

# News Release

**For Immediate Release**  
**October 5, 2012**

**Pioneer Announces Impairment Loss of Investment Securities,  
Revision of Business Forecasts for the First Half of Fiscal 2013  
and No Interim Dividend**

Pioneer Corporation has announced that, as the Company will record a loss on impairment of investment securities, it revises its consolidated business forecasts for the first half of fiscal 2013 and pays no interim dividend, by a resolution of a meeting of its Board of Directors held today, detailed as follows:

**1. Impairment loss of investment securities for the second quarter of fiscal 2013**

The Company will record ¥5,830 million of impairment loss of investment securities which market value has fallen significantly below book value, for the second quarter of fiscal 2013, the three months ended September 30, 2012.

Note: For quarterly valuation of securities, the Company adopts the revaluation method. The amount of loss on impairment of investment securities for the third quarter and the full-year period of fiscal 2013 is subject to change.

**2. Revision of consolidated business forecasts for the first half of fiscal 2013**

The Company revises its consolidated net income forecast for the first half of fiscal 2013 from ¥1,000 million income to ¥4,830 million loss, due to the above impairment loss of investment securities. The previous forecast was announced on August 7, 2012.

The Company is currently reviewing its full-year forecasts for fiscal 2013 and will announce its forecasts immediately as it becomes available.

**3. Interim dividend for fiscal 2013**

The Company pays no interim dividend for fiscal 2013. The amount of the year-end dividend for fiscal 2013 has yet to be determined.

Pioneer management considers its dividend policy to be one of its highest management priorities. On the basis of maintaining stable dividends, the Company's policy is to set appropriate dividend payments in light of its financial position, consolidated business results, and other factors. The decision to pay no interim dividend is attributable to anticipating consolidated net loss for the first half of fiscal 2013, as mentioned above.

Going forward, we are determined to improve our business performance and achieve early resumption of dividend payments.

**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) conditions in which we are able to continuously procure key parts essential to our manufacturing operations; 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.

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