

# News Release

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For Immediate Release  
December 3, 2009

## **Pioneer and Suning Conclude a Strategic Alliance Agreement for the Home Electronics Business** **A new strategy for accelerating growth in the Chinese market**

Pioneer Corporation concluded a strategic alliance agreement with Suning Appliance Co., Ltd. (hereinafter "Suning"), a major Chinese home electronics mass retailer, on November 20, with the purpose of strengthening and expanding the home electronics business in China, prompting this announcement. Through this alliance, the two companies will execute a new strategy that utilizes the strengths of both companies, and Pioneer is aiming for sales of audio visual products over 10 billion yen in the third year through Suning's sales channels in China.

The main points of this alliance include: 1) to expand sales of existing audio visual products of Pioneer by taking advantage of Suning's sales infrastructure and expertise in the Chinese market and strong sales channels covering major cities all over China; and 2) to grant Suning a license to use the Pioneer brand for domestic Chinese sales of flat-screen TVs which Suning is to develop with the cooperation of Pioneer.

China is an extremely important market for Pioneer, but is a market with both huge potential and intense competition as well. It is essential to efficiently solve challenges such as geographical dispersion and distribution mechanisms in order to accelerate business expansion.

Suning Appliance is a dominant, large-scale business group in China, with about 900 stores in major cities in China, and it has been realizing remarkable growth in recent years. Through this alliance, Pioneer aims to accelerate the expansion of sales and profits in its home electronics business in the Chinese market, by effectively utilizing Suning's strong sales channels, infrastructure and marketing expertise.

### Overview of the Suning Appliance Co., Ltd.

Headquarters	:Nanjing, China
Chairman	:Zhang Jindong
Foundation	:Jun 29, 2001