

[Translation]

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

Notice Regarding the Establishment of a New Company in China

Sharp Corporation (“Sharp”) announces today that it will establish a new subsidiary that will coordinate Sharp’s business in China.

1. Purpose

Under the new management system established in August this year, Sharp introduced and implemented the “One SHARP” policy, which aims to reinforce its overall strength through collaboration among all its businesses. The company also announced its management policy and commitment to meeting the expectations of, and providing value to, its stakeholders by expanding its business. In addition, Sharp established a new corporate motto, “Be Original.,” which encapsulates Sharp’s promise to provide customers with products and services that are inspired by Sharp’s originality, and that are true to its founding spirit and values of “Sincerity and Creativity”.

Sharp is leveraging its broad range of businesses and technology as well as product planning and development capabilities to demonstrate the comprehensive strength and competitiveness of the Sharp group. As part of this strategy, Sharp is implementing initiatives, including measures to maximize synergy by enhancing cooperation among its businesses, to improve management and operational efficiency by effectively utilizing management resources across its group of companies.

Against this backdrop, Sharp is establishing a new subsidiary in Shenzhen that will coordinate the group’s business in China. The main purpose of establishing this subsidiary is to reorganize Sharp’s business activities – which currently operate separately for each business activity, including production development, sales, research and development and others, under Sharp’s existing business structure in China – and integrate the business activities under the new company in order to improve operational efficiency. The new company will also drive synergy with the Hon Hai group, which has extensive business operations in the Chinese market.

In the future, Sharp will endeavor to expand its business in China through such measures as integrating its management resources and leveraging Hon Hai’s management resources.

2. Outline of the subsidiary to be established

(i)	Name	Sharp Universal Technology (SZ) Co., Ltd. (tentative name)
(ii)	Location	A2, No.2, 2nd Donghuan Road, 10th Yousong Industrial District, Longhua, Shenzhen City, Guangdong Province, P.R.of China
(iii)	Name and Title of Representative	Toshihiko Fujimoto, Chairman
(iv)	Details of Business	Mainly the manufacturing, sale, and development of electrical and electronic equipment, communications equipment, all types of applied equipment, and electronic components.

(v)	Capital	RMB 100 million (1,602 million yen. Calculated at the exchange rate of 1 RMB = 16.02yen as of November 22, 2016.)
(vi)	Date of Establishment	January 3, 2017 (to be fixed)
(vii)	Investor and Investment Ratio	100% owned by Sharp.
(viii)	Relationship between the Listed Company and the Relevant Company	
	Capital Relationship	Sharp's investment ratio of the relevant company will be 100%.
	Personnel Relationship	Sharp will dispatch its officers to the relevant company.
	Transaction Relationship	Sharp is scheduled to conduct business, including the sale and purchase of products, etc., and transactions such as the consignment of development, etc., with the relevant company.

3. Schedule

- (1) Date of decision: November 24, 2016
(2) Expected date of establishment: January 3, 2017 (to be fixed)

4. Future outlook

The impact on Sharp's consolidated results due to the establishment of this new company will be minor.

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