Notice Regarding the Intention to Buy Back the Class B Shares and Incentive Program for Officers and Employees

Sharp announces that a Board of Directors meeting, which was held yesterday, resolved the intention to take the procedure to buy back all Class B Shares (Issued on June 30, 2015. The total issue price is 25 billion yen.) currently held by Japan Industrial Solutions Fund I (JIS) for the purpose of reducing the burden of the class shares’ preferred dividend and premium paid by Sharp when Sharp exercises the call option, and to establish an incentive program using Sharp’s shares for the purpose of retaining and recruiting talented people necessary for Sharp’s revitalization and growth.

Sharp expects to bring up the buyback of Class B Shares and the details of the incentive program for separated discussion and approval in its Board of Directors meeting to be held on May 12, 2016. Once the details are decided, Sharp will announce them.

[Summary of the Class B Shares]

○ Preferred dividend amounts

  Class B Preferred Dividend Amounts will be the amount calculated by multiplying equivalent amount to the amount to be paid in ("1,000,000 yen") by 7.0% if the Record Date for Dividends belongs to a business year ending before the end of March, 2018, and 8.0% if the Record Date for Dividends belongs to a business year starting after April 1, 2018.

○ Premium at the time of the redemption by the exercise of the call option by Sharp

  From July 1, 2016 to June 30, 2017 1.12
  From July 1, 2017 to June 30, 2018 1.19
  From July 1, 2018 to June 30, 2019 1.26
  From July 1, 2019 to June 30, 2020 1.33
  After July 1, 2020 1.40