

News Release

***For Immediate Release
September 28, 2009***

Pioneer Announces Status of Postponement of Issuance of New Shares Through Third-Party Allotment

TOKYO — Pioneer Corporation (hereinafter “Pioneer”) announced today the current status regarding the postponement of issuance of new shares through a third-party allotment to Honda Motor Co., Ltd. (hereinafter “Honda”) as described below. Such postponement was initially announced on June 19, 2009.

1. Current Status of the Issuance of New Shares

As previously announced, Pioneer has been considering plans to raise roughly ¥40 billion to meet anticipated funding needs for expenditures such as business restructuring expenses and redemption of convertible bonds, and continues to negotiate with potential sponsors as a new counterparty of the financial partnerships other than Honda. Based on the status of negotiations with the potential sponsors, and as a result of the discussions with Honda, postponement of issuance of new shares was announced on June 19, 2009. Please note, however, that at this moment Honda still intends to subscribe for the new shares in the amount of approximately ¥2.5 billion.

As to the restructuring, “Business Portfolio Realignment” is proceeding as planned, and each measure for “Streamlining the Business Framework of the Entire Pioneer Group” is being implemented to match the business scale after the realignment. As a result, consolidated net sales and losses for the first quarter of fiscal 2010 (from April to June of 2009), the year ending March 31, 2010, were both better than the plan. In order to promptly and steadily implement the medium-term management plan after restructuring, Pioneer is continuing to negotiate earnestly with the potential sponsors.

2. Future Prospects

The schedule of the issuance of new shares is to be fixed by the financial partnerships have been finally agreed upon with the potential sponsors. The issue date and the closing date will be announced once they have been determined. It is possible that the terms and conditions of the issuance may be modified as a result of future discussions with Honda. The status of the issuance will also be announced by December this year.

3. Scheduled Timing of Expenditure of Funds

Notwithstanding the previous announcement of the scheduled timing of expenditure of funds to be the second quarter of fiscal 2010 (from July to September of 2009), it is expected that such timing may be delayed in accordance with the postponement described above. However, there will not be any particular impact on the cash management of Pioneer.

Pioneer Corporation is a leading global manufacturer of consumer- and business-use electronics products such as car electronics, audio and video products. Its shares are traded on the Tokyo Stock Exchange.

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