

September 30, 2016

[Translation]

Company Name: Sharp Corporation
Representative: J.W. Tai
President & Chief Executive Officer
(Code No. 6753)

Notice of Capital Investment Regarding OLED displays

Sharp Corporation (“Sharp”) announces that it has adopted a resolution for capital investment in pilot lines for OLED displays at its meeting of the Board of Directors held today, as follows.

1. Reason for the capital investment

OLED displays can be, in theory, thinner, brighter, and more colorful, compared to liquid crystal displays (LCD) which need backlight and a color filter and, therefore, market share of OLED displays in smartphones and display products such as automotive displays and flat-screen TVs is expected to expand. Sharp expects that realization of flexible OLED displays, which can be rolled up or bent just like paper, will help innovate the design and use of display products, and contribute to the creation of new markets.

Sharp has engaged in research and development of OLED displays by making maximum use of LCD technologies that it has long nurtured. As a result of completing investments by the Hon Hai Precision Industry group, furthermore, Sharp has variously studied the establishment of a production system.

Under these circumstances, Sharp has today resolved to make a capital investment of about 57.4 billion yen in total, to establish pilot lines for OLED displays. Sharp will mainly engage in production technology development such as accumulating production know-how and improving yield ratios with the aim of full-scale mass production by the facilities. Sharp will also engage in small-scale production and sell the products to customers.

2. Details of the capital investment

Sharp will invest 57.4 billion yen to introduce facilities for the backplane process for OLED (a process to form a thin film of TFT circuit and the like on a substrate), the OLED process (a process to coat OLED material by evaporation on the backplane) and the mounting process (a process to mount a peripheral part such as an IC for driving) at the Mie plant (1177-1 Gosana, Taki-cho, Taki-gun, Mie) and the Sakai plant (1 Takumi-cho, Sakai-ku, Sakai-shi, Osaka).

The operation period is planned for April to June, 2018.

3. Future Prospects

This capital investment’s impact on the consolidated results for the fiscal year ending March 2017 will be minor. Sharp will appropriately announce the details as necessary, if any impact on the results is expected in the future.

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