

For Immediate Release:

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JVC Announces Revision of Business Forecast for Fiscal 2006

Reflecting our current severe business conditions, Victor Company of Japan, Limited (JVC) revised its earlier business forecast for the first half of fiscal 2006 (April 1, 2005 through September 30, 2005) and the full year of fiscal 2006 (April 1, 2005 through March 31, 2006) as in the tables below. Previous forecast was announced on April 27, 2005, along with business results for fiscal 2005.

1. Revision of consolidated business forecast

(1) Revision of consolidated business forecast for the first half of fiscal 2006 (April 1, 2005 through September 30, 2005)

Millions of yen

	Net Sales	Ordinary Income (Loss)	Net Income (Loss)
Original Forecast (A) (Announced on April 27, 2005)	430,000	3,000	(4,000)
Revised Forecast (B)	385,000	(9,000)	(16,500)
(B-A)	(45,000)	(12,000)	(12,500)
Rate of Change (%)	(10.4%)	—	—
First Half/ FY 2005	410,164	3,250	(4,372)

JVC expects its consolidated operating income for the first half of fiscal 2006 to be a loss of 4 billion yen.

(2) Revision of consolidated business forecast for the full year of fiscal 2006 (April 1, 2005 through March 31, 2006)

Millions of yen

	Net Sales	Ordinary Income	Net Income (Loss)
Original Forecast (A) (Announced on April 27, 2005)	930,000	18,000	7,000
Revised Forecast (B)	860,000	0	(11,500)
(B-A)	(70,000)	(18,000)	(18,500)
Rate of Change (%)	(7.5%)	—	—
FY 2005	840,590	7,282	(1,857)

JVC expects its consolidated operating income for fiscal 2006 to be 7 billion yen.

2. Revision of non-consolidated business forecast

(1) Revision of non-consolidated business forecast for the full year of fiscal 2006 (April 1, 2005 through March 31, 2006)

Millions of yen

	Net Sales	Ordinary Income	Net Income (Loss)
Original Forecast (A) (Announced on April 27, 2005)	485,000	13,500	5,500
Revised Forecast (B)	465,000	2,500	(5,000)
(B-A)	(20,000)	(11,000)	(10,500)
Rate of Change (%)	(4.1%)	(81.4%)	—
FY 2005	448,781	5,923	4,551



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PRESS Release

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3. Reason for revision

The consumer electronics segment struggled due to poor sales of DVD recorders and display products, resulting in sluggish sales in the Americas and Europe. Accordingly, our sales and profit targets for the first half and the full year of fiscal 2005 have been revised downward against the original forecasts.

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