

JVCKENWOOD

Results and Forecast Briefing

Q1 of Fiscal Year Ending March 2026 (IFRS)

JVCKENWOOD Corporation

August 1, 2025

Note : This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

* All figures in this document are prepared in accordance with International Financial Reporting Standards (IFRS).

* Percentages and value differences shown in this document were computed in yen and any single-digit value was rounded off to the nearest two-digit value.

Financial Highlights

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

■ Overview of financial results for Q1 of FYE3/'26

- ✓ Results were in line with expectations YoY although both revenue and core operating income decreased.
 - M&T: Revenue decreased but core operating income of the sector increased, reflecting an improved profit from a price pass-through in the Aftermarket Business despite a negative impact of declined revenues due to the U.S. tariff measures at JKHL* in the OEM and the Aftermarket Businesses.
 - S&S: Revenue and core operating income of the sector decreased, reflecting decreases in revenue and core operating income due to a supply shortage of components in the Communications Systems Business.
 - ES: Revenue and core operating income of the sector decreased, reflecting decreases in revenue and core operating income due to a negative impact of the U.S. tariff measures in the Media Business.

* JVCKENWOOD Hong Kong Holdings Limited

■ Impact of the U.S. tariff measures

- ✓ Results were almost in line with expectations as a Group because M&T was affected little while the Media Business in ES was affected more than expected.

■ Impact of a supply shortage of components in the Communications Systems Business

- ✓ The business was affected more than expected by a delay in recovering from the supply shortage of components but has generally started to normalize from the latter half of Q1.
- ✓ The business will recover in 2H a loss suffered in Q1.

**1. Overview of Financial Results
for Q1 of FYE3/'26**

**2. Full-year Earnings Forecast
for FYE3/'26**

3. Topics

<Reference material>

1. Overview of Financial Results for Q1 of FYE3/'26

2. Full-year Earnings Forecast for FYE3/'26

3. Topics

<Reference material>

Financial Results for Q1 of FYE3/'26

(Billion yen)

	Q1 Of FYE3/'24	Q1 of FYE3/'25	Q1 Of FYE3/'26	YoY	
Revenue	85.6	87.8	80.2	-7.6	-8.6%
Cost of sales	59.4	59.4	55.7	-3.7	-6.3%
Gross profit	26.2	28.4	24.5	-3.8	-13.5%
Profit margin	30.6%	32.3%	30.6%		
Core operating income^{*1}	5.0	6.0	3.1	-2.9	-48.9%
Profit margin	5.9%	6.8%	3.8%		
Other Income, Other Expenses, Foreign Exchange Loss, etc.	-0.0	0.0	1.3	+ 1.3	+2641.4%
Operating profit	5.0	6.0	4.4	-1.7	-27.7%
Profit margin	5.9%	6.9%	5.4%		
Profit before income taxes	4.9	7.0	4.9	-2.1	-29.6%
Profit attributable to owners of the parent	3.5	5.5	3.4	-2.1	-37.4%
EBITDA^{*2}	9.5	11.7	9.4	-2.2	-19.1%
EBITDA margin	11.1%	13.3%	11.8%		

^{*1} Core operating income does not include nonrecurring items that mainly occur temporarily, such as other income included in operating income, other expenses, and foreign exchange losses (gains).

^{*2} Profit (loss) before tax + Interest expense + Depreciation expense + Impairment loss.

		FYE3/'24					FYE3/'25					FYE3/'26				
		Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year
Profit-And-Loss	U.S. dollar	137	145	148	149	145	156	150	152	153	153	145				
Exchange Rates	Euro	150	157	159	161	157	168	164	163	161	164	164				

Financial Results for Q1 of FYE3/'26: Results by Sector

		Q1 Of FYE3/'24	Q1 of FYE3/'25	Q1 Of FYE3/'26	YoY	
M&T	Revenue	47.3	47.9	46.6	-1.4	-2.8%
	Core Operating Income	0.4	0.6	1.7	+1.0	+167.5%
S&S	Revenue	22.0	24.2	18.3	-6.0	-24.6%
	Core Operating Income	4.1	4.5	0.9	-3.6	-80.2%
ES	Revenue	14.0	13.4	13.2	-0.2	-1.5%
	Core Operating Income	0.5	0.7	0.4	-0.3	-43.3%
Others	Revenue	2.2	2.2	2.1	-0.0	-2.2%
	Core Operating Income	-0.0	0.1	0.1	+0.0	+18.7%
Total	Revenue	85.6	87.8	80.2	-7.6	-8.6%
	Core Operating Income	5.0	6.0	3.1	-2.9	-48.9%

M&T

Revenue decreased but core operating income of the sector increased YoY, reflecting the improved profit from the price pass-through in the Aftermarket Business despite the negative impact of declined revenues due to the U.S. tariff measures at JKHL in the OEM and the Aftermarket Businesses.

S&S

Revenue and core operating income of the sector decreased YoY, mainly reflecting the significant negative impact of declines in production and sales due to the supply shortage of components in the Communications Systems Business despite a solid sales in the Professional Systems Business.

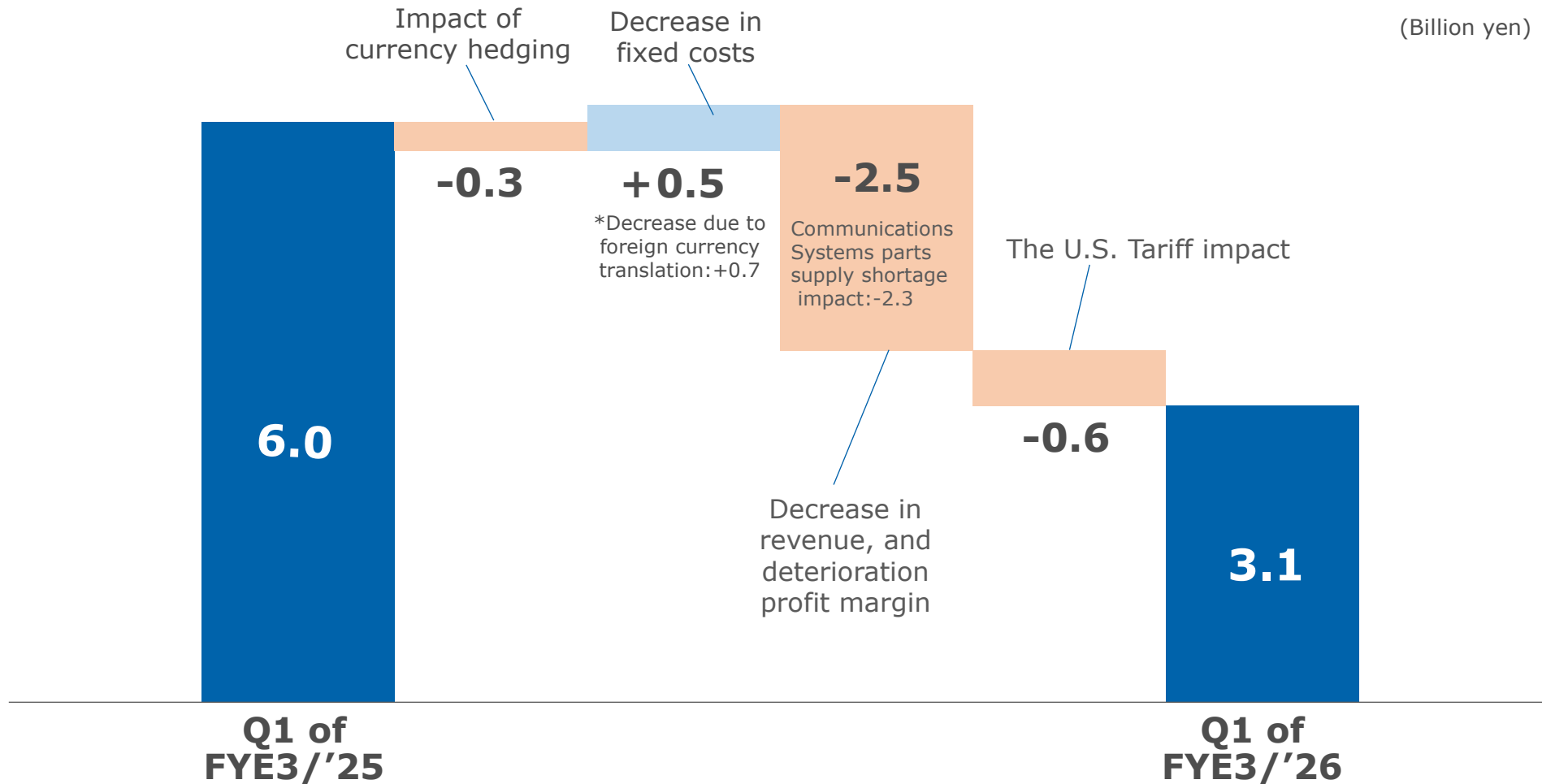
ES

Revenue and core operating income of the sector decreased YoY, mainly reflecting the negative impact of the U.S. tariff measures in the Media Business despite a solid sales in the content business in the Entertainment Business.

Financial Results for Q1 of FYE3/'26:

Factors Contributing to Changes in Core Operating Income

- Core operating income significantly declined YoY due to the negative impact of the U.S. tariff measures in M&T and the Media Business in ES in addition to the significant impact of the supply shortage of components in the Communications Systems in S&S.

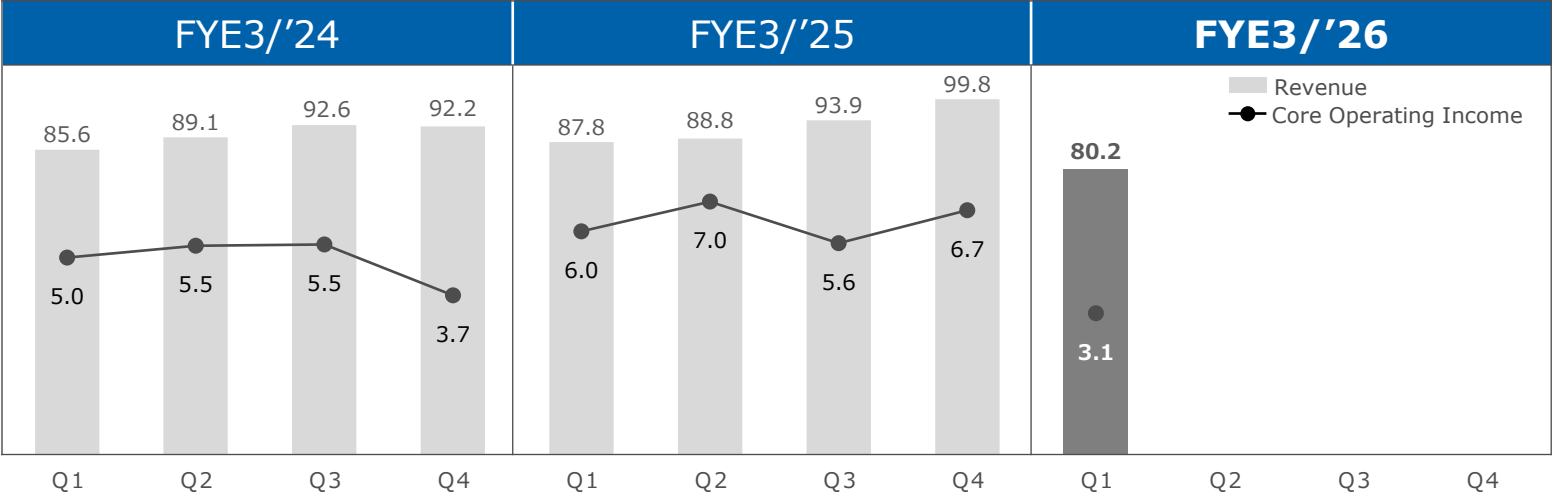


Trends in Quarterly Results

- In Q1 (April–June), revenue and core operating income decreased YoY, reflecting impacts of decreases in production and sales due to the supply shortage of components in the Communications Systems Business in S&S and the U.S. tariff impact in M&T and the Media Business in ES. However, the results were in line with expectations.

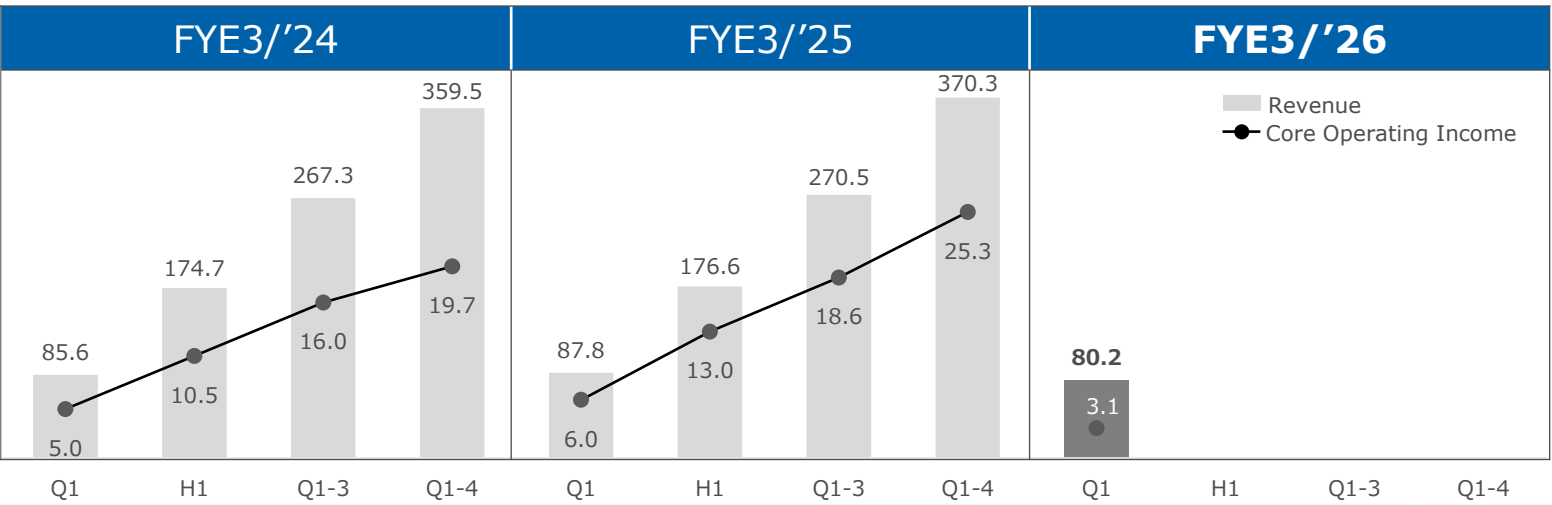
Quarterly

(Billion yen)



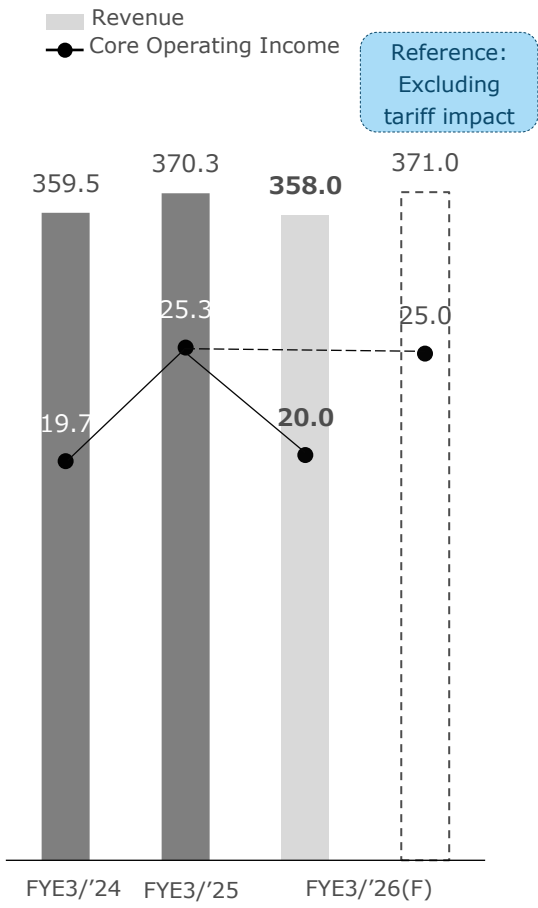
Cumulative for the quarter

(Billion yen)



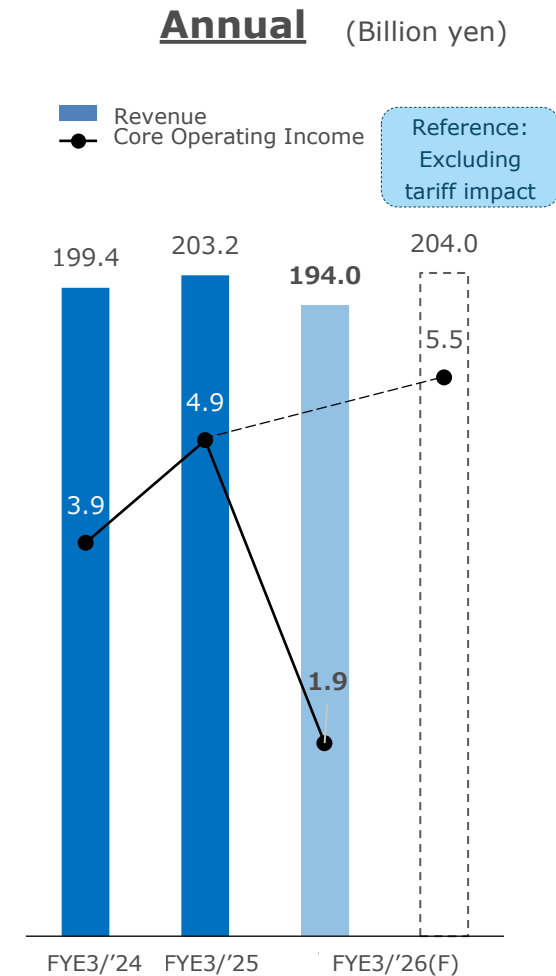
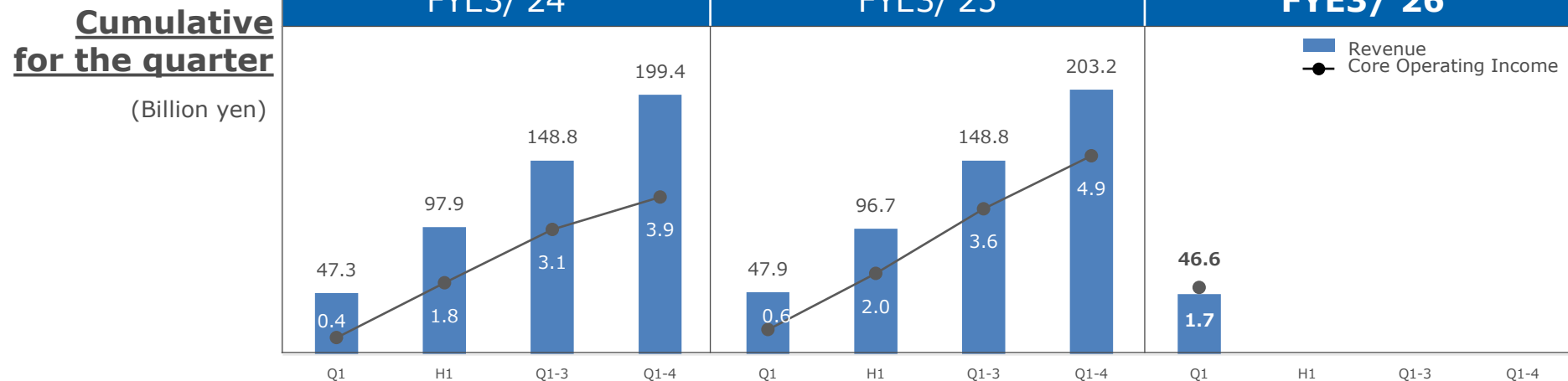
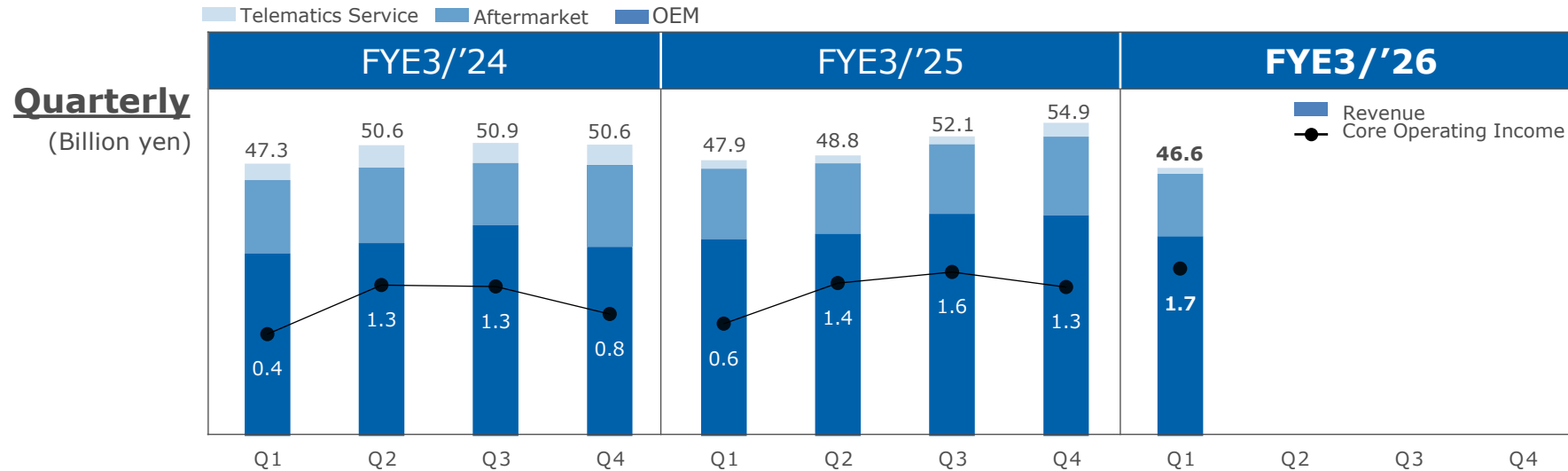
Annual

(Billion yen)



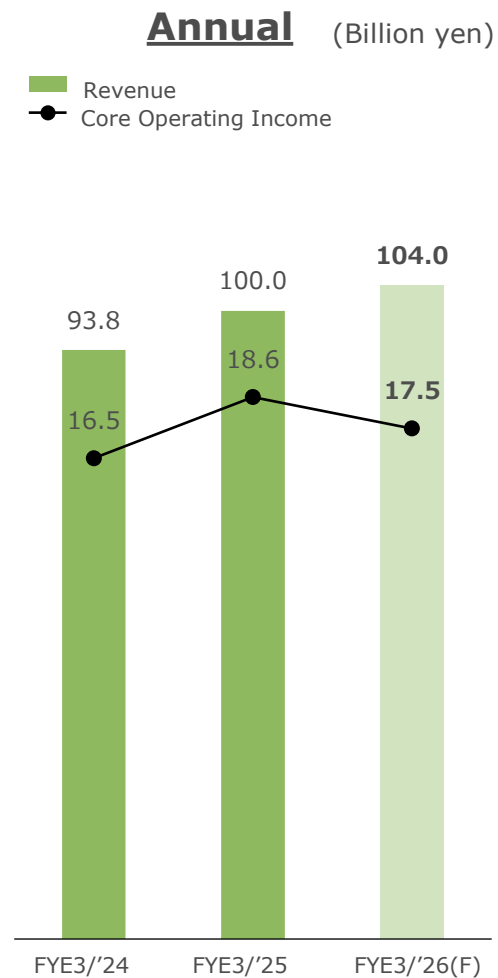
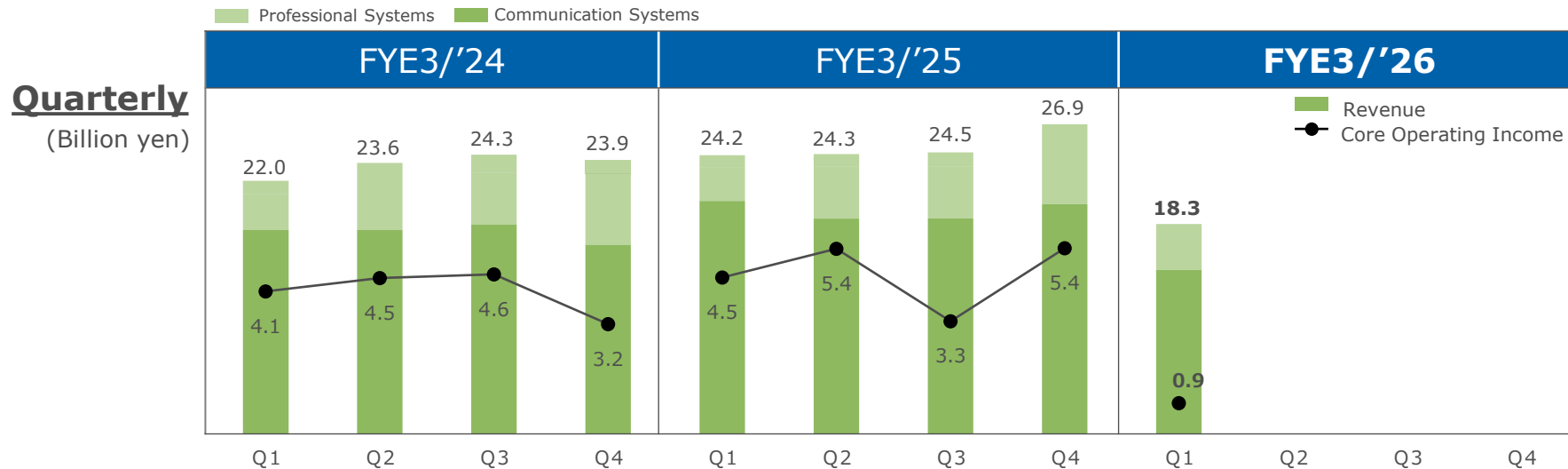
M&T: Trends in Revenue and Core Operating Income

- In Q1 (April–June), revenue decreased but core operating income of the sector increased YoY, reflecting the improved profit from the price pass-through in the Aftermarket Business despite the negative impact of declined revenues due to the U.S. tariff measures at JKHL in the OEM and the Aftermarket Businesses.

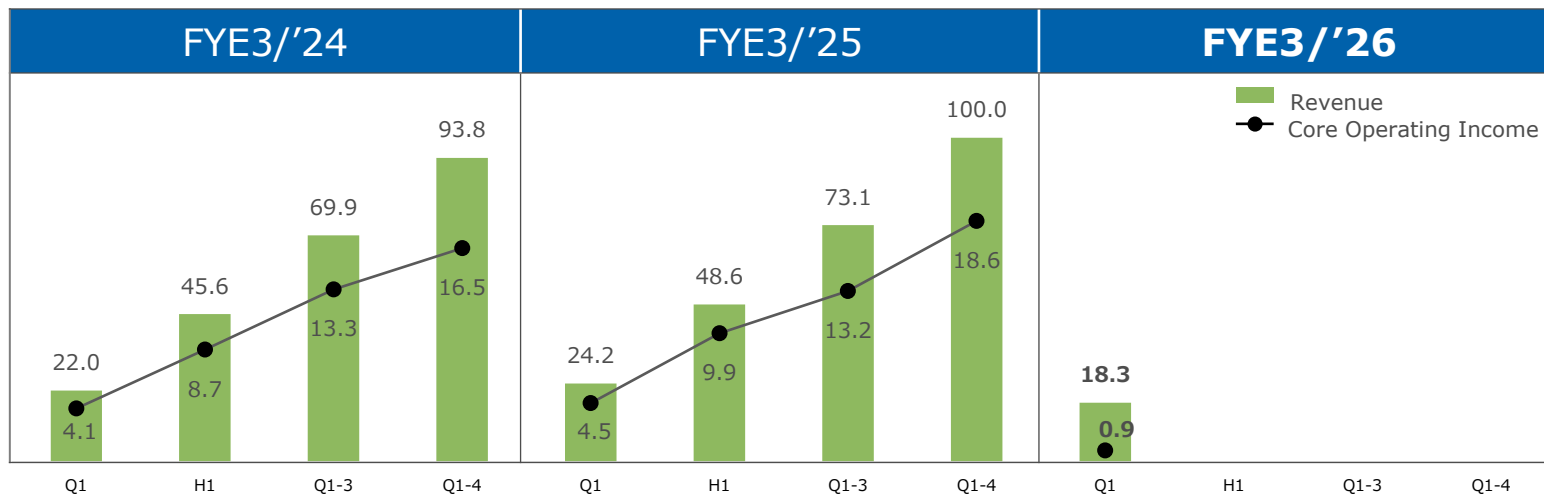


S&S: Trends in Revenue and Core Operating Income

- In Q1 (April–June), revenue and core operating income of the sector decreased YoY, mainly reflecting the significant negative impact of declines in production and sales due to the supply shortage of components in the Communications Systems Business despite the solid sales in the Professional Systems Business.

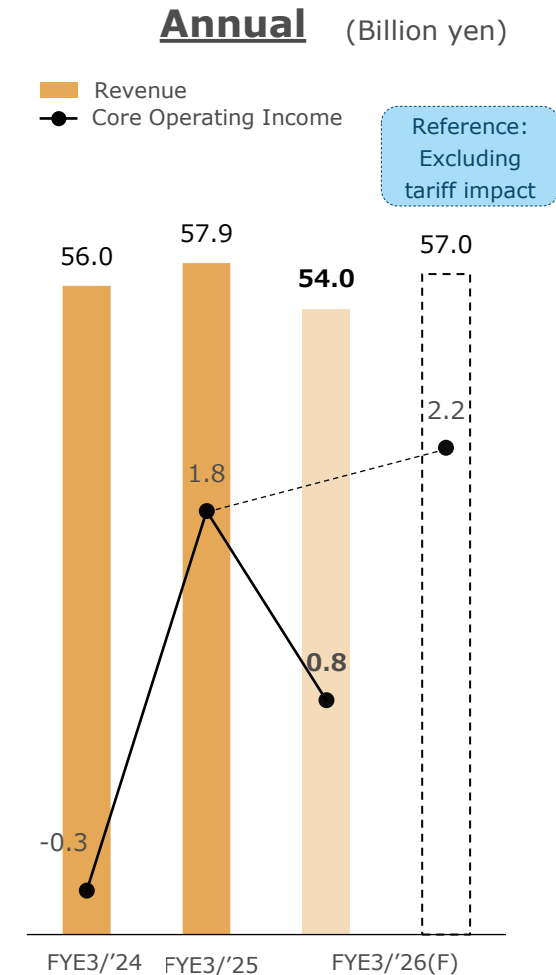
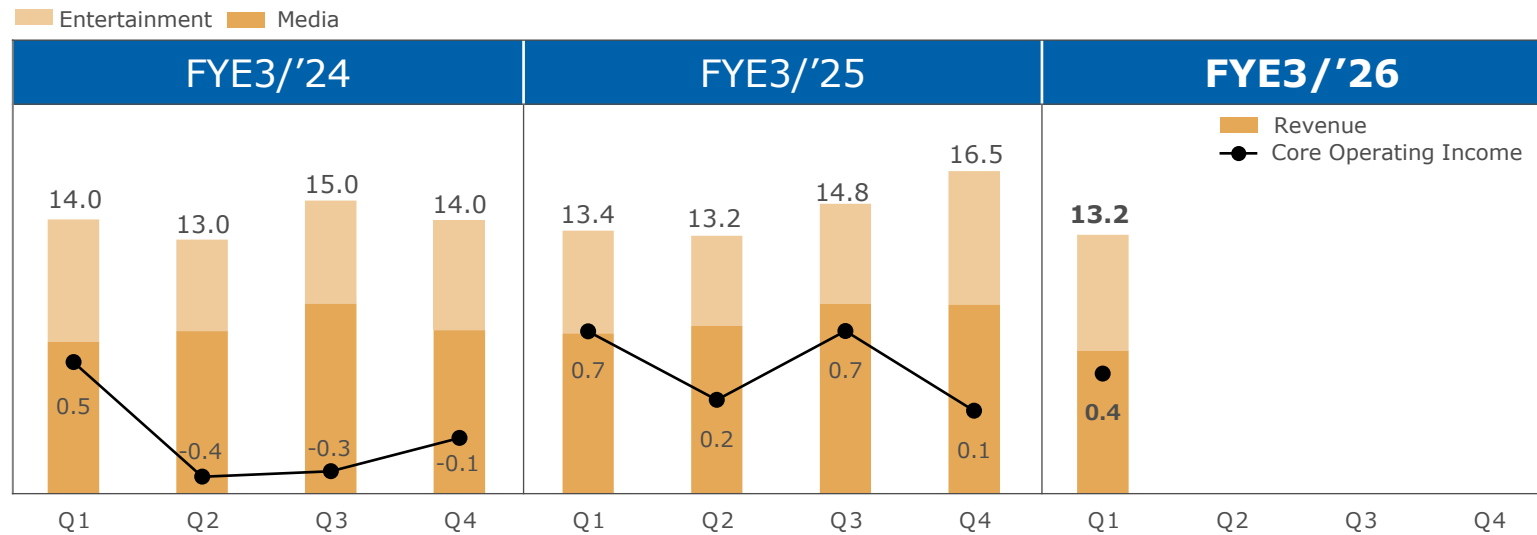


Cumulative for the quarter
(Billion yen)

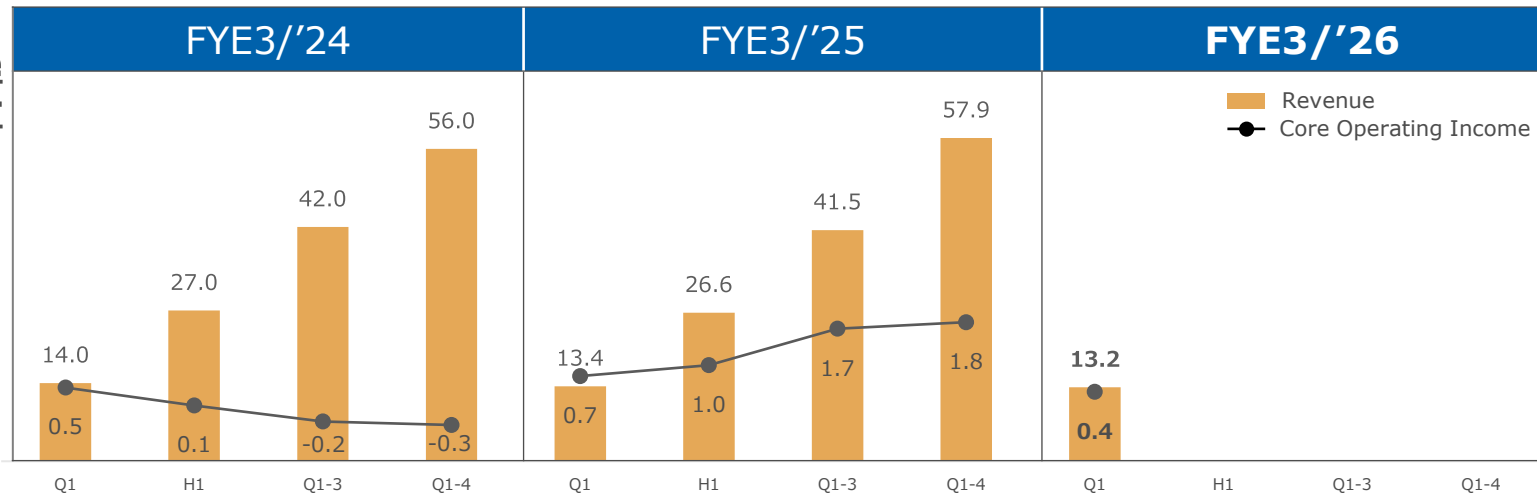


ES: Trends in Revenue and Core Operating Income

- In Q1 (April–June), revenue and core operating income of the sector decreased YoY, mainly reflecting the negative impact of the U.S. tariff measures in the Media Business despite the solid sales in the content business in the Entertainment Business.

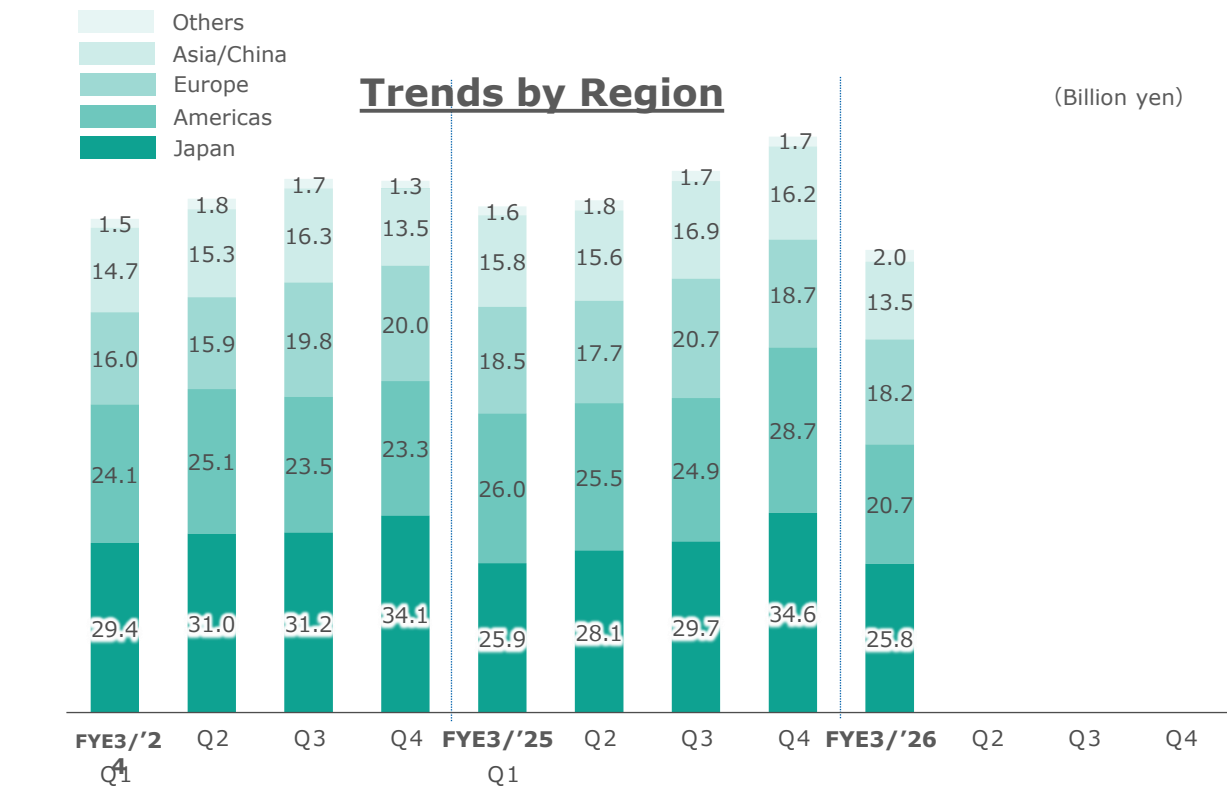
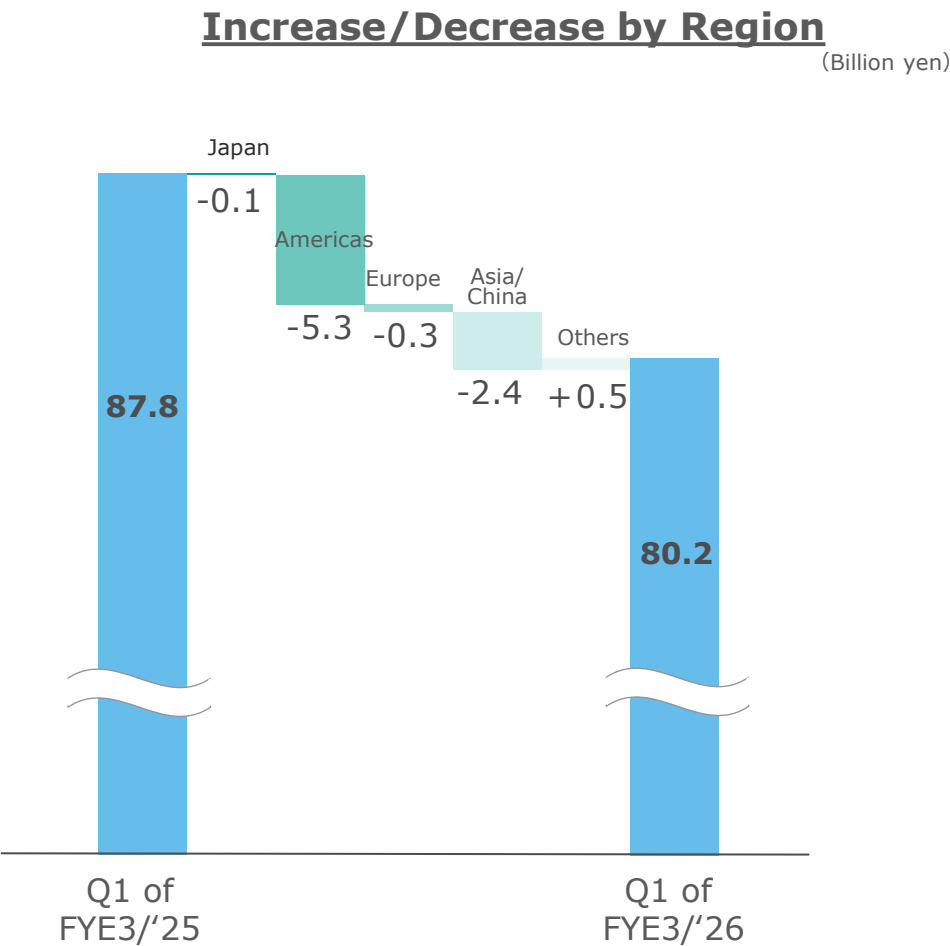


Cumulative for the quarter
(Billion yen)



Financial Results for Q1 of FYE3/'26: Consolidated Revenue by Region

- Revenue significantly decreased in Americas and Asia/China due to the negative impact of the U.S. tariff measures.



Ratio by Region

	FYE3/'24 Q1	FYE3/'25 Q1	FYE3/'26 Q1
Japan	34%	29%	32%
Americas	28%	30%	26%
Europe	19%	21%	23%
Asia/China	17%	18%	17%
Others	2%	2%	3%
Total	100%	100%	100%

Financial Results for Q1 of FYE3/'26: Consolidated Profit/Loss Summary

- Operating profit decreased approx. 1.7 billion yen YoY due to improved other income from the recognition of the capital gain on the sale of real estate.
- Line-item profits of profit before income taxes and below decreased approx. 2.1 billion yen due to a decrease in share of profit of investments accounted for using the equity method.

	Q1 Of FYE3/'24	Q1 of FYE3/'25	Q1 Of FYE3/'26	YoY
Core Operating Income	5.04	5.98	3.05	-2.92
Other Income, Other Expenses, Foreign Exchange Loss, etc.	-0.03	0.05	1.30	1.26
Operating Profit	5.01	6.02	4.36	-1.67
Finance Income, Finance Expenses, etc.	-0.14	0.93	0.54	-0.39
Profit Before Income Taxes	4.87	6.95	4.89	-2.06
Income Tax Expenses	1.26	1.15	1.33	0.18
Non-Controlling Interests	0.14	0.30	0.12	-0.18
Profit Attributable to Owners of the Parent	3.48	5.50	3.45	-2.06

Financial Results for Q1 of FYE3/'26: Financial Position Summary

- Equity attributable to owners of the parent was down 0.9 billion yen YoY to 124.2 billion yen mainly due to a decrease in other components of equity and expenditures for share repurchases despite an increase in retained earnings.
- Net cash decreased by 2.4 billion yen from negative 1.8 billion yen at the previous fiscal year-end to negative 4.1 billion yen mainly due to dividend payments and expenditures for share repurchases.

(Billion yen)

	FYE3/'24	FYE3/'25	Q1 of FYE3/'26	YoY
Total Assets	316.8	313.3	306.3	-7.0
Total Liabilities	195.6	181.9	176.3	-5.6
Total Equity	121.2	131.4	130.0	-1.4
Interest-Bearing Debts	57.3	50.4	53.4	3.1
Net Debt	0.6	-1.8	-4.1	-2.3
Net Debt/Equity Ratio (Times)	-0.01	0.01	0.03	+0.02
Equity Attributable to Owners of the Parent	114.8	125.1	124.2	-0.9
Stockholder's Equity Ratio (%)	36.2%	39.9%	40.5%	+0.6pt

Financial Results for Q1 of FYE3/'26: Cash Flow Summary

- Net cash provided by operating activities declined YoY mainly due to decreased core operating income despite improved working capital.
- Net cash used in investing activities declined YoY due to the gain on sale of land.
- Net cash used in financing activities declined YoY mainly due to increased interest-bearing debts despite increased expenditures for share repurchases.

(Billion yen)

	Q1 of FYE3/'24	Q1 of FYE3/'25	Q1 of FYE3/'26	YoY
Cash Flow from Operating Activities	0.1	8.9	7.6	-1.3
Cash Flow from Investing Activities	-4.5	-5.3	-4.1	+1.3
Free cash flow <small>* Free cash flow: Cash flow from operating activities + Cash flow from investing activities</small>	-4.3	3.6	3.6	-0.0
Cash Flow from Financing Activities	-8.2	-9.5	-2.9	+6.6
Total	-12.5	-5.9	0.7	+6.6

1. Overview of Financial Results
for Q1 of FYE3/'26

**2. Full-year Earnings Forecast
for FYE3/'26**

3. Topics

<Reference material>

Full-year earnings forecast for FYE3/'26

- The progress of Q1 remained in line with the initial forecast although revenue and core operating income decreased YoY, reflecting the negative impact of declines in production and sales due to the supply shortage of components in the Communications Systems Business in S&S and the negative impact of the U.S. tariff measures in M&T and the Media Business in ES.
- The Communications Systems Business is expected to recover in Q2 onwards as the supply shortage of components is resolved. Nevertheless, the impact of the U.S. tariff measures remains uncertain. Therefore, there is no revision to the consolidated earnings forecast for FYE3/'26 at this time.

As of May 1, 2025 (Billion Yen)						As of May 1, 2025 <Reference>	
	FYE3/'24	FYE3/'25	Forecast for FYE3/'26 including tariff impact	YoY		Forecast for FYE3/'26 excluding tariff impact	Tariff impact (as of May 1, 2025)
Revenue	359.5	370.3	358.0	-12.3	-3.3%	371.0	-13.0
Core Operating Income	19.7	25.3	20.0	-5.3	-21.0%	25.0	-5.0
Operating Profit	18.2	21.8	19.0	-2.8	-12.8%	24.0	-5.0
Profit Before Income Taxes	18.2	23.5	19.5	-4.0	-17.0%	24.5	-5.0
Profit Attributable to Owners of the Parent	13.0	20.3	14.0	-6.3	-31.0%	18.5	-4.5
ROE (%)	12.2	16.9	10.8				

(Yen)			
	FYE3/'24	FYE3/'25	Dividend forecast for FYE3/'26
Year-end dividend (Per share)	12	15	18

*1 : Of the 12 yen Special dividend is 5 yen

*2 : Interim dividend: 5 yen, Year-end dividend: 8 yen

(Yen)			
	FYE3/'24	FYE3/'25	Plan for FYE3/'26
Profit-And-Loss Exchange Rates	U.S. dollar	145	153
	Euro	157	164
			147
			159

**1. Overview of Financial Results
for Q1 of FYE3/'26**

**2. Full-year Earnings Forecast
for FYE3/'26**

3. Topics

<Reference material>

Status of Response to the U.S. Tariff Measures

- The impact of U.S. tariff measures in Q1 was broadly in line with expectations. While closely monitoring the trend of U.S. tariff measures, trying to minimize the impacts on our business. Also, reviewing regional strategies from a medium- to long-term perspective.

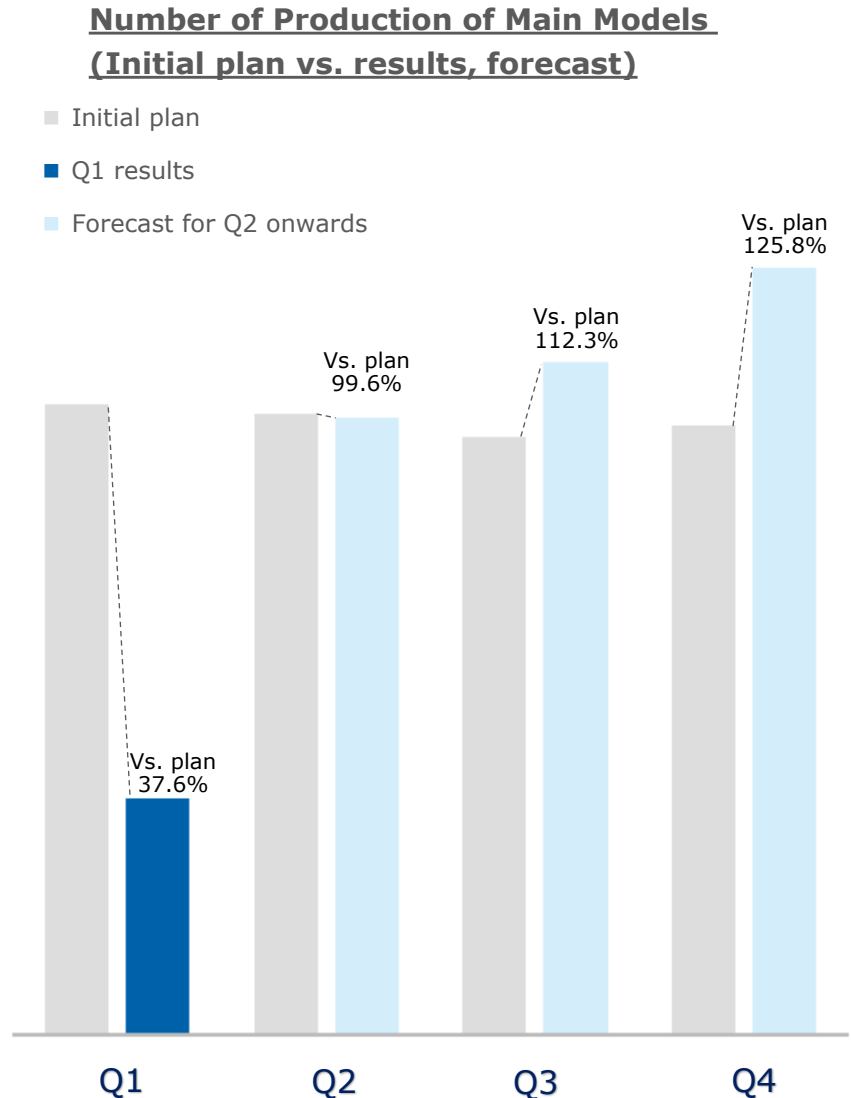
					<Reference>
	Item	Production location	Assumed tariff rates for earnings forecasts (as of May 1,2025)	Response status in Q1 and direction from Q2 onwards	tariff rates as of Aug. 1,2025
M&T	Display audio systems, speakers	Indonesia	25% (Automotive related)	<ul style="list-style-type: none"> •Implemented price pass-through for certain products in Q1 and continue negotiating prices •Promoting transfer production locations of Chinese products 	19% (Indonesia)
		China	145%		30%
S&S	Professional radio systems	Malaysia	10%	<ul style="list-style-type: none"> •Did not have a significant impact of tariffs •From Q2 onwards, strives to absorb the tariff impacts through price pass-Through 	19%
		Japan	10%		15%
ES	Headphones/earphones, projectors	China	145%	<ul style="list-style-type: none"> •Decline in sales due to delayed price transfers and deteriorating market conditions •Restarted production and shipment for certain products in Q1, reflecting a provisional reduction of tariffs for Chinese products •Examines and thoroughly assesses the transfer of our production Locations 	30%
		Japan	10%		15%
Company-wide	—	—	—	<p>【Short-term】 Implements price-pass through, thorough assessment of production and sales of products made in China, overhead costs reductions, etc.</p> <p>【Medium- to long-term】 Reviews regional strategy, production locations, product lineup, and investments</p>	—

※Based on media reports

Communications Systems Business:

Effects of the Shortage of Components and the Outlook

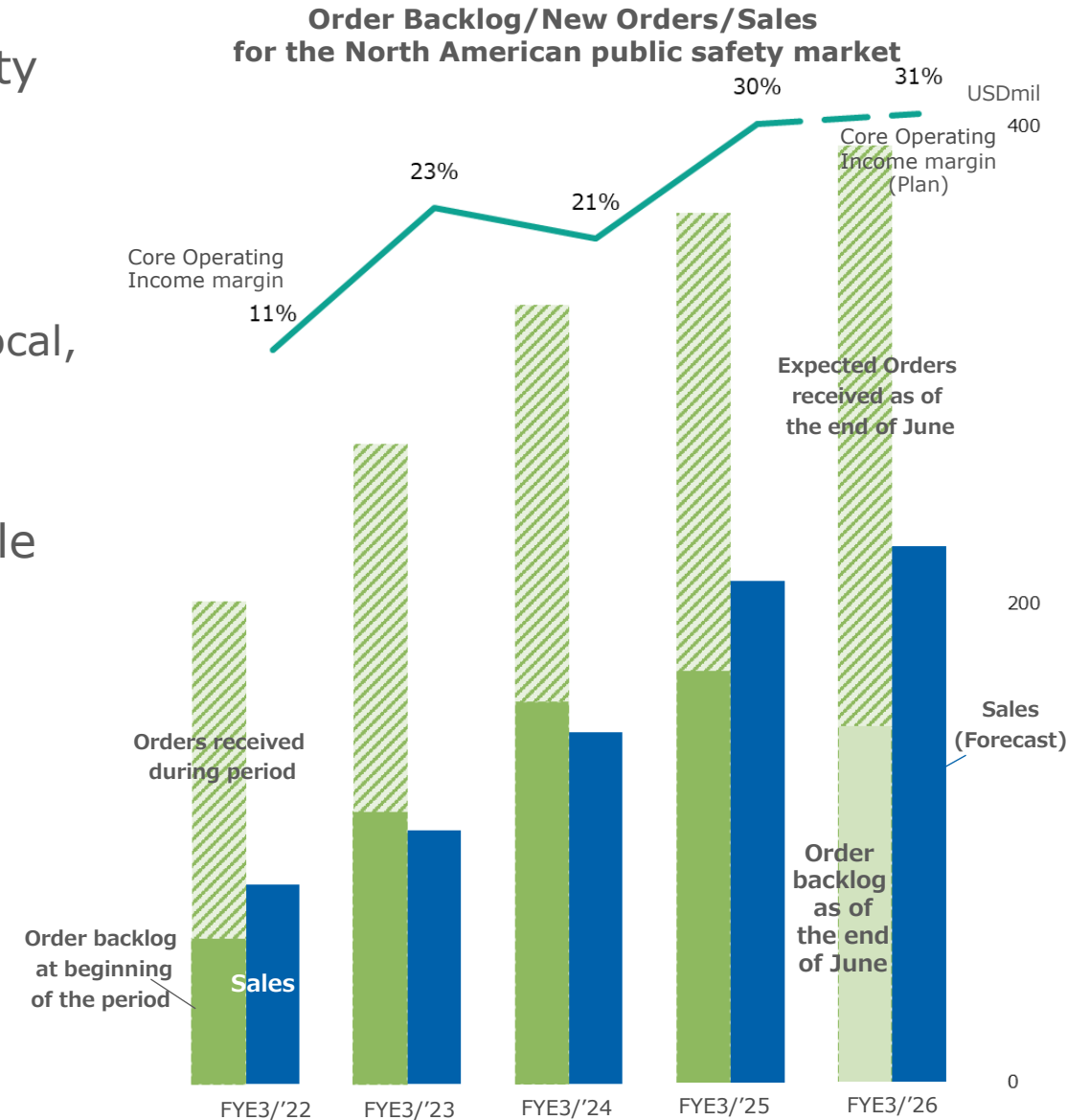
- Models equipped with the affected component recorded Q1 production of 80,000 units, compared to the planned 210,000 units (–130,000 units), resulting in a greater-than-expected impact
→ A significant decline in core operating income due to reduced production margin.
- Production resumed in mid-June with the resumption of delivery of missing parts. The arrangement and securing of alternative parts is also in progress.
- The VP8000 tri-band P25 portable radio for the public safety market is projected to reach 140% of the initial full-year production plan.
- The production and sales of NX-1000 series for enterprise markets will be prioritized in 2Q, when the demand peaks in the North American school market.



Communications Systems Business:

Order Status in the North American Public Safety Market

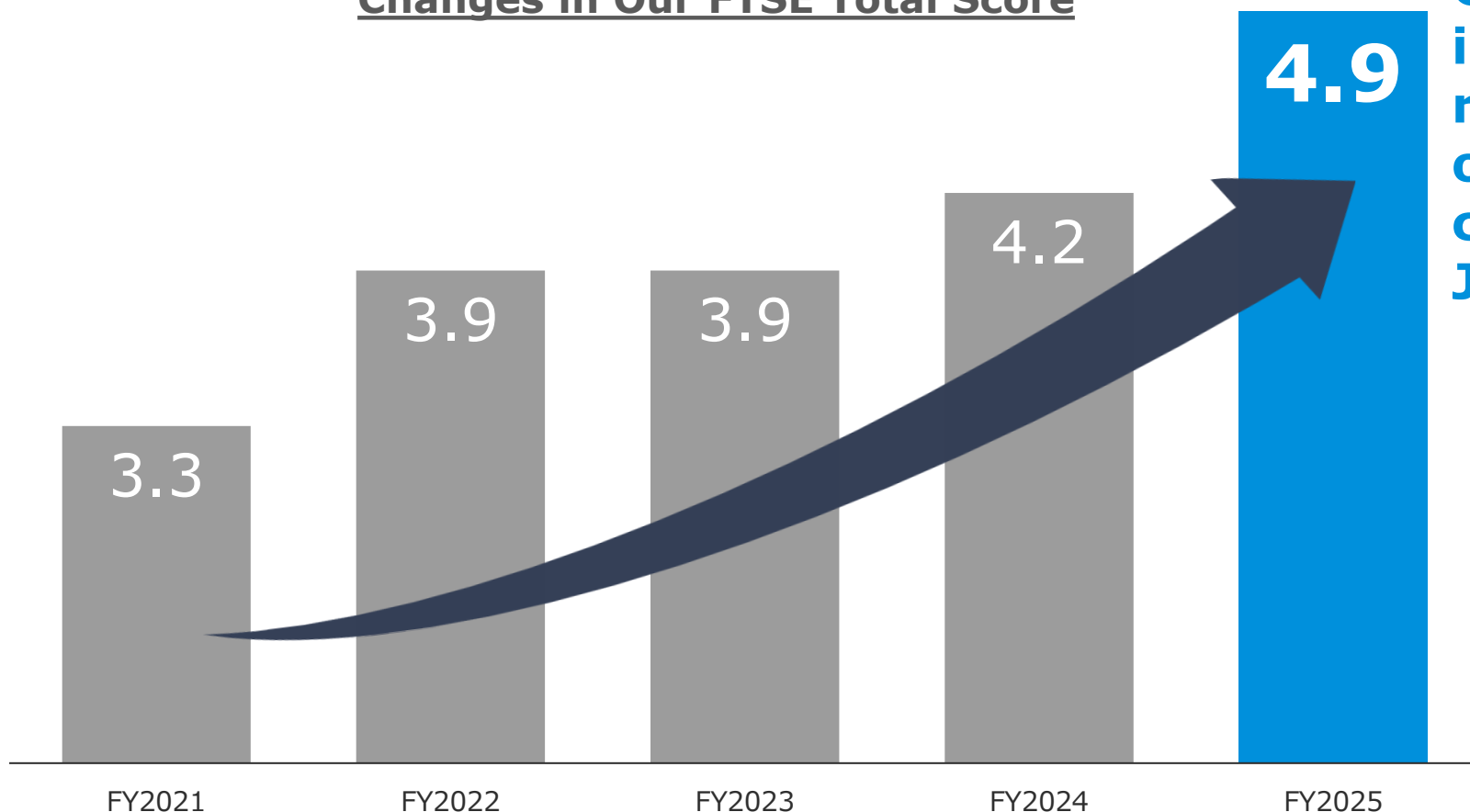
- Demand for mission-critical radios in the public safety market remains strong, supported by:
 - ✓ The ongoing shift from analog to digital systems.
 - ✓ Growing demand related to crisis management.
 - ✓ Increased demand for security solutions at the state, local, and federal levels, and the growing need to strengthen communications infrastructure.
- FY2025: Increased number of medium- to large-scale bids compared to last year
 - ✓ Working on projects in the USD 10~30 million range.
 - ✓ Secured approximately USD 12 million project in July.



Won the Highest Score of 4.9* for a Japanese Company in FTSE *Out of 5.0

- Selected as a constituent of the FTSE Blossom Japan Index for the fifth consecutive year and of the FTSE Blossom Japan Sector Relative Index for the fourth consecutive year as a company excelling in ESG.

Changes in Our FTSE Total Score



Only five companies, including the Company, received the highest score of 4.9, out of approx. 1,400 companies surveyed in Japan.



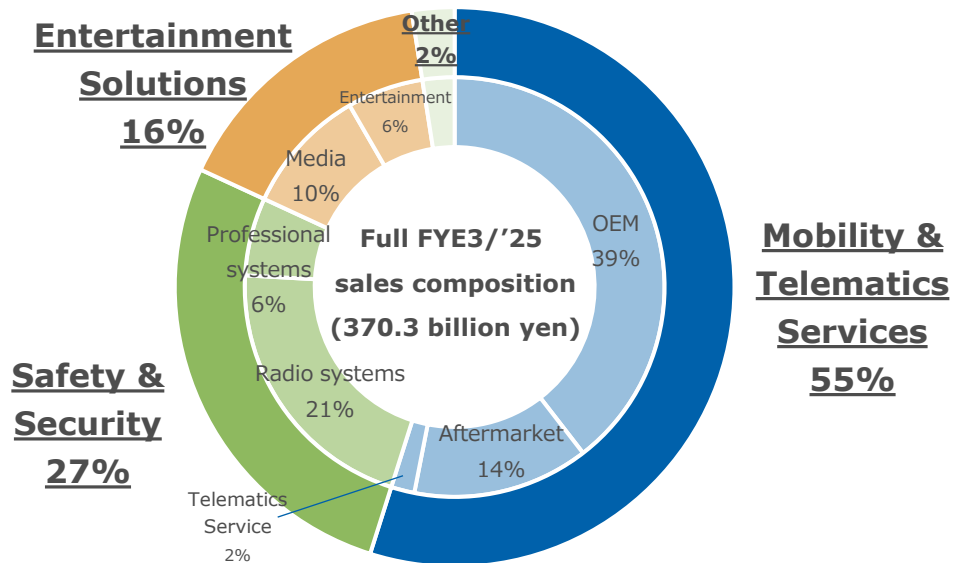
FTSE Blossom Japan Index



FTSE Blossom Japan Sector Relative Index

<Reference>

Business Overview



Mobility & Telematics Services Setor (M&T)

OEM



Display audio for trucks



In-vehicle amplifier/speaker/antenna/cable

Portable power station using recycled batteries from electric vehicles



Aftermarket



Car navigation system



Dashcam



Connected-type dashcam

Telematics service

Safety & Security (S&S) Sector

Communications



Viking series Professional radio system
(Left) Portable type (Right) Vehicle-mounted type



Digital Convenience Radio Relay System



Low power transceiver



Amateur radio

Professional



Security system



Medical image display monitor

Entertainment Solutions (ES) Sector

Media



Headphones/Earphones



Audio system



Projector



Portable power station

Entertainment



Music and video content

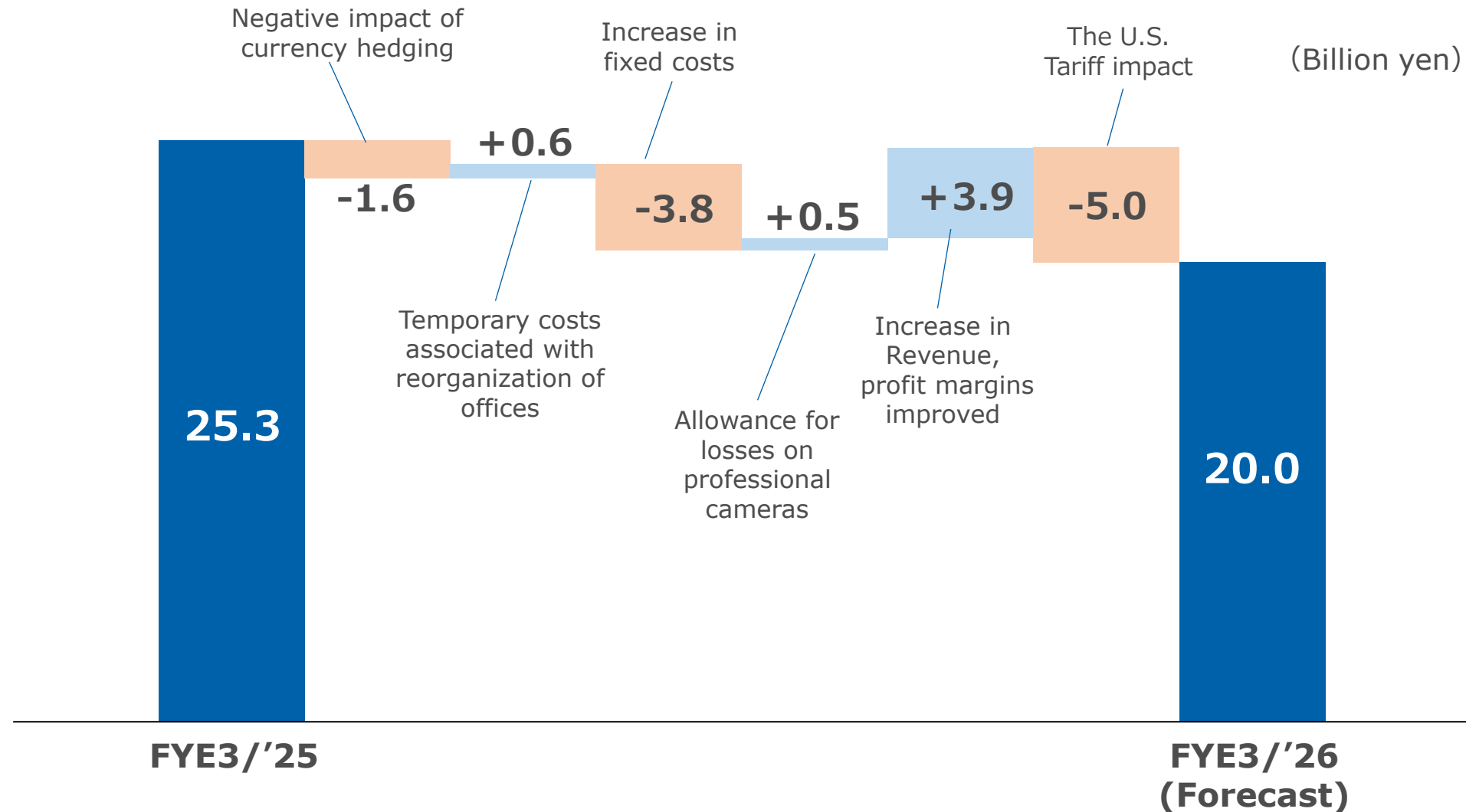
Full-year earnings forecast for FYE3/'26 by Sector *No revision from full-year forecast

- M&T: Strong sales are expected for overseas OEM Business and Domestic Dealer-Installed Option Business, but a decline in sales of display audio systems, speakers, and other products is anticipated due to the U.S. tariff measures.
- S&S: The Communications Systems Business expects continued strong demand in the North American public safety market but anticipates the impact of upfront investments for business expansion, such as increased staffing, and the effects of component supply shortages from Q4 of the previous period. The impact of the U.S. tariff measures is expected to be mostly absorbed through price pass-through and other measures.
- ES: Strong sales are expected to continue in the Entertainment Business, and the effects of allowances made in the Media Business during FYE3'/2025 are anticipated to materialize. However, a decline in sales of headphones, earphones, projectors, and other products is expected due to the U.S. tariff measures.

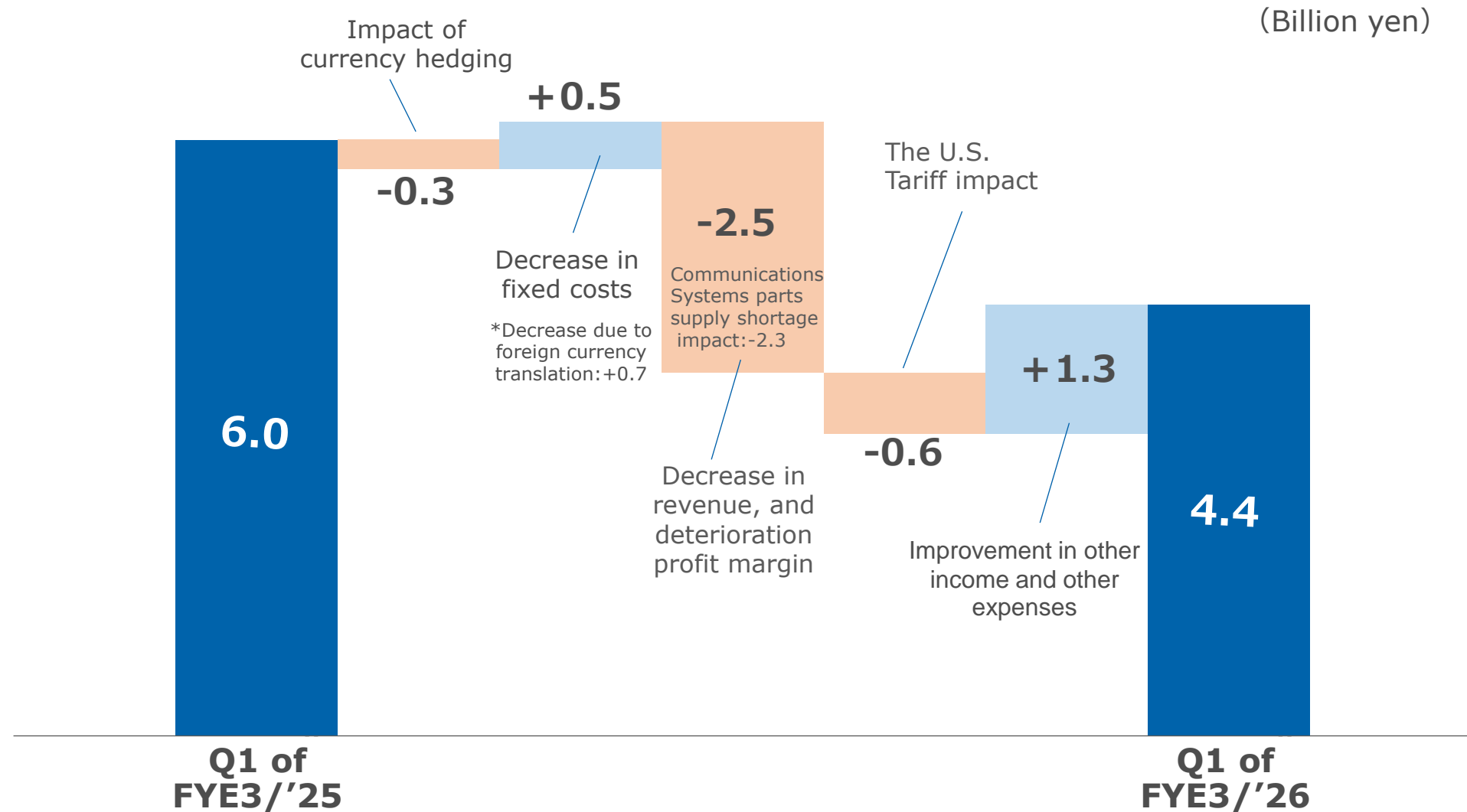
As of May 1, 2025							As of May 1, 2025 <Reference>	
(Billion Yen)								
		Results for FYE3/'24	Results for FYE3/'25	Forecast for FYE3/'26 including tariff impact	YoY		Forecast for FYE3/'26 excluding tariff impact	Tariff impact (as of May 1, 2025)
M&T	Revenue	199.4	203.2	194.0	-9.2	-4.5%	204.0	-10.0
	Core Operating Income	3.9	4.9	1.9	-3.0	-61.1%	5.5	-3.6
S&S	Revenue	93.8	100.0	104.0	4.0	+4.0%	104.0	0.0
	Core Operating Income	16.5	18.6	17.5	-1.1	-5.8%	17.5	0.0
ES	Revenue	56.0	57.9	54.0	-3.9	-6.8%	57.0	-3.0
	Core Operating Income	-0.3	1.8	0.8	-1.0	-56.7%	2.2	-1.4
Others	Revenue	10.3	9.1	6.0	-3.1	-34.2%	6.0	0.0
	Core Operating Income	-0.4	-0.0	-0.2	-0.2	-	-0.2	0.0
Total	Revenue	359.5	370.3	358.0	-12.3	-3.3%	371.0	-13.0
	Core Operating Income	19.7	25.3	20.0	-5.3	-21.0%	25.0	-5.0

Full-Year Earnings Forecast for FYE3/'26: Factors Contributing to Changes in Core Operating Income

*No revision from the full-year forecast announced on May 1, 2025.



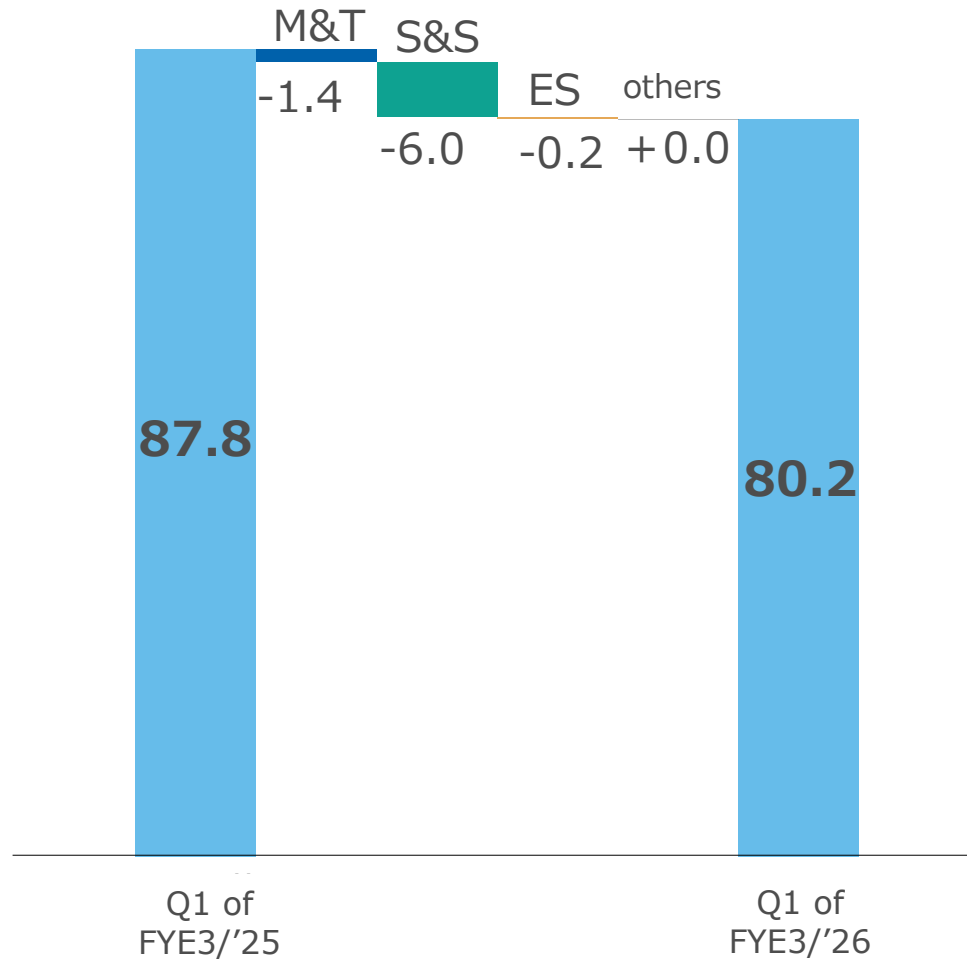
Financial Results for Q1 of FYE3/'26: Factors Contributing to Changes in Operating Income



Full-Year Earnings Forecast for Q1 of FYE3/'26: Consolidated Revenue & Core Operating Income by Sector

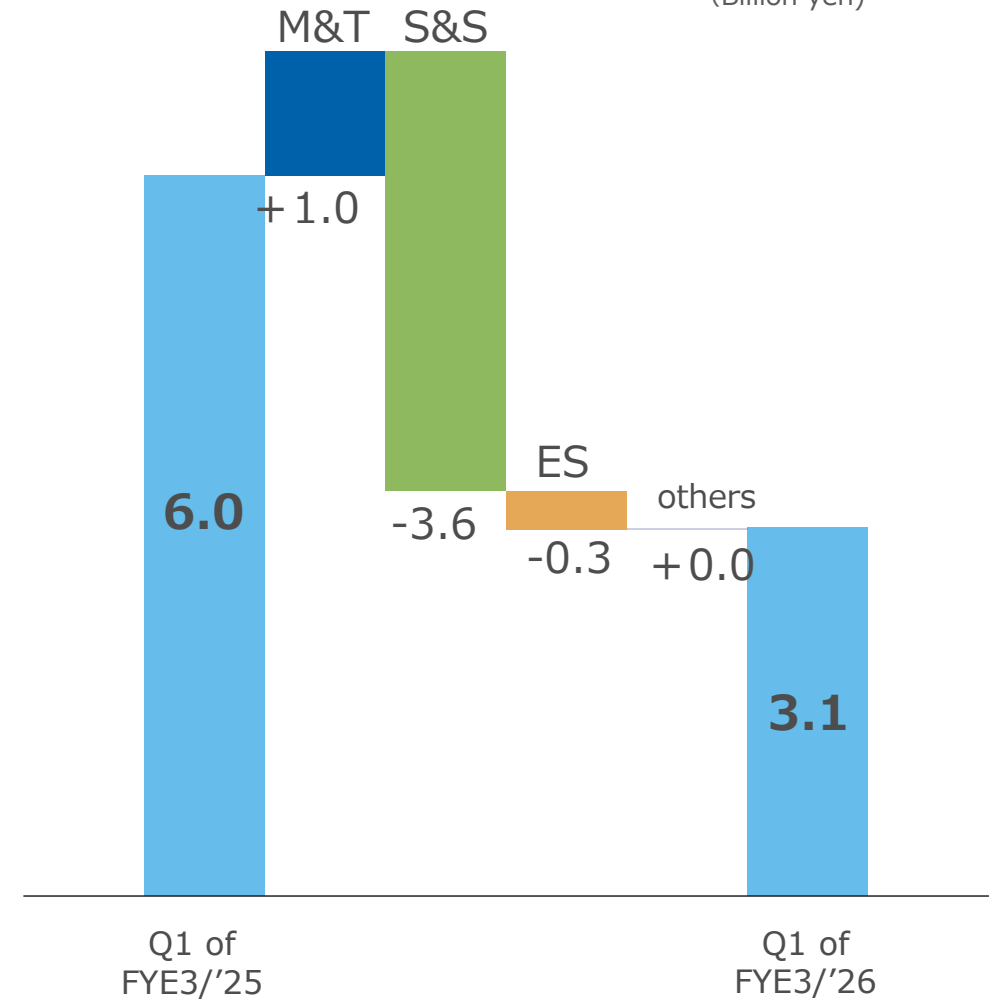
Revenue

(Billion yen)



Core Operating Income

(Billion yen)



Changes in Management Indices-1

Trends in Capital investment, Depreciation, and R&D expenses

(Billion yen)

	FYE3/'24					FYE3/'25					FYE3/'26				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Capital investment*															
(Property, plant and equipment & Intangible fixed assets)	4.6	5.9	8.3	7.6	26.4	7.3	9.0	7.4	7.0	30.6	5.2				
Property, plant and equipment	2.6	3.6	6.0	4.9	17.0	4.1	6.2	4.2	3.6	18.1	2.2				
Intangible fixed assets	2.0	2.3	2.3	2.8	9.4	3.1	2.7	3.2	3.4	12.4	2.9				
Depreciation	4.4	4.6	4.6	4.6	18.2	4.4	4.4	4.3	4.3	17.3	4.2				
R&D expenses	4.5	4.5	5.1	5.4	19.4	4.5	4.6	5.0	5.0	19.1	4.4				

* Calculated based on (Profit before income taxes) + (Interest expense) + (Depreciation expense) + (Impairment loss)

Trends of Consolidated Revenue by Region

(Billion yen)

	FYE3/'24					FYE3/'25					FYE3/'26				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Japan	29.4	31.0	31.2	34.1	125.8	25.9	28.1	29.7	34.6	118.2	25.8				
Americas	24.1	25.1	23.5	23.3	96.0	26.0	25.5	24.9	28.7	105.1	20.7				
Europe	16.0	15.9	19.8	20.0	71.6	18.5	17.7	20.7	18.7	75.6	18.2				
Asia&China	14.7	15.3	16.3	13.5	59.7	15.8	15.6	16.9	16.2	64.6	13.5				
Others	1.5	1.8	1.7	1.3	6.4	1.6	1.8	1.7	1.7	6.8	2.0				
Total	85.6	89.1	92.6	92.2	359.5	87.8	88.8	93.9	99.8	370.3	80.2				

Changes in Management Indices-2

	FYE3/'21	FYE3/'22	FYE3/'23	FYE3/'24	FYE3/'25
ROE (%)	3.6%	8.1%	18.2%	12.2%	16.9%
ROA (%)	0.8%	2.2%	5.6%	4.2%	6.4%
ROIC (%)	4.2%	4.0%	8.3%	8.9%	12.1%
PBR (Times)	0.56	0.37	0.63	1.24	1.49
Ratio of equity attributable to owners of parent to total assets (%)	24.5%	28.3%	33.0%	36.2%	39.9%
EPS (yen)	13.14	35.89	99.27	84.34	135.17
EBITDA (Billion yen)	27.5	27.5	42.2	40.6	44.0
Annual dividends per share (Yen)	5.00	6.00	12.00	12.00	15.00
Payout ratio (%) / Total return ratio (%) *	38%	17%	37%	33%	43%

* After FYE3/'23, the total return ratio is stated.



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.