

October 7, 2013

Company Name: Sharp Corporation
Representative: Director & President
Kozo Takahashi
(Code No. 6753)

**Notice Regarding Determination of the Conditions of Issuance, etc.
Regarding Issuance of New Shares through Third-Party Allotment with DENSO CORPORATION**

Sharp Corporation (“Sharp”) hereby announces that its board of directors has determined on October 7, 2013, the issue price and the number of new shares etc. as below regarding the issuance of new shares through a third-party allotment with DENSO CORPORATION (“DENSO”) as the allottee (“Third-Party Allotment Capital Increase”), which was resolved at the board of directors’ meeting held on September 18, 2013. Although Sharp has previously publicized the issuance of new shares through the third-party allotment with DENSO as the allottee in its press release dated September 18, 2013, Sharp has this time made a new determination of the condition of issuance, etc.

In addition, Sharp has also determined the offer price and the issue price etc. of the offering of ordinary shares of Sharp in Japan (“General Offering in Japan”), in the overseas offering (“Overseas Offering” and, together with the General Offering in Japan, the “Offering”) and in the third-party allotment to be undertaken in relation to the secondary offering of Sharp’s ordinary shares (due to over-allotment) in Japan in connection with the Offering (“OA Third-Party Allotment Capital Increase”). Sharp has also determined the issue prices and the quantity of new shares to be issued through a third-party allotment with Makita Corporation as the allottee (“Makita Third-Party Allotment Capital Increase”) and a third-party allotment with LIXIL Corporation as the allottee (“LIXIL Third-Party Allotment Capital Increase”). For details of each of these, please refer to the following notices, separately announced today: “Notice Regarding Determination of the Offer Price and the Issue price of the Offering (This notice is issued in Japanese only),” “Notice Regarding Determination of the Conditions of Issuance, etc. Regarding Issuance of New Shares through Third-Party Allotment with Makita Corporation” and “Notice Regarding Determination of the Conditions of Issuance, etc. Regarding Issuance of New Shares through Third-Party Allotment with LIXIL Corporation.”

1. Outline of Offering for Third-Party Allotment

①	Payment Date	October 22, 2013 (Tuesday)
②	Number of New Shares to be Issued	8,960,000 Shares
③	Issue Price	279 yen per share (Note)
④	Amount of Proceeds	2,499,840,000 yen
⑤	Method of Subscription or Allotment (Expected Allottee)	Third-party allotment (8,960,000 shares to DENSO CORPORATION)
⑥	Others	※Each of the above is subject to the relevant security registration statement and the amendment of such security registration statement regarding the Third-Party Allotment Capital Increase being effected pursuant to the Financial Instruments and Exchange Act of Japan.

(Note) The issue price above is the same as the offer price of the new shares issuance through the General Offering in Japan.

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2. Amount of Proceeds to be Procured, Intended Use of Proceeds and Timing of Use as Intended

(1) Amount of Proceeds to be Procured

①	Total Amount of Proceeds	2,499,840,000 yen
②	Approximate Costs of Issuance	22,000,000 yen
③	Approximate Net Proceeds	2,477,840,000 yen

(Note) 1. The approximate costs of issuance do not include consumption tax, and so on.

2. The major breakdown of the approximate costs of issuance is registration costs (approx. 9 million yen), legal advisers' fees (approx. 7 million yen), costs relating to stock exchange (approx. 3 million yen), and other costs (approx. 3 million yen).

(2) Intended Use of Proceeds to be Procured and Timing of Use as Intended

The approximate net proceeds of 2,478 million yen set out above is planned to be used for the following.

Intended Use of Proceeds	Amount	Timing of Use as Intended
Development of a dedicated organization structure to undertake collaboration in the field of in-vehicle business and working capital for business operations including activity costs.	2,478 million yen	From September 2013 to August 2015

By merging Sharp's advanced technologies used in developing home electrical appliances with in-vehicle device technologies accumulated by DENSO per the needs of users, we will aim to develop new business (including technology and product development for these). This is part of the new business initiatives in the area of mobility of priority business areas mentioned in the "Medium-Term Management Plan for Fiscal 2013 through 2015" that we published on May 14, 2013, and we think it will help in increasing the corporate value of DENSO and Sharp and result in sustainable growth.

3. Rationale for the Determination of the Number of Shares to be Issued and the Degree of Dilution of Shares is Reasonable

The expected number of 8,960,000 ordinary shares of Sharp to be allotted to the expected allottee under the Third-Party Allotment Capital Increase ((Note) 1) is 0.79% (0.80% against the total voting rights of 1,125,054 ((Note) 2) of 1,140,819,887 shares. This number represents the total number of shares issued before third-party allotment capital increases and is obtained by deducting (a) 35,804,000 of Sharp's ordinary shares allotted to Samsung Electronics Japan Co., Ltd. pursuant to a third-party allotment with Samsung Electronics Japan Co. Ltd. ("Samsung Electronics Japan") as the allottee ("Samsung Electronics Japan Third-Party Allotment Capital Increase") on March 28, 2013 and (b) 11,868,000 of Sharp's ordinary shares allotted to Qualcomm pursuant to a third-party allotment with Qualcomm Incorporated ("Qualcomm") as the allottee ("Qualcomm Second Third-Party Allotment Capital Increase") from 1,188,491,887, the total number of Sharp's ordinary outstanding shares as of September 17, 2013.

The total number of Sharp's ordinary shares to be allotted pursuant to the Third-Party Allotment Capital Increase, the Makita Third-Party Allotment Capital Increase, and the LIXIL Third-Party Allotment Capital Increase, combined with Sharp's ordinary shares issued pursuant to the Qualcomm Second Third-Party Allotment Capital Increase and the Samsung Electronics Japan Third-Party Allotment Capital Increase which were undertaken within the previous six months from the date of the initial board of directors resolution of September 18, 2013 is 110,395,000 shares, representing 9.68% of 1,140,819,887 shares, which is the total number of shares issued before any third-party allotment capital increase (9.81% against total voting rights of 1,125,054 ((Note) 2)).

However, as mentioned in "2. Purpose of and Reason for the Offering for Third-Party Allotment" in the press release of September 18, 2013, titled "Notice Regarding the Capital and Business Alliance with DENSO CORPORATION and Issuance of New Shares through Third-Party Allotment" and "2.(2) Intended Use of Proceeds" above, the proceeds

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from the Third-Party Allotment Capital Increase will be allocated to the goal of developing new business (including technology and product development) by merging Sharp's advanced technology used in developing home electrical appliances with in-vehicle device technologies accumulated by DENSO, a leading manufacturer of car parts, to meet the needs of automobile users. Furthermore, this Collaboration will increase Sharp's corporate value and help sustainable growth. Therefore, Sharp has determined that the number of shares to be issued and the degree of dilution of shares by the Third-Party Capital Allotment Increase, and the total number of shares to be issued and the degree of dilution of shares by the Third-Party Capital Allotment Increase, the Makita Third-Party Allotment Capital Increase, the LIXIL Third-Party Allotment Capital Increase, the Qualcomm Second Third-Party Allotment Capital Increase and the Samsung Electronics Japan Third-Party Allotment Capital Increase, are reasonable.

- (Note) 1. Sharp has resolved this at the board of directors' meeting held on October 7, 2013, as prescribed in Article 199, paragraph 1 of the Companies Act.
2. The total number of shares with voting rights is calculated by deducting from the total of 1,188,491,887 issued shares, 5,291,887 shares in the form of fractional shares in the shareholders' register as of March 31, 2013; 10,399,000 treasury shares (excluding fractional shares); 75,000 mutually held shares; 35,804,000 ordinary shares that Sharp issued to Samsung Electronics Japan Co., Ltd. pursuant to the Samsung Electronics Japan Third-Party Allotment Capital Increase; and 11,868,000 ordinary shares that Sharp issued to Qualcomm pursuant to the Qualcomm Second Third-Party Allotment Capital Increase.

4. Major Shareholders and Their Shareholding Ratio after the Offering

Before Offering (as of August 31, 2013)		After Offering	
Nippon Life Insurance Company	4.68%	Nippon Life Insurance Company	3.27%
Meiji Yasuda Life Insurance Company	3.85%	Meiji Yasuda Life Insurance Company	2.69%
Qualcomm Incorporated	3.53%	Qualcomm Incorporated	2.47%
Mizuho Bank, Ltd.	3.53%	Mizuho Bank, Ltd.	2.46%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3.51%	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2.45%
Samsung Electronics Japan Co., Ltd.	3.01%	Makita Corporation	2.11%
Mitsui Sumitomo Insurance Co., Ltd.	2.58%	Samsung Electronics Japan Co., Ltd.	2.10%
SHARP Employee Share-Holding Association	2.17%	Mitsui Sumitomo Insurance Co., Ltd.	1.80%
Japan Trustee Services Bank, Ltd. (Trust Account)	1.92%	SHARP Employee Share-Holding Association	1.52%
Sompo Japan Insurance Inc.	1.81%	Japan Trustee Services Bank, Ltd. (Trust Account)	1.34%

- (Note) 1. On July 1, 2013, the former Mizuho Corporate Bank and the former Mizuho Bank, Ltd. merged. The former Mizuho Corporate Bank, Ltd., which is the surviving company, was renamed "Mizuho Bank, Ltd." Furthermore, in the register of shareholders as of March 31, 2013, because no share is held in the former Mizuho Bank, Ltd., in the ratio of shareholding of Mizuho Bank, Ltd. before and after the offering, the number of shares held by the former Mizuho Corporate Bank in the shareholders' register has been used as a reference for calculation.
2. The shareholding ratio before the Offering is based on the shareholders' register as of March 31, 2013, including the number of shares to be issued pursuant to the Qualcomm Second Third-Party Allotment Capital Increase. The shareholding ratio after the Offering is based on the same shareholder's register, including the number of shares to be issued pursuant to the Qualcomm Second Third-Party Allotment Capital Increase, and taking into account the increase pursuant to the Offering, the Third-Party Allotment Capital Increase. The

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Makita Third-Party Allotment Capital Increase, and the LIXIL Third-Party Allotment Capital Increase, and the figure mentioned here relates to when applications for the OA Third-Party Allotment Capital Increase for Nomura Securities Co., Ltd. have been submitted.

3. In the ratio of shareholding before and after the Offering, figures are rounded to the third decimal place.

5. Issue Procedure

(1)	Classes and Number of shares offered	Sharp's ordinary shares, 8,960,000 Shares
(2)	Issue Price	279 yen per share (Note) 1
(3)	Total Amount of proceeds	2,499,840,000 yen
(4)	Amount of increase in capital	1,249,920,000 yen (Note) 2
(5)	Amount of increase in capital reserve fund	1,249,920,000 yen (Note) 2
(6)	Method of Subscription or Allotment (Expected Allottee and expected number of allotted shares)	Third-party allotment (8,960,000 shares to DENSO CORPORATION)
(7)	Payment Date	October 22, 2013 (Tuesday)
(8)	Other	※Each of the above is subject to the relevant security registration statement and the amendment of such security registration statement regarding the Third-Party Allotment Capital Increase being effected pursuant to the Financial Instruments and Exchange Act of Japan.

(Note) 1. The issue price above is the same as the offer price of the new shares issuance through the General Offering in Japan.

2. The amount of capital to be increased is the amount of capital to be increased under the Companies Act, and the amount of the capital reserve fund to be increased is obtained by reducing the amount of increase in capital, from the maximum limit of increase in capital calculated according to Article 14, paragraph 1 of the Ordinance on Company Accounting (the total amount of proceeds).

(Reference) Calculation of the offer price and the issue price in the Offering.

(1)	Calculation Date and the Price	<u>October 7, 2013 (Monday)</u>	<u>291 yen</u>
(2)	Discount Rate	<u>4.12%</u>	

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