

Reference Documents for the General Meeting of Shareholders

<Separate Volume>

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Alpine Electronics, Inc.

Share Exchange Agreement

Alps Electric Co., Ltd. (“Alps Electric”) and Alpine Electronics, Inc. (“Alpine”) enter into this Share Exchange Agreement (this “Agreement”) as follows on July 27, 2017 (the “Execution Date”).

Article 1. Share Exchange

Alps Electric and Alpine shall conduct a share exchange (the “Share Exchange”) in accordance with the provisions of this Agreement through which Alps Electric becomes a wholly owning parent company resulting from share exchange of Alpine and Alpine becomes a wholly owned subsidiary resulting from share exchange of Alps Electric, and Alps Electric shall acquire all of the issued shares of Alpine (excluding shares of Alpine held by Alps Electric; hereinafter the same applies in this Agreement).

Article 2. Trade Names and Addresses of the Wholly Owing Parent Company Resulting from Share Exchange and the Wholly Owned Subsidiary Resulting from Share Exchange

The trade names and addresses of Alps Electric (wholly owning parent company resulting from share exchange) and Alpine (wholly owned subsidiary resulting from share exchange) are as set out below.

- (1) Alps Electric (wholly owning parent company resulting from share exchange)
 Trade name: Alps Electric Co., Ltd.
 Address: 1-7, Yukigaya-otsukamachi, Ota-ku, Tokyo, Japan
- (2) Alpine (wholly owned subsidiary resulting from share exchange)
 Trade name: Alpine Electronics, Inc.
 Address: 1-1-8, Nishi-Gotanda, Shinagawa-ku, Tokyo, Japan (Scheduled to relocate to 1-7, Yukigaya-otsukamachi, Ota-ku, Tokyo, Japan on August 18, 2017)

Article 3. Shares Delivered upon the Share Exchange and Allotment Thereof

1. Alps Electric shall, upon the Share Exchange, deliver to the shareholders of Alpine at the time (the “Record Time”) immediately before Alps Electric acquires all of the issued shares of Alpine by way of the Share Exchange (such shareholders mean the shareholders after the cancellation of treasury shares of Alpine pursuant to Article 9, excluding Alps Electric; hereinafter the “Shareholders Receiving Allotment”) the number of common shares of Alps Electric calculated by multiplying the total number of common shares of Alpine held by such shareholders by 0.68 in exchange for the common shares of Alpine that are held by the Shareholders Receiving Allotment.
2. With respect to the allotment of common shares of Alpine to be delivered under the provisions of the preceding paragraph, Alps Electric shall allot common shares of Alps Electric to the Shareholders Receiving Allotment at the ratio of 0.68 common shares of Alps Electric per common share of Alpine held by such shareholders (the “Share Exchange Ratio”).
3. If the number of common shares of Alps Electric to be delivered by Alps Electric to the Shareholders Receiving Allotment in accordance with the provisions of the preceding two paragraphs includes a fraction of less than one share, Alps Electric shall treat such fraction in accordance with the provisions of Article 234 of the Companies Act and other relevant laws and regulations.

Article 4. Amounts of Stated Capital and Capital Reserves of Alps Electric

The amounts of the stated capital and capital reserves of Alps Electric to be increased due to the Share Exchange are as set out below.

- (1) Amount of stated capital: 0 yen
- (2) Amount of capital reserves: Amount as separately determined by Alps Electric pursuant to Article 39 of the Regulation on Accounting of Companies
- (3) Amount of retained earnings reserves: 0 yen

Article 5. Share Acquisition Rights Delivered upon the Share Exchange and Allotment Thereof

1. Alps Electric shall, upon the Share Exchange, deliver to the holders of the share acquisition rights listed in (i) through (iv) set out in Section 1 of the table below, which have been issued by Alpine at the Record Time, the share acquisition rights of Alps Electric listed in (i) through (iv) in Section 2 of the table below, respectively, in the same number as the total number of such share acquisition rights of Alpine held by such holders at the Record Time in place of the share acquisition rights of Alpine.

	Section 1		Section 2	
	Title	Terms	Title	Terms
(i)	Alpine Electronics, Inc. First Series of Share Acquisition Rights	Set forth in Exhibit 1-1	Alps Electric Co., Ltd. Fifth Series of Share Acquisition Rights	Set forth in Exhibit 1-2
(ii)	Alpine Electronics, Inc. Second Series of Share Acquisition Rights	Set forth in Exhibit 2-1	Alps Electric Co., Ltd. Sixth Series of Share Acquisition Rights	Set forth in Exhibit 2-2
(iii)	Alpine Electronics, Inc. Third Series of Share Acquisition Rights	Set forth in Exhibit 3-1	Alps Electric Co., Ltd. Seventh Series of Share Acquisition Rights	Set forth in Exhibit 3-2
(iv)	Alpine Electronics, Inc. Fourth Series of Share Acquisition Rights	Set forth in Exhibit 4-1	Alps Electric Co., Ltd. Eighth Series of Share Acquisition Rights	Set forth in Exhibit 4-2

2. With respect to the allotment of the share acquisition rights to be delivered pursuant to the provisions of the preceding paragraph, Alps Electric shall allot to the holders of the share acquisition rights listed in (i) through (iv) set out in Section 1 of the table in the preceding paragraph, which have been issued by Alpine at the Record Time, the share acquisition rights of Alps Electric listed in (i) through (iv) in Section 2 of such table at the ratio of one share acquisition right of Alps Electric to one share acquisition right of Alpine held by such holders of share acquisition rights of Alpine.

Article 6. Effective Date

The date on which the Share Exchange becomes effective (the “Effective Date”) shall be January 1, 2019; provided, however, that if it is necessary for the progress of the procedures for the Share Exchange or for other reasons, the parties may change the date upon consultation and agreement.

Article 7. Approval of General Meeting of Shareholders

1. Alps Electric shall conduct the Share Exchange without obtaining approval of this Agreement at the general meeting of shareholders stipulated in Article 795, paragraph (1) of the Companies Act in accordance with the provisions of the main text of Article 796, paragraph (2) of the Companies Act; provided, however, that if it is necessary to obtain approval of this Agreement at the general meeting of shareholders in accordance with the provisions of Article 796, paragraph (3) of the Companies Act, Alps Electric shall seek approval of this Agreement at the general meeting of shareholders no later than the day immediately prior to the Effective Date.
2. Alpine shall hold an extraordinary general meeting of shareholders no later than the day immediately prior to the Effective Date, and seek the approval at the general meeting of shareholders stipulated in Article 783, paragraph (1) of the Companies Act for this Agreement at such extraordinary general meeting of shareholders.
3. If it is necessary for the progress of the procedures for the Share Exchange or for other reasons, the parties may change the procedures set out in the preceding two paragraphs upon consultation and agreement.

Article 8. Due Care of a Prudent Manager

1. From the Execution Date until the Effective Date, Alps Electric and Alpine shall each conduct their respective businesses and manage and operate their respective property with the due care required of a prudent manager, and shall each cause their subsidiaries to conduct their own businesses and manage and operate their own property with the due care required of a prudent manager.
2. From the Execution Date until the Effective Date, unless otherwise provided in this Agreement, if Alps Electric and Alpine themselves, or cause their subsidiaries to, conduct an act that has a material impact on their own property, rights or obligations or an act that has a material impact on the consummation of the Share Exchange or the Share Exchange Ratio, Alps Electric and Alpine shall discuss with each other and agree in advance.
3. Unless otherwise provided in this Agreement, from the Execution Date until the Effective Date, if an event that may have a material impact on the property, rights or obligations of Alps Electric or Alpine or an event that may have a material impact on the consummation of the Share Exchange occurs or is found to exist, Alps Electric or Alpine shall immediately notify the other party to that effect as well as the details of such event.

Article 9. Cancellation of Alpine’s Treasury Shares

Alpine shall at the Record Time cancel all of its treasury shares it holds at the Record Time (including treasury shares acquired in response to any demands for purchase of shares that are exercised upon the Share Exchange by dissenting shareholders as prescribed in Article 785, paragraph (1) of the Companies Act) by the resolution of its board of directors held no later than the day immediately prior to the Effective Date.

Article 10. Other Reorganizations

Alps Electric and Alpine hereby acknowledge that on or after the Execution Date, Alps Electric and ALPS HD CO., LTD. (“ALPS HD”), which is to be established as a wholly-owned subsidiary of Alps Electric, will execute an absorption-type company split agreement (the “Absorption-type Company Split Agreement”) concerning the absorption-type company split (the “Absorption-type Company Split”), under which Alps Electric will be the company splitting and ALPS HD will

be the company succeeding, and Alps Electric will have its rights and obligations concerning its businesses, other than those relating to group management and administration and the management of its assets, succeeded to by ALPS HD, and that the Absorption-type Company Split will take effect on April 1, 2019 on the condition that the Absorption-type Company Split Agreement will be approved at the ordinary general meeting of shareholders of Alps Electric scheduled to be held in late June 2018 and also approved at the general meeting of shareholders of ALPS HD to be held on or before the day immediately prior to the effective date of the Absorption-type Company Split defined in the Absorption-type Company Split Agreement.

Article 11. Amendment to this Agreement

For the period from the Execution Date to the Effective Date, if any event that materially changes the financial condition or operating condition of the other party or any event that materially interferes with the execution of the Share Exchange occurs or is found to exist, or if it is otherwise significantly difficult to achieve the purpose of this Agreement, Alps Electric and Alpine may cancel this Agreement through consultation between the parties, or amend the conditions of the Share Exchange or other terms of this Agreement upon agreement of the parties.

Article 12. Effect of this Agreement

If (i) Alps Electric is unable to obtain approval at the general meeting of shareholders under the proviso of Article 7.1 above on or before the day immediately preceding the Effective Date where notices under Article 796, paragraph (3) of the Companies Act are issued by shareholders holding shares in the number prescribed in Article 197 of the Regulation for Enforcement of the Companies Act, (ii) Alpine is unable to obtain approval at the general meeting of shareholders under Article 7.2 above on or before the day immediately preceding the Effective Date, (iii) the relevant governmental agencies and other authorities do not give approvals or other authorizations necessary to conduct the Share Exchange as prescribed in Japanese and foreign laws and regulations (including, but not limited to, the case where the notification filed with the relevant governmental agencies and other authorities fails to take effect), or (iv) this Agreement is terminated in accordance with the preceding article, this Agreement shall cease to be effective.

Article 13. Governing Law and Jurisdiction

1. This Agreement is governed by and construed in accordance with the laws of Japan.
2. The Tokyo District Court shall have exclusive jurisdiction as the court of first instance with respect to any dispute arising between Alps Electric and Alpine in relation to this Agreement.

Article 14. Consultation in Good Faith

If any matter that is not provided in this Agreement or any doubt regarding interpretation of this Agreement arises, Alps Electric and Alpine shall consult with each other in good faith and resolve such matter or doubt in accordance with the purpose of this Agreement.

In witness whereof, both parties have caused this Agreement to be signed and sealed in duplicate, and each party shall retain one original.

July 27, 2017

Alps Electric:

Alps Electric Co., Ltd.
1-7, Yukigaya-otsukamachi, Ota-ku, Tokyo, Japan
Toshihiro Kuriyama,
Representative Director and President

Alpine:

Alpine Electronics, Inc.
1-1-8, Nishi-Gotanda, Shinagawa-ku, Tokyo, Japan
Nobuhiko Komeya,
President

Alpine Electronics, Inc. First Series of Share Acquisition Rights

1. Name of Share Acquisition Rights
Alpine Electronics, Inc. First Series of Share Acquisition Rights
2. Class and Number of Shares to be Issued upon Exercise of Share Acquisition Rights
The class of shares to be issued upon exercise of the share acquisition rights shall be common share of Alpine Electronics, Inc. (the “Company”), and the number of shares to be issued upon exercise of each share acquisition right (the “Number of Shares Granted”) shall be 100 shares.

If the Company conducts a share split (including an allotment without consideration (*musho wariate*) of common shares of the Company; the same shall apply to all references to the share split herein) or a share consolidation of common shares of the Company after the date on which the Company allots share acquisition rights as set forth in Section 12 below (the “Allotment Date”), the Number of Shares Granted shall be adjusted by using the following formula; provided, however, that such adjustment shall only apply to the number of shares to be issued upon exercise of the share acquisition rights which have not been exercised at the time of the adjustment and fractions less than one (1) share resulting from the adjustment shall be rounded down:

$$\begin{array}{ccccccc} \text{Number of Shares Granted after} & & & & \text{Number of Shares Granted} & & \text{Ratio of share split or share} \\ \text{adjustment} & = & & & \text{before adjustment} & \times & \text{consolidation} \end{array}$$

The Number of Shares Granted after adjustment shall apply, in the case of a share split, on and after the day immediately following the record date of the relevant share split (if the record date is not set, on and after its effective date) or, in the case of a share consolidation, on and after its effective date; provided, however, that if the Company conducts a share split on the condition that the proposal to decrease the amount of surplus and increase stated capital or capital reserves will be approved at a general meeting of shareholders of the Company, and the record date for such share split is set to be any date on or before the close of such general meeting of shareholders, the Number of Shares Granted after adjustment shall apply on and after the day immediately following the close of such general meeting of shareholders.

In addition to the above, if the Company conducts a merger, company split or share exchange after the Allotment Date or if any other similar event occurs that makes it necessary to adjust the Number of Shares Granted, the Company may adjust the Number of Shares Granted as deemed necessary by the board of directors of the Company.

3. Value of Property to be Contributed upon Exercise of Share Acquisition Rights
The value of property to be contributed upon exercise of each share acquisition right shall be one (1) yen per share to be acquired upon exercise of the relevant share acquisition right, multiplied by the Number of Shares Granted.
4. Method of Calculating Amount to be Paid in for Share Acquisition Right
The amount to be paid in for each share acquisition right shall be calculated through the Black-Scholes model on the Allotment Date. Such amount shall be the fair value of the share acquisition right, and accordingly, in accordance with the provisions of Article 246, paragraph (2) of the Companies Act, the claim for remuneration held by the person who receives an allotment against the Company shall be set off against the amount to be paid in with respect to the share acquisition rights (obligation).
5. Exercise Period of Share Acquisition Rights
August 6, 2014 to August 5, 2054
6. Conditions for Exercise of Share Acquisition Rights
 - (i) A holder of the share acquisition rights may exercise his or her share acquisition rights only during the ten (10) -day period (if the tenth day is a holiday, the following business day) from the day immediately following the date on which such holder loses his or her office as director of the Company.
 - (ii) Notwithstanding the provisions of paragraph (i) above, if the general meeting of shareholders of the Company approves a proposal for the approval of a merger agreement under which the Company becomes a disappearing company, a proposal for the approval of a company split agreement or company split plan under which the Company becomes the company splitting, or a proposal for the approval of a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary (if a resolution of the general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), a holder of the share acquisition rights may exercise his or her share acquisition rights only

during the thirty (30) -day period from the day immediately following the date of such approval; provided, however, that this shall not apply to the case where share acquisition rights of a reorganized company are to be delivered to the holders of share acquisition rights in accordance with the matters related to the delivery of share acquisition rights in connection with the reorganizations set forth in Section 10 below.

- (iii) Each holder of the share acquisition rights shall collectively exercise all of the share acquisition rights allotted to himself or herself.
- (iv) In the event of the death of the holder of the share acquisition rights, his or her heir may exercise such share acquisition rights.
- (v) Any other conditions shall be stipulated in the relevant “share acquisition rights allotment agreement” to be entered into between the Company and each holder of the share acquisition rights.

7. Matters concerning Stated Capital and Capital Reserves to be Increased due to Issuance of Shares upon Exercise of Share Acquisition Rights

- (i) The amount of stated capital to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be half of the maximum limit of stated capital increase, as calculated in accordance with the Regulation on Accounting of Companies, and any fraction less than one (1) yen arising therefrom shall be rounded up to the nearest one (1) yen.
- (ii) The amount of capital reserves to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be the amount calculated by deducting the amount of stated capital to be increased, as provided for in (i) above, from the maximum limit of stated capital increase, as also provided for in (i) above.

8. Matters concerning Acquisition of Share Acquisition Rights

If any of the proposals set forth in (i), (ii), (iii), (iv) or (v) below is approved at a general meeting of shareholders of the Company (or, if a resolution of a general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), the Company may acquire the share acquisition rights without consideration on the date to be separately determined by the board of directors of the Company:

- (i) Proposal for the approval of a merger agreement under which the Company will become a disappearing company;
- (ii) Proposal for the approval of a company split agreement or company split plan under which the Company will become the company splitting;
- (iii) Proposal for the approval of a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary;
- (iv) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of any shares issued or to be issued by the Company shall require the approval of the Company; and
- (v) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of a class of shares to be acquired upon exercise of the share acquisition rights shall require the approval of the Company or that the Company may acquire all of such class of shares upon a resolution of a general meeting of shareholders.

9. Restrictions on Acquisition of Share Acquisition Rights through Transfer

The share acquisition rights cannot be acquired through transfer, unless such acquisition is approved by a resolution of the board of directors of the Company.

10. Matters concerning Delivery of Share Acquisition Rights in connection with Reorganization

If the Company conducts a merger (limited to the case where the Company is disappearing due to the merger), an absorption-type or incorporation-type company split (in both cases, limited to the case where the Company becomes the company splitting), or a share exchange or transfer (in both cases, limited to the case where the Company becomes a wholly-owned subsidiary) (collectively, the “Reorganization”), the Company shall, in each of the above cases, deliver share acquisition rights of the relevant stock company from among those listed in “a” through “e” of Article 236, paragraph (1), item (viii) of the Companies Act (the “Reorganized Company”) to the holders of the share acquisition rights remaining unexercised immediately before the effective date of the relevant Reorganization (the “Remaining Share Acquisition Rights”) (the effective date of the relevant Reorganization shall mean, in the case of an absorption-type merger, the date on which the merger becomes effective; in the case of a consolidation-type merger, the date of the establishment of a newly-incorporated company through such consolidation-type merger; in the case of an absorption-type company split, the date on which the absorption-type company split becomes effective; in the case of an incorporation-type company split, the date of the establishment of a newly-incorporated company through such incorporation-type company split; in the case of a share exchange, the date on which the share exchange becomes effective; and in the case of a share transfer, the date of the establishment of a wholly-owning parent company through such share transfer; the same shall apply hereinafter); provided,

however, that the foregoing shall be on the condition that the delivery of such share acquisition rights by the Reorganized Company in accordance with each of the following items is stipulated in an absorption-type merger agreement, a consolidation-type merger agreement, an absorption-type company split agreement, an incorporation-type company split plan, a share exchange agreement or a share transfer plan.

- (i) Number of share acquisition rights of the Reorganized Company to be delivered
A number equal to the number of the Remaining Share Acquisition Rights held by the holder of the share acquisition rights shall be delivered to such holder.
- (ii) Class of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
Common share of the Reorganized Company
- (iii) Number of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
To be determined in accordance with Section 2 above, taking into consideration, among other matters, the terms and conditions of the Reorganization.
- (iv) Value of property to be contributed upon exercise of each share acquisition right
The value of property to be contributed upon exercise of each share acquisition right to be delivered shall be the amount obtained by multiplying (x) the exercise price after Reorganization set forth below by (y) the number of shares of the Reorganized Company to be issued upon exercise of each of such share acquisition rights as determined in accordance with (iii) above. The exercise price after Reorganization shall be one (1) yen per share of the Reorganized Company to be acquired upon exercise of each of the delivered share acquisition rights.
- (v) Exercise period of share acquisition rights
From and including the later of (x) the commencement date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above or (y) the effective date of the Reorganization, to and including the expiration date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above.
- (vi) Matters concerning stated capital and capital reserves to be increased due to issuance of shares upon exercise of share acquisition rights
To be determined in accordance with Section 7 above.
- (vii) Restrictions on acquisition of share acquisition rights through transfer
The share acquisition rights may not be acquired through transfer unless such acquisition is approved by the Reorganized Company.
- (viii) Conditions for exercise of share acquisition rights
To be determined in accordance with Section 6 above.
- (ix) Provisions concerning acquisition of share acquisition rights
To be determined in accordance with Section 8 above.

11. Handling of Fractions Less than One (1) Share resulting from Exercise of Share Acquisition Rights
If the number of shares to be acquired by the holders of the share acquisition rights who have exercised their share acquisition rights includes any fraction less than one (1) share, such fraction shall be rounded down.

12. Allotment Date of Share Acquisition Rights
August 5, 2014

13. Treatment after Exercise of Share Acquisition Rights
Immediately after the exercise procedure has been completed, the Company shall carry out the procedure necessary to have the shares acquired by a holder of the share acquisition rights upon exercise of the share acquisition rights entered or recorded in the account established by such holder of the share acquisition rights under his or her name with the Financial Instruments Business Operator, etc. designated by the Company.

14. Treatment of the Replacement of the Provisions of These Terms and Conditions of Share Acquisition Rights and Other Measures
If it becomes necessary to replace any of the provisions of these terms and conditions of the share acquisition rights or to take other measures, the Company may amend these terms and conditions with respect to the handling of any related matters in a manner that the Company deems appropriate pursuant to the provisions of the Companies Act and other relevant laws and regulations and in accordance with the objectives of the share acquisition rights, and such amendment shall comprise a part of these terms and conditions.

15. Public Notification of Terms and Conditions
The Company shall maintain a certified copy of these terms and conditions for the issuance of the share acquisition rights at its head office and make such copy available to the holders of the share acquisition rights for review during its business hours.

16. Other

The decision of the details of the issuance and allotment of the share acquisition rights, the performance and other handling of the procedures necessary to issue the share acquisition rights, and any affairs necessary for the issuance of the share acquisition rights shall be left entirely to the Human Resources Department of the Company.

End

Alps Electric Co., Ltd. Fifth Series of Share Acquisition Rights

1. Name of Share Acquisition Rights
Alps Electric Co., Ltd. Fifth Series of Share Acquisition Rights
2. Class and Number of Shares to be Issued upon Exercise of Share Acquisition Rights
The class of shares to be issued upon exercise of the share acquisition rights shall be common share of Alps Electric Co., Ltd. (the “Company”), and the number of shares to be issued upon exercise of each share acquisition right (the “Number of Shares Granted”) shall be 68 shares.

If the Company conducts a share split (including an allotment without consideration (*musho wariate*) of common shares of the Company; the same shall apply to all references to the share split herein) or a share consolidation of common shares of the Company after the date on which the Company allots share acquisition rights as set forth in Section 12 below (the “Allotment Date”), the Number of Shares Granted shall be adjusted by using the following formula; provided, however, that such adjustment shall only apply to the number of shares to be issued upon exercise of the share acquisition rights which have not been exercised at the time of the adjustment and fractions less than one (1) share resulting from the adjustment shall be rounded down:

$$\text{Number of Shares Granted after adjustment} = \text{Number of Shares Granted before adjustment} \times \text{Ratio of share split or share consolidation}$$

The Number of Shares Granted after adjustment shall apply, in the case of a share split, on and after the day immediately following the record date of the relevant share split (if the record date is not set, on and after its effective date) or, in the case of a share consolidation, on and after its effective date; provided, however, that if the Company conducts a share split on the condition that the proposal to decrease the amount of surplus and increase stated capital or capital reserves will be approved at a general meeting of shareholders of the Company, and the record date for such share split is set to be any date on or before the close of such general meeting of shareholders, the Number of Shares Granted after adjustment shall apply on and after the day immediately following the close of such general meeting of shareholders.

In addition to the above, if the Company conducts a merger, company split or share exchange after the Allotment Date or if any other similar event occurs that makes it necessary to adjust the Number of Shares Granted, the Company may adjust the Number of Shares Granted as deemed necessary by the board of directors of the Company.

3. Value of Property to be Contributed upon Exercise of Share Acquisition Rights
The value of property to be contributed upon exercise of each share acquisition right shall be one (1) yen per share to be acquired upon exercise of the relevant share acquisition right, multiplied by the Number of Shares Granted.
4. Method of Calculating Amount to be Paid in for Share Acquisition Right
No payment of money shall be required.
5. Exercise Period of Share Acquisition Rights
January 1, 2019 to August 5, 2054
6. Conditions for Exercise of Share Acquisition Rights
 - (i) A holder of the share acquisition rights may exercise his or her share acquisition rights only during the ten (10) -day period (if the tenth day is a holiday, the following business day) from the day immediately following the date on which such holder loses his or her office as director (excluding non-executive directors and directors who are audit and supervisory committee members) of Alpine Electronics, Inc.
 - (ii) Notwithstanding the provisions of paragraph (i) above, if the general meeting of shareholders of the Company approves a proposal for the approval of a merger agreement under which the Company becomes a disappearing company, a proposal for the approval of a company split agreement or company split plan under which the Company becomes the company splitting, or a proposal for the approval of a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary (if a resolution of the general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), a holder of the share acquisition rights may exercise his or her share acquisition rights only during the thirty (30) -day period from the day immediately following the date of such approval; provided, however, that this shall not apply to the case where share acquisition rights of a reorganized company are to be

delivered to the holders of share acquisition rights in accordance with the matters related to the delivery of share acquisition rights in connection with the reorganizations set forth in Section 10 below.

- (iii) Each holder of the share acquisition rights shall collectively exercise all of the share acquisition rights allotted to himself or herself.
- (iv) In the event of the death of the holder of the share acquisition rights, his or her heir may exercise such share acquisition rights.
- (v) Any other conditions shall be stipulated in the relevant “share acquisition rights allotment agreement” to be entered into between the Company and each holder of the share acquisition rights.

7. Matters concerning Stated Capital and Capital Reserves to be Increased due to Issuance of Shares upon Exercise of Share Acquisition Rights

- (i) The amount of stated capital to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be half of the maximum limit of stated capital increase, as calculated in accordance with the Regulation on Accounting of Companies, and any fraction less than one (1) yen arising therefrom shall be rounded up to the nearest one (1) yen.
- (ii) The amount of capital reserves to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be the amount calculated by deducting the amount of stated capital to be increased, as provided for in (i) above, from the maximum limit of stated capital increase, as also provided for in (i) above.

8. Matters concerning Acquisition of Share Acquisition Rights

If any of the proposals set forth in (i), (ii), (iii), (iv) or (v) below is approved at a general meeting of shareholders of the Company (or, if a resolution of a general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), the Company may acquire the share acquisition rights without consideration on the date to be separately determined by the board of directors of the Company:

- (i) Proposal for the approval of a merger agreement under which the Company will become a disappearing company;
- (ii) Proposal for the approval of a company split agreement or company split plan under which the Company will become the company splitting;
- (iii) Proposal for the approval of a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary;
- (iv) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of any shares issued or to be issued by the Company shall require the approval of the Company; and
- (v) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of a class of shares to be acquired upon exercise of the share acquisition rights shall require the approval of the Company or that the Company may acquire all of such class of shares upon a resolution of a general meeting of shareholders.

9. Restrictions on Acquisition of Share Acquisition Rights through Transfer

The share acquisition rights cannot be acquired through transfer, unless such acquisition is approved by a resolution of the board of directors of the Company.

10. Matters concerning Delivery of Share Acquisition Rights in connection with Reorganization

If the Company conducts a merger (limited to the case where the Company is disappearing due to the merger), an absorption-type or incorporation-type company split (in both cases, limited to the case where the Company becomes the company splitting), or a share exchange or transfer (in both cases, limited to the case where the Company becomes a wholly-owned subsidiary) (collectively, the “Reorganization”), the Company shall, in each of the above cases, deliver share acquisition rights of the relevant stock company from among those listed in “a” through “e” of Article 236, paragraph (1), item (viii) of the Companies Act (the “Reorganized Company”) to the holders of the share acquisition rights remaining unexercised immediately before the effective date of the relevant Reorganization (the “Remaining Share Acquisition Rights”) (the effective date of the relevant Reorganization shall mean, in the case of an absorption-type merger, the date on which the merger becomes effective; in the case of a consolidation-type merger, the date of the establishment of a newly-incorporated company through such consolidation-type merger; in the case of an absorption-type company split, the date on which the absorption-type company split becomes effective; in the case of an incorporation-type company split, the date of the establishment of a newly-incorporated company through such incorporation-type company split; in the case of a share exchange, the date on which the share exchange becomes effective; and in the case of a share transfer, the date of the establishment of a wholly-owning parent company through such share transfer; the same shall apply hereinafter); provided, however, that the foregoing shall be on the condition that the delivery of such share acquisition rights by the Reorganized Company in accordance with each of the following items is stipulated in an absorption-type merger

agreement, a consolidation-type merger agreement, an absorption-type company split agreement, an incorporation-type company split plan, a share exchange agreement or a share transfer plan.

- (i) Number of share acquisition rights of the Reorganized Company to be delivered
A number equal to the number of the Remaining Share Acquisition Rights held by the holder of the share acquisition rights shall be delivered to such holder.
- (ii) Class of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
Common share of the Reorganized Company
- (iii) Number of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
To be determined in accordance with Section 2 above, taking into consideration, among other matters, the terms and conditions of the Reorganization.
- (iv) Value of property to be contributed upon exercise of each share acquisition right
The value of property to be contributed upon exercise of each share acquisition right to be delivered shall be the amount obtained by multiplying (x) the exercise price after Reorganization set forth below by (y) the number of shares of the Reorganized Company to be issued upon exercise of each of such share acquisition rights as determined in accordance with (iii) above. The exercise price after Reorganization shall be one (1) yen per share of the Reorganized Company to be acquired upon exercise of each of the delivered share acquisition rights.
- (v) Exercise period of share acquisition rights
From and including the later of (x) the commencement date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above or (y) the effective date of the Reorganization, to and including the expiration date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above.
- (vi) Matters concerning stated capital and capital reserves to be increased due to issuance of shares upon exercise of share acquisition rights
To be determined in accordance with Section 7 above.
- (vii) Restrictions on acquisition of share acquisition rights through transfer
The share acquisition rights may not be acquired through transfer unless such acquisition is approved by the Reorganized Company.
- (viii) Conditions for exercise of share acquisition rights
To be determined in accordance with Section 6 above.
- (ix) Provisions concerning acquisition of share acquisition rights
To be determined in accordance with Section 8 above.

11. Handling of Fractions Less than One (1) Share resulting from Exercise of Share Acquisition Rights
If the number of shares to be acquired by the holders of the share acquisition rights who have exercised their share acquisition rights includes any fraction less than one (1) share, such fraction shall be rounded down.

12. Allotment Date of Share Acquisition Rights
January 1, 2019

13. Treatment after Exercise of Share Acquisition Rights
Immediately after the exercise procedure has been completed, the Company shall carry out the procedure necessary to have the shares acquired by a holder of the share acquisition rights upon exercise of the share acquisition rights entered or recorded in the account established by such holder of the share acquisition rights under his or her name with the Financial Instruments Business Operator, etc. designated by the Company.

14. Treatment of the Replacement of the Provisions of These Terms and Conditions of Share Acquisition Rights and Other Measures
If it becomes necessary to replace any of the provisions of these terms and conditions of the share acquisition rights or to take other measures, the Company may amend these terms and conditions with respect to the handling of any related matters in a manner that the Company deems appropriate pursuant to the provisions of the Companies Act and other relevant laws and regulations and in accordance with the objectives of the share acquisition rights, and such amendment shall comprise a part of these terms and conditions.

15. Public Notification of Terms and Conditions
The Company shall maintain a certified copy of these terms and conditions for the issuance of the share acquisition rights at its head office and make such copy available to the holders of the share acquisition rights for review during its business hours.

16. Other

The decision of the details of the issuance and allotment of the share acquisition rights, the performance and other handling of the procedures necessary to issue the share acquisition rights, and any affairs necessary for the issuance of the share acquisition rights shall be left entirely to the Human Resources Department of the Company or other departments that have jurisdiction.

End

Alpine Electronics, Inc. Second Series of Share Acquisition Rights

1. Name of Share Acquisition Rights
Alpine Electronics, Inc. Second Series of Share Acquisition Rights
2. Class and Number of Shares to be Issued upon Exercise of Share Acquisition Rights
The class of shares to be issued upon exercise of the share acquisition rights shall be common share of Alpine Electronics, Inc. (the “Company”), and the number of shares to be issued upon exercise of each share acquisition right (the “Number of Shares Granted”) shall be 100 shares.

If the Company conducts a share split (including an allotment without consideration (*musho wariate*) of common shares of the Company; the same shall apply to all references to the share split herein) or a share consolidation of common shares of the Company after the date on which the Company allots share acquisition rights as set forth in Section 12 below (the “Allotment Date”), the Number of Shares Granted shall be adjusted by using the following formula; provided, however, that such adjustment shall only apply to the number of shares to be issued upon exercise of the share acquisition rights which have not been exercised at the time of the adjustment and fractions less than one (1) share resulting from the adjustment shall be rounded down:

$$\begin{array}{ccccccc} \text{Number of Shares Granted after} & & & & & & \\ \text{adjustment} & = & \text{Number of Shares Granted} & & \text{Ratio of share split or share} & & \\ & & \text{before adjustment} & & \text{consolidation} & & \\ & & & & \text{x} & & \end{array}$$

The Number of Shares Granted after adjustment shall apply, in the case of a share split, on and after the day immediately following the record date of the relevant share split (if the record date is not set, on and after its effective date) or, in the case of a share consolidation, on and after its effective date; provided, however, that if the Company conducts a share split on the condition that the proposal to decrease the amount of surplus and increase stated capital or capital reserves will be approved at a general meeting of shareholders of the Company, and the record date for such share split is set to be any date on or before the close of such general meeting of shareholders, the Number of Shares Granted after adjustment shall apply on and after the day immediately following the close of such general meeting of shareholders.

In addition to the above, if the Company conducts a merger, company split or share exchange after the Allotment Date or if any other similar event occurs that makes it necessary to adjust the Number of Shares Granted, the Company may adjust the Number of Shares Granted as deemed necessary by the board of directors of the Company.

3. Value of Property to be Contributed upon Exercise of Share Acquisition Rights
The value of property to be contributed upon exercise of each share acquisition right shall be one (1) yen per share to be acquired upon exercise of the relevant share acquisition right, multiplied by the Number of Shares Granted.
4. Method of Calculating Amount to be Paid in for Share Acquisition Right
The amount to be paid in for each share acquisition right shall be calculated through the Black-Scholes model on the Allotment Date. Such amount shall be the fair value of the share acquisition right, and accordingly, in accordance with the provisions of Article 246, paragraph (2) of the Companies Act, the claim for remuneration held by the person who receives an allotment against the Company shall be set off against the amount to be paid in with respect to the share acquisition rights (obligation).
5. Exercise Period of Share Acquisition Rights
August 5, 2015 to August 4, 2055
6. Conditions for Exercise of Share Acquisition Rights
 - (i) A holder of the share acquisition rights may exercise his or her share acquisition rights only during the ten (10) -day period (if the tenth day is a holiday, the following business day) from the day immediately following the date on which such holder loses his or her office as director of the Company.
 - (ii) Notwithstanding the provisions of paragraph (i) above, if the general meeting of shareholders of the Company approves a proposal for the approval of a merger agreement under which the Company becomes a disappearing company, a proposal for the approval of a company split agreement or company split plan under which the Company becomes the company splitting, or a proposal for the approval of a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary (if a resolution of the general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), a holder of the share acquisition rights may exercise his or her share acquisition rights only

during the thirty (30) -day period from the day immediately following the date of such approval; provided, however, that this shall not apply to the case where share acquisition rights of a reorganized company are to be delivered to the holders of share acquisition rights in accordance with the matters related to the delivery of share acquisition rights in connection with the reorganizations set forth in Section 10 below.

- (iii) Each holder of the share acquisition rights shall collectively exercise all of the share acquisition rights allotted to himself or herself.
- (iv) In the event of the death of the holder of the share acquisition rights, his or her heir may exercise such share acquisition rights.
- (v) Any other conditions shall be stipulated in the relevant “share acquisition rights allotment agreement” to be entered into between the Company and each holder of the share acquisition rights.

7. Matters concerning Stated Capital and Capital Reserves to be Increased due to Issuance of Shares upon Exercise of Share Acquisition Rights

- (i) The amount of stated capital to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be half of the maximum limit of stated capital increase, as calculated in accordance with the Regulation on Accounting of Companies, and any fraction less than one (1) yen arising therefrom shall be rounded up to the nearest one (1) yen.
- (ii) The amount of capital reserves to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be the amount calculated by deducting the amount of stated capital to be increased, as provided for in (i) above, from the maximum limit of stated capital increase, as also provided for in (i) above.

8. Matters concerning Acquisition of Share Acquisition Rights

If any of the proposals set forth in (i), (ii), (iii), (iv) or (v) below is approved at a general meeting of shareholders of the Company (or, if a resolution of a general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), the Company may acquire the share acquisition rights without consideration on the date to be separately determined by the board of directors of the Company:

- (i) Proposal for the approval of a merger agreement under which the Company will become a disappearing company;
- (ii) Proposal for the approval of a company split agreement or company split plan under which the Company will become the company splitting;
- (iii) Proposal for the approval of a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary;
- (iv) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of any shares issued or to be issued by the Company shall require the approval of the Company; and
- (v) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of a class of shares to be acquired upon exercise of the share acquisition rights shall require the approval of the Company or that the Company may acquire all of such class of shares upon a resolution of a general meeting of shareholders.

9. Restrictions on Acquisition of Share Acquisition Rights through Transfer

The share acquisition rights cannot be acquired through transfer, unless such acquisition is approved by a resolution of the board of directors of the Company.

10. Matters concerning Delivery of Share Acquisition Rights in connection with Reorganization

If the Company conducts a merger (limited to the case where the Company is disappearing due to the merger), an absorption-type or incorporation-type company split (in both cases, limited to the case where the Company becomes the company splitting), or a share exchange or transfer (in both cases, limited to the case where the Company becomes a wholly-owned subsidiary) (collectively, the “Reorganization”), the Company shall, in each of the above cases, deliver share acquisition rights of the relevant stock company from among those listed in “a” through “e” of Article 236, paragraph (1), item (viii) of the Companies Act (the “Reorganized Company”) to the holders of the share acquisition rights remaining unexercised immediately before the effective date of the relevant Reorganization (the “Remaining Share Acquisition Rights”) (the effective date of the relevant Reorganization shall mean, in the case of an absorption-type merger, the date on which the merger becomes effective; in the case of a consolidation-type merger, the date of the establishment of a newly-incorporated company through such consolidation-type merger; in the case of an absorption-type company split, the date on which the absorption-type company split becomes effective; in the case of an incorporation-type company split, the date of the establishment of a newly-incorporated company through such incorporation-type company split; in the case of a share exchange, the date on which the share exchange becomes effective; and in the case of a share transfer, the date of the establishment of a wholly-owning parent company through such share transfer; the same shall apply hereinafter); provided,

however, that the foregoing shall be on the condition that the delivery of such share acquisition rights by the Reorganized Company in accordance with each of the following items is stipulated in an absorption-type merger agreement, a consolidation-type merger agreement, an absorption-type company split agreement, an incorporation-type company split plan, a share exchange agreement or a share transfer plan.

- (i) Number of share acquisition rights of the Reorganized Company to be delivered
A number equal to the number of the Remaining Share Acquisition Rights held by the holder of the share acquisition rights shall be delivered to such holder.
- (ii) Class of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
Common share of the Reorganized Company
- (iii) Number of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
To be determined in accordance with Section 2 above, taking into consideration, among other matters, the terms and conditions of the Reorganization.
- (iv) Value of property to be contributed upon exercise of each share acquisition right
The value of property to be contributed upon exercise of each share acquisition right to be delivered shall be the amount obtained by multiplying (x) the exercise price after Reorganization set forth below by (y) the number of shares of the Reorganized Company to be issued upon exercise of each of such share acquisition rights as determined in accordance with (iii) above. The exercise price after Reorganization shall be one (1) yen per share of the Reorganized Company to be acquired upon exercise of each of the delivered share acquisition rights.
- (v) Exercise period of share acquisition rights
From and including the later of (x) the commencement date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above or (y) the effective date of the Reorganization, to and including the expiration date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above.
- (vi) Matters concerning stated capital and capital reserves to be increased due to issuance of shares upon exercise of share acquisition rights
To be determined in accordance with Section 7 above.
- (vii) Restrictions on acquisition of share acquisition rights through transfer
The share acquisition rights may not be acquired through transfer unless such acquisition is approved by the Reorganized Company.
- (viii) Conditions for exercise of share acquisition rights
To be determined in accordance with Section 6 above.
- (ix) Provisions concerning acquisition of share acquisition rights
To be determined in accordance with Section 8 above.

11. Handling of Fractions Less than One (1) Share resulting from Exercise of Share Acquisition Rights
If the number of shares to be acquired by the holders of the share acquisition rights who have exercised their share acquisition rights includes any fraction less than one (1) share, such fraction shall be rounded down.

12. Allotment Date of Share Acquisition Rights
August 5, 2014

13. Treatment after Exercise of Share Acquisition Rights
Immediately after the exercise procedure has been completed, the Company shall carry out the procedure necessary to have the shares acquired by a holder of the share acquisition rights upon exercise of the share acquisition rights entered or recorded in the account established by such holder of the share acquisition rights under his or her name with the Financial Instruments Business Operator, etc. designated by the Company.

14. Treatment of the Replacement of the Provisions of These Terms and Conditions of Share Acquisition Rights and Other Measures
If it becomes necessary to replace any of the provisions of these terms and conditions of the share acquisition rights or to take other measures, the Company may amend these terms and conditions with respect to the handling of any related matters in a manner that the Company deems appropriate pursuant to the provisions of the Companies Act and other relevant laws and regulations and in accordance with the objectives of the share acquisition rights, and such amendment shall comprise a part of these terms and conditions.

15. Public Notification of Terms and Conditions
The Company shall maintain a certified copy of these terms and conditions for the issuance of the share acquisition rights at its head office and make such copy available to the holders of the share acquisition rights for review during its business hours.

16. Other

The decision of the details of the issuance and allotment of the share acquisition rights, the performance and other handling of the procedures necessary to issue the share acquisition rights, and any affairs necessary for the issuance of the share acquisition rights shall be left entirely to the Human Resources Department of the Company.

End

Alps Electric Co., Ltd. Sixth Series of Share Acquisition Right

1. Name of Share Acquisition Rights
Alps Electric Co., Ltd. Sixth Series of Share Acquisition Rights
2. Class and Number of Shares to be Issued upon Exercise of Share Acquisition Rights
The class of shares to be issued upon exercise of the share acquisition rights shall be common share of Alps Electric Co., Ltd. (the “Company”), and the number of shares to be issued upon exercise of each share acquisition right (the “Number of Shares Granted”) shall be 68 shares.

If the Company conducts a share split (including an allotment without consideration (*musho wariate*) of common shares of the Company; the same shall apply to all references to the share split herein) or a share consolidation of common shares of the Company after the date on which the Company allots share acquisition rights as set forth in Section 12 below (the “Allotment Date”), the Number of Shares Granted shall be adjusted by using the following formula; provided, however, that such adjustment shall only apply to the number of shares to be issued upon exercise of the share acquisition rights which have not been exercised at the time of the adjustment and fractions less than one (1) share resulting from the adjustment shall be rounded down:

$$\begin{array}{ccccccc} \text{Number of Shares Granted after} & & & & & & \\ \text{adjustment} & = & \text{Number of Shares Granted} & & \text{Ratio of share split or share} & & \\ & & \text{before adjustment} & & \text{consolidation} & & \\ & & & & \text{x} & & \end{array}$$

The Number of Shares Granted after adjustment shall apply, in the case of a share split, on and after the day immediately following the record date of the relevant share split (if the record date is not set, on and after its effective date) or, in the case of a share consolidation, on and after its effective date; provided, however, that if the Company conducts a share split on the condition that the proposal to decrease the amount of surplus and increase stated capital or capital reserves will be approved at a general meeting of shareholders of the Company, and the record date for such share split is set to be any date on or before the close of such general meeting of shareholders, the Number of Shares Granted after adjustment shall apply on and after the day immediately following the close of such general meeting of shareholders.

In addition to the above, if the Company conducts a merger, company split or share exchange after the Allotment Date or if any other similar event occurs that makes it necessary to adjust the Number of Shares Granted, the Company may adjust the Number of Shares Granted as deemed necessary by the board of directors of the Company.

3. Value of Property to be Contributed upon Exercise of Share Acquisition Rights
The value of property to be contributed upon exercise of each share acquisition right shall be one (1) yen per share to be acquired upon exercise of the relevant share acquisition right, multiplied by the Number of Shares Granted.
4. Method of Calculating Amount to be Paid in for Share Acquisition Right
No payment of money shall be required.
5. Exercise Period of Share Acquisition Rights
January 1, 2019 to August 4, 2055
6. Conditions for Exercise of Share Acquisition Rights
 - (i) A holder of the share acquisition rights may exercise his or her share acquisition rights only during the ten (10) -day period (if the tenth day is a holiday, the following business day) from the day immediately following the date on which such holder loses his or her office as director (excluding non-executive directors and directors who are audit and supervisory committee members) of Alpine Electronics, Inc.
 - (ii) Notwithstanding the provisions of paragraph (i) above, if the general meeting of shareholders of the Company approves a proposal for the approval of a merger agreement under which the Company becomes a disappearing company, a proposal for the approval of a company split agreement or company split plan under which the Company becomes the company splitting, or a proposal for the approval of a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary (if a resolution of the general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), a holder of the share acquisition rights may exercise his or her share acquisition rights only during the thirty (30) -day period from the day immediately following the date of such approval; provided, however, that this shall not apply to the case where share acquisition rights of a reorganized company are to be

delivered to the holders of share acquisition rights in accordance with the matters related to the delivery of share acquisition rights in connection with the reorganizations set forth in Section 10 below.

- (iii) Each holder of the share acquisition rights shall collectively exercise all of the share acquisition rights allotted to himself or herself.
- (iv) In the event of the death of the holder of the share acquisition rights, his or her heir may exercise such share acquisition rights.
- (v) Any other conditions shall be stipulated in the relevant “share acquisition rights allotment agreement” to be entered into between the Company and each holder of the share acquisition rights.

7. Matters concerning Stated Capital and Capital Reserves to be Increased due to Issuance of Shares upon Exercise of Share Acquisition Rights

- (i) The amount of stated capital to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be half of the maximum limit of stated capital increase, as calculated in accordance with the Regulation on Accounting of Companies, and any fraction less than one (1) yen arising therefrom shall be rounded up to the nearest one (1) yen.
- (ii) The amount of capital reserves to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be the amount calculated by deducting the amount of stated capital to be increased, as provided for in (i) above, from the maximum limit of stated capital increase, as also provided for in (i) above.

8. Matters concerning Acquisition of Share Acquisition Rights

If any of the proposals set forth in (i), (ii), (iii), (iv) or (v) below is approved at a general meeting of shareholders of the Company (or, if a resolution of a general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), the Company may acquire the share acquisition rights without consideration on the date to be separately determined by the board of directors of the Company:

- (i) Proposal for the approval of a merger agreement under which the Company will become a disappearing company;
- (ii) Proposal for the approval of a company split agreement or company split plan under which the Company will become the company splitting;
- (iii) Proposal for the approval of a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary;
- (iv) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of any shares issued or to be issued by the Company shall require the approval of the Company; and
- (v) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of a class of shares to be acquired upon exercise of the share acquisition rights shall require the approval of the Company or that the Company may acquire all of such class of shares upon a resolution of a general meeting of shareholders.

9. Restrictions on Acquisition of Share Acquisition Rights through Transfer

The share acquisition rights cannot be acquired through transfer, unless such acquisition is approved by a resolution of the board of directors of the Company.

10. Matters concerning Delivery of Share Acquisition Rights in connection with Reorganization

If the Company conducts a merger (limited to the case where the Company is disappearing due to the merger), an absorption-type or incorporation-type company split (in both cases, limited to the case where the Company becomes the company splitting), or a share exchange or transfer (in both cases, limited to the case where the Company becomes a wholly-owned subsidiary) (collectively, the “Reorganization”), the Company shall, in each of the above cases, deliver share acquisition rights of the relevant stock company from among those listed in “a” through “e” of Article 236, paragraph (1), item (viii) of the Companies Act (the “Reorganized Company”) to the holders of the share acquisition rights remaining unexercised immediately before the effective date of the relevant Reorganization (the “Remaining Share Acquisition Rights”) (the effective date of the relevant Reorganization shall mean, in the case of an absorption-type merger, the date on which the merger becomes effective; in the case of a consolidation-type merger, the date of the establishment of a newly-incorporated company through such consolidation-type merger; in the case of an absorption-type company split, the date on which the absorption-type company split becomes effective; in the case of an incorporation-type company split, the date of the establishment of a newly-incorporated company through such incorporation-type company split; in the case of a share exchange, the date on which the share exchange becomes effective; and in the case of a share transfer, the date of the establishment of a wholly-owning parent company through such share transfer; the same shall apply hereinafter); provided, however, that the foregoing shall be on the condition that the delivery of such share acquisition rights by the Reorganized Company in accordance with each of the following items is stipulated in an absorption-type merger

agreement, a consolidation-type merger agreement, an absorption-type company split agreement, an incorporation-type company split plan, a share exchange agreement or a share transfer plan.

- (i) Number of share acquisition rights of the Reorganized Company to be delivered
A number equal to the number of the Remaining Share Acquisition Rights held by the holder of the share acquisition rights shall be delivered to such holder.
- (ii) Class of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
Common share of the Reorganized Company
- (iii) Number of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
To be determined in accordance with Section 2 above, taking into consideration, among other matters, the terms and conditions of the Reorganization.
- (iv) Value of property to be contributed upon exercise of each share acquisition right
The value of property to be contributed upon exercise of each share acquisition right to be delivered shall be the amount obtained by multiplying (x) the exercise price after Reorganization set forth below by (y) the number of shares of the Reorganized Company to be issued upon exercise of each of such share acquisition rights as determined in accordance with (iii) above. The exercise price after Reorganization shall be one (1) yen per share of the Reorganized Company to be acquired upon exercise of each of the delivered share acquisition rights.
- (v) Exercise period of share acquisition rights
From and including the later of (x) the commencement date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above or (y) the effective date of the Reorganization, to and including the expiration date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above.
- (vi) Matters concerning stated capital and capital reserves to be increased due to issuance of shares upon exercise of share acquisition rights
To be determined in accordance with Section 7 above.
- (vii) Restrictions on acquisition of share acquisition rights through transfer
The share acquisition rights may not be acquired through transfer unless such acquisition is approved by the Reorganized Company.
- (viii) Conditions for exercise of share acquisition rights
To be determined in accordance with Section 6 above.
- (ix) Provisions concerning acquisition of share acquisition rights
To be determined in accordance with Section 8 above.

11. Handling of Fractions Less than One (1) Share resulting from Exercise of Share Acquisition Rights
If the number of shares to be acquired by the holders of the share acquisition rights who have exercised their share acquisition rights includes any fraction less than one (1) share, such fraction shall be rounded down.

12. Allotment Date of Share Acquisition Rights
January 1, 2019

13. Treatment after Exercise of Share Acquisition Rights
Immediately after the exercise procedure has been completed, the Company shall carry out the procedure necessary to have the shares acquired by a holder of the share acquisition rights upon exercise of the share acquisition rights entered or recorded in the account established by such holder of the share acquisition rights under his or her name with the Financial Instruments Business Operator, etc. designated by the Company.

14. Treatment of the Replacement of the Provisions of These Terms and Conditions of Share Acquisition Rights and Other Measures
If it becomes necessary to replace any of the provisions of these terms and conditions of the share acquisition rights or to take other measures, the Company may amend these terms and conditions with respect to the handling of any related matters in a manner that the Company deems appropriate pursuant to the provisions of the Companies Act and other relevant laws and regulations and in accordance with the objectives of the share acquisition rights, and such amendment shall comprise a part of these terms and conditions.

15. Public Notification of Terms and Conditions
The Company shall maintain a certified copy of these terms and conditions for the issuance of the share acquisition rights at its head office and make such copy available to the holders of the share acquisition rights for review during its business hours.

16. Other

The decision of the details of the issuance and allotment of the share acquisition rights, the performance and other handling of the procedures necessary to issue the share acquisition rights, and any affairs necessary for the issuance of the share acquisition rights shall be left entirely to the Human Resources Department of the Company or other departments that have jurisdiction.

End

Alpine Electronics, Inc. Third Series of Share Acquisition Rights

1. Name of Share Acquisition Rights
Alpine Electronics, Inc. Third Series of Share Acquisition Rights
2. Class and Number of Shares to be Issued upon Exercise of Share Acquisition Rights
The class of shares to be issued upon exercise of the share acquisition rights shall be common share of Alpine Electronics, Inc. (the “Company”), and the number of shares to be issued upon exercise of each share acquisition right (the “Number of Shares Granted”) shall be 100 shares.

If the Company conducts a share split (including an allotment without consideration (*musho wariate*) of common shares of the Company; the same shall apply to all references to the share split herein) or a share consolidation of common shares of the Company after the date on which the Company allots share acquisition rights as set forth in Section 12 below (the “Allotment Date”), the Number of Shares Granted shall be adjusted by using the following formula; provided, however, that such adjustment shall only apply to the number of shares to be issued upon exercise of the share acquisition rights which have not been exercised at the time of the adjustment and fractions less than one (1) share resulting from the adjustment shall be rounded down:

$$\begin{array}{ccccccc} \text{Number of Shares Granted after} & & & & & & \\ \text{adjustment} & = & \text{Number of Shares Granted} & & \text{Ratio of share split or share} \\ & & \text{before adjustment} & \times & \text{consolidation} \end{array}$$

The Number of Shares Granted after adjustment shall apply, in the case of a share split, on and after the day immediately following the record date of the relevant share split (if the record date is not set, on and after its effective date) or, in the case of a share consolidation, on and after its effective date; provided, however, that if the Company conducts a share split on the condition that the proposal to decrease the amount of surplus and increase stated capital or capital reserves will be approved at a general meeting of shareholders of the Company, and the record date for such share split is set to be any date on or before the close of such general meeting of shareholders, the Number of Shares Granted after adjustment shall apply on and after the day immediately following the close of such general meeting of shareholders.

In addition to the above, if the Company conducts a merger, company split or share exchange after the Allotment Date or if any other similar event occurs that makes it necessary to adjust the Number of Shares Granted, the Company may adjust the Number of Shares Granted as deemed necessary by the board of directors of the Company.

3. Value of Property to be Contributed upon Exercise of Share Acquisition Rights
The value of property to be contributed upon exercise of each share acquisition right shall be one (1) yen per share to be acquired upon exercise of the relevant share acquisition right, multiplied by the Number of Shares Granted.
4. Method of Calculating Amount to be Paid in for Share Acquisition Right
The amount to be paid in for each share acquisition right shall be calculated through the Black-Scholes model on the Allotment Date. Such amount shall be the fair value of the share acquisition right, and accordingly, in accordance with the provisions of Article 246, paragraph (2) of the Companies Act, the claim for remuneration held by the person who receives an allotment against the Company shall be set off against the amount to be paid in with respect to the share acquisition rights (obligation).
5. Exercise Period of Share Acquisition Rights
July 20, 2016 to July 19, 2056
6. Conditions for Exercise of Share Acquisition Rights
 - (i) A holder of the share acquisition rights may exercise his or her share acquisition rights only during the ten (10)-day period (if the tenth day is a holiday, the following business day) from the day immediately following the date on which such holder loses his or her office as director (excluding non-executive directors and directors who are audit and supervisory committee members) of the Company.
 - (ii) Notwithstanding the provisions of paragraph (i) above, if the general meeting of shareholders of the Company approves a proposal for the approval of a merger agreement under which the Company becomes a disappearing company, a proposal for the approval of a company split agreement or company split plan under which the Company becomes the company splitting, or a proposal for the approval of a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary (if a resolution of the general meeting of shareholders is not required, upon a resolution of the board of directors of

the Company), a holder of the share acquisition rights may exercise his or her share acquisition rights only during the thirty (30) -day period from the day immediately following the date of such approval; provided, however, that this shall not apply to the case where share acquisition rights of a reorganized company are to be delivered to the holders of share acquisition rights in accordance with the matters related to the delivery of share acquisition rights in connection with the reorganizations set forth in Section 10 below.

- (iii) Each holder of the share acquisition rights shall collectively exercise all of the share acquisition rights allotted to himself or herself.
- (iv) In the event of the death of the holder of the share acquisition rights, his or her heir may exercise such share acquisition rights.
- (v) Any other conditions shall be stipulated in the relevant “share acquisition rights allotment agreement” to be entered into between the Company and each holder of the share acquisition rights.

7. Matters concerning Stated Capital and Capital Reserves to be Increased due to Issuance of Shares upon Exercise of Share Acquisition Rights

- (i) The amount of stated capital to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be half of the maximum limit of stated capital increase, as calculated in accordance with the Regulation on Accounting of Companies, and any fraction less than one (1) yen arising therefrom shall be rounded up to the nearest one (1) yen.
- (ii) The amount of capital reserves to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be the amount calculated by deducting the amount of stated capital to be increased, as provided for in (i) above, from the maximum limit of stated capital increase, as also provided for in (i) above.

8. Matters concerning Acquisition of Share Acquisition Rights

If any of the proposals set forth in (i), (ii), (iii), (iv) or (v) below is approved at a general meeting of shareholders of the Company (or, if a resolution of a general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), the Company may acquire the share acquisition rights without consideration on the date to be separately determined by the board of directors of the Company:

- (i) Proposal for the approval of a merger agreement under which the Company will become a disappearing company;
- (ii) Proposal for the approval of a company split agreement or company split plan under which the Company will become the company splitting;
- (iii) Proposal for the approval of a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary;
- (iv) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of any shares issued or to be issued by the Company shall require the approval of the Company; and
- (v) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of a class of shares to be acquired upon exercise of the share acquisition rights shall require the approval of the Company or that the Company may acquire all of such class of shares upon a resolution of a general meeting of shareholders.

9. Restrictions on Acquisition of Share Acquisition Rights through Transfer

The share acquisition rights cannot be acquired through transfer, unless such acquisition is approved by a resolution of the board of directors of the Company.

10. Matters concerning Delivery of Share Acquisition Rights in connection with Reorganization

If the Company conducts a merger (limited to the case where the Company is disappearing due to the merger), an absorption-type or incorporation-type company split (in both cases, limited to the case where the Company becomes the company splitting), or a share exchange or transfer (in both cases, limited to the case where the Company becomes a wholly-owned subsidiary) (collectively, the “Reorganization”), the Company shall, in each of the above cases, deliver share acquisition rights of the relevant stock company from among those listed in “a” through “e” of Article 236, paragraph (1), item (viii) of the Companies Act (the “Reorganized Company”) to the holders of the share acquisition rights remaining unexercised immediately before the effective date of the relevant Reorganization (the “Remaining Share Acquisition Rights”) (the effective date of the relevant Reorganization shall mean, in the case of an absorption-type merger, the date on which the merger becomes effective; in the case of a consolidation-type merger, the date of the establishment of a newly-incorporated company through such consolidation-type merger; in the case of an absorption-type company split, the date on which the absorption-type company split becomes effective; in the case of an incorporation-type company split, the date of the establishment of a newly-incorporated company through such incorporation-type company split; in the case of a share exchange, the date on which the share exchange becomes effective; and in the case of a share transfer, the date of the establishment

of a wholly-owning parent company through such share transfer; the same shall apply hereinafter); provided, however, that the foregoing shall be on the condition that the delivery of such share acquisition rights by the Reorganized Company in accordance with each of the following items is stipulated in an absorption-type merger agreement, a consolidation-type merger agreement, an absorption-type company split agreement, an incorporation-type company split plan, a share exchange agreement or a share transfer plan.

- (i) Number of share acquisition rights of the Reorganized Company to be delivered
A number equal to the number of the Remaining Share Acquisition Rights held by the holder of the share acquisition rights shall be delivered to such holder.
- (ii) Class of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
Common share of the Reorganized Company
- (iii) Number of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
To be determined in accordance with Section 2 above, taking into consideration, among other matters, the terms and conditions of the Reorganization.
- (iv) Value of property to be contributed upon exercise of each share acquisition right
The value of property to be contributed upon exercise of each share acquisition right to be delivered shall be the amount obtained by multiplying (x) the exercise price after Reorganization set forth below by (y) the number of shares of the Reorganized Company to be issued upon exercise of each of such share acquisition rights as determined in accordance with (iii) above. The exercise price after Reorganization shall be one (1) yen per share of the Reorganized Company to be acquired upon exercise of each of the delivered share acquisition rights.
- (v) Exercise period of share acquisition rights
From and including the later of (x) the commencement date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above or (y) the effective date of the Reorganization, to and including the expiration date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above.
- (vi) Matters concerning stated capital and capital reserves to be increased due to issuance of shares upon exercise of share acquisition rights
To be determined in accordance with Section 7 above.
- (vii) Restrictions on acquisition of share acquisition rights through transfer
The share acquisition rights may not be acquired through transfer unless such acquisition is approved by the Reorganized Company.
- (viii) Conditions for exercise of share acquisition rights
To be determined in accordance with Section 6 above.
- (ix) Provisions concerning acquisition of share acquisition rights
To be determined in accordance with Section 8 above.

11. Handling of Fractions Less than One (1) Share resulting from Exercise of Share Acquisition Rights
If the number of shares to be acquired by the holders of the share acquisition rights who have exercised their share acquisition rights includes any fraction less than one (1) share, such fraction shall be rounded down.

12. Allotment Date of Share Acquisition Rights
July 19, 2016

13. Treatment after Exercise of Share Acquisition Rights
Immediately after the exercise procedure has been completed, the Company shall carry out the procedure necessary to have the shares acquired by a holder of the share acquisition rights upon exercise of the share acquisition rights entered or recorded in the account established by such holder of the share acquisition rights under his or her name with the Financial Instruments Business Operator, etc. designated by the Company.

14. Treatment of the Replacement of the Provisions of These Terms and Conditions of Share Acquisition Rights and Other Measures
If it becomes necessary to replace any of the provisions of these terms and conditions of the share acquisition rights or to take other measures, the Company may amend these terms and conditions with respect to the handling of any related matters in a manner that the Company deems appropriate pursuant to the provisions of the Companies Act and other relevant laws and regulations and in accordance with the objectives of the share acquisition rights, and such amendment shall comprise a part of these terms and conditions.

15. Public Notification of Terms and Conditions

The Company shall maintain a certified copy of these terms and conditions for the issuance of the share acquisition rights at its head office and make such copy available to the holders of the share acquisition rights for review during its business hours.

16. Other

The decision of the details of the issuance and allotment of the share acquisition rights, the performance and other handling of the procedures necessary to issue the share acquisition rights, and any affairs necessary for the issuance of the share acquisition rights shall be left entirely to the Human Resources Department of the Company.

End

Alps Electric Co., Ltd. Seventh Series of Share Acquisition Rights

1. Name of Share Acquisition Rights
Alps Electric Co., Ltd. Seventh Series of Share Acquisition Rights
2. Class and Number of Shares to be Issued upon Exercise of Share Acquisition Rights
The class of shares to be issued upon exercise of the share acquisition rights shall be common share of Alps Electric Co., Ltd. (the “Company”), and the number of shares to be issued upon exercise of each share acquisition right (the “Number of Shares Granted”) shall be 68 shares.

If the Company conducts a share split (including an allotment without consideration (*musho wariate*) of common shares of the Company; the same shall apply to all references to the share split herein) or a share consolidation of common shares of the Company after the date on which the Company allots share acquisition rights as set forth in Section 12 below (the “Allotment Date”), the Number of Shares Granted shall be adjusted by using the following formula; provided, however, that such adjustment shall only apply to the number of shares to be issued upon exercise of the share acquisition rights which have not been exercised at the time of the adjustment and fractions less than one (1) share resulting from the adjustment shall be rounded down:

$$\begin{array}{ccccccc} \text{Number of Shares Granted after} & & & & & & \\ \text{adjustment} & = & \text{Number of Shares Granted} & & \text{Ratio of share split or share} & & \\ & & \text{before adjustment} & \times & \text{consolidation} & & \end{array}$$

The Number of Shares Granted after adjustment shall apply, in the case of a share split, on and after the day immediately following the record date of the relevant share split (if the record date is not set, on and after its effective date) or, in the case of a share consolidation, on and after its effective date; provided, however, that if the Company conducts a share split on the condition that the proposal to decrease the amount of surplus and increase stated capital or capital reserves will be approved at a general meeting of shareholders of the Company, and the record date for such share split is set to be any date on or before the close of such general meeting of shareholders, the Number of Shares Granted after adjustment shall apply on and after the day immediately following the close of such general meeting of shareholders.

In addition to the above, if the Company conducts a merger, company split or share exchange after the Allotment Date or if any other similar event occurs that makes it necessary to adjust the Number of Shares Granted, the Company may adjust the Number of Shares Granted as deemed necessary by the board of directors of the Company.

3. Value of Property to be Contributed upon Exercise of Share Acquisition Rights
The value of property to be contributed upon exercise of each share acquisition right shall be one (1) yen per share to be acquired upon exercise of the relevant share acquisition right, multiplied by the Number of Shares Granted.
4. Method of Calculating Amount to be Paid in for Share Acquisition Right
No payment of money shall be required.
5. Exercise Period of Share Acquisition Rights
January 1, 2019 to July 19, 2056
6. Conditions for Exercise of Share Acquisition Rights
 - (i) A holder of the share acquisition rights may exercise his or her share acquisition rights only during the ten (10) -day period (if the tenth day is a holiday, the following business day) from the day immediately following the date on which such holder loses his or her office as director (excluding non-executive directors and directors who are audit and supervisory committee members) of Alpine Electronics, Inc.
 - (ii) Notwithstanding the provisions of paragraph (i) above, if the general meeting of shareholders of the Company approves a proposal for the approval of a merger agreement under which the Company becomes a disappearing company, a proposal for the approval of a company split agreement or company split plan under which the Company becomes the company splitting, or a proposal for the approval of a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary (if a resolution of the general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), a holder of the share acquisition rights may exercise his or her share acquisition rights only during the thirty (30) -day period from the day immediately following the date of such approval; provided, however, that this shall not apply to the case where share acquisition rights of a reorganized company are to be

delivered to the holders of share acquisition rights in accordance with the matters related to the delivery of share acquisition rights in connection with the reorganizations set forth in Section 10 below.

- (iii) Each holder of the share acquisition rights shall collectively exercise all of the share acquisition rights allotted to himself or herself.
- (iv) In the event of the death of the holder of the share acquisition rights, his or her heir may exercise such share acquisition rights.
- (v) Any other conditions shall be stipulated in the relevant “share acquisition rights allotment agreement” to be entered into between the Company and each holder of the share acquisition rights.

7. Matters concerning Stated Capital and Capital Reserves to be Increased due to Issuance of Shares upon Exercise of Share Acquisition Rights

- (i) The amount of stated capital to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be half of the maximum limit of stated capital increase, as calculated in accordance with the Regulation on Accounting of Companies, and any fraction less than one (1) yen arising therefrom shall be rounded up to the nearest one (1) yen.
- (ii) The amount of capital reserves to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be the amount calculated by deducting the amount of stated capital to be increased, as provided for in (i) above, from the maximum limit of stated capital increase, as also provided for in (i) above.

8. Matters concerning Acquisition of Share Acquisition Rights

If any of the proposals set forth in (i), (ii), (iii), (iv) or (v) below is approved at a general meeting of shareholders of the Company (or, if a resolution of a general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), the Company may acquire the share acquisition rights without consideration on the date to be separately determined by the board of directors of the Company:

- (i) Proposal for the approval of a merger agreement under which the Company will become a disappearing company;
- (ii) Proposal for the approval of a company split agreement or company split plan under which the Company will become the company splitting;
- (iii) Proposal for the approval of a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary;
- (iv) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of any shares issued or to be issued by the Company shall require the approval of the Company; and
- (v) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of a class of shares to be acquired upon exercise of the share acquisition rights shall require the approval of the Company or that the Company may acquire all of such class of shares upon a resolution of a general meeting of shareholders.

9. Restrictions on Acquisition of Share Acquisition Rights through Transfer

The share acquisition rights cannot be acquired through transfer, unless such acquisition is approved by a resolution of the board of directors of the Company.

10. Matters concerning Delivery of Share Acquisition Rights in connection with Reorganization

If the Company conducts a merger (limited to the case where the Company is disappearing due to the merger), an absorption-type or incorporation-type company split (in both cases, limited to the case where the Company becomes the company splitting), or a share exchange or transfer (in both cases, limited to the case where the Company becomes a wholly-owned subsidiary) (collectively, the “Reorganization”), the Company shall, in each of the above cases, deliver share acquisition rights of the relevant stock company from among those listed in “a” through “e” of Article 236, paragraph (1), item (viii) of the Companies Act (the “Reorganized Company”) to the holders of the share acquisition rights remaining unexercised immediately before the effective date of the relevant Reorganization (the “Remaining Share Acquisition Rights”) (the effective date of the relevant Reorganization shall mean, in the case of an absorption-type merger, the date on which the merger becomes effective; in the case of a consolidation-type merger, the date of the establishment of a newly-incorporated company through such consolidation-type merger; in the case of an absorption-type company split, the date on which the absorption-type company split becomes effective; in the case of an incorporation-type company split, the date of the establishment of a newly-incorporated company through such incorporation-type company split; in the case of a share exchange, the date on which the share exchange becomes effective; and in the case of a share transfer, the date of the establishment of a wholly-owning parent company through such share transfer; the same shall apply hereinafter); provided, however, that the foregoing shall be on the condition that the delivery of such share acquisition rights by the Reorganized Company in accordance with each of the following items is stipulated in an absorption-type merger

agreement, a consolidation-type merger agreement, an absorption-type company split agreement, an incorporation-type company split plan, a share exchange agreement or a share transfer plan.

- (i) Number of share acquisition rights of the Reorganized Company to be delivered
A number equal to the number of the Remaining Share Acquisition Rights held by the holder of the share acquisition rights shall be delivered to such holder.
- (ii) Class of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
Common share of the Reorganized Company
- (iii) Number of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
To be determined in accordance with Section 2 above, taking into consideration, among other matters, the terms and conditions of the Reorganization.
- (iv) Value of property to be contributed upon exercise of each share acquisition right
The value of property to be contributed upon exercise of each share acquisition right to be delivered shall be the amount obtained by multiplying (x) the exercise price after Reorganization set forth below by (y) the number of shares of the Reorganized Company to be issued upon exercise of each of such share acquisition rights as determined in accordance with (iii) above. The exercise price after Reorganization shall be one (1) yen per share of the Reorganized Company to be acquired upon exercise of each of the delivered share acquisition rights.
- (v) Exercise period of share acquisition rights
From and including the later of (x) the commencement date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above or (y) the effective date of the Reorganization, to and including the expiration date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above.
- (vi) Matters concerning stated capital and capital reserves to be increased due to issuance of shares upon exercise of share acquisition rights
To be determined in accordance with Section 7 above.
- (vii) Restrictions on acquisition of share acquisition rights through transfer
The share acquisition rights may not be acquired through transfer unless such acquisition is approved by the Reorganized Company.
- (viii) Conditions for exercise of share acquisition rights
To be determined in accordance with Section 6 above.
- (ix) Provisions concerning acquisition of share acquisition rights
To be determined in accordance with Section 8 above.

11. Handling of Fractions Less than One (1) Share resulting from Exercise of Share Acquisition Rights
If the number of shares to be acquired by the holders of the share acquisition rights who have exercised their share acquisition rights includes any fraction less than one (1) share, such fraction shall be rounded down.

12. Allotment Date of Share Acquisition Rights
January 1, 2019

13. Treatment after Exercise of Share Acquisition Rights
Immediately after the exercise procedure has been completed, the Company shall carry out the procedure necessary to have the shares acquired by a holder of the share acquisition rights upon exercise of the share acquisition rights entered or recorded in the account established by such holder of the share acquisition rights under his or her name with the Financial Instruments Business Operator, etc. designated by the Company.

14. Treatment of the Replacement of the Provisions of These Terms and Conditions of Share Acquisition Rights and Other Measures
If it becomes necessary to replace any of the provisions of these terms and conditions of the share acquisition rights or to take other measures, the Company may amend these terms and conditions with respect to the handling of any related matters in a manner that the Company deems appropriate pursuant to the provisions of the Companies Act and other relevant laws and regulations and in accordance with the objectives of the share acquisition rights, and such amendment shall comprise a part of these terms and conditions.

15. Public Notification of Terms and Conditions
The Company shall maintain a certified copy of these terms and conditions for the issuance of the share acquisition rights at its head office and make such copy available to the holders of the share acquisition rights for review during its business hours.

16. Other

The decision of the details of the issuance and allotment of the share acquisition rights, the performance and other handling of the procedures necessary to issue the share acquisition rights, and any affairs necessary for the issuance of the share acquisition rights shall be left entirely to the Human Resources Department of the Company or other departments that have jurisdiction.

End

Alpine Electronics, Inc. Fourth Series of Share Acquisition Rights

1. Name of Share Acquisition Rights
Alpine Electronics, Inc. Fourth Series of Share Acquisition Rights
2. Class and Number of Shares to be Issued upon Exercise of Share Acquisition Rights
The class of shares to be issued upon exercise of the share acquisition rights shall be common share of Alpine Electronics, Inc. (the “Company”), and the number of shares to be issued upon exercise of each share acquisition right (the “Number of Shares Granted”) shall be 100 shares.

If the Company conducts a share split (including an allotment without consideration (*musho wariate*) of common shares of the Company; the same shall apply to all references to the share split herein) or a share consolidation of common shares of the Company after the date on which the Company allots share acquisition rights as set forth in Section 12 below (the “Allotment Date”), the Number of Shares Granted shall be adjusted by using the following formula; provided, however, that such adjustment shall only apply to the number of shares to be issued upon exercise of the share acquisition rights which have not been exercised at the time of the adjustment and fractions less than one (1) share resulting from the adjustment shall be rounded down:

$$\begin{array}{ccccccc} \text{Number of Shares Granted after} & & & & & & \\ \text{adjustment} & = & \text{Number of Shares Granted} & & \text{Ratio of share split or share} & & \\ & & \text{before adjustment} & \times & \text{consolidation} & & \end{array}$$

The Number of Shares Granted after adjustment shall apply, in the case of a share split, on and after the day immediately following the record date of the relevant share split (if the record date is not set, on and after its effective date) or, in the case of a share consolidation, on and after its effective date; provided, however, that if the Company conducts a share split on the condition that the proposal to decrease the amount of surplus and increase stated capital or capital reserves will be approved at a general meeting of shareholders of the Company, and the record date for such share split is set to be any date on or before the close of such general meeting of shareholders, the Number of Shares Granted after adjustment shall apply on and after the day immediately following the close of such general meeting of shareholders.

In addition to the above, if the Company conducts a merger, company split or share exchange after the Allotment Date or if any other similar event occurs that makes it necessary to adjust the Number of Shares Granted, the Company may adjust the Number of Shares Granted as deemed necessary by the board of directors of the Company.

3. Value of Property to be Contributed upon Exercise of Share Acquisition Rights
The value of property to be contributed upon exercise of each share acquisition right shall be one (1) yen per share to be acquired upon exercise of the relevant share acquisition right, multiplied by the Number of Shares Granted.
4. Method of Calculating Amount to be Paid in for Share Acquisition Right
The amount to be paid in for each share acquisition right shall be calculated through the Black-Scholes model on the Allotment Date. Such amount shall be the fair value of the share acquisition right, and accordingly, in accordance with the provisions of Article 246, paragraph (2) of the Companies Act, the claim for remuneration held by the person who receives an allotment against the Company shall be set off against the amount to be paid in with respect to the share acquisition rights (obligation).
5. Exercise Period of Share Acquisition Rights
July 21, 2017 to July 20, 2057
6. Conditions for Exercise of Share Acquisition Rights
 - (i) A holder of the share acquisition rights may exercise his or her share acquisition rights only during the ten (10) -day period (if the tenth day is a holiday, the following business day) from the day immediately following the date on which such holder loses his or her office as director (excluding non-executive directors and directors who are audit and supervisory committee members) of the Company.
 - (ii) Notwithstanding the provisions of paragraph (i) above, if the general meeting of shareholders of the Company approves a proposal for the approval of a merger agreement under which the Company becomes a disappearing company, a proposal for the approval of a company split agreement or company split plan under which the Company becomes the company splitting, or a proposal for the approval of a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary (if a resolution of the general meeting of shareholders is not required, upon a resolution of the board of directors of

the Company), a holder of the share acquisition rights may exercise his or her share acquisition rights only during the thirty (30) -day period from the day immediately following the date of such approval; provided, however, that this shall not apply to the case where share acquisition rights of a reorganized company are to be delivered to the holders of share acquisition rights in accordance with the matters related to the delivery of share acquisition rights in connection with the reorganizations set forth in Section 10 below.

- (iii) Each holder of the share acquisition rights shall collectively exercise all of the share acquisition rights allotted to himself or herself.
- (iv) In the event of the death of the holder of the share acquisition rights, his or her heir may exercise such share acquisition rights.
- (v) Any other conditions shall be stipulated in the relevant “share acquisition rights allotment agreement” to be entered into between the Company and each holder of the share acquisition rights.

7. Matters concerning Stated Capital and Capital Reserves to be Increased due to Issuance of Shares upon Exercise of Share Acquisition Rights

- (i) The amount of stated capital to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be half of the maximum limit of stated capital increase, as calculated in accordance with the Regulation on Accounting of Companies, and any fraction less than one (1) yen arising therefrom shall be rounded up to the nearest one (1) yen.
- (ii) The amount of capital reserves to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be the amount calculated by deducting the amount of stated capital to be increased, as provided for in (i) above, from the maximum limit of stated capital increase, as also provided for in (i) above.

8. Matters concerning Acquisition of Share Acquisition Rights

If any of the proposals set forth in (i), (ii), (iii), (iv) or (v) below is approved at a general meeting of shareholders of the Company (or, if a resolution of a general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), the Company may acquire the share acquisition rights without consideration on the date to be separately determined by the board of directors of the Company:

- (i) Proposal for the approval of a merger agreement under which the Company will become a disappearing company;
- (ii) Proposal for the approval of a company split agreement or company split plan under which the Company will become the company splitting;
- (iii) Proposal for the approval of a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary;
- (iv) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of any shares issued or to be issued by the Company shall require the approval of the Company; and
- (v) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of a class of shares to be acquired upon exercise of the share acquisition rights shall require the approval of the Company or that the Company may acquire all of such class of shares upon a resolution of a general meeting of shareholders.

9. Restrictions on Acquisition of Share Acquisition Rights through Transfer

The share acquisition rights cannot be acquired through transfer, unless such acquisition is approved by a resolution of the board of directors of the Company.

10. Matters concerning Delivery of Share Acquisition Rights in connection with Reorganization

If the Company conducts a merger (limited to the case where the Company is disappearing due to the merger), an absorption-type or incorporation-type company split (in both cases, limited to the case where the Company becomes the company splitting), or a share exchange or transfer (in both cases, limited to the case where the Company becomes a wholly-owned subsidiary) (collectively, the “Reorganization”), the Company shall, in each of the above cases, deliver share acquisition rights of the relevant stock company from among those listed in “a” through “e” of Article 236, paragraph (1), item (viii) of the Companies Act (the “Reorganized Company”) to the holders of the share acquisition rights remaining unexercised immediately before the effective date of the relevant Reorganization (the “Remaining Share Acquisition Rights”) (the effective date of the relevant Reorganization shall mean, in the case of an absorption-type merger, the date on which the merger becomes effective; in the case of a consolidation-type merger, the date of the establishment of a newly-incorporated company through such consolidation-type merger; in the case of an absorption-type company split, the date on which the absorption-type company split becomes effective; in the case of an incorporation-type company split, the date of the establishment of a newly-incorporated company through such incorporation-type company split; in the case of a share exchange, the date on which the share exchange becomes effective; and in the case of a share transfer, the date of the establishment

of a wholly-owning parent company through such share transfer; the same shall apply hereinafter); provided, however, that the foregoing shall be on the condition that the delivery of such share acquisition rights by the Reorganized Company in accordance with each of the following items is stipulated in an absorption-type merger agreement, a consolidation-type merger agreement, an absorption-type company split agreement, an incorporation-type company split plan, a share exchange agreement or a share transfer plan.

- (i) Number of share acquisition rights of the Reorganized Company to be delivered
A number equal to the number of the Remaining Share Acquisition Rights held by the holder of the share acquisition rights shall be delivered to such holder.
- (ii) Class of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
Common share of the Reorganized Company
- (iii) Number of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
To be determined in accordance with Section 2 above, taking into consideration, among other matters, the terms and conditions of the Reorganization.
- (iv) Value of property to be contributed upon exercise of each share acquisition right
The value of property to be contributed upon exercise of each share acquisition right to be delivered shall be the amount obtained by multiplying (x) the exercise price after Reorganization set forth below by (y) the number of shares of the Reorganized Company to be issued upon exercise of each of such share acquisition rights as determined in accordance with (iii) above. The exercise price after Reorganization shall be one (1) yen per share of the Reorganized Company to be acquired upon exercise of each of the delivered share acquisition rights.
- (v) Exercise period of share acquisition rights
From and including the later of (x) the commencement date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above or (y) the effective date of the Reorganization, to and including the expiration date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above.
- (vi) Matters concerning stated capital and capital reserves to be increased due to issuance of shares upon exercise of share acquisition rights
To be determined in accordance with Section 7 above.
- (vii) Restrictions on acquisition of share acquisition rights through transfer
The share acquisition rights may not be acquired through transfer unless such acquisition is approved by the Reorganized Company.
- (viii) Conditions for exercise of share acquisition rights
To be determined in accordance with Section 6 above.
- (ix) Provisions concerning acquisition of share acquisition rights
To be determined in accordance with Section 8 above.

11. Handling of Fractions Less than One (1) Share resulting from Exercise of Share Acquisition Rights
If the number of shares to be acquired by the holders of the share acquisition rights who have exercised their share acquisition rights includes any fraction less than one (1) share, such fraction shall be rounded down.

12. Allotment Date of Share Acquisition Rights
July 20, 2017

13. Treatment after Exercise of Share Acquisition Rights
Immediately after the exercise procedure has been completed, the Company shall carry out the procedure necessary to have the shares acquired by a holder of the share acquisition rights upon exercise of the share acquisition rights entered or recorded in the account established by such holder of the share acquisition rights under his or her name with the Financial Instruments Business Operator, etc. designated by the Company.

14. Treatment of the Replacement of the Provisions of These Terms and Conditions of Share Acquisition Rights and Other Measures
If it becomes necessary to replace any of the provisions of these terms and conditions of the share acquisition rights or to take other measures, the Company may amend these terms and conditions with respect to the handling of any related matters in a manner that the Company deems appropriate pursuant to the provisions of the Companies Act and other relevant laws and regulations and in accordance with the objectives of the share acquisition rights, and such amendment shall comprise a part of these terms and conditions.

15. Public Notification of Terms and Conditions

The Company shall maintain a certified copy of these terms and conditions for the issuance of the share acquisition rights at its head office and make such copy available to the holders of the share acquisition rights for review during its business hours.

16. Other

The decision of the details of the issuance and allotment of the share acquisition rights, the performance and other handling of the procedures necessary to issue the share acquisition rights, and any affairs necessary for the issuance of the share acquisition rights shall be left entirely to the Human Resources Department of the Company.

End

Alps Electric Co., Ltd. Eighth Series of Share Acquisition Rights

1. Name of Share Acquisition Rights
Alps Electric Co., Ltd. Eighth Series of Share Acquisition Rights
2. Class and Number of Shares to be Issued upon Exercise of Share Acquisition Rights
The class of shares to be issued upon exercise of the share acquisition rights shall be common share of Alps Electric Co., Ltd. (the “Company”), and the number of shares to be issued upon exercise of each share acquisition right (the “Number of Shares Granted”) shall be 68 shares.

If the Company conducts a share split (including an allotment without consideration (*musho wariate*) of common shares of the Company; the same shall apply to all references to the share split herein) or a share consolidation of common shares of the Company after the date on which the Company allots share acquisition rights as set forth in Section 12 below (the “Allotment Date”), the Number of Shares Granted shall be adjusted by using the following formula; provided, however, that such adjustment shall only apply to the number of shares to be issued upon exercise of the share acquisition rights which have not been exercised at the time of the adjustment and fractions less than one (1) share resulting from the adjustment shall be rounded down:

$$\begin{array}{ccccccc} \text{Number of Shares Granted after} & & & & & & \\ \text{adjustment} & = & \text{Number of Shares Granted} & & \times & & \text{Ratio of share split or share} \\ & & \text{before adjustment} & & & & \text{consolidation} \end{array}$$

The Number of Shares Granted after adjustment shall apply, in the case of a share split, on and after the day immediately following the record date of the relevant share split (if the record date is not set, on and after its effective date) or, in the case of a share consolidation, on and after its effective date; provided, however, that if the Company conducts a share split on the condition that the proposal to decrease the amount of surplus and increase stated capital or capital reserves will be approved at a general meeting of shareholders of the Company, and the record date for such share split is set to be any date on or before the close of such general meeting of shareholders, the Number of Shares Granted after adjustment shall apply on and after the day immediately following the close of such general meeting of shareholders.

In addition to the above, if the Company conducts a merger, company split or share exchange after the Allotment Date or if any other similar event occurs that makes it necessary to adjust the Number of Shares Granted, the Company may adjust the Number of Shares Granted as deemed necessary by the board of directors of the Company.

3. Value of Property to be Contributed upon Exercise of Share Acquisition Rights
The value of property to be contributed upon exercise of each share acquisition right shall be one (1) yen per share to be acquired upon exercise of the relevant share acquisition right, multiplied by the Number of Shares Granted.
4. Method of Calculating Amount to be Paid in for Share Acquisition Right
No payment of money shall be required.
5. Exercise Period of Share Acquisition Rights
January 1, 2019 to July 20, 2057
6. Conditions for Exercise of Share Acquisition Rights
 - (i) A holder of the share acquisition rights may exercise his or her share acquisition rights only during the ten (10) -day period (if the tenth day is a holiday, the following business day) from the day immediately following the date on which such holder loses his or her office as director (excluding non-executive directors and directors who are audit and supervisory committee members) of Alpine Electronics, Inc.
 - (ii) Notwithstanding the provisions of paragraph (i) above, if the general meeting of shareholders of the Company approves a proposal for the approval of a merger agreement under which the Company becomes a disappearing company, a proposal for the approval of a company split agreement or company split plan under which the Company becomes the company splitting, or a proposal for the approval of a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary (if a resolution of the general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), a holder of the share acquisition rights may exercise his or her share acquisition rights only during the thirty (30) -day period from the day immediately following the date of such approval; provided, however, that this shall not apply to the case where share acquisition rights of a reorganized company are to be

delivered to the holders of share acquisition rights in accordance with the matters related to the delivery of share acquisition rights in connection with the reorganizations set forth in Section 10 below.

- (iii) Each holder of the share acquisition rights shall collectively exercise all of the share acquisition rights allotted to himself or herself.
- (iv) In the event of the death of the holder of the share acquisition rights, his or her heir may exercise such share acquisition rights.
- (v) Any other conditions shall be stipulated in the relevant “share acquisition rights allotment agreement” to be entered into between the Company and each holder of the share acquisition rights.

7. Matters concerning Stated Capital and Capital Reserves to be Increased due to Issuance of Shares upon Exercise of Share Acquisition Rights

- (i) The amount of stated capital to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be half of the maximum limit of stated capital increase, as calculated in accordance with the Regulation on Accounting of Companies, and any fraction less than one (1) yen arising therefrom shall be rounded up to the nearest one (1) yen.
- (ii) The amount of capital reserves to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be the amount calculated by deducting the amount of stated capital to be increased, as provided for in (i) above, from the maximum limit of stated capital increase, as also provided for in (i) above.

8. Matters concerning Acquisition of Share Acquisition Rights

If any of the proposals set forth in (i), (ii), (iii), (iv) or (v) below is approved at a general meeting of shareholders of the Company (or, if a resolution of a general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), the Company may acquire the share acquisition rights without consideration on the date to be separately determined by the board of directors of the Company:

- (i) Proposal for the approval of a merger agreement under which the Company will become a disappearing company;
- (ii) Proposal for the approval of a company split agreement or company split plan under which the Company will become the company splitting;
- (iii) Proposal for the approval of a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary;
- (iv) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of any shares issued or to be issued by the Company shall require the approval of the Company; and
- (v) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of a class of shares to be acquired upon exercise of the share acquisition rights shall require the approval of the Company or that the Company may acquire all of such class of shares upon a resolution of a general meeting of shareholders.

9. Restrictions on Acquisition of Share Acquisition Rights through Transfer

The share acquisition rights cannot be acquired through transfer, unless such acquisition is approved by a resolution of the board of directors of the Company.

10. Matters concerning Delivery of Share Acquisition Rights in connection with Reorganization

If the Company conducts a merger (limited to the case where the Company is disappearing due to the merger), an absorption-type or incorporation-type company split (in both cases, limited to the case where the Company becomes the company splitting), or a share exchange or transfer (in both cases, limited to the case where the Company becomes a wholly-owned subsidiary) (collectively, the “Reorganization”), the Company shall, in each of the above cases, deliver share acquisition rights of the relevant stock company from among those listed in “a” through “e” of Article 236, paragraph (1), item (viii) of the Companies Act (the “Reorganized Company”) to the holders of the share acquisition rights remaining unexercised immediately before the effective date of the relevant Reorganization (the “Remaining Share Acquisition Rights”) (the effective date of the relevant Reorganization shall mean, in the case of an absorption-type merger, the date on which the merger becomes effective; in the case of a consolidation-type merger, the date of the establishment of a newly-incorporated company through such consolidation-type merger; in the case of an absorption-type company split, the date on which the absorption-type company split becomes effective; in the case of an incorporation-type company split, the date of the establishment of a newly-incorporated company through such incorporation-type company split; in the case of a share exchange, the date on which the share exchange becomes effective; and in the case of a share transfer, the date of the establishment of a wholly-owning parent company through such share transfer; the same shall apply hereinafter); provided, however, that the foregoing shall be on the condition that the delivery of such share acquisition rights by the Reorganized Company in accordance with each of the following items is stipulated in an absorption-type merger

agreement, a consolidation-type merger agreement, an absorption-type company split agreement, an incorporation-type company split plan, a share exchange agreement or a share transfer plan.

- (i) Number of share acquisition rights of the Reorganized Company to be delivered
A number equal to the number of the Remaining Share Acquisition Rights held by the holder of the share acquisition rights shall be delivered to such holder.
- (ii) Class of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
Common share of the Reorganized Company
- (iii) Number of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
To be determined in accordance with Section 2 above, taking into consideration, among other matters, the terms and conditions of the Reorganization.
- (iv) Value of property to be contributed upon exercise of each share acquisition right
The value of property to be contributed upon exercise of each share acquisition right to be delivered shall be the amount obtained by multiplying (x) the exercise price after Reorganization set forth below by (y) the number of shares of the Reorganized Company to be issued upon exercise of each of such share acquisition rights as determined in accordance with (iii) above. The exercise price after Reorganization shall be one (1) yen per share of the Reorganized Company to be acquired upon exercise of each of the delivered share acquisition rights.
- (v) Exercise period of share acquisition rights
From and including the later of (x) the commencement date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above or (y) the effective date of the Reorganization, to and including the expiration date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above.
- (vi) Matters concerning stated capital and capital reserves to be increased due to issuance of shares upon exercise of share acquisition rights
To be determined in accordance with Section 7 above.
- (vii) Restrictions on acquisition of share acquisition rights through transfer
The share acquisition rights may not be acquired through transfer unless such acquisition is approved by the Reorganized Company.
- (viii) Conditions for exercise of share acquisition rights
To be determined in accordance with Section 6 above.
- (ix) Provisions concerning acquisition of share acquisition rights
To be determined in accordance with Section 8 above.

11. Handling of Fractions Less than One (1) Share resulting from Exercise of Share Acquisition Rights
If the number of shares to be acquired by the holders of the share acquisition rights who have exercised their share acquisition rights includes any fraction less than one (1) share, such fraction shall be rounded down.

12. Allotment Date of Share Acquisition Rights
January 1, 2019

13. Treatment after Exercise of Share Acquisition Rights
Immediately after the exercise procedure has been completed, the Company shall carry out the procedure necessary to have the shares acquired by a holder of the share acquisition rights upon exercise of the share acquisition rights entered or recorded in the account established by such holder of the share acquisition rights under his or her name with the Financial Instruments Business Operator, etc. designated by the Company.

14. Treatment of the Replacement of the Provisions of These Terms and Conditions of Share Acquisition Rights and Other Measures
If it becomes necessary to replace any of the provisions of these terms and conditions of the share acquisition rights or to take other measures, the Company may amend these terms and conditions with respect to the handling of any related matters in a manner that the Company deems appropriate pursuant to the provisions of the Companies Act and other relevant laws and regulations and in accordance with the objectives of the share acquisition rights, and such amendment shall comprise a part of these terms and conditions.

15. Public Notification of Terms and Conditions
The Company shall maintain a certified copy of these terms and conditions for the issuance of the share acquisition rights at its head office and make such copy available to the holders of the share acquisition rights for review during its business hours.

16. Other

The decision of the details of the issuance and allotment of the share acquisition rights, the performance and other handling of the procedures necessary to issue the share acquisition rights, and any affairs necessary for the issuance of the share acquisition rights shall be left entirely to the Human Resources Department of the Company or other departments that have jurisdiction.

End

Memorandum of Understanding Concerning Amendments to Share Exchange Agreement

This memorandum of understanding (this “MOU”) is made and entered into as follows by and between Alps Electric Co., Ltd. (“Alps Electric”) and Alpine Electronics, Inc. (“Alpine”) as of February 27, 2018 with respect to amendment of the share exchange agreement executed by and between Alps Electric and Alpine as of July 27, 2017 (the “Original Agreement”). Except for where provided for in this MOU, the definitions of terms in this MOU are in accordance with the provisions of the Original Agreement.

Article 1. Amendment of Original Agreement

Alps Electric and Alpine agree to amend the Original Agreement as follows (underlining indicates amended portions).

<u>Before Amendment</u>	<u>After Amendment</u>
<p>Article 10. <u>Other Reorganizations</u></p> <p><u>Alps Electric and Alpine hereby acknowledge that on or after the Execution Date, Alps Electric and ALPS HD CO., LTD. (“ALPS HD”), which is to be established as a wholly-owned subsidiary of Alps Electric, will execute an absorption-type company split agreement (the “Absorption-type Company Split Agreement”) concerning the absorption-type company split (the “Absorption-type Company Split”), under which Alps Electric will be the company splitting and ALPS HD will be the company succeeding, and Alps Electric will have its rights and obligations concerning its businesses, other than those relating to group management and administration and the management of its assets, succeeded to by ALPS HD, and that the Absorption-type Company Split will take effect on April 1, 2019 on the condition that the Absorption-type Company Split Agreement will be approved at the ordinary general meeting of shareholders of Alps Electric scheduled to be held in late June 2018 and also approved at the general meeting of shareholders of ALPS HD to be held on or before the day immediately prior to the effective date of the Absorption-type Company Split defined in the Absorption-type Company Split Agreement.</u></p>	<p>Article 10. <u>Business Integration</u></p> <p>1. <u>Alps Electric and Alpine hereby acknowledge that, conditioned upon the Share Exchange coming into effect, Alps Electric and Alpine plan to carry out a business integration that involves reorganization into an operating holding company structure (the “Business Integration”) as of the Effective Date, after Alps Electric partially amends its Articles of Incorporation by obtaining the approval of its ordinary general meeting of shareholders scheduled to be held in late June 2018.</u></p> <p>2. <u>Alps Electric and Alpine shall hold discussions in good faith to determine the post-Business Integration management framework, organization, business operation model at Alps Electric and Alpine, and other fundamental matters in relation to the Business Integration.</u></p>

Article 2. Effect of Other Provisions of the Original Agreement

Other than the matters provided in Article 1, the provisions of the Original Agreement will not be revised or amended in any way by the execution of this MOU, and will continue to have effect as previously set forth.

Article 3. Matters Not Provided For

Matters not provided for herein will be in accordance with the provisions of the Original Agreement.

In witness whereof, both parties have caused this MOU to be signed and sealed in duplicate, and each party shall retain one original.

February 27, 2018

Alps Electric:

Alps Electric Co., Ltd.
1-7, Yukigaya-otsukamachi, Ota-ku, Tokyo, Japan
Toshihiro Kuriyama,
Representative Director and President

Alpine:

Alpine Electronics, Inc.
1-7, Yukigaya-otsukamachi, Ota-ku, Tokyo, Japan
Nobuhiko Komeya,
President

Memorandum of Understanding Concerning Amendments to Share Exchange Agreement

This memorandum of understanding (this “MOU”) is made and entered into as follows by and between Alps Electric Co., Ltd. (“Alps Electric”) and Alpine Electronics, Inc. (“Alpine”) as of July 27, 2018 with respect to amendment of the share exchange agreement executed by and between Alps Electric and Alpine as of July 27, 2017 (including the amendments pursuant to the Memorandum of Understanding Concerning Amendments to Share Exchange Agreement dated February 27, 2018, the “Original Agreement”). Except for where provided for in this MOU, the definitions of terms in this MOU are in accordance with the provisions of the Original Agreement.

Article 1. Amendment of Article 3.2 of the Original Agreement

Alps Electric and Alpine agree to amend the first “Alpine” in Article 3.2 of the Original Agreement to “Alps Electric.”

Article 2. Amendment of Article 5 of the Original Agreement

Alps Electric and Alpine agree to amend Article 5 of the Original Agreement as follows (underlining indicates amended portions).

Before Amendment

- Alps Electric shall, upon the Share Exchange, deliver to the holders of the share acquisition rights listed in (i) through (iv) set out in Section 1 of the table below, which have been issued by Alpine at the Record Time, the share acquisition rights of Alps Electric listed in (i) through (iv) in Section 2 of the table below, respectively, in the same number as the total number of such share acquisition rights of Alpine held by such holders at the Record Time in place of the share acquisition rights of Alpine.

Section 1			Section 2	
	Title	Terms	Title	Terms
(i)	Alpine Electronics, Inc. First Series of Share Acquisition Rights	Set forth in Exhibit 1-1	Alps Electric Co., Ltd. Fifth Series of Share Acquisition Rights	Set forth in Exhibit 1-2
(ii)	Alpine Electronics, Inc. Second Series of Share Acquisition Rights	Set forth in Exhibit 2-1	Alps Electric Co., Ltd. Sixth Series of Share Acquisition Rights	Set forth in Exhibit 2-2
(iii)	Alpine Electronics, Inc. Third Series of Share Acquisition Rights	Set forth in Exhibit 3-1	Alps Electric Co., Ltd. Seventh Series of Share Acquisition Rights	Set forth in Exhibit 3-2
(iv)	Alpine Electronics, Inc. Fourth Series of Share Acquisition Rights	Set forth in Exhibit 4-1	Alps Electric Co., Ltd. Eighth Series of Share Acquisition Rights	Set forth in Exhibit 4-2

- With respect to the allotment of the share acquisition rights to be delivered pursuant to the provisions of the preceding paragraph, Alps Electric shall allot to the holders of the share acquisition rights listed in (i) through (iv) set out in Section 1 of the table in the preceding paragraph, which have been issued by Alpine at the Record Time, the share acquisition rights of Alps Electric listed in (i) through (iv) in Section 2 of such table at the ratio of one share acquisition right of Alps Electric to one share acquisition right of Alpine held by such holders of share acquisition rights of Alpine.

After Amendment

- Alps Electric shall, upon the Share Exchange, deliver to the holders of the share acquisition rights listed in (i) through (v) set out in Section 1 of the table below, which have been issued by Alpine at the Record Time, the share acquisition rights of Alps Electric listed in (i) through (v) in Section 2 of the table below, respectively, in the same number as the total number of such share acquisition rights of Alpine held by such holders at the Record Time in place of the share acquisition rights of Alpine.

Section 1			Section 2	
	Title	Terms	Title	Terms
(i)	Alpine Electronics, Inc. First Series of Share Acquisition Rights	Set forth in Exhibit 1-1	ALPS <u>ALPINE</u> CO., LTD. <u>Sixth</u> Series of Share Acquisition Rights	Set forth in Exhibit 1-2
(ii)	Alpine Electronics, Inc. Second Series of Share Acquisition Rights	Set forth in Exhibit 2-1	ALPS <u>ALPINE</u> CO., LTD. <u>Seventh</u> Series of Share Acquisition Rights	Set forth in Exhibit 2-2
(iii)	Alpine Electronics, Inc. Third Series of Share Acquisition Rights	Set forth in Exhibit 3-1	ALPS <u>ALPINE</u> CO., LTD. <u>Eighth</u> Series of Share Acquisition Rights	Set forth in Exhibit 3-2
(iv)	Alpine Electronics, Inc. Fourth Series of Share Acquisition Rights	Set forth in Exhibit 4-1	ALPS <u>ALPINE</u> CO., LTD. <u>Ninth</u> Series of Share Acquisition Rights	Set forth in Exhibit 4-2
(v)	<u>Alpine Electronics, Inc. Fifth Series of Share Acquisition Rights</u>	<u>Set forth in Exhibit 5-1</u>	<u>ALPS ALPINE CO., LTD. Tenth Series of Share Acquisition Rights</u>	<u>Set forth in Exhibit 5-2</u>

2. With respect to the allotment of the share acquisition rights to be delivered pursuant to the provisions of the preceding paragraph, Alps Electric shall allot to the holders of the share acquisition rights listed in (i) through (v) set out in Section 1 of the table in the preceding paragraph, which have been issued by Alpine at the Record Time, the share acquisition rights of Alps Electric listed in (i) through (v) in Section 2 of such table at the ratio of one share acquisition right of Alps Electric to one share acquisition right of Alpine held by such holders of share acquisition rights of Alpine.

Article 3. Amendment and Addition to Exhibits of the Original Agreement

1. Alps Electric and Alpine agree to make the following amendments:
“Alps Electric Co., Ltd. Fifth Series of Share Acquisition Rights” in Exhibit 1-2 of the Original Agreement to “ALPS ALPINE CO., LTD. Sixth Series of Share Acquisition Rights”;
“Alps Electric Co., Ltd. Sixth Series of Share Acquisition Rights” in Exhibit 2-2 of the Original Agreement to “ALPS ALPINE CO., LTD. Seventh Series of Share Acquisition Rights”;
“Alps Electric Co., Ltd. Seventh Series of Share Acquisition Rights” in Exhibit 3-2 of the Original Agreement to “ALPS ALPINE CO., LTD. Eighth Series of Share Acquisition Rights”; and
“Alps Electric Co., Ltd. Eighth Series of Share Acquisition Rights” in Exhibit 4-2 of the Original Agreement to “ALPS ALPINE CO., LTD. Ninth Series of Share Acquisition Rights.”
2. Alps Electric and Alpine agree to add Exhibit 5-1 attached to this MOU as Exhibit 5-1 of the Original Agreement and Exhibit 5-2 attached to this MOU as Exhibit 5-2 of the Original Agreement.

Article 4. Effect of Other Provisions of the Original Agreement

Other than the matters provided in the preceding three Articles, the provisions of the Original Agreement will not be revised or amended in any way by the execution of this MOU, and will continue to have effect as previously set forth.

Article 5. Matters Not Provided For

Matters not provided for herein will be in accordance with the provisions of the Original Agreement.

In witness whereof, both parties have caused this MOU to be signed and sealed in duplicate, and each party shall retain one original.

July 27, 2018

Alps Electric:

Alps Electric Co., Ltd.
1-7, Yukigaya-otsukamachi, Ota-ku, Tokyo, Japan
Toshihiro Kuriyama,
Representative Director and President

Alpine:

Alpine Electronics, Inc.
1-7, Yukigaya-otsukamachi, Ota-ku, Tokyo, Japan
Nobuhiko Komeya,
President

Alpine Electronics, Inc. Fifth Series of Share Acquisition Rights

1. Name of Share Acquisition Rights
Alpine Electronics, Inc. Fifth Series of Share Acquisition Rights
2. Class and Number of Shares to be Issued upon Exercise of Share Acquisition Rights
The class of shares to be issued upon exercise of the share acquisition rights shall be common share of Alpine Electronics, Inc. (the “Company”), and the number of shares to be issued upon exercise of each share acquisition right (the “Number of Shares Granted”) shall be 100 shares.

If the Company conducts a share split (including an allotment without consideration (*musho wariate*) of common shares of the Company; the same shall apply to all references to the share split herein) or a share consolidation of common shares of the Company after the date on which the Company allots share acquisition rights as set forth in Section 12 below (the “Allotment Date”), the Number of Shares Granted shall be adjusted by using the following formula; provided, however, that such adjustment shall only apply to the number of shares to be issued upon exercise of the share acquisition rights which have not been exercised at the time of the adjustment and fractions less than one (1) share resulting from the adjustment shall be rounded down:

$$\begin{array}{ccccccc} \text{Number of Shares Granted after} & & & & \text{Number of Shares Granted} & & \text{Ratio of share split or share} \\ \text{adjustment} & = & & & \text{before adjustment} & \times & \text{consolidation} \end{array}$$

The Number of Shares Granted after adjustment shall apply, in the case of a share split, on and after the day immediately following the record date of the relevant share split (if the record date is not set, on and after its effective date) or, in the case of a share consolidation, on and after its effective date; provided, however, that if the Company conducts a share split on the condition that the proposal to decrease the amount of surplus and increase stated capital or capital reserves will be approved at a general meeting of shareholders of the Company, and the record date for such share split is set to be any date on or before the close of such general meeting of shareholders, the Number of Shares Granted after adjustment shall apply on and after the day immediately following the close of such general meeting of shareholders.

In addition to the above, if the Company conducts a merger, company split or share exchange after the Allotment Date or if any other similar event occurs that makes it necessary to adjust the Number of Shares Granted, the Company may adjust the Number of Shares Granted as deemed necessary by the board of directors of the Company.

3. Value of Property to be Contributed upon Exercise of Share Acquisition Rights
The value of property to be contributed upon exercise of each share acquisition right shall be one (1) yen per share to be acquired upon exercise of the relevant share acquisition right, multiplied by the Number of Shares Granted.
4. Method of Calculating Amount to be Paid in for Share Acquisition Right
The amount to be paid in for each share acquisition right shall be calculated through the Black-Scholes model on the Allotment Date. Such amount shall be the fair value of the share acquisition right, and accordingly, in accordance with the provisions of Article 246, paragraph (2) of the Companies Act, the claim for remuneration held by the person who receives an allotment against the Company shall be set off against the amount to be paid in with respect to the share acquisition rights (obligation).
5. Exercise Period of Share Acquisition Rights
July 24, 2018 to July 23, 2058
6. Conditions for Exercise of Share Acquisition Rights
 - (i) A holder of the share acquisition rights may exercise his or her share acquisition rights only during the ten (10) -day period (if the tenth day is a holiday, the following business day) from the day immediately following the date on which such holder loses his or her office as director (excluding non-executive directors and directors who are audit and supervisory committee members) of the Company.
 - (ii) Notwithstanding the provisions of paragraph (i) above, if the general meeting of shareholders of the Company approves a proposal for the approval of a merger agreement under which the Company becomes a disappearing company, a proposal for the approval of a company split agreement or company split plan under which the Company becomes the company splitting, or a proposal for the approval of a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary (if a resolution of the general meeting of shareholders is not required, upon a resolution of the board of directors of

the Company), a holder of the share acquisition rights may exercise his or her share acquisition rights only during the thirty (30) -day period from the day immediately following the date of such approval; provided, however, that this shall not apply to the case where share acquisition rights of a reorganized company are to be delivered to the holders of share acquisition rights in accordance with the matters related to the delivery of share acquisition rights in connection with the reorganizations set forth in Section 10 below.

- (iii) Each holder of the share acquisition rights shall collectively exercise all of the share acquisition rights allotted to himself or herself.
- (iv) In the event of the death of the holder of the share acquisition rights, his or her heir may exercise such share acquisition rights.
- (v) Any other conditions shall be stipulated in the relevant “share acquisition rights allotment agreement” to be entered into between the Company and each holder of the share acquisition rights.

7. Matters concerning Stated Capital and Capital Reserves to be Increased due to Issuance of Shares upon Exercise of Share Acquisition Rights

- (i) The amount of stated capital to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be half of the maximum limit of stated capital increase, as calculated in accordance with the Regulation on Accounting of Companies, and any fraction less than one (1) yen arising therefrom shall be rounded up to the nearest one (1) yen.
- (ii) The amount of capital reserves to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be the amount calculated by deducting the amount of stated capital to be increased, as provided for in (i) above, from the maximum limit of stated capital increase, as also provided for in (i) above.

8. Matters concerning Acquisition of Share Acquisition Rights

If any of the proposals set forth in (i), (ii), (iii), (iv) or (v) below is approved at a general meeting of shareholders of the Company (or, if a resolution of a general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), the Company may acquire the share acquisition rights without consideration on the date to be separately determined by the board of directors of the Company:

- (i) Proposal for the approval of a merger agreement under which the Company will become a disappearing company;
- (ii) Proposal for the approval of a company split agreement or company split plan under which the Company will become the company splitting;
- (iii) Proposal for the approval of a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary;
- (iv) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of any shares issued or to be issued by the Company shall require the approval of the Company; and
- (v) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of a class of shares to be acquired upon exercise of the share acquisition rights shall require the approval of the Company or that the Company may acquire all of such class of shares upon a resolution of a general meeting of shareholders.

9. Restrictions on Acquisition of Share Acquisition Rights through Transfer

The share acquisition rights cannot be acquired through transfer, unless such acquisition is approved by a resolution of the board of directors of the Company.

10. Matters concerning Delivery of Share Acquisition Rights in connection with Reorganization

If the Company conducts a merger (limited to the case where the Company is disappearing due to the merger), an absorption-type or incorporation-type company split (in both cases, limited to the case where the Company becomes the company splitting), or a share exchange or transfer (in both cases, limited to the case where the Company becomes a wholly-owned subsidiary) (collectively, the “Reorganization”), the Company shall, in each of the above cases, deliver share acquisition rights of the relevant stock company from among those listed in “a” through “e” of Article 236, paragraph (1), item (viii) of the Companies Act (the “Reorganized Company”) to the holders of the share acquisition rights remaining unexercised immediately before the effective date of the relevant Reorganization (the “Remaining Share Acquisition Rights”) (the effective date of the relevant Reorganization shall mean, in the case of an absorption-type merger, the date on which the merger becomes effective; in the case of a consolidation-type merger, the date of the establishment of a newly-incorporated company through such consolidation-type merger; in the case of an absorption-type company split, the date on which the absorption-type company split becomes effective; in the case of an incorporation-type company split, the date of the establishment of a newly-incorporated company through such incorporation-type company split; in the case of a share exchange, the date on which the share exchange becomes effective; and in the case of a share transfer, the date of the establishment

of a wholly-owning parent company through such share transfer; the same shall apply hereinafter); provided, however, that the foregoing shall be on the condition that the delivery of such share acquisition rights by the Reorganized Company in accordance with each of the following items is stipulated in an absorption-type merger agreement, a consolidation-type merger agreement, an absorption-type company split agreement, an incorporation-type company split plan, a share exchange agreement or a share transfer plan.

- (i) Number of share acquisition rights of the Reorganized Company to be delivered
A number equal to the number of the Remaining Share Acquisition Rights held by the holder of the share acquisition rights shall be delivered to such holder.
- (ii) Class of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
Common share of the Reorganized Company
- (iii) Number of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
To be determined in accordance with Section 2 above, taking into consideration, among other matters, the terms and conditions of the Reorganization.
- (iv) Value of property to be contributed upon exercise of each share acquisition right
The value of property to be contributed upon exercise of each share acquisition right to be delivered shall be the amount obtained by multiplying (x) the exercise price after Reorganization set forth below by (y) the number of shares of the Reorganized Company to be issued upon exercise of each of such share acquisition rights as determined in accordance with (iii) above. The exercise price after Reorganization shall be one (1) yen per share of the Reorganized Company to be acquired upon exercise of each of the delivered share acquisition rights.
- (v) Exercise period of share acquisition rights
From and including the later of (x) the commencement date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above or (y) the effective date of the Reorganization, to and including the expiration date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above.
- (vi) Matters concerning stated capital and capital reserves to be increased due to issuance of shares upon exercise of share acquisition rights
To be determined in accordance with Section 7 above.
- (vii) Restrictions on acquisition of share acquisition rights through transfer
The share acquisition rights may not be acquired through transfer unless such acquisition is approved by the Reorganized Company.
- (viii) Conditions for exercise of share acquisition rights
To be determined in accordance with Section 6 above.
- (ix) Provisions concerning acquisition of share acquisition rights
To be determined in accordance with Section 8 above.

11. Handling of Fractions Less than One (1) Share resulting from Exercise of Share Acquisition Rights
If the number of shares to be acquired by the holders of the share acquisition rights who have exercised their share acquisition rights includes any fraction less than one (1) share, such fraction shall be rounded down.

12. Allotment Date of Share Acquisition Rights
July 23, 2018

13. Treatment after Exercise of Share Acquisition Rights
Immediately after the exercise procedure has been completed, the Company shall carry out the procedure necessary to have the shares acquired by a holder of the share acquisition rights upon exercise of the share acquisition rights entered or recorded in the account established by such holder of the share acquisition rights under his or her name with the Financial Instruments Business Operator, etc. designated by the Company.

14. Treatment of the Replacement of the Provisions of These Terms and Conditions of Share Acquisition Rights and Other Measures
If it becomes necessary to replace any of the provisions of these terms and conditions of the share acquisition rights or to take other measures, the Company may amend these terms and conditions with respect to the handling of any related matters in a manner that the Company deems appropriate pursuant to the provisions of the Companies Act and other relevant laws and regulations and in accordance with the objectives of the share acquisition rights, and such amendment shall comprise a part of these terms and conditions.

15. Public Notification of Terms and Conditions

The Company shall maintain a certified copy of these terms and conditions for the issuance of the share acquisition rights at its head office and make such copy available to the holders of the share acquisition rights for review during its business hours.

16. Other

The decision of the details of the issuance and allotment of the share acquisition rights, the performance and other handling of the procedures necessary to issue the share acquisition rights, and any affairs necessary for the issuance of the share acquisition rights shall be left entirely to the Human Resources Department of the Company.

End

ALPS ALPINE CO., LTD. Tenth Series of Share Acquisition Rights

1. Name of Share Acquisition Rights
ALPS ALPINE CO., LTD. Tenth Series of Share Acquisition Rights
2. Class and Number of Shares to be Issued upon Exercise of Share Acquisition Rights
The class of shares to be issued upon exercise of the share acquisition rights shall be common share of Alps Electric Co., Ltd. (the “Company”), and the number of shares to be issued upon exercise of each share acquisition right (the “Number of Shares Granted”) shall be 68 shares.

If the Company conducts a share split (including an allotment without consideration (*musho wariate*) of common shares of the Company; the same shall apply to all references to the share split herein) or a share consolidation of common shares of the Company after the date on which the Company allots share acquisition rights as set forth in Section 12 below (the “Allotment Date”), the Number of Shares Granted shall be adjusted by using the following formula; provided, however, that such adjustment shall only apply to the number of shares to be issued upon exercise of the share acquisition rights which have not been exercised at the time of the adjustment and fractions less than one (1) share resulting from the adjustment shall be rounded down:

$$\begin{array}{ccccccc} \text{Number of Shares Granted after} & & & & \text{Number of Shares Granted} & & \text{Ratio of share split or share} \\ \text{adjustment} & = & & & \text{before adjustment} & \times & \text{consolidation} \end{array}$$

The Number of Shares Granted after adjustment shall apply, in the case of a share split, on and after the day immediately following the record date of the relevant share split (if the record date is not set, on and after its effective date) or, in the case of a share consolidation, on and after its effective date; provided, however, that if the Company conducts a share split on the condition that the proposal to decrease the amount of surplus and increase stated capital or capital reserves will be approved at a general meeting of shareholders of the Company, and the record date for such share split is set to be any date on or before the close of such general meeting of shareholders, the Number of Shares Granted after adjustment shall apply on and after the day immediately following the close of such general meeting of shareholders.

In addition to the above, if the Company conducts a merger, company split or share exchange after the Allotment Date or if any other similar event occurs that makes it necessary to adjust the Number of Shares Granted, the Company may adjust the Number of Shares Granted as deemed necessary by the board of directors of the Company.

3. Value of Property to be Contributed upon Exercise of Share Acquisition Rights
The value of property to be contributed upon exercise of each share acquisition right shall be one (1) yen per share to be acquired upon exercise of the relevant share acquisition right, multiplied by the Number of Shares Granted.
4. Method of Calculating Amount to be Paid in for Share Acquisition Right
No payment of money shall be required.
5. Exercise Period of Share Acquisition Rights
January 1, 2019 to July 23, 2058
6. Conditions for Exercise of Share Acquisition Rights
 - (i) A holder of the share acquisition rights may exercise his or her share acquisition rights only during the ten (10) -day period (if the tenth day is a holiday, the following business day) from the day immediately following the date on which such holder loses his or her office as director (excluding non-executive directors and directors who are audit and supervisory committee members) of Alpine Electronics, Inc.
 - (ii) Notwithstanding the provisions of paragraph (i) above, if the general meeting of shareholders of the Company approves a proposal for the approval of a merger agreement under which the Company becomes a disappearing company, a proposal for the approval of a company split agreement or company split plan under which the Company becomes the company splitting, or a proposal for the approval of a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary (if a resolution of the general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), a holder of the share acquisition rights may exercise his or her share acquisition rights only during the thirty (30) -day period from the day immediately following the date of such approval; provided, however, that this shall not apply to the case where share acquisition rights of a reorganized company are to be

delivered to the holders of share acquisition rights in accordance with the matters related to the delivery of share acquisition rights in connection with the reorganizations set forth in Section 10 below.

- (iii) Each holder of the share acquisition rights shall collectively exercise all of the share acquisition rights allotted to himself or herself.
- (iv) In the event of the death of the holder of the share acquisition rights, his or her heir may exercise such share acquisition rights.
- (v) Any other conditions shall be stipulated in the relevant “share acquisition rights allotment agreement” to be entered into between the Company and each holder of the share acquisition rights.

7. Matters concerning Stated Capital and Capital Reserves to be Increased due to Issuance of Shares upon Exercise of Share Acquisition Rights

- (i) The amount of stated capital to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be half of the maximum limit of stated capital increase, as calculated in accordance with the Regulation on Accounting of Companies, and any fraction less than one (1) yen arising therefrom shall be rounded up to the nearest one (1) yen.
- (ii) The amount of capital reserves to be increased due to the issuance of shares upon exercise of the share acquisition rights shall be the amount calculated by deducting the amount of stated capital to be increased, as provided for in (i) above, from the maximum limit of stated capital increase, as also provided for in (i) above.

8. Matters concerning Acquisition of Share Acquisition Rights

If any of the proposals set forth in (i), (ii), (iii), (iv) or (v) below is approved at a general meeting of shareholders of the Company (or, if a resolution of a general meeting of shareholders is not required, upon a resolution of the board of directors of the Company), the Company may acquire the share acquisition rights without consideration on the date to be separately determined by the board of directors of the Company:

- (i) Proposal for the approval of a merger agreement under which the Company will become a disappearing company;
- (ii) Proposal for the approval of a company split agreement or company split plan under which the Company will become the company splitting;
- (iii) Proposal for the approval of a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary;
- (iv) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of any shares issued or to be issued by the Company shall require the approval of the Company; and
- (v) Proposal for the approval of an amendment to the Articles of Incorporation in order to establish a provision providing that an acquisition by way of transfer of a class of shares to be acquired upon exercise of the share acquisition rights shall require the approval of the Company or that the Company may acquire all of such class of shares upon a resolution of a general meeting of shareholders.

9. Restrictions on Acquisition of Share Acquisition Rights through Transfer

The share acquisition rights cannot be acquired through transfer, unless such acquisition is approved by a resolution of the board of directors of the Company.

10. Matters concerning Delivery of Share Acquisition Rights in connection with Reorganization

If the Company conducts a merger (limited to the case where the Company is disappearing due to the merger), an absorption-type or incorporation-type company split (in both cases, limited to the case where the Company becomes the company splitting), or a share exchange or transfer (in both cases, limited to the case where the Company becomes a wholly-owned subsidiary) (collectively, the “Reorganization”), the Company shall, in each of the above cases, deliver share acquisition rights of the relevant stock company from among those listed in “a” through “e” of Article 236, paragraph (1), item (viii) of the Companies Act (the “Reorganized Company”) to the holders of the share acquisition rights remaining unexercised immediately before the effective date of the relevant Reorganization (the “Remaining Share Acquisition Rights”) (the effective date of the relevant Reorganization shall mean, in the case of an absorption-type merger, the date on which the merger becomes effective; in the case of a consolidation-type merger, the date of the establishment of a newly-incorporated company through such consolidation-type merger; in the case of an absorption-type company split, the date on which the absorption-type company split becomes effective; in the case of an incorporation-type company split, the date of the establishment of a newly-incorporated company through such incorporation-type company split; in the case of a share exchange, the date on which the share exchange becomes effective; and in the case of a share transfer, the date of the establishment of a wholly-owning parent company through such share transfer; the same shall apply hereinafter); provided, however, that the foregoing shall be on the condition that the delivery of such share acquisition rights by the Reorganized Company in accordance with each of the following items is stipulated in an absorption-type merger

agreement, a consolidation-type merger agreement, an absorption-type company split agreement, an incorporation-type company split plan, a share exchange agreement or a share transfer plan.

- (i) Number of share acquisition rights of the Reorganized Company to be delivered
A number equal to the number of the Remaining Share Acquisition Rights held by the holder of the share acquisition rights shall be delivered to such holder.
- (ii) Class of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
Common share of the Reorganized Company
- (iii) Number of shares of the Reorganized Company to be issued upon exercise of share acquisition rights
To be determined in accordance with Section 2 above, taking into consideration, among other matters, the terms and conditions of the Reorganization.
- (iv) Value of property to be contributed upon exercise of each share acquisition right
The value of property to be contributed upon exercise of each share acquisition right to be delivered shall be the amount obtained by multiplying (x) the exercise price after Reorganization set forth below by (y) the number of shares of the Reorganized Company to be issued upon exercise of each of such share acquisition rights as determined in accordance with (iii) above. The exercise price after Reorganization shall be one (1) yen per share of the Reorganized Company to be acquired upon exercise of each of the delivered share acquisition rights.
- (v) Exercise period of share acquisition rights
From and including the later of (x) the commencement date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above or (y) the effective date of the Reorganization, to and including the expiration date of the period during which the share acquisition rights may be exercised as provided for in Section 5 above.
- (vi) Matters concerning stated capital and capital reserves to be increased due to issuance of shares upon exercise of share acquisition rights
To be determined in accordance with Section 7 above.
- (vii) Restrictions on acquisition of share acquisition rights through transfer
The share acquisition rights may not be acquired through transfer unless such acquisition is approved by the Reorganized Company.
- (viii) Conditions for exercise of share acquisition rights
To be determined in accordance with Section 6 above.
- (ix) Provisions concerning acquisition of share acquisition rights
To be determined in accordance with Section 8 above.

11. Handling of Fractions Less than One (1) Share resulting from Exercise of Share Acquisition Rights
If the number of shares to be acquired by the holders of the share acquisition rights who have exercised their share acquisition rights includes any fraction less than one (1) share, such fraction shall be rounded down.

12. Allotment Date of Share Acquisition Rights
January 1, 2019

13. Treatment after Exercise of Share Acquisition Rights
Immediately after the exercise procedure has been completed, the Company shall carry out the procedure necessary to have the shares acquired by a holder of the share acquisition rights upon exercise of the share acquisition rights entered or recorded in the account established by such holder of the share acquisition rights under his or her name with the Financial Instruments Business Operator, etc. designated by the Company.

14. Treatment of the Replacement of the Provisions of These Terms and Conditions of Share Acquisition Rights and Other Measures
If it becomes necessary to replace any of the provisions of these terms and conditions of the share acquisition rights or to take other measures, the Company may amend these terms and conditions with respect to the handling of any related matters in a manner that the Company deems appropriate pursuant to the provisions of the Companies Act and other relevant laws and regulations and in accordance with the objectives of the share acquisition rights, and such amendment shall comprise a part of these terms and conditions.

15. Public Notification of Terms and Conditions
The Company shall maintain a certified copy of these terms and conditions for the issuance of the share acquisition rights at its head office and make such copy available to the holders of the share acquisition rights for review during its business hours.

16. Other

The decision of the details of the issuance and allotment of the share acquisition rights, the performance and other handling of the procedures necessary to issue the share acquisition rights, and any affairs necessary for the issuance of the share acquisition rights shall be left entirely to the Human Resources Department of the Company or other departments that have jurisdiction.

End

Assumptions and Disclaimers, etc. of SMBC Nikko's Analysis of Share Exchange Ratio and Fairness Opinion

In preparing its analysis regarding the Share Exchange Ratio set forth in the Share Exchange Agreement (the "SMBC Nikko Analysis") and its opinion, dated as of the date thereof, on the fairness of the Share Exchange Ratio from the financial viewpoint to the holders of common shares of Alpine other than the Controlling Shareholder and Others (the "SMBC Nikko Fairness Opinion"), SMBC Nikko has relied upon and assumed the accuracy and completeness of all information that SMBC Nikko took into account in the consideration or was provided to SMBC Nikko or was discussed with Alpine or Alps Electric or was publicly available or otherwise reviewed by or for SMBC Nikko. SMBC Nikko has not independently verified nor has SMBC Nikko assumed responsibility or liability for independently verifying any such information or its accuracy or completeness and has assumed that the management of each of Alpine and Alps Electric is unaware of any fact or circumstance that would make such information inaccurate or misleading.

The foregoing summary is not a complete description of all analyses performed and factors considered by SMBC Nikko in connection with the SMBC Nikko Analysis and the SMBC Nikko Fairness Opinion. The preparation of a financial opinion is a complex process involving subjective judgments and is not necessarily susceptible to partial analysis or summary description. SMBC Nikko believes that its analyses, a portion of which is summarized above, must be considered as a whole and that selecting portions of its analyses or focusing on information presented in tabular format could create an incomplete view of the processes underlying SMBC Nikko's analyses and opinion. In conducting the SMBC Nikko Analysis and arriving at the SMBC Nikko Fairness Opinion, SMBC Nikko did not draw, in isolation, conclusions from or with regard to any one factor or method of analysis for purposes of its opinion, but rather arrived at its ultimate opinion based on the results of all analyses undertaken by it and assessed as a whole.

In conducting the SMBC Nikko Analysis and arriving at the SMBC Nikko Fairness Opinion, SMBC Nikko has not conducted any independent assessment, appraisal, valuation or research (including environmental research for properties; same shall apply hereunder) concerning the assets or liabilities of Alpine, Alps Electric, and affiliates of either of them (including derivative products, off-BS assets and liabilities, and other contingent liabilities), let alone analysis and assessment of each asset item or each liability item, and SMBC Nikko has never conducted independent verifications to see whether each one of the items does really exist or not; also SMBC Nikko has not received any reports of appraisal, valuation, research, or verification regarding real existence for each of the items. Nor has SMBC Nikko conducted any credit evaluation for Alpine or Alps Electric under the applicable laws and regulations, concerning such points as bankruptcy, insolvency or the like. As to the financial projections and other forecast information of Alpine and Alps Electric that SMBC Nikko was provided, SMBC Nikko took them as is as the basis of its outlook, assuming that they were reasonably prepared or provided by Alpine and Alps Electric as per the best estimation and judgment of respective management, and that the financial condition of Alpine and Alps Electric each would undergo a transition just in accordance with the said projections and forecast. SMBC Nikko has relied on the projections and related materials, without having conducted any independent research to verify them, in conducting the SMBC Nikko Analysis and arriving at the SMBC Nikko Fairness Opinion. SMBC Nikko notes that SMBC Nikko does not guarantee that the said financial projections are feasible, or that the actual results should be close to the projections. It is reasonably expected that the common shares of Alpine would be delisted in accordance with the Securities Listing Regulations of TSE after the completion of the Share Exchange, but SMBC Nikko notes that SMBC Nikko did not take into account whether common shares of Alps Electric might be delisted or not, and also that SMBC Nikko did not take into account whether there would be any impact from such delisting on Alpine and Alpine's shareholders as well as the degree of impact if any, in conducting the SMBC Nikko Analysis and arriving at the SMBC Nikko Fairness Opinion. Also, in conducting the SMBC Nikko Analysis and arriving at the SMBC Nikko Fairness Opinion, SMBC Nikko has assumed that all material information of Alpine and Alps Electric has been adequately disclosed, that all material information of Alpine and Alps Electric has adequately been reflected in the market price of respective share, and that there is no more material information yet to be announced or disclosed that could adversely affect the market price of Alpine or Alps Electric share.

SMBC Nikko is not a legal, accounting or tax expert and has not conducted any independent consideration and analysis concerning the legality and validity of the Share Exchange as well as concerning the adequacy in handling tax or accounting in conducting the SMBC Nikko Analysis and arriving at the SMBC Nikko Fairness Opinion, so SMBC Nikko has assumed that the Share Exchange will be consummated properly and effectively in accordance with all adequate procedures in terms of legal, accounting and tax. Also, SMBC Nikko notes that SMBC Nikko did not take into account the impact from the Share Exchange on Alpine and other transaction counterparties in terms of tax.

SMBC Nikko has also assumed that (i) all governmental, regulatory or other permits and consents (contractual or otherwise) necessary to consummate the Share Exchange will be received during a period and under the terms that would never negatively affect the business and the expected profitability of Alpine and Alps Electric after the Share Exchange, (ii) the Share Exchange is a tax qualified share exchange in compliance with the Japanese corporation tax law, and (iii) the Share Exchange will be consummated all in accordance with the terms and conditions set forth in the Share Exchange Agreement, without any waiver, amendment or change concerning all material conditions and agreements set forth in the Share Exchange Agreement and the detail of rights and obligations related to the target business (more specifically rights and obligations regarding the related assets, liabilities, contracts, employees, etc.) as presented by Alpine and Alps Electric. SMBC Nikko was not obligated to, so has not conducted any independent research concerning the above assumed points. SMBC Nikko also has assumed that the final executed Share Exchange Agreement will not differ in any material respect from the draft Share Exchange Agreement reviewed by SMBC Nikko.

The SMBC Nikko Analysis and the SMBC Nikko Fairness Opinion are based on the financial and capital markets, economic and other conditions as of the date thereof (except as otherwise stated in the SMBC Nikko Analysis), and SMBC Nikko relies on the information made available to SMBC Nikko or SMBC Nikko managed to obtain by the date thereof. Although the SMBC Nikko Analysis and the SMBC Nikko Fairness Opinion might be affected by future changes in conditions, SMBC Nikko does not assume any obligation to revise, change, or supplement them. Also, the SMBC Nikko Analysis and the SMBC Nikko Fairness Opinion do not include inference or suggestion of SMBC Nikko's future opinion after the date thereof.

SMBC Nikko has prepared and is submitting the SMBC Nikko Analysis and the SMBC Nikko Fairness Opinion herewith in response to Alpine's request. As a financial advisor to Alpine concerning the Share Exchange, SMBC Nikko has received, and will receive fees from Alpine for its services (the substantial part of such fees is contingent on the consummation of the Share Exchange). Alpine has agreed to reimburse SMBC Nikko's expenses and indemnify SMBC Nikko against certain liabilities arising out of its engagement. SMBC Nikko and its affiliates in the past have traded and may actively trade or possibly would trade for or with Alpine, Alps Electric, or affiliates of either of them, for investment banking business, securities/financial instruments-related business, and commercial banking business, and have received or in the future might receive fees for such services. Also, in the ordinary course of businesses, SMBC Nikko may trade the securities and various other financial instruments including derivatives of Alpine, Alps Electric, or affiliates of either of them, for own account or for customer accounts from time to time, and could own certain position relating to them. In the two year period prior to the date of the SMBC Nikko Analysis and the SMBC Nikko Fairness Opinion, SMBC Nikko and its affiliates have provided certain investment banking business, securities/financial instruments-related business, and commercial banking business to Alpine, Alps Electric, and affiliates of either of them unrelated to the Share Exchange, for which SMBC Nikko and its affiliates received compensation.

The SMBC Nikko Fairness Opinion does not express SMBC Nikko's comment on the value or market price level of the common shares of Alpine or Alps Electric before or after the consummation of the Share Exchange. SMBC Nikko is not requested to express its opinion on the facts and/or assumptions, including the financial forecasts of Alpine and Alps Electric, that constitute the foundation to determine the Share Exchange Ratio; also SMBC Nikko is not requested to express its opinion on Alpine's corporate decision itself to pursue or implement the Share Exchange (including its merits and demerits as compared with other business strategic alternatives or other types of deal scheme), any terms or other aspects of the Share Exchange (other than the Share Exchange Ratio to the extent expressly specified herein), including the effectiveness of the proposed structure of the Share Exchange as well as on whether there is/are any better structure option(s) in terms of effectiveness, and on the merits and demerits of comparable structure options if any, so SMBC Nikko does not express its opinion on such points. Also, SMBC Nikko is not requested to analyze any transactions other than the Share Exchange or relative value of such transactions, neither is SMBC Nikko requested to consider how fair the Share Exchange or the proposed Share Exchange Ratio would be to the holders of securities other than common shares of Alpine as well as for the creditors and other interested parties. Hence, SMBC Nikko has not covered these aspects in the SMBC Nikko Fairness Opinion. In addition, no opinion or view is expressed with respect to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to any of the officers, directors or employees of any party to the Share Exchange, or class of such persons, relative to the Share Exchange Ratio. Furthermore, SMBC Nikko is not obligated by Alpine or by Alpine's board of directors to solicit indications of interest or proposals from third parties in relation to the Share Exchange and SMBC Nikko has not taken any such action. Also, SMBC Nikko is not requested to express its opinion on any specifics of the documents and methods relating to the Share Exchange, other than on the Share Exchange Ratio as specifically covered in the SMBC Nikko Fairness Opinion, so SMBC Nikko has not included any opinion on such points.

SMBC Nikko expresses no opinion or recommendation as to how the holders of common shares of Alpine should vote or take any action in connection with the Share Exchange; also the SMBC Nikko Fairness Opinion is not to make any solicitation or recommendation to Alpine's shareholders or other interested parties as to sale or purchase of Alpine's shares or other matters related to them.

End

Assumptions and Disclaimers, etc. of SMBC Nikko's Analysis of Share Exchange Ratio

In conducting the Final Analysis, SMBC Nikko has relied upon and assumed the accuracy and completeness of all information that SMBC Nikko took into account in the consideration or was provided to SMBC Nikko or was discussed with Alpine or Alps Electric or was publicly available or otherwise reviewed by or for SMBC Nikko. SMBC Nikko has not independently verified nor has SMBC Nikko assumed responsibility or liability for independently verifying any such information or its accuracy or completeness and has assumed that the management of each of Alpine and Alps Electric is unaware of any fact or circumstance that would make such information inaccurate or misleading.

The Final Analysis does not express SMBC Nikko's comment on the fairness or reasonableness (financial or otherwise) of the Share Exchange Ratio or the value or market price level of the common shares of Alpine or Alps Electric before or after the consummation of the Share Exchange and other relevant matters.

The summary of the Final Analysis included in this document is not a complete description of all analyses performed and factors considered by SMBC Nikko in connection with the Final Analysis. SMBC Nikko believes that the Final Analysis, a portion of which is described in this document, must be considered as a whole and that selecting portions of its analyses or focusing on information presented in the tabular format could create an incomplete view on the Final Analysis. In conducting the Final Analysis, SMBC Nikko did not draw, in isolation, conclusions from or with regard to any one factor or method of analysis.

In conducting the Final Analysis, SMBC Nikko has not conducted any independent assessment, appraisal, valuation or research (including environmental research for properties; same shall apply hereunder) concerning the assets or liabilities of Alpine, Alps Electric, and affiliates of either of them (including derivative products, off-BS assets and liabilities, and other contingent liabilities), let alone analysis and assessment of each asset item or each liability item, and SMBC Nikko has never conducted independent verifications to see whether each one of the items does really exist or not; also SMBC Nikko has not received any reports of appraisal, valuation, research, or verification regarding real existence for each of the items. Nor has SMBC Nikko conducted any credit evaluation for Alpine or Alps Electric under the applicable laws and regulations, concerning such points as bankruptcy, insolvency or the like. As to the financial projections and other forecast information of Alpine and Alps Electric that SMBC Nikko was provided, SMBC Nikko took them as is as the basis of its outlook, assuming that they were reasonably prepared or provided by Alpine and Alps Electric as per the best estimation and judgment of respective management, and that the financial condition of Alpine and Alps Electric each would undergo a transition just in accordance with the said projections and forecast. SMBC Nikko has relied on the projections and related materials, without having conducted any independent research to verify them, in conducting the Final Analysis. SMBC Nikko notes that SMBC Nikko does not guarantee that the said financial projections are feasible, or that the actual results should be close to the projections. It is reasonably expected that the common shares of Alpine would be delisted in accordance with the Securities Listing Regulations of TSE after the completion of the Share Exchange, but SMBC Nikko notes that SMBC Nikko did not take into account whether common shares of Alps Electric might be delisted or not, and also that SMBC Nikko did not take into account whether there would be any impact from such delisting on Alpine and Alpine's shareholders as well as the degree of impact if any, in conducting the Final Analysis. Also, in conducting the Final Analysis, SMBC Nikko has assumed that all material information of Alpine and Alps Electric has been adequately disclosed, that all material information of Alpine and Alps Electric has adequately been reflected in the market price of respective share, and that there is no more material information yet to be announced or disclosed that could adversely affect the market price of Alpine or Alps Electric share.

SMBC Nikko is not a legal, accounting or tax expert and has not conducted any independent consideration and analysis concerning the legality and validity of the Share Exchange as well as concerning the adequacy in handling tax or accounting in conducting the Final Analysis, so SMBC Nikko has assumed that the Share Exchange will be consummated properly and effectively in accordance with all adequate procedures in terms of legal, accounting and tax. Also, SMBC Nikko notes that SMBC Nikko did not take into account the impact from the Share Exchange on Alpine and other transaction counterparties in terms of tax.

SMBC Nikko has also assumed that (i) all governmental, regulatory or other permits and consents (contractual or otherwise) necessary to consummate the Share Exchange will be received during a period and under the terms that would never negatively affect the business and the expected profitability of Alpine and Alps Electric after the Share Exchange, (ii) the Share Exchange is a tax qualified share exchange in compliance with the Japanese corporation tax law, and (iii) the Share Exchange will be consummated all in accordance with the terms and conditions set forth in the Share Exchange Agreement, without any waiver, amendment or change concerning all material conditions and

agreements set forth in the Share Exchange Agreement and the detail of rights and obligations related to the target business (more specifically rights and obligations regarding the related assets, liabilities, contracts, employees, etc.) as presented by Alpine and Alps Electric. SMBC Nikko was not obligated to, so has not conducted any independent research concerning the above assumed points.

The Final Analysis is based on the financial and capital markets, economic and other conditions as of the analysis reference date (except as otherwise stated in the Final Analysis), and SMBC Nikko relies on the information made available to SMBC Nikko or SMBC Nikko managed to obtain by the analysis reference date. Although the Final Analysis might be affected by future changes in conditions, SMBC Nikko does not assume any obligation to revise, change, or supplement them. Also, the Final Analysis does not include inference or suggestion of SMBC Nikko's future opinion after the analysis reference date.

SMBC Nikko has conducted the Final Analysis herewith in response to Alpine's request. As a financial advisor to Alpine concerning the Share Exchange, SMBC Nikko has received, and will receive fees from Alpine for its services (the substantial part of such fees is contingent on the consummation of the Share Exchange). Alpine has agreed to reimburse SMBC Nikko's expenses and indemnify SMBC Nikko against certain liabilities arising out of its engagement. SMBC Nikko and its affiliates in the past have traded and may actively trade or possibly would trade for or with Alpine, Alps Electric, or affiliates of either of them, for investment banking business, securities/financial instruments-related business, and commercial banking business, and have received or in the future might receive fees for such services. Also, in the ordinary course of businesses, SMBC Nikko may trade the securities and various other financial instruments including derivatives of Alpine, Alps Electric, or affiliates of either of them, for own account or for customer accounts from time to time, and could own certain position relating to them.

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