

[Translation]

Company Name Sharp Corporation  
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### **Continuation of Measures to Reinforce Business Foundations**

Sharp Corporation announces that it has reached an agreement with the company labor union today to continue measures to reinforce business foundations with the reduction of labor costs as below.

#### 1. Reasons to continue measures to reinforce business foundations

Sharp group is currently in the process of recovering its business performance, and it has been conducting the reduction in salary of managerial staff and rank-and-file (union members) employees as part of measures to reduce labor costs. While business circumstances surrounding the Sharp group are still harsh, the improvement of financial strengths for "Recovery and Growth" needs to be secured, and the continuation of such measures has been deemed necessary. Based on this decision, the following measures will be implemented:

#### 2. Details of the continuation of business reinforcement measures

##### (1) Measures against rank-and-file (union members) employees

###### a. Reduction in salary

- A "2% salary reduction" implemented from August 2015 to March 2016 will continue.
- Implementation period: from April 2016 to March 2017

###### b. Others

- Other measures which include reduction in premium rates of overtime allowances and the like, to the minimum legal standards, the reduction of allowances for business trips, and the termination of welfare benefits will continue.
- Implementation period: from April 2016 to March 2017

##### (2) Measures against managerial staff

###### a. Reduction in salary

- A "5% salary reduction" implemented from August 2015 to March 2016 will continue.
- Implementation period: from April 2016 to March 2017

b. Others

- Measures on other related allowances, business trips allowances, and welfare programs applied against rank-and-file employees which are also applied to managerial staff accordingly will continue.
- Implementation period: from April 2016 to March 2017

3. Forecasts

The measures mentioned above are estimated to reduce fixed costs by approximately 3.6 billion yen for the year ending March 2017.

End