



April 21, 2017

Company Name: **Alpine Electronics, Inc.**
Representative: Nobuhiko Komeya, President
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Notice of Absorption-Type Merger of Consolidated Subsidiary

Alpine Electronics, Inc. (the “Company”) had previously announced via the “Notice of Absorption-Type Merger of Consolidated Subsidiary and Merger between Consolidated Subsidiaries” dated November 24, 2016, that a resolution of the Board of Directors had been made on November 22, 2016, to execute an absorption-type merger, effective April 1, 2017, whereby the Company’s wholly owned consolidated subsidiary ALPINE GIKEN INC. (hereinafter “ALPINE GIKEN”) would be merged into the Company; however, it has been ascertained that this merger has not become effective and that the relevant merger agreement has been invalidated as procedures for protection of creditors relating to this merger were insufficient. Thus at the meeting of the Board of Directors, held on April 21, 2017, a resolution was made once more to execute an absorption-type merger of ALPINE GIKEN into the Company, effective June 16, 2017 (hereinafter this “Merger”). The details are as follows.

The absorption-type merger of ALPINE GIKEN is a simplified merger with a wholly owned subsidiary. Therefore, the disclosure information is stated with certain omissions.

1. Purpose of business reorganization

ALPINE GIKEN designs in-vehicle electronic components and develops software for the Company’s brands and domestic automakers. Through this Merger, ALPINE GIKEN will be merged into the Company to consolidate these functions with those of the Company in order to strengthen development functions and improve development efficiency.

2. Overview of the merger

(1) Merger schedule

Resolution of merger at a meeting of the Board of Directors	April 21, 2017
Signing of merger agreement	April 21, 2017
Date of merger (effective date)	June 16, 2017 (planned)

* This Merger is a simplified merger with respect to the Company, in accordance with Article 796, paragraph 2 of the Companies Act, and a short-form merger with respect to ALPINE GIKEN, in accordance with Article 784, paragraph 1 of the Companies Act. Neither of the mentioned types of merger requires approval by a General Meeting of Shareholders. Therefore, the mentioned companies will execute this Merger without such approval.

(2) Merger method

The planned method of merger is an absorption-type merger, whereby the Company will be the surviving company and ALPINE GIKEN will be dissolving.

(3) Details concerning allotments related to the merger

The Company holds all of the issued shares of ALPINE GIKEN. Therefore, upon this Merger, the Company will not deliver shares or any other cash, etc.

(4) Handling of the disappearing company's subscription rights to shares and bonds with subscription rights to shares

No items to report.

3. Outline of the parties to the merger

	Surviving company in absorption-type merger	Disappearing company in absorption-type merger
(i) Name	Alpine Electronics, Inc.	ALPINE GIKEN, INC.
(ii) Address	1-1-8 Nishi-Gotanda, Shinagawa-ku, Tokyo	1-58 Yoshima-Kogyodanchi, Iwaki City, Fukushima
(iii) Title or name of representative	Nobuhiko Komeya, President	Yoshiyuki Nakatomi, President
(iv) Business activities	Manufacture and sale of audio products and information and communication products	Development and design of audio products and information and communication products
(v) Capital	¥25,920 million	¥265 million
(vi) Date of establishment	May 10, 1967	October 1, 1993
(vii) Total number of issued shares	69,784,501 shares	4,300 shares
(viii) Fiscal year-end	March 31	March 31
(ix) Major shareholders and shareholding ratios	ALPS ELECTRIC CO., LTD. 40.43% STATE STREET BANK CLIENT OMNIBUS OM04 3.67% Japan Trustee Services Bank, Ltd. (Trust Account) 3.51% NORTHERN TRUST CO. (AVFC) RE IEDU UCITS CLIENTS NON LENDING 15PCT TREATY ACCOUNT 3.10%	The Company 100%
(x) Financial position and operating results for the previous fiscal year		
Fiscal year	Ended March 31, 2016 (consolidated)	Ended March 31, 2016 (non-consolidated)
Net assets	¥143,805 million	¥849 million
Total assets	¥205,182 million	¥1,529 million
Net assets per share	¥2,059.72	¥197,448.34
Net sales	¥273,056 million	¥3,062 million
Operating income	¥5,434 million	¥55 million
Ordinary income	¥6,170 million	¥56 million
Profit attributable to owners of parent	¥10,698 million	¥31 million
Basic earnings per share	¥155.14	¥7,391.49

4. Post-merger status

There will be no change to the Company's name, address, title or name of representative, business activities, stated capital, or fiscal year-end due to this Merger.

5. Future outlook

The impact of this Merger on the Company and its consolidated operating results will be immaterial.