

## Profile

Since its establishment in 1940, Clarion Co., Ltd. has created a number of advanced products as a pioneer connecting automobiles with music and information.

In 1951, we introduced Japan's first car radio dedicated to passenger cars; in 1963, Japan's first car stereo; and in 1998, the world's first PC for automobiles (AutoPC).

Our product range has expanded beyond in-vehicle audio equipment to include in-vehicle data communication equipment such as car navigation systems, collision warning camera systems, networked auto-guidance systems and drive recorders.

Under the corporate philosophy to strive "to improve society by seeking to develop the relationship between sound, information and human interaction, and by creating products to meet those needs,"

Clarion will constantly pursue new fields of business for in-vehicle devices.

Clarion became a member of the Hitachi Group in December 2006.

Through this structural reorganization, we aim to maximize synergies as a means to strengthen our product planning and R&D competencies as well as sales network for car navigation systems and in-vehicle entertainment systems.



  
**GIUGIARO**

QUARANTA (ITALDESIGN-GIUGIARO)

The Clarion H.M.I. concept car created by Italdesign-Giugiaro, one of the world's top automotive and industrial design firms.



### Forward-Looking Statements

The figures contained in this annual report with respect to Clarion's plans and strategies and other statements that are not historical facts are forward-looking statements about the future performance of Clarion. Such statements are based on management's assumptions and beliefs in light of the information currently available to it and involve risks and uncertainties. Actual results may differ from those in the forward-looking statements as a result of various factors. Potential risks and uncertainties include, without limitation, general economic conditions in Clarion's market.

# Financial Highlights

Clarion Co., Ltd. and its Consolidated Subsidiaries  
Years ended March 31

|                                   | Millions of Yen |          | Thousands of U.S. Dollars |
|-----------------------------------|-----------------|----------|---------------------------|
|                                   | 2009            | 2008     | 2009                      |
| <b>For the Year:</b>              |                 |          |                           |
| Net sales .....                   | <b>¥181,554</b> | ¥246,806 | <b>\$1,848,256</b>        |
| Operating income (loss) .....     | <b>(12,449)</b> | 5,465    | <b>(126,736)</b>          |
| Net income (loss) .....           | <b>(19,987)</b> | 1,378    | <b>(203,476)</b>          |
| <b>At Year-end:</b>               |                 |          |                           |
| Total assets .....                | <b>117,641</b>  | 150,841  | <b>1,197,611</b>          |
| Total net assets .....            | <b>9,135</b>    | 32,125   | <b>92,997</b>             |
| Interest-bearing borrowings ..... | <b>54,160</b>   | 42,838   | <b>551,361</b>            |
|                                   |                 |          |                           |
|                                   | Yen             |          | U.S. Dollars              |
|                                   | 2009            | 2008     | 2009                      |
| <b>Per Share:</b>                 |                 |          |                           |
| Net income (loss) .....           | <b>¥(70.85)</b> | ¥4.88    | <b>\$(0.72)</b>           |
| Cash dividends .....              | —               | 2.00     | —                         |

Note: U.S. dollar amounts have been translated from yen, for convenience only, at the rate of US\$1 = ¥98.23, the approximate exchange rate on March 31, 2009.

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