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Securities Code: 6753

June 3, 2019

SHARP CORPORATION

Notice of Convocation of the 125th Ordinary General Meeting of Shareholders

To Our Shareholders:

We hereby notify you of the convocation of the 125th Ordinary General Meeting of Shareholders as per the description below.

DESCRIPTION

1. Date and Time: Tuesday, June 25, 2019, at 10:00 a.m.
(Reception will start at 8:45 a.m.)
2. Venue: 1 Takumi-cho, Sakai-ku, Sakai-shi, Osaka
Sharp Corporation (Multi-Purpose Hall)
3. Purpose of the Meeting:
Reporting: The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements, Audit Reports of Consolidated Financial Statements by the Accounting Auditors and the Audit & Supervisory Committee for the 125th Term (from April 1, 2018 to March 31, 2019)

Matters to be Resolved:

- | | |
|----------------|---|
| Proposal No.1: | Election of Six (6) Directors (except the members of Audit & Supervisory Committee) |
| Proposal No.2: | Election of Three (3) Directors as the members of Audit & Supervisory Committee |
| Proposal No.3: | Establishment of the Remuneration for Directors (except the members of Audit & Supervisory Committee) |
| Proposal No.4: | Establishment of the Remuneration for Directors as the members of Audit & Supervisory Committee |
| Proposal No.5: | Issuance of Stock Acquisition Rights as Stock Options |

Reference Information Regarding Proposals**Proposal No. 1: Election of Six (6) Directors (except the members of Audit & Supervisory Committee)**

The terms of office of all the present six (6) Directors (except the members of Audit & Supervisory Committee) will expire at the conclusion of this General Meetings of Shareholders. Therefore, Sharp nominates the following six (6) candidates of Directors (except the members of Audit & Supervisory Committee) with whom Sharp enters into a subscription agreement.

Regarding this proposal, consideration was made by Audit & Supervisory Committee, and there was no particular comment to be pointed out.

The candidates for the Directors (except the members of Audit & Supervisory Committee) are as follows and the asterisk (*) denotes the new candidate:

No.	Name of Candidate (Date of Birth)	Current Position (Significant Concurrent Position at Other Company)	Ownership of Sharp's Shares
1	Jeng-Wu Tai (September 3, 1951)	Representative Director, Chairman, President & Chief Executive Officer Chief Executive Officer, Greater China Business	0 share
2	Katsuaki Nomura (February 7, 1957)	Representative Director, Executive Vice President, Head of Corporate Strategic Planning and Control Group	1,679 shares
3	Yoshihisa Ishida (November 5, 1959)	Executive Vice Presidents, Head of Business Strategy Planning Office, Chief Executive Officer - Europe Business	0 share
4	*Woo Kwok-Fai (November 3, 1947)	Chairman, Jiaxing iFengPai Trading Co Ltd, Chairman, Falcon Faith Holdings Limited, Chairman of Supervisory Committee, Foxconn Industrial Internet Co Ltd, Special Assistant to CEO of Hon Hai Group	0 share
5	*Chung-Cheng Lin (February 14, 1964)	General Manager, E sub-group of Hon Hai Group, Representative Director, Sakai Display Products Corporation, Director, Foxconn Precision Imaging Pte. Ltd., Director, Foxconn Baja California, S.A.de C.V. , Supervisor, Foxconn Slovakia, spol s.r.o, Director, Finetech Corporation	0 share
6	*Wei-Ming Chen (April 22, 1964)	Vice General Manager, S sub-group of Hon Hai Group	0 share

(Notes)

1. The contents of "Current Position" include each candidate's current positions as business executor of Hon Hai precision Industry co., Ltd and its subsidiaries.
2. Mr. Tai Jeng-Wu was nominated as director candidate of Hon Hai Precision Industry co., Ltd. which will be elected at the general shareholders' meeting scheduled in June 2019.
3. Mr. Chung-Cheng Lin takes the position as representative director of Sakai Display Products Corporation which is Sharp's related company, selling the LCD display to sharp.

Proposal No. 2: Election of Three (3) Directors as the members of Audit & Supervisory Committee

The terms of office of all the present three (3) Directors (the members of Audit & Supervisory Committee) will expire at the conclusion of this Annual General Meetings of Shareholders. Therefore, Sharp nominates the following three (3) candidates of Directors as the members of Audit & Supervisory Committee with whom Sharp enters into a subscription agreement.

Regarding this proposal, we have obtained the consent from the Audit & Supervisory Committee.

The candidates for the Directors as the members of Audit & Supervisory Committee are as follows and the asterisk (*) denotes the new candidate:

Name of Candidate (Date of Birth)	Current Position (Significant Concurrent Position at Other Company)	Ownership of Sharp's Shares
Hsu-Tung Lu (December 22, 1964)	Director (the member of Audit & Supervisory Committee) of Sharp	0 share
Yasuo Himeiwa (November 5, 1953)	Director (the member of Audit & Supervisory Committee) of Sharp Outside Auditor, TAKARA BIO Inc.	0 share
* Youichi Tsusue (April 5, 1959)		0 share

1. Mr. Hsu-Tung Lu, Mr. Yasuo Himeiwa and Mr. Youichi Tsusue are candidates for Outside Directors, as stipulated by Article 2, Paragraph 3, Item 7 of the Enforcement Regulations of the Company Act.

Remarks for the candidates of Outside Directors:

Mr. Hsu-Tung Lu:

Since Mr. Hsu-Tung Lu has engaged in accounting for many years. Based on his abundant experience and broad knowledge, he is able to completely fulfill the expected roles as an Outside Director (the member of Audit & Supervisory Committee). For this reason, it is proposed that Mr. Hsu-Tung Lu would be elected.

Mr. Yasuo Himeiwa:

Since Mr. Yasuo Himeiwa has been working as a certified public accountant for many years, Based on his abundant experience and broad knowledge, he is able to completely fulfill his expected role as an Outside Director (the member of Audit & Supervisory Committee). For this reason, it is proposed that Mr. Yasuo Himeiwa would be elected.

Mr. Youichi Tsusue:

Since Mr. Youichi Tsusue has engaged in the development and design of imaging equipment etc. and managed a joint venture company for many years, he is able to completely fulfill his expected role as an Outside Director (the member of Audit & Supervisory Committee). For this reason, it is proposed that Mr. Youichi Tsusue would be elected.

2. There are no special interests between Sharp and Mr. Hsu-Tung Lu, Mr. Yasuo Himeiwa and Mr. Youichi Tsusue.
3. Sharp has entered into a liability limitation agreement with Mr. Hsu-Tung Lu and Mr. Yasuo Himeiwa, which limit their liability within the extent stipulated by law. Sharp plans to enter into the same liability limitation agreement with Mr. Yoichi Tsusue.
4. Mr. Hsu-Tung Lu and Mr. Yasuo Himeiwa have served as outside directors for two years.

Proposal No. 3: Establishment of the Remuneration for Directors (except the members of Audit & Supervisory Committee)

At the 124th Ordinary General Meeting of Shareholders held on June 20, 2018, separately from the cash remuneration, the stock acquisition rights for Directors (except the members of Audit & Supervisory Committee) was approved 1,500 units or less, and those total value to be 300 million yen at maximum. In order to strengthen the responsibility for company performance and incentives to improve it, we would like to set it as 3,000 units or less and maintain the total value of 300 million yen at maximum. The value of stock acquisition rights shall be calculated by multiplying the fair value of one unit of stock acquisition rights calculated on the day they are allotted by the total number of stock acquisition rights allotted to Directors of the Company. The fair value of one unit of stock acquisition rights shall be based on conditions such as the fair unit price valuation calculated using variables including share price on the day when the stock acquisition rights are allotted and the terms of stock acquisition rights, etc. using an equity option pricing model such as the Black-Scholes model. Contents of the stock acquisition rights as stock options are as described at Proposal No.5.

There are no change to the amount of remuneration for Directors (except the members of Audit & Supervisory Committee) as 500 million yen or less per business year (the amount of employee salaries for Directors concurrently serving as employee are not included).

Even if the Proposal No.1 is approved as originally proposed, the total number of Directors (except the members of Audit & Supervisory Committee) will remain unchanged from six (6).

Proposal No. 4: Establishment of the Remuneration for Directors as the members of Audit & Supervisory Committee

At the 124th Ordinary General Meeting of Shareholders held on June 20, 2018, separately from the cash remuneration, the stock acquisition rights for Directors as the members of Audit & Supervisory Committee was approved 300 units or less, and those total value to be 60 million yen at maximum. In order to strengthen the responsibility for company performance and incentives to improve it, we would like to set it as 600 units or less and maintain the total value of 60 million yen at maximum. The value of stock acquisition rights shall be calculated by the same way as the Proposal No.3 above. Contents of stock acquisition rights as stock options are the same as Proposal No.5.

There are no change to the amount of remuneration for Directors (the members of Audit & Supervisory Committee) as 100 million yen or less per business year

Even if the Proposal No.2 is approved as originally proposed, the total number of Directors (the members of Audit & Supervisory Committee) will maintain unchanged from three (3).

Proposal No. 5: Issuance of Stock Acquisition Rights as Stock Options

Sharp (the “Company”) requests the authorization to allot stock acquisition rights as stock options to Directors, Auditors, Executives and Employees of the Company and its subsidiaries and affiliates in Japan (the “Company Group”), pursuant to Articles 236, 238 and 239 of the Companies Act of Japan, and Sharp would like to delegate the decision of the offering matters of stock acquisition rights to the Board of Directors.

1. The Reason why the Issuance under Particularly Favorable Conditions is Required:

The Company has decided to implement a stock option plan and will issue stock acquisition rights as stock options as one of the types of remuneration for Directors, Auditors, Executives and Employees of the Company Group. This will help the Company retain and recruit human resources required for the Company’s revitalization and growth, and will serve as an incentive to increase their motivation to participate in the Company Group’s business management and contribute to higher performance, as well as the increased corporate value of the Company.

2. Outline of Issuance of Stock Acquisition Rights:

(1) Persons to whom Stock Acquisition Rights will be allotted:

Directors, Auditors, Executives and Employees of the Company and its subsidiaries and affiliates in Japan.

(2) Class and number of shares to be issued upon exercise of Stock Acquisition Rights:

The class of shares to be issued upon the exercise of stock acquisition rights shall be common stock of the Company, and the number of shares to be issued shall not exceed 2,000,000.

If the Company splits its common stock (including allotment of its common stock without compensation; hereinafter the same shall apply) or consolidates its common stock, the number of shares to be issued upon the exercise of stock acquisition rights shall be adjusted in accordance with the following formula; provided that such adjustment shall be made to those that remain unexercised at the time of such adjustment, and any fraction less than one share arising as a result of such adjustment shall be rounded down.

$$\begin{array}{ccccc} \text{Number of shares} & & & & \\ \text{after adjustment} & = & \text{Number of shares} & \times & \text{Ratio of split or} \\ & & \text{before adjustment} & & \text{consolidation} \end{array}$$

If the Company conducts a merger, company split, share exchange, share transfer or the like that makes it necessary to adjust the number of shares, the number of shares shall be adjusted within a reasonable range, taking into account the conditions of the merger, company split, share exchange, share transfer or the like.

(3) Total number of Stock Acquisition Rights to be issued:

Not more than 20,000 units of stock acquisition rights shall be issued.

One hundred shares shall be issued per unit of stock acquisition rights; provided that, in the event of any adjustment of the number of shares stipulated in (2) above, the number of shares to be issued per unit of stock acquisition rights shall be adjusted accordingly.

The date of allotment of stock acquisition rights shall be determined by the Board of Directors, and the Board

of Directors may allot the stock acquisition rights at a plurality of times within the scope of the aforementioned limit.

(4) Cash payment for Stock Acquisition Rights:

No cash payment is required for stock acquisition rights.

(5) Value of assets to be contributed upon the exercise of Stock Acquisition Rights:

The value of assets to be contributed upon the exercise of each stock acquisition rights shall be the value per share to be issued by the exercise of each stock acquisition rights (the “Exercise Value”) multiplied by the number of shares to be issued upon the exercise of one unit of stock acquisition rights.

The Exercise Value shall be the closing price on the Tokyo Stock Exchange on the day immediately prior to the date of the resolution by the Board of Directors of the Company determining the Subscription Requirements of the stock acquisition rights or the closing price on the date of the allotment (if no closing price is available on such day, then the closing price on the trading day immediately preceding such day), whichever is higher.

If the Company splits its common stock or consolidates its common stock after the issuance of stock acquisition rights, the Exercise Value shall be adjusted in accordance with the following formula, and any fraction less than one yen arising as a result of such adjustment shall be rounded up.

$$\text{Exercise Value after adjustment} = \text{Exercise Value before adjustment} \times \frac{1}{\text{Ratio of stock split or stock consolidation}}$$

If shares to be offered are issued at a below-market price (including issuance of shares by allotment of shares without contribution and delivery of treasury shares, but excluding exercise of stock acquisition rights (including bonds with stock acquisition rights) and conversion of securities convertible into common stock of the Company), the Exercise Value shall be adjusted in accordance with the following formula, and any fraction less than one yen arising as a result of such adjustment shall be rounded up. The “Number of shares already issued” in the above formula shall be the total number of issued shares of the Company less the number of treasury shares held by the Company. If the Company disposes of treasury shares, the “Number of shares newly issued” and the “Stock price before new issuance” shall be respectively replaced to read as the “Number of treasury shares disposed of” and the “Stock price before disposal.”

$$\text{Exercise Value after adjustment} = \text{Exercise Value before adjustment} \times \frac{\text{Number of shares already issued} + \frac{\text{Number of shares newly issued} \times \text{Amount paid in per share}}{\text{Stock price before new issuance}}}{\text{Number of shares already issued} + \text{Number of shares newly issued}}$$

If the Company conducts a merger, company split, share exchange, share transfer or the like that makes it necessary to adjust the Exercise Value, the Exercise Value shall be adjusted within a reasonable range, taking into account the conditions of the merger, company split, share exchange, share transfer or the like.

(6) Exercise period of Stock Acquisition Rights:

The exercise period shall be from the date on which two (2) years have passed from the date of allotment of the stock acquisition rights to the date on which seven (7) years have passed from the date of allotment. If the final day of the exercise period falls on a holiday of the Company, the final day shall be the working day

immediately preceding the final day.

(7) Conditions etc. for exercise of Stock Acquisition Rights

- (i) The holders of stock acquisition rights shall remain Directors, Auditors, Executive Officers or employees of the Company or its subsidiaries or affiliates at the time of exercising stock acquisition rights; provided, however, that exceptional treatment may be allowed in this regard in writing by the Board of Directors of the Company in consideration of the circumstances.
- (ii) If an allotment of stock acquisition rights consists of more than 50 units, stock acquisition rights may be exercised by the holder of stock acquisition rights, in whole or in part, according to the following categories.
 - i) The entire allotment of stock acquisition rights shall not be exercised prior to the date on which two (2) years have passed from the date of allotment.
 - ii) 50% of the allotment of stock acquisition rights or 50 units of stock acquisition rights, whichever is larger, may be exercised from the date on which two (2) years have passed from the date of allotment to the date prior to the date on which three (3) years have passed from the date of allotment (if a fraction less than one unit arises in the number of exercisable stock acquisition rights, such fraction shall be rounded down).
 - iii) 80% of the allotment of stock acquisition rights or 50 units of stock acquisition rights, whichever is larger, may be exercised from the date on which three (3) years have passed from the date of allotment to the date prior to the date on which four (4) years have passed from the date of allotment (if a fraction less than one unit arises in the number of exercisable stock acquisition rights, such fraction shall be rounded down).
 - iv) The entire allotment of stock acquisition rights may be exercised from the date on which four (4) years have passed from the date of allotment to the date on which seven (7) years have passed from the date of allotment.
- (iii) Stock acquisition rights shall not be inherited; provided, however, that exceptional treatment may be allowed in this regard in writing by the Board of Directors in consideration of the circumstances.
- (iv) Stock acquisition rights shall not be offered for pledge or disposed of in any other way.
- (v) Other details and conditions shall be determined by the Board of Directors of the Company.

(8) Matters concerning increase in capital and capital reserve by issuing of shares upon exercise of Stock Acquisition Rights:

- (i) Amount of increase in capital by issuing shares upon exercise of stock acquisition rights shall be half of the upper limit of capital increase as calculated pursuant to the provisions of Article 17, Paragraph 1 of the Ordinance on Accounting of Companies, where any resultant fraction less than one yen shall be rounded up.
- (ii) Amount of increase in capital reserve by issuing shares upon exercise of stock acquisition rights shall be the upper limit of capital increase as described in (i) above less the amount of increase in capital set out therein.

(9) Reasons and conditions for the acquisition of Stock Acquisition Rights:

The Company may acquire stock acquisition rights on the date otherwise determined by the Board of Directors of the Company without any compensation therefor in the following cases:

- (i) In the case where a proposal of any merger agreement under which the Company is dissolved, or any absorption-type company split (*kyushu-bunkatsu*) agreement or incorporation-type company split (*shinsetsu-bunkatsu*) plan in which the Company will be a splitting company, or any share exchange agreement or share transfer plan in which the Company will be a wholly owned subsidiary of another company is approved at a General Shareholders' Meeting of the Company (or by the Board of Directors for a company split that does not require the approval of the General Shareholders' Meeting);
 - (ii) In the case where a holder of stock acquisition rights ceases to accommodate the conditions of (7) above before exercising stock acquisition rights; or
 - (iii) In the case where a holder of stock acquisition rights requests a waiver of Stock acquisition rights.
- (10) Restriction on the acquisition of Stock Acquisition Rights by transfer:
Any acquisition of stock acquisition rights by transfer shall require an approval of the Board of Directors of the Company by its resolution.
- (11) Treatment of Stock Acquisition Rights in case of organizational restructuring of the Company:
In the event the Company merges (limited to cases where the Company becomes a dissolving company), performs an absorption-type company split or an incorporation-type company split, or conducts a share exchange or a share transfer (hereinafter collectively "Organizational Restructuring"), stock acquisition rights of a corporation described in Article 236, Paragraph 1, Items 8.1 (イ) through 8.5 (ホ) of the Companies Act of Japan (hereinafter "Restructured Company") shall be delivered under the following conditions to holders of stock acquisition rights remaining unexercised (hereinafter "Remaining stock acquisition rights") at the time when Organizational Restructuring takes effect. In this case, the Remaining stock acquisition rights will lapse and the Restructured Company will issue new stock acquisition rights. However, the foregoing shall apply only to cases in which the delivery of stock acquisition rights of the Restructured Company according to the following conditions is stipulated in the merger agreement, the absorption-type company split agreement, the incorporation-type company split plan, the share exchange agreement or the share transfer plan.
- (i) Number of stock acquisition rights of the Restructured Company to be delivered:
The Restructured Company shall deliver stock acquisition rights, the number of which shall equal the number of Remaining stock acquisition rights held by the holder of the Remaining stock acquisition rights.
 - (ii) Class of shares of the Restructured Company to be issued upon the exercise of stock acquisition rights:
Shares of common stock of the Restructured Company
 - (iii) Number of shares of the Restructured Company to be issued upon the exercise of stock acquisition rights:
To be decided according to (2) and (3) above after taking into consideration the conditions, etc. of the Organizational Restructuring.
 - (iv) Value of the assets to be contributed upon the exercise of stock acquisition rights:
The value of the assets to be contributed upon the exercise of each stock acquisition rights shall be decided according to (5) above after taking into consideration the conditions, etc. of the Organizational Restructuring.
 - (v) Exercise period of stock acquisition rights:
Starting from the later of either the first date of the exercise period of stock acquisition rights as stipulated in (6) above, or the date on which the Organizational Restructuring becomes effective and

- ending on the expiration date for the exercise of stock acquisition rights as stipulated in (6) above.
- (vi) Matters concerning increase in capital and capital reserve to be increased by issuing of shares by the Restructured Company upon the exercise of stock acquisition rights:
To be determined in accordance with (8) above.
- (vii) Restriction on acquisition of stock acquisition rights by transfer:
Acquisition of stock acquisition rights by transfer shall be subject to the approval of the Board of Directors of the Restructured Company (or by the majority decision of Directors if such company is not a company with Board of Directors).
- (viii) Conditions and reasons for the acquisition of stock acquisition rights:
To be determined in accordance with (7) and (9) above.
- (12) Rules pertaining to fractions of less than one share arising from the exercise of Stock Acquisition Rights:
Fractions of less than one share in the number of shares to be delivered to holders of stock acquisition rights who exercised stock acquisition rights shall be rounded down.
- (13) Other details of Stock Acquisition Rights:
Other details of stock acquisition rights shall be determined by the meeting of the Board of Directors to determine the Subscription Requirements of Stock Acquisition Rights.

CONSOLIDATED BALANCE SHEET

(As of March 31, 2019)

(Millions of Yen)

ASSETS		LIABILITIES	
Current Assets	1,141,369	Current Liabilities	813,136
Cash and deposits	266,648	Notes and accounts payable - trade	372,166
Notes and accounts receivable - trade	539,927	Electronically recorded obligations-operating	38,149
Inventories	243,849	Short-term loans payable	81,446
Other	94,944	Current portion of bonds	30,000
Allowance for doubtful receivables	-4,000	Accrued expenses	114,401
		Provision for bonuses	20,639
		Provision for product warranties	19,903
		Provision for sales promotion expenses	12,422
		Provisions for restructuring	666
		Valuation reserve for inventory purchase commitments	17,123
		Other	106,217
Non-Current Assets	724,972	Non-Current Liabilities	680,740
Property, plant and equipment	405,038	Bonds payable	-
Buildings and structures	645,074	Long-term loans payable	538,205
Machinery, equipment and vehicles	1,188,148	Retirement benefit liability	106,636
Tools, furniture and fixtures	218,694	Other	35,898
Land	83,245		
Construction in Progress	47,741		
Other	45,974		
Accumulated depreciation	-1,823,840		
		Total Liabilities	1,493,877
		NET ASSETS	
Intangible Assets	39,695	Shareholders' Equity	457,778
Software	25,763	Capital stock	5,000
Other	13,931	Capital surplus	208,725
		Retained earnings	258,040
		Treasury shares	-13,987
Investments and Other Assets	280,239	Accumulated Other Comprehensive Income	-107,148
Investment securities	185,782	Valuation difference on available-for-sale securities	13,531
Retirement benefit asset	4,172	Deferred gains or losses on hedges	-220
Deferred tax asset	22,740	Foreign currency translation adjustment	-44,251
Other	70,023	Remeasurements of defined benefit plans	-76,208
Allowance for doubtful receivables	-2,480		
Deferred Assets	6	Stock Acquisition Rights	235
Bond issuance cost	6	Non-controlling Interests	21,605
		Total Net Assets	372,471
Total Assets	1,866,349	Total Liabilities and Net Assets	1,866,349

(Note) Fractions rounded down to the nearest million yen.

CONSOLIDATED STATEMENT OF INCOME

(From April 1, 2018 to March 31, 2019)

(Millions of Yen)

Net Sales	2,400,072
Cost of sales	1,975,958
Gross profit	424,113
Selling, general and administrative expenses	339,972
Operating profit	84,140
Non-Operating Income	22,650
Interest and dividend income	4,110
Other	18,540
Non-Operating Expenses	37,779
Interest expenses	4,376
Other	33,403
Ordinary Profit	69,011
Extraordinary Income	14,716
Gain on sales of non-current assets	10,599
Gain on bargain purchase	3,936
Gain on Change in equity	180
Extraordinary Losses	8,139
Loss on sales and retirement of non-current assets	1,161
Impairment loss	6,304
Loss on valuation of investment securities	10
Restructuring charges	355
Loss on liquidation of subsidiaries and associates	307
Profit before income taxes	75,587
Income taxes-current	13,698
Income taxes-deferred	-11,523
Profit	73,412
Profit (Loss) attributable to non-controlling interests	-814
Profit attributable to owners of parent	74,226

(Note) Fractions rounded down to the nearest million yen.

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

(From April 1, 2018 to March 31, 2019)

(Millions of Yen)

	Shareholders' Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	5,000	295,332	204,906	-13,936	491,302
Changes of items during period					
Dividends of surplus			-21,092		-21,092
Profit attributable to owners of Parent			74,226		74,226
Changes in ownership interest of parent due to transactions with non-controlling interests		-1,512			-1,512
Capital increase of consolidated subsidiaries		7			7
Purchase of treasury shares				-85,164	-85,164
Disposal of treasury shares		5		6	12
Retirement of treasury shares		-85,107		85,107	—
Net changes of items other than shareholders' equity					
Total changes of items during Period	—	-86,607	53,134	-50	-33,523
Balance at end of current period	5,000	208,725	258,040	-13,987	457,778

	Accumulated Other Comprehensive Income					Stock Acquisition Rights	Non-Controlling Interests	Total Net Assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance beginning of current period	16,876	-3,205	-47,302	-79,330	-112,961	106	23,265	401,713
Changes of items during period								
Dividends of surplus								-21,092
Profit attributable to owners of Parents								74,226
Changes in ownership interest of parent due to transactions with non-controlling interests								-1,512
Capital increase of consolidated subsidiaries								7
Purchase of treasury shares								-85,164
Disposal of treasury shares								12
Retirement of treasury shares								-
Net changes of items other than shareholders' equity	-3,344	2,985	3,051	3,122	5,813	128	-1,660	4,281
Total changes of items during period	-3,344	2,985	3,051	3,122	5,813	128	-1,660	-29,241
Balance at end of current period	13,531	-220	-44,251	-76,208	-107,148	235	21,605	372,471

(Notes) Fractions rounded down to the nearest million yen.

BALANCE SHEET (based on non-consolidated results)

(As of March 31, 2019)

(Millions of Yen)

ASSETS		LIABILITIES	
Current Assets	653,746	Current Liabilities	563,187
Cash and deposits	164,607	Notes payable	3,599
Notes receivable	625	Electronically recorded obligations-operating	36,908
Accounts receivable	303,305	Accounts payable-trade	175,707
Lease assets	3,460	Short-term borrowings	47,299
Finished products	60,822	Bonds scheduled to be redeemed within one year	30,000
Work in process	20,983	Lease liabilities	2,749
Raw materials and supplies	7,703	Accounts payable-other	15,992
Advance payments	16,042	Accrued expenses	78,551
Prepaid expenses	370	Income taxes payable	1,749
Other	77,516	Advances received	11,198
Allowance for doubtful receivables	-1,691	Deposits received	65,937
		Accrued employees' bonuses	11,100
Non-Current Assets	796,997	Accrued product warranty	6,353
Property, plant and equipment	321,890	Valuation reserve for inventory purchase commitments	17,123
Buildings	135,705	Provision for business loss on subsidiaries and associates	55,644
Structures	3,841	Other	3,270
Machinery and equipment	52,388		
Vehicles	17	Non-Current Liabilities	567,582
Tools, furniture and fixtures	7,215	Long-term borrowings	534,993
Land	78,410	Accrued retirement benefits	11,810
Lease assets	2,523	Lease liabilities	9,170
Construction in progress	41,788	Other	11,608
Intangible Assets	22,889	Total Liabilities	1,130,770
Industrial property	20	NET ASSETS	
Rights to use facilities	6	Shareholders' Equity	308,019
Software	22,862	Capital Stock	5,000
Investments and Other Assets	452,217	Capital Surplus	200,890
Investment securities	114,876	Capital reserve	1,250
Stocks of subsidiaries and associates	232,641	Other capital surplus	199,640
Investments in capital of subsidiaries and associates	49,806	Retained Earnings	116,116
Long-term loans	2,183	Other retained earnings	116,116
Long-term prepaid expenses	5,982	Reserve for advanced depreciation on non-current assets	2,574
Differed tax asset	3,214	Retained earnings carried forward	113,542
Other	45,583	Treasury Stock	-13,987
Allowance for doubtful receivables	-2,071	Valuation and Translation Adjustments	11,732
Deferred Assets	6	Valuation difference on available-for-sale securities	12,023
Bond issuance cost	6	Deferred gains or losses on hedges	-291
		Stock Acquisition Rights	227
Total Assets	1,450,749	Total Net Assets	319,979
		Total Liabilities and Net Assets	1,450,749

(Note) Fractions rounded down to the nearest million yen.

STATEMENT OF INCOME (based on non-consolidated results)

(From April 1, 2018 to March 31, 2019)

(Millions of Yen)

Net Sales	1,592,005
Cost of sales	1,411,965
Gross profit	180,039
Selling, general and administrative expenses	130,663
Operating profit	49,376
Non-Operating Income	28,288
Interest and dividend income	11,834
Other	16,454
Non-Operating Expenses	16,463
Interest expenses	3,533
Other	12,930
Ordinary Profit	61,201
Extraordinary Income	13,380
Gain on sales of non-current assets	9,937
Gain on sales of shares of subsidiaries and associates	329
Refund of Provision for loss on business of subsidiaries and associates	3,113
Extraordinary Losses	15,329
Loss on sales and retirement of non-current assets	646
Impairment loss	970
Loss on sales of stocks of subsidiaries and associates	13,356
Restructuring charges	355
Profit (Loss) before income taxes	59,253
Corporate income, inhabitant and business taxes	3,509
Adjustment to income taxes	-10,275
Profit (Loss)	66,018

(Note) Fractions rounded down to the nearest million yen.

STATEMENT OF CHANGES IN NET ASSETS (based on non-consolidated results)

(From April 1, 2018 to March 31, 2019)

(Millions of Yen)

	Shareholders' Equity						
	Common Stock	Capital Surplus			Retained Earnings		
		Capital Reserve	Other Capital Surplus	Total Capital Surplus	Other Retained Earnings		Total Retained Earnings
					Reserve for Deferred Gains on Fixed Assets	Retained Earnings Carried Forward	
Balance at beginning of current period	5,000	1,250	293,683	294,933	4,081	67,108	71,189
Changes of items during Period							
Reduction due to company split			-8,933	-8,933			
Reversal of reserve for advanced depreciation of non-current assets					-1,507	1,507	—
Dividends of surplus						-21,092	-21,092
Profit (Loss)						66,018	66,018
Purchase of treasury shares							
Disposal of treasury shares			-1	-1			
Retirement of treasury shares			-85,107	-85,107			
Net changes of items other than shareholders' equity							
Total changes of items during the period	—	—	-94,042	-94,042	-1,507	46,433	44,926
Balance at end of current period	5,000	1,250	199,640	200,890	2,574	113,542	116,116

	Shareholders' Equity		Valuation and Translation Adjustments			Stock Acquisition rights	Total Net Assets
	Treasury Stock	Total Shareholders' Equity	Net Unrealized Holding Gains on Securities	Deferred Gains on Hedges	Total Valuation and Translation Adjustments		
Balance at beginning of current period	-13,932	357,191	15,047	-2,912	12,134	98	369,424
Changes of items during period							
Reduction due to company split		-8,933					-8,933
Reversal of reserve for advanced depreciation on non-current assets		—					—
Dividends of surplus		-21,092					-21,092
Profit (Loss)		66,018					66,018
Purchase of treasury stock	-85,164	-85,164					-85,164
Disposal of treasury stock	2	0					0
Retirement of treasury shares	85,107	—					—
Net changes of items other than owners' equity			-3,023	2,620	-402	128	-273
Total changes of items during the period	-55	-49,171	-3,023	2,620	-402	128	-49,445
Balance at end of current period	-13,987	308,019	12,023	-291	11,732	227	319,979

(Notes) Fractions rounded down to the nearest million yen.