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For Immediate Release

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Announcement on Completion of Acquisition of Car Access/Security Business from ASSA ABLOY AB and Revision of Consolidated Annual Financial Forecast

ALPHA Corporation announces that it has now completed all necessary procedures and consummated the acquisition of the Car Access/Security business of ASSA ABLOY AB (hereinafter “Car Lock Business”) as of September 30, 2016. The acquisition of the Car Lock Business was originally announced on March 3, 2016 in the release “ALPHA TO ACQUIRE ASSA ABLOY’S CAR ACCESS/SECURITY BUSINESS” but its completion had been delayed as announced on May 24, 2016.

Also, in light of the completion of the acquisition of the Car Lock Business, we are revising our annual financial projections for the fiscal year ending March 31, 2017 announced on September 16, 2016.

The acquisition will allow ALPHA to strengthen its capabilities to meet customers’ demand for its products worldwide by establishing a manufacturing and supply base in Europe. ALPHA will also be able to maintain continuous growth through the synergies realizable by the complementary product sets and technological strengths of ALPHA and the Car Lock Business.

1. Overview of the business to be acquired

(1) Business to be acquired	The car access/security business conducted by ASSA ABLOY in the Czech Republic, Mexico, Germany, Switzerland and China.		
(2) Financial Performance of Car Lock Business	Sales for Period ending 31December 2013	Sales for Period ending 31December 2014	Sales for Period ending 31December 2015
	€45,114 thousand (¥5,181million)	€56,271 thousand (¥6,463million)	€60,722 thousand (¥6,974million)
(3) Acquisition Price and method of settlement	€ 17 million (¥1,952million) The acquisition price will be paid in cash.		

(Note 1) The amounts in Euro were converted into Japanese Yen at the exchange rate prevailing on September 30, 2016 (cutting off amounts less than ¥1 million)

(Note 2) Regarding the ordinary profits (profits from continuing operations), assets and liabilities of the business to be acquired, we have not provided such figures because we are unable to calculate accurate figures due to the fact that the Car Lock Business does not constitute a separate reporting segment in ASSA ABLOY’s external financial statements

2. Overview of subsidiaries subject to filing

① Czech New Company ② Swiss New Company ③ Mexico New Company ④ Chinese Company

(1) Name	① Alpha Vehicle Security Solutions Czech s. r. o. ② Alpha Vehicle Security Solutions Switzerland GmbH ③ ALPHA INDUSTRY PUEBLA, S.A. DE C.V. ④ 阿尔发（苏州）汽车锁具有限公司 ALPHA (SUZHOU) VEHICLE SECURITY SOLUTIONS CO., LTD.
(2) Principal Office	① V. Opatrného 105051721 Týniště nad Orlicí Czech Republic ② Via Rained 96807 Taverner Switzerland ③ Privada Guerrero #4 Col. La Trinidad Sanctorum pio de Cuautlancingo Puebla, C. P. 72730 Mexico ④ No.128 Fangzhou Road, Suzhou SIP, The Peoples Republic of China 215000
(3) Name of Representative	①②③④ Vladimir Bayer
(4) Details of Business	①③④ Design and manufacture of automobile door locking systems ② Development and design of automobile door locking systems
(5) Capital	① 100 thousand Czech Korunas ② 20 thousand Swiss Francs ③ 9.85 million Mexican Peso ④ 5.16million Euros
(6) Date of Incorporation	① May 1, 2016 ② March 29, 2016 ③ April 20, 2016 ④ May 8, 2016
(7) Major Shareholders and holdings	① ④ ALPHA Corporation 100% ② Alpha Vehicle Security Solutions Czech s. r. o. 100% ③ ALPHA Corporation 99.99% ALPHA INDUSTRY QERETARO S.A. DE C.V. 1 share

3. Date of Acquisition

September 30, 2016

4. Notes on Accounting for Acquisition

Since the acquisition is conducted under the completion accounts method and will be further subject to PPA (Purchase Price Allocation), it is not possible to ascertain the amount of goodwill at this time.

Therefore, ALPHA will make a separate disclosure as soon as the amount of goodwill becomes known.

5. Impact of the Acquisition on the Company's Financial Results

Although the Car Lock Business' financial results will become subject to consolidation into ALPHA's financial statements, they were not included in the projections for ALPHA's consolidated business results for the period ending March 31, 2017 which was announced on September 16, 2016. Because the performance of the Car Lock Business for the months of October through December 2016 will be consolidated into ALPHA's financial results as a result of the acquisition, we have upwardly revised our projections for our consolidated financial results as following: Sales ¥2.0 billion, Operating Profits ¥100 million, Ordinary Profits ¥100 million, Net Income ¥50 million.

Revised Consolidated Business Results for the Fiscal Year Ending March 31, 2017

	Revenues	Operating Profits	Ordinary Profits	Net Income Attributable to Shareholders of Parent Company	Net Income per Share
	¥ million	¥ million	¥ million	¥ million	¥
Previous announcement (A)	46,000	2,000	1,250	△850	△88.98
Revised Figures (B)	48,000	2,100	1,350	△800	△83.74
Changes (B) - (A)	2,000	100	100	50	—
Change %	4.3	5.0	8.0	—	—
(ref) Actual Numbers from Fiscal Year ending March 2016	50,023	1,334	96	△397	△41.60

The above projections assume an exchange rate as of March 31, 2017 of €1.0= ¥110.00

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