

(Translation only)
Securities Identification Code: 6770
June 5, 2007

Notice to Shareholders

1-7, Yukigaya-Otsuka-cho, Ota-ku, Tokyo 145-8501
ALPS ELECTRIC CO., LTD.
President Masataka Kataoka

Notice of the 74th Ordinary General Meeting of Shareholders

Dear Shareholder,

We are pleased to inform you of the 74th General Meeting of Shareholders, to be held at the time and venue described below. We would be grateful if you were able to attend the meeting.

If you are unable to attend the meeting, you are kindly requested to consider the attached “Reference Documents for the General Meeting of Shareholders” and exercise your voting rights in one of the following ways.

[Exercise of voting rights by postal mail]

Please indicate your approval or disapproval for each of the proposals on the enclosed “Voting Rights Exercise Form,” and return the form to us by mail no later than 5.00pm, June 26 (Tuesday), 2007.

[Exercise of voting rights via the Internet]

With respect to the exercise of voting rights via the internet, please read the “Instructions for the Exercise of Voting Rights via the Internet” (pages 53 to 54, Japanese only), and exercise your voting rights no later than 5.00pm, June 26 (Tuesday), 2007.

Yours faithfully,
Masataka Kataoka
President

The 74th Ordinary General Meeting of Shareholders

1. Date and time: Wednesday, June 27, 2007, at 10:00 a.m.
2. Location: Alps Education Center Auditorium

2-28-8, Ishikawa-cho, Ota-ku, Tokyo, Japan
(Please refer to the attached map.)

3. Purpose of the Meeting:

Matters to be reported:

1. Business Report, Consolidated Financial Statements, Audit Reports of Consolidated Financial Statements by the Account Auditor and the Board of Corporate Auditors for the 74th fiscal year (from April 1, 2006 to March 31, 2007)
2. Financial Statements for the 74th fiscal year (from April 1, 2006 to March 31, 2007)

Matters to be resolved:

- | | |
|------------|--|
| Proposal 1 | Approval of the Proposed Appropriation of Surplus |
| Proposal 2 | Election of Four Directors |
| Proposal 3 | Election of One Alternate Auditor |
| Proposal 4 | Presentation of Retirement Allowance to Retiring Directors |

4. Reference to the exercise of voting rights, etc.

(1) Multiple exercise of voting rights

If voting rights are exercised simultaneously by sending the “Exercise of Voting Rights Form” by mail and via the Internet, the vote received via the Internet shall be deemed the valid vote. If voting rights are exercised more than once, the last vote shall be deemed the valid vote.

(2) Exercise of voting rights by proxy

If you are unable to attend the General Meeting of Shareholders, you may appoint another shareholder with voting rights to attend as your proxy. However, documents evidencing the right of representation must be submitted.

(3) Notification of Corrections of Information Contained in the Reference Document, Business Reports, Financial Statements or Consolidated Financial Statements

If it is necessary to correct information contained in the Reference Document, Business Reports, Financial Statements or Consolidated Financial Statements, the information as corrected will be published on the Company’s website (<http://www.alps.co.jp/>).

Note: Attendees are asked to present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the meeting.

You are also cordially invited to attend the shareholders’ conference to be held at the Dining Hall, the first floor of the Alps Education Center, after the General Meeting of Shareholders is adjourned.

Reference Document for the General Meeting of Shareholders

Agenda and reference items

Proposal 1 Approval of the Proposed Appropriation of Surplus

Our basic policy is to decide on earnings distribution based on the consolidated performance of the electronic components segment, with a balance between (i) returning profits to Shareholders, (ii) research and development and capital investment for future business expansion and improvements in competitiveness, and (iii) retained earnings.

Based on this policy, we would like to propose to pay a year-end dividend as described below.

1. Year-end dividends

(1) Type of dividend

Dividends shall be paid in cash.

(2) Allocation and the total amount of dividends

We propose to pay a dividend of ¥10 per share.

If approved, the total amount of dividends will be 1,792,278,670 yen.

As we have paid an interim dividend of ¥10 per share for the fiscal year under review, the full-year dividend will become ¥20 per share.

(3) Effective date for the dividend payment from Surplus

We propose that the effective date for the dividend payment will be June 28, 2007.

2. Other items related to the appropriation of surplus

For the payment of dividends in the future, we propose to reverse the following reserves.

(i) Item and amount of surplus to be reduced

Average reserve for dividends: 4,000,000,000 yen

Special reserve: 6,000,000,000 yen

(ii) Item and amount of surplus to be increased

Surplus carried forward: 10,000,000,000 yen

Proposal 2 Election of Four Directors

The terms for offices of four directors are due to expire at the end of this general meeting of shareholders. The directors are Messrs. Yozo Yasuoka, Yasuhiro Fujii, Seishi Kai and Motohiro Shimaoka.

We propose to reelect four directors at the meeting.

The table below lists the nominees for directors.

Nominee No.	Name Date of birth	Brief personal history, title and position in the Company (Representative position held at another company)	No. of company shares held
1	Yozo YASUOKA July 30, 1947	April 1970 Entered the Company June 1997 Director October 1997 General Manager, Peripheral Products Division July 2002 Deputy Officer in charge of Production April 2004 General Manager, Sales & Marketing Headquarters (to the present) June 2004 Managing Director (to the present)	11,300
2	Yasuhiro FUJII January 18, 1954	April 1976 Entered the Company January 1998 President, Alps Electric Europe GmbH June 2003 Director (to the present) April 2004 General Manager, Peripheral Products Division (to the present)	9,000
3	Seishi KAI November 23, 1954	April 1978 Entered the Company April 2002 President, Alps Electric (USA), Inc. June 2003 Director (to the present) April 2004 In charge of Corporate Finance (to the present)	6,000
4	Motohiro SHIMAOKA November 10, 1954	April 1977 Entered the Company October 1993 General Manager, Engineering, Storage Devices Division, Tohoku Alps Co., Ltd. April 2003 Deputy General Manager, Peripheral Products Division July 2004 Deputy General Manager, Business Development Headquarters June 2005 Director (to the present) October 2005 General Manager, Business Development Headquarters April 2007 General Manager, Communication Devices Division (to the present)	4,600

Note: There are no special conflicts of interest between the above nominees and the Company.

Proposal 3 Election of One Alternate Auditor

We propose to elect one corporate auditor to respond to the situation in which the number of corporate auditors falls below that required by laws and ordinances.

Mr. Hikokichi Tokiwa, the candidate alternate auditor, as described in the brief personal history below, has been part of the management of Nippon Chemi-Con Corporation for many years and possesses extensive knowledge of corporate management. If he is elected as an alternate auditor, we believe that Mr. Tokiwa will be able to carry out his duties appropriately.

We propose that the validity of his election may be revoked in accordance with the resolution of the Board of Directors, with the consent of the Board of Corporate Auditors, provided that this is done prior to his assumption of office.

The Board of Corporate Auditors has indicated that it agrees with this proposal. The candidate alternate auditor is as follows.

Name Date of birth	Brief personal history (Representative position held at another company)	No. of Company shares held
Hikokichi TOKIWA January 1,1935	April 1969 Entered Nippon Chemi-Con Corporation June 1977 Director of the company June 1995 Vice president of the company November 1995 President of the company June 2003 CEO & Chairman of the Board of Directors of the company June 2005 Honorary Chairman of the company (to the present)	0

- Notes: 1. The above nominee has no conflict of interest with the Company.
2. Mr. Hikokichi Tokiwa, the candidate alternate auditor, satisfies the requirements for an external auditor.

Proposal 4 Presentation of Retirement Allowance to Retiring Directors

Messrs. Koichi Yamazaki and Katsumi Tobita will retire with effect from the closing of this General Meeting of Shareholders. To reward them for their past distinguished served while in office, the Company shall present retirement allowance within the extent permitted under the Company’s prescribed criteria, and would like to leave matters such as the specific amount, time and method of presentation, etc. for the above directors with the Board of Directors.

A brief personal history of the retiring directors is as follows.

Name	Brief personal history
Koichi YAMAZAKI	June 1998 Director (to the present) and Deputy General Manager, Sales & Marketing Headquarters
Katsumi TOBITA	June 2002 Director (to the present) and General Manager, Communication Devices Division July 2006 In charge of Engineering (to the present)