May 12, 2016

To Whom It May Concern

Company Name: Sharp Corporation
Representative: Kozo Takahashi
(Code No. 6753)

Notice of Recording Valuation Reserve for Inventory Purchase Commitments

Sharp Corporation ("the Company") announces the recording of the following transaction to its consolidated and non-consolidated financial statements of the fourth quarter ended March 31, 2016.

A decrease in appraisal value of solar cell materials (polysilicon) has resulted in a greater variance between appraisal value and contract purchase prices. Accordingly, the Company has recorded a valuation reserve for inventory purchase commitments of 7,703 million as cost of sales.

Sharp Corporation has reflected the earnings impact of this accounting transaction in Consolidated Financial Results for the Year Ended March 31, 2016 [Japanese Accounting Standards] published today.