

News Release

***For Immediate Release
March 12, 2009***

**Pioneer Comments on SESC's Recommendation of
Surcharge Against Ex-Corporate Auditor for Insider Trading**

TOKYO — The Securities and Exchange Surveillance Commission (SESC) of Japan has announced that it has made a recommendation to the Prime Minister and the Commissioner of the Financial Services Agency of an administrative order of surcharge payment against a former corporate auditor of Pioneer Corporation for insider trading.

The Company is deeply regretful about this issue. Never to repeat the same, the Company has already organized a committee for prevention of insider trading, consisting of its outside director (attorney-at-law) as the chairman and two attorneys-at-law as committee members.

The outline of the relevant facts and the recommendation are as follows:

During the period from April 27, 2007 to May 14, 2007, which is prior to the publication effective May 15, 2007 of the Company's decision to commence a tender offer for shares of Tohoku Pioneer Corporation, a corporate auditor of the Company then in office, knowing such decision, purchased on the market 3,200 shares of Tohoku Pioneer at cost of 5,598,000 yen. This is alleged to constitute insider trading under the Financial Instruments and Exchange Law of Japan.

The SESC today recommended the Prime Minister and the Commissioner of the Financial Services Agency to make an administrative order of surcharge payment of 1,440,000 yen against the ex-corporate auditor, pursuant to the Financial Instruments and Exchange Law then in effect.

The Company recognizes this is a very vicious case that the ex-corporate auditor, who primarily should be a guardian of compliance, conducted such an illegal act. The Company shall consider taking legal actions, as well as clarifying the management responsibility on this issue.

The Company will make any effort to raise awareness of compliance of each one at the Pioneer Group and to regain trust of its stakeholders.

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For further information, please contact:

Hideki Okayasu

Managing Director, and General Manager of Finance and Accounting Division
Pioneer Corporation, Tokyo, Japan

Phone: +81-3-3494-1111 / Fax: +81-3-3495-4431

E-mail: pioneer_shr@post.pioneer.co.jp

IR Website: <http://pioneer.jp/ir-e/>