

Reaching out to discover, inspire and enhance the enjoyment of life.

● Principle

Cultivate original thinking and execute with pride, passion and precision

The heritage, strength and future aspiration of the Kenwood brand are reflected in the values we share.

We must ensure that every aspects of our corporate activity, from product development through customer relations, is consistent with the following core values to realize our vision.

● Core Value

A Step Ahead

To drive dynamic evolution through progressive thinking and a willingness to embrace change.

The Right Fit

To create products and services that have an intuitive appeal because they fit customer needs and lifestyles.

Fresh Experience

To foster the spirit of discovery at work and refreshing surprise in daily life.

Quality and Performance

To insist on uncompromising quality and performance in our products, our people and our business practices.

Confidence and Trust

To build confidence in the brand and lasting goodwill through relationships based on trust.

Financial Highlights

Kenwood Corporation and consolidated subsidiaries
Years ended March 31

	Mar.2002	Mar.2003	Mar.2004	Mar.2005	Mar.2006
	Millions of yen				
Net sales	302,604	225,579	178,731	181,112	183,616
Operating profit	6,101	12,260	12,610	7,061	8,686
Ordinary income	1,046	7,059	8,541	4,696	4,886
Net income (loss)	(26,658)	4,221	7,318	4,836	6,104
	yen				
Net income (loss) per share	(160)	21	34	17	17
Net income per share after adjustment for latent shareholdings	—	16	16	11	15
	Millions of yen				
Shareholders' equity	(17,002)	13,704	20,161	33,132	37,486
Shareholders' equity ratio	-9.3%	9.6%	14.9%	28.5%	34.2%
ROE	—	—	—	—	21.0%*
Retained earnings (cumulative loss)	(38,581)	(34,238)	(9,777)	13,199	18,316
Interest-bearing debt	110,143	80,851	67,272	31,088	26,263
Net debt	85,907	50,083	29,885	15,147	12,215
Cash flows from operating activities	15,173	10,358	27,502	15,539	12,664
Number of employees	8,628	4,877	4,440	4,334	4,424

* ROE is calculated based on common shareholders' equity at the beginning of the fiscal year. (excluding book value of preferred stock worth 12.5 billion yen from the shareholders' equity at the beginning of the fiscal year)