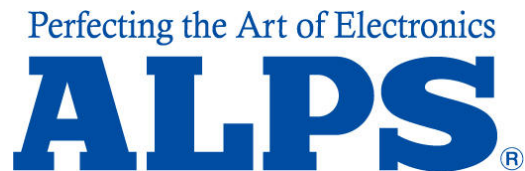


Progress on the Business Integration between Alps Electric and Alpine, and the Directors After the Business Integration

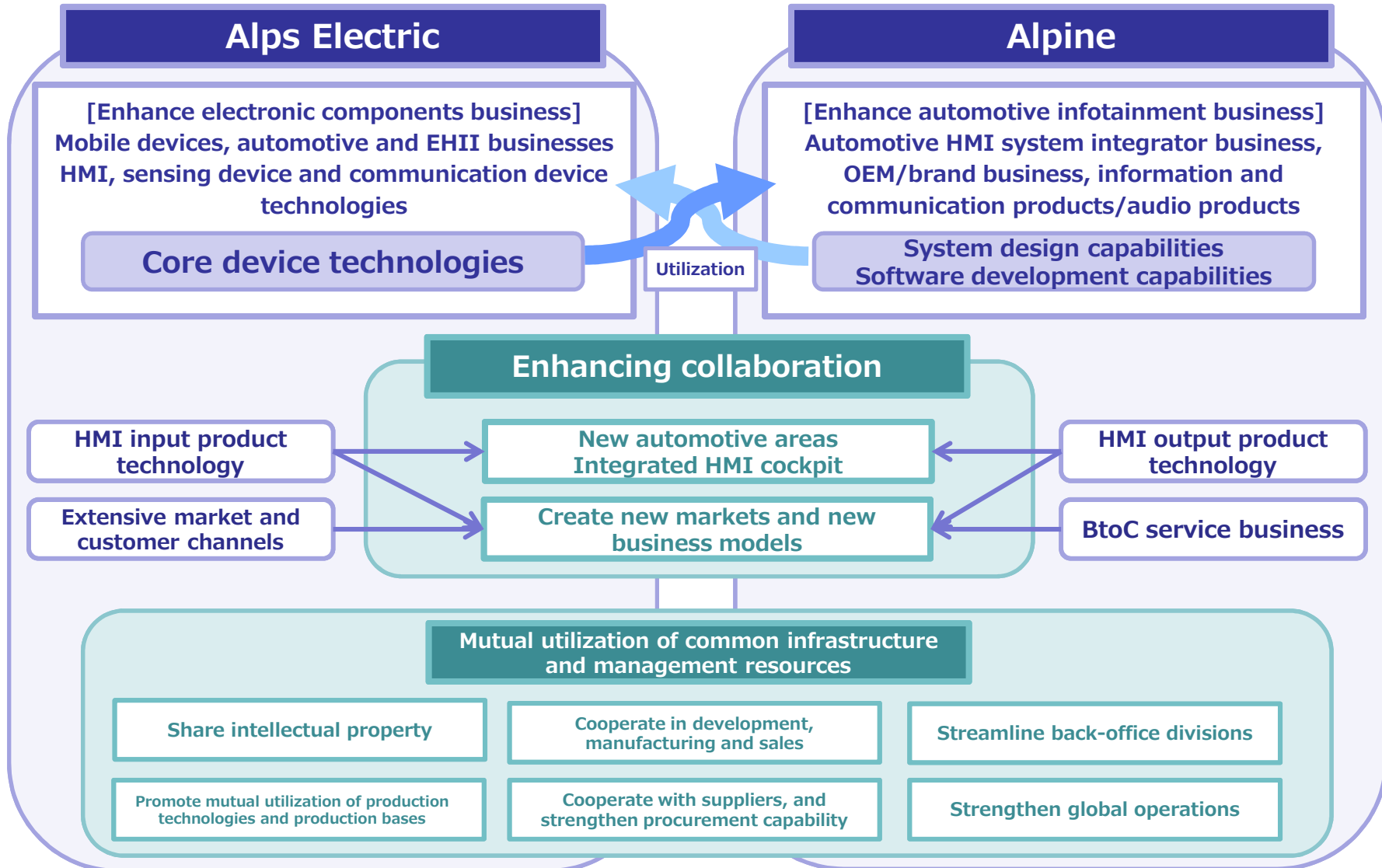
April 26, 2018



Objective of the Business Integration

Disclosed on July 27, 2017

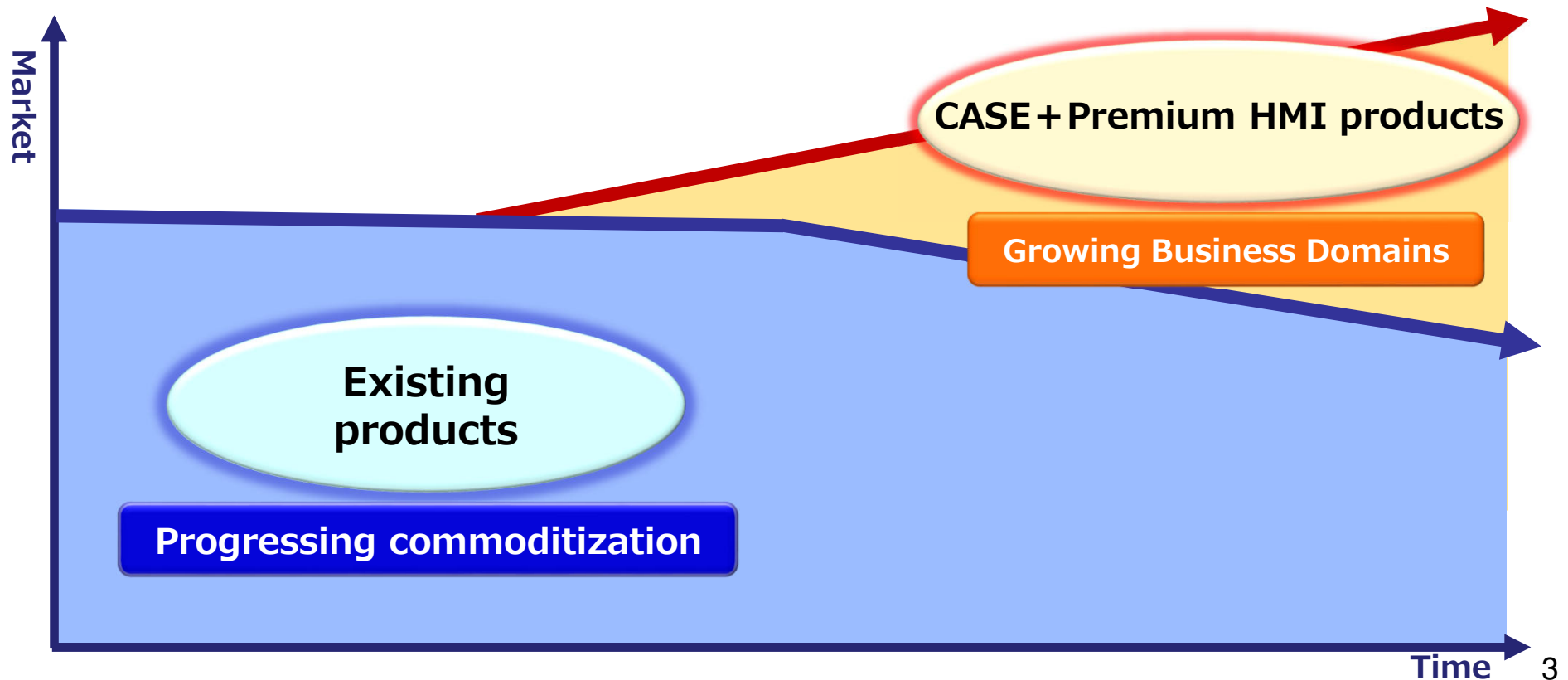
Group's growth strategy: Transform itself into a sustainable value creating corporate group to become a corporate group with net sales of one trillion yen



Creation of New Automotive Businesses through Business Integration Synergies

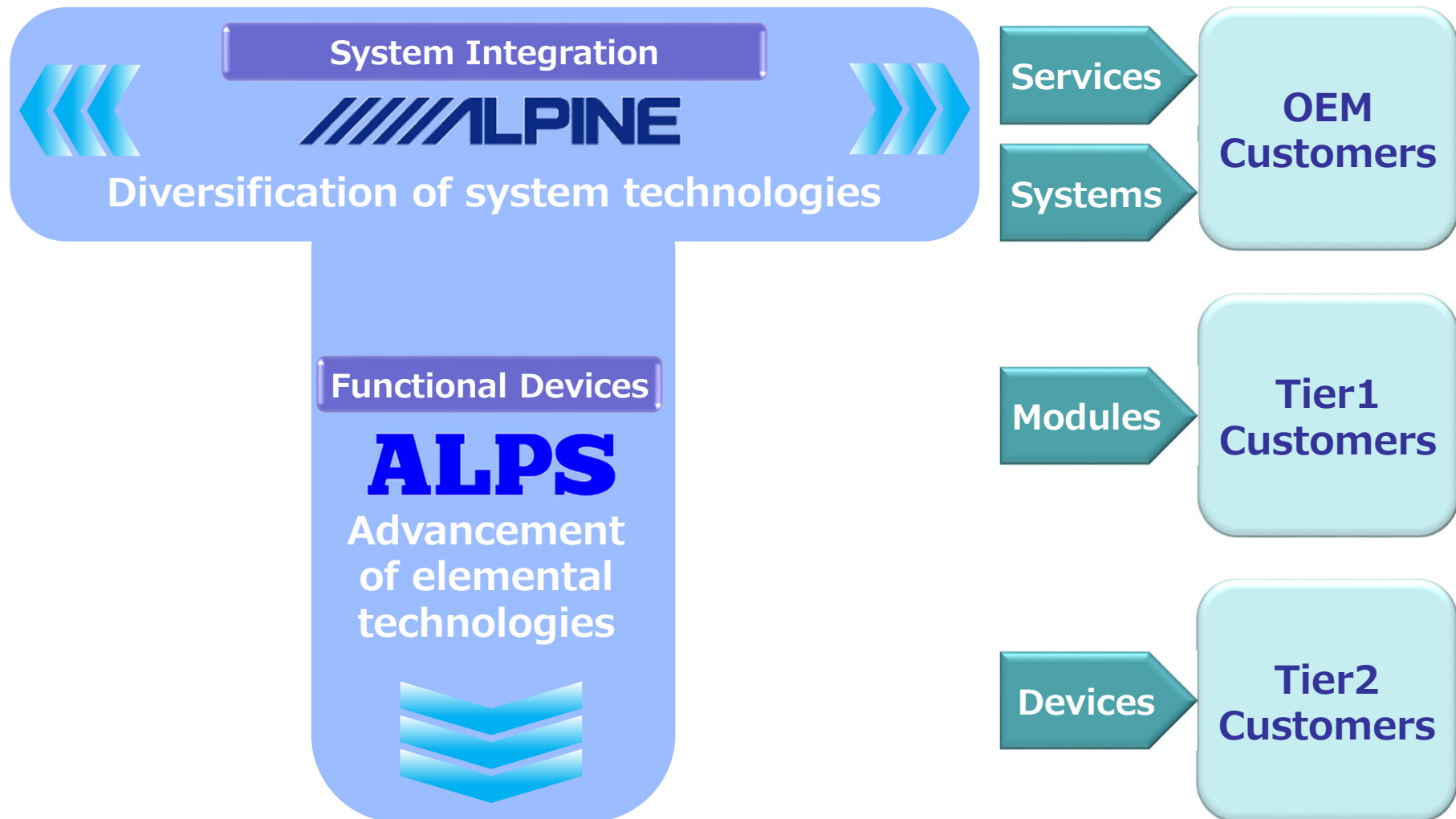
Enhance collaboration in the automotive business between Alps Electric and Alpine

Establish profitable businesses by creating attractive products in the polarizing automotive market



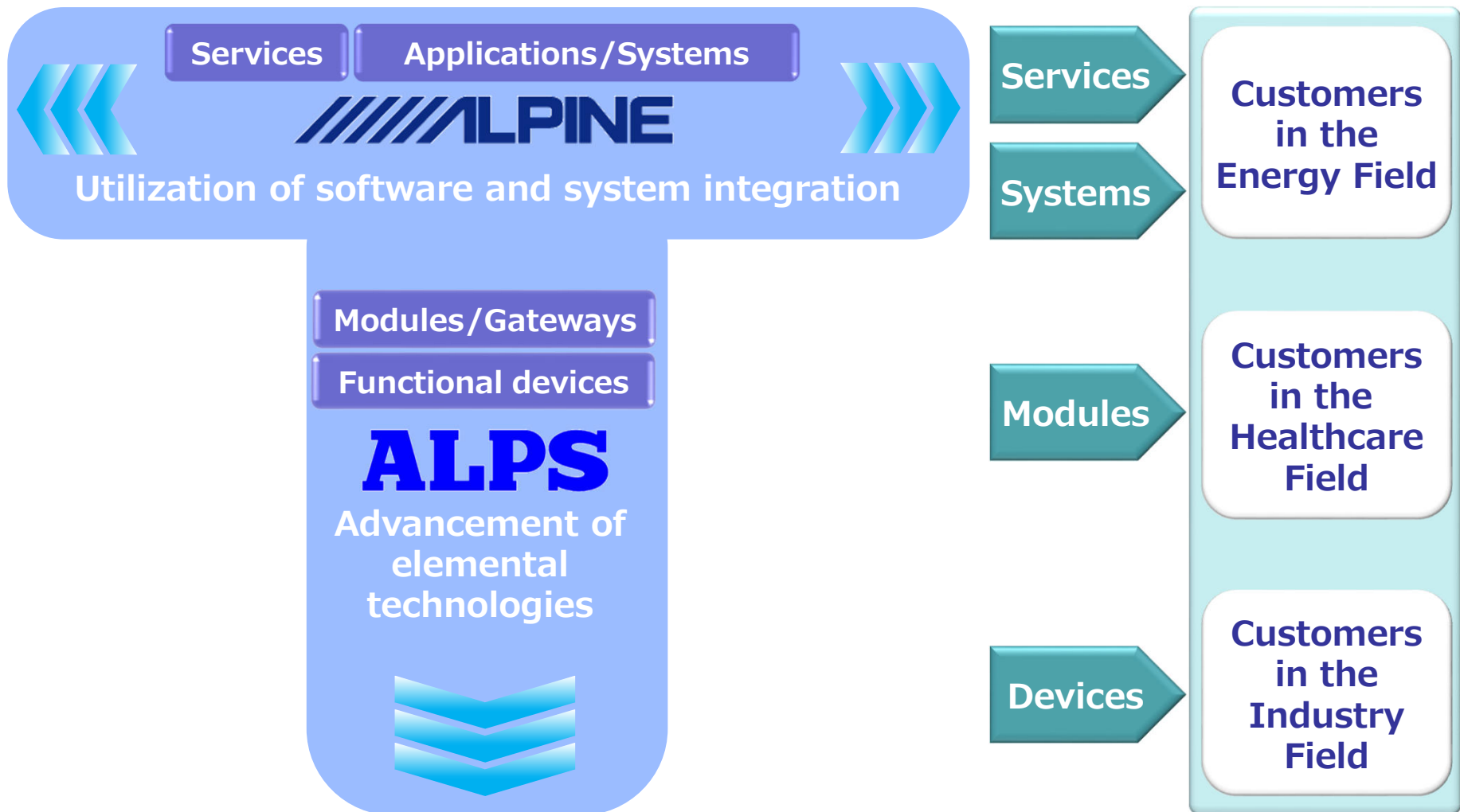
Business Expansion Into the CASE+Premium HMI Domains

Evolution Into a "T-shaped Company"

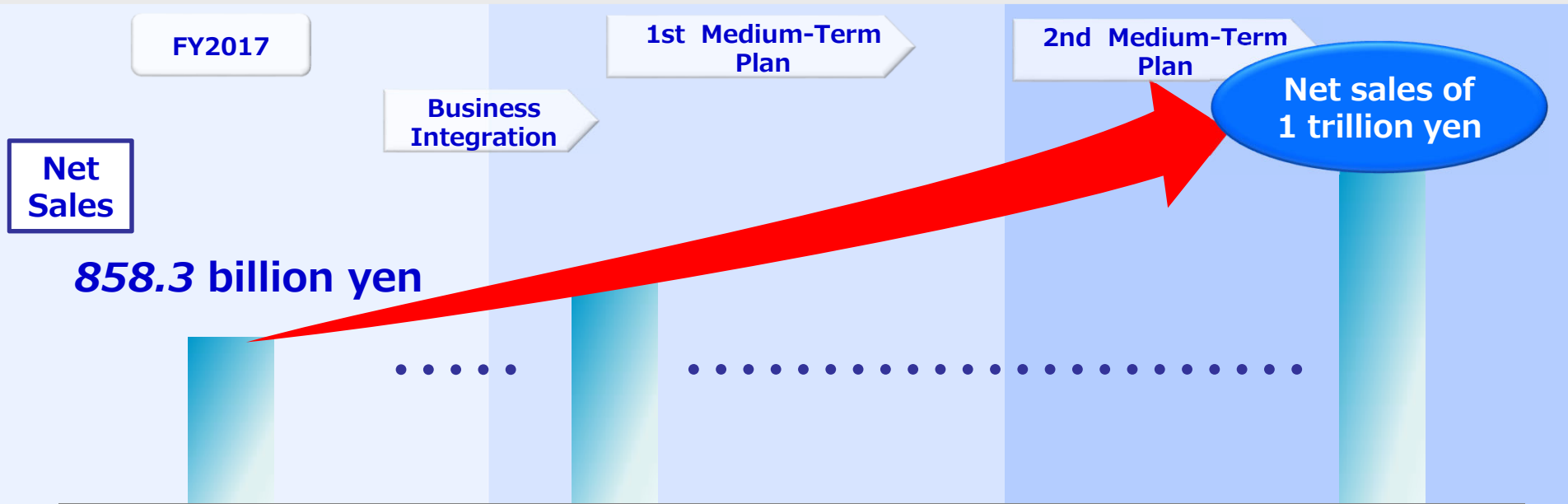


Business Expansion Into New EHI and IoT Domains

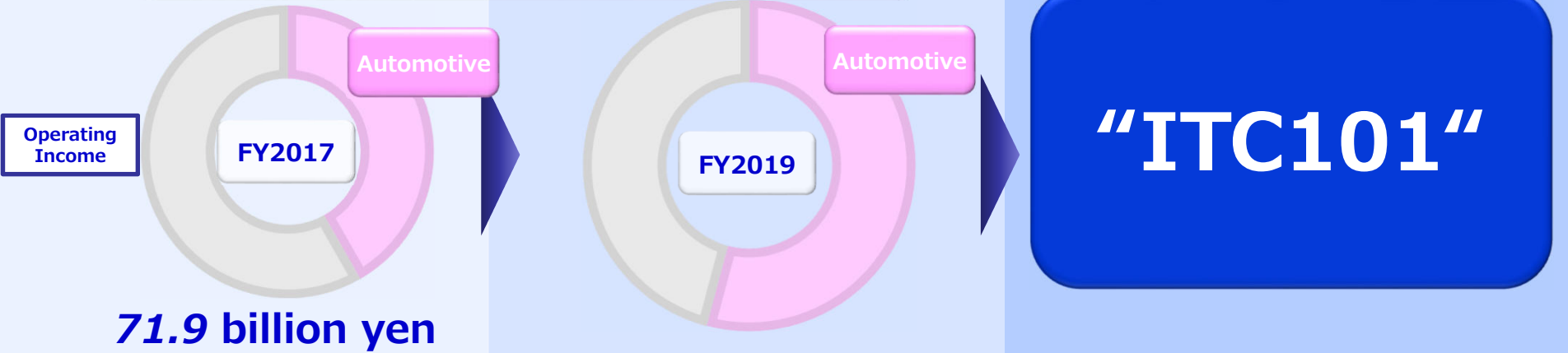
Evolution Into a “T-shaped Company”



Post-integration Medium- to Long-Term Target "ITC101"



Operating income from Automotive Business:
Aiming for an increase from the 40-45% range in FY2017 to over 50% in FY2019



* ITC101 : Innovative T-shaped Company with 10% operating income margin and 1 trillion yen sales
(A medium- to long-term target to achieve 10% operating income margin and net sales of 1 trillion yen)

Progress on the Business Integration and Medium- to Long-Term Target

Medium- to Long-Term Business Target

- Create a new business of 150 billion yen: New business domains in the automotive market (CASE+Premium HMI) and EHII
- Evolve into a “T-shaped Company” and achieve the “ITC101” target

Progress on the Business Integration



Directors After the Business Integration (On and after January 1, 2019)*1 *2 *3 *4

◎ in the below table indicates outside directors

| Name | Title | Current Positions, etc. (as of April 26, 2018) |
|---------------------|---|---|
| Toshihiro Kuriyama | Representative Director | Representative Director and President of Alps Electric (Present) |
| Nobuhiko Komeya | Representative Director | Representative Director and President of Alpine (Present) |
| Takashi Kimoto | Director | Senior Managing Director of Alps Electric (Present) |
| Koichi Endo | Director | Managing Director of Alpine (Present) |
| Yoichiro Kega | Director | Director of Alps Electric (Present) |
| ◎ Satoshi Kinoshita | Director | President and CEO of Tungaloy Corporation (Present) |
| Junichi Umehara | Director (Audit and Supervisory Committee Member) | Director of Alps Electric (Present) |
| Shinji Maeda | Director (Audit and Supervisory Committee Member) | Senior Executive of Alpine (Present) |
| ◎ Takashi Iida | Director (Audit and Supervisory Committee Member) | Attorney-at-law (Kowa Law Office) Director (Audit and Supervisory Committee Member) of Alps Electric (Present) |
| ◎ Satoko Hasegawa | Director (Audit and Supervisory Committee Member) | Attorney-at-law (STW & Partners) Director and Member of Audit and Supervisory Committee of Alpine (Present) |
| ◎ Kazuya Nakaya | Director (Audit and Supervisory Committee Member) | Executive Advisor, Healthcare Business Headquarters of Konica Minolta, Inc. (Present) |
| ◎ Yoko Toyoshi | Director (Audit and Supervisory Committee Member) | Certified Public Accountant Partner of Deloitte Touche Tohmatsu LLC (Present) |

- * 1: On the condition that the Share Exchange will have taken effect, subject to the approval of the extraordinary general meeting of shareholders of Alpine scheduled to be held in mid-December 2018.
- * 2: The details of the corporate officer system which was announced on February 27, 2018 will be disclosed as soon as they are determined through the discussions between the Companies.
- * 3: For the "changes to officers" of Alps Electric during the period between the day of the 85th ordinary general meeting of shareholders of Alps Electric scheduled to be held in late June 2018 and the day before the reorganization date (scheduled to be December 31, 2018), please see "Consolidated Financial Results for the Fiscal Year Ended March 31, 2018" disclosed today (Japanese only).
- * 4: For the "change of representative director" of Alps Electric, please see "Announcement Regarding the Change of Representative Director" disclosed today.

Disclaimer

Alps Electric Co., Ltd. ("Alps Electric") may file a registration statement on Form F-4 ("Form F-4") with the U.S. Securities and Exchange Commission (the "SEC") in connection with the possible share exchange (the "Share Exchange") with Alpine Electronics, Inc. ("Alpine" and, together with Alps Electric, the "Companies"). The Form F-4 (if filed) will contain a prospectus and other documents. If a Form F-4 is filed and declared effective, the prospectus contained in the Form F-4 will be mailed to U.S. shareholders of Alpine prior to the shareholders' meeting at which the Share Exchange will be voted upon. The Form F-4 and prospectus (if a Form F-4 is filed) will contain important information about the Companies, the Share Exchange and related matters. U.S. shareholders of Alpine are urged to read the Form F-4, the prospectus and other documents that may be filed with the SEC in connection with the Share Exchange carefully before they make any decision at the shareholders' meeting with respect to the Share Exchange. Any documents filed with the SEC in connection with the Share Exchange will be made available when filed, free of charge, on the SEC's website at www.sec.gov. In addition, upon request, the documents will be mailed to shareholders for free of charge. To make a request, please refer to the following contact information.

Company name: Alps Electric Co., Ltd.
Address: 1-7, Yukigaya-otsukamachi, Ota-ku, Tokyo, Japan
Department in charge: Junji Kobayashi,
Senior Manager, Corporate Planning Office
Telephone: +81-3-5499-8026 (IR Direct)

Company name: Alpine Electronics, Inc.
Address: 1-7, Yukigaya-otsukamachi, Ota-ku, Tokyo
Department in charge: Shinji Yamazaki,
Senior Manager, Finance and Public
Relations Department
Telephone: +81-3-5499-4391 (IR Direct)

Forward-Looking Statements

This document includes “forward-looking statements” that reflect the plans and expectations of Alps Electric and Alpine in relation to, and the benefits resulting from, their business integration described above. To the extent that statements in this document do not relate to historical or current facts, they constitute forward-looking statements. These forward-looking statements are based on the current assumptions and beliefs of the Companies in light of the information currently available to them, and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause the actual results, performance, achievements or financial position of one or both of the Companies (or the integrated group) to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements.

The Companies undertake no obligation to publicly update any forward-looking statements after the date of this document. Investors are advised to consult any further disclosures by the Companies (or the integrated group) in their subsequent domestic filings in Japan and filings with the U.S. Securities and Exchange Commission.

The risks, uncertainties and other factors referred to above include, but are not limited to:

- (1) economic and business conditions in and outside Japan;
- (2) changes in demand for and material prices of automobiles, smart phones and consumer electrical equipment and machines, which are the main markets of the Companies’ products, and changes in exchange rates;
- (3) changes in the competitive landscape, including the changes in the competition environment and the relationship with major customers;
- (4) further intensified competition in the electronic components business, automotive infotainment business and logistics business;
- (5) increased instability of the supply system of a certain important components;
- (6) change in the product strategies or other similar matters, cancellation of a large-quantity order, or bankruptcy, of the major customers;
- (7) costs and expenses, as well as adverse impact to the group’s reputation, resulting from any product defects;
- (8) suspension of licenses provided by other companies of material intellectual property rights;
- (9) changes in interest rates on loans and other indebtedness of the Companies, as well as changes in financial markets;
- (10) adverse impact to liquidity due to acceleration of indebtedness;
- (11) changes in the value of assets (including pension assets) such as securities and investment securities;
- (12) changes in laws and regulations (including environmental regulations) relating to the Companies’ business activities;
- (13) increases in tariffs, imposition of import controls and other developments in the Companies’ main overseas markets;
- (14) unfavorable political factors, terrorism, war and other social disorder;
- (15) interruptions in or restrictions on business activities due to natural disasters, accidents and other causes;
- (16) environmental pollution countermeasures costs;
- (17) violation of laws or regulations, or the filing of a lawsuit;
- (18) the Companies being unable to complete the business integration due to reasons such as the Companies are not able to implement the necessary procedures including approval of the agreement with regard to the business integration by the shareholders’ meetings of the Companies, and any other reasons;
- (19) delays in the review process by the relevant competition law authorities or the clearance of the relevant competition law authorities’ or other necessary approvals’ being unable to be obtained; and
- (20) inability or difficulty of realizing synergies or added values by the business integration by the integrated group.