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PRESS Release

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For Immediate Release:

February 21, 2006

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 fiscal 2006 (April 1, 2005 through March 31, 2006) as in the tables below. Previous forecast was announced on October 14, 2005.

1. Revision of consolidated business forecast for fiscal 2006
(April 1, 2005 through March 31, 2006)

	Net Sales	Ordinary Income (Loss)	Net Income (Loss)
Original Forecast (A) (Announced on October 14, 2005)	860,000	0	(11,500)
Revised Forecast (B)	825,000	(12,500)	(29,500)
(B-A)	(35,000)	(12,500)	(18,000)
Rate of Change (%)	(4.1%)	-	-
FY 2005	840,590	7,282	(1,857)

JVC expects its consolidated operating income for fiscal 2006 to be a loss of 5 billion yen.

2. Revision of non-consolidated business forecast for fiscal 2006
(April 1, 2005 through March 31, 2006)

	Net Sales	Ordinary Income (Loss)	Net Income (Loss)
Original Forecast (A) (Announced on October 14, 2005)	465,000	2,500	(5,000)
Revised Forecast (B)	440,000	(3,000)	(11,500)
(B-A)	(25,000)	(5,500)	(6,500)
Rate of Change (%)	(5.4%)	-	-
FY 2005	448,781	5,923	4,551

3. Reasons for revision

Negative factors for the third quarter are expected to remain during the fourth quarter. Examples include sluggish sales of displays in the North America, declining sales of audio products, and quality issues with DVD recorders, which led to the elimination of available models. Further, the Media and the Professional Electronics segments are expected to generate lower sales and profits than the forecasts. Accordingly, our sales and profit targets for fiscal 2006 have been revised downward against the previous forecasts.

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