

April 2, 2019

To:

Company name: Sharp Corporation
Representative: J.W. Tai, Chairman, President, and CEO
(TSE code: 6753)

Notice of Change from Indirectly Owned Subsidiary to Subsidiary, Etc.

Today, we are pleased to announce that we have decided to establish Dynabook Technology (Taiwan) Co.,Ltd (hereinafter, "DBT") as a new subsidiary of Dynabook Inc. (hereinafter, "DBI"). DBT will be a specified subsidiary of Sharp Corporation.

1. Reason for status change

In October 2018, Sharp Corporation acquired DBI as a subsidiary and re-entered the business of PC development, manufacture, and sales.

Under these circumstances, DBI decided to establish DBT. DBI will make full use of the talented personnel of the new company to build an efficient development system and expand its product development capabilities. In addition, DBI will work to boost sales aimed at the Taiwan market, centered on the new company. And by procuring parts and materials for PCs through cooperation between the new company and the Hon Hai Group, DBI will work to increase profitability by enhancing cost competitiveness and make a positive contribution to improving consolidated financial results for Sharp Corporation.

2. Overview of new subsidiary

1. Company name	Dynabook Technology (Taiwan) Co.,Ltd
2. Location	No. 151, Section 1, Nankan Road, Luzhu District, Taoyuan City, 338, Taiwan
3. Representative	Chin-Shin Chen, Chairman
4. Primary business	Contract design and engineering, procurement, and sales of personal computers and IT products
5. Capitalization	200 million NTD (720 million yen, at conversion rate of 1 NTD = 3.60 yen; as of April 1, 2019)
6. Date of establishment	May 2019 (scheduled)

7. Closing date of accounting period	March 31
8. Investors and equity ratio	Dynabook Inc. 100%
9. Relationship between listed company and new company	
Capital relationship	Sharp Corporation holds 80.1% of the shares of DBI, which will hold all shares of the new company.
Personnel relationship	Plan calls for board members of an affiliated company of Sharp Corporation to also be seated on the board of the new company.
Business relationship	Plan is to engage in product sales and other transactions between affiliated companies of Sharp Corporation and the new company.

3. Status of ownership of shares and status of voting rights

Sharp Corporation holds 80.1% of shares of DBI, and DBI in turn will establish the new subsidiary with 100% ownership.

4. Schedule

Date of status change of subsidiary (scheduled date of establishment): May 2019 (scheduled)

5. Future outlook

The impact of this matter on our consolidated financial results will be minor.