



# Corporate Profile CSR Report 2009



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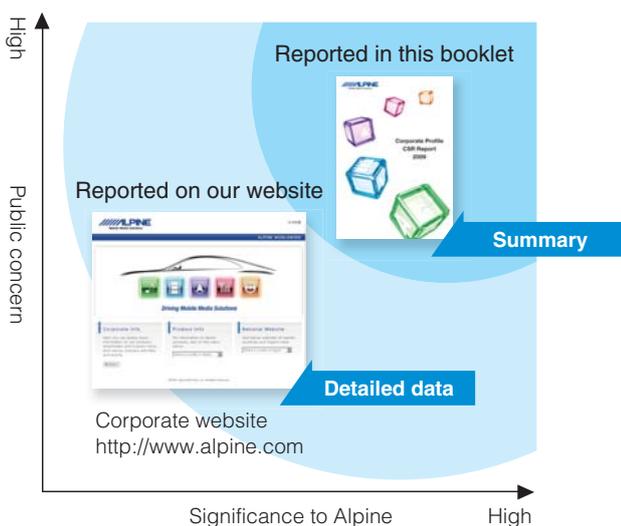
## Introduction

Guided by the Corporate Vision of Creating Visionary Value, Alpine is helping to develop a motorized society. This booklet reports on the initiatives in each area of our activities, including Alpine's business undertakings and CSR (Corporate Social Responsibility).

In compiling this report, we have taken care to communicate the present condition of our business, our thoughts on the future, and our commitment to host communities and the global environment.

True to our belief that the business process and CSR are one and the same, we have decided to combine our Corporate Profile and CSR Report into a single document. We sincerely hope that it will help to increase your understanding of Alpine.

Data on Alpine's business and CSR activities may be found in this booklet and on our website.



## CSR Report

### ● Scope of Report

- Organization: Alpine Electronics, Inc. and 27 consolidated affiliates
- Reporting period: April 1, 2008, to March 31, 2009

### ● Reference Guidelines

- Environmental Reporting Guidelines 2007, from the Japanese Ministry of the Environment
- Sustainability Reporting Guidelines, Third Edition, from the Global Reporting Initiative (GRI)

### ● Website

The data contained in this report is also found on our website.  
CSR/Environment: <http://www.alpine.com/e/csr/>

### ● Related Reports

For detailed financial information, please see our Annual Report.

### ● Next Issue

June 2010 (Subject to Change)

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Note: This report includes forward-looking statements about future performance of the Alpine Group, based on management's current plans, estimates, and policies, as well as past and present facts concerning the Alpine Group. These plans, estimates, and projections are based on management's assumptions and beliefs in light of available information at the time of publishing, and therefore the actual results or events of future business undertakings could materially differ from those contained in these statements, as a result of changes in conditions.

# Realizing a Sustainable Mobile Society

— New Motorized Society —



President & CEO  
Alpine Electronics, Inc.

A handwritten signature in black ink, appearing to read 'Tetsuo Ishiyama', written in a cursive style.

In the century since the debut of the Ford Model T, which revolutionized the industrial world with innovative mass-production technology, automobiles have dramatically increased the convenience of our daily lives, achieving striking progress that has changed the face of the world's industrial structure. At present, more than 800 million cars are in use across the globe, and the wave of motorization is expected to spread to emerging economies as well. By enhancing the comfort of drivers with beautiful music and route navigation to get them to their destinations, Alpine has consistently created new value for our motorized society and the lifestyles of its people. Our products enjoy worldwide popularity and, in tandem with automotive development, our company strives to achieve sustainable growth.

## Driving the Reform of Management Structures

The global economic recession that broke out in the second half of 2008 has created a massive shockwave that has shaken the centennial history of the auto industry to its very foundations. The world's largest auto market leading the wave of motorization, the United States, is undergoing sweeping changes that have threatened the underpinnings of the "Big 3" auto manufacturers, while countries in Asia and Europe are experiencing setbacks on an unprecedented scale. After hitting its peak in 2007 at 70 million units, the global new car market is expected to drop below the 60 million mark in 2009. Some say that the market will not return to its 2007 level for several years to come, at the very least. Alpine is also not immune to this worldwide recession. Due to a sharp decline in orders from auto manufacturers since the second half of 2008, the subsequent slowdown of private consumption and appreciation of the yen, Alpine reported a loss in fiscal 2008 for the first time since the company was listed on the Tokyo Stock Exchange. In response to this rapidly deteriorating operating environment, we have instituted the "CHALLENGE 30+" initiative, which comprises new emergency measures to



improve profits and streamline our organization, in addition to the structural reform programs that we have pursued since fiscal 2008.

### Developing Products for New Vehicles

Meanwhile, technological evolution is opening up a new automotive era. Now that our world shares the same understanding of the need to prevent global warming and create recycling societies, auto manufacturers have shifted their focus to the environment and safety while accelerating their drive to develop hybrid vehicles, electric vehicles, and ASVs (Advanced Safety Vehicles) by involving other industrial sectors. These new vehicles have the potential to bring about changes in our mobile society and attain substantial growth in the near future. In the market, eco-friendly cars, including hybrid vehicles, compact cars, and fuel-efficient cars, are selling rapidly.

Proactively addressing these changes, Alpine is focusing resources on the development of products that help to achieve vehicles with lighter-weight, reduced power consumption, and lower-cost. With the help of navigation systems, we also hope to realize more eco-friendly driving, and offer greater reliability and increased safety. We believe that we must respond promptly to these changes if we are to achieve a new stage of growth.

### Sustaining Business Growth

As rapid changes take place in the business environment currently faced by the auto industry, I believe that companies like ours are charged with the social responsibility of continuing to grow with our valued stakeholders by offering products and new value that will be appreciated by our customers. In this sense, our business goals and CSR are one and the same. All the more because of the current environment, I believe that it is crucial to better our business position and to deepen the relationship with our valued stakeholders.

Our Corporate Philosophy consists of three main precepts: Respect for Individuality, Creating Value, and Contribution to Society. In this unprecedentedly severe recession we must return to this core starting point, so that we can continue to grow and push forward the realization of a sustainable mobile society.

This year, we have decided to combine our Corporate Profile and CSR Report into one document.

I must admit that there is always room for improvement, but I sincerely hope that you will read this report to deepen your understanding of how much we have achieved so far and provide us with your candid comments. Your kind understanding and generous support are greatly appreciated.

June 2009

#### Corporate Message

### *Driving Mobile Media Solutions™*

#### Corporate Philosophy

Alpine values its members as individuals, and is committed to forming an energetic and attractive company where the quality of work is enhanced.

##### 1. Respect for Individuality

Alpine seeks to foster the pride and enthusiasm of each employee, providing the means and opportunities for growth, and encouraging relationships built on mutual trust.

##### 2. Creating Value

Alpine eagerly takes up the challenge of maintaining technical leadership in creating new values that will enhance the quality of human life.

##### 3. Contribution to Society

Alpine is committed to providing superior products and thus contributing to a fuller, richer society.

# Business Domain

Using cutting-edge digital media and communication technologies for enhanced driving pleasure, comfort and a safer, eco-friendly driving experience – Alpine offers new value to customers the world over in the form of Mobile Media Solutions.



***Driving Mobile Media Solutions™***

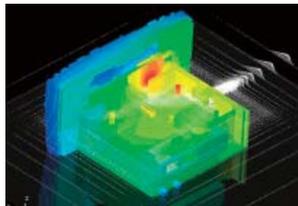
# Creating Visionary Value

## Alpine's Five Stripes of Excellence



### Engineering Excellence

With a strong determination to pursue the ideal without compromise, and an overwhelming and peerless sense of originality, Alpine consistently delivers the best in engineering excellence to its customers.



### Manufacturing Excellence

A uniquely distinctive presence that inspires users and gives them satisfaction, both at first sight and during use – Alpine's products never fail to profoundly impress users with their manufacturing excellence.



### Marketing Excellence

With the joy of driving at their fingertips, Alpine's excellent marketing team taps into their technical expertise to deliver attractive products that never fail to move customers.



Our corporate logo mark incorporates five stripes, each of which symbolizes one of our five corporate activities. The phrase “Mobile Media Solutions” embodies our strong commitment to the creation of exciting innovations in every mobile media category, and to becoming a solution provider that creates visionary value and satisfies customers around the globe.

### Service Excellence

Believing that high quality is the best possible service, Alpine aims to develop highly reliable products that are capable of demonstrating high performance even in the harshest vehicle environments, thereby enjoying an enduring popularity.



### Partner Excellence

Through superior partnerships with customers, business partners, employees, shareholders, investors, host communities, and others, Alpine delivers paramount products that more than satisfy users.



# Audio Products

**Determined to create great sound without compromise, Alpine relentlessly aims to reach the best in mobile media sound.**

Believing that it is superb sound that makes the listening experience so much more delightful, Alpine taps into the know-how and expertise that it has accumulated over many years as a specialist car audio manufacturer to offer optimal solutions for the vehicle cabin environment.

In the aftermarket, Alpine became the first to develop some of the world's most innovative products, including the DD Linear Speaker, which reproduces vocal and instrumental performance with the enhanced beauty and reality that we have long sought after, and the Digital Media Receiver, which plays compressed digital audio data in vehicles.

Alpine once again achieved recognition in the market when our CD Audio System for Japanese auto manufacturers ranked highly in a customer satisfaction survey in North America. The relentless pursuit of the best in sound and product quality since our foundation has culminated in the creation of ideal in-cabin sound systems.

iPod is a registered trademark of Apple Inc. in the United States and other countries.

iPhone is a trademark of Apple Inc. in the United States and other countries.

## P r o d u c t s



### Digital Media Headunit iDA-X305

Optimally designed for the latest iPod products, including iPhone and iPod touch.



### DD Linear Speaker DLX-Z17PRO

Our pursuit of a wider dynamic range culminated in this high-performance speaker capable of reproducing both quiet and powerful sounds with speed.



### Digital Power Amplifier PDX-5

The high output power of this amplifier efficiently boosts sounds from front, rear and subwoofer speakers.





# Information and Communication Products

**Creating an ever-expanding world of entertainment and convenience with sound, images, navigation, data transmission, and drive assistance.**

Navigation, video, communication, and drive assistance – the range of functions provided by our in-car systems has expanded dramatically as customer demands diversify.

Alpine was among the first to begin developing advanced equipment that combined sound, video, navigation, and data transmission. In response to customer demand, we launched the Rear Vision navigation system in Japan's aftermarket, combining a large-screen rear monitor for passengers to enjoy in the backseat and a navigation system equipped with advanced functions.

For the OEM business, we began delivering AVN platforms that were developed for European auto manufacturers to other customers outside of Europe, evidence of the high confidence that key customers place on our development capabilities.

## P r o d u c t s



### HDD Car Navigation System VIE-X08

Featuring state-of-the-art functions and high picture and sound quality, this advanced car navigation system offers easy expandability to incorporate rear monitors, cameras, etc.



### Rear Monitor TMX-R1100M

This 10.25" WVGA LCD monitor provides an enhanced viewing experience for people in the backseat.



### AVN Product for European Auto Manufacturers

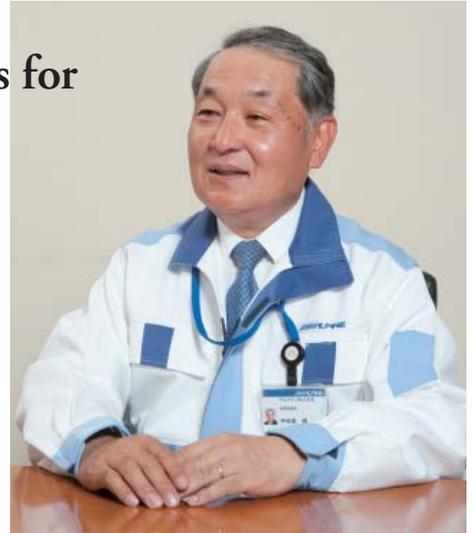
Top-quality AVN Platforms for the global market.

# Alpine's R&D

## Unique Growth Strategies Give Shape to Emerging Demands for Onboard Equipment

### Creating Original Products

As a specialist onboard equipment manufacturer for more than forty years, Alpine's R&D efforts have driven the development of the motorized society and led to the release of an unbroken line of world's first or industry-leading new products. Among these are gyro-cators (navigation system prototype), the world's smallest CD changers, and a space-saving AV Shuttle with a retractable monitor, all of which enjoyed high market acclaim. Now, under Alpine Vision 2015 we have taken on a new challenge – enhanced safety – by adding drive assist (DA) to our business domains. At the DA Evaluation Center, which we established at our Iwaki Headquarters last year, we began the development of drive assist systems by reproducing the various diverse conditions experienced by drivers, in the hopes of increasing safety and comfort in our motorized



Senior Managing Director,  
Engineering and Development  
**Toru Usami**

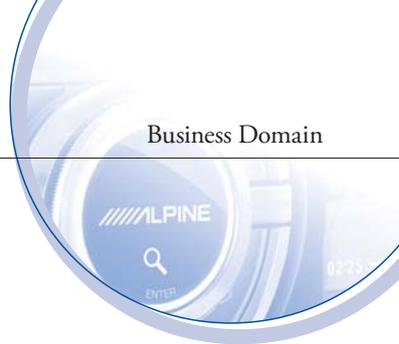
society.

The auto industry is now at a major crossroads. We believe that what is required of Alpine now is the development of products that offer new value to customers. To achieve this goal, Alpine has laid down growth strategies, and will push forward R&D projects accordingly.

### Alpine's Growth Strategies



※AVNCD: Audio, Visual, Navigation, Communication, Drive assist



## R&D to Realize Growth Strategies

### ●AVNCD Strategy

AVNCD offers all the functions of Audio, Visual, Navigation, Communication, and Drive Assist in a single system. To reach an even more diverse customer base around the globe, the AVNCD products are available at a wide range of prices. Our goal for drive assist, the fifth element in this strategy is to enhance safety and comfort for drivers. Alpine participates as an active member in the Intelligent Transportation Systems (ITS) Project, a national effort in Japan. In order to reduce traffic accidents, we are developing onboard equipment for the future.

### ●Alliance Strategy

As onboard systems grow in size, the demand for more advanced and broad-ranging technologies has increased as well. To remain at the forefront of the latest technologies, Alpine is dynamically teaming up with partner companies to make use of the state-of-the-art technologies in their respective fields. By combining the technologies possessed by each partner with the elemental technologies of the Alps Group, we continue to take up the creative challenge of innovative product development.

### ●Link Strategy

There has been an increasing demand among customers for greater compatibility between mobile phones, iPods, and other portable devices at home, in public transportation, and in the car. By employing core strengths as an onboard equipment manufacturer, Alpine provides connectivity between portable devices and onboard equipment, to offer greater added value to customers.

### ■ Developing ITS Technology

#### ● Providing information on obstacles ahead



Traffic jam ahead. Watch out for vehicles!

Aural and visual information is provided via the car navigation system.



ITS onboard equipment with advanced drive assist functions

### ●Green Strategy

With the growing need to be eco-friendly, our motorized society is now making a historical shift to eco-cars, such as electric vehicles (EVs) and hybrid vehicles. Alpine is dedicated to the development of new technologies for reduced weight and low power consumption. In this regard we are delivering onboard equipment that is friendly to the global environment.

# CSR Management

Out of our sincere wish to be a company that garners the confidence and a sense of fellowship with the society that we serve, Alpine is dedicated to enhancing corporate governance by managing our business with a sense of morality, fairness, and integrity.



# CSR at Alpine

**At Alpine, CSR and the business activities for achieving our Corporate Philosophy are one and the same.**

— Acting with full recognition of our social responsibility amid a severe operating environment —

CSR Committee Chair and  
Managing Director  
**Toji Tanaka**



As a growing awareness of environmental issues and quality assurance draws public attention to CSR, businesses are now acting to fulfill their social responsibility. Three years have passed since we inaugurated our CSR Committee. There is always some room for improvement. However, now that the PDCA cycle is in place, I am happy to say that the level of understanding of CSR is increasing company-wide.

In the midst of ongoing globalization, environmental issues, and diversification of consumer values, the environment in which businesses find themselves is undergoing major changes. Recently, we were required to respond to the unforeseen global business risks posed by pandemic influenza. Likewise, environmental issues are presenting a challenge that is common to society at large and, as such, are forcing businesses to take action.

With their values diversifying, consumers are keeping a closer eye on morality and commitment to product quality. With business activities and society intertwined as they are today, we must always consider the meaning of CSR in the context of the entire range of our activities.

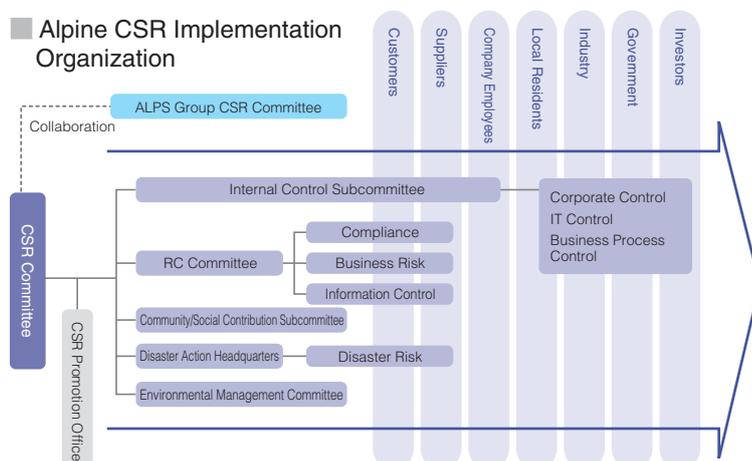
In other words, for businesses to sustain growth, it is increasingly important to meet the expectations and wishes of various stakeholder groups, including customers, shareholders, investors, suppliers,

employees, and host communities, and to deepen mutual understanding.

To achieve this, I strongly encourage employees to act with a firm awareness of our corporate social responsibility, a sense of morality and a renewed understanding of the impact that businesses have on society. This is because CSR and business activities are one and the same. The total amount of employee awareness determines the company's level of CSR.

Faced with today's severe business conditions, we must reinforce our financial position and act with a sense of morality. As such, Alpine remains committed to furthering CSR activities. Your continued understanding and support are greatly appreciated.

## Alpine CSR Implementation Organization



# Corporate Governance

To ensure efficient, sound, and transparent management, Alpine works hard to strengthen our corporate governance structure.

## Basic Approach

Alpine defines corporate governance as the "mechanism which ensures that appropriate and efficient decision-making and business operations are implemented by management," the "motivation for management to promptly report results to stakeholders with a view toward increasing corporate value," and the "building and operation of a process that realizes sound, efficient, and transparent management." With this in mind, Alpine is working hard to improve this structure.

### Framework of Corporate Governance



## Governance Structure

In accordance with Japanese Corporate Law, Alpine has established an internal auditing structure. We have also appointed a Board of Directors that oversee and supervise managerial decision-making and performance of duties, as well as a Board of Auditors that conduct internal audits.

The Board of Directors meets once each month to discuss and decide on matters of managerial importance. As each director is charged with the responsibility of one corporate function, it is clear where responsibility rests. Thus, appropriate and efficient performance of duty is assured.

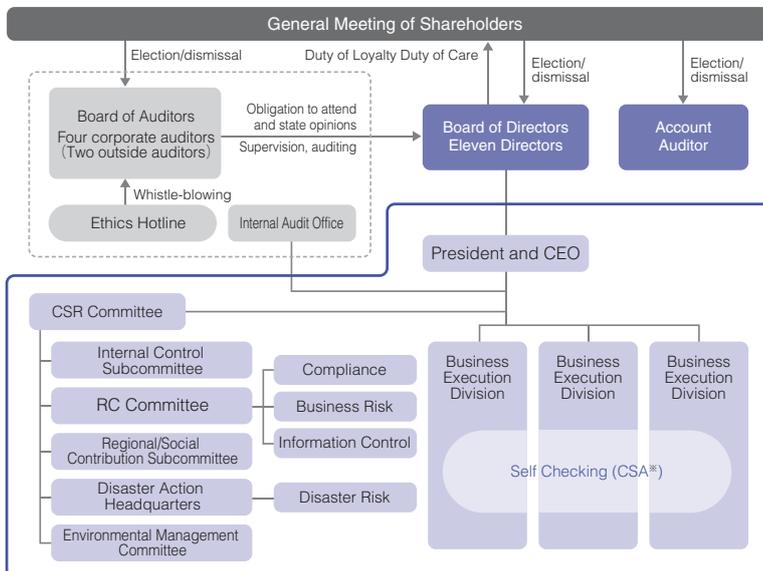
The Board of Auditors discusses and decides on important matters reported from audits. This board functions as a check and balance for management. Auditors are selected from those who are well versed in Alpine's business among members of the parent company, certified public accountants, and lawyers, in order to utilize their respective expertise in management, accounting, and legal issues.

## Building Internal Control Systems

Alpine is making aggressive efforts to create internal control systems, based on the belief that such systems should not be created merely for the sake of compliance with relevant laws. They must contribute to improving operating efficiency and effectiveness, as well as increase corporate value through continual improvement.

In fiscal 2008, the first year that we were required to evaluate our own internal controls, we focused on improving relevant systems and implementing internal controls for financial statements. Going forward, we will further improve internal control systems in order to ensure sound management practice.

### Corporate Governance Organizational Structure (as of June 2009)



※Control Self Assessment

# Compliance/Risk Management

By fulfilling the most fundamental duties of any business, namely, compliance with relevant regulations and sound business management, Alpine hopes to earn the confidence of customers and society at large.

## Compliance Structure

### ● Establishing Ethics Guidelines (Alpine's Ten Commandments)

In order to ensure corporate ethics and legal compliance, Alpine has laid down in our Ethics Guidelines (Alpine's Ten Commandments), the basic code that each and every employee at Group companies across the globe is required to observe.

アルパインの十戒	
人	個人情報 個人情報を漏らさない
人	差別の禁止 暴力・暴言・性的嫌がらせ・不潔な振舞いをしない
物	製品の安全 製品の安全性・品質に十分配慮する
物	環境への配慮 環境に十分配慮する
財産	会社財産 会社の財産を私的に使用しない
財産	知的財産 会社の知的財産を侵害しない
情報	企業秘密 企業秘密の漏洩や私的利用をしない
情報	インサイダー取引の禁止 会社情報の公表前に当該の株式取引をしない
取引	公正な競争の確保 独占禁止法など法令・ルールを遵守する
取引	贈与と接待 卑劣な賄賂を超えて取引先から贈物・接待を受けない

Alpine's Ten Commandments  
(in Japanese)

### ● Strengthening the Compliance Structure

Charged with the mission of ensuring compliance and promptly addressing business risks, Alpine's RC (Risk Management and Compliance) Committee shares risk information with compliance officers at our affiliates in the United States, Europe, and China, then gathers information on issues unique to each region.

In fiscal 2008, a new in-house training program was introduced, which combines conventional seminars with e-learning.

### ● Ethics Hotline

In Japan, the United States, and China, Alpine has established "Ethics Hotline" for anyone at Group companies and suppliers to consult regarding ethical and moral issues. This system acts as an open contact for consultation to help detect potential problems early on and enable prompt action.

## Risk Management Initiatives

### ● Strengthening Disaster Risk Management

Alpine maintains a permanent Disaster Action Headquarters to undertake relief measures against emergencies across the globe, including biannual safety inspections, risk assessments of disaster prevention systems, development of global risk management networks, and comprehensive disaster drills. These disaster drills are conducted at each company both at home and abroad in order to familiarize employees with emergency processes. Following the recent outbreak of pandemic influenza, Alpine gathered information on the state of infection outside of Japan and monitored the conditions of employees to devise countermeasures.



Disaster Drill

### ● Strengthening Information Security

In order to protect the company from information security risks, such as illegal access, computer viruses, and confidential information leaks, Alpine emphasizes information security training for employees and management staff, in addition to technological measures.



Information security e-learning

# For Our Stakeholders

In order to grow along with the global society, Alpine intends to strengthen communication with stakeholders to foster good relationships.



## As a Good Corporate Citizen

With the aim of achieving coexistence with communities around the world, Alpine is promoting interaction and involvement with local communities.

### Promote Communications and Exchanges with Local Communities

Alpine cherishes relationships with the local governments and communities that underpin its business activities. In order to build these long lasting and healthy relationships, Alpine is committed to promoting communication and exchange with the local community, including dialogs with local residents, participation in local events, and inviting local residents to company events.

The Iwaki Headquarters invites not only employees of group companies and their families but also local residents to our summer festival.



Summer festival 2008

### Be a Good Role Model for Local Communities

#### — Seminars on Traffic Manners —

Taking the lead in encouraging traffic safety as an integral member of the auto industry, Alpine ensures that employees wear seatbelts and observe the speed limit on business premises. We also organize Traffic Safety Seminars to which guest lecturers are invited from local police stations and traffic safety associations. Alpine is committed to enhancing employee awareness of traffic safety so that they may set a good example in their respective community.



Traffic safety campaign

### Development of Next-generation Human Resources

Through affiliation with colleges and high schools in host communities, Alpine provides active support to promising students in the form of scholarships and internship programs, in the hopes of promoting the development of those host communities. In China, which recently became the world's largest auto market, Alpine promotes the development of engineers specializing in onboard electronic devices, including embedded software. By dispatching lecturers to a college in Dalian every year, a total of nearly 500 college students have taken the training program.



Opening ceremony for the Alpine Class

## Together with Our Customers

While delivering top-grade and reliable products, Alpine is making effort to build good relationships with customers.

### Always in the Customer's Viewpoint

In The Alpine Museum at our Iwaki Headquarters, an antiquated car stereo is on display. Some thirty years ago, soon after we began doing business in the American market, an American user who was dissatisfied with our quality, shot the unit with a rifle before returning it. Since then, Alpine has made it a rule to always think from the customer's point-of-view, and we have dedicated ourselves to manufacturing quality products with the "quality-comes-first" principle in mind.



Car stereo with bullet hole

### In Pursuit of Higher Product Quality

In order to deliver safe, high-quality products, Alpine has built an advanced quality assurance system.

All of our factories around the globe are certified to the industry-standard ISO 9001 and ISO/TS16949 quality management systems. Alpine offers a prompt response to any inquiries from customers through our network of quality centers located in the United States, Europe, China, and Japan. In an effort to ensure high reliability and quality, Alpine utilizes a variety of tools for product development, including computer-based DM (Digital Manufacturing) techniques, a manufacturing process that incorporates quality engineering knowledge, and automated production lines.

### Providing Attractive Products and Services

To offer a comfortable driving experience to each and every customer, Alpine adds customer feedback into the product development process, and provides prospective customers product information that meets their needs and tells how to install them. To ensure that customers remain satisfied after purchasing, a variety of information is provided to meet diverse customer needs.



Providing information on the Alpine website

### Enhancing Service via Information Centers

Every year, more than 40,000 inquiries are sent to Alpine's Information Centers by telephone, fax, and e-mail. To better meet the various demands of different customers, Alpine offers responses and suggestions that are tailored to each specific car model, thus increasing customer satisfaction.



Information Center at an American subsidiary

## Together with Our Shareholders, Investors and Business Partners

With the aim of earning the trust of shareholders, investors and suppliers, Alpine maintains close communications with stakeholders, thereby increasing corporate value.

### Appropriate and Timely Disclosure

#### Promoting Investor Relations

To help shareholders and investors deepen their understanding of what we do, Alpine discloses corporate information, such as earnings results, financial positions, and future business strategies, in an appropriate and timely manner.

Dedicated to market interaction, Alpine proactively promotes two-way communication with shareholders and investors. Information gained is fed back into the decision-making process. To this end, we organize meetings to present biannual financial results for analysts and institutional investors, as well as an annual business policy presentation meeting by top management.

**Web** Investor relations website:  
<http://www.alpine.com/e/investor>



Presentation meeting for analysts and institutional investors

#### Returns to Shareholders

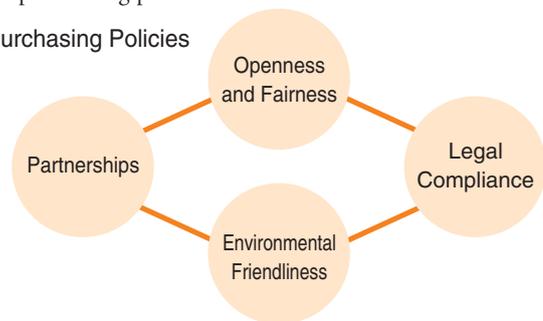
Alpine's management places priority on distributing profits to shareholders. Our policy is to distribute consolidated profits by balancing considerations such as dividends to shareholders, internal reserves to sustain business growth, proactive R&D outlays and capital expenditures to increase our competitive edge.

### Creating a Win-Win Situation with Business Partners

#### Purchasing Policies

Living up to our social responsibility, Alpine conducts purchases on a daily basis under the following four purchasing policies.

#### Alpine's Purchasing Policies



#### Supplier's Conference

To achieve coexistence and co-prosperity based on mutual trust, Alpine is cementing ties with suppliers. To this end, Alpine invites suppliers to briefing sessions (biannually in Japan, and annually in China, North America, and Europe) to update them on the current state of production and sales, as well as announce purchasing policies, thereby deepening mutual understanding.

Supplier's

## Comment

### "Eco-friendly devices for a win-win situation"

As the market rapidly shifts to eco-friendly vehicles, Alpine is improving green procurement standards, while at the same time taking aggressive measures to make products smaller, lighter, and more energy-efficient. We hope to create a win-win situation by developing onboard "green" devices that meet consumer demands.

Manager, New Market Development  
 Promotion, Sales and Marketing Group  
 – Electronic Components and Devices,  
 Sharp Corporation

**Hiroyuki Matsumura**



## With Employees

True to our Corporate Philosophy of Respect for Individuality, Alpine believes in the potential of each employee, and works hard to develop human resources and make ours a workplace where employees can perform their jobs with enthusiasm and energy.



### Creating a Rewarding Workplace

Alpine has introduced a "management by objective" system, so that each employee will aim ambitiously high. To ensure fair merit rating and treatment, we feed evaluation results back to the employees, encourage them to hone their skills and competencies, and commend those who have made outstanding achievements.

In accordance with the Founder's belief that "a company can fail easily, but we must not allow individuals to fail," Alpine is committed to the development of human resources by designing career programs for each employee and providing training customized for each level and function, thereby forging management foundations.



President commending individuals for their patent acquisition



Training the new generation of leaders



## Creating a Better Working Environment

At Alpine, the management periodically meets with the Alpine Workers Association to share and address issues as they deepen their mutual understanding. Alpine also conducts Employee Satisfaction Surveys on a regular basis to monitor employees' thoughts and requests, so that each employee can perform his or her job with enthusiasm and energy.



Labor-management conference

## Respect for Diversity

As the social environment changes, demands for diversified employment formats are also increasing. At Alpine, we are expanding programs that are designed to help handle careers and childcare, as well as increase motivation, by introducing childcare leave, "no overtime" days and extending the applicable period for shorter working hours.

With total headcount exceeding 10,000 people across the globe, Alpine is creating a workplace environment where diversity is respected, so that people of many different nationalities, and employees with disabilities can effectively demonstrate their talents.



Working with people from diverse backgrounds

## Healthcare for Employees

At Alpine, employee health is a top priority. We support employee healthcare with full-time staff nurses who provide guidance on health and nutrition. We also employ medical specialists and counselors who offer psychological care. At the company gym, employees can exercise to improve their health.



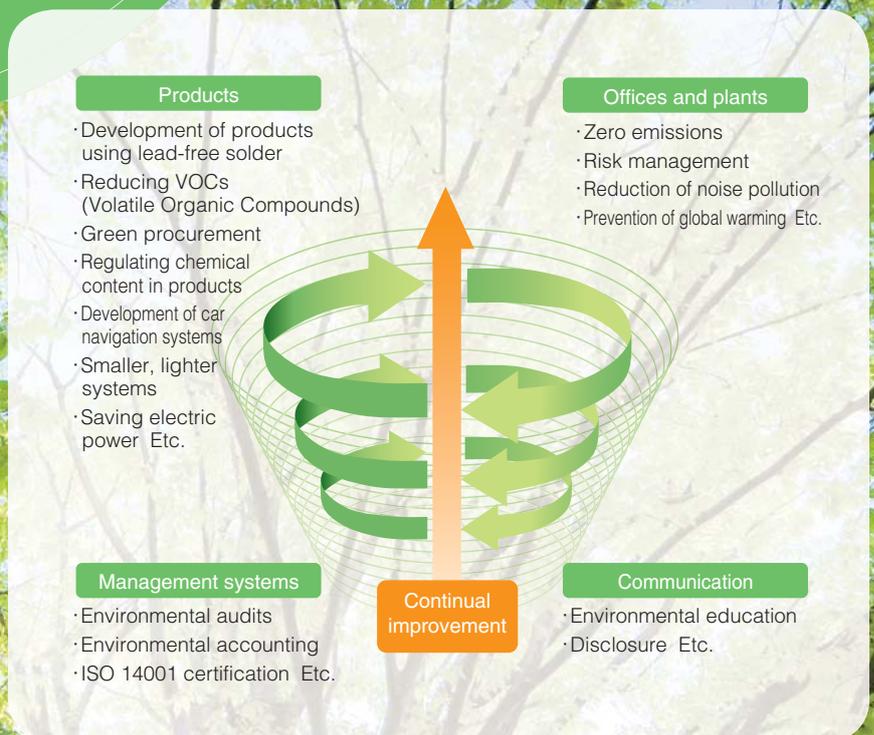
Interview with staff nurses



Gym at the Iwaki Headquarters

# For the Global Environment

To realize our goal of preserving this lush, beautiful Earth for future generations the Alpine Group is striving to contribute to a low-carbon-dioxide society, while paying close attention to environmental conservation.



# Developing Environmentally Friendly Products

Alpine is reducing CO<sub>2</sub> emissions by developing eco-friendly car navigation systems and small, lightweight, power-saving products.

## Car Navigation Systems that Reduce Environmental Impact of Automobiles

Alpine's car navigation systems find routes that avoid traffic jams and guide drivers smoothly to their destinations within the shortest possible time. This contributes to reduced fuel consumption due to inefficient driving and additional CO<sub>2</sub> emissions due to prolonged idling in congested traffic. As research is underway on even more advanced systems that can avoid traffic jams through linkage with public infrastructure systems, car navigation systems are expected to play an even greater role. Through the development of advanced car navigation systems, Alpine wants to help reduce the environmental impact of automobiles.

In addition to avoiding traffic jams, Alpine's systems boast a variety of functions that support eco-driving: displaying automobile fuel control data, as well as monitoring and rating the way the driver uses the accelerator. The system will issue warnings against sudden acceleration/deceleration. Sudden acceleration/deceleration not only lowers fuel efficiency, but is also believed to be primarily responsible for the generation of CO<sub>2</sub>, which is thought to be a cause of global warming.

Alpine will remain committed to the development of products that are friendly to the environment.

### Alpine's latest car navigation system: X08 Series (eco-guide)



Fuel efficiency data



Fuel efficiency (Pts)	Good	Average	Poor
	100-81	80-21	20-0
Display symbol	Good	Average	Poor

Eco-guide display monitoring/rating of driving styles

Salesperson's

## Comment

### "Supporting the Customer's Eco-driving"

Featuring unique functions, which have been developed based on customer feedback, the "eco-guide" enjoys high popularity in the market. The latest model in the series also incorporates an eco-friendly product design, and uses mercury-free LED backlighting. We will continue to take environmental considerations into account for future product planning and development.

Manager, Product Planning Department **Masaru Yagi**



# Developing Environmentally Friendly Products

## Making Smaller, Lighter Products

The weight of onboard equipment has no small effect on fuel consumption.

In a bid to help to improve fuel economy by reducing the size and weight of products, Alpine takes the utmost care when selecting materials and parts, as well as circuit and product structures, in order to achieve lighter weight.

In 2008, Alpine developed technology to reduce the size and weight of power amplifiers. Among the components in a power amplifier, the heat

sink is the heaviest. It is used to efficiently radiate heat generated by electronic circuits. The larger it is, the more efficiently it can radiate heat. To make the amplifier smaller and lighter, it was essential to develop a compact heat sink. By making changes to its structure and adding a small fan, Alpine successfully reduced the weight by approximately 35% compared to conventional models.

In the future, Alpine will remain firmly committed to making products even smaller and lighter.

■ Power amplifier and circuit board: Before



■ Power amplifier and circuit board: After



Engineer's

## Comment

### "Combining the Relentless Pursuit of Sound Quality and the Challenge for Lighter Weight"

When we began developing small, lightweight power amplifiers, we decided to make no compromises with sound quality, which we believe is the single most important aspect of our products.

The hardest part was achieving higher component integration for electronic circuits. The majority of our efforts were spent developing highly integrated chip parts and designing software accordingly. It was also very difficult to reduce unwanted noise from the electronic circuits. The process was largely trial and error. This bottleneck was cleared when we sought the assistance of our specialist "Noise Meister." We were finally able to combine several chip parts into one, making the product smaller and lighter while maintaining target sound quality. Going forward, we hope to apply the technology that we have developed to other products, so that we can offer products that achieve both excellent sound and eco-friendliness to customers all around the world.



Sound System Product  
Development Department  
**Kentaro Taoka**

## Environmental Conservation in the Workplace

Alpine aims to create eco-friendly workplaces by: putting limited resources to efficient use, suppressing waste generation, and reducing CO<sub>2</sub> emissions. These emissions are thought to be one of the main causes of global warming.

### Preventing Global Warming

#### ● Green Energy

In order to reduce CO<sub>2</sub> emissions, which are thought to be one of the main causes of global warming, Alpine began an effort to reduce electric power and other energy consumption, while at the same time introducing clean energy.



Solar photovoltaic panels

#### ● Reducing CO<sub>2</sub> Emissions while Commuting

As many of Alpine's employees commute to work by car, we are conducting a campaign to reduce CO<sub>2</sub> emissions from their cars while commuting. The agenda of this company-wide campaign includes raising their eco-awareness by organizing eco-drive classes, distributing original eco-drive stickers, and assigning a preferential parking area for eco-friendly vehicles.



Priority parking for eco-cars

### Achieving Zero Emissions

By setting up "eco stations" at affiliates, Alpine promotes the sorting of waste. Each employee separates the waste that they generate. This waste is now recycled. Four sites have achieved zero emissions. Since 2006, the company has focused on the reduction of waste. We have reduced the size and weight of products and packaging materials, as well as the number of prototypes used.



Eco-station

### Being Considerate to Neighborhoods

In order to mitigate offensive odors from VOCs (Volatile Organic Compounds) that are generated during the coating process, Alpine has introduced cleaning equipment. We have also taken noise-control measures to reduce the noise generated by large presses.

Controlling noise from presses



Cleaning equipment

Visit here for detailed environmental performance data.

Web [CSR/environment website:  
http://www.alpine.com/e/csr/enviro](http://www.alpine.com/e/csr/enviro)

## Community Activities

Each member of the global Alpine Group is committed to a great variety of environmental activities through close communication with host communities.

Experience!

### Recycled Content Speaker Building Class



Every year, Alpine presents our environmental activities at an Environment Expo in Iwaki, the home of our Headquarters. At Alpine's booth, children learn about the importance of recycling as they make speakers out of used plastic bottles.



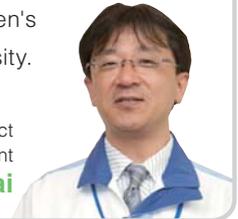
Instructor's

### Comment

It was indeed an exciting experience for me, as I felt the children's growing sense of curiosity.

Sound System Product  
Development Department

**Masami Imai**



Clean!

### Cleaning Up Beaches



Alpine's employees and management united their efforts to clean up beaches near our facilities, collecting enough garbage left by beachgoers during the summer time to fill more than 200 garbage bags.



Coordinator's

### Comment

I'm glad to hear some of my colleagues saying that they discuss ecology with their children at home.

Chair, Alpine Workers  
Association

**Masayuki Watanabe**



Grow!

## Tree Planting in China



Every April, Alpine participates in the tree planting drive in China, which is organized to restore greenery to areas where desertification is currently taking place, thereby making active contributions to this cause.



Coordinator's

### Comment

I hope to see the land covered with trees, even though it's a truly immense area. The day's experiences taught me the importance of greenery.

Alpine Electronics (China) Co., Ltd.

**Ling Li**



Learn!

## Environmental Education in Mexico



To teach children about the natural environment and recycling, a local environmental group called The Young Environmentalists of Reynosa were invited to an eco-education fair. As they enjoyed playing games, children learned about the importance of the environment for the future of mankind.



Coordinator's

### Comment

After seeing so many happy smiles on the children's faces, I hope to be able to organize more events.

Environmental, Health & Safety Manager, Human Resources Department, Alcom Electronics de Mexico

**Alejandro Segura**



# Alpine Group



ALPINE ELECTRONICS OF U.K., LTD.  



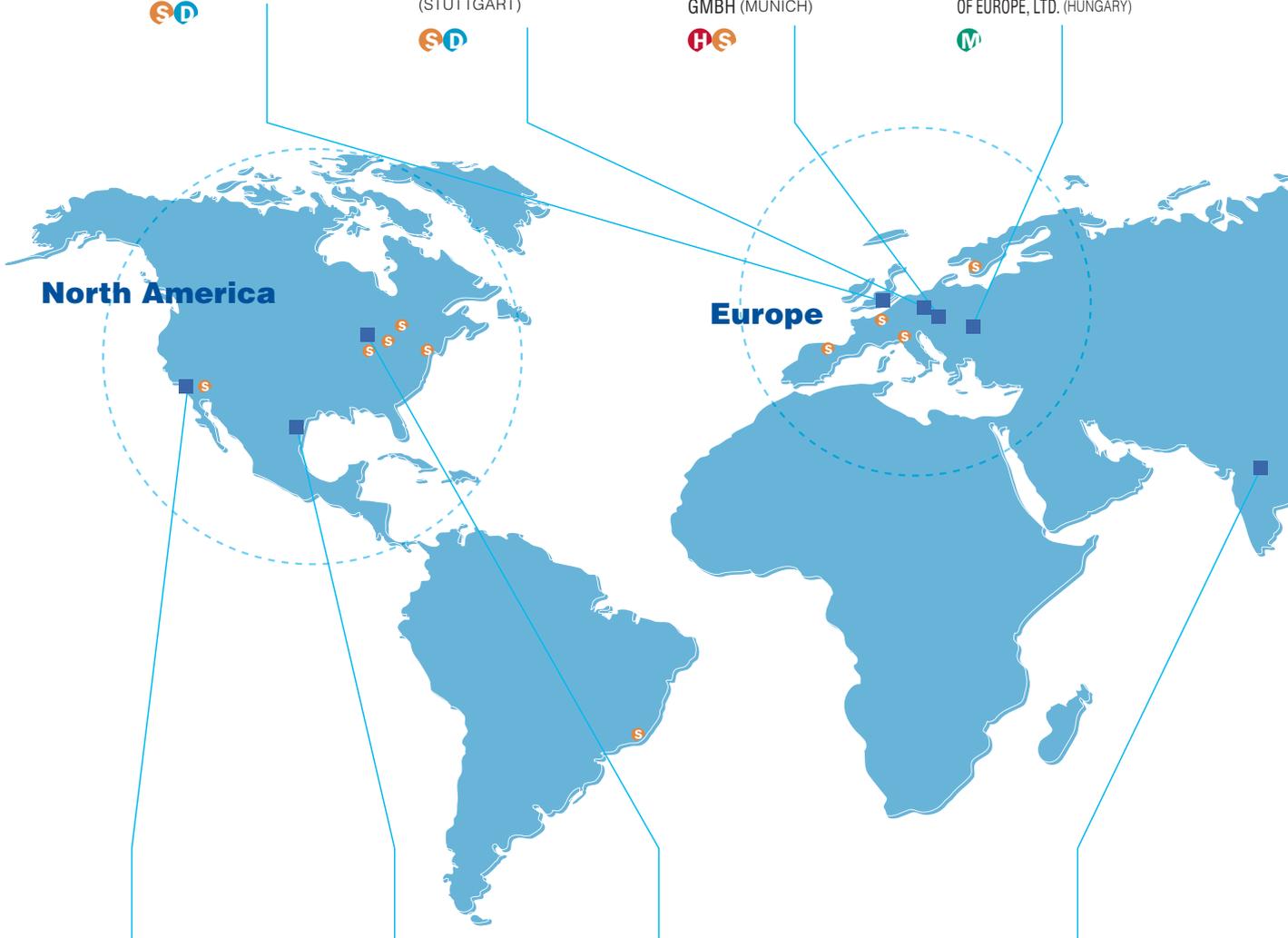

ALPINE ELECTRONICS GMBH (STUTT GART)  




ALPINE ELECTRONICS (EUROPE) GMBH (MUNICH)  




ALPINE ELECTRONICS MANUFACTURING OF EUROPE, LTD. (HUNGARY)  

ALPINE ELECTRONICS OF AMERICA, INC. (L.A.)  




ALCOM ELECTRONICS DE MEXICO S.A. DE C.V.  




ALPINE ELECTRONICS OF AMERICA, INC. (DETROIT)  




ALPINE OF ASIA PACIFIC INDIA PVT LTD  


## Global S.M.D.

Alpine has established a global system of Sales, Manufacturing and Development sites in four main regions (Japan, North America, Europe, and Asia), all under the concept of “Designed in Market, Made in Market,” in order to meet the requirements of major automobile manufacturers and markets around the world.



ALPINE ELECTRONICS (CHINA) CO., LTD.(BEIJING)



NEUSOFT CORPORATION



DALIAN R&D CENTER



DALIAN ALPINE ELECTRONICS CO., LTD.



HEADQUARTERS



ALPINE ELECTRONICS MANUFACTURING, INC.



ALPINE ELECTRONICS OF ASIA PACIFIC CO., LTD



ALPINE TECHNOLOGY MANUFACTURING (THAILAND) CO., LTD.



TAICANG ALPINE ELECTRONICS CO., LTD.



- Headquarters
- Sales Base
- Manufacturing Base
- Development Base

### Overseas Subsidiaries/Overseas Affiliates

#### North and Latin America

- ALPINE ELECTRONICS OF AMERICA, INC.
- ALPINE ELECTRONICS RESEARCH OF AMERICA, INC.
- ALPINE ELECTRONICS OF CANADA, INC.
- ALCOM ELECTRONICS DE MEXICO, S.A. DE C.V.
- ALPINE DO BRAZIL LTDA.

#### Europe

- ALPINE ELECTRONICS (EUROPE) GMBH
- ALPINE ELECTRONICS R&D EUROPE GMBH
- ALPINE ELECTRONICS GMBH
- ALPINE ELECTRONICS OF U.K., LTD.
- ALPINE ELECTRONICS FRANCE S.A.R.L.
- ALPINE ITALIA S.P.A.
- ALPINE ELECTRONICS DE ESPAÑA, S.A.
- ALPINE ELECTRONICS MANUFACTURING OF EUROPE,LTD.

#### Asia and Oceania

- ALPINE ELECTRONICS (CHINA) CO., LTD.
- ALPINE ELECTRONICS (CHINA) CO., LTD. (DALIAN R&D CENTER)
- DALIAN ALPINE ELECTRONICS CO., LTD.
- TAICANG ALPINE ELECTRONICS CO., LTD.
- ALPINE ELECTRONICS HONG KONG, LTD.
- ALPINE ELECTRONICS OF ASIA PACIFIC CO., LTD.
- ALPINE OF ASIA PACIFIC INDIA PVT LTD
- ALPINE TECHNOLOGY MANUFACTURING (THAILAND) CO., LTD.
- ALPINE ELECTRONICS OF AUSTRALIA PTY.LTD.
- NEUSOFT CORPORATION

### Domestic Subsidiaries/Domestic Affiliates

- ALPINE ELECTRONICS MARKETING, INC.
- ALPINE ELECTRONICS MANUFACTURING, INC.
- ALPINE PRECISION, INC.
- ALPINE TECHNOLOGY MANUFACTURING, INC.
- ALPINE GIKEN, INC.
- ALPINE CUSTOMERS SERVICE CO., LTD.
- ALPINE INFORMATION SYSTEM, INC.
- ALPINE BUSINESS SERVICE, INC.
- ALPINE KYOTO SALES, INC.
- ALPINE HYOGO SALES, INC.
- TOSHIBA ALPINE AUTOMOTIVE TECHNOLOGY, INC.



## Alpine Electronics, Inc.

Date of Establishment	May 1967
Paid-in Capital	¥25,920 million
Number of Employees (Consolidated)	11,573
Description of Business	In-car Audio Products/In-car Information & Communication Products
Stock Exchange Listing	Tokyo Stock Exchange
Common Stock	160,000,000 shares
Total Issued Stocks	69,784,501 shares
Headquarters	TOKYO : 1-1-8 Nishi-Gotanda, Shinagawa-ku, Tokyo 141-8501, Japan Phone: 81(3)3494-1101 Fax: 81(3)3494-1109 IWAKI : 20-1 Yoshima-Kogyodanchi, Iwaki, Fukushima 970-1192, Japan Phone: 81(246)36-4111 Fax: 81(246)36-6898



President & CEO Seizo Ishiguro



Senior Managing Director  
Toru Usami



Managing Director  
Hitoshi Kajiwara



Managing Director  
Takumi Sato



Managing Director  
Toji Tanaka



Managing Director  
Kazuo Nakamura

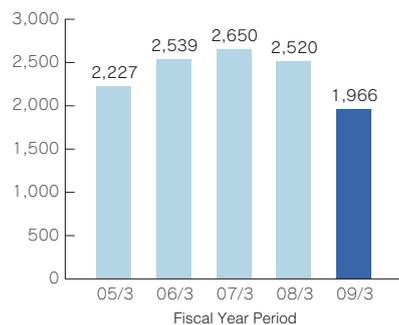
Directors Masataka Kataoka  
Kenji Igari  
Hirofumi Morioka

Satoshi Soma  
Shigekazu Hori

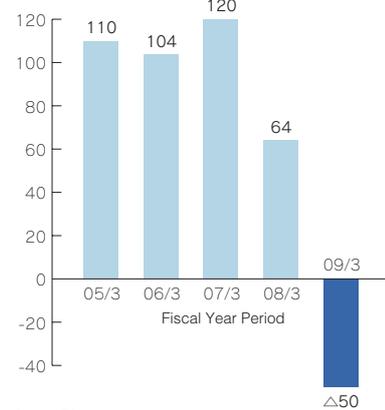
Auditors Kaname Kurashima  
Kenji Yoshino

Naotaka Okuyama  
Yoshitake Masuda

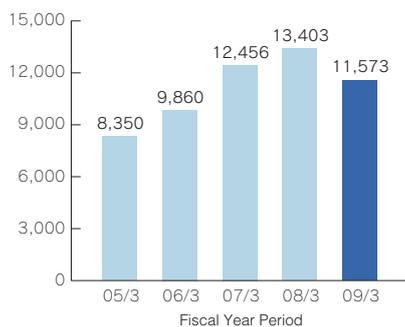
Net Sales(Consolidated)  
(100Mil yen)



Ordinary Income(Consolidated)  
(100Mil yen)



Number of Employees (Consolidated)  
(Head count)



Dividend per Share  
(yen)



# History

1967 ● Founded as Alps Motorola Co., Ltd., a joint venture of Alps Electric and Motorola, Inc. ● Forerunner of the present Alpine was founded.

1968 ● Manufacturing of 8-track cartridge players commences.

1969 ● Manufacturing of car radios commences. ● Iwaki Plant was open.



1971 ● Manufacturing of "Handy-8" portable 8-track cartridge player commences and nationwide sales begin.



1975 ● Exports of high-quality cassette decks under Alpine brand name commence.

1978 ● Sales subsidiary, Alpine Electronics GmbH, was formed in Germany.

● Company name changed to Alpine Electronics, Inc.

● Sales subsidiary, Alpine Electronics of America, Inc., was formed in United States.



1981 ● Alpine developed world's first gyrocator with Honda Motor Corporation.

1982 ● LS-5 computer equalizer won Japanese "Good Design" Award.



1985 ● Alpine/Luxman LV-105 and LV-107 capture "Good Design" Award Grand Prizes in respective categories.

1987 ● Alpine shares listed on Second Section of Tokyo Stock Exchange.

● New company building was completed at Industrial Park, Iwaki.

1988

1989 ● Alpine shares listed on First Section of Tokyo Stock Exchange.

1989 ● Highly successful CD shuttle (5952) launched.



1991 ● World's first 3D Shuttle (5980) and AV Shuttle (2913) launched.

1992 ● European headquarters of Alpine Electronics (Europe) GmbH was formed in Germany.

1993 ● GP Shuttle, highly precise GPS car navigation system, launched.

● Alpine became first to manufacture car audio in the People's Republic of China.

1994

● New factory at Alcom Electronics de Mexico, S.A. de C.V., began operations.

1995 ● Sales subsidiary, Alpine Electronics (China) Co., Ltd., was formed in China.

1996

● Dalian Alpine Electronics Co., Ltd., was formed as a manufacturing corporation.

● NVE-N055V car navigation system won the Car Accessories Awards grand prize.

● Shenyang Northeast University / Alpine Software of China listed on Shanghai Stock Exchange.



1998 ● Alpine Electronics Manufacturing of Europe Ltd., was formed in Hungary.

● Alpine acquires ISO14001 certification,

an international standard for environmental management.

2000

● Alpine Electronics Manufacturing, Inc. was formed in Japan.

● Alpine F#1 Status flagship series launched and won Car Hi-Fi Grand Prix in Europe.

2001 ● Alpine Marketing Co., Inc., was formed in Japan.

2002

● Alpine is first Japanese car audio manufacturer certified for ISO/TS16949, an auto industry quality management standard.

● Taicang Alpine Electronics Co., Ltd., and Alpine China Dalian R&D Center were open.

2003 ● The Alpine brand celebrates its 25th anniversary.

2004

● IVA-D300 head unit equipped with the world's first PulseTouch™ display won Best of CES 2004 award.

2005

● Alpine launched iPod® direct link head unit, which won the Car Accessory Award 2005.

● Development and manufacturing of navigation systems for China began.



2006

● Alpine released Blackbird portable navigation system in North America.

● Alpine released Mobile Media Station X07 car navigation system, utilizing an internally developed proprietary operation platform.



2007

● Started sales of the iDA-X001, the world's first head unit designed for iPod®.

● Opened Drive Assist Evaluation Center at Iwaki Headquarters.



2008

● Release of the Rear Vision Navigation System, a product package combining a rear monitor and advanced navigation system

**ALPINE ELECTRONICS, INC.**

**[www.alpine.com](http://www.alpine.com)**



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