



Since its establishment in 1948, Clarion has been a prominent innovator in the world automobile audio electronics industry. We introduced Japan's first car radio in 1951, Japan's first car stereo in 1963, and the world's first automobile PC in 1998. Recently, we have seen major changes, including the shift from analog audio to digital audio-visual and the emergence of car navigation systems and in-vehicle computing systems (IVCSs). Throughout this revolution, Clarion has remained at the forefront of the industry. Our mission is to deliver products with new levels of reliability and comfort that "enhance the mobile info-entertainment environments of customers."

CONTENTS

Message from the President	2
Top Interview	3
Review of Operations	6
Consolidated Financial Statements	8
Overseas Subsidiaries and Affiliates 24	4
Board of Directors and Corporate Auditors,	
Other Corporate Information and Directory	5