

[Translation]

July 29, 2016

To Whom It May Concern

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

Notice of Recording Valuation Reserve for Inventory Purchase Commitments

Sharp Corporation (“the Company”) announces the recording of the following transaction to its consolidated financial statements of the first quarter of the year ending March 31, 2017.

A decrease in appraisal value of solar cell materials (polysilicon) has resulted in a greater variance between appraisal value and contract purchase prices. Accordingly, the Company has recorded a valuation reserve for inventory purchase commitments of 4,475 million as cost of sales.

Sharp Corporation has reflected the earnings impact of this accounting transaction in *Consolidated Financial Results for the First Quarter of the Year Ending March 31, 2017 [Japanese Accounting Standards]* published today.

Note : Monetary amounts are rounded to the nearest million yen