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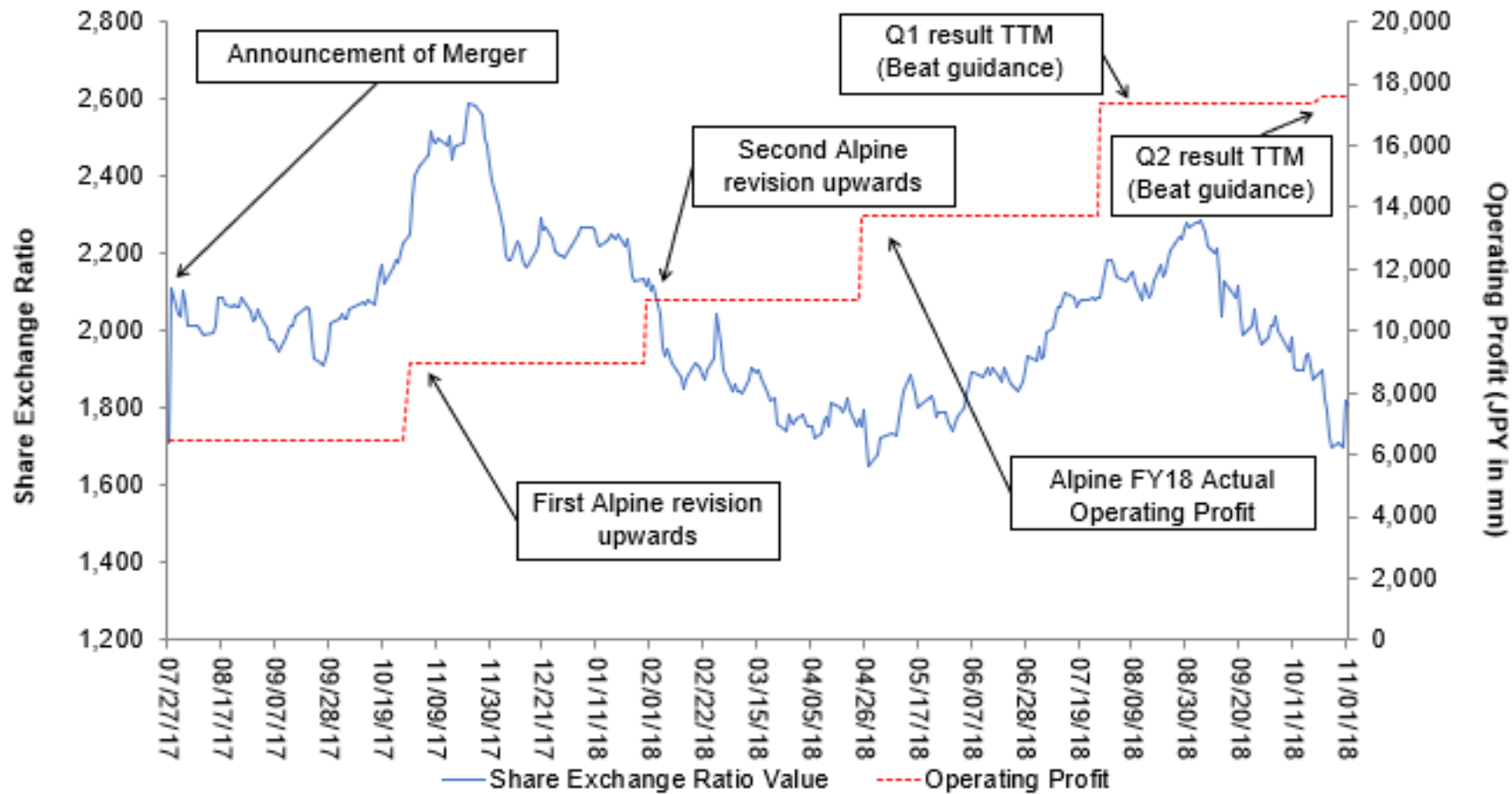
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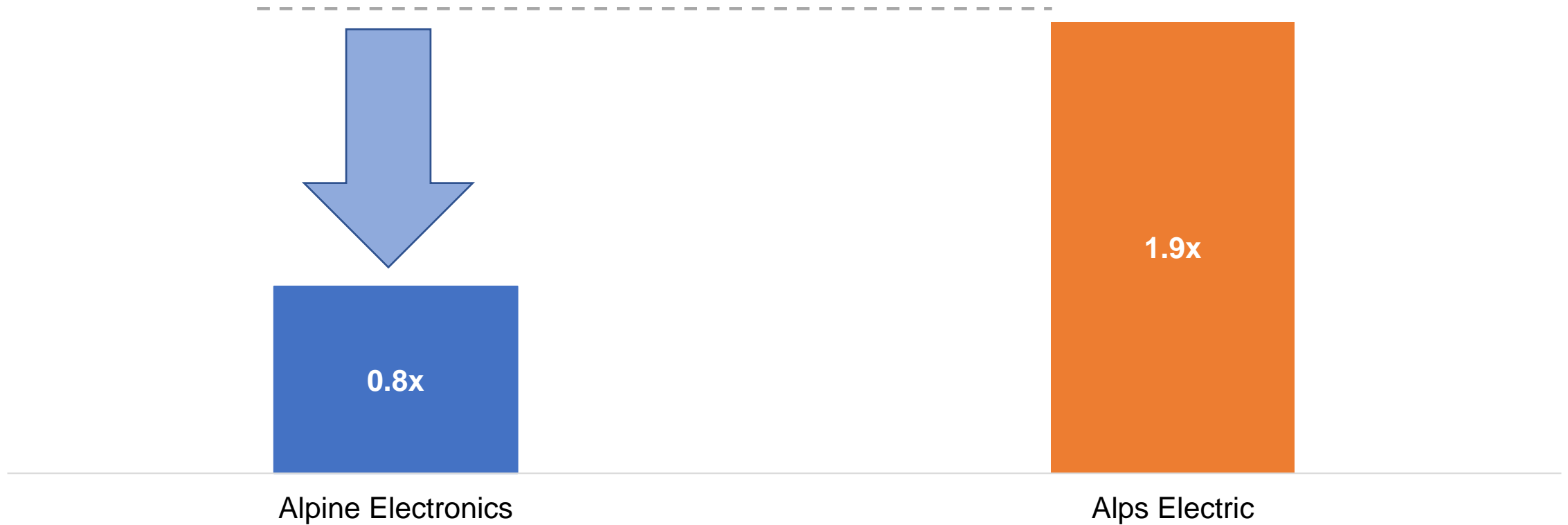
Valuation

Alpine Continues to Beat Forecasts but Shareholders Suffer



Alps Is Trying to Pay Less than Liquidation Value

Price to Book Value



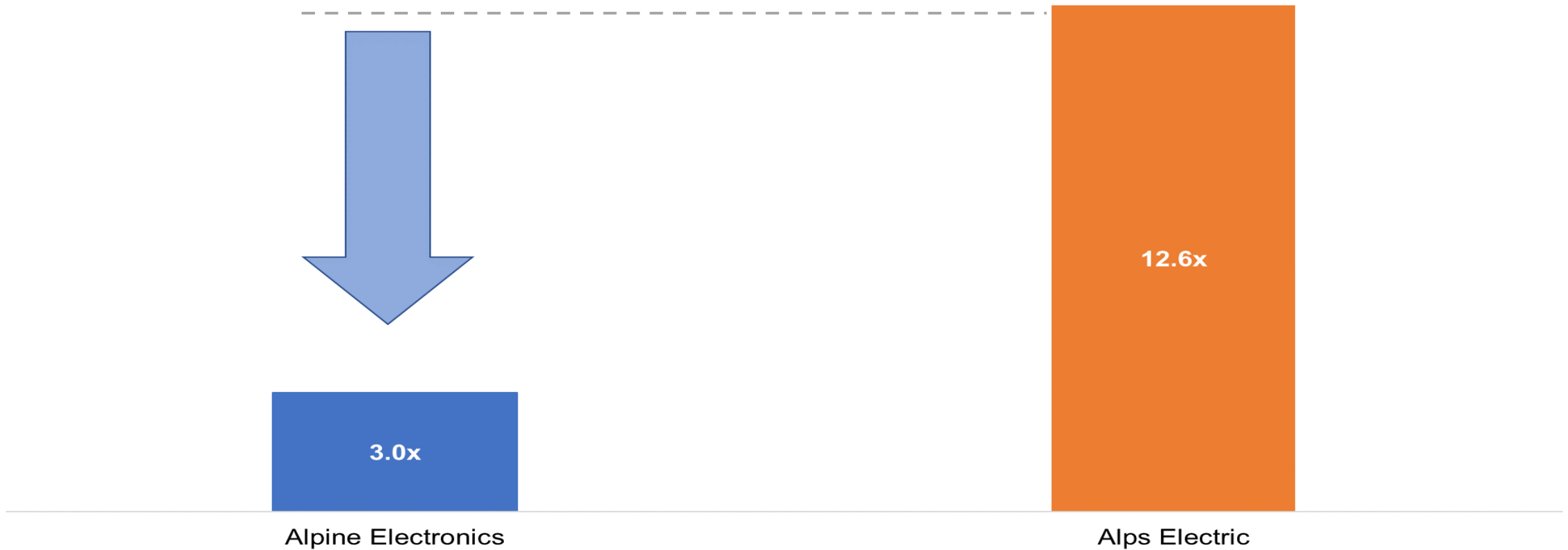
The Multiples Are Unjustifiably Low

EV/TTM EBITDA Adjusted for Non-operating Assets

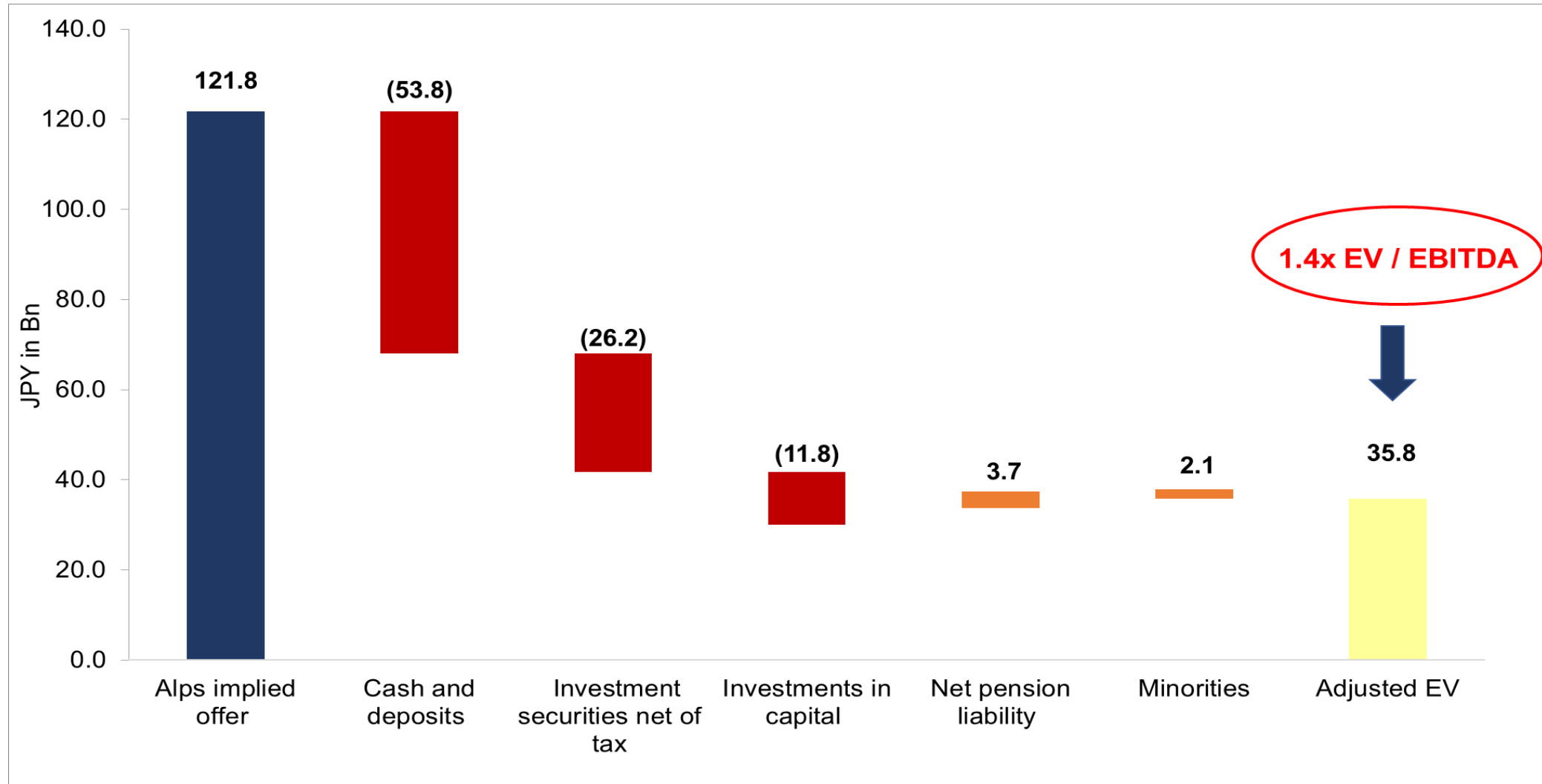


...on Every Metric

Price to TTM Earnings Ratio Adjusted for Non-operating Assets



70% of the Implied Offer Is Cash and Investments



Offer Implies Distress at Alpine, But Alpine is Not Distressed

- Revenue growth of 16.5% yoy for H1
- Earnings growth of 107% yoy for H1
- Investments to drive profitability from 2021 and beyond
 - New investment of over JPY20bn in the current fiscal year
 - Neusoft Corp relationship with strong growth in China
 - Neusoft Reach JV already attracting attention and orders in China
- Best in class customer base



DAIMLER



HONDA



TOYOTA



Earnings Have Continued to Grow

TTM Operating Income



Company Actions Have Meant Positive Performance in Every Segment

“Company also worked on expansion of sales for “Alpine Style Customized Cars,” which are equipped with system products built around navigation systems, as well as high-quality vehicle interiors. In addition, the Group has been taking steps to reach new user demographics by launching new floating-type products that are compatible with Apple CarPlay and Android Auto for the U.S. aftermarket.

In the OEM market, sales of navigation systems to European luxury automotive manufacturers and display products were favorable.”

Q2 results commentary

“Furthermore, in the OEM market, the Company focused on increasing orders for slim-line and lightweight speakers that aid in reducing the vehicle’s fuel consumption and environmental footprint, and its lightweight and compact “free layout speakers” that improve freedom of placement in order to adapt to changes in the vehicle’s interior design, in addition to speakers and amplifiers that offer realistically reproduced high-quality audio tailored to luxury vehicle models with exceptionally quiet cabins. Accordingly, segment sales increased 6.7% compared with the corresponding period of the previous fiscal year, to ¥27.5 billion.”

Q2 results commentary

Alpine Keeps Beating Forecasts

- Alpine beat its first half forecasts by 26% through cost improvements and increased efficiencies in R&D and other expenses



China Growth Has Not Been Factored In

“...the Company has been promoting efforts geared to achieving growth with our sights set on becoming an enterprise offering total solutions for in-car information systems, in part by carrying out a capital increase in equity method associate Neusoft Reach Automotive Technology (Shanghai) Co., Ltd.”

Q2 results commentary

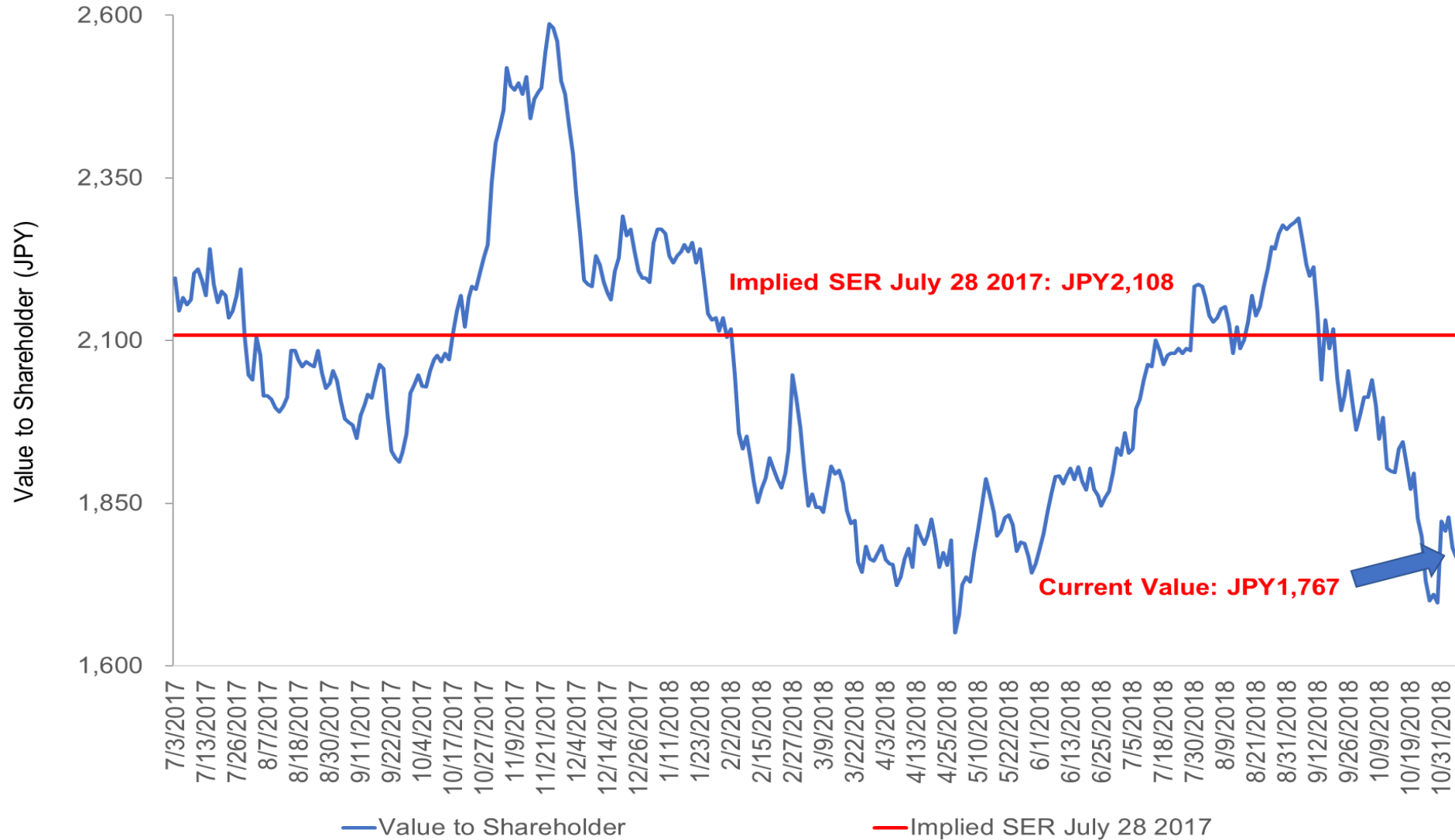
- **Alpine owns 37% of Neusoft Reach and has invested heavily in this joint venture**
- **The JV has already made significant progress but the actual returns from the investment will not be visible in the immediate future and so will not have been factored into the valuation**
 - **Recently announced Honda deal is expected to generate demand of JPY33 billion**
 - **Created a JV with Denso**
 - **Has started to mass produce ADAS products and believes demand will expand dramatically over the next few years**

Synergies Not Factored In

- Alps announced that they expect sales synergies of JPY10 to 15 billion a year at the operating profit level from sales
- Alps also referenced additional cost synergies of over JPY4 billion per year

Total synergies of at least JPY14 to 19 billion per year which is not being shared with Alpine's minority shareholders in the proposed transaction

Uncertainty Around Alps' Business has Reduced the Value of the Offer



Valuation – The Independent Valuation

- Neither Alpine nor Alps have provided sufficient information to the market in terms of future forecasts and the business plan to conduct a full discounted cashflow analysis to calculate a share ratio
- Oasis engaged an independent valuation company, Zecoo Partners, to conduct a valuation
- Due to the lack of information available, Zecoo proceeded to base their valuation on the results of the original SMBC fairness opinion, but amended for issues that were deemed outrageously unfair – as they explain in their presentation
- The Zecoo valuation determined that Alpine was worth at least JPY3,774 per share – that is 114% higher than the current value of the share exchange ratio of JPY1,767 per share

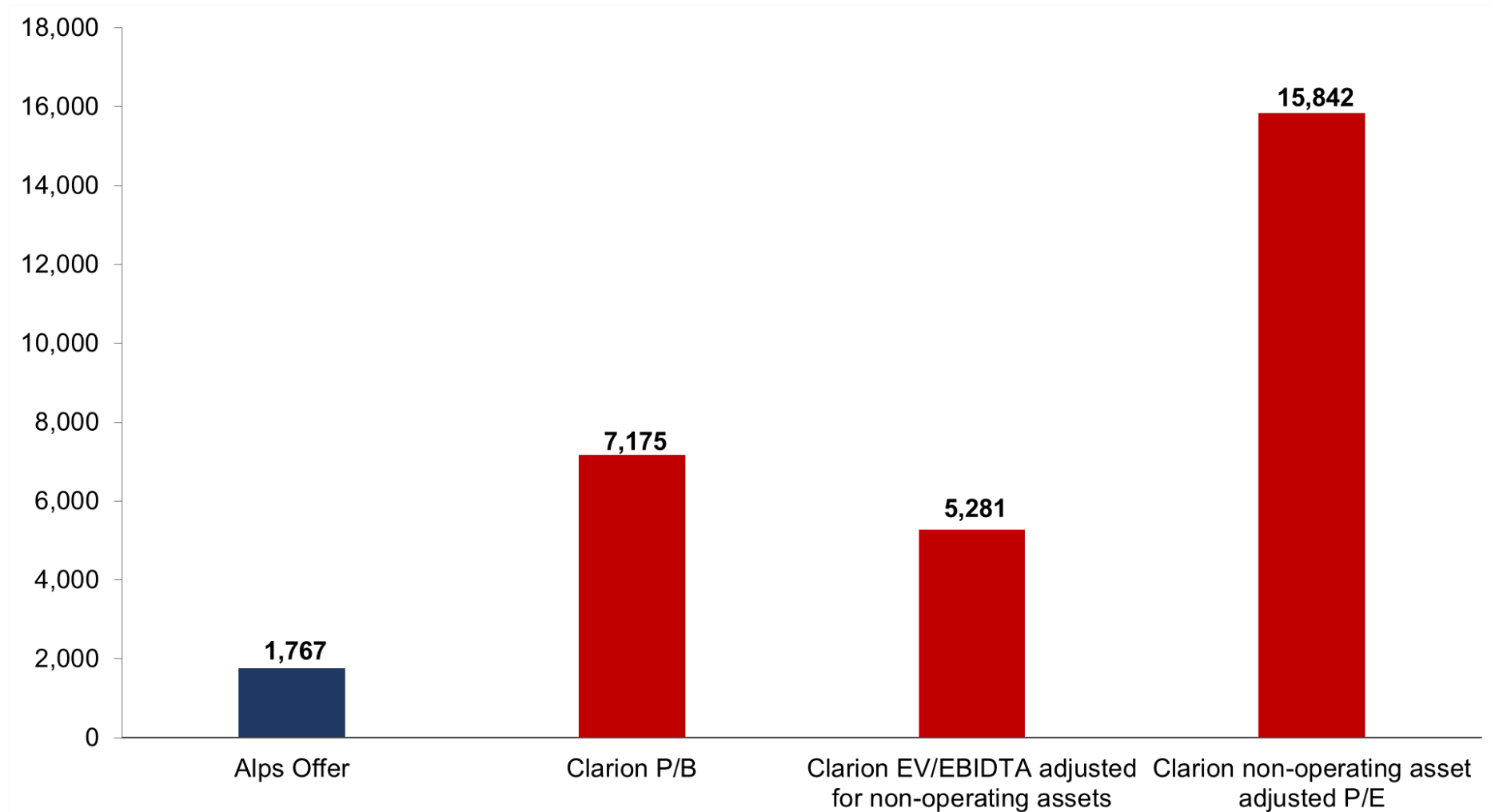
Current Value of the Share Exchange Ratio	1,767
Zecoo Fair Value	3,774
Discount to Fair Value per Zecoo	-53%

Valuation – The Independent Third-party Transaction

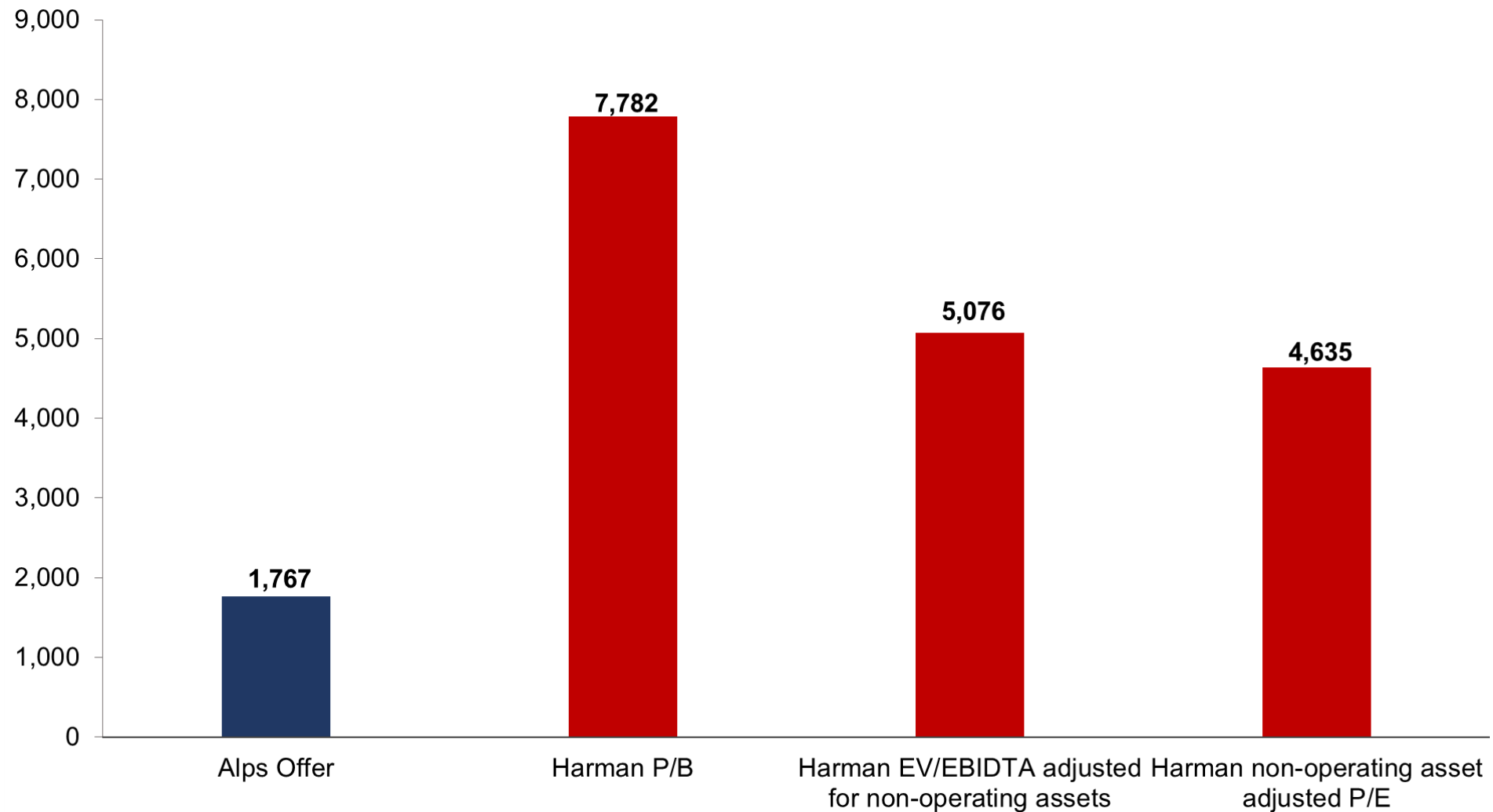
- Alpine’s shareholders are fortunate that establishing a fair value no longer has to be based on theoretical imprecise exercises based on historical and questionable assumptions
- Instead, the very recent acquisition of Clarion Co., Ltd. by Faurecia SA provides valuation metrics that are truly fair as they are based on an arms’ length transaction with an independent third-party
- The Clarion deal clearly demonstrates just how derisory the Alps offer really is and the lengths that both Alps and Alpine have gone to in ensuring that minority shareholders suffer

	Clarion	Alpine	Discount to Clarion’s multiples
EV / EBITDA adjusted for non-operating assets	11.2x	1.4x	-87%
P / B	3.1x	0.8x	-75%
P / E cash adjusted	83.2x	3.0x	-96%

Clarion Deal Implies a Price at Least 196% Higher than the Current Offer



Harman deal was on similar terms



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