

October 30, 2017

Company Name: **Alpine Electronics, Inc.**
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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, 2018,
 and Revisions to Full-Year Earnings 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, 2018 (April 1, 2017 to September 30, 2017), which were announced on April 27, 2017, and its actual financial results, as described below.

In addition, the full-year consolidated earnings forecast, which was announced on April 27, 2017, has also been revised as described below in light of recent earnings trends and other developments.

1. Differences between consolidated earnings forecasts and actual financial results for the first six months ended September 30, 2017
 (from April 1, 2017 to September 30, 2017)

	Net sales	Operating profit	Ordinary profit	Profit 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 April 27, 2017)	120,000	2,100	1,700	(1,000)	(14.51)
Results (B)	126,262	3,785	3,856	2,404	34.87
Change (B-A)	6,262	1,685	2,156	3,404	-
Change (%)	5.2	80.2	126.8	-	-
(Reference) Results of the corresponding period of the previous fiscal year (First six months ended September 30, 2016)	120,870	1,292	(113)	(2,106)	(30.56)

2. Revisions to consolidated full-year earnings forecasts for fiscal year ending March 31, 2018
(from April 1, 2017 to March 31, 2018)

	Net sales	Operating profit	Ordinary profit	Profit 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 April 27, 2017)	250,000	6,500	5,600	800	11.60
Revised forecasts (B)	260,000	9,000	8,300	4,800	69.62
Change (B-A)	10,000	2,500	2,700	4,000	-
Change (%)	4.0	38.5	48.2	500.0	-
(Reference) Results of the previous fiscal year (Fiscal year ended March 31, 2017)	247,751	5,612	7,439	7,760	112.57

3. Reasons for differences and Revisions

Concerning the earnings results for the first six months ended September 30, 2017, consolidated net sales, operating profit and ordinary profit ended higher than the forecast mainly reflecting not only the depreciation of the yen, which trended at levels that were weaker than predicted, but also strong sales in the OEM markets of Europe and the effect of cost reductions such as non-current expenses. In addition, profit attributable to owners of parent was greater than the forecast not only due to an increase in ordinary profit but also due to a decrease in income taxes - deferred.

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, 2017 and revising the exchange rates assumed during and after the third quarter ending December 31, 2017.

While the assumed euro-to-yen exchange rate in the initial forecast was €1=¥116, the revised forecast is calculated assuming an exchange rate during and after the third quarter of €1=¥127.

(The assumed US-dollar-to-yen exchange rate remains unchanged at US\$1=¥108.)

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.