

News Release

***For Immediate Release
September 8, 2015***

Comments on SESC's Recommendation of Surcharge Against Former Employee

The Securities and Exchange Surveillance Commission (SESC) of Japan has announced today that it has made a recommendation to the Prime Minister and the Commissioner of the Financial Services Agency of an administrative order of surcharge payment against a former employee of Pioneer Corporation for insider trading.

The Company, as has been seriously paid attention to the prevention of insider trading, is deeply regretful about this issue. Not to repeat the same, the Company will make every possible effort.

1. Outline of the Relevant Facts

Prior to the announcement by the Company of “downward revision of business forecasts for fiscal 2014, ending March 31, 2014” made on August 6, 2013, an employee of the Company then in office, knowing such facts, sold 5,000 shares of the Company at 965,000 yen; and prior to the announcement of “basic agreement for capital/business alliance in Home AV business” made on June 24, 2014, the employee purchased 10,000 shares of the Company at 2,210,000 yen and 10,000 shares of Onkyo Corporation at 1,490,000 yen.

This is alleged to constitute a violation of insider trading prohibition under the Financial Instruments and Exchange Act of Japan.

Concerning the above violation of the law, the amount of the surcharge to be paid by the former employee is 960,000 yen.

2. Punitive Measure Against the Former Employee

The Company conducted an in-house investigation and confirmed the fact of the violation of the law and the Company's internal rules by the employee. Upon confirmation of the fact, the Company has already dismissed the employee before the recommendation.

3. Preventive Measures

This incident occurred even though the Company had already established and applied internal rules and measures for insider trading prevention, and strictly controls transaction of Pioneer shares by its directors, officers, corporate auditors and employees of the Pioneer Group. As such, during the period from the first day of the month next to the end of each quarter to the announcement of such business results, Pioneer shares transaction is entirely prohibited and such prohibition is respectively notified by e-mail to all directors, officers, corporate auditors and employees of the

entire Pioneer Group. As well, training by e-learning, submitting pledge for confidentiality, raising awareness of internal reporting system, reporting transaction of Pioneer shares by directors, officers, corporate auditors are included in the preventive measures.

The Company will make every effort to raise awareness of compliance of each one at the Pioneer Group and to prevent them from committing insider trading.

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For further information, please contact:

Masahiro Kawamura

Director and Senior Executive Officer

Pioneer Corporation, Japan

Phone: +81-44-580-3211 / Fax: +81-44-580-4064

E-mail: pioneer_shr@post.pioneer.co.jp

IR Website: <http://pioneer.jp/en/ir/>