

clarion

Annual Report 2006

For the fiscal year ended March 2006



Clarion Co., Ltd.

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 car audio products to include car navigation systems, rear-view monitor systems and networked auto-guidance systems for community buses. 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.

In 2010, we will celebrate our 70th anniversary. With that milestone fast approaching, in 2006, Clarion revised its logo mark with a new motto to further strengthen its global brand power. Under this new brand, all of us at Clarion will make concerted efforts to take advantage of our strengths in developing unique, advanced and exciting products, thereby staying one step ahead of the competition.

The New Clarion, you can count on us.



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 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.

CONTENTS

01 Introduction of New Global Brand in 2006	13 Risk Information	21 Notes to Consolidated Financial Statements
02 Message from the President	15 Six-Year Financial Summary	36 Report of Independent Auditors
06 Corporate Governance / Corporate Social Responsibility	16 Consolidated Balance Sheets	37 Corporate Data
08 Topics	18 Consolidated Statements of Income	
10 Financial Review	19 Consolidated Statements of Shareholders' Equity	
	20 Consolidated Statements of Cash Flows	



Introduction of New Global Brand in 2006

Clarion introduced a new “Clarion” global brand under the corporate aim to be the ultimate “interface for music and information in automobiles and other mobile environments.” In global markets centered around Japan, we will engage ourselves in various activities focused on our brand, which bears the same name as the Company to effectively raise Clarion brand recognition around the world. Sales of products under this new global brand started in January 2006 in the United States, followed by introduction in other markets worldwide.

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The new brand uses the new “Clarion” logo, with gradation of color symbolizing a sharp and modern corporate image. The new brand color is called “Clarion Azzurro,” which expresses the clarity and reliability of the Company. “Azzurro” means “blue” in Italian.



Clarion’s new brand motto “Human Mobile Music Media Interface (Clarion H.M.I.)” is the multi-layered and three-dimensional evolution of the concept of “Human Machine Interface.” It’s an expression of our corporate resolve to be the interface that connects music and information to the mobile environment offering pleasure, excitement and satisfaction.