PIONEER CORPORATION
1-1, Shin-ogura, Saiwai-ku, Kawasaki-shi
Kanagawa 212-0031, Japan

News Release

For Immediate Release
February 9, 2010

Pioneer Announces Business Results for 3Q Fiscal 2010

Pioneer Corporation today announced its consolidated third-quarter and nine-month business results for the periods ended December 31, 2009.

Consolidated Financial Highlights

(In millions of yen except per share information)

	Three months ended December 31			**Nine months** ended December 31		
	2009	2008	% to prior year	2009	2008	% to prior year
Net sales	¥119,051	¥131,231	90.7%	¥322,784	¥458,273	70.4%
Operating income (loss)	1,003	(11,350)	–	(21,757)	(25,690)	–
Ordinary loss	(566)	(11,962)	–	(24,836)	(25,502)	–
Net loss	¥ (3,873)	¥ (29,895)	–%	¥ (44,730)	¥ (73,966)	–%
Net loss per share	¥ (18.89)	¥ (145.82)		¥ (218.18)	¥ (360.78)	

Consolidated Business Results

For the third quarter of fiscal 2010, the three months ended December 31, 2009, consolidated net sales decreased 9.3% from the third quarter of fiscal 2009 to ¥119,051 million (US$1,294.0 million). This was mainly the result of lower sales in the plasma display business, from which Pioneer will withdraw.

Pioneer recorded operating income of ¥1,003 million (US$10.9 million), compared with an operating loss of ¥11,350 million in the third quarter of fiscal 2009.

For further information, please contact:
Investor Relations Department, Corporate Communications Division
Pioneer Corporation, Japan
Phone: +81-44-580-1004 / Fax: +81-44-580-4064
E-mail: pioneer_ir@post.pioneer.co.jp
IR Website: http://pioneer.jp/ir-e/

This change primarily reflected improvement in the gross profit margin and lower selling, general and administrative (SG&A) expenses, mainly owing to benefits from restructuring, despite the drop in net sales. The net loss improved to ¥3,873 million (US$42.1 million), compared with ¥29,895 million in the third quarter of fiscal 2009. In addition to improved operating profitability, the smaller net loss reflected the absence of a loss on valuation of investment securities recorded in the third quarter of fiscal 2009.

During the third quarter of fiscal 2010, the average value of the Japanese yen appreciated 7.4% against the U.S. dollar but depreciated 4.5% against the euro, compared with the third quarter of fiscal 2009.

Car Electronics sales decreased 2.4% year on year to ¥64,751 million (US$703.8 million) because of lower sales of car navigation systems, despite higher car audio product sales. In car navigation systems, consumer-market sales declined year on year, mainly due to lower sales in Japan. OEM sales decreased because of lower sales in Japan and North America. In car audio products, consumer-market sales rose due to higher sales in Central and South America and India, despite lower sales in North America. OEM sales increased because of higher sales in Japan, China and North America. Total OEM sales in this segment accounted for approximately 47% of Car Electronics sales, mostly the same as the corresponding period of the previous fiscal year.

In terms of geographic sales, sales in Japan decreased 7.8% to ¥27,297 million (US$296.7 million), while overseas sales increased 2.0% to ¥37,454 million (US$407.1 million).

This segment recorded operating income of ¥2,176 million (US$23.7 million), compared with an operating loss of ¥1,213 million in the third quarter of fiscal 2009. This was mainly due to a drop in fixed cost, mainly owing to benefits from restructuring, despite a decline in production volume.

Home Electronics sales decreased 24.4% year on year to ¥38,854 million (US$422.3 million), due to lower sales of plasma displays and DVD drives, despite higher sales of Blu-ray Disc-related products as an optical disc joint venture commenced operations.

In terms of geographic sales, sales in Japan increased 40.6% to ¥14,383 million (US$156.3 million), while overseas sales declined 40.6% to ¥24,471 million (US$266.0 million).

This segment recorded an operating loss of ¥2,318 million (US$25.2 million), compared with ¥9,752 million in the third quarter of fiscal 2009. The smaller operating loss reflected a decline in fixed cost, mainly owing to benefits from restructuring.

In the **Others** segment, sales increased 14.7% year on year to ¥15,446 million (US$167.9 million), due to increased royalty revenue from patents related to optical disc technologies, as well as higher sales of electronics devices and parts, and business-use AV systems. This was despite lower sales of factory automation systems.

In terms of geographic sales, sales in Japan increased 2.4% to ¥9,307 million (US$101.2 million), and overseas sales increased 40.4% to ¥6,139 million (US$66.7 million).

Operating income in this segment was ¥1,368 million (US$14.9 million), compared with an operating loss of ¥624 million in the third quarter of fiscal 2009. This change was mainly due to increased royalty revenue from patents related to optical disc technologies.

For the nine–month period ended December 31, 2009, consolidated net sales decreased 29.6% to ¥322,784 million (US$3,508.5 million). Meanwhile, the operating loss improved to ¥21,757 million (US$236.5 million), compared with ¥25,690 million in the same period of the previous fiscal year. Furthermore, as a result of declines in loss on valuation of investment securities and income taxes, the net loss improved to ¥44,730 million (US$486.2 million), compared with ¥73,966 million in the corresponding period of fiscal 2009.

Note: Operating income (loss) in each business segment represents operating income (loss) before elimination of intersegment transactions.

Consolidated Financial Position

Total assets as of December 31, 2009 were ¥389,738 million (US$4,236.3 million), a decrease of ¥39,355 million from March 31, 2009, mainly reflecting decreases in inventories as well as property, plant and equipment and intangible assets. Inventories declined ¥19,646 million from March 31, 2009 to ¥65,240 million (US$709.1 million), reflecting progress with inventory reductions in the plasma display business, from which we will withdraw, as well as reduced inventories in the Car Electronics business. Property, plant and equipment decreased ¥11,177 million from March 31, 2009 to ¥100,990 million (US$1,097.7 million) as of December 31, 2009, as we curtailed capital expenditures, and intangible assets were ¥34,227 million (US$372.0 million) as of December 31, 2009, a decrease of ¥10,571 million from March 31, 2009, mainly due to curbs on new software acquisitions and to the sale of patents.

Total liabilities as of December 31, 2009 were ¥320,570 million (US$3,484.5 million), an increase of ¥3,325 million from March 31, 2009. This mainly reflected an increase of ¥22,112 million in trade payables accompanying increased production, despite a decrease of ¥9,753 million in accrued expenses mainly due to special retirement benefits paid.

Total equity as of December 31, 2009 was ¥69,168 million (US$751.8 million), a decrease of ¥42,680 million from March 31, 2009. This chiefly reflected the net loss of ¥44,730 million (US$486.2 million) for the nine months ended December 31, 2009.

Cash Flows

During the nine months ended December 31, 2009, net cash used in operating activities was ¥323 million (US$3.5 million). The main factors reducing cash were loss before income taxes and minority interests of ¥39,844 million (US$433.1 million), a decrease in accrued expenses of ¥9,877 million (US$107.4 million), and an increase in trade receivables of ¥8,583 million (US$93.3 million). These factors outweighed the addback of non-cash expenses, namely depreciation and amortization of ¥30,868 million (US$335.5 million) and an increase in trade payables of ¥22,867 million (US$248.6 million).

Net cash used in investing activities was ¥7,180 million (US$78.0 million). This principally reflected the payment of ¥17,360 million (US$188.7 million) for new purchases of noncurrent assets, despite proceeds of ¥9,910 million (US$107.7 million) from sales of noncurrent assets such as patents.

Financing activities provided net cash of ¥1,934 million (US$21.0 million) in the nine months ended December 31, 2009, principally reflecting proceeds from stock issuance to minority shareholders in relation to the establishment of a joint venture.

Consequently, cash and cash equivalents at December 31, 2009 amounted to ¥57,100 million (US$620.7 million), down ¥6,646 million from March 31, 2009.

Business Forecasts for Fiscal 2010

Consolidated full-year business forecasts for fiscal 2010, ending March 31, 2010, have been revised from those announced on October 29, 2009, as shown below.

(In millions of yen)

	Revised forecasts (A)	Previous forecasts (B)	Changes (A – B)	Full-year results for fiscal 2009
Net sales	¥445,000	¥451,000	¥(6,000)	¥ 558,837
Operating loss	(21,600)	(25,500)	3,900	(54,529)
Ordinary loss	(27,100)	(30,000)	2,900	(54,420)
Net loss	¥ (54,000)	¥ (59,500)	¥ 5,500	¥(130,529)

Pioneer has revised its net sales forecast from ¥451.0 billion to ¥445.0 billion, mainly based on lower-than-projected sales of consumer-market car navigation systems, and a drop in orders for Blu-ray Disc-related products.

Despite the reduced net sales forecast, Pioneer has revised its operating loss forecast from ¥25.5 billion to ¥21.6 billion, primarily reflecting the reduction in fixed cost and improvement in the gross profit margin, mainly owing to benefits from restructuring. We have also revised the ordinary loss forecast from ¥30.0 billion to ¥27.1 billion. The net loss forecast has been revised from ¥59.5 billion to ¥54.0 billion.

We are assuming an average fourth-quarter yen-U.S. dollar exchange rate of ¥93 and a yen-euro exchange rate of ¥133, for the revised forecasts.

Medium-term Business Plan

Pioneer has revised its medium-term consolidated business forecasts announced on April 28, 2009 for fiscal 2010, 2011 and 2012 as shown in the table below. These revisions reflect the subsequent formation of joint-venture businesses and other initiatives, the improved earnings due to benefits from restructuring, sales of assets, further reductions in the costs of materials and exchange-rate assumptions.

(In millions of yen)

	Forecasts for Fiscal 2010	Forecasts for Fiscal 2011	Forecasts for Fiscal 2012
Net sales	¥445,000	¥485,000	¥566,000
Operating income (loss)	(21,600)	17,000	27,000
Net income (loss)	¥ (54,000)	¥ 9,000	¥ 16,500

We are assuming an average yen-U.S. dollar exchange rate of ¥93 and an average yen-euro exchange rate of ¥133 for consolidated business forecasts for fiscal 2010 onward.

Pioneer has upwardly revised the forecasts for fiscal 2011 and 2012 mainly because of increased sales in the optical disc business resulting from the establishment of a joint venture in the Home Electronics business, increased sales in the Car Electronics business, and improved profitability due to further reductions in the costs of materials.

Although total equity as of March 31, 2010 should decline due to the implementation of the restructuring measures, the Company expects an increase in total equity by March 31, 2012 mainly as a result of improved operating profitability primarily owing to benefits from restructuring. Concurrently, the Company will work to reduce net interest-bearing debt.

Pioneer also improved cash flow due to improved operating profitability mainly owing to benefits from restructuring, and sales of assets and other measures. And Pioneer expects positive free cash flow of ¥24.0 billion for fiscal 2012.

Material Events Regarding Going Concern Assumption

Pioneer's financial position remains under strain due to a sharp drop in net sales and large losses. However, Pioneer has rigorously implemented drastic restructuring and this led to a significantly improved third-quarter business performance, including returning to profitability at the operating income level.

Also, in fiscal 2009, the Company's business performance and financial position triggered breaches of financial covenants arising from loan agreements with a number of banks. However, as a result of discussions with the relevant banks, the loan did not become capable of acceleration, and the banks have agreed to maintain their existing loans to Pioneer under the terms of the loan agreements.

Pioneer originally estimated that it had funding requirements of approximately ¥40 billion, including for the redemption in March 2011 of ¥60 billion in aggregate principal amount of its convertible bonds due 2011. However, Pioneer now intends to meet these requirements through continued borrowings from lender financial institutions and its internal funds generated by the sale of certain assets which are less relevant to Pioneer's business operations, including the site of the former Head Office in Meguro. Furthermore, measures for funding Pioneer's growth, such as those announced today relating to the offering of new shares overseas and the issuance of new shares through third-party allotments, are expected to significantly improve Pioneer's equity.

As a result, the Company believes that material uncertainty about Pioneer's ability to continue its business activities into the future can be resolved.

Cautionary Statement with Respect to Forward-Looking Statements

Statements made in this release with respect to our current plans, estimates, strategies and beliefs, and other statements that are not historical facts are forward-looking statements about our future performance. These statements are based on management's assumptions and beliefs in light of the information currently available to it. We caution that a number of important risks and uncertainties could cause actual results to differ materially from those discussed in the forward-looking statements, and therefore you should not place undue reliance on them. It is not our obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. We disclaim any such obligation. Risks and uncertainties that might affect us include, but are not limited to: (i) general economic conditions in our markets, particularly levels of consumer spending, and levels of demand in the major industrial sectors which we serve; (ii) exchange rates, particularly between the Japanese yen and the euro, the U.S. dollar, and other currencies in which we make significant sales or in which our assets and liabilities are denominated; (iii) our ability to continuously design and develop and win acceptance for our products in extremely competitive markets; (iv) our ability to successfully implement our business strategies; (v) the success of our joint ventures, alliances and other business relationships with third parties; (vi) our ability to access funding; (vii) our continued ability to devote sufficient resources to research and development, and capital expenditure; (viii) our ability to ensure the quality of our products; (ix) the success of our restructuring plans; and (x) the outcome of contingencies.

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.

# # # # # #

The U.S. dollar amounts in this release represent translations of Japanese yen, for convenience only, at the rate of ¥92=US$1.00, the approximate rate prevailing on December 31, 2009.

Attached are consolidated financial statements for the three months and the nine months ended December 31, 2009.

(1) CONSOLIDATED BALANCE SHEETS

(In millions of yen)

	December 31, 2009	March 31, 2009
ASSETS		
Current assets:		
Cash and deposits	¥ 57,099	¥ 63,745
Trade receivables	69,730	60,989
Merchandise and finished goods	32,905	45,169
Work in process	11,863	14,699
Raw materials and supplies	20,472	25,018
Deferred tax assets	6,803	7,097
Other current assets	15,484	17,420
Allowance for doubtful receivables	(2,069)	(2,035)
Total current assets	212,287	232,102
Noncurrent assets:		
Property, plant and equipment:		
Buildings and structures	101,942	102,285
Machinery, vehicles, tools, furniture and fixtures	163,863	176,593
Others	33,768	34,078
Accumulated depreciation	(198,583)	(200,789)
Total property, plant and equipment	100,990	112,167
Intangible assets:		
Goodwill	1,360	1,420
Software	31,397	39,215
Others	1,470	4,163
Total intangible assets	34,227	44,798
Investments and other assets:		
Investment securities	23,311	18,972
Deferred tax assets	11,320	12,484
Others	7,551	8,470
Allowance for doubtful accounts	(7)	(7)
Total investments and other assets	42,175	39,919
Total noncurrent assets	177,392	196,884
Deferred assets	59	107
Total assets	¥389,738	¥429,093

(In millions of yen)

	December 31, 2009	March 31, 2009
LIABILITIES		
Current liabilities:		
Trade payables	¥ 62,910	¥ 40,798
Short-term borrowings	111,847	110,000
Current portion of long-term debt	2,664	2,664
Accrued income taxes	4,946	4,153
Accrued expenses	41,010	50,763
Warranty reserve	3,890	4,222
Other current liabilities	13,200	19,820
Total current liabilities	240,467	232,420
Long-term liabilities:		
Bonds payable	60,600	60,600
Long-term debt	4,700	6,515
Accrued pension and severance costs	10,152	12,704
Other long-term liabilities	4,651	5,006
Total long-term liabilities	80,103	84,825
Total liabilities	320,570	317,245
EQUITY		
Shareholders' equity:		
Common stock	69,824	69,824
Capital surplus	102,054	102,054
Retained earnings	(31,480)	13,250
Treasury stock	(11,124)	(11,124)
Total shareholders' equity	129,274	174,004
Valuation and translation adjustments:		
Unrealized gain on available-for-sale securities	6,464	1,552
Deferred gain on derivatives under hedge accounting	0	42
Foreign currency translation adjustments	(68,371)	(63,549)
Pension adjustments recognized by foreign consolidated subsidiaries	(1,516)	(1,551)
Total valuation and translation adjustments	(63,423)	(63,506)
Minority interests	3,317	1,350
Total equity	69,168	111,848
Total liabilities and equity	¥389,738	¥429,093

(2) CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions of yen)

	Three months ended December 31	
	2008	2009
Net sales	¥131,231	¥119,051
Cost of sales	110,654	93,146
Gross profit	20,577	25,905
Selling, general and administrative expenses	31,927	24,902
Operating income (loss)	(11,350)	1,003
Non-operating income:		
Interest income	624	126
Dividends income	234	124
Subsidy income	–	41
Others	6	182
Total non-operating income	864	473
Non-operating expenses:		
Interest expenses	642	823
Foreign exchange losses	548	879
Others	286	340
Total non-operating expenses	1,476	2,042
Ordinary loss	(11,962)	(566)
Extraordinary income:		
Gain on sales of noncurrent assets	86	171
Gain on sales of subsidiaries' stocks	–	72
Others	4	22
Total extraordinary income	90	265
Extraordinary loss:		
Impairment loss	515	–
Loss on valuation of investment securities	13,728	–
Restructuring costs	2,284	1,173
Others	99	472
Total extraordinary loss	16,626	1,645
Loss before income taxes and minority interests	(28,498)	(1,946)
Income taxes—current	(443)	2,012
Income taxes—deferred	1,813	(183)
Total income taxes	1,370	1,829
Minority interests in income	27	98
Net loss	¥ (29,895)	¥ (3,873)

(In millions of yen)

	Nine months ended December 31	
	2008	2009
Net sales	¥458,273	¥322,784
Cost of sales	373,297	275,150
Gross profit	84,976	47,634
Selling, general and administrative expenses	110,666	69,391
Operating loss	(25,690)	(21,757)
Non-operating income:		
Interest income	2,650	471
Dividends income	–	385
Subsidy income	–	443
Others	1,054	623
Total non-operating income	3,704	1,922
Non-operating expenses:		
Interest expenses	2,293	2,464
Foreign exchange losses	338	821
Others	885	1,716
Total non-operating expenses	3,516	5,001
Ordinary loss	(25,502)	(24,836)
Extraordinary income:		
Gain on sales of noncurrent assets	875	6,233
Others	72	224
Total extraordinary income	947	6,457
Extraordinary loss:		
Impairment loss	1,960	28
Loss on valuation of investment securities	14,217	363
Restructuring costs	18,012	19,549
Others	190	1,525
Total extraordinary loss	34,379	21,465
Loss before income taxes and minority interests	(58,934)	(39,844)
Income taxes—current	8,669	3,419
Income taxes—deferred	6,239	1,333
Total income taxes	14,908	4,752
Minority interests in income	124	134
Net loss	¥ (73,966)	¥ (44,730)

(3) CONSOLIDATED STATEMENT OF CASH FLOWS

(In millions of yen)

	Nine months ended December 31	
	2008	2009
I. Cash flows from operating activities:		
Loss before income taxes and minority interests	¥(58,934)	¥(39,844)
Depreciation and amortization	32,171	30,868
Impairment loss	1,960	28
Decrease in accrued pension and severance costs	–	(2,592)
Interest and dividends income	(3,262)	(856)
Interest expenses	2,293	2,464
Loss on valuation of investment securities	14,217	363
Gain on sales and disposal of noncurrent assets	(685)	(4,854)
Decrease (increase) in trade receivables	13,176	(8,583)
Decrease (increase) in inventories	(33,638)	19,080
Increase (decrease) in trade payables	(4,748)	22,867
Increase (decrease) in accrued expenses	486	(9,877)
Other, net	(7,114)	(3,526)
Subtotal	(44,078)	5,538
Interest and dividends income received	2,791	855
Interest expenses paid	(1,924)	(2,463)
Income taxes paid	(8,059)	(4,253)
Net cash used in operating activities	(51,270)	(323)
II. Cash flows from investing activities:		
Purchase of noncurrent assets	(37,762)	(17,360)
Proceeds from sales of noncurrent assets	1,294	9,910
Proceeds from sales of investment securities	145	532
Proceeds from cancellation return of insurance	5,515	–
Other, net	(96)	(262)
Net cash used in investing activities	(30,904)	(7,180)
III. Cash flows from financing activities:		
Net increase in short-term borrowings	62,894	1,967
Repayment of long-term debt	(2,215)	(1,815)
Redemption of bonds	(10,000)	–
Dividends paid	(513)	–
Proceeds from stock issuance to minority shareholders	–	2,040
Other, net	(395)	(258)
Net cash provided by financing activities	49,771	1,934
Effect of exchange rate changes on cash and cash equivalents	(5,455)	(1,077)
Net decrease in cash and cash equivalents	(37,858)	(6,646)
Cash and cash equivalents, beginning of period	81,180	63,746
Cash and cash equivalents, end of period	¥ 43,322	¥ 57,100

(4) SEGMENT INFORMATION

<Net Sales by Segment>

(In millions of yen)

	Three months ended December 31				
	2008		2009		% to prior year
	Amount	% to total	Amount	% to total	
Domestic	¥ 29,613	22.6%	¥ 27,297	22.9%	92.2%
Overseas	36,727	28.0	37,454	31.5	102.0
Car Electronics	66,340	50.6	64,751	54.4	97.6
Domestic	10,233	7.8	14,383	12.1	140.6
Overseas	41,193	31.4	24,471	20.5	59.4
Home Electronics	51,426	39.2	38,854	32.6	75.6
Domestic	9,092	6.9	9,307	7.8	102.4
Overseas	4,373	3.3	6,139	5.2	140.4
Others	13,465	10.2	15,446	13.0	114.7
Domestic	48,938	37.3	50,987	42.8	104.2
Overseas	82,293	62.7	68,064	57.2	82.7
Total	¥131,231	100.0%	¥119,051	100.0%	90.7%

(In millions of yen)

	Nine months ended December 31				
	2008		2009		% to prior year
	Amount	% to total	Amount	% to total	
Domestic	¥ 92,933	20.3%	¥ 75,801	23.5%	81.6%
Overseas	147,048	32.1	103,515	32.1	70.4
Car Electronics	239,981	52.4	179,316	55.6	74.7
Domestic	23,608	5.2	28,054	8.7	118.8
Overseas	147,750	32.2	74,484	23.1	50.4
Home Electronics	171,358	37.4	102,538	31.8	59.8
Domestic	30,129	6.5	26,588	8.2	88.2
Overseas	16,805	3.7	14,342	4.4	85.3
Others	46,934	10.2	40,930	12.6	87.2
Domestic	146,670	32.0	130,443	40.4	88.9
Overseas	311,603	68.0	192,341	59.6	61.7
Total	¥458,273	100.0%	¥322,784	100.0%	70.4%

<Business Segments>

(In millions of yen)

Three months ended December 31, 2008	Car Electronics	Home Electronics	Others	Total	Corporate and Eliminations	Consolidated
Net sales:						
Unaffiliated customers	¥66,340	¥51,426	¥13,465	¥131,231	–	¥131,231
Inter-segment	589	141	5,910	6,640	¥(6,640)	–
Total	66,929	51,567	19,375	137,871	(6,640)	131,231
Operating income (loss)	¥ (1,213)	¥ (9,752)	¥ (624)	¥ (11,589)	¥ 239	¥ (11,350)

(In millions of yen)

Three months ended December 31, 2009	Car Electronics	Home Electronics	Others	Total	Corporate and Eliminations	Consolidated
Net sales:						
Unaffiliated customers	¥64,751	¥38,854	¥15,446	¥119,051	–	¥119,051
Inter-segment	495	234	3,363	4,092	¥(4,092)	–
Total	65,246	39,088	18,809	123,143	(4,092)	119,051
Operating income (loss)	¥ 2,176	¥ (2,318)	¥ 1,368	¥ 1,226	¥ (223)	¥ 1,003

(In millions of yen)

Nine months ended December 31, 2008	Car Electronics	Home Electronics	Others	Total	Corporate and Eliminations	Consolidated
Net sales:						
Unaffiliated customers	¥239,981	¥171,358	¥46,934	¥458,273	–	¥458,273
Inter-segment	1,531	423	22,475	24,429	¥(24,429)	–
Total	241,512	171,781	69,409	482,702	(24,429)	458,273
Operating income (loss)	¥ 1,563	¥ (24,099)	¥ (445)	¥ (22,981)	¥ (2,709)	¥ (25,690)

(In millions of yen)

Nine months ended December 31, 2009	Car Electronics	Home Electronics	Others	Total	Corporate and Eliminations	Consolidated
Net sales:						
Unaffiliated customers	¥179,316	¥102,538	¥40,930	¥322,784	–	¥322,784
Inter-segment	1,362	567	11,064	12,993	¥(12,993)	–
Total	180,678	103,105	51,994	335,777	(12,993)	322,784
Operating loss	¥ (11,829)	¥ (9,451)	¥ (452)	¥ (21,732)	¥ (25)	¥ (21,757)

Note: Business segments are determined according to type of products and similarity of sales markets.

Pioneer Corporation—Consolidated

Notes:

1. Effective from fiscal 2010, “Net sales” has included “Other operating revenue” (Royalty revenue) because of its reduced importance to consolidated business results. Previously, “Net sales” and “Other operating revenue” composed “Operating revenue.” Figures for the previous year have been reclassified to conform to this presentation.
2. The Company’s business is classified into three segments: “Car Electronics,” “Home Electronics” and “Others.” Principal products and services included in each segment are as follows:

   Car Electronics:

   car navigation systems, car stereos, car AV systems and car speakers

   Home Electronics:

   audio systems, audio components, DJ equipment, equipment for cable-TV systems, Blu-ray Disc players, Blu-ray Disc recorders, Blu-ray Disc drives, DVD players, DVD recorders, DVD drives and plasma displays

   Others:

   factory automation systems, speaker units, electronics devices and parts, organic light-emitting diode displays, telephones, AV accessories, business-use AV systems and licensing of patents related to laser optical disc technologies

Note relating to going concern assumption:

Not applicable.