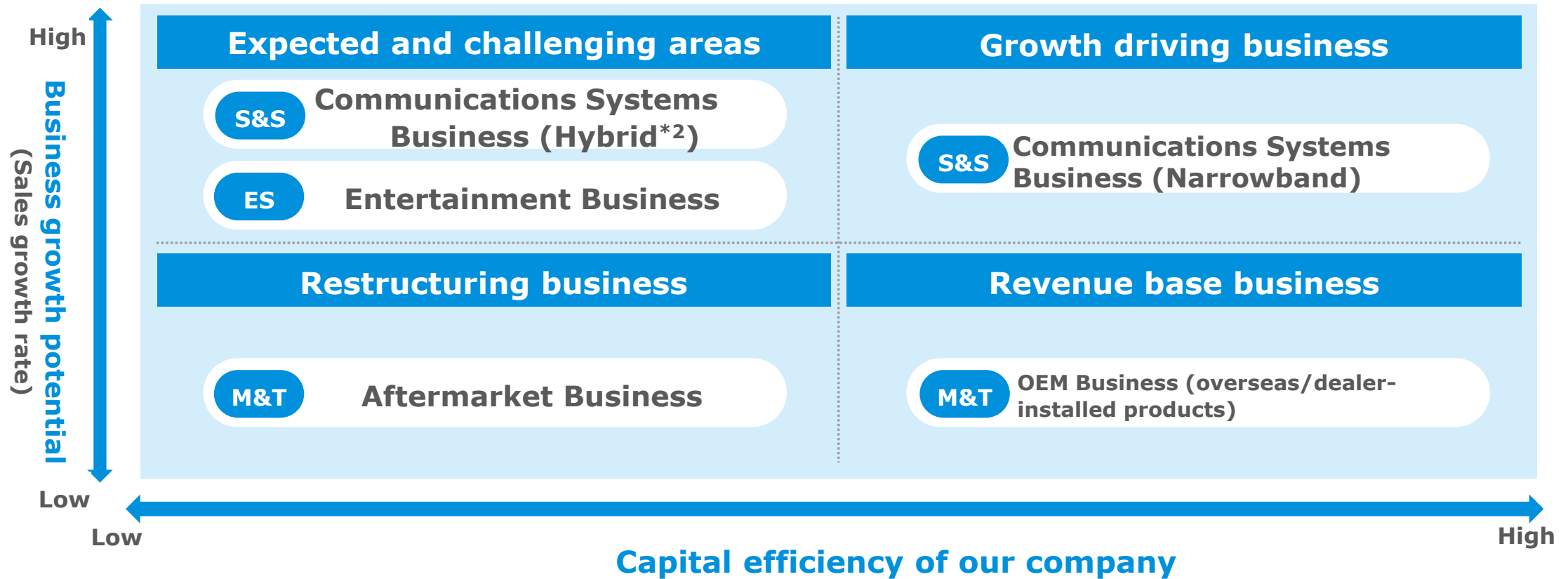
- Proactive investment in the Communications Systems Business
- Management that is aware of capital efficiency
- Strengthening of the management base to support sustainable growth
- Enhancement of sustainability management

# **■ Business Portfolio Strategy**

# VISION 2030: Optimization of Business Portfolio

S&S: Safety & Security Sector  
 M&T: Mobility & Telematics Services Sector  
 ES: Entertainment Solutions Sector

- Aim to further enhance corporate value by optimizing the business portfolio with a focus on capital efficiency and business growth potential\*<sup>1</sup>



\*1: Sales growth rate over five years from FY2026 to FY2030

\*2: A business domain encompassing radio communication solution that utilizes broadband connectivity and enables flexible handling of voice, data, and video, either in combination with narrowband radio systems or as standalone solutions.

# Target Business Portfolio / Changes in Sales Composition Ratio

- Drive Sales Growth and Portfolio Transformation to Increase the sales composition ratio of the high-margin S&S sector to 50% or higher

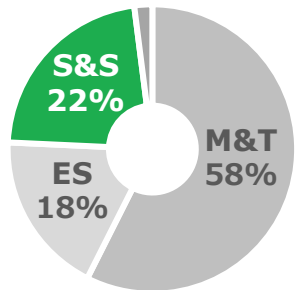
Change for Growth

*Move Forward*

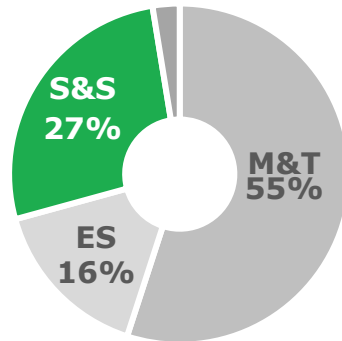
Target levels

## ► Changes in sales composition ratio by business sector

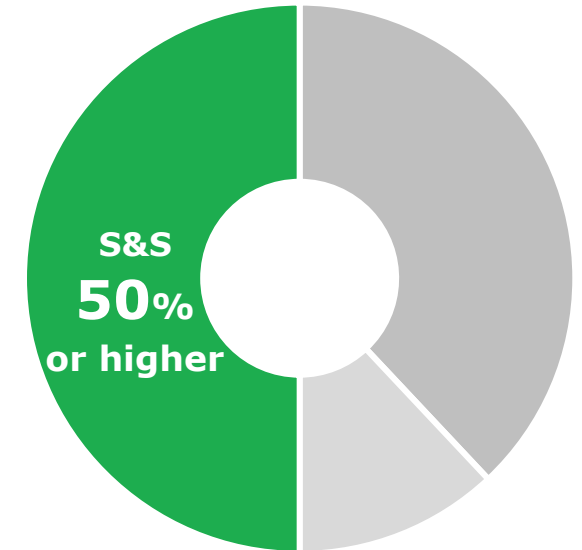
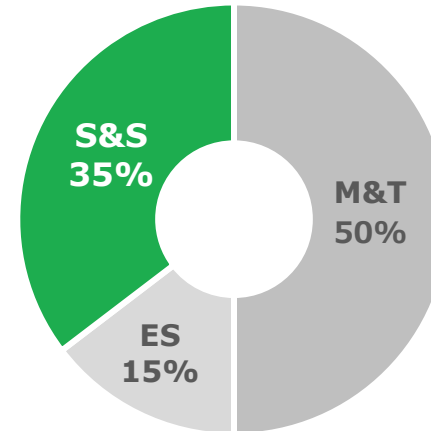
**FY2020**



**FY2025**



**FY2030**



Revenue  
(billion yen)

**273.6**

**356.9**

**410.0** or higher

**500.0** or higher

Core operating  
income margin

**2.7%**

**5.9%**

**9%** or higher

**10%** or higher

S&S sales  
composition  
ratio

**22%**

**27%**

**35%** or higher

**50%** or higher

# Business Strategy: Safety & Security Sector



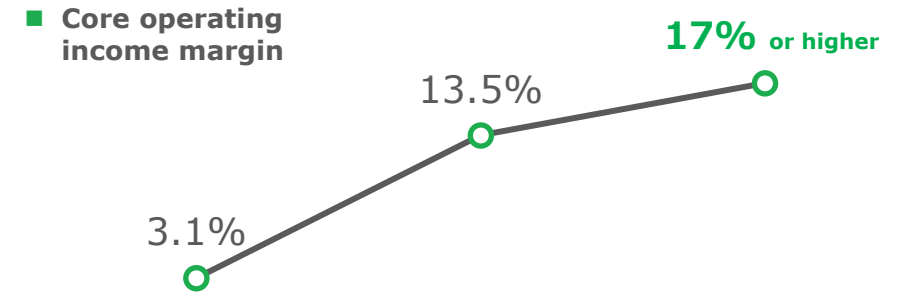
Aim to achieve further growth by making proactive investments, including M&A, in the Communications Systems Business that is growth driving business

## Priority strategies

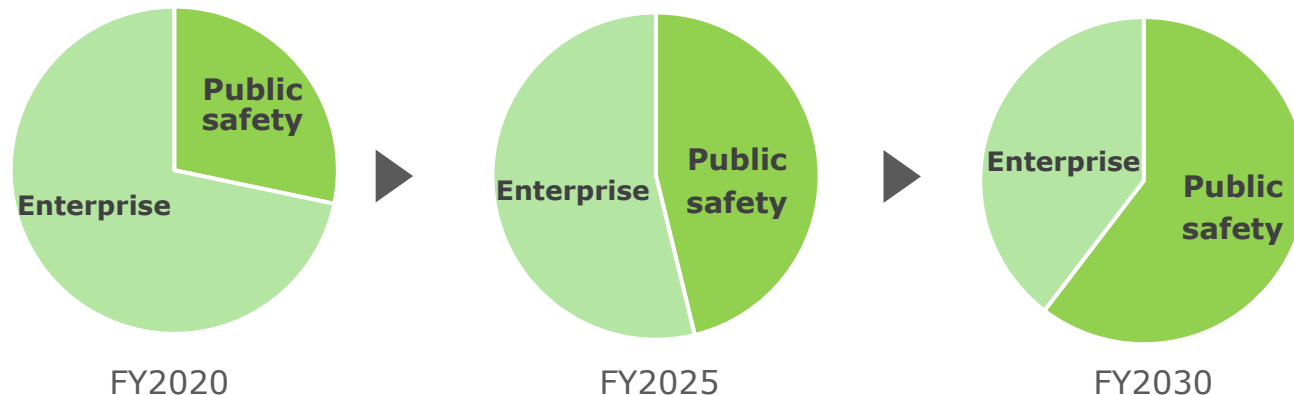
- Expand sales in public safety markets
  - ✓ Increase head counts to increase the number of contracts acquired and expand the product lineup
- Expand into global markets beyond North America
- Expand the addressable market through full-scale entry into the Hybrid domain
- Implement products strategy to strengthen competitiveness in light of component supply risks and increasing multifunctionality of products



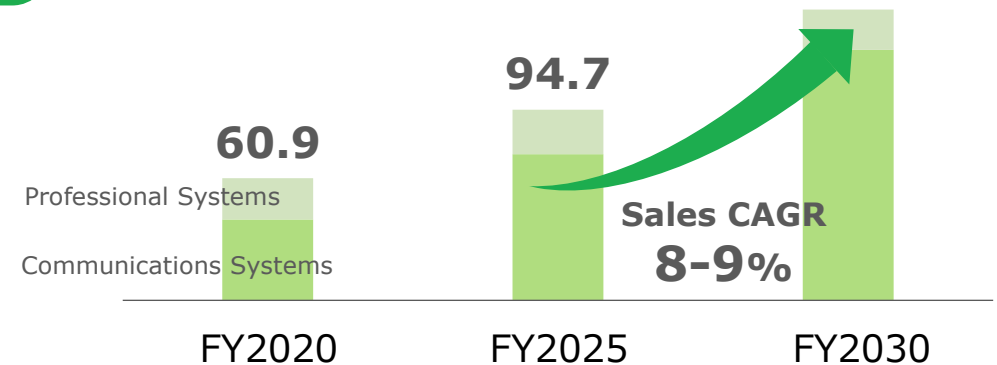
## Quantitative targets



## Sales composition ratio by market for the Communications Systems Business



■ Revenue (billion yen) **145.0 billion yen or higher**

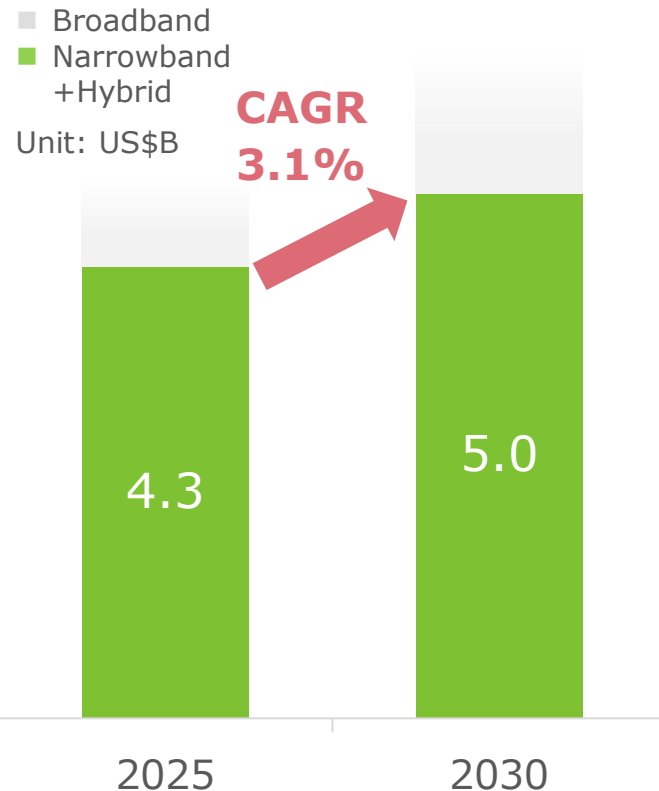


# Business Strategy:

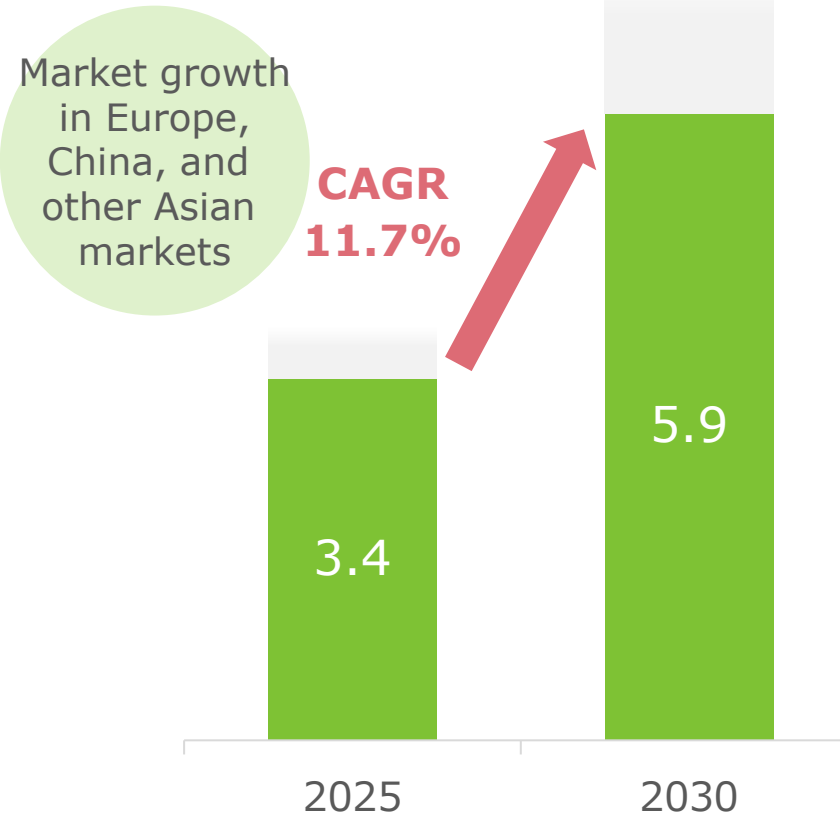
## Promote Growth Investments in the Communications Systems Business

- Aim to capture a 10% share of the North American public safety market, which remains a large and robust market, we will continue to execute growth investments with an eye toward global markets beyond North America

### North American public safety market



### Global public safety markets outside North America



**1** Strengthening solution delivery capabilities in North American public safety market

**2** Developing new global markets beyond North America

**3** Expanding business opportunities through full-scale entry into the hybrid domain

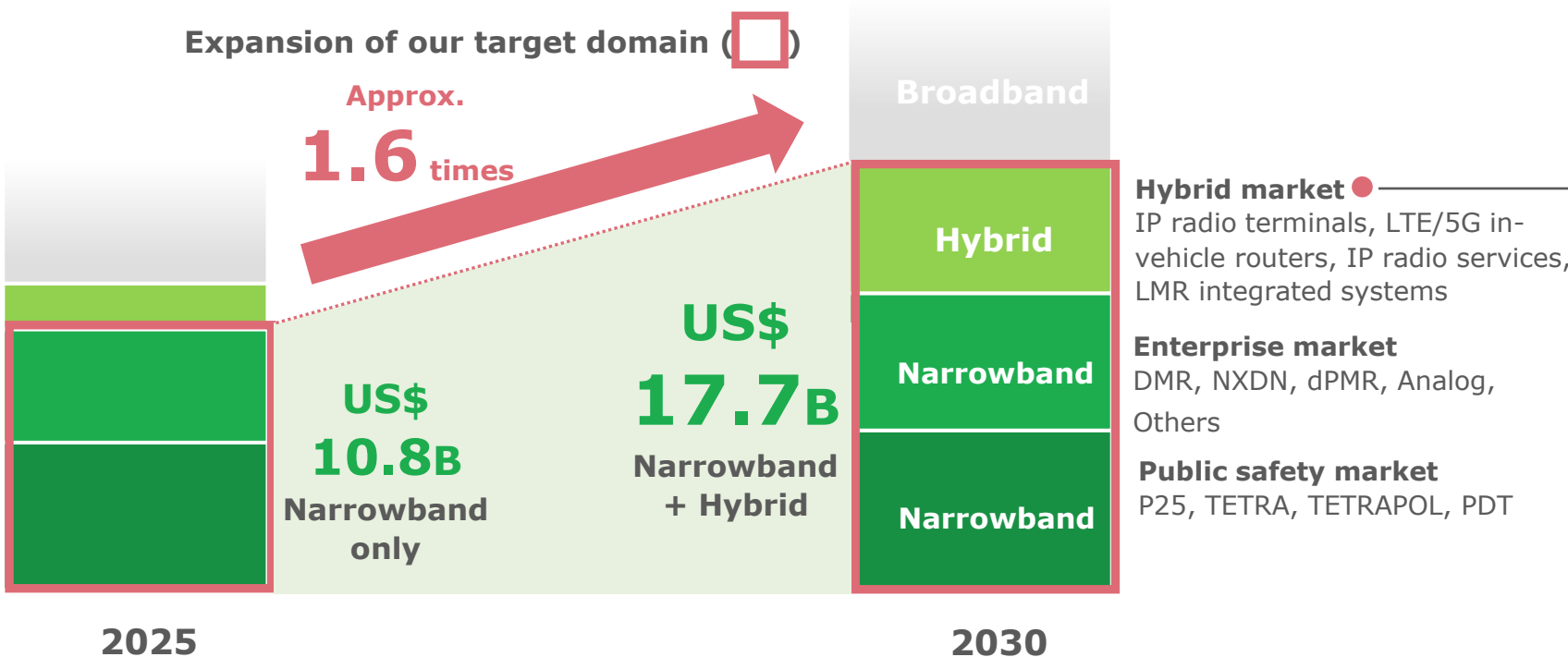
Source: Our estimates based on various market reports

# Business Strategy:

## Expand the Addressable Market through Full-scale Entry into Hybrid Domain

- Further sales growth in the Communications Systems Business, with a focus on the hybrid domain bridging narrowband and broadband
- Full-scale entry into the hybrid domain through the acquisition of San Luis Aviation, Inc.\*<sup>1</sup> and strengthened collaboration with Science Arts, Inc.
- The number of radio system tenders requiring hybrid capabilities is increasing. We aim to improve our win rate by leveraging our one-stop solutions.

### Global professional wireless communications market size forecast



#### San Luis Aviation, Inc. (U.S.)

Offering a secure PoC service that has obtained U.S. federal government **FedRAMP certification**.

\*1: Share acquisition date is being postponed from the originally planned end of March 2026, depending on the review status of the Committee on Foreign Investment in the United States (CFIUS).



#### Science Arts (Japan)\*<sup>2</sup>

Developing products for frontline workers and delivering high value-added services.

\*2: Capital and business alliance with an approx. 8% equity investment (Oct. 2024)

Source: Our estimates based on various market reports

# Business Strategy: Mobility & Telematics Services Sector



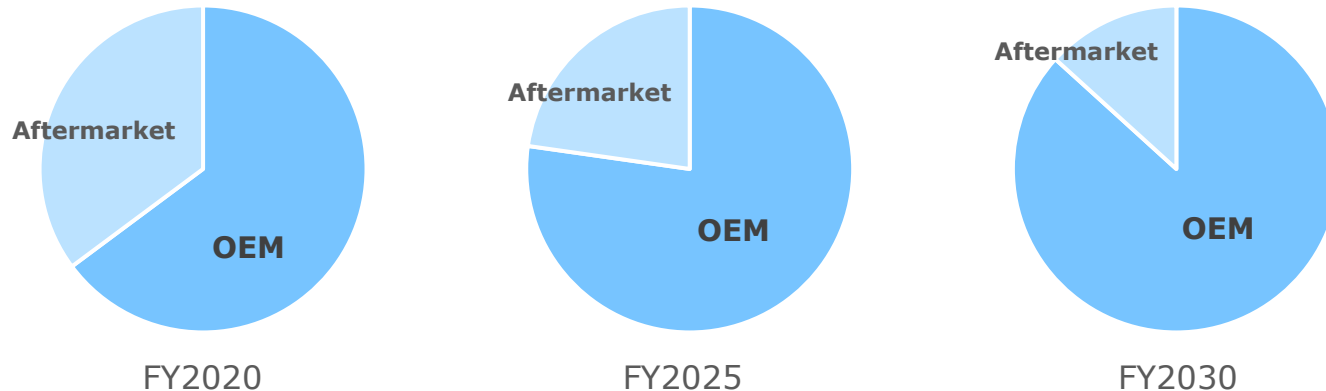
Achieve core operating income margin of 5% or higher by focusing capital investment on growth areas of the OEM Business and improving efficiency

## Priority strategies

- **Expand the overseas OEM Business with market growth potential**
  - Expand target regions for in-vehicle audio systems and transmission components\*
- **Secure a dominant position in the OEM Business (domestic dealer-installed products) with shifting competitors**
- **The Aftermarket Business is undergoing a qualitative transformation by reviewing its business structure and establishing a competitive advantage**

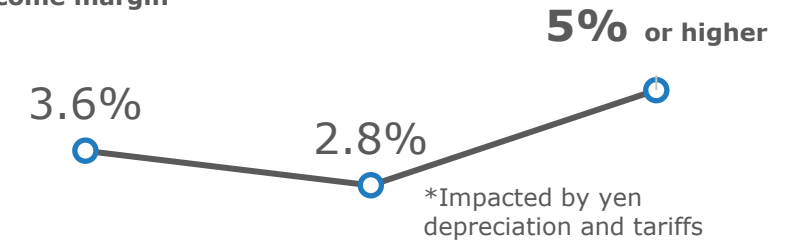
\*: Speakers, amplifiers, antennas, and cables

## Increase in the OEM Business ratio

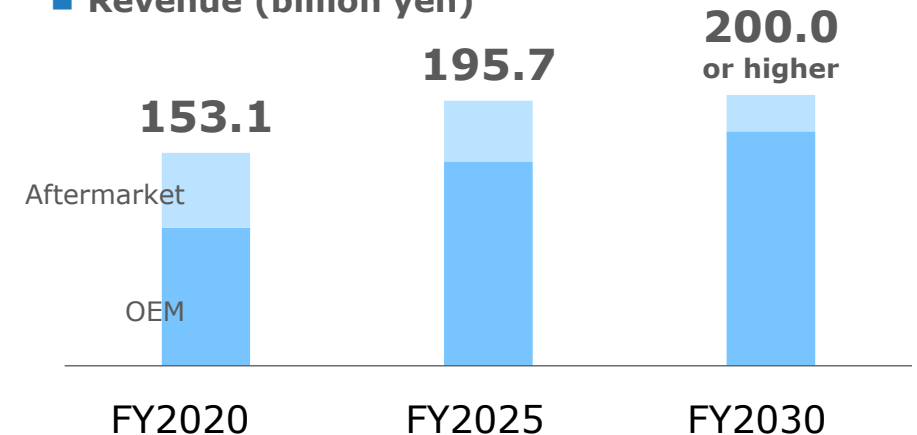


## Quantitative targets

■ Core operating income margin



■ Revenue (billion yen)



# Business Strategy:

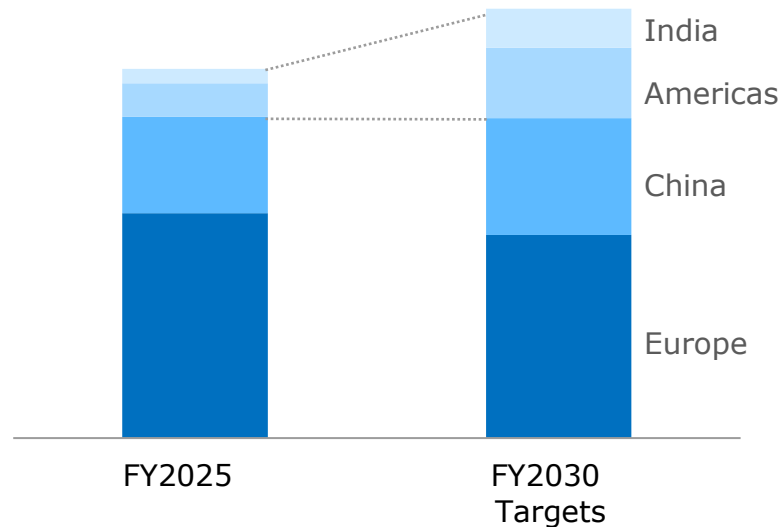
## Priority Strategies for Growth Areas of the OEM Business

### OEM Business (Overseas)

#### Enhance in-vehicle audio systems and transmission components

- Strengthen our global presence in in-vehicle audio systems and transmission components, with a focus on the increase in orders in the Americas in addition to Europe and China, and expansion into India by collaborating with local companies
- Offer high added value to developed items through investment in technology and enhance competitiveness through production automation

Sales of in-vehicle audio systems and transmission components by region



### OEM Business (Domestic Dealer-installed products)

#### Secure a dominant position in the market

- Expand market share resulting from shakeout of market players
- Enhance development efficiency by fully standardizing product specifications
- Streamline business operations by integrating development, production, and procurement

Sales targets and order levels for dealer-installed products

Revenue



# Business Strategy: Entertainment Solutions Sector



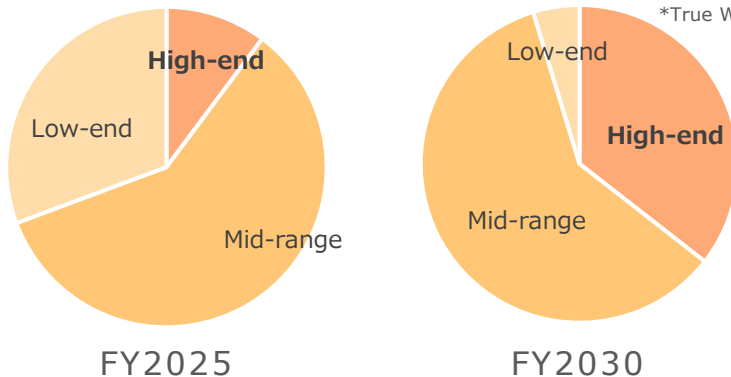
**Expand the Entertainment Business and improve the profitability of the Media Business**

## Priority strategies

- **The Entertainment Business will expand its business domain into adjacent fields with music as its core**
  - Invest resources to generate hits and expand market share in the music business, our core market
  - Continue to invest in the animation and intellectual property (IP) business, a growth market
- **The media business will transform into a stable revenue base business through a high-value-added strategy**

## Media Business: High-Value-Added Strategy

Changes in the Sales Composition by Price Range for TWS\*  
\*True Wireless Stereo

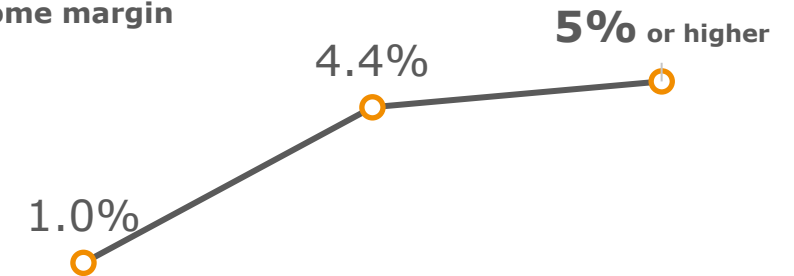


High-end : 20,000 yen or more    Mid-range : 5,000~20,000 yen    Low-end : 5,000 yen or less

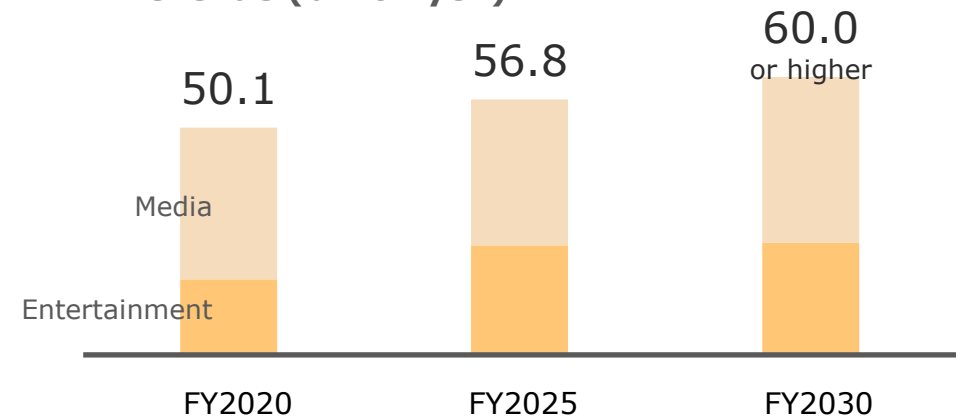


## Quantitative targets

■ Core operating income margin



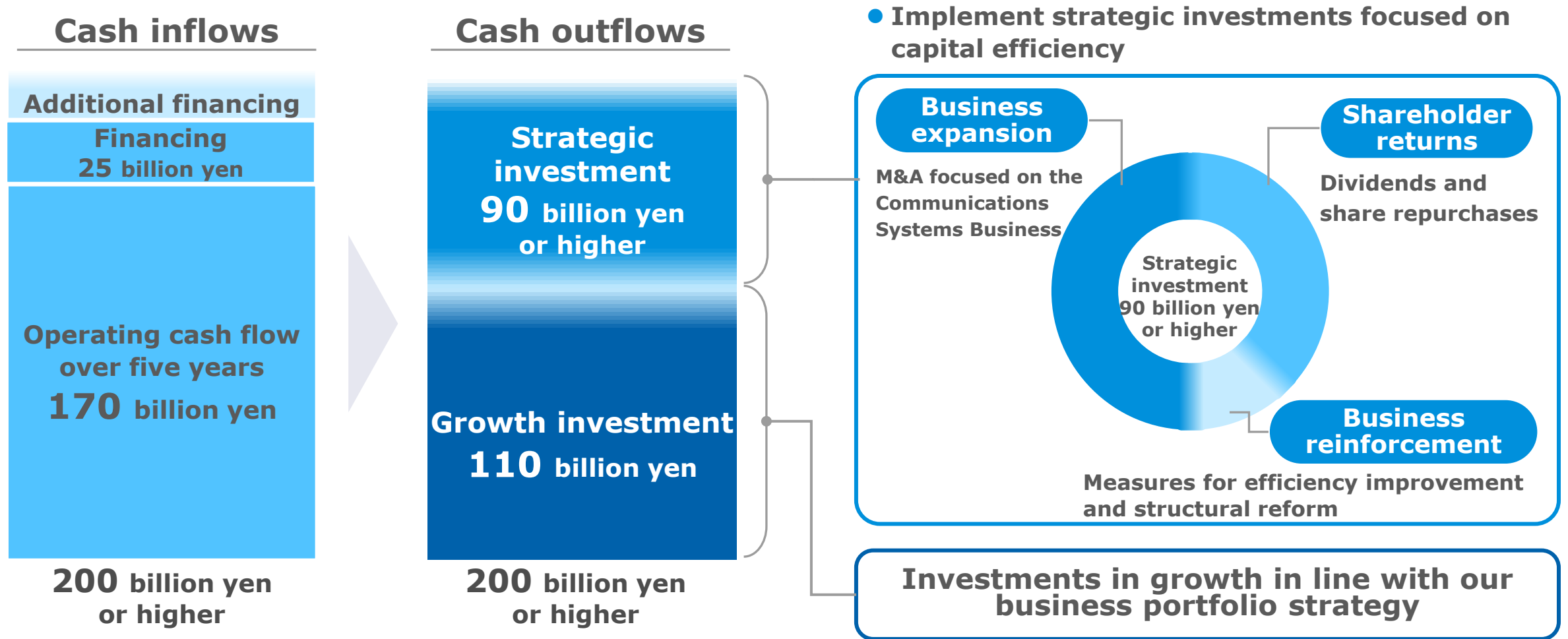
■ Revenue (billion yen)



# ■ **Financial Strategy**

# Capital Allocation Policy

**Make proactive and flexible investment to accelerate the realization of our objectives**

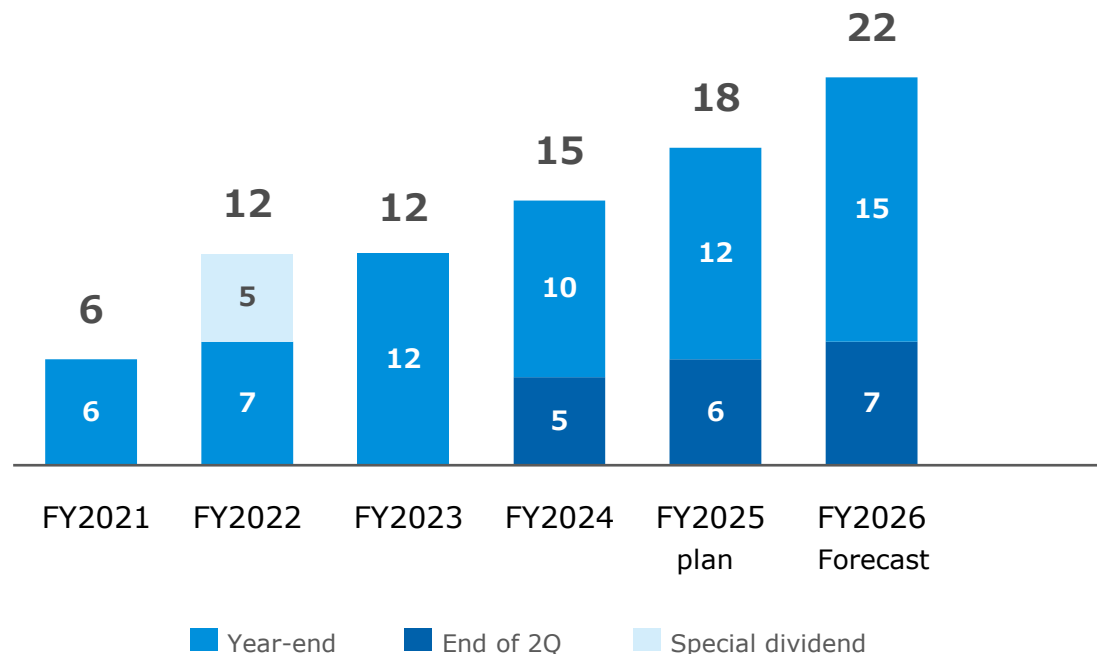


\* Total of five years from FY2026 to FY2030

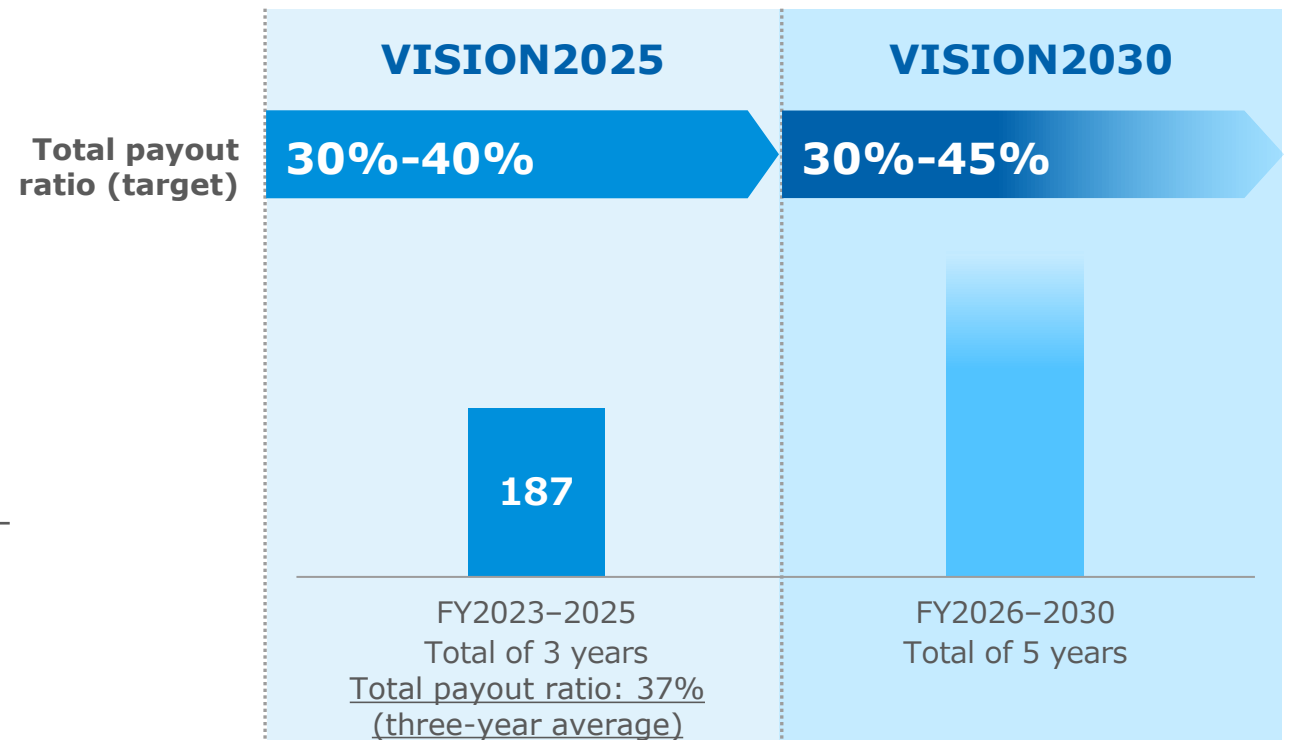
# Shareholder Return Policy

- **Return policy: Total payout ratio of 30–45% as a target**
- **Dividend: Aim for a stable dividend and continued dividend growth**
- **Acquisition of treasury shares: Implement it flexibly within the total payout ratio, while maintaining financial soundness and ensuring investment in growth businesses**

▶ **Changes in dividend per share (yen)**



▶ **Total payout ratio (%)**  
**Total shareholder returns (billion yen)**

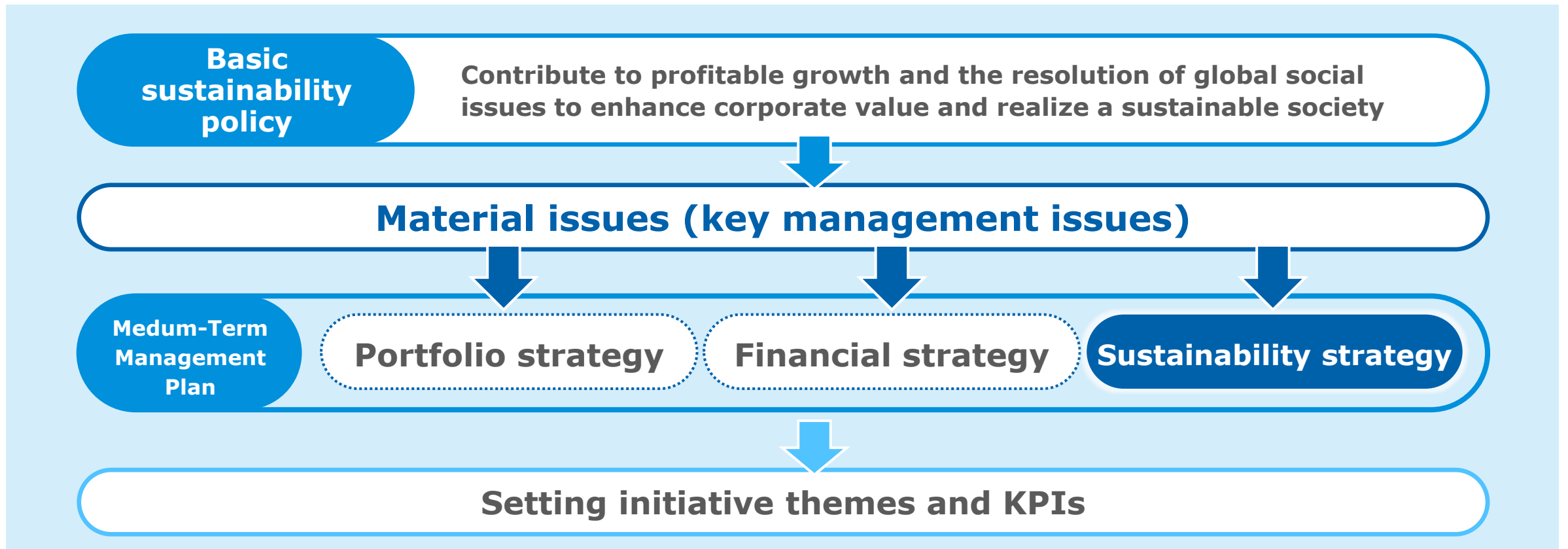


# **| Sustainability Strategy**

**Our Philosophy: Creating excitement and peace of mind for the people of the world**













**Long-term vision: A leap toward becoming an excellent company with strength and resilience**



# Reidentify Material Issues

Enhance both economic and social value by strengthening ESG management

## ► Reidentified five material issues

Material issues		Key topics	
Creating a richer society where excitement and peace of mind are connected	E	<ul style="list-style-type: none"> <li>• Creation of safe, secure, and lively communities</li> <li>• Creation of safe, comfortable, and rich mobility experiences</li> <li>• Realization of rich mind and life</li> <li>• Manufacturing reform</li> <li>• Acceleration of innovation</li> <li>• Enhancement of customer loyalty</li> </ul>	 
	S		
	G		
Addressing environmental challenges	E	<ul style="list-style-type: none"> <li>• Realization of a decarbonized society</li> <li>• Realization of a circular economy</li> </ul>	 
Building a responsible supply chain	S	<ul style="list-style-type: none"> <li>• Respect for human rights</li> <li>• Promotion of sustainable procurement</li> </ul>	 
Enhancing human capital management	S	<ul style="list-style-type: none"> <li>• Diversity and inclusion</li> <li>• Promotion of active roles for employees</li> <li>• Enhancement of AI personnel and responsible use</li> </ul>	 
Strengthening governance that supports sustainable growth	G	<ul style="list-style-type: none"> <li>• Enhancement of corporate governance</li> <li>• Strengthening of information security management</li> <li>• Strengthening of risk management</li> </ul>	 



- Strengthening the Management Base to Support Growth Strategy**

# Strengthening Supply Chain Management

## Build a robust sustainable supply chain

### Recognition of issues

- Decline in sales due to lost sales opportunities caused by component supply risks
- Deterioration in cash flow due to excess inventories
- Impact on profit and loss from increased provisions and asset write-offs
- Geopolitical risks
- Environmental and human rights regulations

### Transformation to S&OP\* management enabling decision-making based on Groupwide optimization

※ : Sales & Operations Planning



#### SCM & procurement reform

- Accelerate decision-making and optimize the overall supply chain through comprehensive process from planning to sales
- Establish rules for strategic inventory and avoid supply risk by purchasing from multiple suppliers
- Develop dedicated chips for wireless equipment to mitigate component supply risks

#### S&OP management

- Build a system for integrated management of demand, supply, and inventory from a business perspective
- Make cross-departmental decisions to maximize profits based on Groupwide optimization

### Generated effects

#### Enhance corporate value by maximizing operating cash flow

- Integrate demand, supply, and finance to enable decision-making based on Groupwide optimization
- Improve cash generation through inventory optimization and supply-demand stability
- Continuously improve capital efficiency and corporate value by enhancing ROIC

### Driving Continuous SCM Reform

# Evolution to AI-driven Management

## Advancing management through the strategic use of AI

### Recognition of issues

- Eliminate reliance on individuals in decision-making based on experience and intuition
- Use future forecasting and scenario analysis
- Reduce reliance on manual work and enhance productivity
- Develop AI-skilled talent and enhance AI literacy

### Transform management through AI and data utilization

#### AI measures



- **Promote integrated initiatives for advanced business management, company-wide data integration, and business process optimization**
- **Shift to rapid, repeatable decision-making based on data and AI**
- **Enhance productivity and profitability by redefining the roles of AI and persons**

### Full-scale company-wide operational reform initiatives

### Generated effects

**Improve profitability through increased productivity**

**Foster an AI-driven corporate culture**

**Build a foundation for competitive advantage**

**Enhance decision-making capabilities**

# Technology and Intellectual Property (IP) Strategies

**Basic strategy:** Reinventing connections between people and society through advanced technology, driven by customer value

Strengthen business profitability driven by the integration of business, technology, and IP strategies



**Communications, video, audio, UX/UI, and security**

Starting with the value needed in living “environments” where people live, carefully select the technologies that most effectively support that value

## Technology strategy

- ▶ Explosive growth in data traffic  
Next-generation wireless communications, next-generation optical networks
- ▶ Human connections  
Next-generation UX/UI basic technology, edge processing technology
- ▶ Dramatic increase in processing speed  
AI, security, future computing

## Intellectual Property strategy

- ▶ Intellectual infrastructure built at the management level  
Visualization of intellectual asset allocation and enhanced analysis
- ▶ Intellectual asset ROI management  
Enhanced efficiency of value creation costs and utilization returns
- ▶ Further enhancement of intellectual assets  
Strengthened acquisition of standard essential patents, significantly expanded business freedom

## Business strategy

# Human Capital Management

## Driving sustainable growth through a human capital strategy aligned with management strategy

- **fostering a corporate culture where employees feel fulfillment and pride in their work** —
  - Establish a sustainable workforce foundation to support medium- to long-term growth
  - Strengthen talent in line with our business strategy and pursue a strategic, dynamic transformation of our human capital portfolio
  - Visualize the linkage between human capital initiatives and financial value

### Investment in multi-skilled talent with cross-domain capabilities and in enhancement of AI-skilled talent



- Develop highly mobile multi-skilled talent capable of product development across multiple fields
- Develop employees into AI specialists and improve productivity through operational reforms across all departments

### Shift from comfort to fulfillment and engagement



- Employee engagement: 70% or higher  
Culture transformation workshops: 1,500 employees/five years
- Ratio of female senior officers: 10% or higher  
Number of female hires: 150 employees or higher/five years
- Health management:  
Absenteeism<sup>\*1</sup>: less than 1%  
Presenteeism<sup>\*2</sup>: 94% or higher

<sup>\*1</sup> Percentage of employees taking a leave of absence of more than one consecutive month within a fiscal year for mental health reasons.

<sup>\*2</sup> Work Limitations Questionnaire-Japanese: One of five performance indicators recommended by the Ministry of Economy, Trade and Industry. All 25 questions comprise four scales (time management, physical activity, concentration ability and interpersonal skills, and work results) and productivity is measured through the answers to each question. The highest score is 100%.

# Anniversaries

Roll out anniversary initiatives as “JVCKENWOOD Anniversary” from FY2026 to FY2028. With the theme of “passing down the techniques—refining our skills and techniques,” pass on the DNA cultivated over a long history to the future.

## JVCKENWOOD Anniversary

**KENWOOD**  
**80th anniversary in 2026**  
Founded in December 21, 1946  
as Kasuga Radio Co., Ltd.

**Victor Company of Japan  
(JVC)/Victor Entertainment**  
**100th anniversary in 2027**  
Founded in September 13, 1927  
as Victor Talking Machine Company of  
Japan, Limited

**JVCKENWOOD**  
**20th anniversary in 2028**  
Founded in October 1, 2008

2026      2027      2028

**80 100 20<sup>th</sup> Anniv.**

KENWOOD      Victor      JVCKENWOOD

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

**VISION2030**

***Move Forward***

**Pursuit sustainable  
value creation**

**Long-term vision**

**A leap toward  
becoming an  
excellent company  
with strength  
and resilience**

**Contribute to profitable  
growth and the resolution of  
global social issues to enhance  
corporate value and realize a  
sustainable society**

**VISION 2025**

**Change for Growth  
Accelerate  
growth  
momentum**



## **■ Reference material**

# What is the Hybrid Domain? (1/2)

Built on mission-critical voice communications developed in professional radio, enhancing on-site efficiency with data and video.

## Narrowband (Professional Radio)



### Reliable Communication

- Seamless connectivity even during disasters
- Sub-second low-latency voice
- One-to-many instant communication via PTT
- High security through encryption

## Hybrid

### Narrowband + Broadband Combining the strengths of both

- **Unified voice and data in a single system**
- **Professional radio reliability + LTE convenience**
- **Secure and flexible communications infrastructure**
- **Interoperability between broadband and narrowband**

## Broadband (PTToC, LTE & 5G)

### Leveraging data & video

- High-speed, high-capacity communications (video, GPS, etc.)
- Accessible to anyone via smartphones
- Enhanced functionality through apps
- Reliance on commercial networks (risk during disasters)



## Customer Benefits

- 1 Faster decision-making**  
In addition to voice commands, real-time sharing of situational data (video, location, etc.) eliminates information gaps.
- 2 Improved communication reliability**  
Combines private and commercial networks to ensure redundancy and resilient connectivity in emergencies.
- 3 Enhanced on-site operational efficiency**  
Smartly supports field operations by combining voice communication with multi-function capabilities and optimal device integration.

## Use Case Example: County Fire Department



### Large-scale wildfire and mountain rescue response

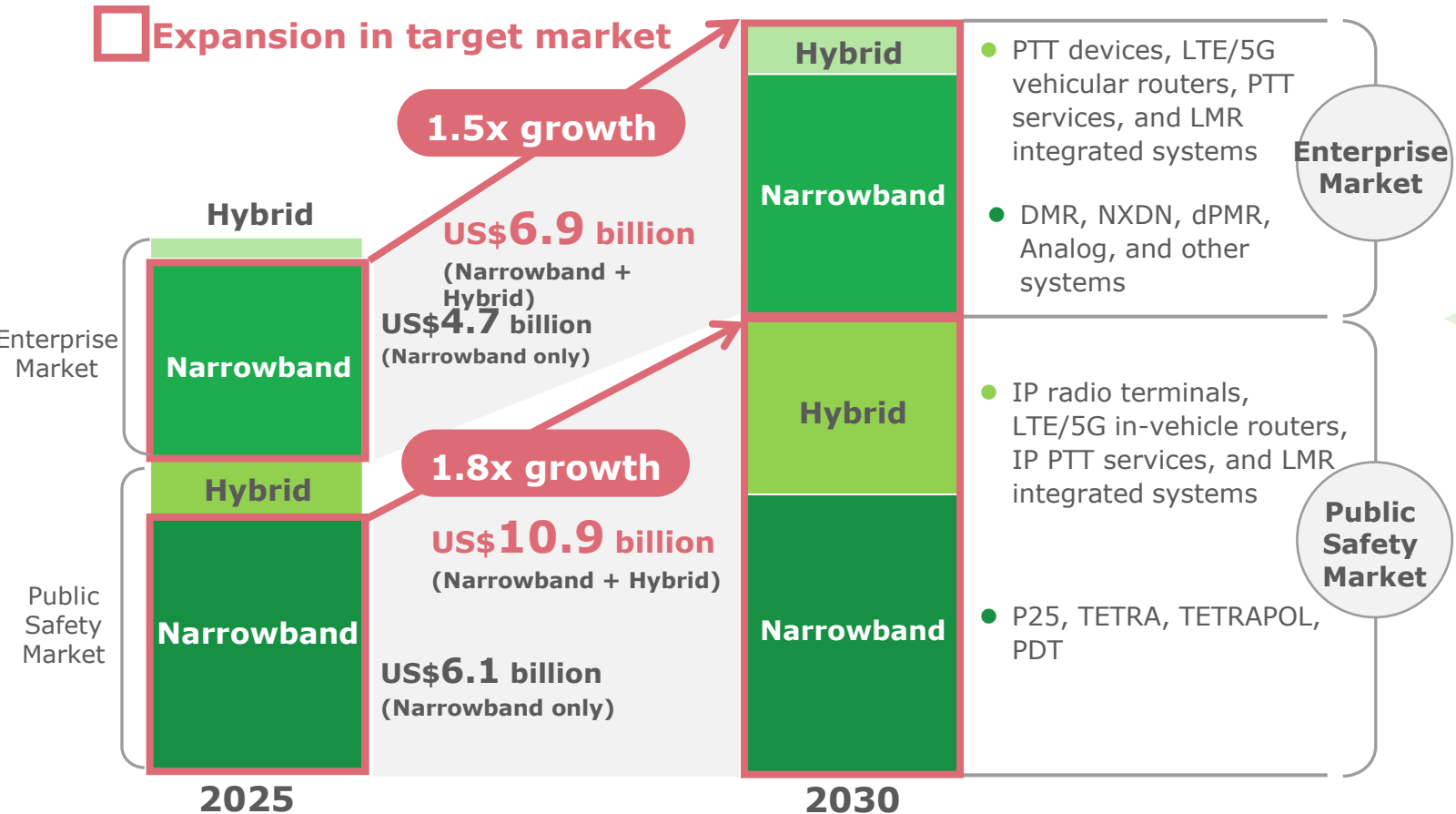
- In mountainous areas and canyons, where LTE is unstable, mission-critical voice and essential data are maintained over narrowband
- In flat areas, LTE enables real-time sharing of vehicle location, unit status, and on-site text information

**Seamlessly switches to the optimal network (narrowband or broadband) depending on conditions.**

# What is the Hybrid Domain? (2/2)

- Spans both public safety and enterprise markets, with further growth expected.

## Global Professional Radio Market Forecast



## Drivers of Hybrid Domain Growth

### ► Stable Narrowband Market

The voice-centric market remains stable as critical social infrastructure, with hybrid capabilities layered on top driving overall growth.

### ► Changing Procurement Requirements

In both public safety and enterprise markets, an increasing number of tenders require hybrid or broadband capabilities

### ► Advances in Devices and Services

Devices supporting both LMR and LTE/5G in a single unit, along with the maturation of IP-based PTT services, are accelerating practical deployment

Source: Company estimates based on market reports



The expressions contained in this presentation referring to the Company's future plans, intentions and expectations are categorized as future forecast statements. Such statements reflect management expectations of future events, and accordingly, 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 of the time of issuance of these presentation materials, and the Company is under no obligation, and expressly disclaims any such obligation, to update, alter or publicize its future forecast statements in the event there are changes in the economic climate and market conditions affecting the performance of the Company. Risk factors and other uncertainty which may affect the Company's actual performance include: (1) violent fluctuations in economic circumstances and supply and demand systems in major markets (Japan, the U.S, the EU and Asia); (2) restrictions including trade regulations applicable to major markets including Japan and other foreign countries; (3) sharp fluctuations in the exchange rate of the U.S. dollar, euro, and such like against the yen; (4) market price fluctuations in capital markets; and (5) changes in social infrastructure due to short-term changes in technology and such like.

Please note, however, that the above is not a comprehensive list of all the factors that may exert a significant influence on the Company's performance.