

Company Representative	JVC KENWOOD Corporation Shoichiro Eguchi, President, and COO (Code: 6632; First Section of the Tokyo Stock Exchange)
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## **(Delayed) Notice on the Reduction of Directors' Compensation and Senior Officers' Salaries/Bonuses and the Implementation of a Voluntary Early Retirement Program**

We hereby announce that at its Board of Directors Meeting held today, JVC KENWOOD Corporation decided to reduce directors' compensation and senior officers' salaries/bonuses and implement a voluntary early retirement program.

### **1. Reasons for the decision**

At its Board of Directors Meeting held today, the Company decided to reduce directors' compensation and senior officers' salaries/bonuses, and implement a voluntary early retirement program. These are emergency measures that the Company determined to carry out, considering the outlook for business results and the currency exchange rate movements in and after the third quarter of the fiscal year ending March 31, 2014.

### **2. Outline of the reduction in directors' compensation, senior officers' salaries/bonuses, and implementation of a voluntary early retirement program**

#### **(1) Reduction in directors' compensation**

The compensation of directors, auditors, executive officers and senior operating officers will be cut by a range of 12% to 36% of total compensation for a period of five months effective November 2013.

#### **(2) Reduction in senior officers' salaries/bonuses**

Senior officers' salaries will be cut by 10% on average for a period of five months from November 2013 to March 2014. Their 2013 winter bonus will also be reduced.

#### **(3) Implementation of a voluntary early retirement program for senior officers**

Considering future business outlook, the Company plans to scale down current operations to an adequate scale. Along with business contraction, the Company will call for applicants by offering an early retirement program with preferential treatment. Details of the program will be provided later once they have been determined.

[Outline of the early retirement program with preferential treatment (planned)]

1. Retirement date: March 31, 2014
2. Number of applicants: several hundred employees
3. Eligibility: Senior officers age 45 or above as of the retirement date (March 31, 2014)
4. Applicable division: All divisions across all companies
5. Preferential treatment:
  - 1) Additional retirement allowance, 2) Provision of expenses for reemployment support

### **3. Future prospect**

The financial impact of the aforementioned emergency measures on the consolidated financial results ending March 31, 2014 have not been finalized, as the impact of the senior officers' voluntary early retirement program has yet to be determined.