



# Consolidated Financial Statements (Japan GAAP) for the Three Months Ended June 30, 2010

August 6, 2010

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 Materials Prepared to Supplement the Consolidated Financial Statements: No  
 Quarterly Presentation of Business Results Meeting Held: No

Amounts less than one million yen have been omitted; percentages represent increases from the corresponding period of the previous year.

## 1. Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2011

(April 1, 2010, to June 30, 2010)

### (1) Consolidated Operating Results

(Millions of yen unless otherwise stated)

|                                  | Net Sales |            | Operating Income (Loss) |        | Ordinary Income (Loss) |        | Net Income (Loss) |        |
|----------------------------------|-----------|------------|-------------------------|--------|------------------------|--------|-------------------|--------|
|                                  | Amount    | Margin (%) | Amount                  | Change | Amount                 | Change | Amount            | Change |
| Three Months Ended June 30, 2010 | 49,128    | 36.3%      | 4,014                   | —      | 2,988                  | —      | 2,532             | —      |
| Three Months Ended June 30, 2009 | 36,054    | (43.0%)    | (4,827)                 | —      | (4,535)                | —      | (5,303)           | —      |

|                                  | Net Income (Loss) per Share (Yen) | Fully Diluted Net Income per Share (Yen) |
|----------------------------------|-----------------------------------|--|
| Three Months Ended June 30, 2010 | 36.30                             | —  |
| Three Months Ended June 30, 2009 | (76.02)                           | —  |

### (2) Consolidated Financial Position

|                | Total Assets | Net Assets | Equity Ratio (%) | Net Assets per Share (Yen) |
|----------------|--------------|------------|------------------|----------------------------|
| June 30, 2010  | 152,256      | 96,666     | 63.0             | 1,374.07                   |
| March 31, 2010 | 153,428      | 97,035     | 62.7             | 1,379.61                   |

[Reference] Shareholders' equity  
 Three months ended June 30, 2010: ¥95,861 million  
 Fiscal year ended March 31, 2010: ¥96,248 million

## 2. Dividends

| Date of Record                               | Dividends per Share (Yen) |                       |                      |                    |                  |
|--|---------------------------|-----------------------|----------------------|--------------------|------------------|
|  | End of First Quarter      | End of Second Quarter | End of Third Quarter | End of Fiscal Year | Full Fiscal Year |
| Fiscal Year Ended March 31, 2010             | —                         | 0.00                  | —                    | 0.00               | 0.00             |
| Fiscal Year Ending March 31, 2011            | —                         |                       |                      |                    |                  |
| Fiscal Year Ending March 31, 2011 (Forecast) |                           | 10.00                 | —                    | 10.00              | 20.00            |

(Note) Changes in dividend forecasts during the quarter under review: None

### 3. Projections for Fiscal Year Ending March 31, 2011 (April 1, 2010, to March 31, 2011)

Percentages represent increases from the corresponding period of the previous year.

(Millions of yen, unless otherwise stated)

|                                      | Net Sales |       | Operating Income |   | Ordinary Income |       | Net Income |   | Net Income per Share (Yen) |
|--------------------------------------|-----------|-------|------------------|---|-----------------|-------|------------|---|----------------------------|
| Six Months Ending September 30, 2010 | 97,000    | 26.9% | 5,500            | — | 4,000           | —     | 3,500      | — | 50.17                      |
| Fiscal Year Ending March 31, 2011    | 190,000   | 12.7% | 8,500            | — | 7,000           | 766.9 | 5,500      | — | 78.84                      |

(Note) Changes in projections during the quarter under review: Yes

### 4. Others

(1) Changes in material subsidiaries during the period: No

Note: Indicates whether specific subsidiaries changes affecting the scope of consolidation have been made.

(2) Application of simplified methods of accounting and specific accounting methods: Yes

Note: Indicates whether simplified methods of accounting or accounting methods specific to the preparation of quarterly financial reports are applied.

(3) Changes in accounting principles, processes, presentation methods, etc.

1) Changes due to revisions to accounting standards, etc.: Yes

2) Changes other than 1): No

Note: Indicates whether changes in accounting principles, processes, presentation methods, etc., have been made in relation to the preparation of quarterly consolidated financial statements (recorded in changes to important items that form the basis for preparation of quarterly consolidated financial statements)

(4) Average number of outstanding shares (ordinary shares)

|  |                                   |            |                                   |            |
|--|-----------------------------------|------------|-----------------------------------|------------|
| 1) Number of shares outstanding as of the end of the period (including treasury shares)                        | First quarter ended June 30, 2010 | 69,784,501 | Fiscal year ended March 31, 2010  | 69,784,501 |
| 2) Number of treasury shares as of the end of the period   | First quarter ended June 30, 2010 | 19,842     | Fiscal year ended March 31, 2010  | 19,667     |
| 3) Average number of shares during the period (cumulative figure for consolidated quarterly accounting period) | First quarter ended June 30, 2010 | 69,764,704 | First quarter ended June 30, 2009 | 69,764,652 |

Note: Disclosure of Implementation Status of Quarterly Review Procedures

This report of quarterly financial results is outside the scope of the quarterly review procedures prescribed in the Financial Instruments and Exchange Act. As of the date of this report, the quarterly review procedures prescribed in the Financial Instruments and Exchange Act were not complete.

Notes: Cautionary Statements Regarding Performance Forecasts

(1) Revisions have been made to the performance forecasts announced on May 11, 2010.

(2) The forecasts and future projections stated above have been prepared on the basis of the information available as of the date of announcement of this summary information, and the actual results could differ significantly from forecast figures depending on a variety of factors.

## **1. Consolidated Business Results**

### **(1.) Qualitative Information Regarding Consolidated Business Results**

#### 1. Consolidated Business Results

##### (1) Qualitative Information Regarding Consolidated Business Results

During the first quarter of the fiscal year ending March 31, 2011, the worldwide economy continued its gradual recovery, supported by favorable demand in newly emerging markets, centered on Asia. Sources of uncertainty remained, however, owing to concerns of various countries' economic stimulus measures coming to an end and mounting economic crisis in Europe.

Since the Lehman shock, the car electronics industry has been affected by the demand trend in Europe and the United States toward new car purchases centering on compact cars.

The car electronics industry showed some signs of returning vigor, as signs appeared of a recovery in sales of mid-range and high-end vehicles and the installation rate of OEM navigation systems recovered slightly. However, the upturn was only moderate, falling short of a full-fledged recovery. In Japan, meanwhile, new car sales increased in response to government measures to stimulate the industry by offering tax exemptions on purchases of environment-friendly cars. In line with this trend, sales of navigation devices trended upward, centering on after-market sales of personal navigation devices (PNDs).

In this environment, Alpine launched three new navigation systems in the domestic after-market and sought to raise product appeal by proposing "vehicle-specific car-life solutions." In addition, to secure new orders among automakers operating in the expanding Chinese market, Alpine worked to enhance brand recognition by participating in the Beijing Motor Show. The Company also took a proactive approach toward sales featuring technology-based proposals. Meanwhile, although yen appreciation, coupled with tight supplies for electronic components, 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.

As a result of these efforts, during the first quarter ended June 30, 2010, consolidated net sales rose 36.3% compared with the first quarter of the preceding fiscal year, to ¥49.1 billion. Operating income amounted to ¥4.0 billion, compared with a ¥4.8 billion operating loss in the first quarter of the previous year, and ordinary income was ¥2.9 billion, compared with a ¥4.5 ordinary loss in the first quarter of the preceding year. The Company reported net income of ¥2.5 billion, compared with a net loss of ¥5.3 billion in the first quarter of the preceding year.

Segment information is summarized below. Sales figures indicate sales to external customers.

#### ***Audio Products Segment***

In the Audio Products segment, sales of affordably priced CD players were firm in the North American market. In this market, we introduced head units that can be linked to Pandora Internet radio and the iPod, but our performance was affected by the difficult market environment. In Europe, our operations were affected by the depreciation of the euro, but sales remained strong for Bluetooth-compatible CD players and high-quality speakers featuring clear cabin audio playback.

In the domestic after market, sales of high-quality speakers were robust, but sales of single-function products such as CD players were flat, owing to increasingly severe price competition.

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

As a result, sales in this segment climbed 17.1% compared with the first quarter of the preceding fiscal year, to ¥18.7 billion.

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

In this segment, sales of our affordably priced navigation systems that were newly launched into the North American market were strong, despite being affected by increasingly severe competition. In Europe, sales of integrated products were firm, but overall sales were flat as a result of the euro's depreciation against the yen.

In the domestic after-market, sales were strong for the VIE-X08S car navigation system, successor to the VIE-X08, which earned acclaim in the preceding fiscal year. We also launched the VIE-X5, which has on-board flash memory and offers superior cost performance, and the

"Big X" (VIE-X088). The "Big X," which received a 2010 product Grand Prix from automotive industry trade publication *Nikkan Jidosha Shimbun*, has an 8-inch screen (the largest on the market and the first one in the market), making maps and text easier to read, and uses a touch panel for improved operating convenience. We also promoted the "perfect fit" series tailored specifically to individual car models, and sales grew significantly. In addition, we focused on

sales of a camera system that links to a vehicle's navigation system to support driving safety.

Sales of OEM products to automobile manufacturers rose substantially. This increase was attributable to a recovery in production and sales in North America of large and high-end vehicles, which have high installation rates for navigation systems, as well as to favorable new car sales by European manufacturers in the Chinese market.

As a result of these factors, segment sales surged 51.6% compared with the first quarter of the preceding fiscal year, to ¥30.4 billion.

## **(2.) Qualitative Information Regarding Consolidated Financial Position**

### **(1) Assets, liabilities and net assets**

Total assets stood at ¥152.2 billion as of June 30, 2010, down ¥1.1 billion from the level of March 31, 2010, and net assets came to ¥96.6 billion, down ¥0.3 billion. As a result, the equity ratio was 63.0%. Primary reasons for these changes were a ¥0.8 billion increase in cash and deposits, a ¥1.8 billion decrease in notes and accounts receivable-trade and a ¥3.5 billion increase in inventories, the combination of which caused current assets to climb ¥2.7 billion. Total noncurrent assets fell ¥3.8 billion, stemming from a ¥0.7 billion drop in property, plant and equipment, a ¥0.2 billion decline in intangible assets, and a ¥2.4 billion drop in investments and other assets.

Total current liabilities remained essentially unchanged, with notes and payable-trade falling ¥0.3 billion, accrued expenses rising ¥0.5 billion, and the provision for bonuses falling ¥0.4 billion.

Noncurrent liabilities were down ¥0.7 billion, owing to a ¥1.0 billion decline in deferred tax liabilities.

### **(2) Consolidated Cash Flows**

Cash and cash equivalents at June 30, 2010, were ¥40.5 billion, ¥0.7 billion, or 1.8%, higher than at the end of the previous fiscal year.

#### **(Cash flows from operating activities)**

Net cash provided by operating activities was ¥3.2 billion. Major sources of cash included income before income taxes and minority interests of ¥3.1 billion, depreciation and amortization of ¥1.7 billion and a ¥2.5 billion increase in notes and accounts payable-trade. The main use of cash was a ¥4.6 billion increase in inventories.

#### **(Cash flows from investing activities)**

Net cash used in investing activities was ¥1.2 billion. The principal uses of cash were the purchase of property, plant and equipment, of ¥0.9 billion, and ¥0.3 billion for the purchase of intangible assets.

#### **(Cash flows from financing activities)**

Net cash used in financing activities was ¥0.02 billion. The main use of cash was the repayment of short-term loans payable.

Owing to these factors, the Company's free cash flows for the quarter amounted to a positive ¥2.0 billion. Free cash flows are the sum of cash flows from operating activities and cash flows from investing activities.

### (3.) Qualitative Information Regarding Consolidated Performance Forecasts

Following are revisions to the consolidated performance forecasts announced on May 11, 2010, owing to recent performance trends. These forecasts assume exchange rates of US\$1.00 = ¥86 and €1.00 = ¥110.

Consolidated Performance Forecasts for the Six Months Ending September 30, 2010 (April 1, 2010, to September 30, 2010)

(Millions of yen unless otherwise stated)

|  | Net Sales | Operating<br>Income<br>(Loss) | Ordinary<br>Income<br>(Loss) | Net Income<br>(Loss) | Net Income<br>(Loss) per<br>Share (Yen) |
|--|-----------|-------------------------------|------------------------------|----------------------|---|
| Previously announced forecasts (A)                         | 92,000    | 3,500                         | 3,500                        | 2,500                | 35.84                                   |
| Revised forecasts (B)                                      | 97,000    | 5,500                         | 4,000                        | 3,500                | 50.17                                   |
| Difference (B-A)   | 5,000     | 2,000                         | 500                          | 1,000                | —                                       |
| Change (%)   | 5.4%      | 57.1%                         | 14.3%                        | 40.0%                | —                                       |
| Performance for the six months ended<br>September 30, 2009 | 76,410    | (5,685)                       | (5,227)                      | (6,560)              | (94.04)                                 |

Consolidated Performance Forecasts for the Fiscal Year Ending March 31, 2011 (April 1, 2010, to March 31, 2011)

(Millions of yen unless otherwise stated)

|   | Net Sales | Operating<br>Income | Ordinary<br>Income | Net Income<br>(Loss) | Net Income<br>(Loss) per<br>Share (Yen) |
|---|-----------|---------------------|--------------------|----------------------|---|
| Previously announced forecasts (A)                      | 180,000   | 6,000               | 6,000              | 4,500                | 64.50                                   |
| Revised forecasts (B)                                   | 190,000   | 8,500               | 7,000              | 5,500                | 78.84                                   |
| Difference (B-A)  | 10,000    | 2,500               | 1,000              | 1,000                | —                                       |
| Change (%)  | 5.6%      | 41.7%               | 16.7%              | 22.2%                | —                                       |
| Performance for the fiscal year ended<br>March 31, 2010 | 168,586   | 226                 | 807                | (1,249)              | (17.92)                                 |

## 5. Consolidated Quarterly Financial Statements (Summary)

### (1) Consolidated Quarterly Balance Sheets

(Millions of yen)

|  | June 30, 2010  | March 31, 2010 |
|--|----------------|----------------|
| <b>ASSETS</b>                              |                |                |
| <b>Current assets</b>                      |                |                |
| Cash and deposits                          | 41,071         | 40,199         |
| Notes and accounts receivable–trade        | 26,471         | 28,290         |
| Goods and finished goods                   | 14,927         | 12,832         |
| Work in process                            | 1,304          | 670            |
| Raw materials and supplies                 | 5,064          | 4,245          |
| Deferred tax assets                        | 1,594          | 1,545          |
| Other                                      | 8,762          | 8,750          |
| Allowance for doubtful accounts            | (301)          | (350)          |
| <b>Total current assets</b>                | <b>98,894</b>  | <b>96,184</b>  |
| <b>Noncurrent Assets</b>                   |                |                |
| <b>Property, plant and equipment</b>       |                |                |
| Buildings and structures                   | 23,216         | 23,320         |
| Accumulated depreciation                   | (14,101)       | (13,956)       |
| Buildings and structures, net              | 9,114          | 9,363          |
| Machinery, equipment and vehicles          | 17,277         | 17,253         |
| Accumulated depreciation                   | (11,578)       | (11,275)       |
| Machinery, equipment and vehicles, net     | 5,698          | 5,977          |
| Tools, furniture, fixtures and dies        | 48,557         | 48,692         |
| Accumulated depreciation                   | (44,426)       | (44,129)       |
| Tools, furniture, fixtures and dies, net   | 4,131          | 4,563          |
| Land                                       | 4,963          | 4,997          |
| Lease assets                               | 375            | 385            |
| Accumulated depreciation                   | (253)          | (250)          |
| Lease assets, net                          | 121            | 135            |
| Construction in progress                   | 1,065          | 837            |
| <b>Total property, plant and equipment</b> | <b>25,095</b>  | <b>25,874</b>  |
| <b>Intangible assets</b>                   | <b>5,422</b>   | <b>5,672</b>   |
| <b>Investments and other assets</b>        |                |                |
| Investment securities                      | 19,540         | 22,011         |
| Deferred tax assets                        | 448            | 463            |
| Other                                      | 2,868          | 3,234          |
| Allowance for doubtful accounts            | (13)           | (13)           |
| <b>Total investments and other assets</b>  | <b>22,843</b>  | <b>25,696</b>  |
| <b>Total noncurrent assets</b>             | <b>53,361</b>  | <b>57,243</b>  |
| <b>Total assets</b>                        | <b>152,256</b> | <b>153,428</b> |

(Millions of yen)

|   | June 30, 2010  | March 31, 2010 |
|---|----------------|----------------|
| <b>LIABILITIES</b>                                    |                |                |
| <b>Current liabilities</b>                            |                |                |
| Notes and accounts payable–trade                      | 22,620         | 22,923         |
| Short-term loans payable                              | 33             | 42             |
| Income taxes payable                                  | 705            | 601            |
| Accrued expenses                                      | 8,153          | 7,629          |
| Provision for bonuses                                 | 920            | 1,415          |
| Provision for directors' bonuses                      | 12             | —              |
| Provision for product warranties                      | 3,635          | 3,916          |
| Other   | 3,216          | 2,777          |
| <b>Total current liabilities</b>                      | <b>39,297</b>  | <b>39,305</b>  |
| <b>Noncurrent liabilities</b>                         |                |                |
| Long-term loans payable                               | 10,001         | 10,001         |
| Deferred tax liabilities                              | 3,860          | 4,953          |
| Provision for retirement benefits                     | 643            | 658            |
| Provision for directors' retirement benefits          | 552            | 642            |
| Other   | 1,234          | 831            |
| <b>Total noncurrent liabilities</b>                   | <b>16,292</b>  | <b>17,087</b>  |
| <b>Total liabilities</b>                              | <b>55,589</b>  | <b>56,393</b>  |
| <b>NET ASSETS</b>                                     |                |                |
| <b>Shareholders' equity</b>                           |                |                |
| Capital stock   | 25,920         | 25,920         |
| Capital surplus                                       | 24,905         | 24,905         |
| Retained earnings                                     | 49,081         | 46,549         |
| Treasury stock  | (28)           | (28)           |
| <b>Total shareholders' equity</b>                     | <b>99,879</b>  | <b>97,347</b>  |
| <b>Valuation and translation adjustments</b>          |                |                |
| Valuation difference on available-for-sale securities | 3,691          | 5,260          |
| Revaluation reserve for land                          | (1,394)        | (1,394)        |
| Foreign currency translation adjustment               | (6,314)        | (4,964)        |
| <b>Total valuation and translation adjustments</b>    | <b>(4,017)</b> | <b>(1,098)</b> |
| Minority interests                                    | 804            | 786            |
| <b>Total net assets</b>                               | <b>96,666</b>  | <b>97,035</b>  |
| <b>Total liabilities and net assets</b>               | <b>152,256</b> | <b>153,428</b> |

## (2) Consolidated Quarterly Statements of Income

(Millions of yen)

|   | Three Months<br>Ended June 30, 2009 | Three Months<br>Ended June 30, 2010 |
|---|-------------------------------------|-------------------------------------|
| Net sales   | 36,054                              | 49,128                              |
| Cost of sales   | 33,905                              | 37,549                              |
| <b>Gross profit</b>   | <b>2,148</b>                        | <b>11,578</b>                       |
| Selling, general and administrative expenses                    | 6,976                               | 7,564                               |
| <b>Operating income (loss)</b>                                  | <b>(4,827)</b>                      | <b>4,014</b>                        |
| Non-operating income  |                                     |                                     |
| Interest income   | 28                                  | 42                                  |
| Dividends income  | 81                                  | 77                                  |
| Foreign exchange gains  | 107                                 | —                                   |
| Equity in earnings of affiliates                                | 130                                 | 49                                  |
| Other   | 81                                  | 86                                  |
| Total non-operating income                                      | 429                                 | 255                                 |
| Non-operating expenses  |                                     |                                     |
| Interest expenses   | 21                                  | 51                                  |
| Foreign exchange loss   | —                                   | 1,053                               |
| Sales discounts   | 41                                  | 34                                  |
| Commission fees   | —                                   | 58                                  |
| Other   | 74                                  | 83                                  |
| Total non-operating expenses                                    | 136                                 | 1,280                               |
| <b>Ordinary income (loss)</b>                                   | <b>(4,535)</b>                      | <b>2,988</b>                        |
| Extraordinary income  |                                     |                                     |
| Gain on sales of noncurrent assets                              | 5                                   | 19                                  |
| Reversal of allowance for doubtful accounts                     | 168                                 | 46                                  |
| Reversal of provision for product warranties                    | 98                                  | 2                                   |
| Gain on settlement and valuation of options                     | —                                   | 102                                 |
| Total extraordinary income                                      | 272                                 | 170                                 |
| Extraordinary loss  |                                     |                                     |
| Loss on sales and retirement of noncurrent assets               | 17                                  | 15                                  |
| Loss on settlement and valuation of options                     | 373                                 | —                                   |
| License fee on prior periods                                    | 294                                 | —                                   |
| Other   | —                                   | 2                                   |
| Total extraordinary losses                                      | 684                                 | 18                                  |
| <b>Income (loss) before income taxes and minority interests</b> | <b>(4,947)</b>                      | <b>3,140</b>                        |
| Income taxes—current  | 348                                 | 674                                 |
| Income taxes—deferred   | 43                                  | (74)                                |
| Total income taxes  | 392                                 | 600                                 |
| <b>Income before minority interests</b>                         | <b>—</b>                            | <b>2,539</b>                        |
| <b>Minority interests in income (loss)</b>                      | <b>(36)</b>                         | <b>7</b>                            |
| <b>Net income (loss)</b>  | <b>(5,303)</b>                      | <b>2,532</b>                        |



## (3) Consolidated Quarterly Statements of Cash Flows

(Millions of yen)

|  | Three Months<br>Ended June 30, 2009 | Three Months<br>Ended June 30, 2010 |
|--|-------------------------------------|-------------------------------------|
| <b>Net cash provided by (used in) operating activities</b>         |                                     |                                     |
| Income (loss) before income taxes and minority interests           | (4,947)                             | 3,140                               |
| Depreciation and amortization                                      | 2,136                               | 1,776                               |
| Decrease (increase) in notes and accounts receivable–trade         | (3,752)                             | (55)                                |
| Decrease (increase) in inventories                                 | (1,335)                             | (4,615)                             |
| Increase (decrease) in notes and accounts payable–trade            | 378                                 | 2,532                               |
| Other, net   | 3,421                               | 898                                 |
| Subtotal   | (4,098)                             | 3,676                               |
| Interest and dividends income received                             | 102                                 | 103                                 |
| Interest expenses paid   | (21)                                | (22)                                |
| Income taxes paid  | (337)                               | (529)                               |
| Income taxes refund  | 213                                 | —                                   |
| Net cash provided by (used in) operating activities                | (4,142)                             | 3,227                               |
| <b>Net cash provided by (used in) investing activities</b>         |                                     |                                     |
| Purchase of property, plant and equipment                          | (780)                               | (918)                               |
| Proceeds from sales of property, plant and equipment               | 28                                  | 24                                  |
| Purchase of intangible assets                                      | (355)                               | (346)                               |
| Purchase of investment securities                                  | (0)                                 | (0)                                 |
| Payments of loans receivable                                       | (6)                                 | (12)                                |
| Collection of loans receivable                                     | 223                                 | 9                                   |
| Other, net   | (178)                               | 28                                  |
| Net cash provided by (used in) investing activities                | (1,070)                             | (1,216)                             |
| <b>Net cash provided by (used in) financing activities</b>         |                                     |                                     |
| Net increase (decrease) in short-term loans payable                | (143)                               | (4)                                 |
| Cash dividends paid  | (0)                                 | (0)                                 |
| Cash dividends paid to minority shareholders                       | (108)                               | —                                   |
| Other, net   | (21)                                | (21)                                |
| Net cash provided by (used in) financing activities                | (275)                               | (26)                                |
| <b>Effect of exchange rate change on cash and cash equivalents</b> | 341                                 | (1,282)                             |
| <b>Net increase (decrease) in cash and cash equivalents</b>        | (5,145)                             | 702                                 |
| <b>Cash and cash equivalents at beginning of period</b>            | 26,141                              | 39,844                              |
| <b>Cash and cash equivalents at end of period</b>                  | 20,995                              | 40,546                              |

#### (4) Notes related to the assumption of an ongoing concern

Nothing to report.

#### (5) Segment Information

##### Information by Business Segment

First Quarter of the Fiscal Year Ended March 31, 2010 (April 1, 2009, to June 30, 2009)

(Millions of yen)

|                               | Audio Products | Information and Communication Equipment | Total   | Elimination and/or Corporate | Consolidated |
|-------------------------------|----------------|---|---------|------------------------------|--------------|
| Net Sales                     |                |   |         |                              |              |
| (1) Outside Customers         | 15,987         | 20,066                                  | 36,054  | —                            | 36,054       |
| (2) Within Consolidated Group | 143            | 72                                      | 215     | (215)                        | —            |
| Total                         | 16,131         | 20,138                                  | 36,269  | (215)                        | 36,054       |
| Operating Income (Loss)       | (1,453)        | (1,948)                                 | (3,401) | (1,425)                      | (4,827)      |

Notes:

1. Business segments are based on internal administrative segmentation.
2. The Company's primary business activities include:
  - (1) The audio products business, which includes car audio systems and accessories.
  - (2) The information and communication equipment business, which includes car communications, electronic components and imaging unit components.

##### Geographic Area Information

First Quarter of the Fiscal Year Ended March 31, 2010 (April 1, 2009, to June 30, 2009)

(Millions of yen)

|                               | Japan   | North America | Europe | Asia  | Other Areas | Total   | Elimination and/or Corporate | Consolidated |
|-------------------------------|---------|---------------|--------|-------|-------------|---------|------------------------------|--------------|
| Net Sales                     |         |               |        |       |             |         |                              |              |
| (1) Outside Customers         | 6,805   | 9,105         | 16,869 | 2,950 | 323         | 36,054  | —                            | 36,054       |
| (2) Within Consolidated Group | 21,431  | 33            | 4,387  | 3,628 | 0           | 29,480  | (29,480)                     | —            |
| Total                         | 28,237  | 9,138         | 21,256 | 6,579 | 323         | 65,535  | (29,480)                     | 36,054       |
| Operating Income (Loss)       | (1,819) | (115)         | (865)  | (353) | 29          | (3,124) | (1,703)                      | (4,827)      |

Notes:

1. Differentiation between countries and regions is based on geographic proximity.
2. Major countries and regions are:
  - (1) North America: The United States of America and Canada
  - (2) Europe: Germany, France, the United Kingdom, Italy, Spain and Hungary
  - (3) Asia: Singapore, China, Thailand and India
  - (4) Other Areas: Australia

## Overseas Sales

First Quarter of the Fiscal Year Ended March 31, 2010 (April 1, 2009, to June 30, 2009)

(Millions of yen)

|                                  | North America | Europe | Asia  | Other Areas | Total  |
|----------------------------------|---------------|--------|-------|-------------|--------|
| I. Overseas Sales                | 9,002         | 16,869 | 3,667 | 427         | 29,967 |
| II. Consolidated Sales           |               |        |       |             | 36,054 |
| III. Ratio of Overseas Sales (%) | 25.0          | 46.8   | 10.2  | 1.2         | 83.1   |

Notes:

1. Differentiation between countries and regions is based on geographic proximity.
2. Major countries and regions are:
  - (1) North America: The United States of America and Canada
  - (2) Europe: Germany, France, the United Kingdom, Italy, Spain and Sweden
  - (3) Asia: Singapore, China, Thailand and India
  - (4) Other Areas: Australia
3. Overseas sales are sales of the Company and its consolidated subsidiaries outside Japan.

## Segment Information

### 1. Overview of Reporting Segments

The Company's reporting segments are composed of those individual business units for which separate information is available, about which the Board of Directors makes decisions regarding the allocation of management resources and for which operating performance can be evaluated, allowing them to be evaluated quantitatively.

Alpine, which engages principally in the manufacture and sales of automotive audio products and information and communications equipment, has two reporting segments: the Audio Products segment and the Information and Communication Equipment segment.

The principal products of the Audio Products segment are car audio products, such as CD players, amplifiers and speakers.

The principal products of the Information and Communication Equipment segment are car navigation and car communication products.

### 2. Sales and Income or Losses of Reporting Segments

First Quarter of the Fiscal Year Ending March 31, 2011 (April 1, 2010, to June 30, 2010)

(Millions of yen)

|                               | Reporting Segments     |   |        | Prior to Adjustment (Note 1) | Amount Indicated in the Statements of Income |
|-------------------------------|------------------------|---|--------|------------------------------|--|
|                               | Audio Products Segment | Information and Communication Equipment Segment | Total  |                              |  |
| Net Sales                     |                        |   |        |                              |  |
| (1) Outside Customers         | 18,715                 | 30,412  | 49,128 | —                            | 49,128                                       |
| (2) Within Consolidated Group | 130                    | 43  | 173    | (173)                        | —  |
| Total                         | 18,846                 | 30,455  | 49,301 | (173)                        | 49,128                                       |
| Segment Operating Income      | 1,665                  | 3,524   | 5,190  | (1,176)                      | 4,014  |

(Additional information)

From the quarter under review, the Company began applying the Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related information (Accounting Standards Board of Japan Statement No.17, March 27, 2009) and the Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related information (Accounting Standards Board of Japan Guidance No. 20, March 21, 2008).

## (6) Notes Concerning Significant Changes in Shareholders' Equity

Nothing to report.

#### 4. Supplementary Information

##### (1) Production, Orders Received and Sales

###### (1) Production

Production for the first quarter by business segment was as follows.

(Millions of yen)

| Business Segment                        | Quarter Ended June 30, 2009<br>(April 1, 2009 to<br>June 30, 2009) | Quarter Ended June 30, 2010<br>(April 1, 2010 to<br>June 30, 2010) | Change (%) |
|---|--|--|------------|
|   | Production   | Production   |            |
| Audio Products                          | 13,662   | 15,374   | 12.5       |
| Information and Communication Equipment | 16,549   | 28,978   | 75.1       |
| Total                                   | 30,211   | 44,352   | 46.8       |

Notes:

1. Stated amounts are calculated based on sales prices.
2. Consumption tax is not included in the above-stated amounts.

###### (2) Orders received and order balance

Orders received for the first quarter by business segment were as follows.

(Millions of yen)

| Business Segment                        | Quarter Ended June 30, 2009<br>(April 1, 2009 to<br>June 30, 2009) | Quarter Ended June 30, 2010<br>(April 1, 2010 to<br>June 30, 2010) | Change (%) |
|---|--|--|------------|
|   | Orders Received  | Orders Received  |            |
| Audio Products                          | 16,155   | 16,328   | 1.1        |
| Information and Communication Equipment | 19,081   | 33,996   | 78.2       |
| Total                                   | 35,236   | 50,325   | 42.8       |

The order balance for the first quarter by business segment was as follows.

(Millions of yen)

| Business Segment                        | Quarter Ended June 30, 2009<br>(April 1, 2009 to<br>June 30, 2009) | Quarter Ended June 30, 2010<br>(April 1, 2010 to<br>June 30, 2010) | Change (%) |
|---|--|--|------------|
|   | Order Balance  | Order Balance  |            |
| Audio Products                          | 6,798  | 6,481  | (4.7)      |
| Information and Communication Equipment | 11,284   | 19,484   | 72.7       |
| Total                                   | 18,082   | 25,965   | 43.6       |

Note: Consumption tax is not included in the above-stated amounts.

###### (3) Sales

Sales for the first quarter by business segment were as follows.

(Millions of yen)

| Business Segment                        | Quarter Ended June 30, 2009<br>(April 1, 2009 to<br>June 30, 2009) | Quarter Ended June 30, 2010<br>(April 1, 2010 to<br>June 30, 2010) | Change (%) |
|---|--|--|------------|
|   | Sales  | Sales  |            |
| Audio Products                          | 15,987   | 18,715   | 17.1       |
| Information and Communication Equipment | 20,066   | 30,412   | 51.6       |
| Total                                   | 36,054   | 49,128   | 36.3       |

Note: Consumption tax is not included in the above-stated amounts.