

March 16, 2017

[Translation]

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

**Notice Regarding the Merger Between a Subsidiary and a Sub-subsidiary**

Sharp Corporation (“Sharp”) announces today that it has decided to perform a merger in which Sharp Electronics Corporation (“SEC”), Sharp’s subsidiary, will be the surviving company and Sharp Electronics Manufacturing Company of America, Inc. (“SEMA”), SEC’s subsidiary (Sharp’s sub-subsidiary), will be the disappearing company.

Some disclosure items and details have been omitted because the merger will be performed as an absorption-type merger between the subsidiary and the sub-subsidiary of Sharp.

1. Reason for the merger

Although SEMA was previously the parent company that managed Sharp Electronica Mexico S.A. de C.V. (“SEMEX”), SEMA sold all of the SEMEX shares held by SEMA and completed its function. Accordingly, Sharp decided that SEMA should be merged into SEC.

2. Summary of the merger

(1) Merger method

The method of the merger is an absorption-type merger in which SEC will be the surviving company, and SEMA will be dissolved.

(2) Schedule for the merger

Resolutions in each involved company’s board of directors and shareholders’ meeting: March 17, 2017 (to be fixed)  
Filing of the merger petition to each state concerned: March 2017 (to be fixed)  
Authorization by each state concerned (effectuation of the merger): April 2017 (to be fixed)

(3) Content of allocation pertaining to the merger

There will be no money, etc. delivered to SEC in lieu of SEMA’s shares due to the merger because the merger will be an absorption-type merger between the parent company and its subsidiary, nor will SEC issue new shares or increase its capital.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights of the disappearing company

Not applicable.

3. Outline of the companies involved in the merger

	Surviving Company	Disappearing Company
(i) Name	Sharp Electronics Corporation	Sharp Electronics Manufacturing Company of America, Inc.
(ii) Location	100 Paragon Drive, Montvale, NJ, 07645 U.S.A.	9295 Siempre Viva Road, Suite J2, San Diego, CA 92154, U.S.A.
(iii) Title and Name of Representative	CEO, Douglas Albregts	President, Masahiro Aotake
(iv) Details of Business	Manufacturing and sales of household appliances and office machines as well as sales of electric components	Manufacturing and sales of household appliances
(v) Capital	448,292,240 U.S. dollars	68,002,955 U.S. dollars
(vi) Date of Establishment	May 11, 1962	November 13, 1997
(vii) Number of Issued Shares	4,992 shares	29,785 shares
(viii) Fiscal Year Ended	March	March
(ix) Major Shareholder and Shareholding Percentage	Sharp 100%	SEC 100%
(x) Consolidated Results of Operations and Financial Conditions of the Relevant Company for Previous Three Fiscal Years		
	Fiscal year ended March 2016	Fiscal year ended March 2016
Fiscal Year Ended		
Net Assets	617,762 thousand U.S. dollars	105,849 thousand U.S. dollars
Total Assets	1,747,282 thousand U.S. dollars	114,307 thousand U.S. dollars
Net Assets per Share	123,750.40 U.S. dollars	3,553.77 U.S. dollars
Proceeds of Sale	7,923,808 thousand U.S. dollars	298,762 thousand U.S. dollars
Operating Income	143,163 thousand U.S. dollars	15,924 thousand U.S. dollars
Ordinary Income	185,905 thousand U.S. dollars	25,442 thousand U.S. dollars
Net income or Net Loss (-)	73,944 thousand U.S. dollars	-8,057 thousand U.S. dollars
Net Income or Net Loss (-) per Share	14,812.50 U.S. dollars	-270.51 U.S. dollars
Dividend per Share	14,022.46 U.S. dollars	-

4. Status after the merger

No changes will be made to the name, location, title and name of the representative, details of business, capital, and fiscal year end of SEC, which is the surviving company of the absorption-type merger, due to the merger.

5. Future outlook

The impact of this transaction on Sharp's consolidated results will be minor.

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