

Corporate Profile

Kenwood is aiming to become a “World Excellent Company” with its core competencies in sound and wireless communications.

Kenwood, which was established in 1946 in Akaho, Nagano Prefecture as a company specializing in radio assembly and repair, produced an advanced high-frequency coil by taking advantage of its location surrounded by mountains, where radio waves were weak. The high-frequency technology that was built at that time became the base for Kenwood to develop FM tuners and amateur radios. Since then, it has expanded its business domains steadily to include home-use and car-mounted audio systems as well as commercial radio equipment businesses. Its business areas have also expanded into North America, Europe, Asia, particularly China, Pacific, East Europe, particularly Russia, Latin America and the Middle East.

During the period when Kenwood was called TRIO Electronics, Inc. (1960 - 1986), it developed as a full-scale audio manufacturer with the launch of FM tuners that were evaluated as the world's best, followed by transistorizing audio products for the first time in the industry. Kenwood leveraged its advanced technologies that it had developed in home-use audio products to enter into the car audio product and portable audio product markets in 1980 and 1982, respectively, establishing the foundation of its present concept of sound entertainment.

After changing its name to Kenwood Corporation in 1986, Kenwood aggressively entered new fields such as car navigation systems and mobile phone enabled by advances in digital networks and IT technologies, becoming known as the “Kenwood – sound

and communications.” Its business performance was poor for some time due to the severity of the business environment after the collapse of Japan's bubble economy. Kenwood carried on a bold structural reform starting in July 2002, and succeeded in completely reforming its financial base and capital structure in August 2005. Thus, Kenwood was able to make a clean break with the difficulties of the past.

At present, Kenwood is making efforts to expand its corporate value in accordance with the second mid-term business plan, the “Value Creation Plan” formulated in May 2005 based on the corporate vision of a new Kenwood “Reaching out to discover, inspire and enhance the enjoyment of life.” Kenwood is pursuing a growth strategy in its core businesses of Car Electronics, Communications Equipment, and Home Electronics by making use of its assets including technical prowess, product planning capability, global networks and brand power. In addition, Kenwood is accelerating its strategic growth through business alliances and M&A, which enables growth to the limit of Kenwood's own capabilities.

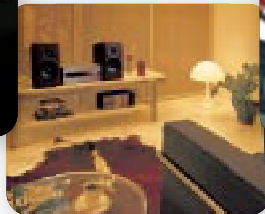
Thus, as the sole manufacturer simultaneously operating all three businesses, we will work to further integrate audio and radio communications, which are our core competencies. Through these measures, we will continue to make our utmost efforts to become the dominant company in the world establishing the business domain of “Mobile & Home Multimedia Systems.”

Car Electronics Business

- Car Electronics Consumer (Audio) Business
- Car Electronics Consumer (Multimedia) Business
- Car Electronics OEM Business

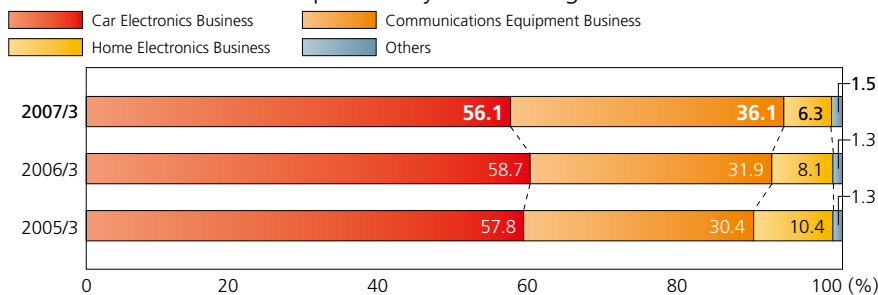


Communications Equipment Business



Home Electronics Business

Consolidated net sales composition by business segment



Business Bases

“KENWOOD” brand is enhanced at 19 nations



Head Office / Hachioji Business Center



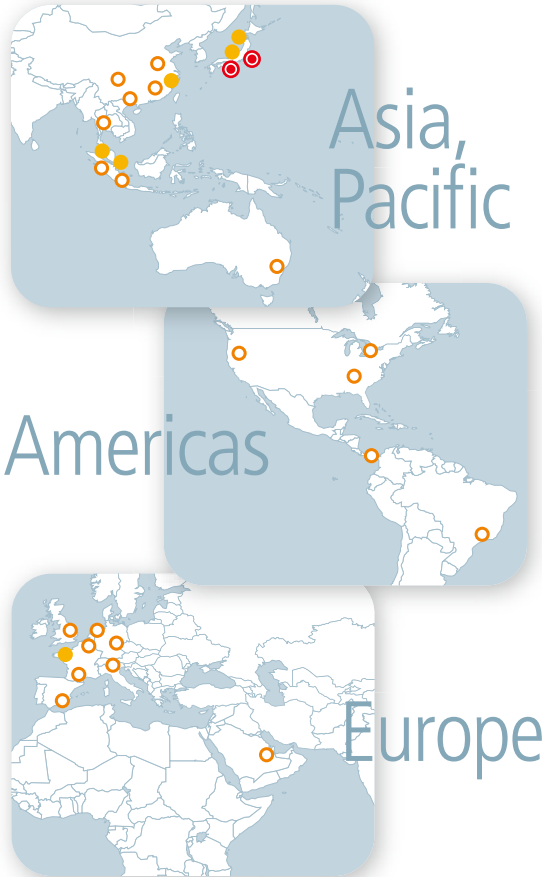
Yokohama Business Center



Yamagata Plant



Nagano Plant



France Plant



Malaysia Plant



Singapore Plant



Shanghai Plant

● Business Center ● Plant ● Sales Subsidiary

Consolidated net sales composition by region

