

April 10, 2012
Company Name: Sharp Corporation
Representative: Toshio Adachi
Representative Director & Executive Vice President
(Code No. 6753)

Company Name: Toppan Printing Co., Ltd.
Representative: Shingo Kaneko
President & Representative Director
(Code No. 7911)

Company Name: Dai Nippon Printing Co., Ltd.
Representative: Yoshitoshi Kitajima
President
(Code No. 7912)

Basic Agreement on Business Integration of Liquid Crystal Display Color Filter Businesses
Operated by Toppan Printing and Dai Nippon Printing in Sakai Plant into Sharp's Subsidiary, and
Transfer of Sharp Subsidiary

Sharp Corporation ("Sharp"), Toppan Printing Co., Ltd. ("Toppan") and Dai Nippon Printing Co., Ltd. ("DNP") hereby announce that they agreed upon executing a basic agreement with regard to the business integration of the liquid crystal display color filter (LCD color filter) businesses operated by Toppan and Toppan's subsidiary, Toppan Electronics Products Co., Ltd. ("TEP"), as well as DNP and DNP's subsidiary, DNP Color Techno Sakai Co., Ltd. ("DNP Color Techno Sakai") in their Sakai Plants, into Sharp's subsidiary, Sharp Display Products Corporation ("SDP"), ("Business Integration"). The method of the Business Integration will be determined upon consultation among the parties to this Business Integration.

In addition, Sharp hereby announces that transfer of its subsidiary, SDP, is expected in connection with the Business Integration

I. Business Integration of LCD Color Filter Businesses into SDP

1. Purpose of the Business Integration

SDP, Sakai Plant is the world's one and only 10th generation liquid crystal display (LCD) plant which started operations in October 2009. With the participation of manufacturers of energy infrastructure such as electricity, gas and water in addition to manufacturers of LCD panel components, SDP, Sakai Plant realized integrated production from components to LCD panels, and thereby promoted the vertical integration of LCD panel production.

However, the management of SDP has been exposed to increasingly severe circumstances such as the prolonged strong yen and drop in the market price of digital products resulting from ruthless market competition, and SDP is now forced to seek more efficiency in its management in order to stabilize operations and reinforce cost competitiveness at Sakai Plant.

Sharp recently executed the Capital and Business Alliance Agreement with the Group of Hon Hai Precision Ind. Co., Ltd. ("Hon Hai"). Under this Agreement, SDP transfers 50% of its production of LCD panel modules to Hon Hai and Sharp respectively, and aims at maintaining the high operation rate and improving the cost performance and profitability of SDP.

On this occasion, Sharp, Toppan and DNP have decided to integrate the businesses of LCD color filter, operated by Toppan, TEP, DNP and DNP Color Techno Sakai into SDP. With these strategic efforts, we are seeking to promote the further efficiency of large-sized LCD business including the businesses of color filter, the primary component of LCD panel, and achieve the improvement of the competitiveness of such businesses.

2. Outline of the Business Integration

(1) Schedule

Execution Date of Basic Agreement	April 10, 2012
Execution Date of Definitive Agreement	End of April, 2012 (scheduled)
Effective Date of Business Integration	June 30, 2012 (scheduled)

Note1: Organizational restructuring in association with the Business Integration may require resolutions at general shareholders' meetings at the parties to the Business Integration. Details will be notified as soon as determined.

Note2: Due to the antitrust filings needed in Japan and/or foreign countries, the effective date of the Business Integration may be on and after July 1, 2012. Details will be notified as soon as determined.

(2) Method

It is scheduled to integrate the LCD color filter businesses operated by Toppan, TEP, DNP, and DNP Color Techno Sakai in their Sakai Plants into SDP. The method of the Business Integration will be determined upon consultation among the parties to the Business Integration not later than the execution date of the Definitive Agreement on the Business Integration.

3. Outline of Corporate Parties Involved in the Business Integration

(1) Outline of Toppan and TEP

①	Name	Toppan Printing Co., Ltd.	Toppan Electronics Products Co., Ltd.
②	Location	1-5-1 Taito, Taito-ku, Tokyo, Japan	1-5-1 Taito, Taito-ku, Tokyo, Japan
③	Name and Title of Representative	Shingo Kaneko President & Representative Director	Katsuichi Nagano President & Representative Director
④	Nature of Business	Information & Network (securities, cards, commercial printing, publication printing, etc.), Living environment (package, high functionality components, building and decorative material, etc), Electronics (display and semiconductor-related materials), etc.	Production of components associated with semiconductor and display.
⑤	Capital (as of March 31, 2012)	¥104,986 million	¥400 million
⑥	Date of Establishment	January 17, 1900	April 1, 2009
⑦	Number of Issued Shares (as of March 31, 2012)	699,412,481 shares	8,000 shares
⑧	Fiscal Year End	March 31	March 31
⑨	Major Shareholder and Ratio of Shareholding (as of September 30, 2011)	Trust Account of the Master Trust Bank of Japan, Ltd. 5.18% Nippon Life Insurance Company 4.67% Trust Account of Japan Trustee Services Bank, Ltd. 4.30%	Toppan Printing Co., Ltd. 100%

(2) Outline of DNP and DNP Color Techno Sakai

① Name	Dai Nippon Printing Co., Ltd.	DNP Color Techno Sakai Co., Ltd.
② Location	1-1-1 Ichigaya Kagacho, Shinjuku-ku, Tokyo	1 Takumicho, Sakai-ku, Sakai-shi, Osaka
③ Name and Title of Representative	Yoshitoshi Kitajima President	Tatsuro Kitayuguchi President
④ Nature of Business	Printing etc.	Designing, Production and sales of electrical equipment and materials
⑤ Capital (as of March 31, 2012)	¥114,464 million	¥400 million
⑥ Date of Establishment	January 19, 1894	August 1, 2008
⑦ Number of Issued Shares (as of March 31, 2012)	700,480,693 shares	16,000 shares
⑧ Fiscal Year End	March 31	March 31
⑨ Major Shareholder and Ratio of Shareholding (as of September 30, 2011)	Trust Account of the Master Trust Bank of Japan, Ltd. 5.79% The Dai-ichi Life Insurance Company, Ltd. 4.41% The Bank of New York Mellon as Depository Bank for Depository Receipt Holders (Sumitomo Mitsui Banking Corporation as Standing Proxy) 4.24%	Dai Nippon Printing Co., Ltd. 100%

(3) Outline of SDP

① Name	Sharp Display Products Corporation	
② Location	1 Takumicho, Sakai-ku, Sakai-shi, Osaka	
③ Name and Title of Representative	Hiroshi Saji, President & Representative Director	
④ Nature of Business	Manufacture and distribution of LCD panels and LCD modules	
⑤ Capital (as of March 31, 2012)	¥15,000 million	
⑥ Date of Establishment	April 1, 2009	
⑦ Number of Issued Shares (as of March 31, 2012)	2,840,000 shares	
⑧ Fiscal Year End	March 31	
⑨ Major Shareholder and Ratio of Shareholding (as of March 31, 2012)	Sharp Corporation 92.96%	Sony Corporation 7.04%

Note: As announced in the press release made by Sharp on March 27, 2012, "Issuance of New Shares Through Third-Party Allotment Associated with Business Alliance and Partial Transfer of Shares in Subsidiaries", Mr. Terry Tai-Ming Gou will acquire 1,320,000 shares of SDP (in the ratio of shareholding of 46.48%).

4. Content of the Businesses to be Integrated

The Businesses related to the manufacturing of LCD color filter operated by Toppan, TEP, DNP and DNP Color Techno Sakai in their Sakai Plants.

5. Status of Integrated New Company

Although the status of the new company after the Business Integration has not been determined, it will be determined hereafter upon consultation among the parties to the Business Integration by the execution of Definitive Agreement of the Business Integration. Details will be notified as soon as determined.

6. Future Prospects

Impact of the Business Integration on business results of Sharp, Toppan and DNP will be notified promptly as necessary.

II. Transfer of Shares of Subsidiary of Sharp

As announced in the press release made by Sharp on March 27, 2012, "Issuance of New Shares Through Third-Party Allotment Associated with Business Alliance and Partial Transfer of Shares in Subsidiaries", Mr. Terry Tai-Ming Gou will acquire 1,320,000 shares of SDP (in the ratio of shareholding of 46.48%). In addition, the shares of SDP are planned to be issued as the consideration for the Business Integration. Therefore, in the event that such assignment of shares and the Business Integration are implemented, a ratio of voting rights held by Sharp in SDP will fall below 40%, and therefore we hereby announce that transfer of subsidiary is expected.

1. Subsidiary to be Transferred

Sharp Display Products Corporation

As to the outline of SDP, please refer to the above "I-3.(3) Outline of SDP"

2. Future Prospects

Impact of this Transfer of SDP on business results of Sharp will be notified promptly as necessary.

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