

October 28, 2016

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Parent Company: ALPS ELECTRIC CO., LTD.
 Representative: Toshihiro Kuriyama, President
 Code Number: 6770 (First Section of the Tokyo Stock Exchange)

**Notice of Differences between Earnings Forecasts and Actual Financial Results
 for First Six Months of Fiscal Year Ending March 31, 2017,
 and Revisions to Full-Year Earnings Forecasts and Dividend Forecasts**

Alpine Electronics, Inc. (the “Company”) hereby announces that there are differences between its consolidated earnings forecasts for the first six months of the fiscal year ending March 31, 2017 (April 1, 2016 to September 30, 2016), which were announced on July 27, 2016, and its actual financial results, as described below.

In addition, in light of recent earnings trends and other developments, the consolidated full-year earnings forecasts and dividend forecasts, which were announced on July 27, 2016, have been revised as described below.

1. Differences between consolidated earnings forecasts and actual financial results for the first six months ended September 30, 2016
 (from April 1, 2016 to September 30, 2016)

	Net sales	Operating income	Ordinary income (loss)	Profit (loss) attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecasts (A) (Announced on July 27, 2016)	125,000	600	(600)	(2,000)	(29.01)
Results (B)	120,870	1,292	(113)	(2,106)	(30.56)
Change (B – A)	(4,130)	692	486	(106)	–
Change (%)	(3.3)	115.4	–	–	–
(Reference) Results of the corresponding period of the previous fiscal year (First six months ended September 30, 2015)	139,757	3,550	3,845	11,405	165.30

2. Revisions to consolidated full-year earnings forecasts for the fiscal year ending March 31, 2017
(from April 1, 2016 to March 31, 2017)

	Net sales	Operating income	Ordinary income	Profit (loss) attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecasts (A) (Announced on July 27, 2016)	255,600	3,900	2,700	(900)	(13.06)
Revised forecasts (B)	236,500	2,300	800	(2,500)	(36.27)
Change (B – A)	(19,100)	(1,600)	(1,900)	(1,600)	–
Change (%)	(7.5)	(41.0)	(70.4)	–	–
(Reference) Results of the previous fiscal year (Fiscal year ended March 31, 2016)	273,056	5,434	6,170	10,698	155.14

3. Reasons for differences and revisions

Concerning the earnings results for the first six months ended September 30, 2016, although net sales ended lower than the forecast because the yen appreciated higher than its value in the assumed exchange rates, operating income and ordinary income ended higher than the forecast mainly reflecting the effect of cost reductions such as non-current expenses. Loss attributable to owners of parent was greater than the forecast due to an increase in income taxes arising from an increase in profit before income taxes.

Concerning the earnings forecasts for the full year, the Company has revised the forecast as shown above after considering the earnings results for the first six months ended September 30, 2016 and revising the exchange rates assumed during and after the third quarter ending December 31, 2016.

The exchange rates assumed during and after the third quarter ending December 31, 2016 are US\$1 = ¥100 (initially US\$1 = ¥110) and €1 = ¥110 (initially €1 = ¥125).

4. Revisions to dividend forecasts

	Annual dividends		
	Second quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen
Previous forecasts (A) (Announced on July 27, 2016)	15.00	15.00	30.00
Revised forecasts (B)	–	–	–
Results of the current fiscal year	15.00		
(Reference) Results of the previous fiscal year (Fiscal year ended March 31, 2016)	15.00	15.00	30.00

5. Reasons for revisions to dividend forecasts

The Company's basic policy for determining dividends is to give balanced consideration to three points; (1) returning profits to shareholders, (2) proactive investment on R&D for enhancing competitiveness, and (3) internal reserves directed toward future business growth. In line with this dividend policy and upon the downward revision of the earnings forecasts for the full year, the Company, after considering the revisions to the earnings forecasts, the financial position and other factors, has not yet made a decision at this time on the fiscal year-end dividend. The Company will promptly announce its decision on the dividend when it becomes possible to disclose the next dividend forecast based on comprehensive consideration of the earnings results for the full year.

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.