

***Pioneer Corporation***

***Meeting for Third Quarter  
Business Results of Fiscal Year 2009***

***February 12<sup>th</sup> 2009***

## Today's Agenda

- 1. Business Results for Third Quarter, FY 2009**
- 2. Business Forecasts for FY 2009**

*Note: Effective from the first quarter of fiscal 2009, the patent licensing business, which was previously classified as an independent business segment, has been included in the "Others" segment because of its reduced importance to consolidated business results. Figures for the corresponding period of fiscal 2008 have been reclassified.*

*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. 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; (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 continuously design and develop highly rated products and services in extremely competitive markets, which are characterized by continual product launches, rapid technological development, intense price-based competition, subjective and changing consumer preferences and other factors; (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.*

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***1. Business Results for  
Third Quarter, FY 2009***

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## Consolidated Results for Third Quarter, FY 2009

Unit: billion yen

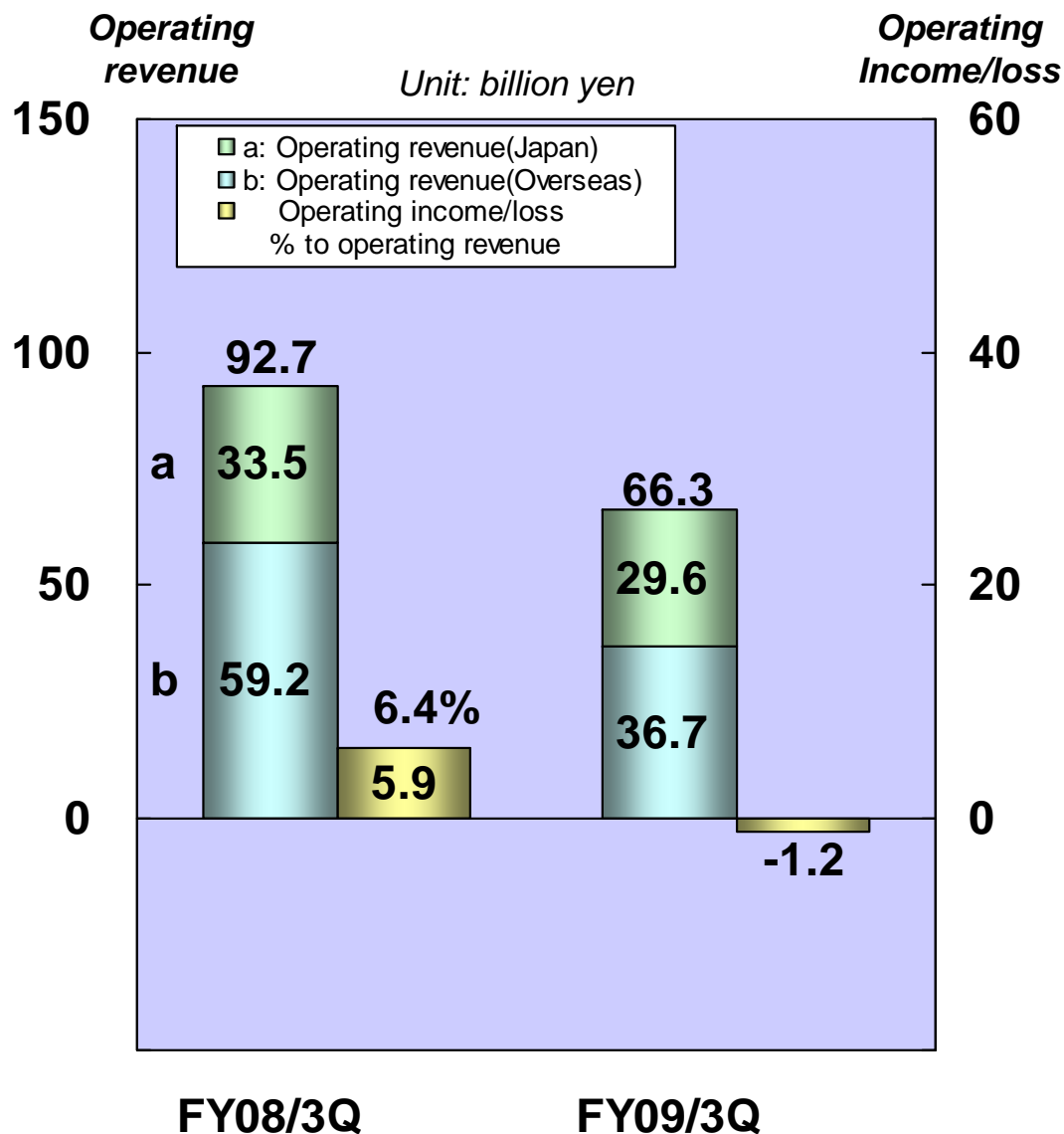
	Three Months ended Dec. 31			Nine Months ended Dec. 31		
	FY2009	FY2008	% to Prior Year	FY2009	FY2008	% to Prior Year
<b>Operating revenue</b>	<b>131.2</b>	211.0	62.2%	<b>458.3</b>	594.2	77.1%
<b>Operating income (loss)</b>	<b>-10.7</b>	6.9	-	<b>-23.8</b>	9.1	-
<b>Income (loss) before taxes</b>	<b>-21.0</b>	7.6	-	<b>-57.8</b>	25.3	-
<b>Net income (loss)</b>	<b>-26.1</b>	1.7	-	<b>-79.1</b>	11.6	-

Average foreign exchange rate (unit: yen)	<b>1US \$</b>	<b>96.32</b>	113.19	-17.5%	<b>102.84</b>	117.28	-14.0%
	<b>1Euro</b>	<b>126.74</b>	163.87	-29.3%	<b>150.70</b>	162.82	-8.0%

(unit: yen)

<b>Net income (loss) per share</b>	<b>-127.54</b>	9.43	-136.97	<b>-385.95</b>	66.07	-452.02
<b>Book-value per share</b>	<b>691.61</b>	1,543.50	-851.89			

# Car Electronics: Quarterly Operating Revenue & Operating Income/loss by Segment



## [Operating revenue]

% to prior year :71.6% (Japan 88.3%, Overseas 62.1%)

- (Increase) OEM car navigation systems
- (Decrease) Consumer-market car audios
- OEM car audios
- Consumer-market car navigations

OEM sales ratio to the total segment : approx. 47% (prior year approx. 40%)

## [Operating loss]

Income decreased by 7.1 billion yen to prior year

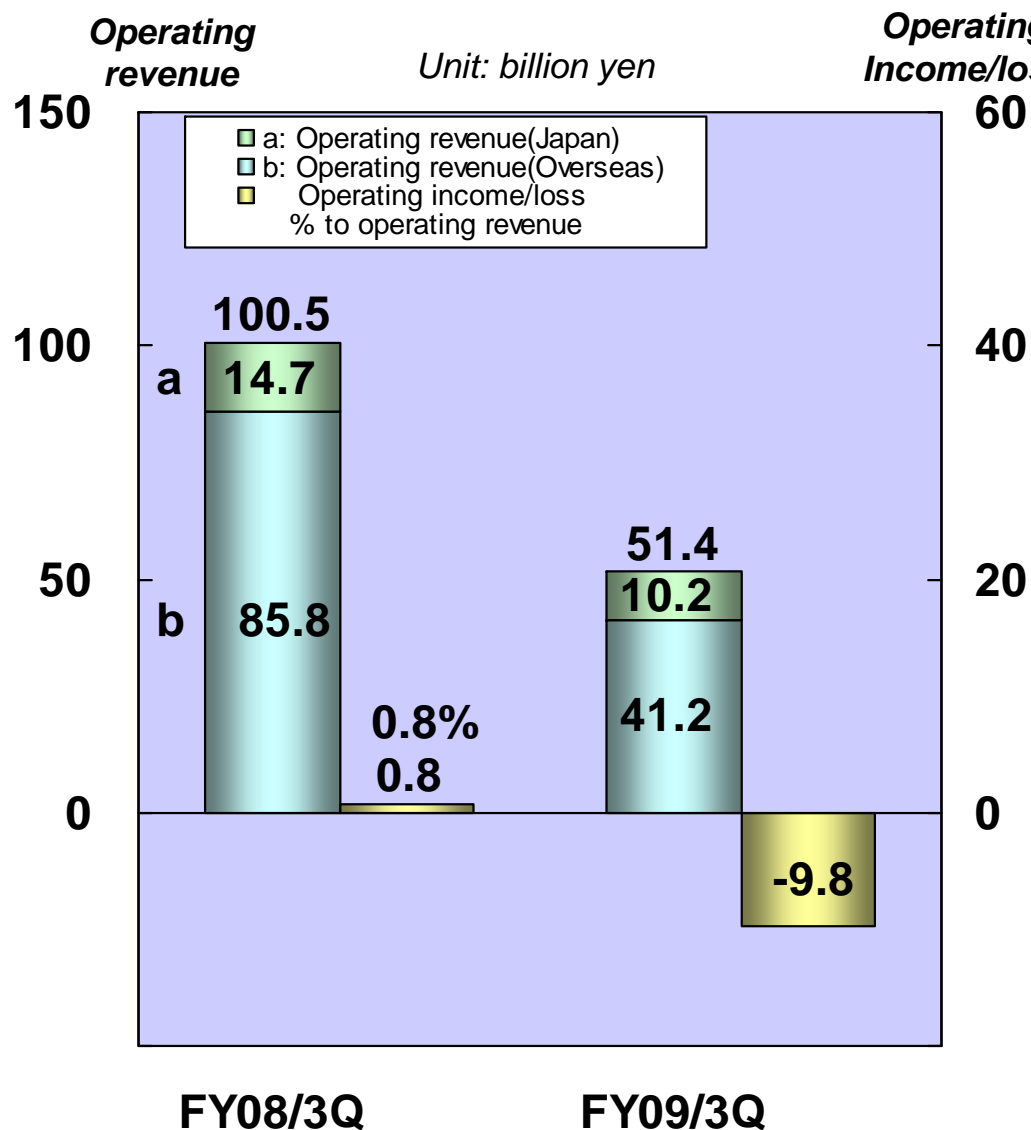
- (Positive factor) OEM car navigation systems
- (Negative factor) Consumer-market car audios
- OEM car audios
- Consumer-market car navigation systems

### Products included in this segment:

- Car navigation systems
- Car audios (Car stereos, Car AV systems, Car speakers)

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

# Home Electronics: Quarterly Operating Revenue & Operating Income/loss by Segment



## [Operating revenue]

% to prior year :51.2% (Japan 69.6%, Overseas 48.0%)

- (Decrease)
- Plasma displays
  - DVD drives
  - Audio products
  - DVD players
  - DVD recorders

Display sales ratio to the total segment : approx. 39%  
(prior year approx. 42%)

## [Operating loss]

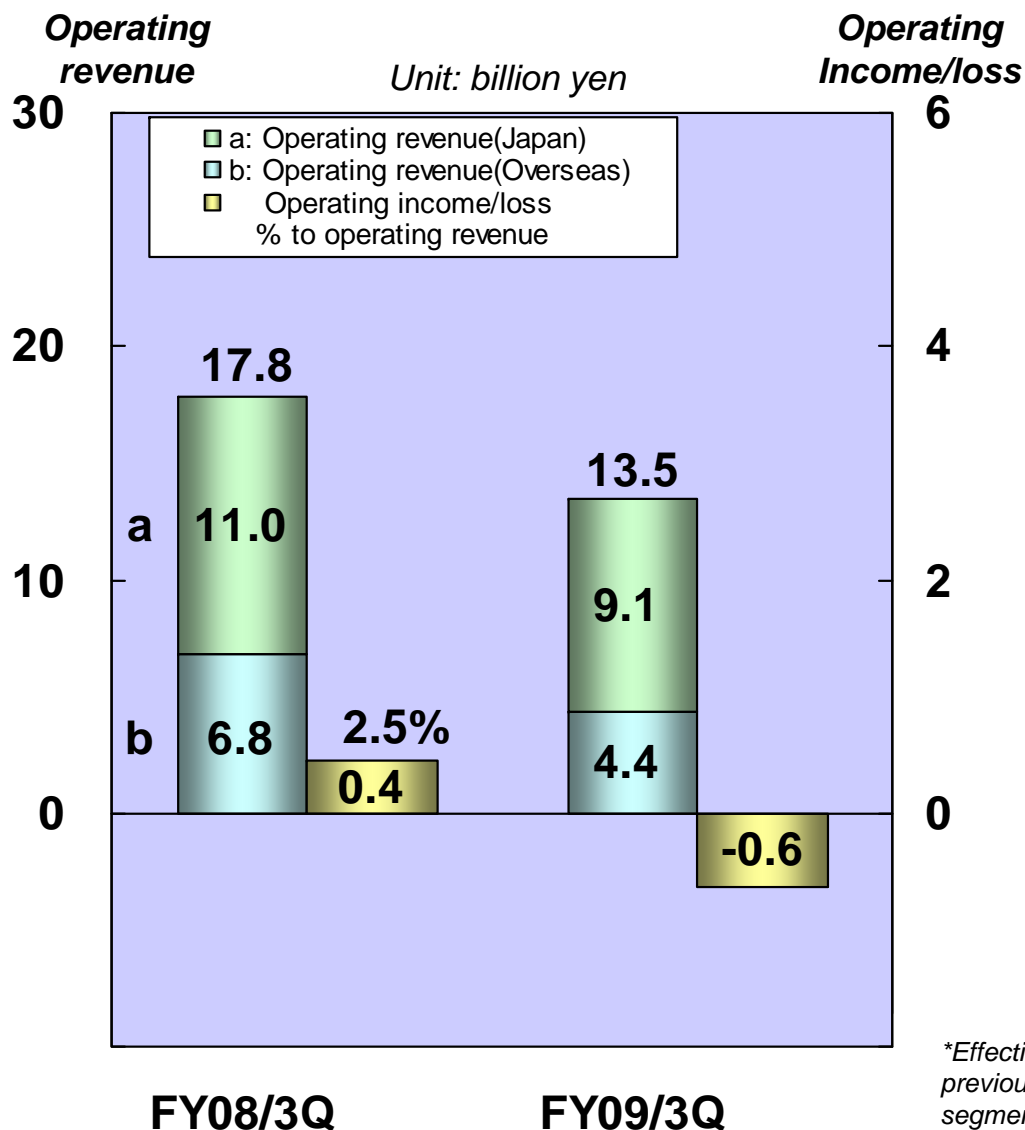
Income decreased by 10.5 billion yen to prior year

- (Negative Factor)
- Plasma displays, Blu-ray Disc players
  - DVD drives, Audio products
  - DVD players, DVD recorders

- Products included in this segment:
- Plasma displays, LCD TVs
  - DVD recorders, DVD players, DVD drives
  - Blu-ray Disc players, Blu-ray Disc drives
  - Audio systems, Audio components
  - DJ equipment, Equipment for cable-TV systems, and others

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

## Others: Quarterly Operating Revenue & Operating Income/loss by Segment



### [Operating revenue]

% to prior year :75.5%(Japan 82.5%, Overseas 64.1%)

(Decrease) *Electronic devices and parts*  
*Speaker Units for cellular phones*

### [Operating loss]

Income decreased by 1.1 billion yen to prior year

(Negative Factor) *Electronic devices and parts*  
*Speaker Units for cellular phones*

### Products included in this segment:

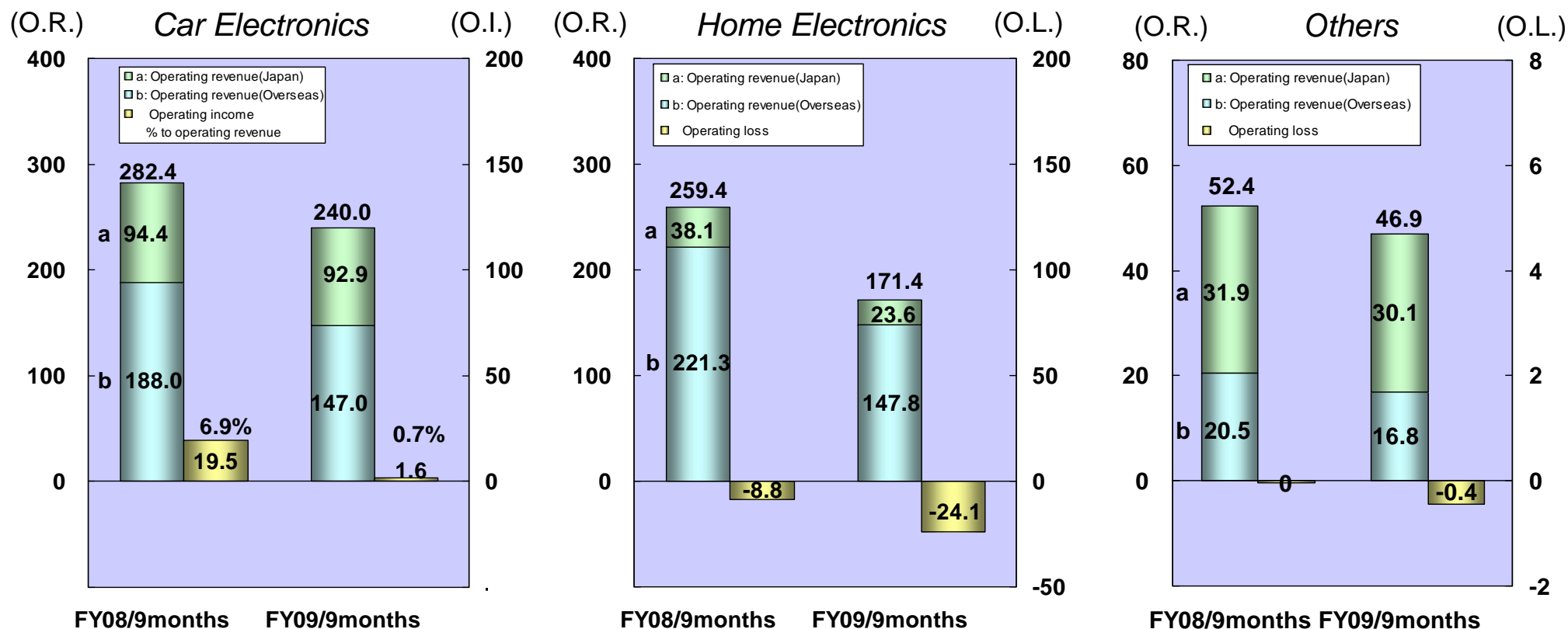
- OLED displays
- Factory automation systems, Speaker Units
- Electronic devices and parts
- Telephones, AV accessories, Business-use AV systems,
- Licensing of patents related to laser optical disc technologies, and others

\*Effective from the first quarter of fiscal 2009, the patent licensing business, which was previously classified as an independent business segment, has been included in the "Others" segment because of its reduced importance to consolidated business results. Figures for the corresponding period of fiscal 2008 have been reclassified.

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

## Nine Months Cumulative FY 2009: Operating Revenue/Income (Loss) by Segment

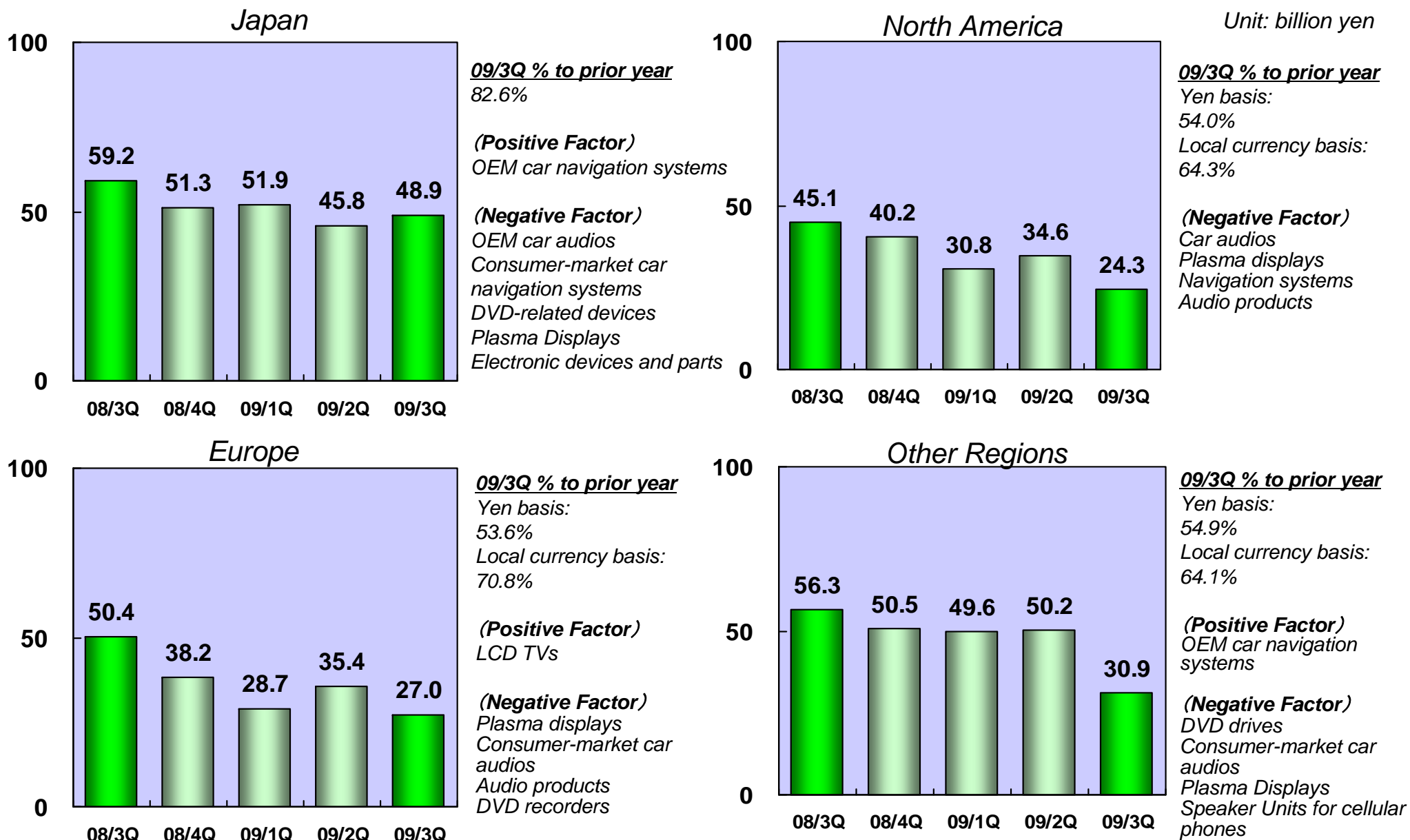
Unit: billion yen



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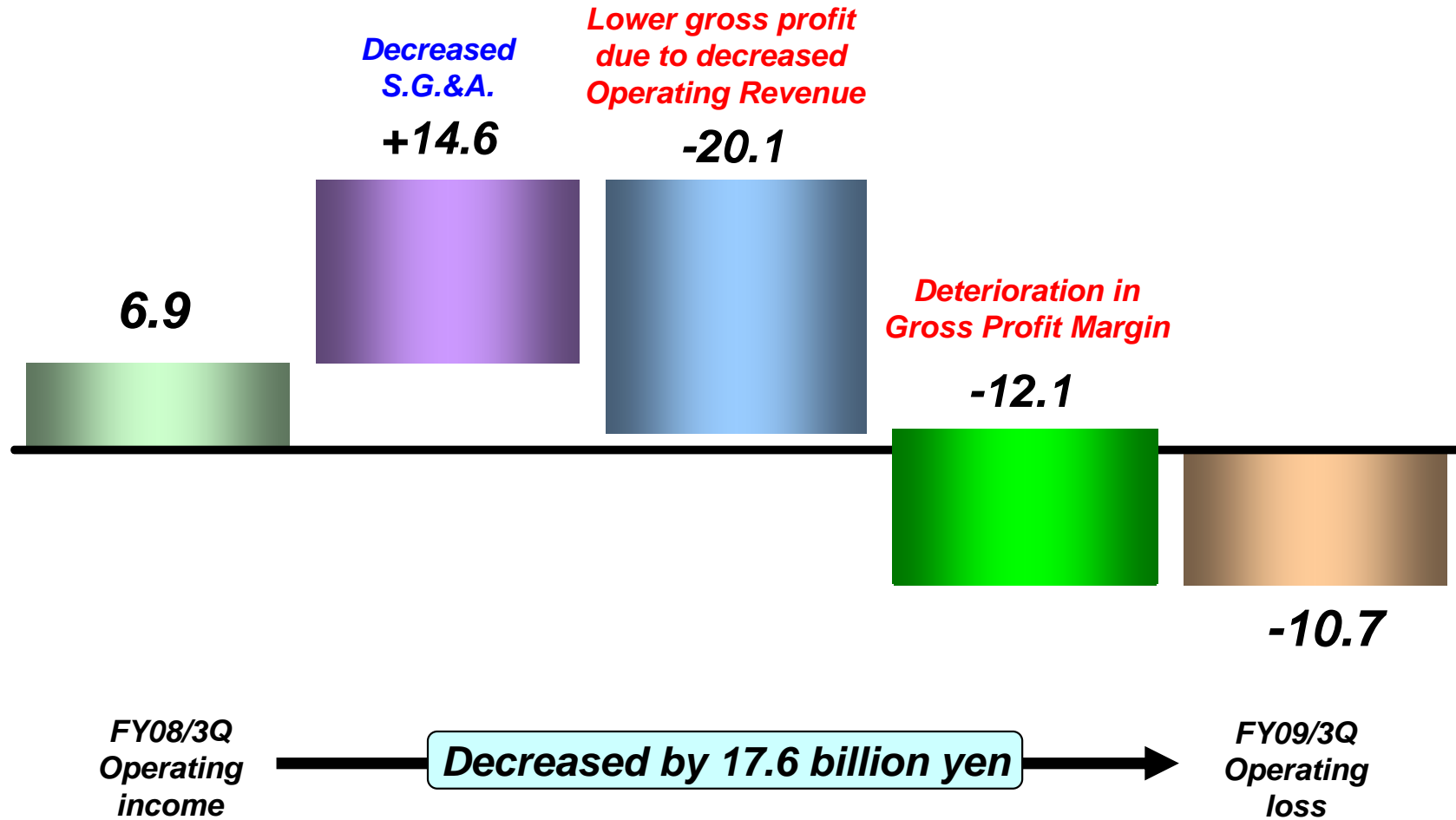
\*Operating income (loss) in each business segment represents operating income (loss) before elimination of intersegment transactions.

## Third Quarter of FY 2009: Operating Revenue by Geographic Segment



## Third Quarter of FY 2009: Operating Income Structure Breakdown

Unit: billion yen



## Third Quarter of FY 2009: Consolidated P/L Statements

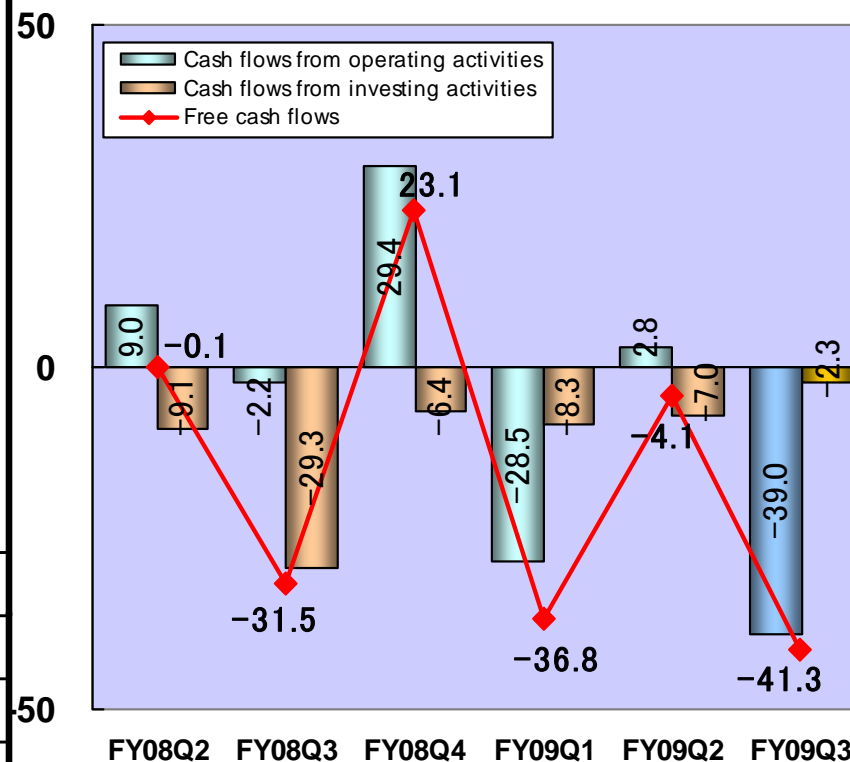
Unit: billion yen

	Three Months ended Dec. 31			Nine Months ended Dec. 31		
	FY2009	FY2008	% to Prior Year	FY2009	FY2008	% to Prior Year
<b>Operating revenue</b>	<b>131.2</b>	211.0	62.2%	<b>458.3</b>	594.2	77.1%
<b>Operating income (loss)</b>	<b>-10.7</b>	6.9	-	<b>-23.8</b>	9.1	-
<b>Business restructuring expenses</b>	<b>-3.7</b>	0	-	<b>-19.3</b>	0	-
<b>Write-downs of marketable securities</b>	<b>-5.1</b>	0	-	<b>-13.7</b>	0	-
<b>Other-net</b>	<b>-1.4</b>	0.7	-	<b>-1.0</b>	16.1	-
<b>Total other income/expenses</b>	<b>-10.2</b>	0.7	-	<b>-34.0</b>	16.1	-
<b>Income (loss) before income taxes</b>	<b>-21.0</b>	7.6	-	<b>-57.8</b>	25.3	-
<b>Current income taxes</b>	<b>-0.5</b>	2.2	-	<b>3.4</b>	6.5	51.9%
<b>Deferred income taxes</b>	<b>5.6</b>	3.7	150.5%	<b>17.7</b>	7.0	252.3%
<b>Income taxes</b>	<b>5.2</b>	5.9	87.1%	<b>21.0</b>	13.5	155.8%
<b>Minority interest in earnings of subsidiaries</b>	<b>0</b>	-0.1	39.7%	<b>-0.1</b>	-0.2	60.7%
<b>Equity in earnings (losses) of affiliated companies</b>	<b>0</b>	0.1	-	<b>-0.1</b>	0.1	-
<b>Net income (loss)</b>	<b>-26.1</b>	1.7	-	<b>-79.1</b>	11.6	-

### Third Quarter of FY 2009: Summary of Consolidated Statements of Cash Flows

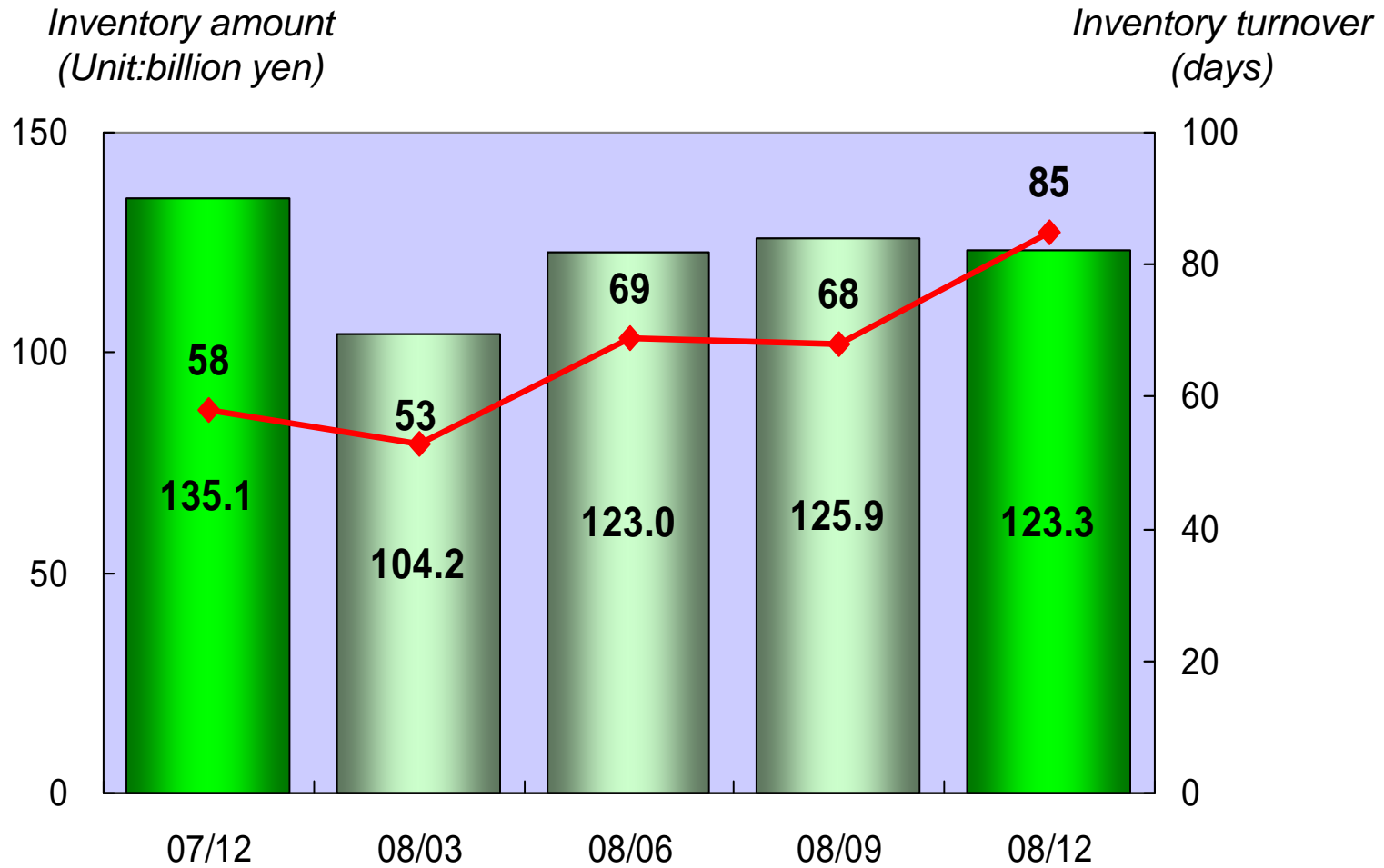
	Three Months		Nine Months	
	FY2009	FY2008	FY2009	FY2008
Net income (loss)	-26.1	1.7	-79.1	11.6
Depreciation and Amortization	6.9	9.4	20.3	26.2
Deferred income taxes	5.6	3.7	17.7	7.0
Write-downs of marketable securities	5.1	0	13.7	0
Loss/gain on sale and disposal of fixed assets, net	0	0.2	-0.5	-12.4
Trade receivables	8.0	-4.3	13.2	-9.5
Inventory	-10.0	3.2	-33.3	-29.1
Trade payables	-12.5	-6.4	-4.7	16.2
Accrued liabilities	-13.1	-5.6	-2.2	-5.1
Other	-2.8	-4.2	-9.6	-12.4
<b>Cash flows from operating activities</b>	<b>-39.0</b>	<b>-2.2</b>	<b>-64.6</b>	<b>-7.4</b>
<b>Cash flows from investing activities</b>	<b>-2.3</b>	<b>-29.3</b>	<b>-17.6</b>	<b>-66.0</b>
<b>Cash flows from financing activities</b>	<b>18.9</b>	<b>43.0</b>	<b>49.8</b>	<b>64.7</b>
<b>Free cash flow</b>	<b>-41.3</b>	<b>-31.5</b>	<b>-82.2</b>	<b>-73.4</b>

Unit: billion yen



Net increase/decrease in cash and cash equivalents	-29.1	11.6	-37.9	-8.1
Balance of cash and cash equivalents			43.3	93.8
Net cash balance			-99.9	-33.1

## Third Quarter of FY 2009: Inventories



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## ***2. Business Forecasts for FY 2009***

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## ***Change in Accounting Principles***

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***Changed accounting principles to Japanese GAAP  
beginning with full-year business results for FY2009***

*(Fiscal 2009 business forecasts announced today  
are based on Japanese GAAP)*

## FY March 2009: Consolidated P/L Forecast

Unit: billion yen

	<b>Current Forecast</b> [Japanese GAAP]	<b>Previous Forecast</b> (2008/10/30) [U.S.GAAP]	<b>(Reference) Result</b> FY2008 [U.S.GAAP]
<b>Operating revenue</b>	<b>560.0</b>	700.0	774.5
<b>Operating income (loss)</b>	<b>-69.0</b>	-17.0	10.9
<b>Income (loss) before taxes</b>	<b>-110.0</b>	-54.0	3.4
<b>Net loss</b>	<b>-130.0</b>	-78.0	-18.0

<b>Currency rates for 4<sup>th</sup> quarter (Unit: yen)</b>	<b>1 US \$</b>	<b>90.00</b>	<b>100.00</b>
	<b>1 Euro</b>	<b>115.00</b>	<b>130.00</b>

Notes:

1. The above "Current Forecast" is based on Japanese GAAP, while "Previous Forecast for fiscal 2008/10/30" and "Result for fiscal 2008" were based on U. S. GAAP.
2. Our previous forecasts, restated to conform with Japanese GAAP, were an operating loss of ¥19.0 billion, loss before income taxes of ¥54.5 billion and a net loss of ¥73.5 billion.

## FY 2009: Main Factors Behind Higher Net Loss Forecast

Unit: billion yen

### <Downward revision of operating loss forecast>

Impact of economic recession and intensifying competition, etc. -58.0

Impact from the change in accounting principles -2.0

Lower selling, general and administrative expense, etc. 8.0

**Total -52.0**

### <Downward revision of other income (expenses) forecast>

Additional write-down of marketable securities -5.1

Impact from the change in accounting principles 1.5

Other items -0.4

**Total -4.0**

### <Lower income taxes>

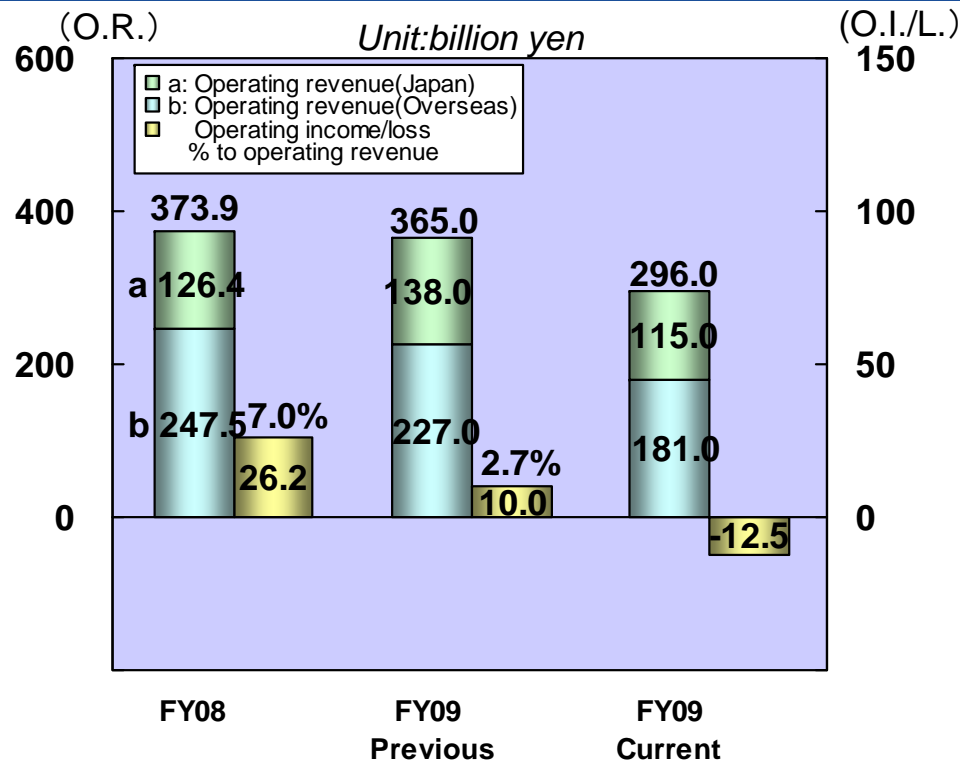
Impact from the change in accounting principles 5.0

Other -1.0

**Total 4.0**

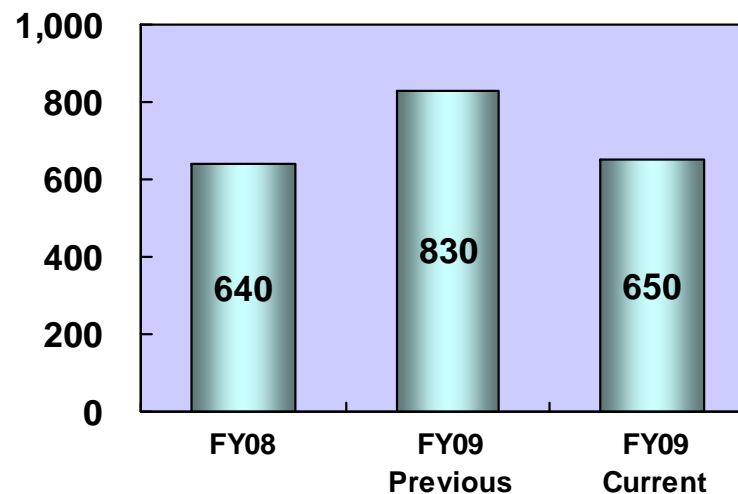
**Total increase in net loss forecast -52.0**

# Forecast for FY 2009: Car Electronics

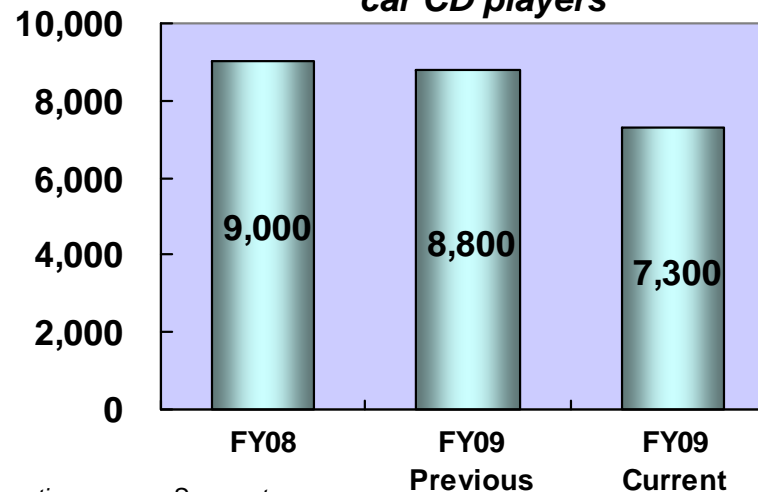


<Shipment forecasts> (in thousand units)

Consumer-market car navigation systems



Consumer-market car CD players



**[Operating revenue]**

% to prior year: 79.2%

(Decrease)

- Consumer-market car navigation systems
- Consumer-market car audios
- OEM car audios

**OEM sales ratio to the segment: 41% (prior year 39%)**

**[Operating loss]**

Income decreases by 38.7 billion yen to prior year

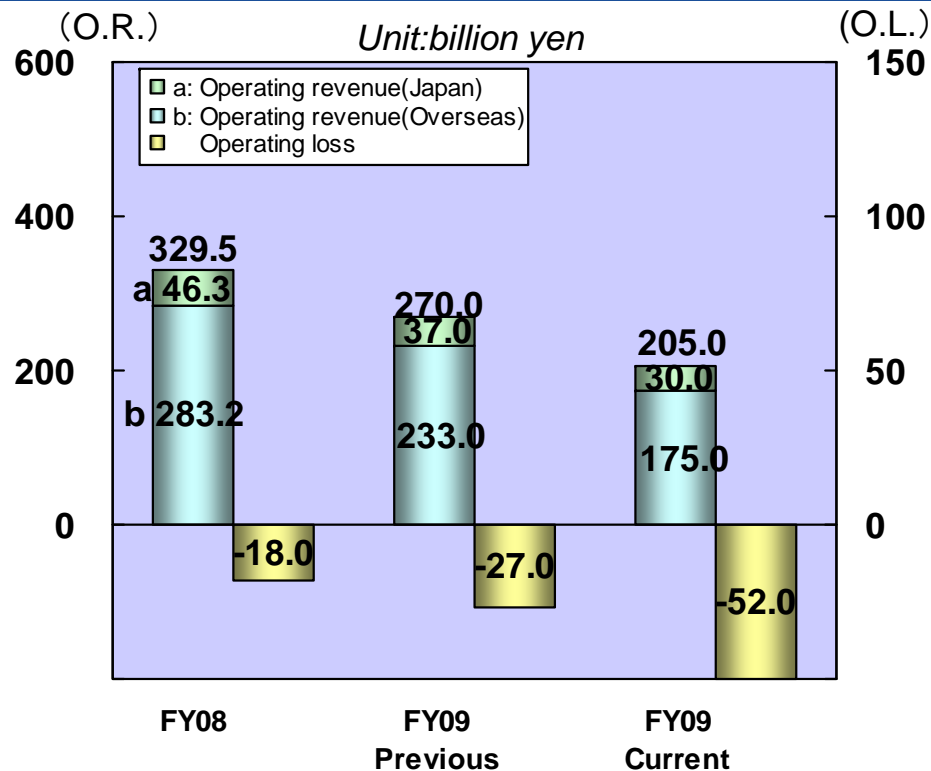
(Negative Factor)

- Consumer-market car audios
- Consumer-market car navigation systems
- OEM car audios

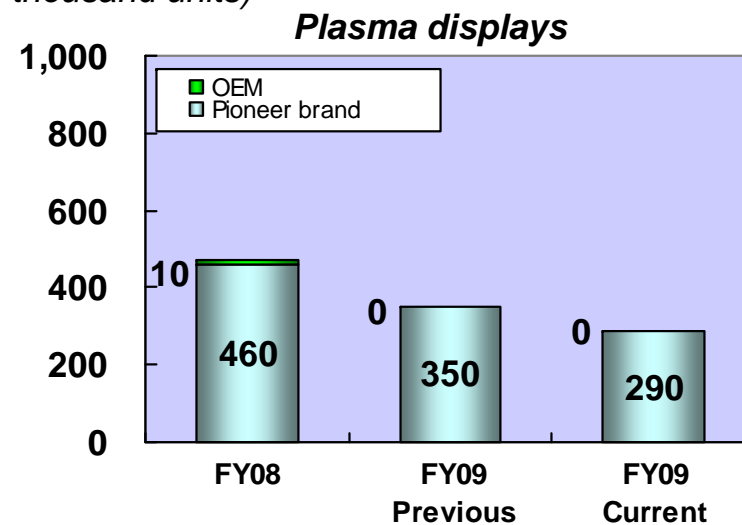
\*Operating Income and Loss by Segment shown in this presentation represents figures prior to elimination of transactions among Segments

\*The above "Current forecast for FY09" is based on Japanese GAAP, while "Previous forecast for FY09" and "Result for FY08" were based on U. S. GAAP.

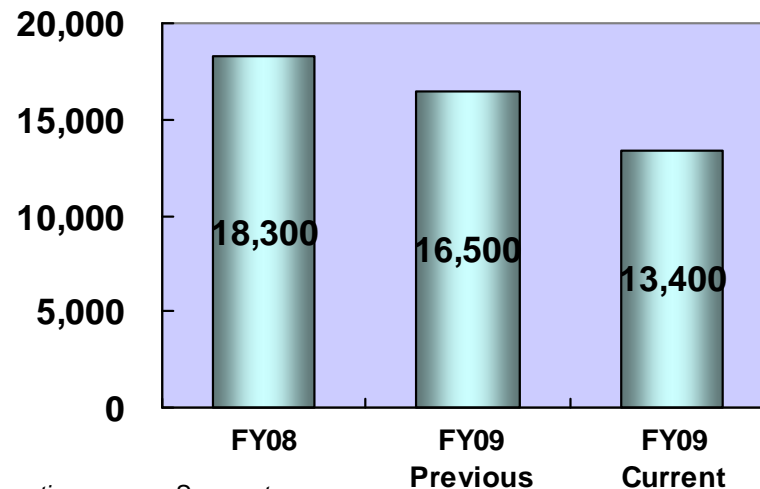
# Forecast for FY 2009: Home Electronics



<Shipment forecasts>  
(in thousand units)



Recordable DVD drives for PCs



**[Operating revenue]**

% to prior year : 62.2%

(Decrease) Plasma displays  
DVD drives

**[Operating loss]**

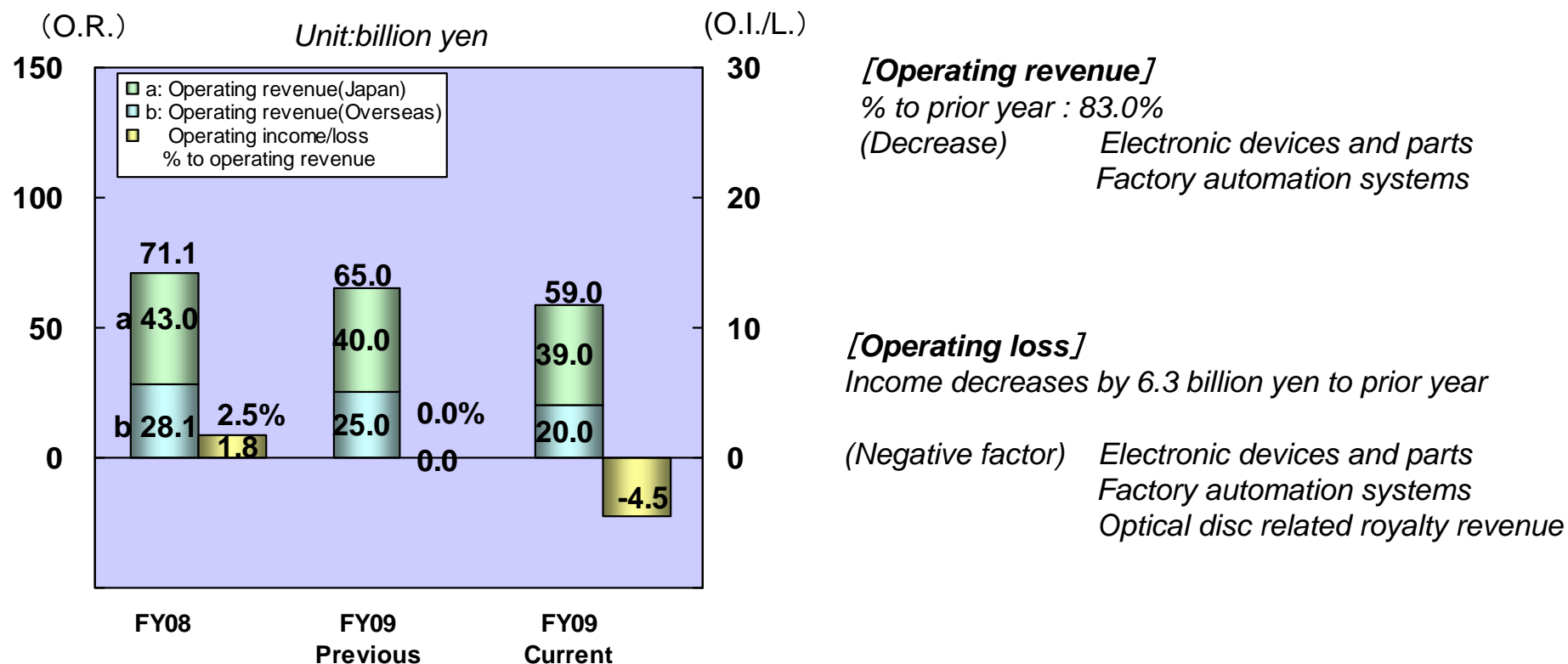
Deficit increases by 34.0 billion yen to prior year

(Negative Factor) Plasma displays  
DVD drives  
DVD recorders  
Audio products

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## Forecast for FY 2009: Others

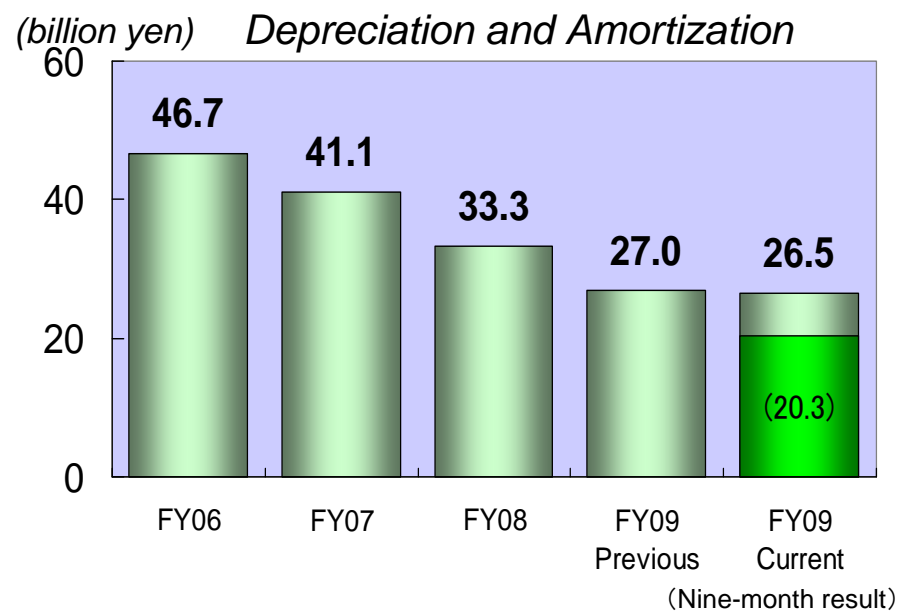
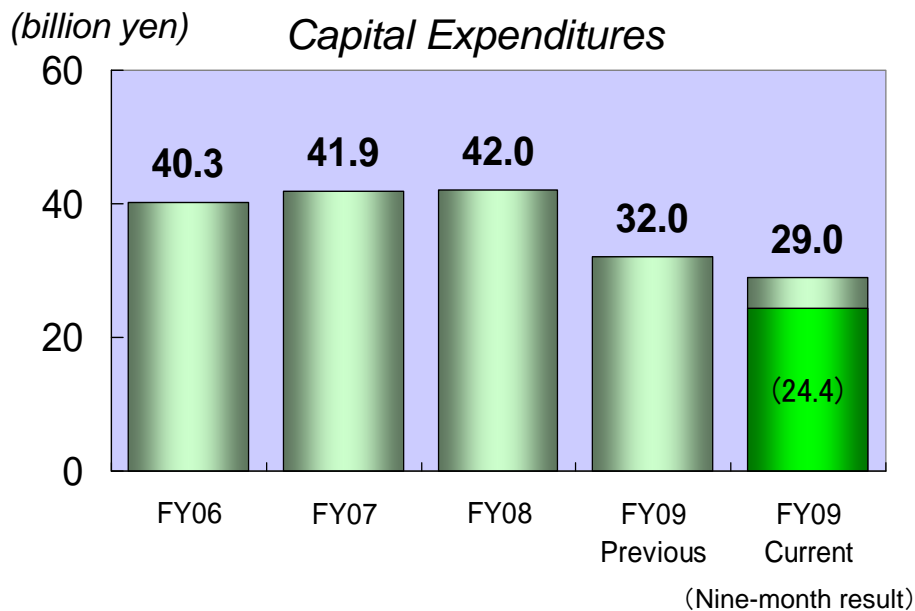
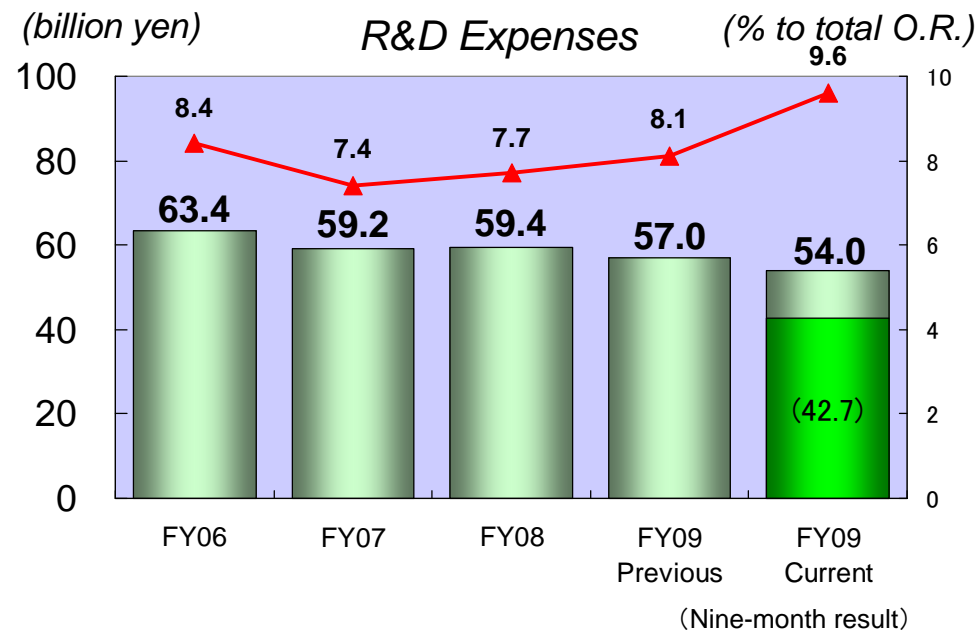
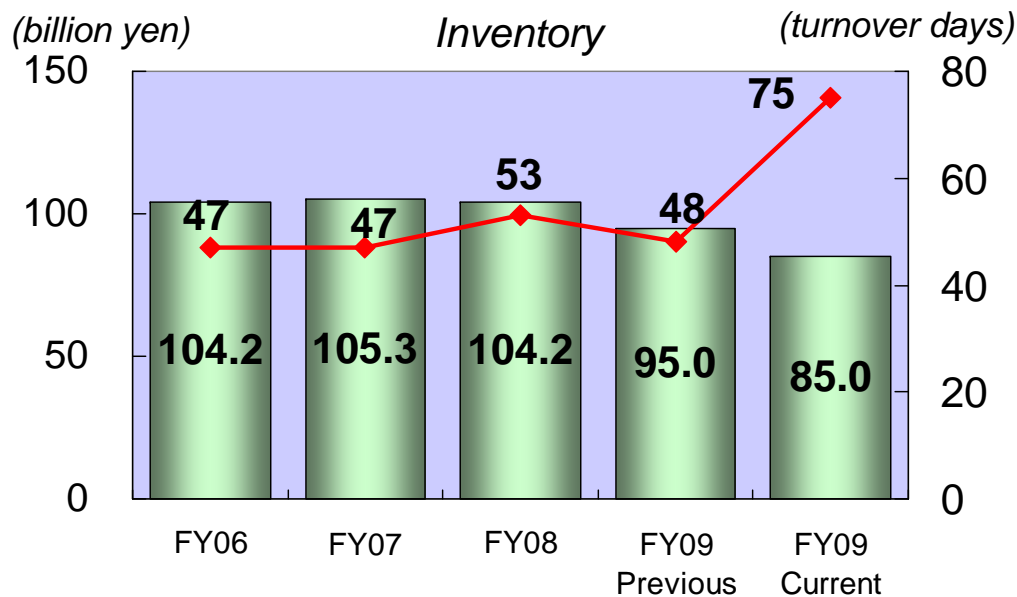


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## Forecast for FY 2009: Inventory, R&D Expenses, Capital Expenditures, Depreciation & Amortization



***Pioneer***