

Results Briefing FY2012 3Q

ALPS ELECTRIC CO., LTD.

Perfecting the Art of Electronics

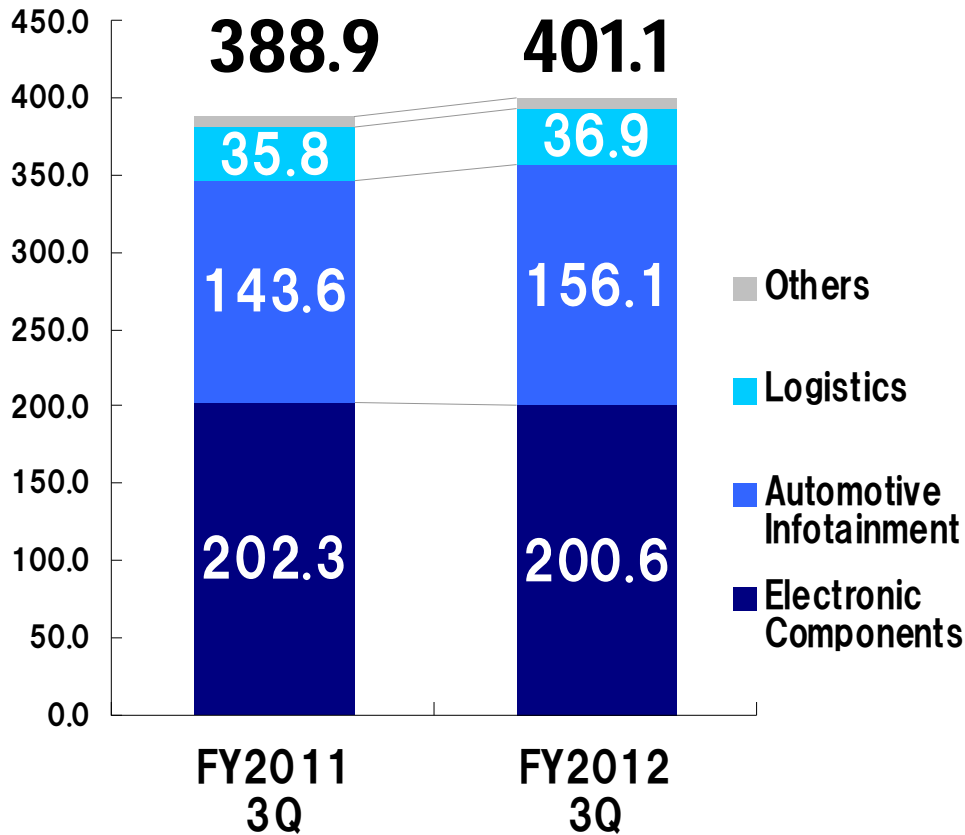
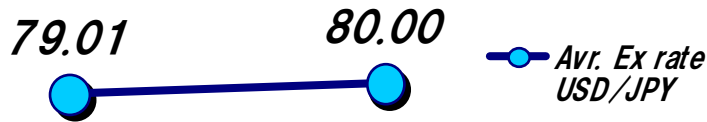
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1. Summary

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	FY2011 3Q Accumulated Results		FY2012						3Q Accumulated Results		Difference vs. FY2011 3Q Accumulated		Difference vs. FY2012 2Q	
			1Q Results		2Q Results		3Q Results							
Electronic Components	202.3		64.0		68.1		68.4		200.6		-1.6	-0.8%	0.3	0.5%
(Automotive market)	(100.4)		(35.5)		(32.9)		(32.8)		(101.3)		(0.8)	0.9%	(-0.0)	-0.2%
(Consumer market)	(101.8)		(28.4)		(35.2)		(35.6)		(99.3)		(-2.5)	-2.5%	(0.3)	1.1%
Automotive Infotainment	143.6		54.5		48.3		53.2		156.1		12.5	8.7%	4.9	10.2%
Logistics	35.8		12.1		12.2		12.5		36.9		1.0	2.8%	0.2	2.4%
Others	7.0		2.4		2.5		2.5		7.4		0.3	5.6%	0.0	-0.1%
Net Sales	388.9	100.0%	133.1	100.0%	131.2	100.0%	136.7	100.0%	401.1	100.0%	12.2	3.2%	5.5	4.2%
Electronic Components	3.2		-2.3		1.5		0.7		0.0		-3.3	-	-0.8	-52.8%
Automotive Infotainment	4.5		1.3		-0.2		0.5		1.7		-2.8	-61.9%	0.7	-
Logistics	2.8		1.1		0.7		1.1		3.0		0.1	5.4%	0.3	41.2%
Others	0.7		0.1		0.1		0.2		0.5		-0.2	-28.9%	0.1	165.8%
Eliminations	0.3		0.1		0.1		-0.1		0.2		0.0		-0.2	
Operating Income	11.7	3.0%	0.4	0.4%	2.3	1.8%	2.5	1.9%	5.4	1.3%	-6.3	-53.8%	0.2	9.6%
Ordinary Income	10.0	2.6%	-0.3	-0.2%	2.0	1.5%	3.4	2.5%	5.1	1.3%	-4.8	-48.8%	1.3	68.9%
Net Income	0.8	0.2%	-2.4	-1.8%	-0.2	-0.2%	-1.2	-0.9%	-3.9	-1.0%	-4.7	-	-1.0	-
USD/JPY	79.01		80.20		78.62		81.17		80.00		0.99		2.55	
EUR/JPY	110.64		102.91		98.36		105.25		102.17		-8.47		6.89	

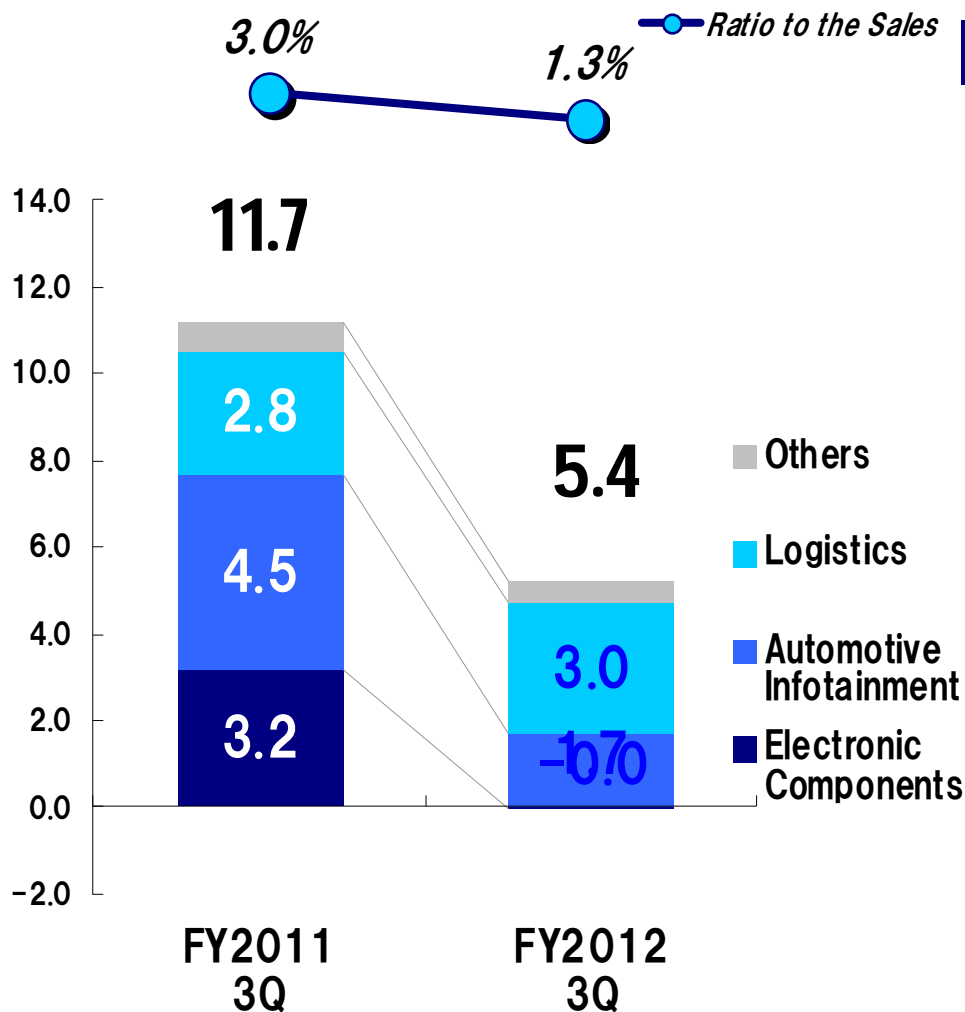
2. Change in Consolidated Sales



Change +12.2 Billion Yen

Excluding impact of exchange rates	12.5
Electronic Components	-2.3
Automotive Infotainment	13.5
Logistics	1.0
Others	0.3
Impact of exchange rates	-0.3
Electronic Components	0.7
Strong USD weak JPY	1.6
Weak EUR strong JPY	-1.1
Other currencie	0.2
Automotive Infotainment	-1.0
Strong USD weak JPY	0.7
Weak EUR strong JPY	-1.8

3. Change in Consolidated Operating Income

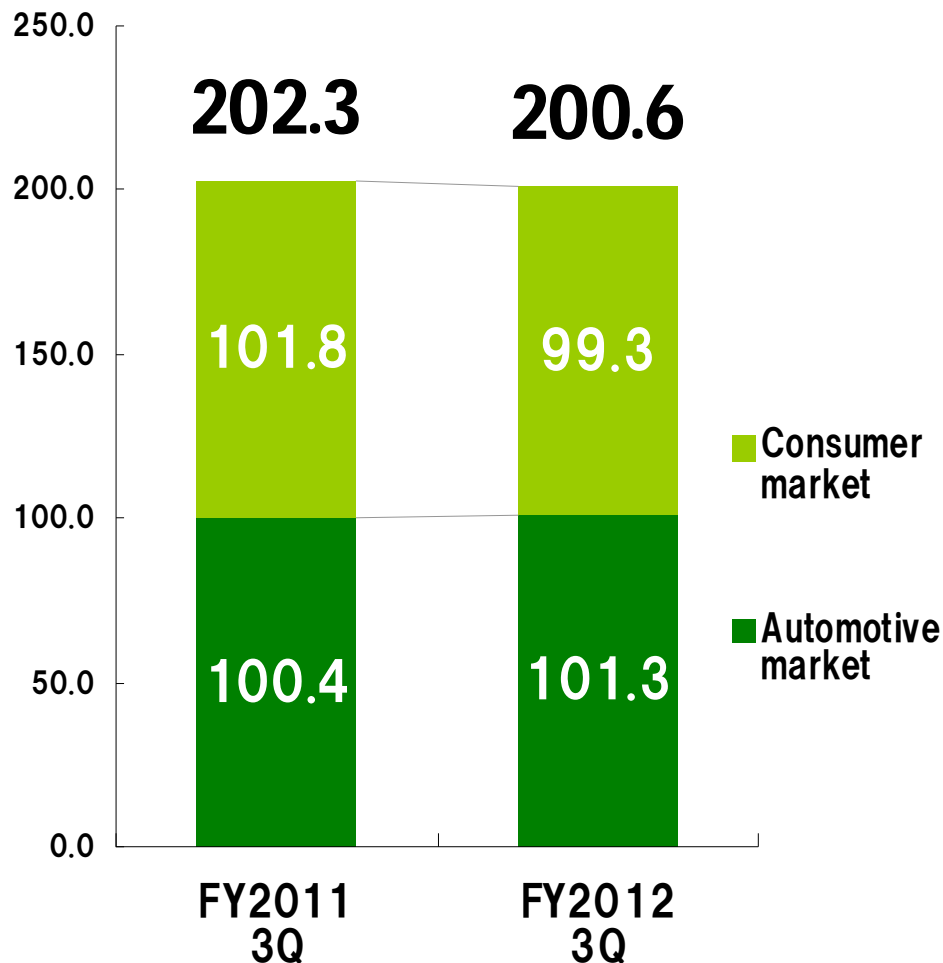


Change -6.3 Billion Yen

Excluding impact of exchange rates	-5.2
Electronic Components	-3.0
Automotive Infotainment	-2.0
Logistics	0.1
Others	-0.2
Impact of exchange rates	-1.1
Electronic Components	-0.3
Strong USD weak JPY	0.9
Weak EUR strong JPY	-0.6
Other currencie	-0.6
Automotive Infotainment	-0.8
Strong USD weak JPY	0.1
Weak EUR strong JPY	-0.9
Other currencie	0.0

4. Breakdown of Sales

[Electronic Components Segment]



Change -1.6 Billion Yen

Automotive market

(100.4 → 101.3 +0.8)

Earnings were up in the domestic market thanks to the bounce-back following the Great East Japan Earthquake and the floods in Thailand, as well as increased sales of new cars triggered by the eco-car subsidy program.

Overseas, sales only grew slightly due to the slowdown in the European economy and boycotts of Japanese cars in China.

Consumer and other markets

(101.8 → 99.3 -2.5)

Sales of products for digital equipment, such as televisions and personal computers, decreased due to market downturn.

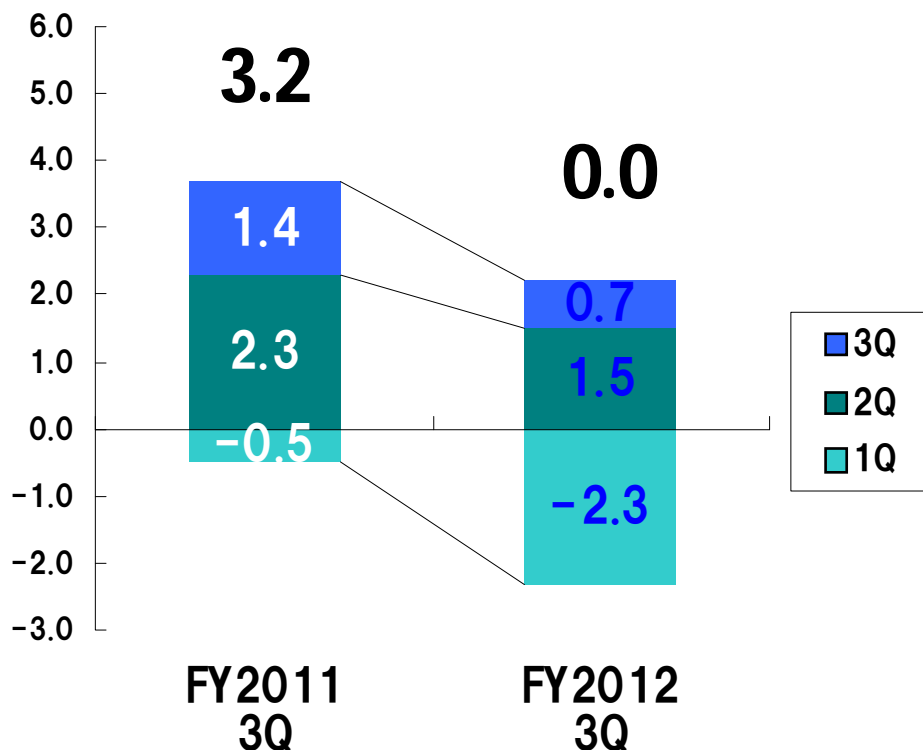
Sales of some component products, such as touch panels for smartphones, were less than originally planned due to changes in clients' production plans.

5. Change in Operating Income

[Electronic Components Segment]



Change -3.3 Billion Yen



Excluding impact of exchange rates	-3.0
Increase in sales	0.1
Deteriorated COGS ratio	-1.7
Increase in selling, general and administrative expenses	-1.4
Impact of exchange rates	-0.3
JPY depreciation against USD	0.9
JPY appreciation against EUR	-0.6
Other currencies	-0.6

6. Effect of Fluctuation of Exchange Rates

Amount Affected to Sales and Operating Income per Yen 1

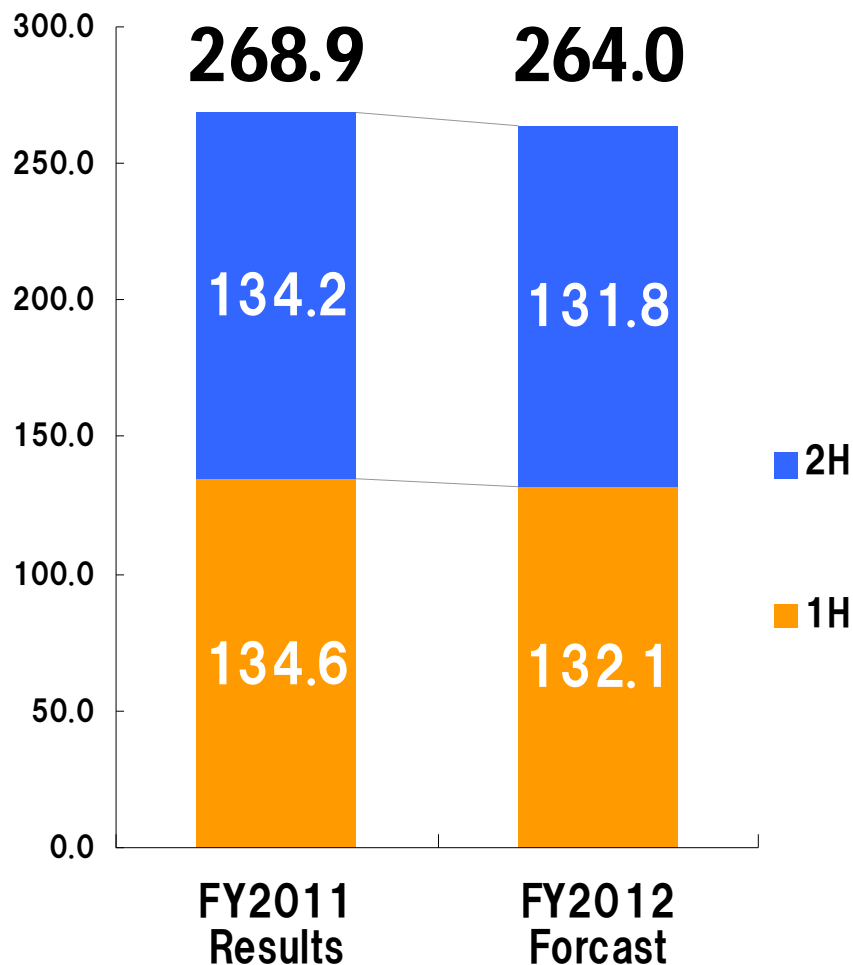
		USD	EUR
Consolidation Base	Sales	0.26	0.04
	Operating Income	0.06	0.02
Electronic Components Segment	Sales	0.18	0.02
	Operating Income	0.05	0.01

1. Summary

	FY2011		FY2012				Difference		Difference		Difference			
	Results		1H Results		2H Forecast		vs. FY2011		FY2012 (Oct. 01 2012)		vs. FY2012 1H			
Electronic Components	268.9		132.1		131.8		264.0		-4.9	-1.8%	267.0		-3.0	-1.1%
(Automotive market)	(132.4)		(68.4)		(68.5)		(137.0)		(4.5)	3.4%	(140.0)		(-3.0)	-2.1%
(Consumer market)	(136.4)		(63.7)		(63.2)		(127.0)		(-9.4)	-6.9%	(127.0)		(0.0)	-
Automotive Infotainment	200.2		102.8		115.1		218.0		17.7	8.9%	218.0		0.0	-
Logistics	47.9		24.3		25.0		49.4		1.4	2.9%	49.4		0.0	-
Others	9.3		4.9		4.6		9.6		0.2	2.8%	9.6		0.0	-
Net Sales	526.5	100.0%	264.3	100.0%	276.6	100.0%	541.0	100.0%	14.4	2.8%	544.0	100.0%	-3.0	-0.6%
Electronic Components	4.5		-0.8		1.2		0.4		-4.1	-91.3%	3.5		-3.1	-88.6%
Automotive Infotainment	5.6		1.1		1.8		3.0		-2.6	-46.8%	3.0		0.0	-
Logistics	3.7		1.9		2.0		4.0		0.2	7.8%	4.0		0.0	-
Others	0.4		0.2		0.2		0.5		0.0	5.9%	0.5		0.0	-15.3%
Eliminations	0.7		0.3		-0.2		0.1		-0.6		0.7		-0.6	
Operating Income	15.1	2.9%	2.8	1.1%	5.1	1.9%	8.0	1.5%	-7.1	-47.3%	11.8	2.2%	-3.8	-32.2%
Ordinary Income	14.3	2.7%	1.7	0.6%	4.7	1.7%	6.5	1.2%	-7.8	-54.7%	9.7	1.8%	-3.2	-33.0%
Net Income	4.1	0.8%	-2.6	-1.0%	-5.3	-1.9%	-8.5	-1.6%	-12.6	-	1.3	0.2%	-9.8	-
USD/JPY	79.08		79.41		83.09		81.25		2.17		78.21		3.05	
EUR/JPY	108.98		100.64		108.63		104.64		-4.34		100.32		4.32	

2. Breakdown of Sales

[Electronic Components Segment]



Change -4.9 Billion Yen

Automotive market

(132.4 → 137.0 +4.5)

Due to the sales promotions to each automaker, sales of component products, instrument panels, door modules, communication modules, etc. increased steadily.

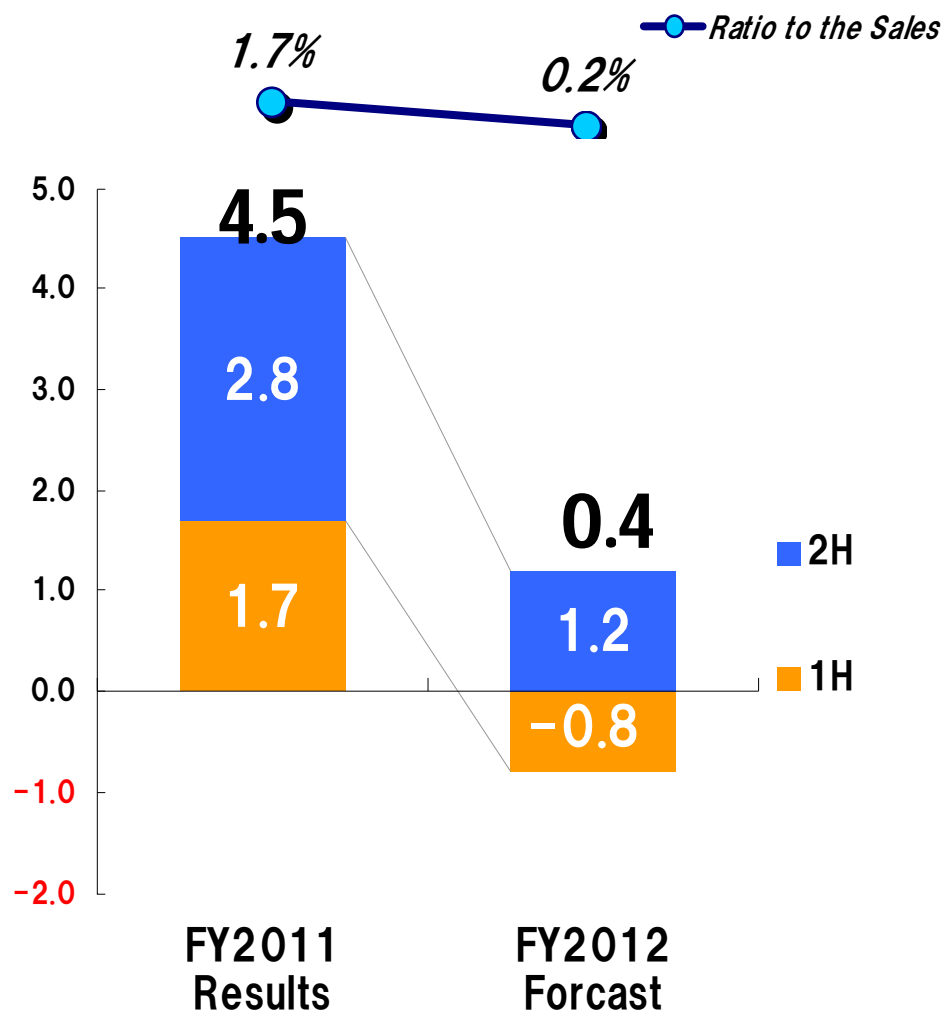
Consumer and other markets

(136.4 → 127.0 -9.4)

Sales of switches and camera actuators for smartphones increased.

Sales of products for other consumer markets remained weak.

3. Change in Operating Income [Electronic Components Segment]



Change -4.1 Billion Yen

Excluding impact of exchange rate	-3.2
Decrease in sales	-4.9
Improved COGS ratio	5.0
Increase in selling, general and administrative expenses	-3.3
Impact of exchange rates	-0.9
JPY depreciation against USD	0.8
JPY appreciation against EUR	-1.7
Other currencies	0.0

4. Causes of Net Loss [Consolidated]

Main aspects of the Electronic Components business affecting consolidated net income levels.

Measures aimed at improving the quality of the Electronic Components business

Consolidation and reduction of underperforming products	△3.0
Reduction of excess production capacity	△1.5

Income taxes—deferred

Reversal of deferred tax assets	△2.1
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Dividend Schedule

Interim	(30th Nov. 2012)	5.00 Yen (per share)
Year end		0.00 Yen (")
Total		5.00 Yen

Measures to strengthen the Electronic Components business

- Expansion of products for the automotive market
- Strengthening of smartphone-related products
- Expansion of sensor and IC composite products and reference design registration
- Expansion of global production and development bases
- Global reduction of workforce by 3,000 employees

The contents included in this presentation are based on currently available information. To the extent that statements in this presentation do not relate to historical or current facts, they constitute forward-looking statements based on current assumptions and beliefs. Alps Electric cannot guarantee the outcome of these forward-looking statements. Finally, the information in this presentation is not subject to inspection by certified public accountants.

Consolidated Financial Results FY2012 3Q (April 2012 - December 2012)

Basic Datas

January 2013

Alps Electric Co., Ltd.

1. Outline

(Unit : 100 million Yen)

	FY2011					FY2012				
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q	3 Q	4 Q (Est)	Total
Net Sales	1,219	1,349	1,320	1,375	5,265	1,331	1,312	1,367	1,398	5,410
Domestic	314	353	368	353	1,389	343	315	309	—	—
Overseas	904	995	952	1,022	3,875	988	997	1,058	—	—
Operating Income	22	51	43	34	151	4	23	25	25	80
Ordinary Income	16	40	43	43	143	△3	20	34	13	65
Net Income	△16	27	△3	33	41	△24	△2	△12	△45	△85

2. Net Sales (by segments)

(Unit : 100 million Yen)

	FY2011					FY2012				
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q	3 Q	4 Q (Est)	Total
Electronic Components	620	726	676	665	2,689	640	681	684	633	2,640
Automotive market	299	311	393	320	1,324	355	329	328	358	1,370
Consumer market	321	414	282	345	1,364	284	352	356	275	1,270
Automotive Infotainment※	460	478	497	566	2,002	545	483	532	618	2,180
Logistics	118	118	121	121	479	121	122	125	124	494
Others	20	25	24	22	93	24	25	25	21	96
Total	1,219	1,349	1,320	1,375	5,265	1,331	1,312	1,367	1,398	5,410

3. Operating Income

(Unit : 100 million Yen)

	FY2011					FY2012				
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q	3 Q	4 Q (Est)	Total
Electronic Components	△5	23	14	13	45	△23	15	7	4	4
Automotive Infotainment※	15	15	14	10	56	13	△2	5	12	30
Logistics	8	8	11	8	37	11	7	11	9	40
Others	2	2	2	△2	4	1	1	2	△0	5
Eliminations	1	1	0	4	7	1	1	△1	△1	1
Total	22	51	43	34	151	4	23	25	25	80

4. Capital Expenditures

(Unit : 100 million Yen)

	FY2011					FY2012				
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q	3 Q	4 Q (Est)	Total
Electronic Components	62	65	52	64	245	78	67	50	9	205
Automotive Infotainment※	8	12	12	19	53	16	18	13	22	71
Logistics	4	20	4	26	55	3	5	4	0	14
Others	1	1	2	2	7	2	1	1	0	4
Eliminations	△0	△0	△0	△21	△21	△1	△0	△0	△0	△1
Total	76	99	72	91	340	100	92	69	32	294

(Ref.) Estimate booked on the basis of order forecast including lease.

5. Depreciation Expenses

(Unit : 100 million Yen)

	FY2011					FY2012				
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q	3 Q	4 Q (Est)	Total
Electronic Components	26	25	27	28	108	30	32	35	35	134
Automotive Infotainment※	16	16	16	16	67	14	14	15	14	59
Logistics	4	4	4	5	18	4	4	4	5	19
Others	1	1	1	1	4	1	1	1	1	5
Eliminations	△0	△0	△0	△0	△1	△0	△0	△0	△0	△0
Total	48	47	50	51	197	50	53	57	56	218

6. R & D Expenses

(Unit : 100 million Yen)

	FY2011					FY2012				
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q	3 Q	4 Q (Est)	Total
Electronic Components	27	29	27	23	108	33	27	27	29	118
Automotive Infotainment※	41	44	40	45	172	40	45	39	41	166
Logistics	—	—	—	—	—	—	—	—	—	—
Others	0	0	0	0	0	0	0	0	0	0
Total	69	74	68	69	280	73	73	67	71	285

7. Inventories

(Unit : 100 million Yen)

	2011/6	2011/9	2011/12	2012/3		2012/6	2012/9	2012/12
Electronic Components	377	367	406	408		419	407	437
Automotive Infotainment※	233	243	249	270		288	326	346
Logistics	12	12	14	13		12	10	8
Others	0	0	0	0		0	0	1
Eliminations	△0	△0	△0	△0		△0	△0	△1
Total	624	623	670	691		720	745	792

8. Employees

(Unit : Person)

	2011/6	2011/9	2011/12	2012/3		2012/6	2012/9	2012/12
Electronic Components	21,027	19,986	19,831	19,760		20,059	20,060	19,629
Automotive Infotainment※	10,529	10,566	10,377	11,058		11,194	11,241	11,141
Logistics	4,446	4,469	4,543	4,542		4,600	4,626	4,714
Others	806	794	788	788		809	808	812
Total	36,808	35,815	35,539	36,148		36,662	36,735	36,296
(Non Consolidated)	5,671	5,617	5,593	5,493		5,615	5,548	5,533

(Ref.) All figures exclude temporary employees.

※Audio Equipment up to now, notation has been changed to "Automotive Infotainment".