

# News Release

*For Immediate Release  
August 1, 2011*

## Pioneer and Asia Optical Agree to Establish a Production Joint Venture in Brazil

*Aiming for ¥15 billion in sales in 2015*

Pioneer Corporation announced today that it has reached an agreement with Asia Optical Group, an alliance partner, to establish a joint venture production facility in Manaus, Brazil. Through the establishment of this joint venture, Pioneer will aim to expand its business by strengthening its operational systems in the Brazilian market, which is expected to continue to grow strongly. Pioneer will also aim for better quality, lower costs, and shorter lead times resulting from the shift to local procurement of mechanical components. The joint venture will target annual sales of 15 billion yen in 2015. See below for detailed information about the business description, launch schedule, and so on.

### 1. Business description

The joint venture will engage in the following business activities in Brazil, directed towards growth markets.

- Production and sale of mechanical components
- Undertaking contracts for EMS manufacturing
- Production of digital cameras

### 2. Launch schedule, etc.

The plan is to establish a joint venture in Manaus, Brazil by about September 2011, and to start producing digital cameras from the end of the year. The joint venture will further expand its business by constructing a new plant in the first half of 2012.

Through this joint venture, Pioneer and Asia Optical will work to lower material costs globally by taking advantage of the synergy arising from their mutual expertise in procuring components.

### ■Outline of the joint venture

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|----------------------------------|--|
| (i) Company name:                | Pioneer Yorkey do Brasil Ltda.                                     |
| (ii) Date for the joint venture: | Scheduled for September 2011                                       |
| (iii) Location:                  | Manaus, Brazil (in the site of Pioneer do Brasil)                  |
| (iv) Stated capital:             | 50 million Real<br>(Pioneer do Brasil 51%, Asia Optical Group 49%) |
| (v) President:                   | Tatsuji Shimizu<br>(Plant manager of Pioneer do Brasil, Manaus)    |