

[Translation]

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

Notice Regarding Dissolution of Subsidiary (Joint Venture Company)

Sharp Corporation (“Sharp”) announces today that it has decided to dissolve SD Future Technology Co., Ltd. (“SDFT”), a subsidiary of Sharp and a joint venture company with Dai Nippon Printing Co., Ltd.

1. Background of the dissolution

Sharp established SDFT in 2006 as a joint venture company with Dai Nippon Printing Co., Ltd., for the purpose of the development of the color filter for the liquid crystal display panel and the transfer of the developed technology to the production line. Since then, SDFT has performed the research, development, and design as well as technology transfer to the production line; however, as Sharp believes that the original purpose has now been achieved, it has decided to dissolve SDFT.

By utilizing its accumulated expertise, Sharp will further proceed with higher definition and price reductions of the color filter for the liquid crystal display panel.

2. Outline of the joint venture company to be dissolved

(1) Details of the business

Development of the color filter for the liquid crystal display panel and the transfer of the developed technology to the production line.

(2) Outline of the joint venture company

| | |
|---|---|
| (i) Name | SD Future Technology Co., Ltd. |
| (ii) Location | 464 Kohgawa, Shiraki-cho, Kameyama City, Mie |
| (iii) Title and Name of Representative | President & Chief Executive Officer, Mitsuhiro Hayami |
| (iv) Details of Business | Research, development and design, etc., of materials and components incidental or relating to electric equipment and apparatuses. |
| (v) Capital | 150 million yen |
| (vi) Date of Establishment | August 1, 2006 |
| (vii) Fiscal Year End | March 31 |
| (viii) Major Shareholders and Shareholding Percentage | Sharp 50.1%, Dai Nippon Printing Co., Ltd. 49.9% |
| (ix) Relationship Between the Listed Company and the Relevant Company | |
| Capital Relationship | Sharp holds 50.1% of the relevant company’s shares. |
| Personnel Relationship | Sharp dispatches two persons as directors of the relevant company. |
| Transaction Relationship | There is no transaction relationship that needs to be stated between Sharp and the relevant company. |

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|-----|--|--|----------------------------------|----------------------------------|
| | Status as a Related Party | Sharp is a parent company of the relevant company. Therefore, the relevant company falls under the category of a related party of Sharp. | | |
| (x) | Results of Operations and Financial Conditions of the Relevant Company for Previous Three Fiscal Years | | | |
| | Fiscal Year Ended | Fiscal year ended March, 2014 | Fiscal year ended March, 2015 | Fiscal year ended March, 2016 |
| | Net Assets | 182,009 thousand yen | 182,386 thousand yen | 182,357 thousand yen |
| | Total Assets | 184,361 thousand yen | 184,815 thousand yen | 184,307 thousand yen |
| | Net Assets per Share | 60,669.79 yen | 60,795.35 yen | 60,785.77 yen |
| | Proceeds of Sale | 3,183 thousand yen | 3,234 thousand yen | 2,002 thousand yen |
| | Operating Income | 1,306 thousand yen | 1,012 thousand yen | 430 thousand yen |
| | Ordinary Income | 1,306 thousand yen | 1,015 thousand yen | 430 thousand yen |
| | Net Income or Net Loss (-) | -326 thousand yen | 377 thousand yen | -29 thousand yen |
| | Net Income or Net Loss (-) per Share | -108.52 yen | 125.56 yen | -9.58 yen |
| | Dividends per Share | - | - | - |

3. Outline of the counterparty of the joint venture agreement

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|--------|--|--|----------------------------------|----------------------------------|
| (i) | Name | Dai Nippon Printing Co., Ltd. | | |
| (ii) | Location | 1-1-1, Ichigaya-Kagacho, Shinjuku-ku, Tokyo | | |
| (iii) | Title and Name of Representative | President, Yoshitoshi Kitajima | | |
| (iv) | Details of Business | Printing and other business | | |
| (v) | Capital | 114,464 million yen | | |
| (vi) | Date of Establishment | October 9, 1876 | | |
| (vii) | Major Shareholders and Shareholding Percentage | The Master Trust Bank of Japan, Ltd. (Trust Account) | 7.18% | |
| | | Japan Trustee Services Bank, Ltd. (Trust Account) | 5.25% | |
| | | The Dai-ichi Life Insurance Company, Limited | 4.65% | |
| (viii) | Relationship Between the listed company and the relevant company | | | |
| | Capital Relationship | The relevant company holds 1,011,140 shares in common stock of Sharp. Sharp holds 702,000 shares in common stock of the relevant company. | | |
| | Personnel Relationship | There is no personnel relationship that needs to be stated between the relevant company and Sharp. | | |
| | Transaction Relationship | Sharp purchases products from the relevant company. | | |
| | Status as a Related Party | The relevant company does not fall under the category of a related party of Sharp. | | |
| (ix) | Consolidated Results of Operations and Consolidated Financial Conditions of the Relevant Company for Previous Three Fiscal Years | | | |
| | Fiscal Year Ended | Fiscal year ended March, 2014 | Fiscal year ended March, 2015 | Fiscal year ended March, 2016 |
| | Consolidated Net Assets | 976,386 million yen | 1,124,093 million yen | 1,063,241 million yen |
| | Consolidated Total Assets | 1,574,753 million yen | 1,809,462 million yen | 1,718,636 million yen |
| | Consolidated Net Assets per Share | 1,447.96 yen | 1,675.63 yen | 1,618.66 yen |

| | | | |
|---|-----------------------|-----------------------|-----------------------|
| Consolidated Net Sales | 1,448,550 million yen | 1,462,118 million yen | 1,455,916 million yen |
| Consolidated Operating Income | 50,098 million yen | 48,173 million yen | 45,471 million yen |
| Consolidated Ordinary Income | 53,285 million yen | 53,759 million yen | 52,651 million yen |
| Net Income Attributable to Owners of Parent | 25,641 million yen | 26,923 million yen | 33,587 million yen |
| Consolidated Net Income per Share | 39.82 yen | 41.82 yen | 53.10 yen |
| Dividends per Share | 32.00 yen | 32.00 yen | 32.00 yen |

4. Schedule

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|-----|-----------------------------------|-----------------------------------|
| (1) | Date of decision | February 9, 2017 |
| (2) | Date of dissolution | Late February, 2017 (to be fixed) |
| (3) | Date of completion of liquidation | May, 2017 (to be fixed) |

5. Future outlook

The impact of this transaction on Sharp's consolidated results will be minor.

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