

Pioneer *sound.vision.soul*

Information Meeting

Pioneer Corporation

President and Representative Director

Tamihiko Sudo

June 6, 2006

Today's Agenda

- 1. Business Forecasts for FY March 2007**
- 2. Structural Reforms**
- 3. Management Innovation Projects**
- 4. Medium-term Business Strategy**

Statements made in this presentation 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. You also should not believe that it is 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; (ii) exchange rates, particularly between the yen and the U.S. dollar, euro, and other currencies in which we make significant sales or in which our assets and liabilities are denominated; (iii) our ability to continue to design and develop and win acceptance of our products and services, which are offered in highly competitive markets characterized by continual new product introductions, rapid developments in technology, severe price competition and subjective and changing consumer preferences; (iv) our ability to successfully implement our business strategies; (v) our ability to compete, as well as develop and implement successful sales and distribution strategies, in light of technological developments in and affecting our businesses; (vi) our continued ability to devote sufficient resources to research and development, and capital expenditure; (vii) our ability to continuously enhance our brand image; (viii) the success of our joint ventures and alliances; (ix) the success of our business restructuring plans; and (x) the outcome of contingencies.

Business Forecasts for FY March 2007

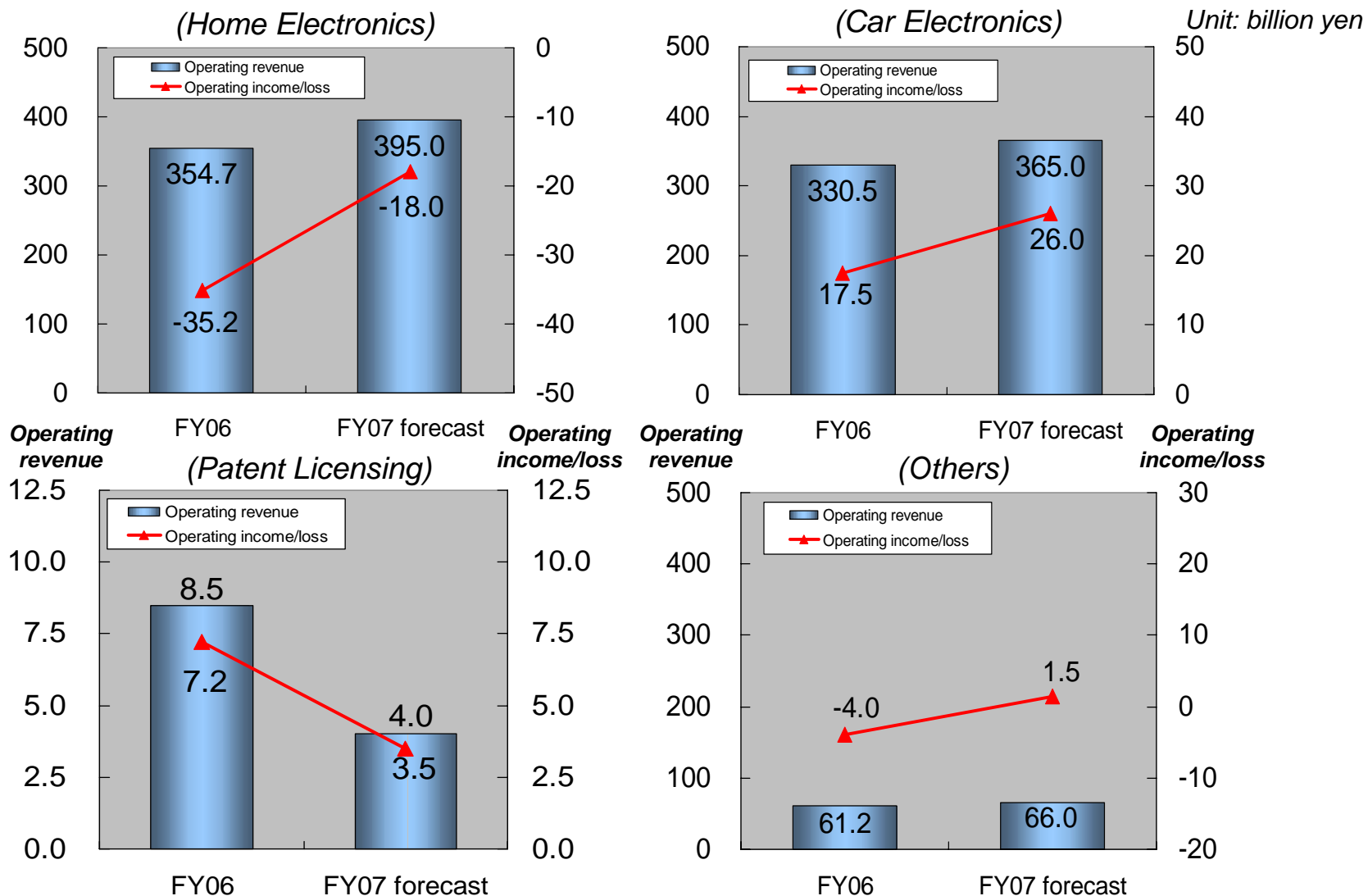
FY March 2007: Consolidated Business Forecast

Unit: billion yen

| | <i>Forecast FY 2007</i> | <i>Result FY 2006</i> | <i>Variance</i> |
|--|------------------------------------|----------------------------------|------------------------|
| <i>Operating revenue</i> | 830.0 | 755.0 | 75.0 |
| <i>Operating income (loss)</i> | 12.0 | (16.4) | 28.4 |
| <i>Income (loss) before taxes</i> | 13.5 | (71.2) | 84.7 |
| <i>Net income (loss)</i> | 3.0 | (85.0) | 88.0 |

| | | | |
|--|----------------|---------------|--------|
| <i>Exchange rates (Unit: yen)</i> | 1 US \$ | 115.00 | 113.31 |
| | 1 Euro | 140.00 | 137.86 |

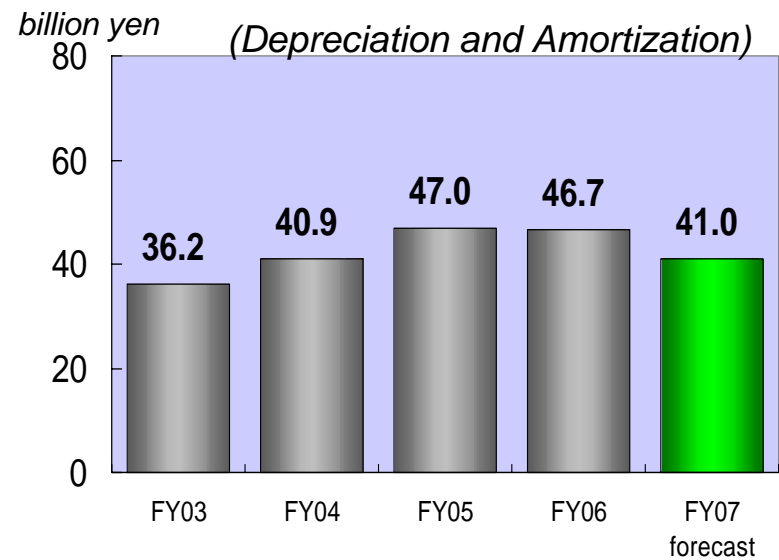
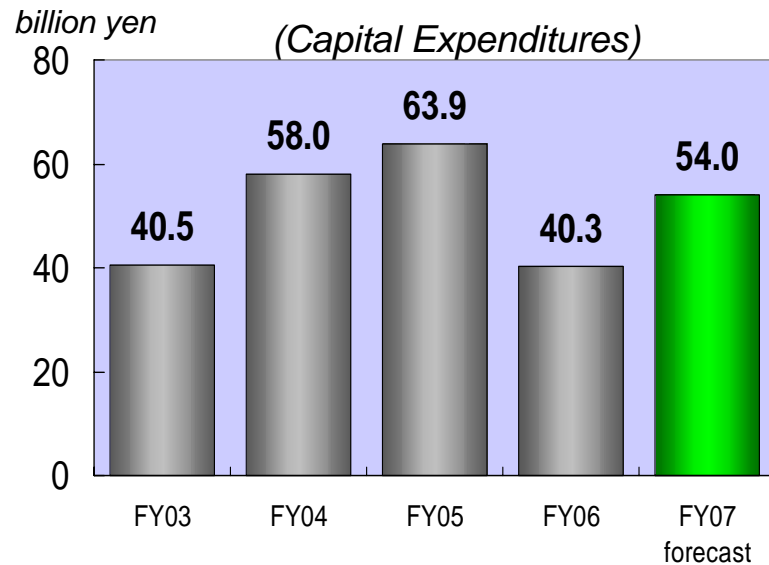
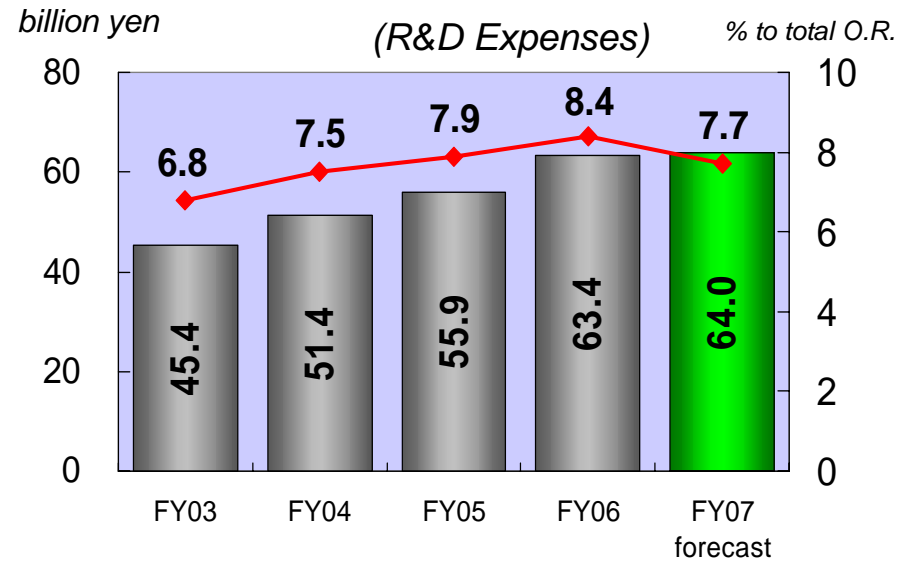
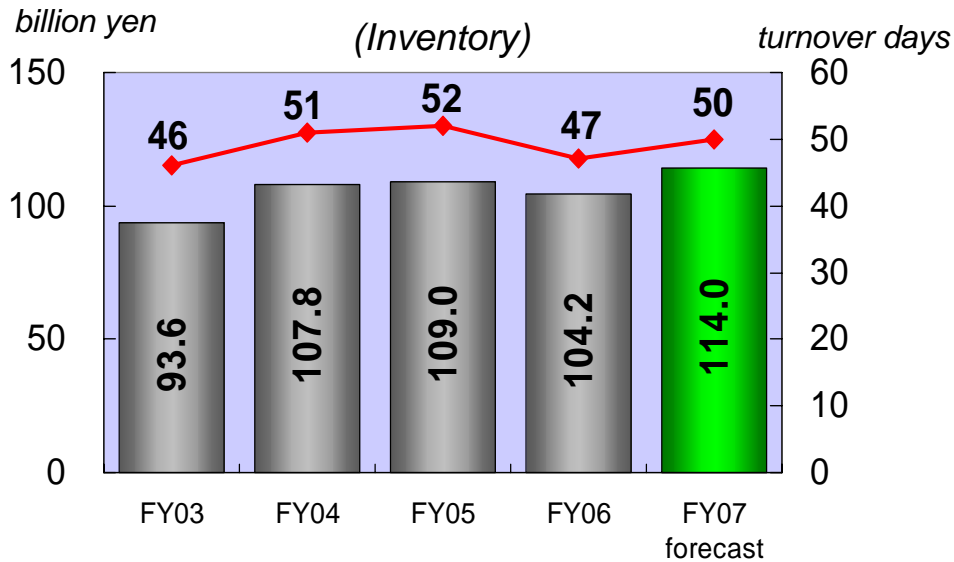
FY March 2007: Business Forecasts by Segment



*Operating Income and Loss by Segment shown in this presentation represents figures prior to elimination of transactions among Segments

*Figures for discontinued business have been disregarded.

Inventory, R&D Expenses, Capital Expenditures, Depreciation & Amortization



Structural Reforms

Progress on Structural Reforms

1. Abolished the “Internal Company” system
Shifted to a business group system on January
2. Reduced fixed costs Consolidate production sites
Maintained the listing only on Tokyo Stock Exchange
3. Not to go into volume production of active-matrix OLEDs
Dissolved ELDis, Inc.
4. Workforce Reduction in Japan Completed March 31, 2006
5. Reduce number of corporate directors/auditors/executive officers 34 26
6. Booked asset impairment losses In businesses related to PDPs and DVDs

Transfer of Shares of Subsidiaries

*Transfer of shares of Pioneer Precision Machinery Corporation
(scheduled for June 2006)*

Home Electronics Business Site Integration

*Transfer the Omori and Tokorozawa operations to Shin-Kawasaki site
(scheduled for spring 2007)*

Management Innovation Projects

Management Innovation Projects

1. Formulate a new corporate vision

2. Revise and reinforce core processes

3. Change the corporate culture

4. Revitalize the audio business

5. Optimally allocate head office strategy formulation and administrative functions on a consolidated basis

Management Innovation Projects

1. Formulate a new corporate vision

2. Revise and reinforce core processes

3. Change the corporate culture

4. Revitalize the audio business

5. Optimally allocate head office strategy formulation and administrative functions on a consolidated basis

New Group Vision Structure

Group Philosophy

“Move the Heart and Touch the Soul”

Group Vision

To become a company that encourages all its members to work as a team, with everyone **customer-focused**, integrating each one’s **professionalism** in **pursuing innovations** one after another.

Customer-focused

Professionalism

Pursuing innovations

Management Innovation Projects

1. Formulate a new corporate vision

2. Revise and reinforce core processes

3. Change the corporate culture

4. Revitalize the audio business

5. Optimally allocate head office strategy formulation and administrative functions on a consolidated basis

Management Innovation Projects

1. Formulate a new corporate vision

2. Revise and reinforce core processes

3. Change the corporate culture

4. Revitalize the audio business

5. Optimally allocate head office strategy formulation and administrative functions on a consolidated basis

Medium-term Business Strategy

Medium-term Business Targets

Business Targets for the Fiscal Year March 2009

***Operating revenue:
950.0 billion yen***

***Consolidated operating margin:
3% or higher***

Medium-term Business Strategy: Car Electronics

***Allocate more resources to
the Car Electronics business***

- 1. Respond effectively to the growing OEM business***
- 2. Retain a leading position in consumer markets***



***Car CD player/tuner for the
North American market***

Medium-term Business Strategy: Car Electronics

1. Responding effectively to the growing OEM business

Pursue continuous quality improvement measures

Develop and propose new forms of value for customers

Retain trust of the automobile industry

Medium-term Business Strategy: Car Electronics

2. Retain a leading position in consumer markets

Expand business in emerging markets such as BRICs areas

Expand the overseas car navigation system business

To maintain overall market size in industrialized nations by proposing new forms of value in consumer market: the mission of leading manufacturers.

Medium-term Business Strategy: Plasma Displays

Embrace the challenge of delivering premium value

Offer industry-leading panel technologies and high picture quality that cannot be matched by competitors

Provide premium-value design, functions, quality, user-friendliness and sound quality

Increase production capacity in line with sales growth

50-inch, 1080p plasma monitor PDP-5000EX



***Medium-term Business Strategies:
Optical Disc Products (for home use)***

***Curb development investment for DVD recorders
by leveraging existing development assets***

***Focus on bringing
Blu-ray Disc players to markets worldwide***

***Blu-ray Disc Player
BDP-HD1***



***Medium-term Business Strategies:
Optical Disc Products (for PCs and Devices)***

***Shift the main thrust of development
to Blu-ray Discs***

Expand recordable DVD drive business

Enlarge the components business

***Blu-ray Disc drive
BDR-101A***



Pioneer *sound.vision.soul*