

February 17, 2017

[Translation]

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

Notice Regarding Decrease in Cost of Sales (Reserve)

Sharp Corporation (“Sharp”) announces today that it has concluded an amendment agreement to the agreement on the purchase of raw materials and that, herewith, the valuation reserve for inventory purchase commitments is expected to decrease by 10.1 billion yen and the cost of sales is expected to decrease by the same amount in the non-consolidated and consolidated financial results for the fourth quarter of the year ending March 31, 2017, compared to the third quarter of the year ending March 31, 2017.

The details of the counterparty and the agreement content are withheld from disclosure due to contractual confidentiality; however, except for the transaction pertaining to the aforementioned agreement, there is no capital relationship, personnel relationship, nor transaction relationship that needs to be stated between the counterparty and Sharp.

Sharp has reflected the impact of this amendment on Sharp’s results in the “Notice of Revision of Financial Results Forecast for the Fiscal Year Ending March 31, 2017” published today.

End