

PIONEER CORP
Form 6-K
July 11, 2005

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934**

For the month of July, 2005

Commission File Number 1-7616

PIONEER CORPORATION

(Translation of registrant's name into English)

4-1, MEGURO 1-CHOME, MEGURO-KU, TOKYO 153-8654, JAPAN

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F:

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): _____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): _____

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):
82- _____

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PIONEER CORPORATION
(Registrant)

Date: July 11, 2005

By /s/ Kaneo Ito
Kaneo Ito
President and Representative Director

This report on Form 6-K contains the followings:

1. The English-translated Resolution Notice passed at the 59th Ordinary General Meeting of Shareholders of common stock of the Company held on June 29, 2005.
 2. The English-translated Business Report, for the fiscal year ended March 31, 2005.
 3. The announcement released by the Company to the press in Japan dated June 30, 2005, concerning issue of share acquisition rights for the purpose of granting stock options.
 4. The announcement released by the Company to the press in Japan dated July 8, 2005, concerning the determination of final terms of share acquisition rights to be granted as stock options.
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(Translation)

June 29, 2005

To Our Shareholders:

Notice of Resolutions at the 59th Ordinary General Meeting of Shareholders

We take pleasure in informing you that the matters were reported on or acted upon as described hereunder at the 59th Ordinary General Meeting of Shareholders of the Company held on June 29, 2005.

Very truly yours,

Kaneo Ito
President and Representative Director
Pioneer Corporation
4-1, Meguro 1-chome, Meguro-ku, Tokyo

Description

Matters reported on:

1. The Business Report, Balance Sheet and Statement of Operations for the 59th Accounting Period (from April 1, 2004, to March 31, 2005)
2. Consolidated Balance Sheet, Consolidated Statement of Operations, and Audit Reports for Consolidated Financial Statements by Accounting Auditor and Corporate Auditor
3. Results of Repurchase of Own Shares Pursuant to the Articles of Incorporation

Matters acted upon:

Agenda Item No. 1. Approval of Proposal of Appropriation of Unappropriated Retained Earnings for the 59th Accounting Period

It was approved as proposed to pay a year-end cash dividend at the ratio of 12.5 yen per share of common stock.

Agenda Item No. 2. Election of Thirteen (13) Individuals as Directors

As proposed, Messrs. Kanya Matsumoto, Kaneo Ito, Tamihiko Sudo, Akira Niijima, Hajime Ishizuka, Osamu Yamada, Tadahiro Yamaguchi, Satoshi Matsumoto, Koichi Shimizu, Yoichi Sato, Akira Haeno, Tatsuhiro Ishikawa and Shunichi Sato were elected. All those elected assumed their offices, respectively.

Agenda Item No. 3. Presentation of Retirement Allowance to a Retiring Director

It was approved as proposed to present the retirement allowance to Mr. Takashi Kobayashi, who retired from the office of Director, for his services rendered during his term in office, within a reasonable amount in accordance with the existing regulations of the Company; it was also resolved to leave the determination of the exact amount, time, method, etc. of the presentation to the resolution of the Board of Directors.

Agenda Item No. 4. Issue of Share Acquisition Rights for the Purpose of Granting Stock Options

It was approved as proposed, pursuant to the provisions of Articles 280-20 and 280-21 of the Commercial Code of Japan, to issue to directors, executive officers and employees of the Company and directors of its subsidiaries share acquisition rights upon exercise of which a maximum of 350,000 shares of common stock of the Company is to be issued or transferred in lieu of such issuance.

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Please be advised that at the Board of Directors meeting held after the Shareholders Meeting a resolution was made to appoint Mr. Tamihiko Sudo as Executive Vice President and Representative

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Director, Mr. Osamu Yamada as Senior Managing Director, and Messrs. Yoichi Sato and Akira Haeno as Managing Directors. All those elected assumed their offices, respectively.

Accordingly, the Company's Directors and Corporate Auditors are currently as follows:

| | | | |
|----------------------------|--------------------|-------------------------------|--------------------|
| * Chairman | Kanya Matsumoto | Managing Director | Akira Haeno |
| * President | Kaneo Ito | Director | Tatsuhiko Ishikawa |
| * Executive Vice President | Tamihiko Sudo | Director | Shunichi Sato |
| * Senior Managing Director | Akira Nijima | | |
| * Senior Managing Director | Hajime Ishizuka | Corporate Auditor (full time) | Makoto Koshiba |
| Senior Managing Director | Osamu Yamada | Corporate Auditor (full time) | Shinji Yasuda |
| Managing Director | Tadahiro Yamaguchi | Corporate Auditor | Terumichi Tsuchida |
| Managing Director | Satoshi Matsumoto | Corporate Auditor | Isao Moriya |
| Managing Director | Koichi Shimizu | Corporate Auditor | Keiichi Nishikido |
| Managing Director | Yoichi Sato | | |
| * Representative Director | | | |

In addition, at the above Board of Directors' meeting, Messrs. Kaoru Sato, Keiichi Yamauchi and Kazumi Kuriyama were newly elected as Executive Officers, and all those elected assumed their offices, respectively.

Accordingly, the Company's Executive Officers are currently as follows:

| | | | |
|-----------------------------------|--------------------|-------------------|-------------------|
| Senior Managing Executive Officer | Masaru Saotome | Executive Officer | Chojuro Yamamitsu |
| Senior Managing Executive Officer | Kazunori Yamamoto | Executive Officer | Kenji Sato |
| Senior Executive Officer | Seiichiro Kurihara | Executive Officer | Susumu Kotani |
| Senior Executive Officer | Masao Kawabata | Executive Officer | Tsutomu Haga |
| Senior Executive Officer | Yoshio Taniyama | Executive Officer | Kenji Tokuyama |
| Senior Executive Officer | Hideki Okayasu | Executive Officer | Kaoru Sato |
| Executive Officer | Buntarou Nishikawa | Executive Officer | Keiichi Yamauchi |
| Executive Officer | Osamu Takada | Executive Officer | Kazumi Kuriyama |
| Executive Officer | Sumitaka Matsumura | | |

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(TRANSLATION)

THE 59TH BUSINESS REPORT

For the Annual Period Ended March 31, 2005

This is a translation of the original Business Report written in the Japanese language, prepared primarily for the benefit and information of shareholders of the Company's common stock.

PIONEER CORPORATION

Tokyo, Japan

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TO OUR SHAREHOLDERS

During the 59th annual accounting period, ended March 31, 2005, consolidated operating revenue of Pioneer Corporation was ¥733,648 million, up 4.7% over the previous year.

The Company posted net loss of ¥8,789 million, compared with net income of ¥24,838 million recorded in the previous year, due mainly to decreased gross profit margin resulting from intensified price competition for our major products. In addition, impairment losses of carrying value of certain production facilities and losses in connection with withdrawal from the North American cable TV set-top box business were recognized.

Year-end dividend payments were set at ¥12.5 per share of common stock, the same amount as in the previous year. Adding this to the interim dividend paid last December brings the total annual cash dividend to ¥25, the same amount as in the previous year.

The business environment remains severe, characterized by uncertain economic conditions in our major markets Japan, North America and Europe lower prices and harsher competition beyond our projections in our major product categories, and exchange rate fluctuations. To cope with the situation and recover profitability quickly, we are advancing cost reduction efforts among the group companies. At the same time, we are focusing our resources in our strategic businesses.

We are reviewing our production system and the reduction of product models to reduce costs on a global scale. In addition, we are reducing inventory in the whole process from parts procurement to marketing through our supply chain management. We will also adjust staffing to more appropriate levels throughout the group companies.

In our plasma display business, competition is getting severer while demand is steadily expanding. To cope, we are integrating our

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technologies with those of our new manufacturing subsidiary, which joined the Pioneer Group in October 2004, and raising the yield rate and reducing the number of parts. To enhance our products' competitiveness, we are also reducing product power consumption levels and developing high-quality full-specification high-definition plasma TVs.

In the DVD business, markets for DVD recorders, especially those with hard disk drives (HDDs), and recordable DVD drives for personal computers (PCs) are rapidly growing. On the other hand, prices are getting lower and competition is getting harsher. Therefore, we are speeding up new product development cycles so that our products are more in sync with market trends. We are continuing full-fledged efforts to cut costs and reduce inventory by integrating production from laser pickups to finished products in China. We are also expanding sales of drive units for DVD recorders to other manufacturers on an OEM (original equipment manufacturing) basis.

Our car electronics business aims to widen its lead in the consumer and OEM markets. Our car navigation systems enjoy an excellent reputation in Japan, and we also intend to expand this business in Europe and North America, where our sales of these systems have been steadily growing. In the car audio business, we plan to fortify our strong position with distinctive new products, and maintain our sales drive in such growing markets as China and Central and South America.

We appreciate the support that shareholders have always given us, and look forward to more of it. And we will keep doing everything in our power to improve shareholder value.

June 2005
Tokyo, Japan

Kaneo Ito
President and Representative Director

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CONSOLIDATED OPERATING REVENUE BY BUSINESS SEGMENT

Percent of Operating Revenue

Year ended March 31

Home Electronics

This segment includes DVD players, DVD recorders, recordable DVD drives, DVD-ROM drives, home-use plasma displays, stereo systems, individual stereo components, equipment for cable TV systems and telephones.

Sales in the Home Electronics segment increased 7.0% to ¥301,228 million from the previous year.

In Japan, sales rose 11.6% to ¥87,954 million, primarily due to a large increase in sales of plasma displays, including the expansion of our OEM product sales, despite decreased sales of recordable DVD drives for PCs, DVD recorders and audio products.

Overseas sales also rose 5.2% to ¥213,274 million, due to an increase in sales worldwide of plasma displays and DVD recorders, despite a decrease in sales of audio products and DVD players worldwide and recordable DVD drives in Europe and North America, as well as the withdrawal from our cable TV set-top box business in North America.

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Car Electronics

This segment includes car stereos, car AV (audio/video) systems, car speakers and car navigation systems.

Sales in the Car Electronics segment increased to ¥303,410 million, up 3.8% from the previous year.

In Japan, sales decreased 1.2% to ¥120,260 million, influenced by decreased sales of car navigation systems in the consumer market. This offset an increase in sales of car navigation systems in the OEM market, reflecting shifting demand from the consumer market to the OEM market.

Overseas sales increased 7.4% to ¥183,150 million, due to increased sales of car audio products for the OEM market and car navigation systems in Europe and North America, and of car audio products for the consumer market in Central and South America, despite decreased sales of car audio products for the consumer market in Europe and North America.

Patent Licensing

This segment includes the licensing of patents related to laser optical disc technologies.

Royalty revenue from Patent Licensing decreased 13.4% from the previous year to ¥10,237 million, reflecting the expiration of patents included in a larger portfolio of patents licensed to the optical disc industry.

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Others

This segment includes business-use plasma displays, business-use AV systems, organic light-emitting diode (OLED) display panels, factory automation (FA) systems, and devices and parts.

Sales in this segment increased 2.9% from the previous year to ¥118,773 million.

In Japan, sales decreased by 14.1% to ¥53,935 million, primarily due to a decrease in sales of OLED display panels and a sales shift from Japan to China of semiconductors for laser pickups, despite an increase in sales of FA systems.

Overseas, sales were up 23.3% to ¥64,838 million, primarily due to increased sales in China of devices for cellular phones and semiconductors for laser pickups, and in Asia of speaker devices for cellular phones, despite decreased sales in North America and Europe of plasma displays for business use.

Table of Contents**CONSOLIDATED FINANCIAL STATEMENTS****Pioneer Corporation and Subsidiaries****(1) Consolidated Balance Sheets**

| | (In millions of yen) | |
|--|----------------------|-----------|
| | March 31 | |
| | 2005 | 2004 |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | ¥ 116,681 | ¥ 192,419 |
| Trade receivables, less allowance | 132,176 | 112,055 |
| Inventories | 109,015 | 107,806 |
| Others | 69,024 | 67,508 |
| Total current assets | 426,896 | 479,788 |
| Investments and long-term receivables | 28,828 | 33,725 |
| Property, plant and equipment, less depreciation | 210,145 | 156,201 |
| Intangible assets | 24,052 | 18,966 |
| Other assets | 35,246 | 33,862 |
| Total assets | ¥ 725,167 | ¥ 722,542 |
| Liabilities and Shareholders' Equity | | |
| Current liabilities: | | |
| Short-term borrowings | ¥ 33,152 | ¥ 23,327 |
| Current portion of long-term debt | 19,276 | 4,510 |
| Trade payables | 96,335 | 79,439 |
| Others | 102,407 | 116,022 |
| Total current liabilities | 251,170 | 223,298 |
| Long-term debt | 81,219 | 89,691 |
| Other long-term liabilities | 42,371 | 58,771 |
| Minority interests | 18,168 | 17,844 |
| Shareholders' equity: | | |
| Common stock | 49,049 | 49,049 |
| Capital surplus | 82,735 | 82,464 |
| Retained earnings | 260,556 | 273,718 |
| Accumulated other comprehensive income (loss) | (47,669) | (61,829) |
| Treasury stock | (12,432) | (10,464) |
| Total shareholders' equity | 332,239 | 332,938 |

| | | |
|---|-----------|-----------|
| Total liabilities and shareholders equity | ¥ 725,167 | ¥ 722,542 |
|---|-----------|-----------|

Table of Contents**(2) Consolidated Statements of Operations**

| | (In millions of yen except per share information) | |
|--|--|-----------|
| | Year ended March 31 | |
| | 2005 | 2004 |
| Revenues: | | |
| Operating revenue: | | |
| Net sales | ¥ 723,411 | ¥ 689,064 |
| Royalty revenue | 10,237 | 11,821 |
| Total operating revenue | 733,648 | 700,885 |
| Interest income | 1,930 | 1,420 |
| Other income | 3,415 | 504 |
| Total revenues | 738,993 | 702,809 |
| Cost and expenses: | | |
| Cost of sales | 584,060 | 487,297 |
| Selling, general and administrative expense | 195,693 | 166,415 |
| Subsidy from the government | (48,697) | |
| Interest expense | 1,746 | 2,154 |
| Loss on sale and disposal of fixed assets | 40 | 3,454 |
| Other deductions | 6,338 | 1,641 |
| Total cost and expenses | 739,180 | 660,961 |
| Income (loss) from continuing operations before income taxes | (187) | 41,848 |
| Income taxes | 4,842 | 18,587 |
| Minority interest in income of subsidiaries | (692) | (654) |
| Equity in losses of affiliated companies | (3,068) | (2,244) |
| Income (loss) from continuing operations | (8,789) | 20,363 |
| Income from discontinued operations, net of tax | | 4,475 |
| Net income (loss) | ¥ (8,789) | ¥ 24,838 |
| Net income (loss) per share: | | |
| Basic | ¥ (50.11) | ¥ 141.58 |
| Diluted | ¥ (50.11) | ¥ 140.52 |

Table of Contents**(3) Consolidated Statements of Cash Flows**

| | (In millions of yen) | |
|--|------------------------|-----------|
| | Year ended March 31 | |
| | 2005 | 2004 |
| Operating activities: | | |
| Net income (loss) | ¥ (8,789) | ¥ 24,838 |
| Income from discontinued operations, net of tax | | (4,475) |
| Depreciation and amortization | 46,990 | 40,911 |
| Increase in trade receivables | (12,322) | (10,186) |
| Decrease (increase) in inventories | 6,317 | (20,707) |
| Increase in trade payables | 4,405 | 18,989 |
| Increase (decrease) in other accrued liabilities | (10,371) | 11,436 |
| Other | (6,284) | (428) |
| Net cash provided by operating activities | 19,946 | 60,378 |
| Investing activities: | | |
| Payment for purchase of fixed assets | (63,866) | (57,978) |
| Payment for purchase of subsidiary | (34,015) | |
| Other | 4,365 | 5,224 |
| Net cash used in investing activities | (93,516) | (52,754) |
| Financing activities: | | |
| Increase in short-term borrowings and long-term debt | 4,549 | 56,071 |
| Dividends paid | (4,386) | (3,947) |
| Purchase and sales of treasury stock, net | (1,967) | (12) |
| Decrease in capital-lease obligations | (1,770) | |
| Other | (445) | (285) |
| Net cash provided by (used in) financing activities | (4,019) | 51,827 |
| Effect of exchange rate changes on cash and cash equivalents | 1,851 | (9,512) |
| Net increase (decrease) in cash and cash equivalents | (75,738) | 49,939 |
| Cash and cash equivalents, beginning of year | 192,419 | 142,480 |
| Cash and cash equivalents, end of year | ¥ 116,681 | ¥ 192,419 |

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Notes:

1. The Company's consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).
2. The consolidated financial statements include the accounts of the parent company and 125 subsidiaries and the investments in 5 affiliated companies accounted for on an equity basis.
3. Computation of net income per share is based on Statements of Financial Accounting Standards No.128 Earning per Share.
4. As of the fiscal year under review, the Company changed the format of statements of operations from multiple-step form to single-step form, which shows income before taxes by deducting total expenses from total revenue. Corresponding figures for the previous accounting period have been reclassified accordingly.

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| | (In millions of yen) | |
|--|----------------------|-----------|
| | March 31 | |
| | 2005 | 2004 |
| Assets | | |
| Current assets: | | |
| Cash | ¥ 40,502 | ¥ 73,134 |
| Notes and accounts receivable trade | 51,833 | 43,582 |
| Marketable securities | 11,685 | 32,685 |
| Inventories | 28,018 | 31,183 |
| Other current assets | 41,683 | 27,781 |
| Total current assets | 173,724 | 208,368 |
| Fixed assets: | | |
| Tangible | 53,301 | 42,913 |
| Intangible | 29,826 | 20,075 |
| Investments and others | 201,893 | 190,207 |
| Total fixed assets | 285,021 | 253,196 |
| Total assets | ¥ 458,745 | ¥ 461,564 |
| Liabilities and Shareholders Equity | | |
| Current liabilities: | | |
| Accounts payable trade | ¥ 52,738 | ¥ 40,987 |
| Accrued expenses | 40,152 | 40,953 |
| Other current liabilities | 23,611 | 12,123 |
| Total current liabilities | 116,502 | 94,064 |
| Long-term liabilities | 73,237 | 90,074 |
| Total liabilities | 189,740 | 184,139 |
| Shareholders equity | 269,005 | 277,425 |
| Total liabilities and shareholders equity | ¥ 458,745 | ¥ 461,564 |

Note: Accumulated depreciation on tangible fixed assets on March 31, 2005 and 2004 was ¥92,570 million and ¥90,261 million, respectively.

Table of Contents**(2) Condensed Statements of Operations**

| | (In millions of yen except per share information) | |
|--|---|-----------|
| | Year ended March 31 | |
| | 2005 | 2004 |
| Net sales | ¥ 485,530 | ¥ 469,010 |
| Cost of sales | 411,075 | 373,479 |
| Selling, general and administrative expenses | 89,469 | 85,607 |
| Operating income (loss) | (15,014) | 9,923 |
| Non-operating income net | 10,023 | 6,496 |
| Ordinary income (loss) | (4,991) | 16,419 |
| Other income (expenses) net | 1,446 | (6,637) |
| Income (loss) before income taxes | (3,545) | 9,782 |
| Income taxes | (3,184) | 3,008 |
| Net income (loss) | ¥ (360) | ¥ 6,774 |
| Net income (loss) per share of common stock | ¥ (2.06) | ¥ 38.04 |

(3) Appropriation of Unappropriated Retained Earnings

| | (In millions of yen except per share information) | |
|---|--|---|
| | Year ended March 31 | |
| | 2005 | 2004 |
| Unappropriated retained earnings at the end of the period | ¥ 2,215 | ¥ 7,061 |
| Restoration of general reserves | 2,129 | |
| Total | 4,344 | 7,061 |
| To be appropriated as follows: | | |
| General reserve | | |
| Dividends | 2,180 | 2,192 |
| | (¥12.5 per share of common stock) | (¥12.5 per share of common stock) |
| Bonus to directors and corporate auditors | | 100 |
| | | (of ¥100, ¥11 is for) |

corporate
auditors)

| | | | | |
|---|---|-------|---|-------|
| Unappropriated retained earnings carried forward to the next period | ¥ | 2,164 | ¥ | 4,769 |
|---|---|-------|---|-------|

Note: Combined with the interim dividends of ¥12.5 per share of common stock paid on December 3, 2004, the total cash dividends for fiscal year 2005 amounted to ¥25 per share of common stock.

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Note: 5,635,190 shares of treasury stock held by the Company are included.

Distribution of Share-ownership

| | Number of Shareholders | Number of Shares Held and its Percent to Total | |
|--------------------------------------|---------------------------|---|-----------|
| Financial institutions | 131 | 66,278 thousand | (36.81%) |
| Securities companies | 68 | 3,180 | (1.77) |
| Other Japanese business corporations | 369 | 4,710 | (2.61) |
| Foreign corporations and individuals | 425 | 66,368 | (36.86) |
| Japanese individuals and others | 42,624 | 39,525 | (21.95) |
| Total | 43,617 | 180,063 thousand | (100.00%) |

Note: Japanese individuals and others include 5,635 thousand shares as treasury stock held by the Company.

Top Ten Largest Shareholders

| | Number of Shares Held and its Percent to Total | |
|---|---|---------|
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 13,804 thousand | (7.66%) |
| Japan Trustee Services Bank, Ltd. (Trust Account) | 11,666 | (6.47) |
| Societe Generale Paris SGOP/DAI Paris 6Z | 10,403 | (5.77) |
| The Bank of Tokyo-Mitsubishi, Ltd. | 4,154 | (2.30) |
| Mizuho Bank, Ltd. | 4,000 | (2.22) |
| Trust & Custody Services Bank, Ltd.B as trustee for Mizuho Bank, Ltd. Retirement Trust Account re-entrusted by Mizuho Trust & Banking Co., Ltd. | 3,955 | (2.19) |
| Kanya Matsumoto | 2,935 | (1.63) |
| BNP Paribas Securities (Japan) Limited | 2,669 | (1.48) |
| Sumitomo Mitsui Banking Corporation | 2,589 | (1.43) |
| Pioneer Employee Share Ownership Plan | 2,508 | (1.39) |

Note: The Company holds 5,635 thousand shares as treasury stock.

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Tokyo Stock Exchange New York Stock Exchange
Osaka Securities Euronext Amsterdam
Exchange

Price per Share and Volume of Shares Traded on the Tokyo Stock Exchange

| | High | Low | Volume | | High | Low | Volume | | |
|------|-------|-------|-------------------|--------|-------|-------|-------------------|-------|--------|
| | (yen) | (yen) | (thousand shares) | | (yen) | (yen) | (thousand shares) | | |
| | Apr. | 2,860 | 2,385 | 26,982 | | Oct. | 2,820 | 2,505 | 30,938 |
| | May | 2,595 | 2,280 | 25,405 | 2003 | Nov. | 2,825 | 2,510 | 21,161 |
| | June | 2,355 | 1,981 | 23,528 | | Dec. | 2,995 | 2,645 | 25,249 |
| | July | 2,210 | 1,980 | 24,659 | | Jan. | 3,370 | 2,875 | 29,718 |
| 2002 | Aug. | 2,260 | 2,025 | 31,233 | | Feb. | 3,270 | 2,930 | 31,103 |
| | Sept. | 2,220 | 1,900 | 21,349 | | Mar. | 3,250 | 2,890 | 32,572 |
| | Oct. | 2,130 | 1,805 | 20,215 | | Apr. | 3,390 | 3,000 | 32,597 |
| | Nov. | 2,430 | 2,045 | 32,263 | | May | 3,120 | 2,660 | 37,352 |
| | Dec. | 2,490 | 2,150 | 22,870 | 2004 | June | 2,880 | 2,635 | 37,811 |
| | Jan. | 2,405 | 2,070 | 21,562 | | July | 2,850 | 2,310 | 30,442 |
| | Feb. | 2,600 | 2,260 | 33,006 | | Aug. | 2,480 | 2,215 | 22,949 |
| | Mar. | 2,620 | 2,390 | 24,271 | | Sept. | 2,535 | 2,240 | 34,245 |
| | Apr. | 2,460 | 2,225 | 25,507 | | Oct. | 2,430 | 1,820 | 41,087 |
| 2003 | May | 2,555 | 2,290 | 23,202 | | Nov. | 2,020 | 1,882 | 42,410 |
| | June | 2,840 | 2,490 | 35,912 | | Dec. | 2,070 | 1,866 | 38,031 |
| | July | 2,970 | 2,635 | 31,308 | | Jan. | 2,055 | 1,890 | 29,702 |
| | Aug. | 2,815 | 2,515 | 27,317 | 2005 | Feb. | 1,925 | 1,830 | 35,266 |
| | Sept. | 3,030 | 2,600 | 40,815 | | Mar. | 2,015 | 1,827 | 43,851 |

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*For Immediate Release
June 30, 2005*

Pioneer to Issue Share Acquisition Rights to be Granted as Stock Options

TOKYO Pioneer Corporation has announced that it resolved, at the meeting of its board of directors held on June 29, 2005, to issue share acquisition rights for the purpose of granting stock options, pursuant to the provisions of Articles 280-20 and 280-21 of the Commercial Code of Japan, and to the approval at its ordinary general meeting of shareholders held on June 29, 2005.

The terms of the issue are as follows:

Description

(1) Date of issue of share acquisition rights:

The date of issue of share acquisition rights (hereinafter referred to as the Issue Date) is expected to be July 8, 2005.

(2) Number of share acquisition rights to be issued:

3,151

The number of shares to be issued or transferred in lieu of such issuance upon exercise of each share acquisition right shall be 100.

(3) Class and number of shares to be issued or transferred upon exercise of share acquisition rights:

315,100 shares of common stock of the Company

(4) Issue price of share acquisition rights:

No consideration shall be paid.

(5) Amount to be paid in upon exercise of share acquisition rights:

The amount to be paid in per share upon exercise of share acquisition rights (hereinafter referred to as the Exercise Price) shall be the amount obtained by multiplying the higher of either (i) the average of closing prices (including quotations; hereinafter the same shall apply) in the regular tradings of the shares of common stock of the Company on the Tokyo Stock Exchange for 30 consecutive trading days (excluding any trading day on which the closing price does not exist) commencing on the day 45 trading days prior to the Issue Date (such Issue Date is expected to be July 8, 2005), or (ii) such closing price on the day immediately

This release is not an offer of securities for sale in any region, including Japan or the United States. The securities may not be offered or sold in the United States unless they are registered under the U.S. Securities Act of 1933 or exempt from registration thereunder, and any public offering of securities to be made in the United States will be made by means of a prospectus in English prepared in accordance with the U.S. Securities Act of 1933, that will contain detailed information about the issuer and management, as well as financial statements. This transaction does not involve any public offering of securities in the United States.

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preceding the Issue Date (such day is expected to be July 7, 2005) (if the closing price does not exist on such day, the closing price on the day immediately preceding such day), by 1.05. Any fraction less than one (1) yen resulting from this calculation shall be rounded up to the nearest one (1) yen.

- (6) Amount to be accounted for as stated capital in respect of shares to be issued upon exercise of share acquisition rights:

The amount to be accounted for as stated capital shall be the amount obtained by multiplying the Exercise Price by 0.5, and any fraction less than one (1) yen resulting from this calculation shall be rounded up to the nearest one (1) yen.

- (7) Issue of certificates for share acquisition rights:

Certificates for share acquisition rights shall be issued only upon request of the holders of share acquisition rights.

- (8) Persons to whom share acquisition rights shall be allocated:

Directors, executive officers and a number of employees of the Company as well as a number of directors of domestic or overseas subsidiaries of the Company (total: 436 persons)

References:

1. Date of meeting of board of directors to propose an agenda for the authorization to issue share acquisition rights to the ordinary general meeting of shareholders:

April 27, 2005

2. Date of ordinary general meeting of shareholders to authorize the issue of share acquisition rights:

June 29, 2005

3. Period during which share acquisition rights may be exercised:

From and including July 2, 2007, to and including June 30, 2010

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For further information, please contact:

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*For Immediate Release
July 8, 2005*

**Determination of Final Terms of
Share Acquisition Rights to be Granted as Stock Options**

TOKYO Pioneer Corporation has announced that today it determined the final terms of share acquisition rights for the purpose of granting stock options as follows, which issue was resolved at the meeting of its board of directors held on June 29, 2005.

Description

(1) Amount to be paid in per share upon exercise of share acquisition rights:

1,828 yen

(2) Aggregate amount to be paid in upon exercise of share acquisition rights:

576,002,800 yen

(3) Amount to be accounted for as stated capital in respect of shares to be issued upon exercise of share acquisition rights:

914 yen per share

References:

1. Date of meeting of board of directors to propose an agenda for the authorization to issue share acquisition rights to the ordinary general meeting of shareholders:

April 27, 2005

2. Date of ordinary general meeting of shareholders to authorize the issue of share acquisition rights:

June 29, 2005

3. Date of issue of share acquisition rights:

July 8, 2005

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4. Number of share acquisition rights to be issued:

3,151

The number of shares to be issued or transferred in lieu of such issuance upon exercise of each share acquisition right shall be 100.

5. Class and number of shares to be issued or transferred upon exercise of share acquisition rights:

315,100 shares of common stock of the Company

6. Issue price of share acquisition rights:

No consideration shall be paid.

7. Period during which share acquisition rights may be exercised:

From and including July 2, 2007, to and including June 30, 2010

8. Persons to whom share acquisition rights shall be allocated:

Directors, executive officers and a number of employees of the Company as well as a number of directors of domestic or overseas subsidiaries of the Company (total: 436 persons)

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For further information, please contact:

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