Consolidated Financial Statements for Fiscal Year Ended March 31, 2009

*Owing to Chrysler's Chapter 11 bankruptcy protection filing, some revisions have been made to the figures announced on April 30.

May 8, 2009

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Planned Date of Issue of Annual Report: June 24, 2009
Planned Commencement Date of Dividend Payment: —
Planned Date of Submission of Securities Report: June 24, 2009

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

1. Performance for the Fiscal Year Ended March 31, 2009 (April 1, 2008, to March 31, 2009)

(1) Consolidated Operating Results

(Millions of yen unless otherwise stated)

Fiscal Year Ended	Net Sales		Operating Income (Loss)		Ordinary Income (Loss)		Net Income (Loss)	
March 31, 2009	196,666	(22.0%)	(10,645)	—	(5,051)	—	(9,290)	—
March 31, 2008	252,071	(4.9%)	7,011	(30.6%)	6,403	(46.7%)	3,554	(38.0%)

Fiscal Year Ended	Net Income (Loss) per Share (Yen)	Fully Diluted Net Income per Share (Yen)	Return on Shareholder' Equity (%)	Ordinary Income (Loss) to Total Assets (%)	Operating Income (Loss) to Net Sales (%)
March 31, 2009	(133.17)	—	(8.8)	(3.4)	(5.4)
March 31, 2008	50.95	—	3.0	3.7	2.8

[Reference] Equity in earnings of subsidiaries and affiliates accounted for by the equity method
Fiscal year ended March 31, 2009: ¥1,142 million
Fiscal year ended March 31, 2008: ¥1,046 million

(2) Consolidated Financial Position

(Millions of yen unless otherwise stated)

Fiscal Year Ended	Total Assets	Net Assets	Equity Ratio (%)	Net Assets per Share (Yen)
March 31, 2009	132,422	96,873	72.4	1,374.95
March 31, 2008	167,785	116,264	68.5	1,646.38

[Reference] Shareholders' equity
Fiscal year ended March 31, 2009: ¥96,215 million
Fiscal year ended March 31, 2008: ¥114,857 million

(3) Consolidated Cash Flows

(Millions of yen)

Fiscal Year Ended	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents, End of Period
March 31, 2009	10,679	(12,850)	(329)	26,141
March 31, 2008	9,963	(14,101)	(2,289)	30,159

2. Dividend

(Millions of yen unless otherwise stated)

Date of record	Dividends per Share (Yen): End of First Quarter	End of Interim Period	End of Third Quarter	End of Fiscal Year	Full Year	Total Dividend (Full Year)	Payout Ratio, Consolidated (%)	Ratio of Dividend to Total Assets (%)
March 31, 2008	—	10.00	—	15.00	25.00	1,744	49.1	1.5
March 31, 2009	—	10.00	—	0.00	10.00	697	—	0.7
March 31, 2010 (Forecast)	—	0.00	—	0.00	0.00		—	

3. Projections for Fiscal Year Ending March 31, 2010 (April 1, 2009, to March 31, 2010)

(Millions of yen unless otherwise stated)

	Net Sales		Operating Loss		Ordinary Loss		Net Loss		Net Loss per Share (Yen)
Interim Period Ending September 30, 2009	78,000	(37.1%)	(7,500)	—	(7,500)	—	(7,500)	—	(107.50)
Fiscal Year Ending March 31, 2010	170,000	(13.6%)	(3,000)	—	(3,000)	—	(3,000)	—	(43.00)

4. Others

(1) Changes in material subsidiaries during the period (changes in specific subsidiaries affecting the scope of consolidation): No

(2) Changes in the method, procedure and presentation, etc., of accounting for the preparation of consolidated financial statements (recorded in "Changes to Important Items that Form the Basis for Preparation of Consolidated Financial Statements"):

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

2) Changes other than 1): Yes

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

1) Number of shares outstanding as of the end of period (including treasury shares)

Fiscal year ended March 31, 2009: 69,784,501

Fiscal year ended March 31, 2008: 69,784,501

2) Number of treasury shares as of the end of period

Fiscal year ended March 31, 2009: 19,920

Fiscal year ended March 31, 2008: 20,464

[Reference] Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2009 (April 1, 2008, to March 31, 2009)

(1) Operating Results (Non-Consolidated)

(Millions of yen, unless otherwise stated)

Fiscal Year Ended	Net Sales		Operating Income (Loss)		Ordinary Income (Loss)		Net Income (Loss)	
March 31, 2009	143,432	(22.5%)	(12,238)	—	(3,425)	—	(6,245)	—
March 31, 2008	185,142	(5.1%)	2,955	18.6%	2,745	(50.8%)	2,174	(32.1%)

Fiscal Year Ended	Net Income (Loss) per Share (Yen)	Fully Diluted Net Income per Share (Yen)
March 31, 2009	(89.52)	—
March 31, 2008	31.17	—

(2) Financial Position (Non-Consolidated)

(Millions of yen, unless otherwise stated)

Fiscal Year Ended	Total Assets	Net Assets	Equity Ratio (%)	Net Assets per Share (Yen)
March 31, 2009	98,323	80,356	81.7	1,151.82
March 31, 2008	119,521	89,864	75.2	1,288.13

[Reference] Shareholders' equity
Fiscal year ended March 31, 2009: ¥80,356 million
Fiscal year ended March 31, 2008: ¥89,864 million

2. Non-Consolidated Projections for Fiscal Year Ending March 31, 2010 (April 1, 2009, to March 31, 2010)

(Millions of yen, unless otherwise stated)

	Net Sales		Operating Loss		Ordinary Loss		Net Loss		Net Loss per Share (Yen)
Interim Period Ending September 30, 2009	57,000	(39.7)	(6,000)	—	(5,500)	—	(5,500)	—	(78.84)
Fiscal Year Ending March 31, 2010	125,000	(12.9)	(3,500)	—	(2,500)	—	(2,500)	—	(35.84)

Cautionary Statement Regarding Performance Forecasts

The forecasts and future projections in this report have been produced based on rational assessment 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 operating performance and a variety of other factors which may occur hereafter.

1. Consolidated Business Results

1. Qualitative Information Regarding Consolidated Business Results

During the fiscal year ended March 31, 2009, financial instability extended throughout the world economy, triggered by the subprime loan problem in the United States, with the severity of conditions snowballing from the second half onwards. As a result, the automobile industry, hitherto riding on robust growth, suffered sudden cutbacks in sales and production on a global scale, heralding a crisis of unparalleled proportions. The world's 12 leading automobile manufacturers posted a 5.8% decrease in cumulative monthly sales of new cars for 2008; in North America, monthly new car sales were down between 30% and 40% compared with the corresponding months of the preceding year—all in all, a depression without precedent.

The car electronics industry was hit by the global slowdown in demand for new cars, manifest in a drastic reduction in orders for brand-name products from automobile manufacturers. In addition, falling personal consumption arising from uncertainty about the future led to a harsh after-market sales environment.

Under these conditions, compounded by rapid yen appreciation, the Alpine Group posted consolidated net sales of ¥196.6 billion for the year ended March 31, 2009, down 22.0% compared with the previous fiscal year. As a result of worsening rates of capacity utilization by factories accompanying the volatile environment and unachieved cost reduction programs, the operating loss stood at ¥10.6 billion, compared with ¥7.0 billion in operating income for the previous year, with an ordinary loss of ¥5.0 billion, against ordinary income of ¥6.4 billion a year earlier. Losses on the impairment of intangible fixed assets and reversal of deferred income tax assets raised corporate and other taxes, leading to a net loss for the year of ¥9.2 billion, compared to net income of ¥3.5 billion in the preceding fiscal year.

In light of the changes that have occurred since making our original forecasts and the substantial we have been compelled to post, we refrained from paying year-end dividends.

(1) Segment Information by Type of Business

Audio Products Segment

In the Audio Products segment, Alpine's iPod-LINK Digital media head unit, which was selected for the Fiscal 2008 Good Design Awards (G-Mark) in recognition of its innovative design, continued to post favorable after-market sales in Japan, the United States and Europe. However, sluggish market conditions and intensifying price competition caused sales of digital media head units to decrease. Such factors also led to a dramatic falloff in sales of our mainstay CD players from the second half of the fiscal year.

Sales of high-end speakers for minivans also faced challenging conditions during the second half, despite the favorable record to date resulting from aggressive proposal-based domestic after-market sales.

Brand-name products for automobile manufacturers also faced a significant second-half downturn, led by the impact of cuts in the production of compact cars on orders for CD audio systems. This was in spite of the excellent reputation for quality of Alpine's CD audio systems, culminating in a first-place ranking in the North American Multimedia Quality and Customer Satisfaction Survey.

Furthermore, brand-name audio products for the after-sales market and automobile manufacturers are undergoing structural changes in the wake of the rapid development of products integrating visual and navigation systems. Accordingly, sales for such integrated products are now accounted for under Information and Communication Equipment.

As a result of the above factors, sales by the Audio Products segment during the term decreased 28.1% compared to the corresponding period of the previous year, to ¥88.4 billion.

Information and Communication Equipment Segment

In the Information and Communication Equipment segment, we introduced the wide-screen, high-quality monitor Rear Vision TMX-R1500/R1100 to boost domestic after-market sales. Attuned to user needs and facilitating rear-seat viewing of terrestrial digital broadcasts and DVDs, this new product was awarded the 2008 Product Grand Prize, sponsored by the *Nikkan Jidosha Shimbun* (a national automotive newspaper), for superior product planning and development.

In step with customer lifestyles, Alpine also focused on its solutions business, which contributes to adding higher value to products. Activities included showcasing the Rear Vision X077, which packages a large, high-resolution screen with a next-generation car navigation system, at various trade exhibitions. This initiative, targeting minivan users, was successful in boosting sales. However, deteriorating global market conditions, exacerbated by the widespread adoption of portable navigation devices (PNDs) that drove down prices, resulted in a decline in after-market sales.

Sales of brand-name products for automobile manufacturers also declined, owing to lower sales of luxury and larger cars in the crucial North American market. A high percentage of these models employ navigation systems and visual products; accordingly, with sales negatively impacted accordingly. We enjoyed growth in orders of large-scale systems, centering on car navigation systems, to high-end European automobile manufacturers. However, production cutbacks by automobile manufacturers from the second half led to a falloff in orders for brand-name products.

Owing to the above-mentioned factors, segment sales fell 16.1% year on year, to ¥108.2 billion.

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

Certain economic indicators show signs of improvement, specifically those relating to the residential market, in Alpine's key market, the United States. Falling new car sales appear to have bottomed out, with a slowdown in inventory adjustments. Furthermore, in Europe and developing nations there is evidence of an upturn in car sales. However, full-fledged recovery is not yet imminent, and the outlook is for continued chaotic global economic conditions.

In response this harsh business environment, the Alpine Group is promoting its 11th mid-term business plan, "CHALLENGE 30," to step up structural reforms and thus maintain earnings. However, in response to the drastically deteriorating operating environment, we have instigated "CHALLENGE 30 Plus," comprising new emergency measures to improve profits and growth-oriented measures that will propel us forward in building our business base.

Emergency Measures to Improve Profits

- We aim to slim our current corporate structure in line with the downturn in sales. Accordingly, we have introduced the following measures to ensure profitability even with 30% lower sales.
  - We are reducing director and employee salaries and bonuses and rationalizing the Group's workforce. This includes cutting the number of employees in Japan and overseas by an additional 1,500 from our original target of 2,500, representing a total workforce reduction of 4,000, to bring the number of domestic and overseas Group personnel to 10,000.
  - We are curtailing capital investment by 50%, while reconfiguring our global R&D structure and promoting efficient development project management and development cost cuts.
  - We are shrinking our domestic and overseas manufacturing and sales facilities by 30% and bolstering efficiency through elimination and consolidation. As part of this drive, we will close the car audio production line at our manufacturing base in Thailand, which will subsequently specialize in electronic manufacturing services (EMS), and consolidate its discontinued operations to our base in Dalian, China.
  - The Engineering and Manufacturing divisions will be integrated to promote and enhance value engineering. We will also standardize and share resources and cut costs through a global local procurement and purchasing strategy.
  - In addition to the above measures, to lower our break-even threshold by 30% we will intensify cost-reduction activities to reduce fixed expenses, such as curtailing distribution costs and lowering the break-even point for each Group company.

Growth-Oriented Measures

- In the future, demand is anticipated to rise for such eco-cars as electric-powered and hybrid vehicles and for compact, fuel-efficient models. Alpine is working to accelerate its development of lightweight, energy-efficient and inexpensive parts for these vehicles. In the areas of intelligent traffic systems and telematics, we are upgrading our driver-support systems that realize safety and security, led by multiview and rear-view cameras that are integrated with navigation systems. Furthermore, we are aggressively promoting the development of high-value-added products that utilize original Alpine technologies and the creation of industry-leading products to enhance our business competitiveness. By reinforcing alliances between Group companies, we will gain hitherto unrealized levels of synergy and build a cooperative framework that spans various technological fields.

  To promote sales by seizing new business opportunities, we are establishing a new subsidiary in India to capitalize on the country's rapid economic growth. In addition, we are focusing our endeavors on boosting sales in China, where various automobile manufacturers are vying to penetrate this vast, transforming market, by launching successive products attuned to the market and price-positioned for consumer appeal and fortifying our sales system. In Japan, we are gaining new orders from dealerships by offering navigation systems for sale as a dealer option.

  We are reinforcing our cash management system and ensuring efficient use of financial resources to ensure a healthier balance sheet and secure a stable equity ratio. Moreover, as part of our corporate social responsibility commitment, we are targeting environmental preservation as a priority issue and striving to boost the value of the Alpine brand and consolidate the level of trust it represents with customers and society.

Our business outlook for the upcoming fiscal year is as follows:

Audio Products Segment

In this segment, we anticipate market contraction with reduced after-market sales arising from declining new car sales and the economic recession. Sales from business with automobile manufacturers are also expected to fall as a result of vehicle production cutbacks.

We project a 22.0% decrease in sales by the Audio Products segment over the next fiscal year, to ¥69.0 billion.

Information and Communication Equipment segment

We aim to boost domestic after-market sales in this segment by launching new navigation system products. Uncertainty about any recovery in car sales prompts a forecast for declining sales from business with automobile manufacturers.

Sales for the segment are expected to decrease 6.7%, to ¥101.0 billion.

Our consolidated performance forecasts for the fiscal year ending March 31, 2010, are as follows.

Consolidated Performance Forecasts

Net sales	¥170.0 billion	(Compared with the preceding fiscal year:	down 13.6%)
Operating loss	¥3.0 billion	(Compared with the preceding fiscal year:	—)
Ordinary loss	¥3.0 billion	(Compared with the preceding fiscal year:	—)
Net loss	¥3.0 billion	(Compared with the preceding fiscal year:	—)

Notes: All projected results assume an exchange rate of US$1=¥100 and €1 = ¥130.

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

2. Qualitative Information Regarding Consolidated Financial Position

(1) Assets, liabilities and net assets

At the end of the year under review, total assets stood at ¥132.4 billion, down ¥35.3 billion from a year earlier, while net assets declined ¥19.3 billion, to ¥96.8 billion. As a result, the shareholders' equity ratio was 72.4%. The primary contributor to this decline was a ¥28.6 billion decrease in current assets, including decreases of ¥3.8 billion in cash and cash equivalents, ¥13.7 billion in notes and accounts receivable–trade and ¥9.3 billion in inventories. Noncurrent assets fell ¥6.7 billion as a result of ¥3.9 billion lower property, plant and equipment and a ¥2.7 billion decline in investments and other assets.

Current liabilities fell ¥17.7 billion, led by decreases of ¥13.9 billion in notes and accounts payable–trade, ¥2.1 billion in accrued expenses and ¥1.2 billion in provision for product warranties. Non-current liabilities shrank ¥1.7 billion, arising mainly from a ¥1.6 billion decrease in deferred tax liabilities.

(2) Cash flows

As of March 31, 2009, cash and cash equivalents amounted to ¥26.1 billion, which was a decrease of ¥4.0 billion, or 13.3%, compared with the end of the previous fiscal year.

(Cash flows from operating activities)

Net cash provided by operating activities was up 7.2%, to ¥10.6 billion. Major components were cash inflows derived from depreciation and amortization of ¥10.3 billion, a decrease of ¥10.2 billion in notes and accounts receivable–trade and a ¥6.3 billion decrease in inventories; cash outflows were attributable to a ¥4.0 billion loss before income taxes and minority interests and a ¥9.2 billion decrease in notes and accounts payable–trade.

(Cash flows from investing activities)

Net cash used in investing activities fell 8.9% compared with the previous fiscal year, to ¥12.8 billion. Major factors were cash outflows for the purchase of property, plant and equipment of ¥7.1 billion and ¥3.1 billion for the purchase of intangible fixed assets.

(Cash flows from financing activities)

Net cash used in financing activities was down 85.6% from the previous year, to ¥0.3 billion. The primary factors behind this decline were cash outflows of ¥1.7 billion for cash dividends paid and a net increase in short-term loans payable of ¥1.5 billion.

As a result of these activities, free cash flow stood at ¥2.1 billion. Free cash flow is the sum of cash flows from operating activities and cash flows from investing activities.

[Reference] Cash Flow Indicators

Trends in indicators of cash flows for Alpine are as follows:

	Fiscal Year Ended March 31, 2005	Fiscal Year Ended March 31, 2006	Fiscal Year Ended March 31, 2007	Fiscal Year Ended March 31, 2008	Fiscal Year Ended March 31, 2009
Equity ratio (%)	56.7	65.3	65.7	68.5	72.4
Equity ratio (market value basis) (%)	60.5	71.6	81.6	45.7	33.7
Cash flow/interest-bearing liabilities ratio (years)	0.9	0.0	0.0	0.0	0.2
Interest coverage ratio (times)	70.6	95.5	129.9	58.8	90.0

Notes:

Equity ratio: Shareholders' equity/total assets

Equity ratio (market value basis): Market capitalization/total assets

Cash flow/interest bearing liabilities ratio: Operating cash flow/interest-bearing liabilities

Interest coverage ratio: Operating cash flow/interest payment

Each indicator is calculated based on consolidated financial statements.

Market capitalization is calculated by multiplying the closing share price at the end of the fiscal year with the number of outstanding shares as of that date.

Interest-bearing liabilities cover all liabilities with interest payments under the liabilities section of the consolidated balance sheets. Interest payments equal the amount of interest paid on the consolidated statements of cash flows.

3. Basic policy on profit distribution and dividend for the current period and next period

It is our fundamental policy to deliberate on a balance of essential requirements based on consolidated business performance, namely “returning profit to shareholders,” “active investment in R&D and capital investment in order to strengthen competitiveness” and “retention of earnings for future business expansion.”

In light of substantial losses posted for the fiscal year, we refrained from paying year-end dividends. As a result, the dividend payment per share for the year was ¥10.00. Our current performance forecasts for the next fiscal year anticipate further losses. Accordingly, we expect that we shall once again refrain from dividend payments.

4. Business and other risks

Alpine views the following points as potential risk factors that may affect business development. The Group bases any forward-looking statements on data current as of this report.

(1) Economic Change

Alpine develops operations globally centered on the mobile multimedia business. The Group’s products are sold on various markets around the world directly to end users and indirectly through automakers. Accordingly, economic slowdowns in the Company's primary markets of Japan, North America, Europe and Asia could adversely affect performance and financial position.

2) Foreign Currency Exchange Rate Fluctuations

Alpine derives approximately 85% of its net sales from overseas markets, and the financial statements of its overseas subsidiaries are prepared using local currencies. As a result, Alpine is exposed to fluctuations in foreign currency exchange rates. An appreciation of the yen against other currencies, especially the U.S. dollar and the euro, has an adverse impact on Alpine's consolidated performance. Alpine engages in foreign currency hedge transactions, such as forward-exchange contracts, but sharp changes in foreign exchange rates could adversely affect the Company's performance and financial position.

(3) New Product Development

Alpine aggressively invests in R&D to develop attractive new products. In the event that new product development falls behind rapid advances in technology and changes in customer needs, however, future growth and earnings potential would decline and could adversely affect the Company's performance and financial position.

(4) Price Competition

Price competition is becoming more intense in the mobile multimedia industry in which Alpine operates. In the after-market, stand-alone car audio products are susceptible to price competition. Moreover, prices are likely to continue declining as automakers demand cost reductions and rival companies enter the market. Alpine is striving to improve its earnings and cost structure from a global viewpoint. Nevertheless, a decline in sales prices could adversely affect the Company's performance and financial position.

(5) Risks Inherent in Conducting Business Overseas

Alpine engages in production and sales activities in the United States, Europe, and China and other Asian countries. In conducting business in these overseas markets, Alpine is susceptible to risks including 1) unforeseen changes in laws and tax codes, 2) restrictive political and economic factors, 3) terrorism, war and other social unrest. The occurrence of any of these events could adversely affect the Company's performance and financial position.

(6) Supply of Specific Components

Alpine internally produces many of its crucial components, but some critical components are procured from outside the Group. In the event that Alpine is unable to procure the necessary volume of components as scheduled due to natural disasters or other reasons at the supplier company, production would be delayed and sales opportunities would be lost, which could adversely affect the Company's performance and financial position.

(7) Demands of Corporate Customers

Alpine's OEM business serves automakers from around the world. Alpine aims to expand sales by reforming the order-receiving process over the medium term. Automakers' demands for better quality, lower prices and shorter delivery times are increasing in response to intense global competition. Sales to corporate customers in this field are affected significantly by changes in corporate customers' performance and procurement policies. In addition, customer requests for lower prices could adversely affect the Company's performance and financial position.

(8) Intellectual Property

Alpine strives to protect its technologies and R&D results through patents, trademarks and other intellectual property rights. However, intellectual property rights are not fully protected in some regions, and Alpine may not be able to effectively prevent third parties from manufacturing similar products that use Alpine's intellectual property. Moreover, Alpine's products and technologies may inadvertently infringe on the intellectual property rights of other companies in the future.

(9) Product Defects

Alpine manufactures various products under stringent quality management processes. However, not all products are free from defects, so there is the possibility of a product recall in the future. Although Alpine is insured against damages from product liability, there are no assurances that this insurance will cover all damages. Product defects that lead to a major recall or product liability damages would incur considerable costs and adversely affect the Company's reputation. As a result, the Company's performance and financial position could be adversely affected.

(10) Public Laws and Regulations

Alpine is subject to various government laws and regulations in countries where it conducts business, including business and investment permits as well as customs duties and other import/export regulations. In the event that the Company was unable to strictly follow these laws and regulations, Alpine's business activities could be restricted, leading to an increase in costs. Accordingly, these laws and regulations could adversely affect the Company's performance and financial position.

(11) Risk of Natural Disaster

Alpine takes thorough measures to prevent damage from natural disasters, such as earthquakes, and in the past the Company has been able to minimize the impact of natural disasters on its operations. However, in the event of a major natural disaster that is more severe than predicted, there are no assurances that Alpine will be able to completely prevent or lessen the impact of power outages or other interruptions of operations.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	March 31, 2008	March 31, 2009
ASSETS		
Current assets		
Cash and deposits	30,172	26,290
Notes and accounts receivable–trade	31,825	18,054
Finished products	20,252	—
Goods and finished products	—	13,443
Raw materials	5,977	—
Work in process	1,738	1,067
Supplies	497	—
Raw materials and supplies	—	4,566
Deferred tax assets	3,338	1,431
Other	10,740	11,048
Allowance for doubtful accounts	(788)	(767)
Total current assets	103,756	75,133
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	23,020	23,324
Accumulated depreciation	(12,960)	(13,221)
Buildings and structures, net	10,060	10,102
Machinery, equipment and vehicles	19,331	17,529
Accumulated depreciation	(10,269)	(10,382)
Machinery, equipment and vehicles, net	9,061	7,146
Tools, furniture, fixtures and dies	50,080	49,635
Accumulated depreciation	(42,846)	(43,608)
Tools, furniture, fixtures and dies, net	7,233	6,027
Land	5,136	5,004
Lease assets	—	542
Accumulated depreciation	—	(320)
Lease assets, net	—	221
Construction in progress	1,359	400
Total property, plant and equipment	32,851	28,902
Intangible assets	7,004	7,002
Investments and other assets		
Investment securities	19,908	17,228
Deferred tax assets	350	328
Other	3,937	3,848
Allowance for doubtful accounts	(22)	(21)
Total investments and other assets	24,173	21,383
Total noncurrent assets	64,029	57,288
Total assets	167,785	132,422

(Millions of yen)

	March 31, 2008	March 31, 2009
LIABILITIES		
Current liabilities		
Notes and accounts payable–trade	26,360	12,434
Short-term loans payable	215	1,621
Income taxes payable	810	369
Accrued expenses	10,055	7,951
Deferred tax liabilities	129	69
Provision for bonuses	1,817	1,369
Provision for directors' bonuses	53	—
Provision for product warranties	4,822	3,544
Other	4,000	3,137
Total current liabilities	48,265	30,498
Noncurrent liabilities		
Deferred tax liabilities	1,283	2,932
Provision for retirement benefits	669	632
Provision for directors' retirement benefits	704	732
Other	598	753
Total noncurrent liabilities	3,255	5,049
Total liabilities	51,520	35,548
NET ASSETS		
Shareholders' equity		
Capital stock	25,920	25,920
Capital surplus	24,905	24,905
Retained earnings	58,592	47,838
Treasury stock	(30)	(29)
Total shareholders' equity	109,388	98,635
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	4,753	3,090
Revaluation reserve for land	(1,394)	(1,394)
Foreign currency translation adjustment	2,111	(4,408)
Total valuation and translation adjustments	5,469	(2,713)
Minority interests	1,406	951
Total net assets	116,264	96,873
Total liabilities and net assets	167,785	132,422

(2) Consolidated Statements of Income

(Millions of yen)

	Fiscal Year Ended March 31, 2008	Fiscal Year Ended March 31, 2009
Net sales	252,071	196,666
Cost of sales	204,636	171,518
Gross profit	47,435	25,147
Selling, general and administrative expenses	40,423	35,793
Operating income (loss)	7,011	(10,645)
Non-operating income		
Interest income	389	246
Dividend income	540	506
Equity in earnings of affiliates	1,046	1,142
Foreign exchange gains	—	3,527
Other	412	661
Total non-operating income	2,388	6,084
Non-operating expenses		
Interest expenses	169	121
Sales discounts	250	174
Foreign exchange loss	1,925	—
Loss on adjustment of customer molds	312	—
Other	339	194
Total non-operating expenses	2,997	490
Ordinary income (loss)	6,403	(5,051)
Extraordinary income		
Gain on sales of noncurrent assets	16	36
Gain on sales of investment securities	—	117
Gain on sales of investment in affiliated companies	50	—
Reversal of allowance for doubtful accounts	154	67
Gain on valuation of options	—	2,577
Gain on liquidation of affiliated companies	394	—
Other	—	288
Total extraordinary income	616	3,088
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	343	342
Loss on valuation of investment securities	256	51
Loss on valuation of inventories	—	1,090
Loss on valuation of property, plant and equipment	—	492
Previous period's royalty payments	75	—
Other	—	93
Total extraordinary loss	674	2,072
Income (loss) before income taxes and minority interests	6,344	(4,035)
Income taxes–current	2,817	943
Previous period's income taxes	112	(913)
Income taxes–deferred	(297)	5,102
Total income taxes	2,632	5,133
Minority interests in income	158	122
Net income (loss)	3,554	(9,290)

(3) Consolidated Statements of Changes in Shareholders' Equity

(Millions of yen)

	Fiscal Year Ended March 31, 2008	Fiscal Year Ended March 31, 2009
Shareholders' equity		
Capital stock		
Balance at end of previous period	25,920	25,920
Increase (decrease) during the period		
Total increase (decrease) during the period	—	—
Balance at end of period	25,920	25,920
Capital surplus		
Balance at end of previous period	24,905	24,905
Increase (decrease) during the period		
Disposition of treasury stock	0	(0)
Reversal of loss on disposition of treasury stock	—	0
Total increase (decrease) during the period	0	(0)
Balance at end of period	24,905	24,905
Retained earnings		
Balance at end of previous period	57,344	58,592
Increase (decrease) due to changes in accounting policies applied to foreign subsidiaries	—	281
Increase (decrease) during the period		
Cash dividends	(1,744)	(1,744)
Net income (loss)	3,554	(9,290)
Increase attributed to the merger of consolidated and non-consolidated subsidiaries	50	—
Decrease by change of equity of equity method companies	(610)	—
Reversal of loss on disposition of treasury stock	—	(0)
Employee Welfare Benefit Fund	(2)	—
Total increase (decrease) during the period	1,248	(11,035)
Balance at end of period	58,592	47,838
Treasury stock		
Balance at end of previous period	(29)	(30)
Increase (decrease) during the period		
Acquisition of treasury stock	(1)	(0)
Disposition of treasury stock	0	2
Total increase (decrease) during the period	(1)	1
Balance at end of period	(30)	(29)
Total shareholders' equity		
Balance at end of previous period	108,141	109,388
Increase (decrease) due to changes in accounting policies applied to foreign subsidiaries	—	281
Increase (decrease) during the period		
Cash dividends	(1,744)	(1,744)
Net income (loss)	3,554	(9,290)
Increase attributed to the merger of consolidated and non-consolidated subsidiaries	50	—
Decrease by change of equity of equity method companies	(610)	—
Acquisition of treasury stock	(1)	(0)
Disposition of treasury stock	0	1
Employee Welfare Benefit Fund	(2)	—
Total increase (decrease) during the period	1,246	(11,034)
Balance at end of period	109,388	98,635

(Millions of yen)

	Fiscal Year Ended March 31, 2008	Fiscal Year Ended March 31, 2009
Valuation and conversions		
Valuation adjustment, other marketable securities		
Balance at end of previous period	7,789	4,753
Increase (decrease) during the period		
Net change in items excluding shareholders' equity during the period	(3,035)	(1,662)
Total increase (decrease) during the period	(3,035)	(1,662)
Balance at end of period	4,753	3,090
Land revaluation adjustment		
Balance at end of previous period	(1,394)	(1,394)
Increase (decrease) during the period		
Net change in items excluding shareholders' equity during the period	—	—
Total increase (decrease) during the period	—	—
Balance at end of period	(1,394)	(1,394)
Foreign currency translation adjustment		
Balance at end of previous period	4,520	2,111
Increase (decrease) during the period		
Net change in items excluding shareholders' equity during the period	(2,409)	(6,519)
Total increase (decrease) during the period	(2,409)	(6,519)
Balance at end of period	2,111	(4,408)
Total valuation and conversions		
Balance at end of previous period	10,914	5,469
Increase (decrease) during the period		
Net change in items excluding shareholders' equity during the period	(5,445)	(8,182)
Total increase (decrease) during the period	(5,445)	(8,182)
Balance at end of period	5,469	(2,713)
Minority interests		
Balance at end of previous period	1,852	1,406
Increase (decrease) during the period		
Net change in items excluding shareholders' equity during the period	(445)	(455)
Total increase (decrease) during the period	(445)	(455)
Balance at end of period	1,406	951
Total net assets		
Balance at end of previous period	120,908	116,264
Increase (decrease) due to changes in accounting policies applied to foreign subsidiaries	—	281
Increase (decrease) during the period		
Cash dividends	(1,744)	(1,744)
Net income (loss)	3,554	(9,290)
Increase attributed to the merger of consolidated and non-consolidated subsidiaries	50	—
Decrease by change of equity of equity method companies	(610)	—
Acquisition of treasury stock	(1)	(0)
Disposition of treasury stock	0	1
Employee Welfare Benefit Fund	(2)	—
Net change in items excluding shareholders' equity during the period	(5,890)	(8,638)
Total increase (decrease) during the period	(4,643)	(19,672)
Balance at end of period	116,264	96,873

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal Year Ended March 31, 2008	Fiscal Year Ended March 31, 2009
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	6,344	(4,035)
Depreciation and amortization	10,654	10,336
Increase (decrease) in accrued retirement benefits	44	(16)
Increase (decrease) in directors' severance and retirement benefits	(14)	27
Interest and dividend income	(929)	(752)
Interest expenses paid	169	121
Equity in earnings (losses) of affiliated companies	(1,046)	(1,142)
Loss (gain) on sales of property, plant and equipment	6	11
Decrease (increase) in notes and accounts receivable–trade	5,779	10,241
Decrease (increase) in inventories	(1,020)	6,348
Increase (decrease) in notes and accounts payable-trade	(1,624)	(9,233)
Increase (decrease) in provision for product warranties	(500)	(813)
Loss (gain) on valuation of options	—	(2,577)
Other, net	(3,383)	2,132
Subtotal	14,479	10,647
Interest and dividend income received	927	783
Interest expenses paid	(169)	(118)
Income taxes paid	(5,274)	(1,668)
Income taxes refunded	—	1,036
Net cash provided by (used in) operating activities	9,963	10,679
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	(11,029)	(7,139)
Proceeds from sales of property, plant and equipment	27	87
Purchase of intangible assets	(2,945)	(3,156)
Proceeds from sales of investment securities	246	130
Purchase of investments in subsidiaries	—	(544)
Proceeds from sales of investment in affiliated companies	—	(245)
Payments for loans receivable	(61)	(1,857)
Collections of loans receivable	37	66
Other, net	(377)	(193)
Net cash provided by (used in) investment activities	(14,101)	(12,850)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	33	1,576
Cash dividends paid	(1,743)	(1,744)
Cash dividends paid to minority shareholders	(189)	(16)
Liquidating dividends paid to minority shareholders	(452)	—
Paid-in capital from minority shareholders	62	—
Other, net	(1)	(145)
Net cash provided by (used in) financing activities	(2,289)	(329)
Effect of exchange rate changes on cash and cash equivalents	(1,017)	(1,518)
Net increase (decrease) in cash and cash equivalents	(7,445)	(4,017)
Cash and cash equivalents at beginning of period	37,507	30,159
Increase in cash and cash equivalents due to inclusion of additional subsidiaries in the consolidation	97	—
Cash and cash equivalents at end of period	30,159	26,141

Segment Information

a) Information by Business Segment

Fiscal Year Ended March 31, 2008

(Millions of yen)

	Audio Products	Information and Communication Equipment	Total	Elimination and/or Corporate	Consolidated
Net sales					
(1) Outside customers	122,999	129,072	252,071	—	252,071
(2) Within consolidated group	638	425	1,064	(1,064)	—
Total	123,637	129,498	253,135	(1,064)	252,071
Costs and expenses	118,277	120,019	238,297	6,762	245,059
Operating income	5,359	9,478	14,838	(7,826)	7,011
Assets, depreciation and amortization and capital expenditures					
Assets	70,871	72,074	142,945	24,839	167,785
Depreciation and amortization	6,092	4,454	10,546	107	10,654
Capital expenditures	8,068	5,452	13,520	152	13,673

Fiscal Year Ended March 31, 2009

(Millions of yen)

	Audio Products	Information and Communication Equipment	Total	Elimination and/or Corporate	Consolidated
Net sales					
(1) Outside customers	88,409	108,257	196,666	—	196,666
(2) Within consolidated group	698	337	1,036	(1,036)	—
Total	89,107	108,595	197,703	(1,036)	196,666
Costs and expenses	89,135	112,150	201,286	5,567	206,853
Operating loss	(27)	(3,555)	(3,583)	(6,603)	(10,186)
Assets, depreciation and amortization and capital expenditures					
Assets	46,992	61,902	108,894	23,820	132,715
Depreciation and amortization	5,609	4,643	10,252	83	10,336
Capital expenditures	5,323	4,830	10,153	6	10,160

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.
3. Unallocated costs and expenses included in elimination and/or corporate comprise mainly corporate administrative and research and development costs. Such costs were:
   ¥7,826 million in the fiscal year ended March 31, 2008
   ¥6,603 million in the fiscal year ended March 31, 2009
4. Elimination and/or corporate includes corporate assets that consist principally of surplus investment funds (cash, cash equivalents and marketable securities) long-term investment funds (marketable securities) and assets related to administrative and management divisions. Such costs were:
   ¥24,986 million in the fiscal year ended March 31, 2008
   ¥23,928 million in the fiscal year ended March 31, 2009
5. Long-term prepaid expenses and their amortization expenses are included in depreciation and amortization and capital expenditures.
6. Changes in accounting method
   (Fiscal year ended March 31, 2008)
   In line with changes to the corporate tax code the method of depreciating tangible fixed assets acquired by the Company and its domestic consolidated subsidiaries on or after April 1, 2007, are depreciated according to the revised corporate tax code.
   Compared with the previous method, the impact of this change was to increase depreciation and amortization expenses and operating expenses ¥99 million in the Audio Products segment and ¥63 million in the Information and Communication Equipment segment. Operating income decreased by corresponding amounts.
7. Additional information

(Fiscal year ended March 31, 2008)
In accordance with changes to the corporate tax code, assets acquired by the Company and its domestic consolidated subsidiaries on or prior to March 31, 2007, are depreciated according the revised corporate tax code to a memorandum value over a five-year period using the straight-line method when the book value of the assets reach 5% of their acquisition value. (Molds, however, are depreciated according to residual value prescribed by the Company.)

Compared with the previous method, the impact of this change was to increase depreciation and amortization expenses and operating expenses ¥58 million in the Audio Products segment and ¥38 million in the Information and Communication Equipment segment. Operating income decreased by corresponding amounts.

8. Changes in accounting method

(Fiscal year ended March 31, 2009)
(Accounting Standard for Valuing Inventory Assets)
From the fiscal year under review the Company adopted the "Accounting Standard for Valuing Inventory Assets" (Financial Accounting Standard No. 9, July 5, 2006). Owing to this change, the operating loss was ¥34 million less in the Audio Products segment and ¥2 million higher in the Information and Communication Equipment segment than it would have been under the previous method.
(Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements)
From the fiscal year under review the Company adopted the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ Practical Issues Task Force No. 18, May 17, 2006). Owing to this change, the operating loss was ¥25 million less in the Audio Products segment and ¥42 million less in the Information and Communication Equipment segment than it would have been under the previous method.

9. Additional information

(Fiscal year ended March 31, 2009)
(Change in the useful life of property, plant and equipment)
From the fiscal year under review the Company revised the useful life of machinery and equipment owned by the Company and its domestic consolidated subsidiaries to seven years.

Owing to this change, the operating loss was ¥56 million higher in the Audio Products segment and ¥76 million higher in the Information and Communication Equipment segment than it would have been under the previous method.

b) Geographic Area Information

Fiscal Year Ended March 31, 2008

(Millions of yen)

	Japan	North America	Europe	Asia	Other Areas	Total	Elimination and/or Corporate	Consolidated
Net sales								
(1) Outside customers	39,847	91,912	98,081	20,686	1,544	252,071	—	252,071
(2) Within consolidated group	152,501	1,754	32,943	49,930	0	237,130	(237,130)	—
Total	192,349	93,666	131,025	70,616	1,544	489,202	(237,130)	252,071
Costs and expenses	182,047	92,131	131,132	67,524	1,460	474,297	(229,237)	245,059
Operating income (loss)	10,302	1,534	(107)	3,092	83	14,904	(7,892)	7,011
Assets	100,266	28,345	38,214	33,099	620	200,545	(32,760)	167,785

Fiscal Year Ended March 31, 2009

(Millions of yen)

	Japan	North America	Europe	Asia	Other Areas	Total	Elimination and/or Corporate	Consolidated
Net sales								
(1) Outside customers	32,951	54,950	91,974	15,426	1,364	196,666	—	196,666
(2) Within consolidated group	117,476	909	28,453	42,647	21	189,509	(189,509)	—
Total	150,427	55,860	120,427	58,074	1,385	386,175	(189,509)	196,666
Costs and expenses	156,678	56,417	121,236	55,810	1,313	391,455	(184,601)	206,853
Operating income (loss)	(6,250)	(556)	(808)	2,264	71	(5,279)	(4,907)	(10,186)
Assets	79,655	17,082	27,748	26,174	419	151,080	(18,365)	132,715

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 and Thailand
   (4) Other Areas: Australia
3. Unallocated costs and expenses included in elimination and/or corporate comprise mainly corporate administrative and research and development costs. Such costs were:
   ¥7,826 million in the fiscal year ended March 31, 2008
   ¥6,603 million in the fiscal year ended March 31, 2009
4. Elimination and/or corporate includes corporate assets that consist principally of surplus investment funds (cash, cash equivalents and marketable securities) long-term investment funds (marketable securities) and assets related to administrative and management divisions. Such costs were:
   ¥24,986 million in the fiscal year ended March 31, 2008
   ¥23,928 million in the fiscal year ended March 31, 2009
5. Changes in accounting method
   (Fiscal year ended March 31, 2008)
   In line with changes to the corporate tax code the method of depreciating tangible fixed assets acquired by the Company and its domestic consolidated subsidiaries on or after April 1, 2007, are depreciated according to the revised corporate tax code.
   Compared with the previous method, the impact of this change was to increase operating costs in Japan ¥163 million and reduce operating income by a corresponding amount.
6. Additional information
   (Fiscal year ended March 31, 2008)
   In accordance with changes to the corporate tax code, assets acquired by the Company and its domestic consolidated subsidiaries on or prior to March 31, 2007, are depreciated according the revised corporate tax code to a memorandum value over a five-year period using the straight-line method when the book value of the assets reach 5% of the acquisition value. (Molds, however, are depreciated according to residual value prescribed by the Company.)
   Compared with the previous method, the impact of this change was to increase operating costs in Japan ¥96 million and reduce operating income by a corresponding amount.
7. Changes in accounting method
   (Fiscal year ended March 31, 2009)
   (Accounting Standard for Valuing Inventory Assets)
   From the fiscal year under review the Company adopted the "Accounting Standard for Valuing Inventory Assets" (Financial Accounting Standard No. 9, July 5, 2006). Owing to this change, the operating loss was ¥31 million less in Japan than it would have been under the previous method.
   (Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements)
   From the fiscal year under review the Company adopted the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ Practical Issues Task Force No. 18, May 17, 2006). Owing to this change, the operating loss was ¥46 million less in Europe and ¥21 million less in Asia than it would have been under the previous method.
8. Additional information
   (Fiscal year ended March 31, 2009)
   (Change in the useful life of property, plant and equipment)
   From the fiscal year under review the Company revised the useful life of machinery and equipment owned by the Company and its domestic consolidated subsidiaries to seven years.
   Owing to this change, the operating loss was ¥142 million higher in Japan than it would have been under the previous method.

c) Overseas Sales

Fiscal Year Ended March 31, 2008

(Millions of yen unless otherwise stated)

	North America	Europe	Asia	Other Areas	Total
I Overseas sales	90,824	98,094	27,439	2,698	219,056
II Consolidated sales					252,071
III Ratio of overseas sales (%)	36.0	38.9	10.9	1.1	86.9

Fiscal Year Ended March 31, 2009

(Millions of yen unless otherwise stated)

	North America	Europe	Asia	Other Areas	Total
I Overseas sales	54,308	91,993	18,554	2,015	166,873
II Consolidated sales					196,666
III Ratio of overseas sales (%)	27.6	46.8	9.4	1.0	84.9

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 and Thailand
    4) Other Areas: Australia
3. Overseas sales refer to sales by Alpine and its consolidated subsidiaries in countries or regions outside Japan.

5. Production, Orders and Sales

(1) Production

Production for the fiscal years ended March 31, 2009 and 2008, by business segment, was as follows:

(Millions of yen, %)

	Fiscal Year Ended March 31, 2008	Fiscal Year Ended March 31, 2009	Change (%)
Audio Products	107,426	68,607	(36.1)
Information and Communication Equipment	108,621	80,901	(25.5)
Total	216,048	149,508	(30.8)

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

(2) Order balance and orders received

The order balance for the fiscal years ended March 31, 2009 and 2008, by business segment, was as follows:

(Millions of yen, %)

	Fiscal Year Ended March 31, 2008	Fiscal Year Ended March 31, 2009	Change (%)
Audio Products	119,767	82,303	(31.3)
Information and Communication Equipment	131,487	102,768	(21.8)
Total	251,255	185,071	(26.3)

Orders received during the fiscal years ended March 31, 2009 and 2008, by business segment, were as follows:

(Millions of yen, %)

	Fiscal Year Ended March 31, 2008	Fiscal Year Ended March 31, 2009	Change (%)
Audio Products	12,736	6,630	(47.9)
Information and Communication Equipment	17,758	12,269	(30.9)
Total	30,494	18,900	(38.0)

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

(3) Sales

Sales for the fiscal years ended March 31, 2009 and 2008, by business segment, were as follows:

(Millions of yen, %)

	Fiscal Year Ended March 31, 2008	Fiscal Year Ended March 31, 2009	Change (%)
Audio Products	122,999	88,409	(28.1)
Information and Communication Equipment	129,072	108,257	(16.1)
Total	252,071	196,666	(22.0)

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