

Company: Sharp Corporation  
Representative: Toshio Adachi,  
Representative Director  
Executive Vice President  
Securities Code: 6753  
Contact: Tetsuo Onishi, Executive Managing Officer  
Group General Manager  
Corporate Accounting and Control Group  
Tel: +81-6-6621-1221

## **Notice of Recording of Restructuring Charges** **(Extraordinary Item in Other Expenses)**

Sharp Corporation (“the Company”) announces that it recorded restructuring charges as an extraordinary item in other expenses in consolidated financial results for the year ended March 31, 2012.

### **1. Reason for recording of restructuring charges**

The Company is working to increase its profitability through LCD business restructuring, to deal with changing environment in the LCD market.

In order to reinforce mobile LCD business toward an optimal LCD production framework, the Company is converting its production lines to produce mobile LCDs at the Kameyama No.2 Plant, where it used to focus on production of large-size LCDs for TVs. The plant started a mass production of high-performance LCD panels incorporating oxide semiconductor, InGaZnO (IGZO) for the first time in the world.

In large-size LCD business, the Company is aiming to improve the profitability by raising the utilization rate and reinforcing its cost competitiveness with a new strategic vertical integration framework, which is being promoted by the recently announced business alliance with Hon Hai Group and a business integration of LCD color filters at the Sakai Plant.

The above business restructuring required 117,110 million yen and the details of restructuring charges are as follows.

(millions of yen)

	Amount
Maintenance cost of inactive noncurrent assets incurred in establishing framework for the conversion of production to LCD panels using IGZO	37,717
Costs incurred to reinforce business foundations (inventory write-down, etc.) in preparation of promoting establishment of strategic vertical integration of large-size LCD business	68,125
Restructuring charges related to overseas subsidiaries, etc.	11,268
Total	117,110

### **2. Impact on financial performance**

Consolidated financial results for the year ended March 31, 2012, announced today, have reflected the impact on financial performance relating to the above.