

# Business Overview

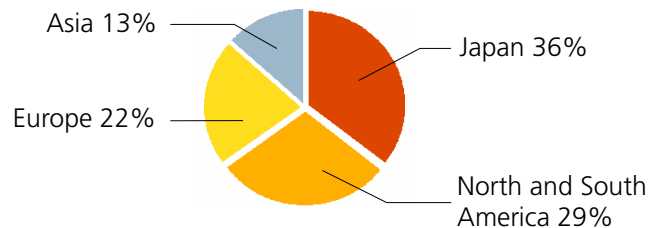
## Company Overview (March 2007)

- Founded December 21, 1946 (Showa 21)
- Capital ¥11,100,000,000
- Employees Consolidated 4,438
- Headquarters Tokyo (Hachioji)
- Factories Hachioji plant and Yokohama plant
- Core businesses Car electronics business  
Communications business  
Home electronics business
- Affiliated companies See page 46.
- Production network See page 46.

## Major Management Indicators (consolidated) (Millions of yen)

	2003/3	2004/3	2005/3	2006/3	2007/3
Sales	225,579	178,731	181,112	183,616	169,194
Operating profit	12,260	12,610	7,061	8,686	5,617
Net profits	4,221	7,318	4,836	6,104	1,586

Breakdown of consolidated sales by region (fiscal 2006)



## Audio Visual Products

Since the successful introduction of our FM tuner across the globe, Kenwood has expanded business based on the concept of "High Quality Sound". We have used our superior high frequency radio technology to increase our presence as an audio maker on the global scene.

The ongoing changes in media is opening up many business opportunities as new digital audio players and other new media become more popular. Kenwood is bringing to market the best sound quality in portable digital media products to provide a seamless "audio entertainment" experience that people can enjoy in their homes and cars.

In the automotive OEM (supplying products through other brands) field, we are leveraging our product planning, brand presence, and high technology recognized in various markets to expand our business supplying products and parts for car audio and navigation systems to the world's automakers.



Car audio



Home audio



Speakers



Digital audio player

Audio



In Japan



Overseas



Audio navigation



CD/DVD mechanisms

Navigation

Automotive OEM

## Communications (wireless transmitters)

Since its founding, Kenwood has developed a communications (wireless transmitters) business using high frequency technology to build a company with innovative technology and high-level know-how. Kenwood's main business operations in the wireless transmitter field holds the world's second largest share of the public safety market (police and fire department wireless communications). The same Kenwood performance and reliability has been proven for 17 years around the globe in Formula 1 (F1) racing through our support of the famous Vodafone McLaren Mercedes team. In the future we aim to dramatically raise the level of business in our largest US markets including emerging new businesses.



Industrial wireless communications

Project 25 (P25) is our line of digital industrial transmitter products for the United States police, fire and other public safety agency markets.



Digital transmitter for McLaren



Amateur radio



Short range transmitters

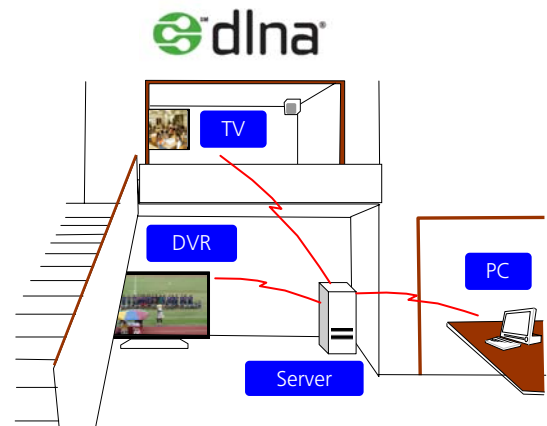
### Researching and developing the next breakthrough technology

As the digital network society of the future begins to take shape around us, we are developing the next generation of breakthrough technologies to bolster our three core businesses (car electronics, communications, and home electronics). Examples:

- DLNA\* technology to create a unique "seamless entertainment world" in which content, like car audio, home audio, and portable audio can be freely shared.
- Technology for receiving digital terrestrial broadcasts in Japan and overseas, and satellite broadcasts around the world
- High quality audio communication technology
- Technologies for audio compression
- CD/DVD mechanisms
- New materials for making speakers

\* DLNA (Digital Living Network Alliance)

DLNA is a group of leading companies in consumer electronics, computing and mobile devices that are working together to advance standardization to achieve interoperability and connectivity in the digital age.



How to use DLNA