

July 29, 2015

Company Name: **Alpine Electronics, Inc.**
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Notice of Establishment of Equity Method Associate

Alpine Electronics, Inc. (the “Company”) hereby announces that at a meeting of its Board of Directors held on July 29, 2015, it passed the resolution to establish a joint venture company through an investment partnership including the Company’s subsidiary ALPINE ELECTRONICS (CHINA) CO., LTD, Neusoft Corporation (“Neusoft”), and Shenyang FullRich Enterprise Management Center.

Note that the new company will become an equity method associate of the Company, that is, an associate accounted for using the equity method.

1. Outline of joint venture to be established

(1) Name:	Neusoft Reach Automotive Technology (Shanghai) Co., Ltd. (planned)
(2) Address of head office:	Shanghai City, China (planned)
(3) Representative:	Yongfeng Wang
(4) Capital:	RMB384.6 million (approx. 7,615 million*)
(5) Main business activities:	Development and sales of automotive technologies
(6) Date of establishment:	August 2015 (planned)
(7) Capital contribution:	RMB150 million (approx. ¥2,970 million*)
(8) Equity stakes:	Neusoft Corporation: 41% ALPINE ELECTRONICS (CHINA) CO., LTD.: 39% Shenyang FullRich Enterprise Management Center: 20%

2. Outline of investment partners

Neusoft Corporation

(1) Name:	Neusoft Corporation
(2) Address of head office:	No. 2 Xinxiu Street, Hunnan New District, Shenyang City, Liaoning Province, China
(3) Representative:	Jiren Liu, Chairman & CEO
(4) Capital:	RMB1,227 million
(5) Main business activities:	Development and sales of software and training of IT human resources
(6) Date of establishment:	June 1991

Shenyang FullRich Enterprise Management Center

- (1) Name: Shenyang FullRich Enterprise Management Center (Limited Partnership)
- (2) Address of head office: A-10 (311), No. 2 Xinxiu Street, Hunnan New District, Shenyang City, Liaoning Province, China
- (3) Representative: Nan Wang, Executive Partner
- (4) Capital: –
- (5) Main business activities: Investment consulting
- (6) Date of establishment: July 2015

3. Purpose of establishing joint venture

The rapid development of the Chinese automobile industry has brought about various innovations and reforms. The Company believes that it is essential to take steps of software development and relevant technological development associated with the adoption in automobiles of artificial intelligence (AI) and internet technologies as well as renewable energies. Neusoft Reach Automotive Technology (Shanghai) Co., Ltd. aims to carry out significant technological development for the future automobile industry, using the more than 20 years of research and development of the Company and Neusoft as a base, and expand its business in the Chinese market.

4. Impact on operating results

The impact of this investment on the Company's consolidated operating results will be immaterial.

Cautionary Statement:

The above forecasts are calculations on the basis of the information available as of the date of this announcement.

Actual results may differ from forecast figures depending on a variety of factors.

*Calculated based on the exchange rate of RMB1 to ¥19.80.