

# News Release

**For Immediate Release**  
**March 8, 2019**

**Pioneer Announces Completion of Payment  
for Issuance of New Shares through Third Party Allotment**

Pioneer Corporation (hereinafter “Pioneer”) hereby announces that the payment for the issuance of the new shares through third party allotment to Wolfcrest Limited under Baring Private Equity Asia (hereinafter “BPEA”) (hereinafter the “Third Party Allotment”), which was resolved at the meeting of its Board of Directors held on December 7, 2018, was completed today. Details are provided below.

**I. Outline of Issuance of New Shares**

Out of the aggregate paid amount for the Third Party Allotment, 25 billion yen was paid for the Third Party Allotment in the form of a debt-equity swap (hereinafter “DES”) and 52 billion yen was paid for the Third Party Allotment by cash; hereinafter the portion of the Third Party Allotment in the form of DES shall be referred to as “Third Party Allotment (DES),” and the remaining portion of the Third Party Allotment by cash, shall be referred to as “Third Party Allotment (cash contribution).”

**(i) Third Party Allotment (DES)**

(1) Number of shares issued: 500,000,000 shares of common stock

(2) Paid amount: 50 yen per share

(3) Aggregate paid amount: 25,000,000,000 yen

Note: The total amount was paid in the form of contribution in kind (DES).

(4) Details and value of property contributed in kind

Loan receivable held by Wolfcrest Limited against Pioneer

25,000,000,000 yen in total

Note: The loan receivable relating to a loan of a total 25,000,000,000 yen provided to Pioneer from Kamerig B.V., which is under BPEA similar to Wolfcrest Limited, on September 18, 2018. The loan receivable has been transferred from Kamerig B.V. to Wolfcrest Limited by today.

(5) Amount accounted for as stated capital: 25 yen per share

(6) Aggregate amount accounted for as stated capital: 12,500,000,000 yen

(7) Allottee: Wolfcrest Limited

**(ii) Third Party Allotment (cash contribution)**

(1) Number of shares issued: 1,040,000,000 shares of common stock

(2) Paid amount: 50 yen per share

(3) Aggregate paid amount: 52,000,000,000 yen

(4) Amount accounted for as stated capital: 25 yen per share

(5) Aggregate amount accounted for as stated capital: 26,000,000,000 yen

(6) Allottee: Wolfcrest Limited

As a result of the Third Party Allotment, Wolfcrest Limited, the allottee, newly became Pioneer's parent company and the largest shareholder as of today.

II. Change in Total Number of Shares Issued, etc. by Issuance of New Shares

	Number of shares	(Stated capital)
Total number of shares issued before issuance of new shares	383,340,936	(92,881,488,504 yen)
Increase in number of shares by issuance of new shares	1,540,000,000	(Increase of 38,500,000,000 yen)
through Third Party Allotment (DES)	500,000,000	(Increase of 12,500,000,000 yen)
through Third Party Allotment (cash contribution)	1,040,000,000	(Increase of 26,000,000,000 yen)
Total number of shares issued after issuance of new shares	1,923,340,936	(131,381,488,504 yen)

Pioneer plans to resolve, at a meeting of its Board of Directors to be held by the date immediately prior to the effective date of the share consolidation (March 31, 2019), to cancel all of treasury stocks held by Pioneer on the date immediately prior to the date when such meeting of its Board of Directors is held.

III. Schedule

Pioneer hereby announces that the outline of the schedule for the procedures in which Wolfcrest Limited will make Pioneer become its wholly-owned subsidiary, which was announced in the "Pioneer Announces Issuance of New Shares through Third Party Allotment (Debt-Equity Swap and Cash Contribution) and Partial Amendments to Articles of Incorporation, Share Consolidation and Abolition of Unit Share System, and Change in Parent Company and Largest Shareholder" dated December 7, 2018, has been fixed and is as follows. The procedures to make a payment for any fractional shares associated with the share consolidation are scheduled to commence in and after May 2019.

Date of issuance of the new shares under the Third Party Allotment	Friday, March 8, 2019
Designation of common stock as securities to be delisted on the Tokyo Stock Exchange	Friday, March 8, 2019 (scheduled)
Last Trading Date of shares of common stock on the Tokyo Stock Exchange	Tuesday, March 26, 2019 (scheduled)
Date of delisting of shares of common stock on the Tokyo Stock Exchange	Wednesday, March 27, 2019 (scheduled)
Effective Date of share consolidation	Sunday, March 31, 2019 (scheduled)

As mentioned above, as a result of the completion of the payment for the Third Party Allotment, the common stock of Pioneer has fallen under the delisting criteria of the Tokyo Stock Exchange, Inc. (hereinafter the "Tokyo Stock Exchange") and is scheduled to be delisted as of March 27, 2019 after

designated as securities to be delisted from today until March 26, 2019. Pioneer also hereby announces that after the delisting, the shares of common stock of Pioneer cannot be traded on the First Section of the Tokyo Stock Exchange.

**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 U.S. dollar, the euro, 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.

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