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Securities Code: 6753

June 10, 2020

SHARP CORPORATION

Notice of Convocation of the 126th Ordinary General Meeting of Shareholders

To Our Shareholders:

We hereby notify you of the convocation of the 126th Ordinary General Meeting of Shareholders as per the description below.

DESCRIPTION

1. Date and Time: Monday, June 29, 2020, at 10:00 a.m.
(Reception will start at 9:00 a.m.)
2. Venue: 1 Takumi-cho, Sakai-ku, Sakai-shi, Osaka
Sharp Corporation (Multi-Purpose Hall)
3. Purpose of the Meeting:
Reporting: The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements, Audit Reports of Consolidated Financial Statements by the Accounting Auditors and the Audit & Supervisory Committee for the 126th Term (from April 1, 2019 to March 31, 2020)

Matters to be Resolved:

- | | |
|----------------|--|
| Proposal No.1: | Election of Four (4) Directors (except the members of Audit & Supervisory Committee) |
| Proposal No.2: | Election of One (1) Director as the member of Audit & Supervisory Committee |
| Proposal No.3: | Issuance of Stock Acquisition Rights as Stock Options |
| Proposal No.4: | Partial Amendments to the Articles of Incorporation |

Reference Information Regarding Proposals**Proposal No. 1: Election of Four (4) Directors (except the members of Audit & Supervisory Committee)**

The terms of office of all the present six (6) Directors (except the members of Audit & Supervisory Committee) will expire at the conclusion of this General Meetings of Shareholders. Therefore, by reducing two (2) to enable flexible decision-making at the Board of Directors, Sharp nominates the following four (4) candidates of Directors (except the members of Audit & Supervisory Committee) with whom Sharp enters into a subscription agreement.

Regarding this proposal, consideration was made by Audit & Supervisory Committee, and there was no particular comment to be pointed out.

The candidates for the Directors (except the members of Audit & Supervisory Committee) are as follows:

No.	Name of Candidate (Date of Birth)	Current Position (Significant Concurrent Position at Other Company)	Ownership of Sharp's Shares
1	Jeng-Wu Tai (September 3, 1951)	<ul style="list-style-type: none"> • Representative Director, Chairman, President & Chief Executive Officer • Director, Hon Hai Precision Industry Co. Ltd. 	0 share
2	Katsuaki Nomura (February 7, 1957)	<ul style="list-style-type: none"> • Representative Director, Executive Vice President, Head of Corporate Strategic Planning and Control Group 	1,679 shares
3	Chung-Cheng Lin (February 14, 1964)	<ul style="list-style-type: none"> • Director • General Manager, E sub-group of Hon Hai Precision Industry Co. Ltd. • Director, Foxconn Precision Imaging Pte. Ltd., • Director, Foxconn Baja California, S.A.de C.V. , • Supervisor, Foxconn Slovakia, spol s.r.o, • Director, Finetech Corporation 	0 share
4	Wei-Ming Chen (April 22, 1964)	<ul style="list-style-type: none"> • Director • Vice General Manager, S sub-group of Hon Hai Precision Industry Co. Ltd. • Director, Socle Technology Corp. • Director, Fu Tai Kang Electronics Development (Yantai) Ltd. • Director, Big Innovation Holdings Limited 	0 share

(Note) The contents of "Current Position" include each candidate's current positions as business executor of Hon Hai Precision Industry Co. Ltd. and its subsidiaries.

Proposal No. 2: Election of One (1) Director as the member of Audit & Supervisory Committee

Mr. Yoichi Tsusue, Director as the member of Audit & Supervisory Committee, will resign at the conclusion of this Annual General Meetings of Shareholders. Therefore, for his substitute, Sharp recommends the following one (1) candidate of Director as the member of Audit & Supervisory Committee with whom Sharp enters into a subscription agreement.

Under the provisions of the Articles of Incorporation of Sharp, the term of office of a director who is appointed as a substitute of the member of Audit & Supervisory Committee will be until the expiration of the term of office of the director who will retire the member of Audit & Supervisory Committee.

Regarding this proposal, we have obtained the consent from Audit & Supervisory Committee.

The candidate for the Director as the members of Audit & Supervisory Committee is as follows and the asterisk (*) denotes a new candidate:

Name of Candidate (Date of Birth)	Current Position (Significant Concurrent Position at Other Company)	Ownership of Sharp's Shares
* Yutaka Nakagawa (December 4, 1945)	—	0 share

1. Mr. Yutaka Nakagawa is a candidate for Outside Director, as stipulated by Article 2, Paragraph 3, Item 7 of the Enforcement Regulations of the Company Act.

Remarks for the candidate of Outside Directors:

Mr. Yutaka Nakagawa:

Since Mr. Yutaka Nakagawa has been working in a job related to audiovisual equipment and semiconductor etc. and managed a company for many years, he is able to completely fulfill his expected roles as an Outside Director (the member of Audit & Supervisory Committee). For this reason, it is proposed that Mr. Yutaka Nakagawa would be elected.

2. There are no special interests between Sharp and Mr. Yutaka Nakagawa.
3. Sharp plans to enter into a liability limitation agreement with Mr. Yutaka Nakagawa which limits his liability within the extent stipulated by law.

Proposal No. 3: Issuance of Stock Acquisition Rights as Stock Options

Sharp (the “Company”) requests the authorization to allot stock acquisition rights as stock options to Directors, Auditors, Executives and Employees of the Company and its subsidiaries and affiliates in Japan (the “Company Group”), pursuant to Articles 236, 238 and 239 of the Companies Act of Japan, and Sharp would like to delegate the decision of the offering matters of stock acquisition rights to the Board of Directors.

1. The Reason why the Issuance under Particularly Favorable Conditions is Required:

The Company has decided to implement a stock option plan and will issue stock acquisition rights as stock options as one of the types of remuneration for Directors, Auditors, Executives and Employees of the Company Group. This will help the Company retain and recruit human resources required for the Company’s revitalization and growth, and will serve as an incentive to increase their motivation to participate in the Company Group’s business management and contribute to higher performance, as well as the increased corporate value of the Company.

2. Outline of Issuance of Stock Acquisition Rights:

(1) Persons to whom Stock Acquisition Rights will be allotted:

Directors, Auditors, Executives and Employees of the Company and its subsidiaries and affiliates in Japan.

(2) Class and number of shares to be issued upon exercise of Stock Acquisition Rights:

The class of shares to be issued upon the exercise of stock acquisition rights shall be common stock of the Company, and the number of shares to be issued shall not exceed 2,000,000.

If the Company splits its common stock (including allotment of its common stock without compensation; hereinafter the same shall apply) or consolidates its common stock, the number of shares to be issued upon the exercise of stock acquisition rights shall be adjusted in accordance with the following formula; provided that such adjustment shall be made to those that remain unexercised at the time of such adjustment, and any fraction less than one share arising as a result of such adjustment shall be rounded down.

$$\begin{array}{rcccl} \text{Number of shares} & & & & \\ \text{after adjustment} & = & \text{Number of shares} & \times & \text{Ratio of split or} \\ & & \text{before adjustment} & & \text{consolidation} \end{array}$$

If the Company conducts a merger, company split, share exchange, share transfer or the like that makes it necessary to adjust the number of shares, the number of shares shall be adjusted within a reasonable range, taking into account the conditions of the merger, company split, share exchange, share transfer or the like.

(3) Total number of Stock Acquisition Rights to be issued:

Not more than 20,000 units of stock acquisition rights shall be issued.

One hundred shares shall be issued per unit of stock acquisition rights; provided that, in the event of any adjustment of the number of shares stipulated in (2) above, the number of shares to be issued per unit of stock acquisition rights shall be adjusted accordingly.

The date of allotment of stock acquisition rights shall be determined by the Board of Directors, and the Board of Directors may allot the stock acquisition rights at a plurality of times within the scope of the aforementioned limit.

(4) Cash payment for Stock Acquisition Rights:

No cash payment is required for stock acquisition rights.

(5) Value of assets to be contributed upon the exercise of Stock Acquisition Rights:

The value of assets to be contributed upon the exercise of each stock acquisition rights shall be the value per share to be issued by the exercise of each stock acquisition rights (the “Exercise Value”) multiplied by the number of shares to be issued upon the exercise of one unit of stock acquisition rights.

The Exercise Value shall be the closing price on the Tokyo Stock Exchange on the day immediately prior to the date of the resolution by the Board of Directors of the Company determining the Subscription Requirements of the stock acquisition rights or the closing price on the date of the allotment (if no closing price is available on such day, then the closing price on the trading day immediately preceding such day), whichever is higher.

If the Company splits its common stock or consolidates its common stock after the issuance of stock acquisition rights, the Exercise Value shall be adjusted in accordance with the following formula, and any fraction less than one yen arising as a result of such adjustment shall be rounded up.

$$\text{Exercise Value after adjustment} = \text{Exercise Value before adjustment} \times \frac{1}{\text{Ratio of stock split or stock consolidation}}$$

If shares to be offered are issued at a below-market price (including issuance of shares by allotment of shares without contribution and delivery of treasury shares, but excluding exercise of stock acquisition rights (including bonds with stock acquisition rights) and conversion of securities convertible into common stock of the Company), the Exercise Value shall be adjusted in accordance with the following formula, and any fraction less than one yen arising as a result of such adjustment shall be rounded up. The “Number of shares already issued” in the above formula shall be the total number of issued shares of the Company less the number of treasury shares held by the Company. If the Company disposes of treasury shares, the “Number of shares newly issued” and the “Stock price before new issuance” shall be respectively replaced to read as the “Number of treasury shares disposed of” and the “Stock price before disposal.”

$$\text{Exercise Value after adjustment} = \text{Exercise Value before adjustment} \times \frac{\text{Number of shares already issued} + \frac{\text{Number of shares newly issued} \times \text{Amount paid in per share}}{\text{Stock price before new issuance}}}{\text{Number of shares already issued} + \text{Number of shares newly issued}}$$

If the Company conducts a merger, company split, share exchange, share transfer or the like that makes it necessary to adjust the Exercise Value, the Exercise Value shall be adjusted within a reasonable range, taking into account the conditions of the merger, company split, share exchange, share transfer or the like.

(6) Exercise period of Stock Acquisition Rights:

The exercise period shall be from the date on which two (2) years have passed from the date of allotment of the stock acquisition rights to the date on which seven (7) years have passed from the date of allotment. If the final day of the exercise period falls on a holiday of the Company, the final day shall be the working day immediately preceding the final day.

(7) Conditions etc. for exercise of Stock Acquisition Rights

- (i) The holders of stock acquisition rights shall remain Directors, Auditors, Executive Officers or employees of the Company or its subsidiaries or affiliates at the time of exercising stock acquisition rights; provided, however, that exceptional treatment may be allowed in this regard in writing by the Board of Directors of the Company in consideration of the circumstances.
- (ii) If an allotment of stock acquisition rights consists of more than 50 units, stock acquisition rights may be exercised by the holder of stock acquisition rights, in whole or in part, according to the following categories.
 - i) The entire allotment of stock acquisition rights shall not be exercised prior to the date on which two (2) years have passed from the date of allotment.
 - ii) 50% of the allotment of stock acquisition rights or 50 units of stock acquisition rights, whichever is larger, may be exercised from the date on which two (2) years have passed from the date of allotment to the date prior to the date on which three (3) years have passed from the date of allotment (if a fraction less than one unit arises in the number of exercisable stock acquisition rights, such fraction shall be rounded down).
 - iii) 80% of the allotment of stock acquisition rights or 50 units of stock acquisition rights, whichever is larger, may be exercised from the date on which three (3) years have passed from the date of allotment to the date prior to the date on which four (4) years have passed from the date of allotment (if a fraction less than one unit arises in the number of exercisable stock acquisition rights, such fraction shall be rounded down).
 - iv) The entire allotment of stock acquisition rights may be exercised from the date on which four (4) years have passed from the date of allotment to the date on which seven (7) years have passed from the date of allotment.
- (iii) Stock acquisition rights shall not be inherited; provided, however, that exceptional treatment may be allowed in this regard in writing by the Board of Directors in consideration of the circumstances.
- (iv) Stock acquisition rights shall not be offered for pledge or disposed of in any other way.
- (v) Other details and conditions shall be determined by the Board of Directors of the Company.

(8) Matters concerning increase in capital and capital reserve by issuing of shares upon exercise of Stock Acquisition Rights:

- (i) Amount of increase in capital by issuing shares upon exercise of stock acquisition rights shall be half of the upper limit of capital increase as calculated pursuant to the provisions of Article 17, Paragraph 1 of the Ordinance on Accounting of Companies, where any resultant fraction less than one yen shall be rounded up.
- (ii) Amount of increase in capital reserve by issuing shares upon exercise of stock acquisition rights shall be the upper limit of capital increase as described in (i) above less the amount of increase in capital set out therein.

(9) Reasons and conditions for the acquisition of Stock Acquisition Rights:

The Company may acquire stock acquisition rights on the date otherwise determined by the Board of Directors of the Company without any compensation therefor in the following cases:

- (i) In the case where a proposal of any merger agreement under which the Company is dissolved, or any absorption-type company split (*kyushu-bunkatsu*) agreement or incorporation-type company split

- (*shinsetsu-bunkatsu*) plan in which the Company will be a splitting company, or any share exchange agreement or share transfer plan in which the Company will be a wholly owned subsidiary of another company is approved at a General Shareholders' Meeting of the Company (or by the Board of Directors for a company split that does not require the approval of the General Shareholders' Meeting);
- (ii) In the case where a holder of stock acquisition rights ceases to accommodate the conditions of (7) above before exercising stock acquisition rights; or
 - (iii) In the case where a holder of stock acquisition rights requests a waiver of Stock acquisition rights.
- (10) Restriction on the acquisition of Stock Acquisition Rights by transfer:
Any acquisition of stock acquisition rights by transfer shall require an approval of the Board of Directors of the Company by its resolution.
- (11) Treatment of Stock Acquisition Rights in case of organizational restructuring of the Company:
In the event the Company merges (limited to cases where the Company becomes a dissolving company), performs an absorption-type company split or an incorporation-type company split, or conducts a share exchange or a share transfer (hereinafter collectively "Organizational Restructuring"), stock acquisition rights of a corporation described in Article 236, Paragraph 1, Items 8.1 (イ) through 8.5 (ホ) of the Companies Act of Japan (hereinafter "Restructured Company") shall be delivered under the following conditions to holders of stock acquisition rights remaining unexercised (hereinafter "Remaining stock acquisition rights") at the time when Organizational Restructuring takes effect. In this case, the Remaining stock acquisition rights will lapse and the Restructured Company will issue new stock acquisition rights. However, the foregoing shall apply only to cases in which the delivery of stock acquisition rights of the Restructured Company according to the following conditions is stipulated in the merger agreement, the absorption-type company split agreement, the incorporation-type company split plan, the share exchange agreement or the share transfer plan.
- (i) Number of stock acquisition rights of the Restructured Company to be delivered:
The Restructured Company shall deliver stock acquisition rights, the number of which shall equal the number of Remaining stock acquisition rights held by the holder of the Remaining stock acquisition rights.
 - (ii) Class of shares of the Restructured Company to be issued upon the exercise of stock acquisition rights:
Shares of common stock of the Restructured Company
 - (iii) Number of shares of the Restructured Company to be issued upon the exercise of stock acquisition rights:
To be decided according to (2) and (3) above after taking into consideration the conditions, etc. of the Organizational Restructuring.
 - (iv) Value of the assets to be contributed upon the exercise of stock acquisition rights:
The value of the assets to be contributed upon the exercise of each stock acquisition rights shall be decided according to (5) above after taking into consideration the conditions, etc. of the Organizational Restructuring.
 - (v) Exercise period of stock acquisition rights:
Starting from the later of either the first date of the exercise period of stock acquisition rights as stipulated in (6) above, or the date on which the Organizational Restructuring becomes effective and ending on the expiration date for the exercise of stock acquisition rights as stipulated in (6) above.
 - (vi) Matters concerning increase in capital and capital reserve to be increased by issuing of shares by the Restructured Company upon the exercise of stock acquisition rights:

To be determined in accordance with (8) above.

- (vii) Restriction on acquisition of stock acquisition rights by transfer:

Acquisition of stock acquisition rights by transfer shall be subject to the approval of the Board of Directors of the Restructured Company (or by the majority decision of Directors if such company is not a company with Board of Directors).

- (viii) Conditions and reasons for the acquisition of stock acquisition rights:

To be determined in accordance with (7) and (9) above.

- (12) Rules pertaining to fractions of less than one share arising from the exercise of Stock Acquisition Rights:

Fractions of less than one share in the number of shares to be delivered to holders of stock acquisition rights who exercised stock acquisition rights shall be rounded down.

- (13) Other details of Stock Acquisition Rights:

Other details of stock acquisition rights shall be determined by the meeting of the Board of Directors to determine the Subscription Requirements of Stock Acquisition Rights.

Proposal No. 4: Partial Amendments to the Articles of Incorporation

1. Sharp would like to amend the Articles of Incorporation. Details are described in the following 2. “Details of Amendments”.

(1) Deletion of the Provisions Concerning Class A Shares

With respect to the Class A shares, all of the issued shares of Class A shares were acquired and cancelled last year, and accordingly, the provisions will be deleted.

(2) Change of the Approval Body for a Subscription Agreement for the total number of Share Options

The purpose of this change is to make it possible to execute a subscription agreement for the total number of share options by a resolution of the Board of Directors or the person who was designated by the Board of Directors in order to enable flexible implementation of allotment of share options for subscription.

(3) Deletion of the provision concerning Convocation of the General Meeting of Shareholders

The provisions will be deleted so that the date of the General Meeting of Shareholders may be set flexibly.

(4) Change of Chairman of the General Meeting of Shareholders

The provisions will be changed so that the chairman of the General Meeting of Shareholders may be flexibly selected.

(5) Change of Directors with specific titles

In order to create a management system that can respond quickly and flexibly to changes of the business environment, the provisions will be changed so that Executive Directors shall be appointed.

(6) Others

For the above, amendments of articles and the lexical definition will be made. The date based on the Japanese calendar will be changed to the date based on the Western calendar.

2. Details of Amendments

Concrete details of amendments to the Articles of Incorporation are described as follows.

Comparison with the current Articles of Incorporation of Sharp is published on Sharp’s home page. Please refer to it.

(https://corporate.jp.sharp/ir/event/shareholder_meeting/pdf/20all_kaiji.pdf)

Proposed Amendments to the Articles of Incorporation

(Amended portions are underlined.)

Current Articles	Amended Articles
<p>(Total Number of Authorized Shares) Article 6 The total number of shares to be issued by the Company shall be 1 billion shares, and the total number of each class to be issued by the Company shall be as follows. common share: 1 billion shares <u>Class A share: 200,000 shares</u> Class C share: 1,136,363 shares</p>	<p>(Total Number of Authorized Shares) Article 6 The total number of shares to be issued by the Company shall be 1 billion shares, and the total number of each class to be issued by the Company shall be as follows. common share: 1 billion shares Class C share: 1,136,363 shares</p>
<p><u>(Class A shares)</u></p>	
<p><u>Article 6 - 2</u> (omitted)</p>	(deleted)
<p>(Class C shares)</p>	(Class C shares)
<p>Article 6 - <u>3</u> (omitted) (2) If the Company is to pay a dividend from surplus using the record date belonging to a business year, it shall pay the dividend to shareholders who hold Class C Shares (the "Class C Shareholders") and registered pledgees of the Class C Shares (together with the Class C Shareholders, "Class C Shareholders, Etc.") entered or recorded in the final shareholders register as at the record date (the "Record Date for Dividends" in this Article) by the monetary amount of dividend from surplus calculated by multiplying the amount of dividend per common share by the conversion ratio provided for in Paragraph 5, Item 2 per the Class C Share (the amount paid by such dividend per share of Class C Shares is referred to as the "Class C Dividend") ranking pari-passu with the <u>Common Shareholders, etc.</u> entered or recorded in the final shareholders register as at the Record Date for Dividends. (The rest is omitted)</p>	<p>Article 6 - <u>2</u> (unchanged) (2) If the Company is to pay a dividend from surplus using the record date belonging to a business year, it shall pay the dividend to shareholders who hold Class C Shares (the "Class C Shareholders") and registered pledgees of the Class C Shares (together with the Class C Shareholders, "Class C Shareholders, Etc.") entered or recorded in the final shareholders register as at the record date (the "Record Date for Dividends" in this Article) by the monetary amount of dividend from surplus calculated by multiplying the amount of dividend per common share by the conversion ratio provided for in Paragraph 5, Item 2 per the Class C Share (the amount paid by such dividend per share of Class C Shares is referred to as the "Class C Dividend") ranking pari-passu with the <u>shareholders of common shares or registered pledgee of common shares (collectively the "Common Shareholders, etc.")</u> entered or recorded in the final shareholders register as at the Record Date for Dividends (The rest is unchanged)</p>
<p>(3) through (4) (omitted)</p>	(3) through (4) (unchanged)
<p>(5) Call option the consideration for which is common shares 1. On and after July 1, <u>29th year of the Heisei period</u>, the Company may acquire all or some of the Class C Shares in exchange for delivery of</p>	<p>(5) Call option the consideration for which is common shares 1. On and after July 1, <u>2017</u>, the Company may acquire all or some of the Class C Shares in exchange for delivery of the number of common</p>

the number of common shares calculated by multiplying the number of Class C Share by the conversion ratio provided for in Item 2 per the Class C Share to the extent permissible under law and regulations on the coming of the day to be separately determined by the Board of Directors meeting. (The rest is omitted)

2. (omitted)

(6) through (8) (omitted)

(Approval for Subscription Agreement for the Total Number of Share Options)

Article 6-4 The approval under Article 244, Paragraph 3 of the Companies Act regarding the subscription agreement for the total number of share options shall be obtained by a resolution of the Board of Directors or by a decision of the President.

(Number of Shares in a Unit (*Tangen*) of Shares)

Article 8 The number of shares comprising one unit (*tangen*) of shares shall be 100 for common shares, 1 for Class A shares and 1 for Class C shares.

(General Meeting of Shareholders)

Article 12

(1) The Ordinary General Meeting of Shareholders shall be convened in June of each year.

(2) In addition to the preceding paragraph, an Extraordinary General Meeting of Shareholders shall be convened whenever necessary.

Article 13 (omitted)

(Chairmanship of General Meeting of Shareholders)

Article 14

(1) The President, or any person who is designated by the President in advance, shall act as chairman of the general meeting of shareholders.

(2) If an accident occurs to the President, another director shall take the place of the President according to the order determined by the Board of Directors in advance.

Article 15 through Article 17 (omitted)

(General Meeting of Class Shareholders)

Article 17-2

(1) The provisions of Article 13 hereof shall apply mutatis mutandis to the

shares calculated by multiplying the number of Class C Share by the conversion ratio provided for in Item 2 per the Class C Share to the extent permissible under law and regulations on the coming of the day to be separately determined by the Board of Directors meeting. (The rest is unchanged)

2. (unchanged)

(6) through (8) (unchanged)

(Approval for Subscription Agreement for the Total Number of Share Options)

Article 6-3 The approval under Article 244, Paragraph 3 of the Companies Act regarding the subscription agreement for the total number of share options shall be obtained by a resolution of the Board of Directors or by a decision of a person who is designated by the Board of Directors.

(Number of Shares in a Unit (*Tangen*) of Shares)

Article 8 The number of shares comprising one unit (*tangen*) of shares shall be 100 for common shares and 1 for Class C shares.

(deleted)

Article 12 (unchanged)

(Chairmanship of General Meeting of Shareholders)

Article 13

(1) A person who is designated by the Board of Directors shall act as chairman of the general meeting of shareholders.

(2) (deleted)

Article 14 through Article 16 (unchanged)

(General Meeting of Class Shareholders)

Article 16-2

(1) The provisions of Article 12 hereof shall apply mutatis mutandis to the

<p>General Meeting of Class Shareholders to be held on the same day as the Ordinary General Meeting of Shareholders.</p> <p>(2) The provisions of Article <u>14</u>, <u>15</u>, and <u>17</u> hereof shall apply <i>mutatis mutandis</i> to the General Meeting of Class Shareholders.</p> <p>(3) The provision of Article <u>16</u>, Paragraphs 1 and 2 hereof shall apply <i>mutatis mutandis</i> to resolutions of the General Meeting of Class Shareholders to be made pursuant to the provisions of Article 324, Paragraphs 1 and 2 of the Companies Act respectively.</p>	<p>General Meeting of Class Shareholders to be held on the same day as the Ordinary General Meeting of Shareholders.</p> <p>(2) The provisions of Article <u>13</u>, <u>14</u>, and <u>16</u> hereof shall apply <i>mutatis mutandis</i> to the General Meeting of Class Shareholders.</p> <p>(3) The provision of Article <u>15</u>, Paragraphs 1 and 2 hereof shall apply <i>mutatis mutandis</i> to resolutions of the General Meeting of Class Shareholders to be made pursuant to the provisions of Article 324, Paragraphs 1 and 2 of the Companies Act respectively.</p>
<p>Article <u>18</u> through Article <u>19</u> (omitted)</p>	<p>Article <u>17</u> through Article <u>18</u> (unchanged)</p>
<p>(Representative Directors and Directors <u>with specific titles</u>)</p>	<p>(Representative Directors and <u>Executive</u> Directors)</p>
<p>Article <u>20</u> (omitted)</p> <p>(2) The Board of Directors may, by resolution, appoint a <u>Chairman, a President, and other Directors with specific titles</u> from among the Directors (excluding Directors who are Audit and Supervisory Committee members).</p>	<p>Article <u>19</u> (unchanged)</p> <p>(2) The Board of Directors may, by resolution, appoint Directors <u>who execute the operations of the Company</u> from among the Directors (excluding Directors who are Audit and Supervisory Committee members).</p>
<p>Article <u>21</u> through Article <u>37</u> (omitted)</p>	<p>Article <u>20</u> through Article <u>36</u> (unchanged)</p>

CONSOLIDATED BALANCE SHEET

(As of March 31, 2020)

(Millions of Yen)

ASSETS		LIABILITIES	
Current Assets	1,088,626	Current Liabilities	861,023
Cash and deposits	225,049	Notes and accounts payable - trade	312,873
Notes and accounts receivable - trade	429,138	Electronically recorded obligations-operating	36,331
Inventories	294,788	Short-term loans payable	237,726
Other	142,278	Accrued expenses	99,427
Allowance for doubtful receivables	-2,629	Provision for bonuses	18,634
		Provision for product warranties	15,967
		Provision for sales promotion expenses	6,918
		Provisions for restructuring	434
Non-Current Assets	743,723	Valuation reserve for inventory	17,133
Property, plant and equipment	410,760	purchase commitments	
Buildings and structures	650,391	Other	115,575
Machinery, equipment and vehicles	1,156,260	Non-Current Liabilities	676,187
Tools, furniture and fixtures	191,466	Long-term loans payable	538,744
Land	82,491	Retirement benefit liability	103,217
Construction in Progress	29,369	Other	34,225
Other	51,978		
Accumulated depreciation	-1,751,198	Total Liabilities	1,537,211
		NET ASSETS	
Intangible Assets	45,547	Shareholders' Equity	364,590
Software	28,261	Capital stock	5,000
Other	17,286	Capital surplus	108,853
		Retained earnings	264,729
Investments and Other Assets	287,415	Treasury shares	-13,993
Investment securities	190,434	Accumulated Other Comprehensive Income	-89,281
Retirement benefit asset	7,295	Valuation difference on available-for-sale securities	10,368
Deferred tax asset	18,253	Deferred gains or losses on hedges	846
Other	73,858	Foreign currency translation adjustment	-56,849
Allowance for doubtful receivables	-2,426	Remeasurements of defined benefit plans	-43,646
		Stock Acquisition Rights	293
		Non-controlling Interests	19,535
		Total Net Assets	295,138
Total Assets	1,832,349	Total Liabilities and Net Assets	1,832,349

(Note) Fractions rounded down to the nearest million yen.

CONSOLIDATED STATEMENT OF INCOME

(From April 1, 2019 to March 31, 2020)

(Millions of Yen)

Net Sales		2,271,248
Cost of sales		1,861,499
Gross profit		409,798
Selling, general and administrative expenses		357,025
Operating profit		52,773
Non-Operating Income		24,907
Interest and dividend income	4,418	
Other	20,488	
Non-Operating Expenses		22,140
Interest expenses	4,714	
Other	17,425	
Ordinary Profit		55,541
Extraordinary Income		3,302
Gain on sales of non-current assets	2,865	
Gain on sales of investment securities	244	
Gain on reversal of share acquisition rights	3	
Gain on step acquisitions	188	
Extraordinary Losses		20,509
Loss on sales and retirement of non-current assets	341	
Impairment loss	384	
Loss on valuation of investment securities	16,119	
Restructuring charges	332	
Loss from business combination	3,331	
Profit before income taxes		38,334
Income taxes-current		11,924
Income taxes-deferred		4,837
Profit		21,571
Profit (Loss) attributable to non-controlling interests		612
Profit attributable to owners of parent		20,958

(Note) Fractions rounded down to the nearest million yen.

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

(From April 1, 2019 to March 31, 2020)

(Millions of Yen)

	Shareholders' Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	5,000	208,725	258,040	-13,987	457,778
Cumulative effects of changes in accounting policies			783		783
Restated balance	5,000	208,725	258,824	-13,987	458,562
Changes of items during period					
Dividends of surplus			-15,053		-15,053
Profit attributable to owners of Parent			20,958		20,958
Changes in ownership interest of parent due to transactions with non-controlling interests		-3,453			-3,453
Sales of shares of consolidated subsidiaries		755			755
Capital increase of consolidated subsidiaries		-101			-101
Purchase of treasury shares				-97,078	-97,078
Retirement of treasury shares		-97,072		97,072	-
Net changes of items other than shareholders' equity					
Total changes of items during Period	-	-99,871	5,905	-5	-93,971
Balance at end of current period	5,000	108,853	264,729	-13,993	364,590

	Accumulated Other Comprehensive Income					Stock Acquisition Rights	Non-Controlling Interests	Total Net Assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance beginning of current period	13,531	-220	-44,251	-76,208	-107,148	235	21,605	372,471
Cumulative effects of changes in accounting policies								783
Restated balance	13,531	-220	-44,251	-76,208	-107,148	235	21,605	373,255
Changes of items during period								
Dividends of surplus								-15,053
Profit attributable to owners of Parents								20,958
Changes in ownership interest of parent due to transactions with non-controlling interests								-3,453
Sales of shares of consolidated subsidiaries								755
Capital increase of consolidated subsidiaries								-101
Purchase of treasury shares								-97,078
Retirement of treasury shares								-
Net changes of items other than shareholders' equity	-3,163	1,066	-12,598	32,561	17,867	58	-2,069	15,855
Total changes of items during period	-3,163	1,066	-12,598	32,561	17,867	58	-2,069	-78,116
Balance at end of current period	10,368	846	-56,849	-43,646	-89,281	293	19,535	295,138

(Notes) Fractions rounded down to the nearest million yen.

BALANCE SHEET (based on non-consolidated results)

(As of March 31, 2020)

(Millions of Yen)

ASSETS		LIABILITIES	
Current Assets	693,521	Current Liabilities	705,882
Cash and deposits	135,605	Notes payable	411
Notes receivable	505	Electronically recorded obligations-operating	34,550
Accounts receivable	284,150	Accounts payable-trade	171,270
Lease assets	2,848	Short-term borrowings	221,717
Finished products	56,332	Lease liabilities	853
Work in process	40,378	Accounts payable-other	15,241
Raw materials and supplies	13,547	Accrued expenses	63,773
Advance payments	15,453	Income taxes payable	777
Prepaid expenses	276	Advances received	24,448
Accounts receivable-other	96,555	Deposits received	87,143
Other	53,874	Accrued employees' bonuses	8,900
Allowance for doubtful receivables	-6,005	Accrued product warranty	4,690
		Valuation reserve for inventory purchase commitments	17,133
Non-Current Assets	812,738	Provision for business loss on subsidiaries and associates	53,545
Property, plant and equipment	322,105	Other	1,424
Buildings	140,992	Non-Current Liabilities	579,265
Structures	3,744	Long-term borrowings	534,993
Machinery and equipment	69,925	Accrued retirement benefits	30,360
Vehicles	16	Lease liabilities	3,988
Tools, furniture and fixtures	8,406	Other	9,922
Land	77,636		
Lease assets	1,633	Total Liabilities	1,285,147
Construction in progress	19,749		
Intangible Assets	27,196	NET ASSETS	
Industrial property	1,632	Shareholders' Equity	210,827
Rights to use facilities	3	Capital Stock	5,000
Software	25,560	Capital Surplus	87,406
Investments and Other Assets	463,436	Capital reserve	1,250
Investment securities	123,810	Other capital surplus	86,156
Stocks of subsidiaries and associates	230,536	Retained Earnings	132,414
Investments in capital of subsidiaries and associates	55,450	Other retained earnings	132,414
Long-term loans	1,774	Reserve for advanced depreciation on non-current assets	2,501
Long-term prepaid expenses	5,175	Retained earnings carried forward	129,913
Differed tax asset	1,299	Treasury Stock	-13,993
Other	47,423	Valuation and Translation Adjustments	9,999
Allowance for doubtful receivables	-2,033	Valuation difference on available-for-sale securities	9,088
		Deferred gains or losses on hedges	911
		Stock Acquisition Rights	285
		Total Net Assets	221,112
Total Assets	1,506,260	Total Liabilities and Net Assets	1,506,260

(Note) Fractions rounded down to the nearest million yen.

STATEMENT OF INCOME (based on non-consolidated results)

(From April 1, 2019 to March 31, 2020)

(Millions of Yen)

Net Sales	1,348,738
Cost of sales	1,215,871
Gross profit	132,867
Selling, general and administrative expenses	110,958
Operating profit	21,908
Non-Operating Income	34,566
Interest and dividend income	11,292
Other	23,273
Non-Operating Expenses	16,758
Interest expenses	4,349
Other	12,409
Ordinary Profit	39,716
Extraordinary Income	16,042
Gain on sales of non-current assets	2,014
Gain on sales of investment securities	244
Gain on sales of stocks of subsidiaries and associates	755
Gain on reversal of share acquisition rights	3
Refund of Provision for loss on business of subsidiaries and associates	2,338
Gain on extinguishment of tie-in shares	10,684
Extraordinary Losses	20,291
Loss on sales and retirement of non-current assets	91
Loss on valuation of investment securities	16,119
Loss on sales of stocks of subsidiaries and associates	3,508
Provision for business loss on subsidiaries and associates	239
Restructuring charges	332
Profit (Loss) before income taxes	35,467
Corporate income, inhabitant and business taxes	1,415
Adjustment to income taxes	2,701
Profit (Loss)	31,350

(Note) Fractions rounded down to the nearest million yen.

STATEMENT OF CHANGES IN NET ASSETS (based on non-consolidated results)

(From April 1, 2019 to March 31, 2020)

(Millions of Yen)

	Shareholders' Equity						
	Common Stock	Capital Surplus			Retained Earnings		
		Capital Reserve	Other Capital Surplus	Total Capital Surplus	Other Retained Earnings		Total Retained Earnings
				Reserve for Deferred Gains on Fixed Assets	Retained Earnings Carried Forward		
Balance at beginning of current period	5,000	1,250	199,640	200,890	2,574	113,542	116,116
Changes of items during Period							
Reduction due to company split			-16,411	-16,411			
Reversal of reserve for advanced depreciation of non-current assets					-73	73	—
Dividends of surplus						-15,053	-15,053
Profit (Loss)						31,350	31,350
Purchase of treasury shares							
Retirement of treasury shares			-97,072	-97,072			
Net changes of items other than shareholders' equity							
Total changes of items during the period	—	—	-113,483	-113,483	-73	16,370	16,297
Balance at end of current period	5,000	1,250	86,156	87,406	2,501	129,913	132,414

	Shareholders' Equity		Valuation and Translation Adjustments			Stock Acquisition rights	Total Net Assets
	Treasury Stock	Total Shareholders' Equity	Net Unrealized Holding Gains on Securities	Deferred Gains on Hedges	Total Valuation and Translation Adjustments		
Balance at beginning of current period	-13,987	308,019	12,023	-291	11,732	227	319,979
Changes of items during period							
Reduction due to company split		-16,411					-16,411
Reversal of reserve for advanced depreciation on non-current assets		—					—
Dividends of surplus		-15,053					-15,053
Profit (Loss)		31,350					31,350
Purchase of treasury stock	-97,078	-97,078					-97,078
Retirement of treasury shares	97,072	—					—
Net changes of items other than owners' equity			-2,935	1,203	-1,732	58	-1,674
Total changes of items during the period	-5	-97,192	-2,935	1,203	-1,732	58	-98,866
Balance at end of current period	-13,993	210,827	9,088	911	9,999	285	221,112

(Notes) Fractions rounded down to the nearest million yen.