Consolidated Financial Statements (Japan GAAP)
for the Nine Months Ended December 31, 2011

January 31, 2012

Listed Company Name: Alpine Electronics, Inc.
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Expected Date for Submission of Quarterly Report: February 13, 2012
Expected Date for Commencement of Dividend Payout: —
Materials Prepared to Supplement the Consolidated Financial Statements: No
Quarterly Presentation of Business Results Meeting Held: No

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

1. Financial Results for the First Nine Months of the Fiscal Year Ending March 31, 2012
(April 1, 2011, to December 31, 2011)

(1) Consolidated Operating Results

(Millions of yen unless otherwise stated)

	Net Sales		Operating Income		Ordinary Income		Net Income	
Nine Months Ended December 31, 2011	145,434	(1.3%)	4,562	(53.4%)	4,534	(48.7%)	2,967	(54.8%)
Nine Months Ended December 31, 2010	147,397	22.3%	9,783	—	8,841	—	6,567	—

Note: Comprehensive income (loss)
Nine months ended December 31, 2011: (¥1,027 million) (—%)
Nine months ended December 31, 2010: ¥2,200 million (—%)

	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)
Nine Months Ended December 31, 2011	42.53	—
Nine Months Ended December 31, 2010	94.14	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio (%)	Net Assets per Share (Yen)
December 31, 2011	151,588	96,338	63.1	1,370.32
March 31, 2011	153,783	98,759	63.7	1,403.69

[Reference] Shareholders' equity
Nine months ended December 31, 2011: ¥95,604 million
Fiscal year ended March 31, 2011: ¥97,928 million

2. Dividends

	Dividends per Share (Yen)				
Date of Record	End of First Quarter	End of Second Quarter	End of Third Quarter	End of Fiscal Year	Full Fiscal Year
Fiscal Year Ended March 31, 2011	—	10.00	—	10.00	20.00
Fiscal Year Ending March 31, 2012	—	10.00	—		
Fiscal Year Ending March 31, 2012 (Forecast)				10.00	20.00

(Note) Changes in dividend forecasts during the quarter under review: None

3. Projections for Fiscal Year Ending March 31, 2012 (April 1, 2011, to March 31, 2012)

Percentages represent increases from the corresponding period of the previous year.

(Millions of yen, unless otherwise states)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income Per Share (Yen)
Fiscal Year Ending March 31, 2012	200,000	(0.6%)	5,000	(55.2%)	5,000	(53.6%)	3,000	(50.2%)	43.00

(Note) Changes in projections during the quarter under review: Yes

4. Others

(1) Changes in material subsidiaries during the period (changes in specific subsidiaries affecting the scope of consolidation): No
Note: Indicates whether changes in specific subsidiaries affecting the scope of consolidation have been made.

(2) Application of simplified methods of accounting and accounting methods specific to the preparation of quarterly financial statements: No

(3) Changes in accounting principles, accounting estimates, Re-presentation of revisions, etc.
1) Changes due to revisions to accounting standards, etc.: No
2) Changes other than 1): No
3) Changes in accounting estimates: No
4) Re-presentation of revisions: No

(4) Average number of outstanding shares (ordinary shares)
1) Number of shares outstanding as of the end of the period (including treasury shares)
Nine months ended December 31, 2011: 69,784,501
Fiscal year ended March 31, 2011: 69,784,501
2) Number of treasury shares as of the end of the period
Nine months ended December 31, 2011: 16,752
Fiscal year ended March 31, 2011: 19,062
3) Average number of shares during the period (cumulative figure for consolidated quarterly accounting period)
Nine months ended December 31, 2011: 69,766,051
Nine months ended December 31, 2010: 69,764,622

Note: Disclosure of Implementation Status of Quarterly Review Procedures

This report of quarterly financial results is outside the scope of the quarterly review procedures prescribed in the Financial Instruments and Exchange Act. As of the date of this report, the quarterly review procedures prescribed in the Financial Instruments and Exchange Act were not complete.

Notes: Cautionary Statements Regarding Performance Forecasts

(1) Revisions have been made to the performance forecasts announced on October 31, 2011.
(2) The forecasts and future projections stated above have been prepared on the basis 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 a variety of factors.

1. Consolidated Business Results

(1) Qualitative Information Regarding Consolidated Business Results

During the third quarter of the fiscal year ending December 31, 2011, in Japan, the Great East Japan Earthquake caused industrial activity to decline in numerous sectors; however, normalization of supply chains progressed and signs of rebuilding could be seen. In addition to the appreciation of the yen at unprecedented levels, production output has been affected by the flooding in Thailand, which is a base for the Japanese manufacturing companies. Therefore, corporate profits continued to suffer. On the other hand, the US economy started to show a gradual recovery including such as a decline in the unemployment rate; however, the recurring financial crisis for Euro members became a concern, economic growth in developing countries such as India and China was slowing, oil prices were moving higher, and uncertainty regarding the future of the world economy continued.

The automobile industry was recovering from the Great East Japan Earthquake, and production was returning to normal, however, the flooding in Thailand forced a review of the initially projected levels of production.

Against this backdrop, although Alpine suffered from a shortage of parts due to those natural disasters, we kept our production at stable levels and focused on selling high-value added products and developing new products meeting market needs. In particular, we focused on in-car devices and connectivity to smartphones and released an in-car infotainment system based on "MirrorLink" which is a new smartphone standard of Nokia, a leading provider of mobile communication devices. Furthermore, in order to strengthen our research of cloud computing, we established a new base in San Jose, California in the United States, which is the research and development capital of automakers and the IT industry. We also proactively participated as an exhibitor in foreign motor shows including Shanghai and Frankfurt to promote the Alpine brand, and we made technical proposals and provided information on new models to automakers. Through these measures, we aimed to expand our business.

As a result, during the nine-month period ended December 31, 2011, consolidated net sales were down 1.3% year on year, to ¥145.4 billion. Operating income fell 53.4%, to ¥4.5 billion, ordinary income dropped 48.7%, to ¥4.5 billion, and net income amounted to ¥2.9billion, down 54.8%.

Segment information is summarized below. Sales figures indicate sales to external customers.

Audio Products Segment

In the Audio Products segment, sales in Japan and Europe of high-quality speakers and amplifiers that feature clear cabin audio playback were robust. However, owing to increasingly intense price competition, sales in the European and the United States market of head units, chiefly CD players, were severe.

In the OEM market, sales fell since our mainstay customers decreased production due to the Great East Japan Earthquake and flooding in Thailand.

Accordingly, segment sales declined 21.2%, to ¥40.4 billion from the previous corresponding period.

Information and Communication Products Segment

In the domestic market, competition intensified with attempts by competitors to strengthen product lineups. However, we achieved strong sales due to the success of promotional campaigns for the "BIG X" and "Perfect Fit" solutions. "BIG X" enjoys an excellent reputation as a differentiated product in the market and received the 2011 Good Design Award. Furthermore, sales were also positive in the European and U.S. markets, owing to positive customer response to the strong cost performance of our affordably priced navigation systems. However, sales decreased due to the aggressive marketing strategies of our competitors and deteriorating market conditions.

In the OEM market, production cutbacks among our major customers affected sales to automakers. However, sales of new models were strong to high-end European car manufacturers in North America and China. Furthermore, installation rates are recovering for such highly functional items as navigation and display products, pushing up sales.

Owing to these factors, sales in this segment grew 9.3%, to ¥104.9 billion.

(2) Qualitative Information Regarding Consolidated Financial Position

Total assets fell ¥2.1 billion to ¥151.5 billion as of December 31, 2011 in comparison with March 31, 2011, while net assets fell 2.4 billion, to ¥96.3 billion. As a result, the equity ratio was 63.1%. Primary factors behind this change were a ¥3.5 billion decrease in cash and deposits, a ¥0.5 billion rise in notes and accounts receivable–trade, a ¥3.4 billion rise in inventories, a ¥2.4 billion higher short-term loans receivable, and the combination of which caused current assets to climb ¥3.4 billion. Total noncurrent assets fell ¥5.6 billion, stemming from a ¥1.1 billion decline in property, plant and equipment, and a ¥1.2 billion decrease in intangible assets and a ¥2.6 billion decrease in investment securities.

Total current liabilities increased by ¥7.2 billion with notes and accounts payable–trade rising ¥5.1 billion, current portion of long-term loans payable rising ¥5.4 billion, accrued expenses falling ¥0.7 billion, provision for bonuses falling ¥0.5 billion, and provision for losses due to disaster decreasing ¥0.5 billion.

Noncurrent liabilities were down ¥7.0 billion, led by a ¥5.4 billion decline in long-term loans payable, which was transferred to current portion of long-term loans payable in current liabilities, and by a ¥1.5 billion decline in deferred tax liabilities, etc.

(3) Qualitative Information Regarding Consolidated Performance Forecasts

For information regarding our consolidated performance forecasts, please refer to the announcement dated today (January 31, 2012) titled "Notification of Revisions to Performance Forecasts."

(Consolidated Performance Forecasts for the Fiscal Year Ending March 31, 2012)

Net Sales:	¥200,000 million (0.6% decline from the previous period)
Operating Income:	¥5,000 million (55.2% decline from the previous period)
Ordinary Income:	¥5,000 million (53.6% decline from the previous period)
Net Income:	¥3,000 million (50.2% decline from the previous period)

2. Items Regarding Summary Information (Others)

(1) Transfer of major subsidiaries during the scope of consolidation of this quarter

None

(2) Applying accounting procedures specific to preparing quarterly financial statements

None

(3) Restatement of changes in accounting principles/changes and revisions in accounting estimate

None

3. Consolidated Quarterly Financial Statements (Summary)

(1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	March 31, 2011	December 31, 2011
ASSETS		
Current assets		
Cash and deposits	44,049	40,515
Notes and accounts receivable–trade	28,192	28,757
Merchandise and finished goods	14,202	16,707
Work in process	1,244	1,162
Raw materials and supplies	6,033	7,059
Deferred tax assets	2,062	1,954
Other	7,396	10,449
Allowance for doubtful accounts	(248)	(240)
Total current assets	**102,931**	**106,365**
Noncurrent Assets		
Property, plant and equipment		
Buildings and structures	22,817	22,684
Accumulated depreciation	(14,069)	(14,427)
Buildings and structures, net	8,747	8,257
Machinery, equipment and vehicles	15,783	15,703
Accumulated depreciation	(11,271)	(11,575)
Machinery, equipment and vehicles, net	4,511	4,128
Tools, furniture, fixtures and dies	49,234	49,205
Accumulated depreciation	(45,548)	(45,787)
Tools, furniture, fixtures and dies, net	3,685	3,418
Land	4,810	4,773
Lease assets	287	120
Accumulated depreciation	(174)	(35)
Lease assets, net	112	84
Construction in progress	173	238
Total property, plant and equipment	**22,042**	**20,901**
Intangible assets	**4,546**	**3,332**
Investments and other assets		
Investment securities	21,151	18,532
Deferred tax assets	341	212
Other	2,784	2,257
Allowance for doubtful accounts	(13)	(13)
Total investments and other assets	**24,264**	**20,989**
Total noncurrent assets	**50,852**	**45,223**
Total assets	**153,783**	**151,588**

(Millions of yen)

	March 31, 2011	December 31, 2011
LIABILITIES		
Current liabilities		
Notes and accounts payable–trade	21,287	26,453
Short-term loans payable	47	121
Current portion of long-term loans payable	−	5,400
Income taxes payable	1,017	867
Accrued expenses	8,385	7,587
Deferred tax liabilities	196	228
Provision for bonuses	1,642	1,049
Provision for directors' bonuses	54	30
Provision for product warranties	4,777	4,235
Provision for losses due to disaster	808	214
Other	3,965	3,250
Total current liabilities	**42,183**	**49,438**
Noncurrent liabilities		
Long-term loans payable	5,400	−
Deferred tax liabilities	4,628	3,119
Provision for retirement benefits	734	765
Provision for directors' retirement benefits	616	610
Other	1,460	1,316
Total noncurrent liabilities	**12,841**	**5,811**
Total liabilities	**55,024**	**55,249**
NET ASSETS		
Shareholders' equity		
Capital stock	**25,920**	**25,920**
Capital surplus	**24,905**	**24,905**
Retained earnings	**51,796**	**53,367**
Treasury stock	**(27)**	**(24)**
Total shareholders' equity	**102,595**	**104,169**
Other comprehensive income		
Valuation difference on available-for-sale securities	**4,839**	**3,388**
Deferred gains or losses on hedges	**−**	**190**
Revaluation reserve for land	**(1,310)**	**(1,310)**
Foreign currency translation adjustment	**(8,195)**	**(10,834)**
Total Other comprehensive income	**(4,666)**	**(8,565)**
Minority interests	**830**	**734**
Total net assets	**98,759**	**96,338**
Total liabilities and net assets	**153,783**	**151,588**

(2) Consolidated Quarterly Statements of Income and Comprehensive Income

(Millions of yen)

	Nine Months Ended December 31, 2010	Nine Months Ended December 31, 2011
Net sales	147,397	145,434
Cost of sales	114,636	119,301
Gross profit	**32,761**	**26,133**
Selling, general and administrative expenses	22,977	21,570
Operating income	**9,783**	**4,562**
Non-operating income		
Interest income	115	161
Dividends income	204	217
Equity in earnings of affiliates	549	445
Other	231	213
Total non-operating income	1,100	1,037
Non-operating expenses		
Interest expenses	150	94
Foreign exchange loss	1,373	551
Sales discounts	85	70
Commission fees	164	94
Other	268	254
Total non-operating expenses	2,042	1,065
Ordinary income	**8,841**	**4,534**
Extraordinary income		
Gain on sales of noncurrent assets	48	38
Gain on sales of investment securities	—	4
Reversal of allowance for doubtful accounts	95	—
Gain on settlement and valuation of options	102	—
Subsidy for employment adjustment	—	157
Proceeds from accident insurance	—	97
Disaster relief money	—	17
Other	—	3
Total extraordinary income	245	318
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	42	42
Loss on valuation of investment securities	2	1
Provision for product warranties	124	—
Provision for product warranties in prior periods	50	—
License fee on prior periods	—	101
Other	2	2
Total extraordinary losses	222	148
Income before income taxes and minority interests	**8,865**	**4,705**
Income taxes–current	1,958	1,795
Income taxes–deferred	307	(30)
Total income taxes	2,265	1,764
Income before minority interests	6,599	2,940
Minority interests in income (loss)	**31**	**(26)**
Net income	**6,567**	**2,967**
Minority interests in income (loss)	**31**	**(26)**

(Millions of yen)

	Nine Months Ended December 31, 2010	Nine Months Ended December 31, 2011
Income before minority interests	6,599	2,940
Other comprehensive income		
Valuation difference on available-for-sale securities	(171)	(1,450)
Deferred gains or losses on hedges	—	190
Foreign currency translation adjustment	(3,870)	(2,564)
Share of other comprehensive income of associates accounted for using equity method	(356)	(143)
Total other comprehensive income	(4,399)	(3,967)
Comprehensive income	2,200	(1,027)
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	2,223	(930)
Comprehensive income attributable to minority interests	(23)	(96)

(3) Notes related to the assumption of an ongoing concern

Nothing to report.

(4) Segment Information

1) Net Sales and Operating Income (Loss) by Reporting Segment for the Third Quarter of the Fiscal Year Ended March 31, 2011 (April 1, 2010, to December 31, 2010)

(Millions of yen)

	Reporting Segments			Adjustments (Note)	Consolidated
	Audio Products Segment	Information and Communication Products Segment	Total		
Net Sales					
Outside Customers	51,344	96,052	147,397	—	147,397
Within Consolidated Group	484	117	602	(602)	—
Total	51,829	96,170	148,000	(602)	147,397
Segment Operating Income	4,024	9,293	13,318	(3,534)	9,783

Note: The negative ¥3,534 million adjustment to segment operating income is for companywide expenses that are not allocated to reporting segments. Companywide expenses comprise mainly non-segment corporate administrative and research and development costs.

2) Net Sales and Operating Income (Loss) by Reporting Segment for the Third Quarter of the Fiscal Year Ending March 31, 2012 (April 1, 2011, to December 31, 2011)

(Millions of yen)

	Reporting Segments			Adjustments (Note)	Consolidated
	Audio Products Segment	Information and Communication Products Segment	Total		
Net Sales					
Outside Customers	40,436	104,997	145,434	—	145,434
Within Consolidated Group	577	144	721	(721)	—
Total	41,014	105,141	146,155	(721)	145,434
Segment Operating Income	928	6,827	7,756	(3,194)	4,562

Note: The negative ¥3,194 million adjustment to segment operating income is for companywide expenses that are not allocated to reporting segments. Companywide expenses comprise mainly non-segment corporate administrative and research and development costs.

(5) Notes Concerning Significant Changes in Shareholders' Equity

Nothing to report.