

June 2, 2011

Alpine Electronics, Inc.  
1-1-8 Nishi-Gotanda  
Shinagawa-ku, Tokyo 141-8501, Japan  
Toru Usami  
President and CEO

To Our Shareholders

**NOTICE OF THE 45<sup>th</sup> ORDINARY GENERAL  
SHAREHOLDERS' MEETING**

We offer our deepest condolences to all shareholders who were affected by the disaster resulting from the recent Great East Japan Earthquake.

Your attendance is respectfully requested at the 45<sup>th</sup> Ordinary General Shareholders' Meeting, to be held as stated below.

In the event that you are unable to attend, you may exercise your voting rights in writing. In this case, please study the attached reference documents and indicate your approval or disapproval on the enclosed Form for Exercise of Voting Rights, affix your seal or signature, and return the form to the Company no later than 5:00 p.m. on Wednesday, June 22, 2011.

Meeting Details

1. Date and Time: 10:00 a.m., Thursday June 23, 2011  
(Reception will open at 9:00 a.m.)
2. Location: Alps Building, 1st Floor (Headquarters of Alps Electric Co., Ltd.)  
1-7, Yukigaya-otsukamachi, Ota-ku, Tokyo, Japan  
(Please refer to the attached map for details, Japanese only.)
3. Agenda:  
Items to Report:
  1. Business Report, Consolidated Financial Statements, and Reports by the Independent Auditor and the Board of Auditors on the Consolidated Financial Results for the fiscal year ended March 31, 2011.
  2. Non-Consolidated Financial Statements for the fiscal year ended March 31, 2011

Proposals for Resolution

1. Approval of the Appropriation of Retained Earnings
2. Election of Five (5) Directors
3. Election of One (1) Auditor
4. Election of One (1) Alternate Auditor
5. Election of Independent Auditor
6. Payment of Retirement Allowance to Retiring Director

Notes: People attending the meeting in person are asked to submit the enclosed Form for Exercise of Voting Rights at the reception desk.  
Please be aware that non-shareholders—such as people accompanying shareholders and children—will not be permitted to attend the Ordinary General Shareholders' Meeting.

Information Regarding the Exercise of Voting Rights:

(1) Exercise of Voting Rights by Proxy

In the event a shareholder is unable to attend the Ordinary General Shareholders' Meeting, the shareholder may appoint one other shareholder with voting rights in the Company as his or her proxy. In this case, a written document confirming the power of representation must be submitted.

(2) Method of Notification of Revisions to Reference Materials for the Ordinary General Shareholders' Meeting, Business Report, Non-Consolidated and Consolidated Financial Statements, or Amendments

In the event that revisions are required to the Reference Materials for the Ordinary General Shareholders' Meeting, Business Report, Non-Consolidated and Consolidated Financial Statements, or Amendments, revised documents will be posted on the Company's website (<http://www.alpine.com>).

**ORDINARY GENERAL SHAREHOLDERS' MEETING  
REFERENCE MATERIALS  
FOR EXERCISE OF VOTING RIGHTS**

**Proposal 1: Approval of the Appropriation of Retained Earnings**

Alpine regards the return of profits to its shareholders as one of its most important management priorities. The Company has adopted the basic policy of determining the distribution of consolidated profits through a balanced approach that takes into overall consideration the return of profits to shareholders, proactive capital investment in equipment, research and development to strengthen competitiveness, and retaining internal reserves for future business growth.

In consideration of business performance during the fiscal year ended March 31, 2011, future business development and other factors, the year-end dividend for the fiscal year ended March 31, 2011, is proposed as follows:

Items regarding the year-end dividend

(1) Type of dividend

Cash dividend

(2) Financial assets to be distributed as dividends and total dividend amount

A cash dividend of ¥10 per share of common stock in the Company is proposed.

If approved, the total dividend payment will be ¥697,654,390.

As an interim dividend of ¥10 per share has already been paid for the fiscal year ended March 31, 2011, the total per-share dividend payment for the year (including the interim dividend) will be ¥20 per share.

(3) Effective date of appropriation of retained earnings as cash dividends

June 24, 2011, is proposed as the effective date.

## Proposal 2: Election of Five (5) Directors

Three directors (Seizo Ishiguro, Hirofumi Morioka and Shigekazu Hori) will complete their terms of office at the conclusion of the 45<sup>th</sup> Ordinary General Shareholders' Meeting. In addition, one director (Kazuo Nakamura) will step down at the conclusion of this meeting. The addition of two directors is proposed, in order to reinforce the Company's administrative structure. Accordingly, five nominees are proposed for appointment as new directors.

The candidates for appointment as directors are as follows.

Nominee Number	Name (Date of Birth)	Career Summary and Concurrent Positions as Representative of Other Company	Company Shares Held
1	Seizo Ishiguro (November 15, 1943)	Jan. 1973 Entered Alps Electric Co., Ltd. Nov. 1978 Director of Alpine Electronics, Inc. Jun. 1982 Director of Alps Electric Co., Ltd. Jun. 1997 President and CEO of Alpine Electronics, Inc. Jun. 2010 Chairman of Alpine Electronics, Inc. (current post)	94,350 shares
2	Hirofumi Morioka (August 6, 1952)	Apr. 1975 Entered Alpine Electronics, Inc. Jun. 2009 Director Jun. 2010 Managing Director (current post) Head of Production and Purchasing (current post)	5,000 shares
3	Shigekazu Hori (January 2, 1946)	Apr. 1971 Entered Toshiba Corporation Apr. 2006 Entered Alpine Electronics, Inc. Jun. 2007 Director (current post) Apr. 2009 Head of OEM Product Development (current post)	5,300 shares
4	Seishi Kai * (November 23, 1954)	Apr. 1978 Entered Alps Electric Co., Ltd. Jun. 2003 Director Jun. 2008 Managing Director (current post) Apr. 2009 Head of Administrative Headquarters (current post)	3,000 shares
5	Naoki Mizuno * (February 17, 1955)	Oct. 1984 Entered Alpine Electronics, Inc. Jun. 2000 Senior Manager of Automotive Electronics Marketing Department 1 Apr. 2009 General Manager of Chinese Operation (current post)	3,000 shares

Notes: 1. No special-interest relationships exist between any of the candidates and the Company.

2. Candidates marked with an asterisk (\*) are new candidates for appointment as directors.

### Proposal 3: Election of One (1) Auditor

One auditor (Kenji Yoshino) will complete his term of office at the conclusion of the 45<sup>th</sup> Ordinary General Shareholders' Meeting. Therefore, one nominee is proposed for appointment as new auditor.

The Board of Auditors has approved this proposal.

The candidate for appointment as auditor is as follows.

Name (Date of Birth)	Career Summary and Concurrent Positions as Representative of Other Company	Company Shares Held
Hideo Kojima * (November 30, 1948)	Mar. 1980 Registered as a Certified Public Accountant May 1995 Partner of Showa Ota & Co. May 2000 Executive Director of Century Ota Showa & Co. May 2006 Executive Vice President of Ernst & Young Sep. 2010 ShinNihon LLC Senior Advisor to Ernst & Young ShinNihon LLC (current post)	No shares

- Notes: 1. No special-interest relationships exist between the candidate and the Company.
2. Candidate marked with an asterisk (\*) is a new candidate for appointment as auditor.
3. Hideo Kojima is a candidate for outside corporate auditor, and he satisfies the conditions for the post of independent director/auditor with the Tokyo Stock Exchange. Furthermore, Mr. Kojima intends to step down from his position as Senior Advisor to Ernst & Young ShinNihon LLC, effective June 22, 2011.
4. Hideo Kojima has no direct relationship to corporate management. However, he satisfies the condition of not being in any conflict of interest with general shareholders and has been determined eligible as an outside corporate auditor based on his broad range of experience and expertise as a certified public accountant.

#### Proposal 4: Election of One (1) Alternate Auditor

The effective period of appointment of Hikokichi Tokiwa, who was appointed alternate auditor at the 44<sup>th</sup> Ordinary General Shareholders meeting on June 24, 2010, ends at the conclusion of this meeting. His re-election as alternate auditor is proposed to prepare against the event of the number of auditors (including the outside corporate auditor) falling below legal stipulations.

Alternate auditor candidate Hikokichi Tokiwa has been determined eligible as an alternate auditor based on his deep insight into management, gleaned from long years of corporate experience. Accordingly, Hikokichi Tokiwa is proposed for appointment as alternate auditor, continuing on from the previous year.

Note that the effectiveness of appointment of the alternate auditor may be cancelled only until a position is assumed by a resolution of the Board of Directors with Board of Auditors approval.

The Board of Auditors has approved this proposal.

The candidate for appointment as alternate auditor is as follows.

Name (Date of Birth)	Career Summary and Concurrent Positions as Representative of Other Company	Company Shares Held
Hikokichi Tokiwa (January 1, 1935)	Apr. 1969 Entered Nippon Chemi-Con Corporation Jun. 1977 Director of Nippon Chemi-Con Corporation Nov. 1995 President and Representative Director of Nippon Chemi-Con Corporation Jun. 2003 Chairman and CEO of Nippon Chemi-Con Corporation Jun. 2007 Honorary Advisor of Nippon Chemi-Con Corporation (current post)	No shares

Notes: 1. No special-interest relationships exist between the candidate and the Company.

2. Hikokichi Tokiwa, a candidate for outside corporate auditor, satisfies the conditions for the post of independent director/auditor with the Tokyo Stock Exchange.
3. As the career summary above indicates, Hikokichi Tokiwa is an honorary advisor to Nippon Chemi-Con Corporation. Alpine has a business relationship with Nippon Chemi-Con, as we purchase raw materials from this company. However, as this procurement accounts for less than 1% of the raw materials we purchase, the company is not considered a major business partner.

## Proposal 5: Election of Independent Auditor

The period of appointment of the Company's independent auditor, KPMG AZSA LLC, ends at the conclusion of this meeting. It is proposed that a new independent auditor be elected, and that to ensure the efficiency of auditing activities involving consolidated accounting with the Company's parent, Alps Electric Co., Ltd., that the same independent auditor as is employed by Alps Electric be elected as the Company's independent auditor.

The Board of Auditors has approved this proposal.

The candidate for appointment as independent auditor is as follows.

Name	Ernst & Young ShinNihon LLC	
Offices	Principal office	Hibiya Kokusai Bldg., 2-2-3 Uchisaiwai-cho, Chiyoda-ku, Tokyo, Japan
	Other offices	32 locations in Japan 3 liaison offices 33 overseas locations
History	Oct. 1985	Tetsuzo Ota & Co. and Showa Audit Corporation merge to form Showa Ota & Co.
	Apr. 2000	Merged with Century Audit Corporation to form Century Ota Showa & Co.
	Jul. 2001	Corporate name changed to Shin Nihon & Co.
	Apr. 2004	Became a member of Ernst & Young. The English name changed to Ernst & Young ShinNihon.
	Jul. 2008	Corporate name changed to Ernst & Young ShinNihon LLC
Overview	Capital	¥817 million
	Workforce	Certified Public Accountants: 2,739
		Licensed Certified Public Accountants: 1,733
		Other: 1,368
	Total: 5,840	
Firms with which engaged	4,118	

(As of March 31, 2011)

### **Proposal 6: Payment of Retirement Allowance to Retiring Director**

Along with this resolution, it is proposed that a retirement allowance be paid to one director (Kazuo Nakamura) retiring at the conclusion of the 45<sup>th</sup> Ordinary General Meeting of Shareholders to compensate him for his services during his term of office, within a reasonable amount to be determined in accordance with the prescribed standards of the Company. It is proposed that the determination of amount, payment date and method shall be entrusted to the Board of Directors.

The profile of the retiring director is as follows.

Name	Career Summary	
Kazuo Nakamura	Jun. 2000	Director of Alpine Electronics, Inc.
	Apr. 2002	Head of Navigation Technology Development
	Apr. 2009	Head of Product Development
	Jun. 2009	Managing Director (current post)
	Jun. 2010	Head of Engineering & Development (current post)



## 1. Consolidated Business Results

### 1. Qualitative Information Regarding Consolidated Business Results

We would like to express our deepest condolences and sympathy to all affected by the Great East Japan Earthquake of March 11, 2011. Let us share our sincere thoughts and prayers with the victims and their families and hope for fast recovery from this tragic event.

While the Alpine Group suffered no casualties among employees, the earthquake caused damage to our headquarters in Iwaki, Fukushima Prefecture, as well as some buildings and production equipment at Alpine Group companies. On top of this, business activities were obstructed as a consequence of the damage to and blockage of essential infrastructure in the region, which had an impact on the production and shipment of goods. Nevertheless, after putting all our effort into restoring the production line we managed to recover stable operations and resume work at the plant on March 28. We would like to offer our sincere gratitude to the many people who so kindly assisted us during this period.

During the fiscal year ended March 31, 2011, the world economy saw favorable demand trends in emerging economies, particularly in Asia. However, in Europe the recovery in the German economy was offset by the recurrence of financial instability in certain countries and economic conditions remain patchy in this region. Meanwhile in the United States, although some economic indicators continue to improve, uncertainty still hangs over the future and the overall economic climate continues to be severe.

The automobile industry saw a modest recovery in new vehicle sales with China, spurred by ongoing economic growth, maintaining its place as the leading country in terms of unit sales of new cars for the second year running, and the symbolic relisting of General Motors taking place on the New York Stock Exchange. The industry in Europe was buoyed by robust exports by German manufacturers of luxury cars. In Japan, sales of new cars, which had been firm owing to government subsidies for purchases of environment-friendly cars, dropped precipitously in the second half of the year in the wake of the termination of this support.

The car electronics industry experienced major changes in its market, with sales of portable navigation devices (PNDs) falling in line with the spread of smart phones and tablet PCs. Domestic after-market sales of navigation systems were good as a consequence of the increase in new-vehicle sales. But demand for home electronics fell in the second half of the year following the withdrawal of subsidies under the “eco-point” system, and demand for car electronic products was also hit by this shift. In Europe, however, factory installation rates for navigation systems and displays saw gradual recovery as demand is apparently shifting back toward mid-sized luxury and large vehicles following the trend for compact cars after the Lehman shock.

In this environment, Alpine launched three new navigation systems in the domestic after-market and sought to raise product appeal and expand sales by proposing “vehicle-specific car-life solutions.” In addition, to secure business growth in the expanding Chinese market, Alpine worked to enhance brand recognition by participating in the Beijing Motor Show, and began supplying products suited for local automakers. Meanwhile, although yen appreciation, coupled with tight supplies for in-vehicle-use display panels, pushed up the cost of parts and materials, we worked to improve operating performance by continuously promoting our “CHALLENGE 30 + (Plus)” program of structural reforms launched in the previous fiscal year.

As a result of these efforts, we managed to exceed our own projections for the fiscal year ended March 31, 2011, with consolidated net sales up 19.4% compared with the preceding fiscal year, to ¥201.2 billion. Operating income amounted to ¥11.1 billion, compared with ¥0.2 billion in the previous year, and ordinary income was ¥10.7 billion, compared with ¥0.8 billion in the preceding year.

However, as a result of recording an extraordinary loss of ¥1.5 billion due to the impact of the earthquake and associated disaster, net income amounted to ¥6.0 billion, compared with a net loss of ¥1.2 billion in the previous year.

#### (1) Segment Information by Type of Business

##### *Audio Products Segment*

In the Audio Products segment, we carried out aggressive proposal-based marketing in the domestic after-market of high-end speakers and amplifiers for minivans with clear cabin audio reproduction, leading to strong sales. However, intensified price competition contributed to flat sales of head units such as CD players. Sales of affordably priced CD players were firm in the North American market but amid users’ greater appetite for low prices, high-added-value products, such as head units that can be linked to Pandora Internet radio via smartphones, experienced harsh selling conditions. In the European market, sound system products with upgraded cabin audio quality centered on high-grade speakers posted steady sales, although in step with severe price competition Bluetooth-enabled CD players saw a sluggish market and sales dropped.

Sales of OEM products to automobile manufacturers increased in line with recovering production and sales in Europe and the United States of new automobiles by major customers, as well as robust demand in the Chinese market.

As a result, sales in this segment fell 0.8% year on year, to ¥69.8 billion.

### ***Information and Communication Equipment Segment***

In this segment, in the domestic after-market, we sought to strengthen our navigation line-up by launching the X05, which has on-board flash memory and offers superior cost performance, adding to the “Big X,” which received a 2010 product Grand Prix from automotive industry trade publication Nikkan Jidosha Shimbun, with its 8-inch screen (the largest on the after-market) making maps and text easier to read and with a touch panel for improved operating convenience, and the X08S car navigation system, successor to the X08, which earned acclaim in the preceding fiscal year. Further, in anticipation of lower new vehicle sales following the termination of government subsidies for purchases of environment-friendly cars, we also worked to expand the number of car models that can adopt our “perfect fit” series, which is attractively fitted to individual car models. Also, firm sales of a camera system that links to a vehicle’s navigation system to support driving safety contributed to expanded sales in the segment. In addition, in an effort to increase sales we aired a television commercial to stimulate consumer spending.

Sales of our affordably priced navigation systems that were newly launched into the North American market were strong, thanks to customer appreciation of the superior functionality, despite being affected by increasingly severe price competition. In Europe, sales of integrated products were lower due to the impact of worsening market conditions, but sales of affordably priced navigation systems introduced during the term were robust.

In OEM products to automobile manufacturers, installation rates of in-cabin display products contributed to increased unit sales. Such sales were also boosted by a continuing recovery in production and sales of large and high-end vehicles in North America, which have high installation rates for highly functional products such as navigation systems, and favorable sales of high-end new vehicles by European manufacturers in the Chinese market.

Owing to the above-mentioned factors, segment sales grew 33.9% year on year, to ¥131.3 billion.

### **(2) Overall and Segment Performance Forecast for the Next Fiscal Year**

While forecasts for the world economy are punctuated by risks to a recovery due to steep rises in the price of oil associated with political instability in the Middle East and North Africa, we expect growth in unit sales of new vehicles centered on China and North America. However, in the Japanese economy, on top of higher prices for raw materials and the strong yen, losses from the recent earthquake are having a significant impact and have rendered the outlook for the business climate that much harsher.

For the Alpine Group too, the impact of the Great East Japan Earthquake on business activities is not inconsiderable, and it has become difficult to clearly appraise likely conditions going forward. In addition to problems in the supply of components and material procurements due to severed supply lines, with the assumed imposition of energy-saving measures during the summer hitting production lines, and lower sales on restraint in propensity for consumption, we forecast that the situation will be harsh for both the Audio Products segment and the Information and Communication Equipment segment.

Our consolidated performance forecasts for the fiscal year ending March 31, 2012, are as follows.

#### Consolidated Performance Forecasts

Net sales	¥190.0 billion	Compared with the preceding fiscal year: down ¥11.2 billion, or 5.6%)
Operating income	¥5.0 billion	Compared with the preceding fiscal year: down ¥6.1 billion, or 55.2%)
Ordinary income	¥5.0 billion	Compared with the preceding fiscal year: down ¥5.7 billion, or 53.6%)
Net income	¥3.5 billion	Compared with the preceding fiscal year: down ¥2.5 billion, or 42.0%)

Notes: All projected results assume an exchange rate of US\$1=¥80 and €1=¥120.

The aforementioned projections are based on information currently available and include uncertain factors that may influence actual performance.