(Translation)

Securities Code: 6816
May 29, 2014

To Our Shareholders,

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

NOTICE OF THE 48th ORDINARY GENERAL SHAREHOLDERS' MEETING

You are cordially invited to attend the 48th Ordinary General Shareholders' Meeting of Alpine Electronics, Inc. ("the Company"), which will be held as described hereunder.

In the event that you are unable to attend the meeting, you may exercise your voting rights in writing. Please indicate your approval or disapproval on the enclosed Form for Exercise of Voting Rights and return the form to the Company no later than 5:00 p.m. on Wednesday, June 18, 2014 after reviewing the attached Reference Materials for Ordinary General Shareholders' Meeting.

MEETING AGENDA

1. Date and Time: 10:00 a.m., Thursday, June 19, 2014
(Reception will open at 9:00 a.m.)

2. Venue: Hall on the first floor of Head Office of Alps Electric Co., Ltd.
1-7, Yukigaya-otsukamachi, Ota-ku, Tokyo

3. Purpose of the General Shareholders' Meeting

Items to be reported:

1. The business report, the consolidated financial statements for the 48th fiscal year (from April 1, 2013 to March 31, 2014) and the audit reports of the Accounting Auditors and the Audit & Supervisory Board regarding the consolidated financial statements for the 48th fiscal year
2. The non-consolidated financial statements for the 48th fiscal year (from April 1, 2013 to March 31, 2014)

Items to be resolved:

Item 1: Distribution of Surplus

Item 2: Partial Amendments to the Articles of Incorporation

Item 3: Election of Seven (7) Directors

Item 4: Election of One (1) Audit & Supervisory Board Member

Item 5: Director Pay Reform, Decision on Introduction and Details of Stock Compensation-Type Stock Options

Item 6: Payment of Retirement Allowance to Retiring Director and Payment of Final Retirement Allowances Accompanying Abolition of Retirement Allowances for Directors

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[To shareholders who will attend the meeting]

(1) If attending the meeting in person, please present the enclosed Form for Exercise of Voting Rights at the reception desk.

(2) Please be aware that non-shareholders such as proxies, people accompanying shareholders and children will not be permitted to attend the Ordinary General Shareholders' Meeting.

Information Regarding Internet-based Disclosure

Because the “Notes to Consolidated Financial Statements” and the “Notes to Non-consolidated Financial Statements,” which must be provided at the time of providing the Notice of the Ordinary General Shareholders’ Meeting, are reported on the Company’s website in accordance with the provisions of laws and regulations and Article 15 of the Articles of Incorporation, they are not provided in the attached documents to the Notice of the Ordinary General Shareholders’ Meeting.

The Company’s website: http://www.alpine.com/e/investor/information/meeting.html

Information Regarding the Exercise of Voting Rights

(1) Exercise of voting rights by proxy

If you are unable to attend the meeting, another shareholder with voting rights can attend the meeting as your proxy.

Please note, however, that it is necessary to submit a document evidencing the authority of proxy (a proxy statement), in addition to a Form for Exercise of Voting Rights.

(2) Method for reporting amendments made to Reference Materials for Ordinary General Shareholders’ Meeting, business report, consolidated financial statements or non-consolidated financial statements

In the event that it becomes necessary to make amendments, any amended items will be posted on the Company’s website (http://www.alpine.com/e/investor/information/meeting.html).

Reference Materials for Ordinary General Shareholders' Meeting

Item 1: Distribution of Surplus

The Company 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 profits through a balanced approach that comprehensively considers 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, based on the consolidated business performance.

Under this policy, and in consideration of the business performance during the fiscal year under review, future business development and other factors, the year-end dividend for the 48th fiscal year is proposed as follows.

As business performance during the fiscal year under review remained steady, the Company intends to raise the dividend by ¥5 per share from the previous year to ¥15 per share in response to support from shareholders.

Matters concerning the year-end dividend

(1) Type of dividend asset

Cash

(2) Items concerning allocation of dividend assets and the total amount thereof

¥15 per share of common stock of the Company

The total amount of dividends: ¥1,046,623,020

(As an interim dividend of ¥10 per share has already been paid for the fiscal year under review, the total per-share dividend payment for the year (including the interim dividend) will be ¥25 per share.)

(3) Effective date of dividends from surplus

June 20, 2014

Item 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the Amendments

(1) To clarify Directors' business responsibility toward shareholders and build business administration arrangements that can quickly respond to business environment changes, it is requested that the term of office for Directors in Article 20 (Term of Office) in the current Articles of Incorporation be shortened to one year from two years. In line with the change, provisions in Paragraph 2 of the article on the adjustment of the term for Directors may be deleted.

However, the term change may not be applied to Directors who were elected at our 47th Ordinary General Shareholders' Meeting on June 20, 2013. A supplementary provision to this effect may be created.

(2) With respect to Article 26 (Advisers and Executive Advisers) in the current Articles of Incorporation, it is requested that the necessary changes and deletions be made in order to strengthen procedures under which the Board of Directors appoints and controls Executive Advisers, and to make a system change to enable more flexible use of Advisers with specialist management or technological knowledge.

2. Description of the Amendments

The details of amendments are as follows:

(Revised sections are underlined)

Current Text	Proposed Text
Article 1 through Article 19 (text not shown)	Article 1 through Article 19 (Unchanged)
Article 20 (Term of Office) <u>(1)</u> The term of office for a Director shall expire when the Ordinary General Shareholders' Meeting ends for the last business year ending within <u>two years</u> from the time of the election. <u>(2) The term of office for a Director elected to replace a Director retiring before the expiration of his/her term shall expire when the term of the retiring Director ends.</u>	Article 20 (Term of Office) __ The term of office for a Director shall expire when the Ordinary General Shareholders' Meeting ends for the last business year ending within <u>one year</u> from the time of the election. (Deleted)
Article 21 through Article 25 (text not shown)	Article 21 through Article 25 (Unchanged)
Article 26 (<u>Advisers and </u>Executive Advisers) The Company may have <u>Advisers or</u> Executive Advisers. <u>Advisers and </u>Executive Advisers may be <u>determined</u> by resolution of the Board of Directors.	Article 26 (Executive Advisers) The Company may have Executive Advisers. Executive Advisers may be <u>elected</u> by resolution of the Board of Directors.
Article 27 through Article 42 (text not shown)	Article 27 through Article 42 (Unchanged)
(Newly added)	<u>Supplementary provision</u> <u>Irrespective of the provision of Article 20, the term of office for Directors elected at the 47th Ordinary General Shareholders' Meeting on June 20, 2013, shall expire when the Ordinary General Shareholders' Meeting ends for the 49th fiscal year. This supplementary provision may be deleted after the aforementioned period has passed.</u>

Item 3: Election of Seven (7) Directors

The terms of office of six (6) Directors, Toru Usami, Hitoshi Kajiwara, Masataka Kataoka, Satoshi Soma, Toshinori Kobayashi and Koichi Endo, will expire at the conclusion of this meeting. Therefore, we would like you to approve the introduction of an Outside Director system for enhancing our corporate governance and the election of seven (7) Directors including two (2) new candidates for Directors (including one Outside Director candidate).

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, position and responsibility at the Company (Status of important concurrent occupations)	Number of shares held in the Company
Re-appointment 1	Toru Usami (May 15, 1950)	April 1974 Joined the Company June 2004 Director of the Company Head of American Operations of the Company June 2008 Managing Director of the Company Head of Engineering & Development of the Company June 2009 Senior Managing Director of the Company June 2010 President & CEO of the Company (incumbent) (Status of important concurrent occupations) Chairman of ALPINE ELECTRONICS OF AMERICA, INC.	10,000
Re-appointment 2	Hitoshi Kajiwara (November 23, 1954)	April 1977 Joined the Company June 2000 Director of the Company April 2003 Head of AVNC Product Development of the Company June 2003 Managing Director of the Company (incumbent) Head of Engineering & Development of the Company January 2007 Head of European Operations of the Company June 2011 Head of Quality Assurance & Environmental Conservation of the Company June 2013 Head of Production and Purchasing of the Company (incumbent)	12,400
Re-appointment 3	Masataka Kataoka (June 30, 1946)	April 1972 Joined Alps Electric Co., Ltd. June 1982 Director of Alps Electric Co., Ltd June 1985 Managing Director of Alps Electric Co., Ltd. June 1986 Director of the Company (incumbent) October 1986 Senior Managing Director of Alps Electric Co., Ltd. June 1988 President of Alps Electric Co., Ltd. June 2012 Chairman of Alps Electric Co., Ltd. (incumbent)	50,000
Re-appointment 4	Toshinori Kobayashi (January 14, 1960)	August 1997 Joined the Company April 2001 Senior Manager of International OEM Marketing Dept. 1 of the Company January 2008 Senior Manager of International OEM Marketing of the Company July 2009 General Manager of International OEM Marketing of the Company June 2010 Director of the Company (incumbent) Head of Marketing & Sales of the Company (incumbent) (Status of important concurrent occupations) President of ALPINE ELECTRONICS (CHINA) CO., LTD.	3,000
Re-appointment 5	Koichi Endo (April 17, 1961)	April 1986 Joined the Company March 2001 Senior Manager of Navigation Software Engineering Dept. of the Company April 2003 Senior Manager of AVNC Product Development of the Company April 2010 Senior Manager, Deputy Head of Product Development of the Company June 2010 Director of the Company (incumbent) Head of Product Development of the Company (incumbent)	5,200

No.	Name (Date of birth)	Career summary, position and responsibility at the Company (Status of important concurrent occupations)	Number of shares held in the Company
New appointment Outside 6	Satoko Hasegawa (November 27, 1968)	April 1994 Registered as an Attorney at Law Joined Mori Sogo Law Offices (current Mori Hamada & Matsumoto) June 1997 Seconded to Linklaters LLP (London) April 2007 Established Sueyoshi Sogo Law Offices (current STW & Partners) (incumbent)	0
New appointment 7	Yasuhiro Ikeuchi (February 20, 1957)	March 2004 Joined the Company October 2006 Senior Manager of Sound System Product Development Dept. of the Company October 2011 Senior Manager of Peripheral Product Development Dept. of the Company July 2012 General Manager, Deputy Head of Core Development of the Company April 2013 General Manager of Sound Media Product Development of the Company (incumbent)	2,000

(Note) There are no special conflicts of interests between the Company and any of the candidates.

[Special notes on candidate for Outside Director]

1. Although Satoko Hasegawa's surname has been changed from Niiya due to her marriage, she practices as a lawyer under her previous surname.
2. Satoko Hasegawa is a candidate for the outside director as provided in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. As she meets the requirements for independence as provided by Tokyo Stock Exchange, Inc., she may be elected as independent director based on Article 436-2 of the Tokyo Stock Exchange Securities Listing Regulations.
3. Satoko Hasegawa, though having never engaged directly in company management, has long been engaged in legal affairs as a lawyer, and has developed expertise, experience, and vast knowledge, as described in her profile. We would like you to elect her as Outside Director to enhance our corporate governance.
4. If Satoko Hasegawa is elected as Outside Director, the Company will sign a liability limitation contract with her to limit the liability to the total of the amounts cited in the items of Article 425, Paragraph 1 of the Companies Act.

Item 4: Election of One (1) Audit & Supervisory Board Member

The terms of office of Audit & Supervisory Board Member Toji Tanaka and Taisuke Yonemori will expire at the conclusion of this meeting. Therefore, we would like you to approve the election of one (1) Audit & Supervisory Board Member.

The Audit & Supervisory Board has approved this proposal.

The candidate for appointment as Audit & Supervisory Board Member is as follows.

	Name (Date of birth)	Career summary (Status of important concurrent occupations)			Number of shares held in the Company
New appointment Outside	Naoki Yanagida (February 27, 1960)	April	1987	Registered as an Attorney at Law Joined Yanagida & Nomura law firm (current Yanagida & Partners law firm) (incumbent)	0

(Note) There are no special conflicts of interests between the Company and the candidate.

[Special notes on candidate for Outside Audit & Supervisory Board Member]

1. Naoki Yanagida is a candidate for the outside audit & supervisory board member as provided in Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act.
2. Naoki Yanagida, though having never engaged directly in company management in any way other than serving as outside audit & supervisory board member, has long been engaged in legal affairs as a lawyer as described in his profile. To have him reflect his developed expertise, experience, and vast knowledge in auditing our company, we would like you to elect him as Outside Audit & Supervisory Board Member.
3. If Naoki Yanagida is elected as Outside Audit & Supervisory Board Member, the Company will sign a liability limitation contract with him to limit the liability to the total of the amounts cited in the items of Article 425, Paragraph 1 of the Companies Act.

Item 5: Director Pay Reform, Decision on Introduction and Details of Stock Compensation-Type Stock Options

1. Director pay reform

No change has been made since the limit of 400 million yen per year (excluding the employee portion of pay for an employee serving as Director) on director pay at our company was approved at the 40th Ordinary General Shareholders' Meeting on June 28, 2006.

Based on changes in the economic situation since then, however, we would like to change the limit on director pay to 500 million yen per year (10 million yen for each Outside Director), abolish retirement allowances for Directors, and shift to a new pay system comprising fixed compensation, a bonus reflecting profit changes, and stock compensation-type stock options as described below through the director pay reform.

Director pay may not include an employee wage for an employee serving as Director, as before.

We would also like to issue stock acquisition rights as stock compensation-type stock options for Directors within the reformed director pay limit to link pay for Directors (excluding Outside Directors) more closely to the Company's business performance and stock value and enhance value sharing with shareholders.

Although the number of Directors now stands at 10, the number will increase to 11 (including one Outside Director) at the conclusion of this Ordinary General Shareholders' Meeting if Item 3 (election of seven Directors) is approved and passed as proposed.

2. Details of stock acquisition rights as stock compensation-type stock options

We would like to fix the details of stock acquisition rights as stock compensation-type stock options within the abovementioned director pay limit as follows:

Specifically, the Company shall give a Director the same compensation as payments for stock acquisition rights allotted to the Director and allow the Director to acquire the stock acquisition rights by offsetting the payments for the stock acquisition rights with the claim to the compensation.

A fair price per stock acquisition right calculated on the day for stock acquisition right allotment shall be multiplied by the number of stock acquisition rights to be allotted into the amount of the stock compensation-type stock options.

(1) Type and number of shares subject to stock acquisition rights

The type of shares subject to stock acquisition rights shall be common stock shares of the Company. The number of shares subject to stock acquisition rights (hereinafter referred to as the number of allotted shares) shall be 100 shares per stock acquisition right. If the Company implements a stock split (including allotment of shares without contribution for common stock shares of the Company, hereinafter the same for a stock split) or a stock consolidation after the day when the proposal is approved (hereinafter the approval date), the number of allotted shares shall be adjusted according to the following equation:

Adjusted number of allotted shares = Number of allotted shares before adjustment × Stock split or consolidation ratio

Any fraction below one share resulting from the abovementioned adjustment shall be disregarded.

If the number of allotted shares is required to be adjusted due to the Company's merger, split, equity swap or the like after the approval date, the Company may adjust the number of allotted shares at the Board of Directors.

The number of Company common stock shares at 70,000 shall be the limit on shares to be allotted through the exercise of stock acquisition rights to be issued within one year after the Company's Ordinary General Shareholders' Meeting for each fiscal year. If the number of allotted shares is adjusted, the adjustment limit shall be the result of multiplying the adjusted number of allotted shares by the total number of stock acquisition rights below.

(2) Total number of stock acquisition rights

The number of stock acquisition rights at 700 shall be the limit on stock acquisition rights to be issued within one year after the Company's Ordinary General Shareholders' Meeting for each fiscal year.

(3) Amount of payments for stock acquisition rights (issuance price)

A payment (issuance price) for one stock acquisition right shall be determined by the Board of Directors based on a fair stock acquisition right price calculated upon the allotment of stock acquisition rights. Those receiving their allotment shall offset their claim to compensation from the Company with their liability for payments for stock acquisition rights instead of making any monetary payments.

(4) Value of investment through the exercise of stock acquisition rights

The value of investment through the exercise of stock acquisition rights shall be the result of multiplying the price of one yen per share to be allotted through the exercise of stock acquisition rights by the number of allotted shares.

(5) Period for the exercise of stock acquisition rights

The period for the exercise of stock acquisition rights shall be determined by the Company's Board of Directors within 40 years from the day after stock acquisition rights are allotted.

(6) Restrictions on acquisitions of stock acquisition rights through transfer

Acquisitions of stock acquisition rights through transfer must be approved by the Company's Board of Directors.

(7) Conditions for exercising stock acquisition rights

Stock acquisition right holders shall be allowed to exercise stock acquisition rights only within 10 days from the day after losing their positions as Directors of the Company. Other conditions for the exercise shall be determined by the Company's Board of Directors that fixes details for the invitation of subscriptions to stock acquisition rights.

(8) Other details of stock acquisition rights

The other details shall be determined by the Company's Board of Directors that fixes details for the invitation of subscriptions to stock acquisition rights.

Item 6: Payment of Retirement Allowance to Retiring Director and Payment of Final Retirement Allowances Accompanying Abolition of Retirement Allowances for Directors

Along with this resolution, it is proposed that a retirement allowance be paid to Satoshi Soma retiring as Director at the conclusion of this meeting, to compensate him for his services during his term of office.

At a meeting of the Board of Directors on May 26, 2014, the Company resolved to abolish the retirement allowances for Directors at the conclusion of this meeting. Along with this resolution, it is proposed that final retirement allowances be paid for a total of nine Directors, including the five planned for reelection if Item 3 is approved and the four remaining Directors, for their services until the conclusion of this meeting.

Thus, in accordance with the Company's prescribed level, it is proposed to provide payment and final payment of retirement allowances of a maximum of ¥390,000 thousand yen.

As for the retirement allowance to the retiring Director, it is proposed that the determination of amount, payment date and method shall be entrusted to the Board of Directors.

Retirement allowances to nine Directors subject to the payment of final retirement allowances may be paid when each Director retires. It is further proposed that the determination of the amount, payment date, and method shall be entrusted to the Board of Directors.

The profile of the retiring Director and the Directors subject to the payment of final retirement allowances are as follows.

[Retiring Director]

Name	Career summary		
Satoshi Soma	June	2006	Director of the Company (incumbent)

[Directors subject to the payment of final retirement allowances]

Name	Career summary		
Toru Usami	June June	2004 2010	Director of the Company President & CEO of the Company (incumbent)
Hirofumi Morioka	June June	2009 2010	Director of the Company Managing Director of the Company (incumbent)
Hitoshi Kajiwara	June June	2000 2003	Director of the Company Managing Director of the Company (incumbent)
Seishi Kai	June	2011	Managing Director of the Company (incumbent)
Masataka Kataoka	June	1986	Director of the Company (incumbent)
Toshinori Kobayashi	June	2010	Director of the Company (incumbent)
Koichi Endo	June	2010	Director of the Company (incumbent)
Naoki Mizuno	June	2011	Director of the Company (incumbent)
Shuji Taguchi	June	2013	Director of the Company (incumbent)

Operating Results

Analysis of operating results

During the fiscal year ended March 31, 2014, the Japanese economy began to see bright signs, such as the depreciation of the yen and high stock prices due to the effects of "Abenomics" (the economic policies taken by Prime Minister Shinzo Abe), as well as improved performance centered on exporting companies. Meanwhile, the U.S. economy is on a recovery track and the economic slowdown in Europe appears to have bottomed out. However, other factors including the slower pace of economic recovery in emerging countries such as China and Brazil mean that the pace of growth across the global economy as a whole remains sluggish.

In the car electronics industry, the Japanese aftermarket was still affected by the absence of the replacement purchase demand for navigation systems that had followed the transition from analog to fully digital broadcasting of terrestrial television. In addition, progress was made in diversifying sales channels other than stores specializing in auto products, such as having systems installed as automobile dealer options, and share competition between rival companies intensified. The market also witnessed significant structural changes: Additional demand in anticipation of the consumption tax hike due in April reversed the ongoing decline in the total number of new cars sold domestically following the end of eco-car purchase subsidies. In another example of structural change, record-high unit sales were recorded for mini-vehicles, whose installation rate for navigation systems is low. Meanwhile, sales of new cars in the North American market continued to be strong, supported by such factors as replacement demand and improved consumer sentiment due to the U.S. economic recovery. Also, in China, where private consumption remained solid, the number of new cars sold exceeded 20 million units. The car electronics industry benefited from the knock-on effect.

Under these circumstances, Alpine Group exhibited at the Shanghai Motor Show in China, and broadened the appeal of the Alpine brand and its high-quality, highly functional items, and sought to further expand its business. In addition, Alpine worked to expand its aftermarket business, for example by establishing a representative office in Indonesia, where the automobile market is expected to grow remarkably. At the ITS (Intelligent Transport Systems) World Congress and the Tokyo Motor Show, Alpine worked to secure new business opportunities by exhibiting cutting-edge technologies for EVs (electric vehicles) and advanced highway safety systems, as well as the next-generation integrated interior cockpit developed jointly with ALPS ELECTRIC CO., LTD. Meanwhile, Alpine laid the foundations for future growth by using its venture capital fund to invest in a company developing voice interaction technologies in the United States.

In the original equipment manufacturer (OEM) business, which accounts for more than 80% of our sales, Alpine held technology exhibitions for its overseas automaker customers, and endeavored to gain new orders by proposing complex and advanced in-car IT products. In Detroit, the heart of the North American auto industry, Alpine moved its sales base into the ALPS ELECTRIC CO., LTD. offices, strengthening collaboration with ALPS ELECTRIC's automotive segment.

Against a backdrop of favorable new car demand in the North American market, Alpine expanded capacity at its production base in Mexico, established Alpine Customer Service (USA), Inc. in the United States, developed its systems for repair and other after-sales services for in-car IT products, in which use of electronics is accelerating, and endeavored to improve quality.

In order to lower cost prices, Alpine collaborated with partner component makers to improve earning power by using value engineering (VE) to reform product cost structure and decreasing the number of components, among other measures.

As a result, for the fiscal year ended March 31, 2014, consolidated net sales increased 28.6% compared with the previous fiscal year, to ¥285.8 billion. Operating income increased 325.8% to ¥9.8 billion, ordinary income increased 174.1% to ¥11.7 billion, and net income amounted to ¥9.2 billion, an increase of 428.1%.

(1) Segment information related to overall fiscal 2013 business performance by type of business

a. Audio Products segment

In the Audio Products segment, Alpine launched a CD player equipped with the high-definition Rich Display onto the North American aftermarket and worked to strengthen sales through sound system sales promotions. In the European aftermarket, Alpine focused on expanding sales of entry-model CD players equipped with Bluetooth function and CD players equipped with high-value-added functions compatible with smartphone applications, which have been well received by the market. As a result, sales for aftermarket increased.

In the OEM market, sales increased in association with the robust sales of audio products for cars built by Japanese automakers in North America and sound systems for cars built by U.S. automakers.

Accordingly, segment sales increased 17.4% compared with the previous fiscal year, to ¥69.3 billion.

b. Information and Communication Products segment

Amid the increasing severity of sales competition with rival companies in the domestic aftermarket, in order to strengthen our competitiveness through differentiation, Alpine ascertained different needs as per different customer lifestyles and further promoted business tailored to specific car models and continued to focus on expanding sales of the “BIG X” series of large-screen navigation systems. In addition, Alpine continued to promote sales activities to automobile dealers in addition to stores specializing in auto products and worked to expand and upgrade its sales network. An increase in new cars sold prior to the consumption tax hike also provided a boost, resulting in strong sales. However, this was not enough to make up for the lower sales in the first half of the fiscal year, and consequently sales for the year remained at the same level.

In the OEM market, there were strong sales in hybrid products with displays featuring navigation functions at their cores for cars built by Japanese automakers in the North American market. Furthermore, as sales in North America and China continued to be robust in European luxury automakers’ new cars equipped with our products, Alpine’s sales increased.

Owing to these factors, sales in this segment grew 32.7% compared with the previous fiscal year, to ¥216.5 billion.

(2) Overall fiscal 2014 business performance and segment forecasts

During the next fiscal year the global economy is expected to recover gradually overall, led by the United States. Nonetheless, uncertainty remains with regard to China and other emerging countries, while concerns affecting the Japanese economy include potential changes in demand due to the consumption tax hike.

Meanwhile, the car electronics industry is expected to benefit from the enactment of a law mandating installation of rearview camera systems in the United States. Domestically, however, the total number of new cars sold is expected to decline in the absence of the additional demand generated prior to the consumption tax hike, and the effect on the industry gives cause for concern.

Under these circumstances, as the benefits afforded by the depreciating yen diminish, the Alpine Group will seek to improve profitability and set itself apart from rival companies by adding further value to its products, while continuing measures to strengthen its cost competitiveness.

Details of activities by segment are as follows:

< Audio Products segment >

Alpine will focus on expanding sales of sound systems including lightweight speakers and amplifiers in addition to its CD players compatible with smartphone applications, which are selling well.

< Information and Communication Products segment >

In North America, Alpine will launch a navigation system with a 7-inch-plus display for the aftermarket, as well as a display audio compatible with Apple CarPlay. Alpine will also expand sales to automakers of display products for which increased installation rates are expected as a result of new legislation mandating rearview camera systems.

Taking into account factors that can be assumed at the time of writing, our consolidated earnings forecasts for the fiscal year ending March 31, 2015 are as follows:

< Consolidated earnings forecasts >

Net sales	¥275.0 billion	(down 3.8% year on year)
Operating income	¥8.0 billion	(down 18.5% year on year)
Ordinary income	¥9.0 billion	(down 23.5% year on year)
Net income	¥6.0 billion	(down 35.0% year on year)

* Prerequisite exchange rate assumptions for forward-looking statements: US$1 = ¥100 and €1 = ¥135