

OFFERING CIRCULAR

Sharp Corporation

(incorporated with limited liability in Japan)

Sharp International Finance (U.K.) Plc

(incorporated with limited liability in England)

U.S.\$700,000,000

Euro Medium Term Note Programme

Due from one month to 30 years from the date of original issue

This document (the "Offering Circular") is issued to update, amend and restate, and supersedes, the offering circular of Sharp Corporation ("Sharp") and Sharp International Finance (U.K.) Plc ("SIF") dated 7th February, 2011 (as supplemented on 12th May, 2011). Under its Euro Medium Term Note Programme described in this Offering Circular (the "Programme"), Sharp and SIF (together, the "Issuers" and each, in relation to Notes issued by it, an "Issuer"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the "Notes"). The aggregate nominal amount of Notes outstanding will not at any time exceed U.S.\$700,000,000 (or the equivalent in other currencies at the date of issue). Any Notes issued under the Programme on or after the date of this Offering Circular are issued subject to the provisions herein. This does not affect any Notes issued prior to the date hereof.

The Notes issued by SIF are not guaranteed by Sharp but SIF has the benefit of a keep well agreement dated 22nd April, 1994 (the "Keep Well Agreement") entered into between SIF and Sharp. See "Relationship with Sharp Corporation".

Application has been made to the Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000 ("FSMA") (the "UK Listing Authority") for Notes issued under the Programme for the period of 12 months from the date of this Offering Circular to be admitted to the official list of the UK Listing Authority (the "Official List") and to the London Stock Exchange plc (the "London Stock Exchange") for such Notes to be admitted to trading on the London Stock Exchange's Professional Securities Market (the "Market"). The Market is not a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments. Notes may be issued pursuant to the Programme which will not be listed on the Official List and admitted to trading on the Market (or any other stock exchange). The relevant pricing supplement in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Official List and admitted to trading on the Market (or any other stock exchange).

Sharp has been rated long-term: A+/short-term: a-1 by Rating and Investment Information, Inc., short-term: A-2 by Standard & Poor's Ratings Japan K.K. and short-term: P-2 by Moody's Japan K.K.. The Programme has been rated A+ by Rating and Investment Information, Inc. Moody's Japan K.K., Standard & Poor's Ratings Japan K.K. and Rating and Investment Information, Inc. are not established in the European Union and have not applied for registration under Regulation (EC) No 1060/2009 on credit rating agencies (the "CRA Regulation"). However, Moody's Investor Services Ltd. and Standard & Poor's Credit Market Services Europe Limited, which are affiliates of Moody's Japan K.K. and Standard & Poor's Ratings Japan K.K., respectively, are established in the European Union and registered under the CRA Regulation indicating an intention to endorse the ratings of certain of their respective non-EU affiliates. Moody's Japan K.K., Standard & Poor's Ratings Japan K.K. and Rating and Investment Information, Inc. are registered with the Financial Services Agency of Japan. Tranches (as defined in "Issue of Notes" below) of Notes to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating assigned to the Programme.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Each Tranche of Notes having an original maturity of more than one year will initially be represented by a temporary Global Note and each Tranche of Notes having an original maturity of one year or less will initially be represented by a permanent Global Note which, in each case, will be deposited on the issue date with a common depositary on behalf of Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg") (the "Common Depositary") or otherwise delivered as agreed between the relevant Issuer and the relevant Dealer. Interests in temporary Global Notes will be exchangeable for interests in permanent Global Notes or, if so stated in the relevant Pricing Supplement, for definitive Notes after the date falling 40 days after the issue date, upon certification as to non-U.S. beneficial ownership, and interests in permanent Global Notes will be exchangeable for definitive Notes, in each case as described under "Summary of Provisions Relating to the Notes while in Global Form".

In the case of the issue of any Notes which are to be offered to the public in a Member State of the European Economic Area in circumstances which would otherwise require the publication of a prospectus under the Prospectus Directive (2003/71/EC) (the "Prospectus Directive"), the minimum specified denomination of such Notes shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes).

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Offering Circular. The Offering Circular does not describe all of the risks of an investment in the Notes.

Dealers

Citigroup

Goldman Sachs International

Mitsubishi UFJ Securities International plc

Morgan Stanley

The Royal Bank of Scotland

Daiwa Capital Markets Europe

J.P. Morgan

Mizuho International plc

Nomura

UBS Investment Bank

Arranged by

Goldman Sachs International

The date of this Offering Circular is 7th February, 2012.

This Offering Circular, comprises listing particulars in relation to SIF and, with the exception of the information contained in the sections entitled “Sharp International Finance (U.K.) Plc” on pages 57 to 59 and paragraphs 3, 7 and 13 under “General Information” on pages 81 to 83 of this document, comprises listing particulars in relation to Sharp, given in compliance with the listing rules (the “Listing Rules”) made under Section 74 of FSMA by the UK Listing Authority for the purpose of giving information with regard to the Issuers and the consolidated subsidiaries of Sharp (Sharp, together with its consolidated subsidiaries and affiliates, the “Group”) and the Notes which, according to the particular nature of the Issuers, the Group and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the relevant Issuer (in relation to the relevant Issuer, “Listing Particulars”). Accordingly, each Issuer accepts responsibility for the information contained in its Listing Particulars. To the best of the knowledge of each of the Issuers (each having taken all reasonable care to ensure that such is the case) the information contained in its Listing Particulars is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Offering Circular is to be read in conjunction with all documents which are incorporated herein by reference (see “Documents Incorporated by Reference”).

No person has been authorised to give any information or to make any representation other than those contained in this Offering Circular in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by either of the Issuers or any of the Dealers or the Arranger (each as defined in “Plan of Distribution”). Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no material change in the affairs of each of the Issuers since the date hereof or the date upon which this Offering Circular has been most recently amended, restated or supplemented or that there has been no material adverse change in the financial condition of each of the Issuers since the date hereof or the date upon which this Offering Circular has been most recently amended, restated or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Offering Circular and the offer or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuers, the Dealers and the Arranger to inform themselves about and to observe any such restriction. For a description of certain further restrictions on offers and sales of Notes and distribution of this document, see “Plan of Distribution”. The Notes have not been and will not be registered under the United States Securities Act of 1933 (the “Securities Act”) and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as designed in the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder). There are also restrictions on the offer and sale of Notes and/or the circulation of documents relating thereto involving Japan and the United Kingdom or persons connected therewith (see “Plan of Distribution”).

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the “FIEL”) and the Notes issued by Sharp are subject to the Special Taxation Measures Law of Japan (Law No. 26 of 1957, as amended) (the “Special Taxation Measures Law”). By purchasing the Notes issued by Sharp, an investor will be deemed to have represented that it is, for Japanese tax purposes, neither (a) a resident of Japan (which term as used in this paragraph means any person resident in Japan or any Japanese corporation under the Special Taxation Measures Law excluding certain financial institutions defined in article 6, paragraph 9 of the Special Taxation Measures Law and any other excluded category of persons, corporations or other entities under the Special Taxation Measures Law), nor (b)

any individual non-resident of Japan or non-Japanese corporation that in either case is a person having a special relationship with Sharp as described in article 6, paragraph 4 of the Special Taxation Measures Law (the “specially-related person of Sharp”).

This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuers or the Dealers to subscribe for, or purchase, any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction.

To the fullest extent permitted by law, none of the Dealers or the Arranger accept any responsibility for the contents of this Offering Circular or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuers or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Offering Circular or any such statement. Neither this Offering Circular nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuers, the Dealers or the Arranger that any recipient of this Offering Circular or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuers during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

In connection with the issue of any Tranche (as defined in “Issue of Notes”), the Dealer or Dealers (if any) named as the stabilising manager(s) (the “Stabilising Manager(s)”) (or any person acting on behalf of any Stabilising Manager(s)) in the applicable Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time and must be brought to an end after a limited period. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and

- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

In this Offering Circular, unless otherwise specified or the context otherwise requires, references to “Japanese yen”, “yen” and “¥” are to the lawful currency of Japan, references to “Euro”, “EUR” and “€” are to the lawful currency of those members of European Union which are participating in the European Economic and Monetary Union pursuant to the Treaty on European Union, as amended, and references to “U.S. dollars”, “\$” and “U.S.\$” are to the lawful currency of the United States of America. Unless otherwise specified, where financial information in relation to either of the Issuers has been translated into U.S. dollars, it has been so translated at rates of exchange prevailing in the relevant periods, or on the relevant dates shown.

ISSUE OF NOTES

Notes will be issued individually in series (each a “Series”) or on a continuous basis in a Series having one or more issue dates and (except in respect of the first payment of interest) on terms otherwise identical, the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “Tranche”) on different issue dates. The specific terms of each Series (which will be supplemented, where necessary, with supplemental terms and conditions) will be set forth in a pricing supplement to this Offering Circular (a “Pricing Supplement”) which will contain the information described under “Pricing Supplement”.

DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular should be read and construed in conjunction with (i) the audited consolidated financial statements of Sharp for the financial years ended 31st March, 2010 and 2011, together with the audit reports thereon included on pages 42 to 63 (inclusive) of Sharp’s annual report 2010 and pages 42 to 65 (inclusive) of Sharp’s annual report 2011, respectively, (ii) the audited financial statements of SIF for the financial years ended 31st March, 2010 and 2011, together with the audit reports thereon included on pages 6 to 34 (inclusive) of SIF’s 2010 report and accounts and pages 6 to 31 (inclusive) of SIF’s 2011 report and accounts, respectively and (iii) pages 7 to 12 (inclusive) of the unaudited consolidated financial results of Sharp for the second quarter ended 30th September, 2011. Documents incorporated by reference herein have previously been published or are simultaneously being published with this Offering Circular and have been approved by the Financial Services Authority or filed with it. Such pages of such documents shall be incorporated in, and form part of this Offering Circular, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute part of this Offering Circular.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

Copies of documents incorporated by reference in this Offering Circular may be obtained without charge from the office of the Paying Agent set out at the end of this Offering Circular.

The audited financial statements of Sharp are prepared and presented in accordance with generally accepted accounting principles in Japan (“Japanese GAAP”). Material differences exist between Japanese GAAP and International Financial Reporting Standards which may be material to the financial information herein. Prospective Investors must make their own assessment of such differences. The audited financial statements of SIF are prepared and presented in accordance with generally accepted accounting principles in the United Kingdom.

This Offering Circular, together with each Pricing Supplement issued in respect of each Tranche of Notes, may only be used in connection with the offer, sale and listing of Notes in an aggregate nominal amount of not more than U.S.\$700,000,000 (or its equivalent in other currencies) outstanding at any time. References herein to “Offering Circular” shall include any relevant Pricing Supplement.

Only the sections or pages of Sharp’s annual reports, SIF’s report and accounts and Sharp’s unaudited consolidated financial results referred to above shall be incorporated by reference in, and form part of, this Offering Circular. Any sections or pages of the annual reports and report and accounts which have been omitted therefrom are either not relevant for investors or are covered elsewhere in this Offering Circular.

SUPPLEMENTARY LISTING PARTICULARS

Each of the Issuers has given an undertaking to the Dealers generally and in connection with the listing of Notes on the Official list and admission to trading on the Market to the effect that if, after preparation of this Offering Circular for submission to the UK Listing Authority and so long as any Notes are outstanding a significant new factor, material mistake or inaccuracy arises which is capable of affecting the assessment of the Notes, the inclusion of which would have been required to be mentioned in this Offering Circular if it had arisen at the time of its preparation, whose inclusion was required by Section 81 of the FSMA or by the UK Listing Authority, each Issuer shall publish supplementary listing particulars as may be required by the UK Listing Authority and Section 81 of the FSMA, and shall supply to each Dealer such number of copies of supplementary listing particulars as such Dealer may reasonably request.

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SUMMARY OF THE PROGRAMME

The following summary is qualified in its entirety by the remainder of this Offering Circular.

Issuers	Sharp Corporation Sharp International Finance (U.K.) Plc
Keep Well Agreement	SIF has the benefit of a Keep Well Agreement with Sharp. This is not a guarantee.
Description	Continuously Offered Euro Medium Term Note Programme
Arranger	Goldman Sachs International
Dealers	Citigroup Global Markets Limited Daiwa Capital Markets Europe Limited Goldman Sachs International J.P. Morgan Securities Ltd. Mitsubishi UFJ Securities International plc Mizuho International plc Morgan Stanley & Co. International plc Nomura International plc The Royal Bank of Scotland plc UBS Limited together with such other Dealers as may be appointed under the Programme.
Fiscal Agent	Citibank, N.A., London Branch, at its specified office in London
Size	Up to U.S.\$700,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
Currencies	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in U.S. dollars, Australian dollars, Canadian dollars, Danish Kroner, Euro, Hong Kong dollars, New Zealand dollars, Swedish Kroner, Swiss Francs or yen or in other currencies, which (without limitation) in respect of issues of notes denominated in sterling will require amendment to this Offering Circular and other Programme documentation, if the relevant Issuer and the relevant Dealer(s) so agree.
Maturities	Such maturities as may be agreed between the relevant Issuer and the relevant Dealer(s) and as indicated in the applicable Pricing Supplement, subject to such minimum or maximum maturity as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Issuer or the relevant currency. Subject to compliance with the above paragraph and all relevant laws, regulations and directives, Notes issued under the Programme may be of any maturity between one month and 30 years.
Denominations	<i>Notes issued by SIF</i> Notes will be in such denominations as may be specified in the relevant Pricing Supplement, save that (i) in the case of any Notes which are to be offered to the public in a Member State of the European Economic Area in

circumstances which would otherwise require the publication of a prospectus under the Prospectus Directive, the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes) and (ii) unless otherwise permitted by then current laws and regulations, Notes which must be redeemed before the first anniversary of their date of issue will have a minimum specified denomination of £100,000 (or its equivalent in other currencies).

Notes issued by Sharp

Notes will be in such denominations as may be specified in the relevant Pricing Supplement, save that (i) in the case of any Notes which are to be offered to the public in a Member State of the European Economic Area in circumstances which would otherwise require the publication of a prospectus under the Prospectus Directive, the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes) and (ii) unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which must be redeemed before the first anniversary of their date of issue and in respect of which the issue proceeds are to be accepted by Sharp in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA will have a minimum specified denomination of £100,000 (or its equivalent in other currencies). Furthermore, Notes issued by Sharp will at all times have a minimum specified denomination of at least €1,000 (or its equivalent in other currencies).

Method of Issue

The Notes may be issued on a syndicated or non-syndicated basis. The Notes will be issued in one or more Series (which may be issued on the same date or which may be issued in more than one Tranche on different issue dates on terms otherwise identical). The Notes may be issued in Tranches on a continuous basis. Further Notes may be issued as part of an existing Series.

Form of Notes

The Notes will be in bearer form only. Each issue of Notes having an original maturity of more than one year will initially be represented by a temporary Global Note and each issue of Notes having an original maturity of one year or less will initially be represented by a permanent Global Note which, in each case, will be deposited on the issue date with the Common Depositary on behalf of Euroclear and Clearstream, Luxembourg or otherwise delivered as agreed between the relevant Issuer and the relevant Dealer(s). No interest will be payable in respect of a temporary Global Note except as described under “Summary of Provisions Relating to the Notes while in Global Form”. Interests in temporary Global Notes will be exchangeable for interests in permanent Global Notes or, if so stated in the relevant Pricing Supplement, for definitive Notes after the date falling 40 days after the issue date upon certification as to non-U.S. beneficial ownership. Interests in permanent Global Notes will be exchangeable for definitive Notes as described under “Summary of Provisions Relating to the Notes while in Global Form”.

Issue Price

Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.

	Partly Paid Notes (as defined below) may be issued, the issue price of which will be payable in two or more instalments.
Fixed Interest Rate Notes	Fixed interest with respect to Fixed Rate Notes (as defined below) will be payable in arrear on the date or dates in each year specified in the relevant Pricing Supplement.
Floating Rate Notes	<p>Floating Rate Notes (as defined below) will bear interest determined separately for each Series as follows:</p> <ul style="list-style-type: none"> (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.; or (ii) by reference to LIBOR, LIBID, LIMEAN or EURIBOR (or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin. <p>Interest periods will be specified in the relevant Pricing Supplement.</p>
Zero Coupon Notes	Zero Coupon Notes (as defined below) may be issued at their nominal amount or at a discount to it and will not bear interest.
Dual Currency Notes	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes (as defined below) will be made in such currencies, and based on such rates of exchange as may be specified in the relevant Pricing Supplement.
Index Linked Notes	Payments of principal in respect of Index Linked Redemption Notes (as defined below) or of interest in respect of Index Linked Interest Notes (as defined below) will be calculated by reference to such index and/or formula as may be specified in the relevant Pricing Supplement and/or (if relevant) a supplement to this Offering Circular.
Variable Coupon Amount Notes	The basis for calculating the amounts of interest payable, which may be by reference to a stock index or formula, will be provided in the relevant Pricing Supplement and/or (if relevant) a supplement to this Offering Circular.
Interest Periods and Interest Rates	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement and/or (if relevant) a supplement to this Offering Circular.
Variable Redemption Amount Notes	The basis for calculating the redemption amounts payable, which may be by reference to a stock index or formula, will be provided in the relevant Pricing Supplement and/or (if relevant) a supplement to this Offering Circular.
Redemption by Instalments	In respect of each issue of Notes which are redeemable in two or more instalments, the dates on which, and the amounts in which, such Notes may be redeemed will be set out in the Pricing Supplement.

Other Notes	Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, dual currency Notes, reverse dual currency Notes, optional dual currency Notes and any other type of Notes which the relevant Issuer and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Pricing Supplement and/or (if relevant) a supplement to this Offering Circular.
Optional Redemption	The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the relevant Issuer (either in whole or in part) and/or the holders, and if so the terms applicable to such redemption.
Status of Notes	The Notes will constitute direct, unconditional and unsecured obligations of the relevant Issuer, all as described in “Terms and Conditions of the Notes”.
Negative Pledge and Cross Default	As described in “Terms and Conditions of the Notes”.
Early Redemption	Except as provided in “Optional Redemption” above, Notes will be redeemable at the option of the relevant Issuer prior to maturity only for tax reasons.
Withholding Tax	<p><i>Notes issued by Sharp</i></p> <p>Interest payments on the Notes generally will be subject to Japanese withholding tax unless the holder thereof establishes that the Notes are held by or for the account of a holder that is not an individual resident of Japan or a Japanese corporation for Japanese tax purposes or is a designated Japanese financial institution described in Article 6 of the Special Taxation Measures Law all as described in “Terms and Conditions of the Notes” and “Japanese Taxation”.</p> <p><i>Notes issued by SIF</i></p> <p>All payments of principal and interest in respect of the Notes will be made free and clear of withholding or deduction for, or on account of United Kingdom tax, unless such withholding or deduction is required by law, in which case, the Issuer will be required to pay such additional amounts as may be necessary in order that the net amounts received by holders after such withholding or deduction equals the amounts that such holders would have received had such withholding or deduction not been required, subject to certain exceptions (including the IPMA Standard EU Exception), all as described in Condition 7 of the “Terms and Conditions of the Notes”.</p>
Governing Law	English.
Listing	Application has been made to list Notes issued under the Programme within 12 months of the approval of this Offering Circular on the Official List and to admit them to trading on the Market or as otherwise specified in the relevant Pricing Supplement. As specified in the relevant Pricing Supplement, a Series of Notes may be unlisted. Each Series will either be unlisted or listed on the Official List and admitted to trading on the Market and/or such other stock exchange as is specified in the relevant Pricing Supplement.
Rating	The Programme has been rated A+ by Rating and Investment Information,

Inc. Rating and Investment Information, Inc. is not established in the European Union and has not applied for registration under the CRA Regulation. Rating and Investment Information, Inc. is registered with the Financial Services Agency of Japan. Tranches of Notes to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating assigned to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Selling Restrictions

There are selling restrictions in relation to the United States, the European Economic Area (including the United Kingdom) and Japan in connection with the offer, sale and transfer of Notes. See “Plan of Distribution” below.

RISK FACTORS

The Issuers believe that the following factors may affect their ability to fulfil their obligations under the Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuers are not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuers believe may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuers believe that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuers to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuers do not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

Factors that may affect each Issuer's ability to fulfil its obligations under Notes issued under the Programme

The Group's main business is the manufacture and sale of telecommunication and electronic devices and electronic appliances and components. The scope of business includes mostly electronic machinery and appliances, and users of products produced by the Group include general consumers, business corporations, the government and other public offices in Japan and abroad, giving the Group a global operational presence. Therefore, the results of the Group are subject to a broad array of varying factors.

Global Market Situation

The Group's products and services are manufactured and sold in various areas around the world and factors such as business and consumption trends in each area (especially trends in consumer spending and business investment by corporations), competition with other companies, demand for products, provision of raw materials and fluctuations in prices may have an effect on the business results and financial condition of the Group. In addition, political and economic conditions in these areas may also have negative effects on the business results and financial condition of the Group.

Influence of Exchange Rate Fluctuations

As a percentage of the Group's consolidated net sales, overseas sales (being sales made by the Group with customers outside Japan) amounted to 54.3 per cent., 48.1 per cent. and 47.3 per cent., respectively, for the years ended 31st March, 2009, 2010 and 2011. The Group offsets the risks of fluctuations in various currency exchange rates by foreign exchange contract and other risk-hedging arrangements and through the expansion and enhancement of its production capacities outside of Japan. However, the performance of the Group is still influenced by exchange rate fluctuations which may have a negative impact on the Group's financial status.

Strategic Alliance and Cooperation

The Group conducts acquisitions of corporations and enters into strategic alliances in order to develop new technologies and products and to enhance its competitive edge in all business areas. If the Group is unable to maintain these alliances with its strategic partners due to strategic or other unforeseen problems, or if it is unable to obtain satisfactory results from these cooperative relations, the performance and the financial status of the Group may be negatively affected.

Clients and Business Partners

The Group procures materials and services from many clients and business partners. While the Group carries out credit investigations of its clients and business partners, a decline in the business performance of such clients or business partners due to a decrease in demand and/or a material decline in prices of the products and services they provide or an unexpected change in their control (e.g. merger and acquisition), natural disaster and accidents, poor quality of procured components or corporate scandals such as violation of law may have a negative effect on the performance or financial status of the Group.

Technical Innovation

Technical innovation progresses rapidly in the market in which the Group conducts its business and changes in social infrastructure or market competition may have a negative effect on the performance and financial status of the Group.

Intellectual Property Rights

Although the Group aims to protect its proprietary technology by obtaining patent rights, trademarks and other intellectual property rights within and outside of Japan and by agreement with other companies, the Group may not be able to obtain sufficient protection for its proprietary technologies in all cases (for example, if rights are not granted following an application by the Group or if a third party files a claim to invalidate intellectual property rights held by the Group). In addition, it is possible that a third party may use the Group's intellectual property illegitimately, that intellectual property rights held by the Group may not result in a competitive advantage or that the Group may not be able to make effective use of such intellectual property rights. It is also possible that third parties may claim that the Group infringed its intellectual property rights and the Group may be forced to expend substantial resources resolving such a claim. Furthermore, if such a third party infringement claim is upheld, the Group may be forced to pay a substantial amount of compensation and may incur further losses if it is not permitted to continue using the technology. Also, as a result of mergers and acquisitions by and of third party licensees, other third parties which do not currently hold a licence may acquire one, and the Group may lose the competitive advantage of such intellectual property. Merger and acquisition activity may also result in the Group becoming subject to new restrictions, , the resolution of which may require further payment. Finally, although the Group provides its employees with compensation for employee inventions, an employee may make a claim against the Group to demand payment of a "reasonable reward" under Japanese law or a similar claim under the laws of other jurisdictions.

If any of the foregoing problems concerning intellectual property arise, they may have a negative effect on the Group's performance and financial status.

Product Liability

The Group manufactures its products in accordance with strict quality control standards imposed in the countries in which it operates and by the Group itself in order to provide high quality products, and it purchases world-wide product liability insurance in order to discharge its responsibilities as a manufacturer in case there are defects or alleged defects in its products. However, a major product recall or litigation due to unexpected events may have a negative effect on the Group's brand image as well as its performance and financial status.

Legal Restrictions

The Group is subject to various regulatory restrictions, such as business and investment approval, export restrictions, customs duties, accounting standards, and the tax systems of the countries in which it conducts business. The business of the Group is also subject to various legal restrictions relating to trade, anti-trust, product liability, consumer protection, intellectual property, product safety, the environment, recycling and

internal control related laws and regulations. Changes in such legal restrictions in any jurisdiction in which the Group operates may have a negative effect on the Group's performance and financial status.

If an accident occurs related to one of the Group's products, disclosure of the incident pursuant to the accident reporting and disclosure system under the Consumer Products Safety Act or relevant guidance in Japan or similar requirements in other jurisdictions in which the Group operates may lower the brand image of the Group.

Lawsuits and Other Legal Proceedings

The Group conducts business operation worldwide, and is subject to risks related to lawsuits and other legal proceedings in the regions the Group operates. Differences in legal and judicial system region by region make it difficult for the Group to predict the results of lawsuits and legal proceedings in which the Group is currently involved or which may arise in the future.

In respect of the Group's thin-film transistor liquid crystal display business, the Group is currently being investigated by the Directorate General for Competition of the European Commission and has also been served with civil actions for claims for damages in North America and Europe. The Group has also been served with an abatement and payment of charges order by the Japan Fair Trade Commission. However, Sharp has submitted a complaint to the Commission which is pending. It is difficult to predict with certainty the outcome of such procedures and actions at this time.

An adverse outcome of such lawsuits and legal proceedings including measures taken by the regulating authority may have a negative effect on the performance or financial condition of the Group.

Leaking of Personal Information and Other Information

The Group holds the personal information of clients, business partners, employees and other confidential information. The Group takes care to protect such information and promotes measures such as employee education and internal audits to ensure that employees observe the Group's administrative guidelines under its administrative structure. However, any leak of such personal information, whether deliberate or accidental, may have an effect on the performance or financial status of the Group, such as a decline in the Group's brand image or an increase in expenses stemming from, for example, the prevention of the leakage of such information or compensation for damages.

Other Major Variation Factors

Other than the factors indicated above, the performance of the Group may be influenced by various factors such as accidents, earthquakes, typhoons, viral pandemics such as the spread of a new strain of influenza and other natural calamities and large fluctuations in the international stock and bond markets.

Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Index Linked Notes and Dual Currency Notes

The Issuers may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a "relevant factor"). In addition, the Issuers may issue Notes with principal or interest payable in one or

more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero;
- (v) a relevant factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a relevant factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the relevant factor on principal or interest payable likely will be magnified; and
- (vii) the timing of changes in a relevant factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the relevant factor, the greater the effect on yield.

Partly Paid Notes

The Issuers may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

Variable Rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Notes

Inverse floating rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse floating rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed/Floating Rate Notes

Fixed/floating rate Notes may bear interest at a rate that the relevant Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The relevant Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the relevant Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the relevant Issuer converts from a fixed rate to a floating rate, the spread on the fixed/floating rate Notes may be less favourable than then prevailing spreads on comparable floating rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the relevant Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Risks related to Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

Modification and waivers

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

European Monetary Union

If the United Kingdom joins the European Monetary Union prior to the maturity of the Notes, there is no assurance that this would not adversely affect investors in the Notes. It is possible that prior to the maturity of the Notes the United Kingdom may become a participating Member State and that the Euro may become the lawful currency of the United Kingdom. In that event (i) all amounts payable in respect of any Notes denominated in Sterling may become payable in Euro, (ii) the law may allow or require such Notes to be redenominated into Euro and additional measures to be taken in respect of such Notes and (iii) there may no longer be available published or displayed rates for deposits in Sterling used to determine the rates of interest on such Notes or changes in the way those rates are calculated, quoted and published or displayed. The introduction of the Euro could also be accompanied by a volatile interest rate environment, which could adversely affect investors in the Notes.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the “Savings Directive”), each Member State is required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to (or for the benefit of) an individual or to certain other persons in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld) (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland) with effect from the same date.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the relevant Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The relevant Issuer is required, save as provided in Condition 6(d) of the Notes, to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Savings Directive.

Change of law

The Terms and Conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes.

Integral multiples of less than €100,000

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination of €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes) plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of €100,000 (or its equivalent) that are not integral multiples of €100,000 (or its equivalent). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

Risks related to the market generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

In addition, investors should be aware of the prevailing and widely reported global credit market conditions (which continue at the date of this Offering Circular), whereby there is a general lack of liquidity in the secondary market. The Issuers cannot predict how and when these circumstances will change.

Exchange rate risks and exchange controls

The relevant Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "investor's currency") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the investor's currency) and the risk that authorities with jurisdiction over the investor's currency may impose or modify exchange controls. An appreciation in the value of the investor's currency relative to the Specified Currency would decrease (i) the investor's currency-equivalent yield on the Notes, (ii) the investor's currency equivalent value of the principal payable on the Notes and (iii) the investor's currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in fixed rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of fixed rate Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the relevant Pricing Supplement, will be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are issued pursuant to an amended and restated agency agreement (as amended or supplemented as at the date of the issue of the Notes (the “Issue Date”), the “Agency Agreement”) dated 7th February, 2011, between Sharp Corporation (“Sharp”), Sharp International Finance (U.K.) Plc (“SIF”) (each an “Issuer” and together the “Issuers”), Citibank, N.A. London Branch, acting through its London office as fiscal and principal paying agent (the “Fiscal Agent”) and The Bank of New York Mellon (Luxembourg) S.A. as paying agent (together with the Fiscal Agent and any additional or other paying agents in respect of the Notes from time to time appointed, the “Paying Agents”) and with the benefit of a Deed of Covenant dated [7th February, 2011*/6th February, 2009**], as amended, restated or supplemented, executed by the Issuer in relation to the Notes. The initial Calculation Agent (if any) is specified on the Notes. The Noteholders (as defined below), the holders of the interest coupons (the “Coupons”) relating to interest bearing Notes and, where applicable in the case of such Notes, talons for further Coupons (the “Talons”) (the “Couponholders”) and the holders of the instalment receipts (the “Receipts”) appertaining to the payment of principal by instalments are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified offices of each of the Paying Agents.

* This provision will only appear on Notes issued by Sharp.

** This provision will only appear on Notes issued by SIF.

1 Form, Denomination and Title

The Notes are issued in bearer form, serially numbered, in the Specified Denomination(s) specified on this Note; provided that in the case of any Notes which are to be offered to the public in a Member State of the European Economic Area in circumstances which would otherwise require the publication of a prospectus under the Prospectus Directive, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of those Notes). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

The Notes are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity

Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Title to the Notes, Receipts, Coupons and Talons shall pass by delivery. Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Note, Receipt, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note, Receipt, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone.

In these Conditions, “Noteholder” means the bearer of any Note and the Receipts relating to it, “holder” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Note, Receipt, Coupon or Talon (as the case may be) and capitalised terms have the meanings given to them on the Notes, the absence of any such meaning indicating that such term is not applicable to the Notes.

2 Status

The Notes, Receipts and Coupons constitute direct, unconditional and unsecured obligations of the Issuer, ranking *pari passu*, without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer.

3 Negative Pledge

So long as any Note, Receipt or Coupon remains outstanding (as defined in the Agency Agreement), the Issuer will not create or have outstanding any mortgage, charge, pledge or other security interest upon the whole or any part of its property or assets, present or future, in order to secure for the benefit of holders thereof any existing or future Relevant Debt (or to secure for the benefit of holders thereof any guarantee or indemnity or other like obligation in respect thereof) without in any such case at the same time according to the Notes, the Receipts and the Coupons such other security as the Noteholders shall approve by an Extraordinary Resolution (as defined in the Agency Agreement).

[As used in this Condition, “Relevant Debt” means any indebtedness represented by an issue of bonds, debentures, notes or other similar securities of the Issuer or any other person which (i) either are by their terms payable, or confer a right to receive payment, in any currency other than Japanese yen, or are denominated in Japanese yen and more than 50 per cent. of the aggregate nominal amount thereof is initially distributed outside Japan by or with the authorisation of the Issuer, (ii) are for the time being, or are intended to be, or are capable of being, quoted, listed, dealt in or traded on any stock exchange or over-the-counter or other securities market and (iii) have a stated maturity of more than one year.]*

[As used in this Condition, “Relevant Debt” means any indebtedness represented by an issue of bonds, debentures, notes or other similar securities of the Issuer or any other person which (i) are for the time being, or are intended to be, or are capable of being, quoted, listed, dealt in or traded on any stock exchange or over-the-counter or other securities market and (ii) have a stated maturity of more than one year.]***

4 Interest and Other Calculations

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(h).

(b) Interest on Floating Rate Notes and Index Linked Interest Notes

(i) Interest Payment Dates

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(h). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months, or other period shown hereon as the Specified Period, after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) Business Day Convention

If any date referred to in these Conditions which is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day which is not a Relevant Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Convention, such date shall be postponed to the next day which is a Relevant Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Relevant Business Day and (y) each subsequent such date shall be the last Relevant Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day which is a Relevant Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day which is a Relevant Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Relevant Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Relevant Business Day.

(iii) Rate of Interest for Floating Rate Notes

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period will be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated hereon) the Margin (if any). For the purposes of this sub-paragraph (A), "ISDA Rate" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon;
- (y) the Designated Maturity is a period specified hereon; and

- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), “Floating Rate”, “Calculation Agent”, “Floating Rate Option”, “Designated Maturity”, “Reset Date” and “Swap Transaction” have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

- (x) if the Primary Source for the Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:

- (I) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity) or
- (II) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Interest Determination Date

- (y) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph (x)(I) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (x)(II) above applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates which each of the Reference Banks is quoting to major banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent; and

- (z) if paragraph (ii) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is Euro, in those member states that adopt the single currency in accordance with the Treaty establishing the European Community (the “Euro-zone”) as selected by the Calculation Agent (the “Principal Financial Centre”) are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (x) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (y) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the

Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(iv) **Rate of Interest for Index Linked Interest Notes**

The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.

(c) ***Zero Coupon Notes***

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as defined in Condition 5(d)).

(d) ***Dual Currency Notes***

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.

(e) ***Partly Paid Notes***

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified hereon.

(f) ***Accrual of Interest***

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 4 to the Relevant Date (as defined in Condition 7).

(g) ***Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding***

- (i) If any Rate of Interest is expressed to be as adjusted by a Margin or Rate Multiplier, such adjustment shall be made by adding (if a positive number) or subtracting the absolute value of (if a negative number) any Margin specified on the Notes or multiplying by any Rate Multiplier specified on the Notes, subject always to the next paragraph.
- (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified on the Notes, then such Rate of Interest, Instalment Amount or Redemption Amount shall in no event exceed the maximum or be less than the minimum.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures will be rounded to seven significant figures (with halves being rounded up) and (z)

all currency amounts which fall due and payable will be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency which is available as legal tender in the country of such currency.

(h) Calculations

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or the formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period will be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(i) Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts

The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange so require, such exchange as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Relevant Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 4(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(j) Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or Interest Accrual Period, the “Calculation Period”):

- (i) if “Actual/Actual” or “Actual/Actual – ISDA” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if “Actual/365 (Fixed)” is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if “Actual/360” is specified hereon, the actual number of days in the Calculation Period divided by 360
- (iv) if “30/360”, “360/360” or “Bond Basis” is specified hereon, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30

- (v) if “30E/360” or “Eurobond Basis” is specified hereon, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30

- (vi) if "30E/360 (ISDA)" is specified hereon the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30

- (vii) if "Actual/Actual-ICMA" is specified hereon:

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Periods normally ending in any year,

where:

“Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“Determination Date” means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s).

“Effective Date” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such hereon or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

“Interest Accrual Period” means the period beginning on the Interest Commencement Date and ending on the first Interest Period Date and each successive period beginning on an Interest Period Date and ending on the next succeeding Interest Period Date.

“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the date of issue of the Notes (the “Issue Date”) or such other date as may be specified hereon.

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is sterling or (ii) the day falling two Relevant Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is not Euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro.

“Interest Period” means the period beginning on the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (but excluding) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

“Interest Period Date” means each Interest Payment Date unless otherwise specified hereon.

“ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

“Page” means such page, section, caption, column or other part of a particular information service as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

“Rate of Interest” means the rate of interest payable from time to time in respect of this Note and which is either specified, or calculated in accordance with the provisions, hereon.

“Reference Banks” means the institutions specified as such on the Notes or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) which is most closely connected with the Benchmark.

“Relevant Business Day” means:

- (i) in the case of a specified currency other than Euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency; and/or
- (ii) in the case of Euro, a day on which the TARGET System is operating (a “TARGET Business Day”); and/or
- (iii) in the case of a specified currency and/or one or more Additional Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Additional Business Centre(s) or, if no currency is indicated, generally in each of the Additional Business Centres.

“Relevant Financial Centre” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such hereon or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of Euro, shall be Europe) or, if none is so connected, London.

“Relevant Rate” means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable) equal to the Specified Duration commencing on the Effective Date.

“Relevant Time” means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified hereon or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre or, if no such customary local time exists, 11.00 hours in the Relevant Financial Centre and, for the purpose of this definition, “local time” means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, Brussels Time.

“Representative Amount” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such hereon or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

“Specified Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

“Specified Duration” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the duration specified hereon or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 4(b).

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19th November 2007 or any successor thereto.

(k) Calculation Agent and Reference Banks

The Issuer will procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agent if provision is made for them in the Conditions applicable to this Note and for so long as it is outstanding. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer will appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for any Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirements, the Issuer will appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

5 Redemption, Purchase and Options

(a) Redemption by Instalments and Final Redemption

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 5 or the relevant Instalment Date (being one of the dates so specified hereon) is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 5(e) or 5(f), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 5(e) or (f), each Note will be redeemed at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) on the Maturity Date specified or, in the case of a Note falling within Condition 5(a)(i), its final Instalment Amount.

(b) Redemption for taxation reasons

If (i) as a result of any change in, or amendment to, or judicial decision relating to the laws (or any regulations or rulings promulgated thereunder) of [Japan]* [the United Kingdom]** (or any authority thereof or therein having power to tax), or any change in official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after the Issue Date, the Issuer becomes or will become obligated to pay additional amounts as provided in Condition 7 or (ii) any act is taken by an authority having power to tax of [Japan]* [the United Kingdom]** on or after the Issue Date whether or not such act is taken with respect to the

Issuer or any affiliate of it, that results in a substantial probability that the Issuer will or may be required to pay such additional amounts, then the Issuer may, at its option, on any Interest Payment Date or, if so specified on the Notes, at any time redeem the Notes as a whole but not in part, upon not less than 35 days' nor more than 65 days' irrevocable notice to the Noteholders in accordance with Condition 13, at their Early Redemption Amount (as described in Condition 5(d) below), together with interest accrued thereon to the date fixed for redemption; provided that the Issuer reasonably determines that the obligation to pay such additional amounts cannot be avoided by the use of reasonable measures available to the Issuer not including substitution of the obligor under the Notes and provided further that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. No redemption pursuant to (ii) above may be made unless the Issuer shall have received an opinion of independent counsel to the effect that an act of a taxing authority of [Japan]* [the United Kingdom]** results in a substantial probability that it will or may be required to pay the additional amounts as provided in Condition 7 and the Issuer shall have delivered to the Fiscal Agent a certificate signed by a duly authorised officer, stating that based on such opinion the Issuer is entitled to redeem the Notes pursuant to their terms.

(c) Purchases

The Issuer and any of its subsidiaries may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons appertaining thereto are attached or surrendered therewith) in the open market or otherwise at any price.

(d) Early Redemption

(i) Zero Coupon Notes

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 5(b) or upon it becoming due and payable as provided in Condition 9, shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(b) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the reference therein to the date on which the Note becomes due and payable were replaced by a reference to the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (both before and after judgment), until the Relevant Date unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the nominal amount of such Note together with any interest which may accrue in accordance with Condition 4(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) Other Notes

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 5(b) or upon it becoming due and payable as provided in Condition 9, shall be the Final Redemption Amount unless otherwise specified hereon.

(e) Redemption at the Option of the Issuer and Exercise of Issuer's Options

If Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem, or exercise any Issuer's option (as may be described hereon) in relation to, all or, if so provided, some, of the Notes on any Optional Redemption Date or Option Exercise Date, as the case may be. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the minimum nominal amount to be redeemed specified hereon and no greater than the maximum nominal amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of an Issuer's option, the notice to Noteholders shall also contain the certificate numbers of the Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange requirements.

(f) Redemption at the Option of Noteholders and Exercise of Noteholders' Options

If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option or any other Noteholders' option that may be set out hereon (which must be exercised on an Option Exercise Date) the holder must deposit such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent at its specified office, together with a duly completed option exercise notice ("Exercise Notice") in the form obtainable from any Paying Agent within the notice period. No Note so deposited and option so exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(g) Partly Paid Notes

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified hereon.

(h) Cancellation

All Notes purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered to the Fiscal Agent for cancellation by surrendering each Note together with all unmatured Receipts and Coupons and unexchanged Talons and, if so surrendered, will, together with all Notes redeemed by the

Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

6 Payments and Talons

(a) *Payments*

Payments of principal and interest in respect of Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 6(e)(vi)) or Coupons (in the case of interest, save as specified in Condition 6(e)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holders, by transfer to an account denominated in such currency with, a bank in the principal financial centre for such currency or, in the case of Euro, in a city in which banks have access to the TARGET System.

(b) *Payments in the United States*

Notwithstanding the foregoing, if any Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, adverse tax consequence to the Issuer.

(c) *Payments subject to law etc.*

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives and administrative practices applicable to the Issuer and any Paying Agent [, including the requirements applicable under Japanese tax laws,]*, but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(d) *Appointment of Agents*

The Fiscal Agent, the other Paying Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the other Paying Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent or the Calculation Agent and to appoint additional or other Paying Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) Calculation Agents where the Conditions so require, (iii) Paying Agents having specified offices in at least two major European cities, (iv) such other agents as may be required by any other stock exchange on which the Notes may be listed and (v) a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other

Directive implementing the conclusions of the ECOFIN Council meeting of 26th-27th November, 2000.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Notes denominated in U.S. dollars in the circumstances described in paragraph (b) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 13.

(e) *Unmatured Coupons and Receipts and unexchanged Talons*

- (i) Upon the due date for redemption of the Notes which comprise Fixed Rate Notes (other than Dual Currency Notes or Index Linked Notes) such Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of ten years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).
- (ii) Upon the due date for redemption of any Note comprising a Floating Rate Note, Dual Currency Interest Note or Index Linked Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Note which is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Note which provides that the relative Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unexpired Coupons and any unexchanged Talon relating to it, and where any Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provisions of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Note. Interest accrued on a Note which only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation thereof.

(f) *Talons*

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a

further Coupon sheet) (but excluding any Coupons which may have become void pursuant to Condition 8).

(g) Non-Business Days

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “business day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “Additional Financial Centres” on the Note and:

- (i) (in the case of a payment in a currency other than Euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transaction may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
- (ii) (in the case of a payment in Euro) which is a TARGET Business Day.

7 Taxation

[All payments of principal of (and premium, if any) and interest in respect of the Notes, the Receipts and the Coupons will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Japan, or any authority thereof or therein having power to tax (the “Japanese Taxes”), unless such withholding or deduction of such Japanese Taxes is required by law. In such event, the Issuer shall pay to the holders such additional amounts (“Additional Amounts”) as will result in the receipt by or on behalf of the holders of such amounts as would have been received by them had no such deduction or withholding been required, except that no Additional Amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) to, or to a third party on behalf of, a holder who is an individual non-resident of Japan or a non-Japanese corporation and is liable for such Japanese Taxes in respect of such Note, Receipt or Coupon by reason of its (i) having some connection with Japan other than the mere holding of such Note, Receipt or Coupon or (ii) being a person having a special relationship with the Issuer as described in Article 6, paragraph 4 of the Special Taxation Measures Law of Japan (the “Special Taxation Measures Law”) (any such person being hereinafter referred to as a “specially-related person of the Issuer”); or
- (b) to, or to a third party on behalf of, a holder who would otherwise be exempt from any such withholding or deduction but who fails to comply with any applicable requirement to provide Interest Recipient Information (as defined below) or to submit a Written Application for Tax Exemption (as defined below) to a Paying Agent to whom the relevant Note, Receipt or Coupon is presented, or whose Interest Recipient Information is not duly communicated through the Participant (as defined below) and the relevant international clearing organisation to such Paying Agent; or
- (c) to, or to a third party on behalf of, a holder who is for Japanese tax purposes treated as an individual resident of Japan or a Japanese corporation (except for a Designated Financial Institution (as defined below) which complies with the requirement to provide Interest Recipient Information or to submit a Written Application for Tax Exemption); or
- (d) where such Note, Receipt or Coupon is presented for payment more than 30 days after the date on which such payment first becomes due or after the date on which the full amount payable is duly provided for, whichever occurs later, except to the extent that the holder of the Note, Receipt or

Coupon would have been entitled to such Additional Amounts on presenting the same for payment on the last day of such 30-day period; or

- (e) where such withholding or deduction is imposed on a payment to an individual holder and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (f) to, or to a third party on behalf of, a holder who would be able to avoid such withholding or deduction by presenting such Note, Receipt or Coupon to another Paying Agent; or
- (g) where the amount of interest on such Note, Receipt or Coupon is to be calculated by reference to certain indices (as prescribed by the cabinet order under Article 6, paragraph 4 of the Special Taxation Measures Law) relating to the Issuer or any specially-related person of the Issuer; or
- (h) any combination of the above.

Where a Note, Receipt or Coupon is held through a participant of an international clearing organisation or a financial intermediary (each, a “Participant”), in order to receive payments free of withholding or deduction by the Issuer for, or on account of, Japanese Taxes, if the relevant holder is (i) an individual non-resident of Japan or a non-Japanese corporation (other than a specially-related person of the Issuer) or (ii) a Japanese financial institution or financial instruments business operator falling under certain categories prescribed by the cabinet order under Article 6, paragraph 9 of the Special Taxation Measures Law (a “Designated Financial Institution”), such holder shall, at the time of entrusting such Participant with the custody of the relevant Note, Receipt or Coupon, provide certain information prescribed by the Special Taxation Measures Law and the cabinet order and other regulations thereunder to enable the Participant to establish that such holder is exempted from the requirement for Japanese Taxes to be withheld or deducted (the “Interest Recipient Information”) and advise the Participant if the holder ceases to be so exempted (including the case in which a holder who is an individual non-resident of Japan or a non-Japanese corporation becomes a specially-related person of the Issuer).

Where a Note, Receipt or Coupon is not held by a Participant, in order to receive payments free of withholding or deduction by the Issuer for, or on account of, Japanese Taxes, if the relevant holder is (i) an individual non-resident of Japan or a non-Japanese corporation (other than a specially-related person of the Issuer) or (ii) a Designated Financial Institution, such holder shall, prior to each receipt of interest, submit to the relevant Paying Agent a written application for tax exemption (*hikazei tekiyo shinkokusho*) (a “Written Application for Tax Exemption”) in a form to be agreed between the Issuer and Paying Agent and obtainable from the Paying Agent stating, *inter alia*, the name and address of the holder, the title of the Note, Receipt or Coupon, the relevant Interest Payment Date, the amount of interest and the fact that the holder is qualified to submit the Written Application for Tax Exemption, together with documentary evidence regarding its identity and residence.]*

[All payments of principal and interest in respect of the Notes, the Receipts and the Coupons by or on behalf of the Issuer will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by, within or on behalf of the United Kingdom or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders and the Couponholders after such withholding or deduction shall equal the respective amounts of principal and interest which would have been received in respect of the Notes, Receipts or (as the case may be) Coupons, in the absence of such withholding or deduction; except that no additional amounts shall be payable with respect to any payment of interest in respect of any Note, Receipt or Coupon:

- (a) to, or to a third party on behalf of, a holder who is subject to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the United Kingdom otherwise than merely by holding the Note, Receipt or Coupon; or
- (b) to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the United Kingdom; or
- (c) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amount on presenting the same for payment on the thirtieth such day; or
- (d) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26th-27th November, 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (e) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.]**

As used in these Conditions, “Relevant Date” in respect of any Note, Receipt or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given to the Noteholders in accordance with Condition 13 that, upon further presentation of the Note, Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “principal” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it, (ii) “interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) “principal” and/or “interest” shall be deemed to include any additional amounts which may be payable under this Condition.

8 Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect thereof.

9 Events of Default

If any of the following events (“Events of Default”) occurs and is continuing, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable:

- (a) *Non-Payment*: there is default by the Issuer for more than 14 days (in the case of interest) or seven days (in the case of principal) in the payment of the principal of or interest in respect of the Notes or any of them when and as the same ought to be paid; or
- (b) *Breach of Other Obligations*: there is default by the Issuer in the performance or observance of any condition or provision contained in the Notes and on its part to be performed or observed (other than the covenant to pay the principal and interest in respect of any of the Notes) and such default continues for the period of 30 days next following the service by any Noteholder on the Fiscal Agent of notice requiring the same to be remedied; or
- (c) *Cross Default*: the obligation to repay any indebtedness for money borrowed of the Issuer having an aggregate outstanding nominal amount of at least U.S.\$5,000,000 (or its equivalent in any other currency or currencies) is accelerated prior to its stated maturity by reason of default on the part of the Issuer (as the case may be) or any security therefor is enforced or any such indebtedness having an aggregate outstanding nominal amount of at least U.S.\$5,000,000 (or its equivalent in any other currency or currencies) is not paid at its stated maturity (or by the expiry of any originally applicable grace period therefore) or any such indebtedness having an aggregate outstanding nominal amount of at least U.S.\$5,000,000 (or its equivalent in any other currency or currencies) due on demand is not paid on demand (or by the expiry of any applicable grace period therefore); or
- [(d) *Winding-up*: a resolution is passed or a final order of a court of competent jurisdiction is made that the Issuer be wound-up or dissolved otherwise than for the purposes of, or pursuant to and followed by, a consolidation, amalgamation, merger, reconstruction or voluntary solvent winding-up or dissolution upon which the continuing corporation effectively assumes the entire obligations of the Issuer under the Notes and the Coupons or the terms of which have previously been approved by an Extraordinary Resolution of the Noteholders; or
- (e) *Security Enforced*: an encumbrancer takes possession or a receiver is appointed of the whole or a material part of the assets or undertaking of the Issuer; or
- (f) *Enforcement Proceedings*: a distress, execution or seizure before judgment is levied or enforced upon or sued out against a part of the property of the Issuer which is material in its effect upon the operations of the Issuer and is not discharged within a period of 60 days thereof; or
- (g) *Stops Payment*: the Issuer (a) stops payment (within the meaning of Japanese bankruptcy law) or (b) (otherwise than for the purposes of such a consolidation, amalgamation, merger, reconstruction or voluntary solvent winding-up or dissolution as is referred to in paragraph (d) above) ceases or through an official action of the Board of Directors of the Issuer threatens cease to carry on business; or
- (h) *Insolvency etc.*: proceedings are initiated against the Issuer under any applicable bankruptcy, reorganisation or insolvency law and such proceedings have not been discharged or stayed within a period of 60 days thereof; or
- (i) *Voluntary Liquidation*: the Issuer initiates or consents to proceedings relating to itself under any applicable bankruptcy, reorganisation or insolvency law or makes an assignment for the benefit of, or enters into any composition with, its creditors generally.]*
- [(d) *Guarantee etc.*: there is default by the Issuer in making any payment due under any guarantee and/or any indemnity given by it in respect of any indebtedness for money borrowed having an aggregate outstanding nominal amount of at least U.S.\$5,000,000 (or its equivalent in any other currency or currencies); or

- (e) *Insolvency etc.*: a final decree or order is made or issued by a court of competent jurisdiction adjudging the Issuer to be bankrupt or insolvent, or approving a petition seeking with respect to the Issuer a decree of commencement of reorganisation procedure or adjustment or a final decree or order is made or issued by a court of competent jurisdiction for the appointment of an administrator or administrative receiver or liquidator or trustee or assignee in bankruptcy or insolvency of the Issuer or of all or any material part of the property of the Issuer; or
- (f) *Winding-up*: an order of a court of competent jurisdiction is made or an effective resolution is passed for the winding-up or dissolution of the Issuer except for the purposes of or pursuant to a consolidation, amalgamation, merger or reconstruction, whereby the continuing corporation or corporation formed as a result of the consolidation, amalgamation, merger or reconstruction effectively assumes the entire obligation of the Issuer under the Notes, or the terms of which shall have previously been approved by an Extraordinary Resolution of the Noteholders; or
- (g) *Voluntary Liquidation*: the Issuer institutes proceedings seeking its liquidation or consents to the institution of any such proceedings, or consents to, or acquiesces in, the appointment of an administrator or administrative receiver or liquidator or trustee or assignee in bankruptcy or insolvency of it or of all or any material part of its property, or makes a general assignment for the benefit of its creditors; or
- (h) *Cease Business*: the Issuer ceases, or through an official action of its Board of Directors threatens to cease, to carry on its business (otherwise than in connection with or in pursuance of such consolidation, amalgamation, merger or reconstruction as is referred to in (f) above); or
- (i) *Enforcement Proceedings*: any encumbrancer takes possession of the whole or any material part of the assets or undertaking of the Issuer, or a distress, execution or other similar process is levied or enforced upon or sued out against any material part of the property of the Issuer and is not removed, discharged or paid out within a period of 90 days; or
- (j) *Keep Well*: either the Keep Well Agreement dated 22nd April, 1994 (the “Keep Well Agreement”) between Sharp and the Issuer or the deed poll dated 22nd April, 1994 (the “Deed Poll”) executed by Sharp and the Issuer is not in full force and effect or is modified, amended or terminated in circumstances where such modification, amendment or termination would have a material adverse effect upon any Noteholder or Couponholder or the Issuer waives, or fails to take all reasonable steps to exercise, any of its rights under the Keep Well Agreement or Sharp or the Issuer fails to perform or observe any obligation on its part under the Keep Well Agreement or the Deed Poll so as (in either case) to affect materially and adversely the interests of any Noteholder or Couponholder.]**

For the purposes of (c) [and (d)]** above, any indebtedness which is in a currency other than U.S. dollars shall be translated into U.S. dollars at the spot rate for the sale of U.S. dollars against the purchase of the relevant currency in the London foreign exchange market prevailing on the calendar day in London corresponding to the calendar day on which such premature repayment becomes due or, as the case may be, such default or failure occurs (or, if for any reason such rate is not then available, that so quoted on the earlier possible date thereafter).

10 Meetings of Noteholders and Modifications

(a) Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interest, including modification by Extraordinary Resolution of the Notes (including these Conditions insofar as the same may apply to such Notes). An Extraordinary

Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest thereon, (ii) to reduce or cancel the nominal amount or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating the Interest Amount in respect thereof, (iv) if there is shown on the face of the Notes a Minimum Rate of Interest and/or a Maximum Rate of Interest, to reduce such Minimum and/or Maximum, (v) to change any method of calculating the Redemption Amount, (vi) to change the currency or currencies or payment of the Notes, (vii) to take any steps which the Notes specify may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply or (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, will only be binding if passed at a meeting of the Noteholders (or at any adjournment thereof) at which a special quorum (provided for in the Agency Agreement) is present.

These Conditions may be amended, modified, or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

(b) Modification of Agency Agreement

The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

11 Replacement of Notes, Receipts, Coupons and Talons

If a Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws and stock exchange regulations, at the specified office of such other Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with Condition 13 on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Receipt Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

12 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes (so that, for the avoidance of doubt, references in the conditions of such Notes to “Issue Date” shall be to the first issue date of the Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to “Notes” shall be construed accordingly.

13 Notices

Notices to the holders of Notes will be valid if published in a daily newspaper of general circulation in London or if such publication is not practicable, in another leading daily English language newspaper of general circulation in Europe approved by the Fiscal Agent. It is expected that such publication will be made

in the *Financial Times* in London. Notices will, if published more than once, be deemed to have been given on the date of the first publication as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to Noteholders in accordance with this Condition.

14 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

15 Governing Law [and Jurisdiction]

(a) *Governing Law*]*

The Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

[(b) *Jurisdiction*

The Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons (“Proceedings”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Notes, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) *Service of Process*

The Issuer irrevocably appoints Sharp International Finance (U.K.) Plc of 4 Furzeground Way, Stockley Park, Uxbridge, Middlesex UB11 1EZ as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not, it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in England, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 13. Nothing shall affect the right to serve process in any manner permitted by law.]*

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

Global Notes may be delivered on or prior to the original issue date of the Tranche to a Common Depositary.

Each Tranche of Notes having an original maturity of more than one year will initially be represented by a temporary Global Note and each Tranche of Notes having an original maturity of one year or less will initially be represented by a permanent Global Note, in each case in bearer form without Coupons, Receipts or a Talon attached which will be deposited on behalf of the subscribers of the relevant Notes with the Common Depositary for Euroclear and for Clearstream, Luxembourg, or otherwise as agreed between the relevant Issuer and the relevant Dealer(s), on or about the issue date of the relevant Notes. No interest will be payable in respect of a temporary Global Note, except as provided below. Upon deposit of the temporary Global Note(s) with the Common Depositary, Euroclear and Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note represented by a Global Note must look solely to Euroclear or Clearstream, Luxembourg (as the case may be) for his share of each payment made by the relevant Issuer to the bearer of such Global Note and in relation to all other rights arising under the Global Notes, subject to and in accordance with the respective rules and procedures of Euroclear and Clearstream, Luxembourg. Such person shall have no claim directly against such Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note and such obligations of such Issuer will be discharged by payment to the bearer of such Global Note in respect of each amount so paid.

Exchange

Each temporary Global Note will be exchangeable (free of charge to the holder) in whole or in part for interests in a permanent Global Note or, if so provided in the temporary Global Note, for Definitive Notes (as described in the next paragraph) after the date falling 40 days after the issue date of the Notes upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. Each permanent Global Note is exchangeable (free of charge to the holder) in whole or, in the case of Partly Paid Notes only, in part (or in part if the permanent Global Note is held on behalf of Euroclear and/or Clearstream, Luxembourg and the rules of Euroclear and Clearstream, Luxembourg then permit) at the request of the holder (i) if a permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg and either of such clearing systems is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so, (ii) if an event of default occurs in relation to the Notes represented thereby for Definitive Notes by such holder giving notice to the Fiscal Agent or (iii) if the relevant Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes in definitive form. In the event of the occurrence of the event described in (iii) above, the relevant Issuer may also give notice to the Fiscal Agent requesting exchange.

On or after any Exchange Date (as defined below) the holder of a permanent Global Note may surrender such permanent Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for any permanent Global Note, or the part thereof to be exchanged, the Issuer

will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the permanent Global Note and a Talon), security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in Schedule 2 to the Agency Agreement. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

“Exchange Date” means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the cities in which the relevant clearing systems are located.

In the event that a permanent Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in the Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a Definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

Amendment to Conditions

The temporary Global Notes and the permanent Global Notes contain provisions that apply to the Notes while they are in global form, some of which modify the effect of the terms and conditions of the Notes set out in this document. The following is a summary of certain of those provisions:

1 Payments

No payment falling due more than 40 days after the issue date will be made on a temporary Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any temporary Global Note during the period up to 40 days after its issue date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement (or such other form as the Issuer may approve). All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed in the appropriate schedule to each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. Condition 7(2) (in respect of Notes issued by Sharp), Condition 7(5) (in respect of Notes issued by SIF) and Condition 6(d)(v) will apply to the Definitive Notes only. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of “business day” set out in Condition 6(g) (Non-Business Days).

2 Notices

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to Noteholders of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note.

3 Prescription

Claims against the Issuer in respect of Notes which are represented by a permanent Global Note will become void unless it is presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8).

4 Meetings

The holder of a permanent Global Note will be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

5 Purchase and Cancellation

Cancellation of any Note surrendered for cancellation following its purchase will be effected by reduction in the nominal amount of the relevant Global Note.

6 Default

Each permanent Global Note provides that the holder may cause such permanent Global Note, or a portion of it, to become due and repayable in the circumstances described in Condition 9 by stating in the notice to the Fiscal Agent the nominal amount of such permanent Global Note which is becoming due and repayable. Following the giving of a notice of an event of default, the holder of a permanent Global Note may elect that the permanent Global Note becomes void as to a specified portion and that the persons entitled to such portion as accountholders with a clearing system acquire direct enforcement rights against the Issuer under the terms of a Deed of Covenant executed as a deed by the Issuer on [7th February, 2011*/6th February, 2009**], as amended or supplemented from time to time.

7 Issuer's Option

No drawing of Notes will be required under Condition 5(e) in the event that the Issuer exercises any option relating to those Notes while all such Notes which are outstanding are represented by a permanent Global Note. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any series, the rights of accountholders with Euroclear and Clearstream, Luxembourg in respect of the Notes will be governed by the standard procedures of Euroclear and Clearstream, Luxembourg.

8 Noteholders' Option

Any Noteholders' option may be exercised by the holder of a permanent Global Note giving notice to the Fiscal Agent of the nominal amount of Notes in respect of which the option is exercised and presenting such permanent Global Note for endorsement of exercise within the time limits specified in the Conditions.

9 Partly Paid Notes

The provisions relating to Partly Paid Notes are not set out in this Offering Circular, but will be contained in the relevant Pricing Supplement and thereby in the Global Notes. While any instalments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note representing such Notes may be exchanged for an interest in a permanent Global Note or for Definitive Notes (as the case may be). If any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time specified, the Issuer may forfeit such Notes and shall have no further obligation to their holder in respect of them.

USE OF PROCEEDS

The net proceeds of issues of Notes issued by Sharp will be used for general corporate purposes and capital expenditure and the net proceeds of issues of Notes issued by SIF will be used for general corporate purposes.

SHARP CORPORATION

Outline of the Company

Established in 1912, Sharp owes its name and trademark beginning to the invention of the ‘Ever-Sharp’ mechanical pencil by founder Tokuji Hayakawa. Founded on the business creed of ‘Sincerity and Creativity’, Sharp has developed a number of first commercial-use products in Japan and in the world. Sharp has created various innovative products including a crystal radio set (in 1925), a microwave oven (in 1962), a solar cell (in 1963), a liquid crystal display (“LCD”) calculator (in 1973), a wall-mount 8.6-inch LCD colour TV (in 1991), “LCD Viewcam”, a video camera with a LCD (in 1992), a personal information tool, “Zaurus” (in 1993), a mobile phone with a built-in camera (in 2000), a LCD colour TV, AQUOS (in 2001), and has always developed new areas of business.

For the year ended 31st March, 2011, Sharp’s consolidated net sales and net income were ¥3,021.9 billion and ¥19.4 billion respectively, representing an increase of 9.7 per cent. in consolidated net sales, compared with the year ended 31st March, 2010. For the six month period ended 30th September, 2011, Sharp’s consolidated net sales and net loss were ¥1,314.5 billion and ¥39.8 billion, respectively, representing a decrease of 12.6 per cent. in consolidated net sales, compared with the six months ended 30th September, 2010.

As of 30th September, 2011, the Group employed 57,200 people, of whom 27,243 worked outside Japan.

Sharp’s head office is located at 22-22, Nagaike-cho, Abeno-ku, Osaka 545-8522, Japan. Sharp’s shares are listed on the Tokyo Stock Exchange, Inc. and four other stock exchanges in Japan.

In Consumer/Information Products, major products include audio-visual and communications equipment such as LCD colour TVs, mobile phones and smartphones, health and environmental equipment such as refrigerators, air conditioners, microwave ovens and products featuring Plasmacluster Ion technology, an air purification technology, and information equipment such as digital multi-function printers, interactive white boards and information displays. In Electronic Components, there are LCDs including thin film transistor (TFT) LCD display modules and system LCD display modules, solar cells, and other electronic devices such as CCD/CMOS imagers.

Outline of Main Business Operations

Since its establishment, Sharp has contributed to society through the creation of one-of-a-kind products that are one step ahead of its time. Sharp will continue to strive for expansion of its business and stable growth as a “valued one-of-a-kind company” by providing new lifestyles and customer satisfaction through its original components and products with special features, utilising its advanced electronics technology.

With respect to the Consumer/Information Products business, Sharp is rebranding its LCD television in the global market through products such as “AQUOS Quattron” and “large size displays of 60 inches or larger”. With respect to mobile phones, Sharp is increasing its smartphone lineup. With respect to information equipment, Sharp is working to expand its B2B business through information displays, multi-screen display systems and interactive white boards which realise high image quality and low power consumption.

With respect to the Electronic Components business, for large-size LCD panels, Sharp is carrying out thorough production and inventory management in order to minimise the effect of fluctuation in supply and demand and the rising yen, as well as standardising design and components to improve cost competitiveness and profitability. For mobile LCD panels, in order to improve profitability, Sharp is working on the development of new markets for smartphones and tablet terminals where it can utilise its high-value added LCD panels. With respect to solar cells, as Sharp faces increased competition with foreign manufacturers, it is

accelerating its globalisation of production and procurement. At the same time, Sharp is transforming its business model to focus on system solutions in order to strengthen profitability across the entire value chain.

Looking ahead to the year 2012, the 100th anniversary of its founding, Sharp has set two business visions. One is “contribute to the world with environment and health conscious business, focusing on energy-saving and energy-creating products”. The other is “contribute to ubiquitous society with one-of-a-kind LCDs”. As an environmentally advanced company, Sharp aims to realise its corporate vision of becoming an “Eco-Positive Company”, and is working to contribute to the environment as well as to pursue economic activity through electronics.

Business Operations

Sharp divides its business activities into two principal product segments, (i) Consumer/Information Products, and (ii) Electronic Components.

Consumer/Information Products

Consumer/information products produced by Sharp include (i) audio-visual and communications equipment, such as LCD colour TVs and mobile phones, (ii) health and environmental equipment such as refrigerators, microwave ovens, air conditioners and products featuring Plasmacluster Ion technology, an air purification technology, and (iii) information equipment, such as digital multi-function printers (MFPs).

Consolidated net sales and operating income for Sharp’s Consumer/Information Products segment amounted to ¥1,969,988 million and ¥79,257 million, respectively, as at 31st March, 2011, and ¥867,174 million and ¥46,125 million, respectively, as at 30th September, 2011.

Electronic Components

Electronic components produced by Sharp are large-scale integration (LSI), including charge coupled devices (CCDs) and complementary Metal-oxide semi-conductor (CMOS) imagers, LCDs including thin film transistor (TFT) LCD display modules and system LCD display modules and other electronic components such as solar cells.

Consolidated net sales and operating income for Sharp’s Electronic Components segment amounted to ¥1,051,985 million and ¥30,728 million, respectively, as at 31st March, 2011, and ¥447,411 million and ¥4,431 million, respectively, as at 30th September, 2011.

International Operations

The Group operates a number of manufacturing facilities outside Japan. Sharp also has subsidiaries and alliances with companies outside Japan.

America

- Sharp Electronics of Canada Ltd. is Sharp’s sales base in Canada.
- Sharp Electronica Mexico S.A. de C.V. is Sharp’s production base in Mexico, manufacturing LCD TVs and LCD modules. It is also involved in some product development.
- Sharp Corporation Mexico, S.A. de C.V. is Sharp’s sales base in Mexico.
- In the United States, Sharp has sales, production and research and development bases:
 - Sharp Electronics Corporation is Sharp’s sales base;

- Sharp Manufacturing Company of America, the manufacturing division of Sharp Electronics Corporation, produces consumer electronic products and business equipment; and
- Sharp Laboratories of America Inc. concentrates on research mainly in the field of multimedia, including digital image processing technology, multimedia communications and digital imaging.
- RECURRENT ENERGY, LLC conducts solar cells plant development in US.
- Sharp Brazil Comércio e Distribuição de Artigos Eletrônicos Ltda. is Sharp's sales base in Brazil.

Europe

- In France, Sharp Electronics France S.A. is Sharp's sales base and Sharp Manufacturing France S.A. is Sharp's production base; it manufactures copiers.
- Sharp Electronics (Europe) GmbH is Sharp's sales base in Germany.
- Sharp Electronics (Italia) S.p.A. is Sharp's sales base in Italy.
- 3Sun S.r.l. produces and sells thin film solar cells in Italy.
- Enel Green Power & Sharp Solar Energy S.r.l. is the Independent Power Producer in Italy.
- Sharp Electronics Benelux B.V. is Sharp's sales base in the Netherlands.
- Sharp Electronica España S.A., is a sales base in Spain.
- Sharp Electronics (Nordic) AB is Sharp's sales base in Sweden.
- Sharp Electronics (Schweiz) AG is Sharp's sales base in Switzerland.
- In the U.K., Sharp has sales, production and research and development bases:
 - Sharp Electronics (U.K.) Ltd. is Sharp's sales base;
 - Sharp Manufacturing Company of U.K., the manufacturing division of Sharp Electronics (U.K.) Ltd., which produces microwave ovens and solar modules, is Sharp's production base in the U.K.; and
 - Sharp Laboratories of Europe, Ltd. conducts research in opto-electronics, artificial information, information processing technologies and LCDs; and
 - Sharp Telecommunications of Europe Ltd. conducts development of mobile phones designed specifically for European communications.
- Sharp Manufacturing Poland Sp. zo.o. produces and sells LCD modules and LCD TVs.
- Sharp Electronics Russia LLC. is Sharp's sales base in Russia.

Asia and Oceania

- In China, Sharp has six production bases:
 - Nanjing Sharp Electronics Co., Ltd. develops and produces LCD TVs, LCD modules and projectors;
 - Shanghai Sharp Electronics Co., Ltd., produces air conditioning systems, air purifiers, washing machines and refrigerators;

- Sharp Office Equipments (Changshu) Co., Ltd. produces copiers and laser printers;
- Wuxi Sharp Electronic Components Co., Ltd. mounts and manufactures LCD modules, electronic devices and camera modules;
- Shanghai Sharp Mold and Manufacturing Systems Co., Ltd. manufactures dies for plastic molding; and
- Sharp Technical Components (Wuxi) Co., Ltd. manufactures liquid crystal back lights.
- Sharp (China) Investment Co., Ltd. conducts all business operations and strategic planning in China region as well as performing related financial management functions and investment activities.
- Sharp Electronics Sales (China) Co., Ltd. conducts electronics products and parts sales base in China.
- Sharp Laboratories of China CO., Ltd. develops cutting edge technologies for products geared to local market needs as well as conducts R&D in China.
- Sharp Electronics Research & Development (Nanjing) CO., Ltd. conducts design and development of LCD panels, modules and related LCD TVs in China.
- Sharp's sales bases in China are Sharp-Roxy (Hong Kong) Ltd, Sharp Electronics (Shanghai) Co., Ltd. and Sharp Electronics Sales (China) Co., Ltd.
- In India, Sharp India Limited is Sharp's production base manufacturing CTVs. Sharp Software Development India Pvt. Ltd. is Sharp's research and development base; it is involved in the development of software for digital copier/printers and currently plans the development of software, including integrated circuit system design and information systems products. Sharp Business Systems (India) Ltd. is Sharp's sales base which imports and sells information equipment (mainly copiers, facsimiles and personal computers) and also provides after-sales services.
- In Indonesia, Sharp has two production bases, P.T. Sharp Electronics Indonesia, which produces CTVs, refrigerators and washing machines, and P.T. Sharp Semiconductor Indonesia which manufactures electronic components.
- In Malaysia, Sharp has a research and development company, Sharp Electronics (Malaysia) Sdn. Bhd., which designs and develops audio-visual equipment. It also provides parts and components from the Asian region to other Sharp production bases and provides service repair parts and components from the Asian region to the Group. Sharp also has four manufacturing bases in Malaysia, namely:
 - Sharp Manufacturing Corporation (M) Sdn. Bhd. produces DVD and LCD modules; and
 - S&O Electronics (Malaysia) Sdn. Bhd. manufactures audio equipment.
- Sharp's sales base in Malaysia is Sharp-Roxy Sales & Service Company (M) Sdn. Bhd.
- Sharp (Phils.) Corporation is a production and sales base in the Philippines which sells consumer electronic products and produces CTVs, audio visual products and washing machines.
- In Singapore, Sharp has two sales bases, namely Sharp-Roxy Sales (Singapore) Pte., Ltd., which sells Sharp products, and Sharp Electronics (Singapore) Pte. Ltd., which supplies and sells electronic components.
- In Taiwan, Sharp has the following sales, production and research and development bases:
 - Sharp Corporation (Taiwan) sells consumer electronics products;

- Sharp Electronic Components (Taiwan) Corporation sells electronic components; and
- In Thailand, Sharp Thai Company Ltd. in Bangkok is Sharp's sales base. Sharp also has two production bases in Thailand, namely Sharp Manufacturing (Thailand) Co., Ltd. which manufactures consumer electronic products and business equipment, and Sharp Appliances (Thailand) Limited which manufactures consumer electronic products and business equipment.
- SHARP SOLAR MAINTENANCE ASIA CO., LTD conducts maintenance service on solar cell systems in Thailand.
- Sharp Electronics (Vietnam) Company Ltd. is Sharp's sales base in Vietnam.
- Sharp Corporation of Australia Pty. Ltd. is a sales base. It sells home appliances and information products.
- Sharp Corporation of New Zealand Ltd. is Sharp's sales base in New Zealand.

Middle East

- Sharp Middle East FZE is Sharp's sales base in the Middle East. It imports, exports and markets information and consumer electronics products.

Legal Proceedings

In December 2008, Sharp received a cease and desist order and a surcharge payment order of approximately ¥261 million from the Fair Trade Commission of Japan with respect to a violation of Article 3 of the Antimonopoly Act, stemming from Sharp's sales of LCD modules. Sharp believes that it did not engage in any activities that could be categorised as a violation of Antimonopoly Act. In February 2009, Sharp submitted complaints against these orders from the Fair Trading Commission of Japan. Sharp is currently waiting for response from the Fair Trading Commission of Japan.

In addition, Sharp is currently the subject of investigations by the European Commission in respect of alleged price fixing of LCDs. At this stage, Sharp is not certain whether a statement of objections may be issued against it. It is not possible for Sharp to ascertain how the Group's results of operations and financial position may be affected until the formal decision by the European Commission is given.

Further, the Group has been served with civil actions for damages in North America and Europe; however, it is difficult to assess the outcome and impact of the cases on the Group or its operations with accuracy at this time.

In consideration of these matters and in order to prevent any recurrence, Sharp has strengthened its internal governance framework by establishing an internal compliance system and offering an enhanced training programme for its staff.

Other than as stated above, the Group is not involved in any litigation or other legal proceedings which, if determined against the Group, would individually or in the aggregate have a materially adverse effect on the Group or its operations.

Subsidiaries and Affiliates

Sharp and its subsidiaries and affiliates form a corporate group, of which Sharp is the controlling entity.

As of 30th September, 2011, Sharp had 78 subsidiaries. For the six months ended 30th September, 2011, 77 subsidiaries were consolidated, one subsidiary was accounted for by the equity method, and 22 affiliates were

accounted for by the equity method, Companies that are controlled by Sharp through its direct or indirect ownership of more than 50 per cent. of the voting rights, and companies in respect of which Sharp holds not less than 40 per cent. but not more than 50 per cent. of the voting rights and has the ability to exercise an effective control over their decision making, are consolidated as subsidiaries, and companies in respect of which Sharp has not less than 20 per cent. of the voting rights, or if its ownership is between 15 per cent. and 20 per cent. of the voting rights and is supposed to be able to exercise a significant influence over their operating and financial policies, are accounted for as affiliates by the equity method.

The following table shows certain information with regard to Sharp's major consolidated subsidiaries as of 30th September, 2011:

Name (Country)	Issued share capital (In millions)	Percentage owned by Sharp (Per cent.)	Principal business
Sharp Electronics Marketing Corporation (Japan)	¥2,000	100.0	Sale of electric home appliance products and office machinery products
Sharp System Products Co., Ltd. (Japan)	¥1,337	100.0	Sale of office automation system products and software development
Sharp Manufacturing Systems Corporation (Japan)	¥484	100.0	Sale and manufacture of production equipment machinery and moulds
Sharp Engineering Corporation (Japan)	¥389	100.0	Aftersale service for electric home appliance products
Sharp Document Systems Corporation (Japan)	¥302	100.0	Sale of office machinery products, aftersale service and the sale of supplies etc.
Sharp Amenity Systems Corporation (Japan)	¥422	100.0	Sale of solar energy generating systems and construction of ventilation/electric systems
Sharp Display Products Corporation (Japan)	¥15,000	93.0	Production and sale of LCD panels and modules
Sharp Electronics Corporation (U.S.A.)	U.S.\$448	100.0	Manufacture and sale of electric home appliance products, office machinery products and electronic products
Sharp Electronics (Europe) GmbH (Germany)	€51	100.0	Sale of electric home appliance, office machinery and electronic products
Sharp Electronics (U.K.) Ltd. (U.K.)	£48	100.0	Manufacture and sale of electric home appliance, office machinery and electronic products

Name (Country)	Issued share capital (In millions)	Percentage	Principal business
		owned by Sharp (Per cent.)	
Sharp Appliances (Thailand) Ltd. (Thailand)	THB949	100.0	Manufacture and sale of electric home appliance, office machinery products
Sharp Office Equipments (Changshu) Co., Ltd. (China)	U.S.\$34	100.0	Manufacture and sale of office machinery products
Sharp Corporation of Australia Pty Ltd. (Australia)	AUD27	100.0	Sale of electric home appliance and office machinery products

Summary Financial Information

Accounting principles and auditing standards and their application in practice vary among countries and therefore could affect, possibly materially, the reported financial position and results of operations. The audited financial statements of Sharp are prepared in accordance with Japanese GAAP.

The following table sets out a summary of the audited consolidated financial and other information for Sharp for the years ended 31st March, 2009, 2010 and 2011:

	For the year ended/as at 31st March,			
	2009	2010	2011	2011
	Yen (millions)			U.S. Dollars (thousands)
Net Sales.....	¥2,847,227	¥2,755,948	¥3,021,973	\$36,853,329
Overseas Sales.....	1,544,966	1,326,891	1,429,064	17,427,610
Income before Income Taxes and Minority Interests	(204,139)	6,139	40,880	498,537
Net Income	(125,815)	4,397	19,401	236,598
Net Income per Share of Common Stock (yen and U.S. dollars)	(114.33)	4.00	17.63	215
Cash Dividends per Share of Common Stock (yen and U.S. dollars)	21.00	17.00	17.00	207
Shareholders' Equity.....	1,048,447	1,065,860	1,048,645	12,788,354
Total Assets.....	2,688,721	2,836,255	2,885,678	35,191,195
Capital Investment.....	260,337	215,781	172,553	2,104,305
Depreciation and Amortisation	315,799	277,257	281,264	3,430,049
Number of Shares of Common Stock Outstanding (thousands of shares)	1,100,480	1,100,414	1,100,346	—
Number of Employees	54,144	53,999	55,580	—

Notes:

- (1) Translation into U.S. dollar figures is solely for the convenience, using the rate of ¥82=U.S.\$1, the approximate exchange rate prevailing on 31st March, 2011.
- (2) The computation of net income per share of common stock is based on the weighted average number of shares of common stock outstanding during each fiscal year.
- (3) The number of shares of common stock outstanding is net of treasury stock.

The following table sets out a summary of unaudited consolidated financial and other information for Sharp for the six-month periods ended 30th September, 2010 and 2011:

	For the period ended/as at 30th September,		
	2010	2011	2011
	Yen (millions)		U.S. Dollars (thousands)
Net Sales	¥1,503,948	¥1,314,585	\$17,297,171
Overseas Sales	742,949	660,366	8,689,026
Income before Provision for Income Taxes	22,962	(34,958)	(459,974)
Net Income	14,332	(39,822)	(523,974)
Net Income per Share of Common Stock (yen and U.S. dollars).....	13.02	(36.19)	(476)
Interim Cash Dividends per Share of Common Stock (yen and U.S. dollars)	10.0	5.0	66
Shareholders' Equity	1,048,734	974,290	12,819,605
Total Assets	2,911,576	2,784,333	36,635,961
Capital Investment	115,874	31,639	416,303
Depreciation and Amortisation	124,687	118,822	1,563,447
Number of Shares of Common Stock Outstanding (thousands of shares)	1,100,392	1,100,336	—
Number of Employees	54,726	57,200	—

Note:

- (1) Translation into U.S. dollar figures is solely for the convenience of readers, using the rate of ¥76=U.S.\$1, the approximate exchange rate prevailing on 30th September, 2011.

Capitalisation

The following table sets forth the consolidated capitalisation and indebtedness of Sharp as at 30th September, 2011, based upon information extracted without material adjustment from Sharp's unaudited consolidated financial statements for the six month period ended 30th September, 2011.

	As at 30th September, 2011	
	Yen (millions)	U.S. Dollars (thousands)
Short-term borrowings:		
Bank loans	¥95,216	\$1,252,842
Bank acceptances payable	—	—
Commercial paper	249,808	3,286,947
Current portion of long-term debt.....	77,270	1,016,711
	<u>422,294</u>	<u>5,556,500</u>
Long-term debt:		
0.0%-8.10% unsecured loans principally from banks, due 2011 to 2035.....	¥142,934	\$1,880,710
0.970% unsecured straight bonds, due 2012	20,000	263,158
1.165% unsecured straight bonds, due 2012	10,000	131,579
0.846% unsecured straight bonds, due 2014	100,000	1,315,789
1.423% unsecured straight bonds, due 2014	30,000	394,737
1.141% unsecured straight bonds, due 2016	20,000	263,158

	As at 30th September, 2011	
	Yen (millions)	U.S. Dollars (thousands)
2.068% unsecured straight bonds, due 2019	10,000	131,579
1.604% unsecured straight bonds, due 2019	30,000	394,737
0.000% unsecured convertible bonds with subscription rights to shares, due 2013	201,426	2,650,342
0.200%-1.177% unsecured Euroyen notes issued by a consolidated subsidiary, due 2013..	6,016	79,158
0.400%-0.500% unsecured GBP discount notes issued by a consolidated subsidiary, due 2011	118	1,553
0.200% unsecured USD notes issued by a consolidated subsidiary, due 2012	378	4,974
lease obligations	24,799	326,303
Less - Current portion included in short-term borrowings	(77,270)	(1,016,711)
	<u>518,401</u>	<u>6,821,066</u>
Capitalisation:		
Common Stock:		
Authorized - 2,500,000 thousand shares		
Outstanding – 1,110,699 thousand shares	¥204,676	\$2,693,105
Capital surplus	268,529	3,533,276
Retained earnings	601,693	7,917,013
Cost of treasury stock	(13,870)	(182,500)
Total owners' equity	1,061,028	13,960,895
Valuation and Translation Adjustments:		
Net unrealised holding gains on securities	2,571	33,829
Deferred losses on hedges	(19)	(250)
Foreign currency translation adjustments	(105,301)	(1,385,539)
Pension liability adjustment of foreign subsidiaries	(1,671)	(21,987)
Total valuation and translation adjustments	(104,420)	(1,373,947)
Minority Interests	17,682	232,658
Total net assets	<u>974,290</u>	<u>12,819,605</u>
Total liabilities and net assets	<u>2,784,333</u>	<u>36,635,961</u>

Notes:

- (1) Translation into U.S. dollar figures is solely for the convenience of readers, using the rate of ¥76=U.S.\$1, the approximate exchange rate prevailing on 30th September, 2011.
- (2) As at 30th September, 2011, there were small amounts of short-term borrowings that were guaranteed and/or secured, which Sharp considers immaterial. All other short-term borrowings were unguaranteed and unsecured.
- (3) As at 30th September, 2011, there were small amounts of long-term debt that were guaranteed, which Sharp considers immaterial. All other long-term debt was unguaranteed.
- (4) As at 30th September, 2011, Sharp and its consolidated subsidiaries were contingently liable for loans guaranteed and notes discounted in the amount of ¥27,992 million.
- (5) Save as disclosed above, there has been no material change in the consolidated capitalisation, indebtedness, contingent liabilities and guarantees of Sharp since 30th September, 2011.

Directors, Corporate Auditors and Executive Officers

As at the date hereof, the Directors, Corporate Auditors and Executive Officers of Sharp are as follows:

Name	Title	Business Address¹
Katsuhiko Machida	Representative Director, Chairman	Head Office
Mikio Katayama	Representative Director, President	Head Office
Toshio Adachi	Representative Director	Head Office
Toshishige Hamano	Representative Director	Head Office
Yoshiaki Ibuchi	Representative Director	Head Office
Kenji Ohta	Representative Director	Tokyo Branch (Makuhari Building)
Nobuyuki Sugano	Director	Sharp (China) Investment Co., Ltd. (Beijing, China)
Katsuaki Nomura	Director	Head Office
Nobuyuki Taniguchi	Director	Head Office
Kunio Ito	Director	Head Office
Makoto Kato	Director	Head Office
Junzo Ueda	Full-Time Corporate Auditor	Head Office
Shinji Hirayama	Full-Time Corporate Auditor	Head Office
Yoichiro Natsuzumi	Corporate Auditor	Head Office
Masuo Okumura	Corporate Auditor	Head Office
Katsuhiko Machida	Chairman	Head Office
Mikio Katayama	President	Head Office
Toshio Adachi	Executive Vice President	Head Office
Toshishige Hamano	Executive Vice President	Head Office
Yoshiaki Ibuchi	Executive Vice President	Head Office
Kenji Ohta	Executive Vice President	Tokyo Branch (Makuhari Building)
Nobuyuki Sugano	Senior Executive Managing Officer	Sharp (China) Investment Co., Ltd (Beijing, China)
Shigeaki Mizushima	Executive Managing Officer	Tenri Plant
Takashi Nukii	Executive Managing Officer	Head Office
Toshihiko Hirobe	Executive Managing Officer	Sakai Plant
Yoshisuke Hasegawa	Executive Managing Officer	Kameyama Plant
Moriyuki Okada	Executive Managing Officer	Yao Plant
Kozo Takahashi	Executive Managing Officer	Sharp Electronics Corporation (New Jersey, U.S.A.)

Name	Title	Business Address¹
Fujikazu Nakayama	Executive Managing Officer	Yamato-Koriyama Plant
Takashi Okuda	Executive Managing Officer	Head Office
Motohiko Hayashi	Executive Managing Officer	Katsuragi Plant
Katsuaki Nomura	Executive Managing Officer	Head Office
Noboru Fujimoto	Executive Managing Officer	Sharp Electronics (Malaysia) SDN. BHD. (Shah Alam, Malaysia)
Toshihiko Fujimoto	Executive Officer	Head Office
Masami Ohbatake	Executive Officer	Higashi-Hiroshima Plant
Tsuneo Nakamura	Executive Officer	Yaita Plant
Masatsugu Teragawa	Executive Officer	Yaita Plant
Nobuyuki Taniguchi	Executive Officer	Head Office
Tetsuro Muramatsu	Executive Officer	Head Office
Kazutaka Ihori	Executive Officer	Tokyo Ichigaya Building Office
Hiroshi Morimoto	Executive Officer	Katsuragi Plant
Kazutoshi Goto	Executive Officer	Head Office
Norikazu Hohshi	Executive Officer	Kameyama Plant
Keiko Okada	Executive Officer	Head Office
Masayuki Mohri	Executive Officer	Head Office
Ryutaro Egawa	Executive Officer	Fukuyama Plant
Noboru Yamazawa	Executive Officer	Head Office
Kazushi Mukai	Executive Officer	Katsuragi Plant
Akira Atarashi	Executive Officer	Head Office
Paul Molyneux	Executive Officer	Sharp Electronics (Europe) GMBH (Hamburg, Germany)
Tetsuo Onishi	Executive Officer	Sharp Electronics (Europe) GMBH (Hamburg, Germany)

Note:

- (1) Head Office is located at 22-22, Nagake-cho, Abeno-ku, Osaka 545-8522, Japan
Tokyo Branch (Makuhari Building) is located at 1-9-2 Nakase, Mihama-ku, Chiba-shi, Chiba Prefecture 261-8520, Japan
Tokyo Ichigaya Building Office is located at 8 Ichigaya-Hachiman-cho, Shinjuku-ku, Tokyo 162-8408, Japan
Yaita Plant is located at 174 Hayakawa-cho, Yaita-shi, Tochigi Prefecture 329-2193, Japan
Kameyama Plant is located at 464 Kougawa, Shiraki-cho, Kameyama City, Mie Prefecture 519-0198, Japan
Tenri Plant is located at 2613-1 Ichinomoto-cho, Tenri-shi, Nara Prefecture 632-8567, Japan
Yamato-Koriyama Plant is located at 492 Minosho-cho, Yamato-Koriyama, Nara Prefecture 639-1186, Japan
Katsuragi Plant is located at 282-1 Hajikami, Katsuragi-shi, Nara Prefecture 639-2198, Japan
Sakai Plant is located at 1 Takumi-cho, Sakai-ku, Sakai City, Osaka Prefecture 590-8522, Japan
Yao Plant is located at 3-1-72 Kita-Kamei-cho, Yao-shi, Osaka Prefecture 581-8585, Japan
Higashi-Hiroshima Plant is located at 2-13-1 Iida, Hachihonmatsu-cho, Higashi-Hiroshima-shi, Hiroshima Prefecture 739-0192, Japan
Fukuyama Plant is located at 1 Asahi, Daimon-cho, Fukuyama-shi, Hiroshima Prefecture 721-8522, Japan
Sharp Electronics Corporation (New Jersey, U.S.A.) is located at Sharp Plaza, Mahwah, New Jersey 07495-1163, U.S.A.
Sharp Electronics (Europe) GMBH (Hamburg, Germany) is located at Sonninstrasse 3, 20097 Hamburg, Germany
Sharp (China) Investment Co., Ltd. (Beijing, China) is located at Unit 1004A, 10F, Mapletree Tower, No. 108, Jianguo Road, Chaoyang District, Beijing City, 100022, P.R.China
Sharp Electronics (Malaysia) SDN. BHD. is located at 1A, Persiaran, Kuala Langat, Section 27, 40400 Shah Alam, Selangor Darul Ehsah, Malaysia

Kunio Ito and Makoto Kato, two Directors of the Company, are outside directors under Article 2(xv) of the Japanese Companies Act.

Shinji Hirayama, Full-Time Corporate Auditor of the Company, and Yoichiro Natsuzumi and Masuo Okumura, two Corporate Auditors of the Company, are outside corporate auditors under Article 2(xvi) of the Japanese Companies Act.

None of the Directors, Executive Officers or Corporate Auditors of Sharp have any potential conflicts of interests between their duties to Sharp and their private interests and/or other duties.

SHARP INTERNATIONAL FINANCE (U.K.) PLC

SIF was incorporated with limited liability on 2nd May, 1990 and registered as a public limited company (number 2498218) under the laws of England for an unlimited term. SIF's registered office is at 4 Furzeground Way, Stockley Park, Uxbridge, Middlesex UB11 1EZ and the telephone number for the registered office is +44 20 8734 2099. SIF is a directly wholly-owned subsidiary of Sharp. The principal activities of SIF are dealing in securities and short-term financing for companies controlled by Sharp. SIF is reliant on Sharp for establishing the management direction and strategy of the Group. The directors of SIF, in taking any decisions in their capacity as a member of the board, do so after taking into account the best interests of SIF. SIF has no subsidiaries.

Management

As at the date hereof, the following are the names and titles of the Directors of SIF.

Name	Title
Koji Shimomura	Managing Director
Katsuaki Nomura	Director

Koji Shimomura is a full-time executive of SIF and his business address is the registered office of SIF. The business address of Katsuaki Nomura is 22-22 Nagaïke-cho, Abeno-ku, Osaka 545-8522.

None of the Directors of SIF have any potential conflicts of interests between their duties to SIF and their private interests and/or other duties.

Summary Financial Information

The following table sets out summary audited financial and other information for SIF for the years ended 31st March, 2010 and 2011:

	For the year ended/as at 31st March,	
	2010	2011
	U.S. Dollars (thousands)	
Turnover.....	8,401	8,141
Operating income.....	3,042	5,004
Profit on ordinary activities before taxation.....	1,334	3,391
Profit on ordinary activities after taxation	960	2,519
Dividend paid.....	—	—
Actuarial gain/(loss) on pension scheme, net of Deferred tax gain/(loss) on change in pension.....	(31)	4
Change in fair value Investment Available for Sale	3,261	(4,239)
Net addition to shareholders' funds.....	4,190	(1,716)
Fixed assets ⁽¹⁾	104	78

For the year ended/as at 31st March,

	2010	2011
	U.S. Dollars (thousands)	
Current assets ⁽²⁾	118,617	150,923
Creditors: amounts falling due within one year	(28,807)	(55,544)
Net current assets ⁽³⁾	89,810	95,379
Total assets less current liabilities	89,914	95,457
Creditors: amounts falling due after more than one year ⁽⁴⁾	(55,154)	(62,413)
Capital and reserves	34,760	33,044

Notes:

- (1) "Fixed assets" is equivalent to "Tangible assets" in the audited financial statements of SIF.
- (2) "Current assets" is equivalent to the sum of (i) "Current assets" and (ii) "Investments - available for sale" which are included in "Fixed Assets" in the audited financial statements of SIF.
- (3) "Net current assets" is equivalent to the sum of (i) "Net current assets" and (ii) "Investments - available for sale" which are included in "Fixed Assets" in the audited financial statements of SIF.
- (4) "Creditors: amounts falling due after more than one year" is equivalent to the sum of (i) "Creditors amounts falling due after more than one year" and (ii) "Defined pension benefit liability" in the audited financial statements of SIF.

Capitalisation

The following table sets out the capitalisation and indebtedness of SIF as at 31st March, 2011, based upon information extracted without material adjustment from SIF's audited financial statements for the year ended 31st March, 2011:

	As at 31st March, 2011
	U.S. Dollars (thousands)
Short-term borrowing	
Euro Commercial Paper	43,973
Discount Notes ⁽⁴⁾⁽⁶⁾	8,492
	\$52,465
Financial Liabilities at Fair Value through Profit & Loss	
¥5 billion 1.177% Euro Medium Term Notes, due April 2013	60,889
	\$60,889
Shareholders' Funds	
Authorised 120,000 ordinary shares of \$100 each	

	500 ordinary shares of £100 each	
Issued	86,449 ordinary shares of \$100 each	8,645
	500 ordinary shares of £100 each	87
Retained Earnings		23,486
Fair Value Reserve		826
Total Shareholders' Funds		33,044
Total Capitalisation and Indebtedness		\$146,398

Notes:

- (1) All the short-term borrowings and long-term debt was unsecured and unguaranteed.
- (2) As at 31st March, 2011, SIF had no contingent liabilities or guarantees.
- (3) All issued share capital is fully paid.
- (4) As at 31st December, 2011, Discount Notes had decreased from \$8,492 thousand to \$1,553 thousand. This change reflected the reduction in availability of funds from the group companies and an increase in funding drawn from short term EMTN issues and bank loans. Funds raised were used to make intra-group loans requested from SIF by companies controlled by Sharp in accordance with SIF's usual practice.
- (5) Save as disclosed above, there has been no material change in the capitalisation, indebtedness and contingent liabilities or guarantees of SIF since 31st March, 2011.
- (6) Discount Notes in the amount of \$8,492 thousand is reported in SIF's financial statements for the year ended 31st March, 2011 as "Amount owed to fellow subsidiary undertakings", which is included as part of "Creditors: amounts falling due within one year" of \$55,544 thousand (see note 12 to SIF's financial statements for the year ended 31st March, 2011).

RELATIONSHIP WITH SHARP CORPORATION

General

SIF is a wholly-owned subsidiary of Sharp.

Keep Well Agreement

SIF and Sharp have entered into the Keep Well Agreement, which is governed by the laws of England and have also executed a deed poll dated 22nd April, 1994 (the “Deed Poll”) relating to the Keep Well Agreement in favour of the Noteholders and the counterparties in certain swap and other derivative transactions entered into by SIF. The following is a summary of certain of the terms of the Keep Well Agreement, a copy of which is available for inspection as stated in “General Information” below:

- (i) Sharp will own, directly or indirectly, all the outstanding capital stock of SIF so long as SIF has any debt outstanding and will not pledge, grant a security interest in or encumber any of such capital stock.
- (ii) Sharp will cause SIF to have a consolidated tangible net worth, as shown on SIF’s most recent consolidated balance sheet, of at least US\$100,000.
- (iii) If SIF at any time determines that it will run short of cash or other liquid assets to meet its payment obligations as they fall due, Sharp will make available to SIF, before the due date of such payment obligations, funds sufficient to enable SIF to repay such payment obligations in full as they fall due.

The performance by Sharp of its obligations under the Keep Well Agreement and the Deed Poll may be subject to the approval or clearance or other authorisation of Japanese governmental authorities.

The Keep Well Agreement is not, and should not be regarded as equivalent to a guarantee by Sharp of the payment of any indebtedness, liability or obligation of SIF. The only parties to the Keep Well Agreement are SIF and Sharp. The holders of any indebtedness, liability or obligation of SIF are not parties to the Keep Well Agreement and will not be entitled to enforce its provisions. Consequently, Sharp will not, by virtue of the Keep Well Agreement, have any obligation or liability to the holder of any such indebtedness, liability or obligation and the Keep Well Agreement will not be enforceable against Sharp by anyone other than SIF (which could include an administrator, a liquidator or a receiver acting on behalf of SIF).

In the event of a breach by SIF of its payment obligations under the Notes and such indebtedness remaining unpaid, an aggrieved Noteholder, in appropriate circumstances, would be able to petition, or support an existing petition, to the court for the winding-up of SIF. The granting of a winding-up order in England would be at the discretion of the court. However, in the event of a winding-up order being made, a liquidator would be appointed, whose duties, under English law, would include realising SIF’s assets for the benefit of its creditors by seeking to enforce, on behalf of SIF, obligations and debts owed to it, including obligations of Sharp under the Keep Well Agreement, if the Keep Well Agreement has not been terminated prior to the winding-up. Subject to applicable laws relating to the creditors’ rights, the Keep Well Agreement upon which the liquidator’s action for enforcement would be based would be in the form existing at that time which would include any variation or amendment effected prior to the winding-up.

The Keep Well Agreement provides that it may be modified, amended or terminated only by the written agreement of Sharp and SIF provided, however, that no such modification, amendment or termination shall have any material adverse effect upon the holder of any debt obligation of SIF, or upon any counterparty in any transaction referred to in the first paragraph of this section, which is outstanding at the time of such modification, amendment or termination.

Condition 9 of the Notes provides that any modification, amendment or termination of the Keep Well Agreement may constitute an event of default under the Notes if it would have a material adverse effect upon any Noteholder, Receiptholder or Couponholder. Sharp has agreed with SIF in the Keep Well Agreement that each of them will give written notice to each statistical rating agency that has issued a rating in respect of SIF or any of its debt obligations at least 30 days prior to any modification, amendment or termination of the Keep Well Agreement.

Financial and other Information concerning Sharp is provided for background purposes only in view of the importance of Sharp to the Keep Well Agreement; it should not be treated as implying that the Keep Well Agreement can be viewed as a guarantee.

Deed Poll

Sharp and SIF have entered into the Deed Poll for the benefit of the Noteholders and the counterparties in certain swap and other derivative transactions entered into by SIF (together with the Noteholders, “Beneficiaries”). Each of Sharp and SIF has covenanted in the Deed Poll that:

- (i) it will not consent, either orally or in writing, to any modification, amendment or termination of the Keep Well Agreement which may have any material adverse effect upon any Beneficiary, and it will not terminate the Keep Well Agreement or in any way modify, amend or terminate the Deed Poll while, *inter alia*, any Note or any such swap or derivative transaction remains outstanding;
- (ii) it will give 30 days’ prior written notice to each statistical rating agency that at the request of SIF or Sharp has issued a rating in respect of SIF or of the Notes of any proposed modification, amendment or termination of the Keep Well Agreement or the Deed Poll;
- (iii) it will fully and promptly perform its obligations and exercise its rights under the Keep Well Agreement and, in the case of SIF (without limitation to the foregoing) exercise its right to enforce performance of the terms of the Keep Well Agreement by Sharp; and
- (iv) it will consent to the giving of an order for specific performance or similar relief by any court of competent jurisdiction in the event that any action is brought by a Beneficiary in respect of the Deed Poll.

The obligations of SIF and Sharp under the Deed Poll are enforceable against them severally by each Beneficiary in whose favour the obligations are expressed to be.

TAXATION

Japanese Taxation

The following statements are not intended to constitute a complete analysis of all tax consequences relating to the purchase, ownership and disposition of the Notes. Prospective purchasers should consult their own tax advisers concerning the tax consequences of their particular situations.

Notes issued by Sharp

Interest payments on the Notes will be subject to Japanese withholding tax unless the holder establishes that the Notes are held by or for the account of a holder that is (i) for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with the Issuer as described in Article 6, paragraph 4 of the Special Taxation Measures Law (any such person hereinafter referred to as a “specially-related person of the Issuer”) or (ii) a Japanese designated financial institution as described in Article 6, paragraph 9 of the Special Taxation Measures Law which complies with the requirement for tax exemption under that paragraph.

Interest payments on the Notes to an individual resident of Japan, to a Japanese corporation not described in item (ii) of the preceding paragraph, or to an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of the Issuer will be subject to deduction in respect of Japanese income tax at a rate of 15 per cent. (for the period from and including 1st January, 2013 to and including 31st December, 2037, an additional 0.315 per cent. will be added thereto as special income tax for reconstruction) of the amount specified in subparagraph (a) or (b) below, as applicable:

- (a) if interest is paid to an individual resident of Japan, to a Japanese corporation, or to an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of the Issuer (except as provided in subparagraph (b) below), the amount of such interest; or
- (b) if interest is paid to a public corporation, a financial institution, a financial instruments business operator or certain other entities through a Japanese payment handling agent as provided in Article 3-3, paragraph 6 of the Special Taxation Measures Law in compliance with the requirement for tax exemption under that paragraph, the amount of such interest minus the amount provided in the Cabinet Order relating to said paragraph 6.

If a beneficial owner of any Notes is an individual non-resident of Japan or a non-Japanese corporation that in either case is not a specially-related person of the Issuer, payment of interest on such Notes outside Japan by the Issuer or the Paying Agent to such beneficial owner will not be subject to Japanese withholding tax (including, where applicable, special taxes for reconstruction), provided that such beneficial owner complies with certain requirements, *inter alia*:

- (a) if such Notes are held through any of certain participants in an international clearing organisation, such as Euroclear and Clearstream, Luxembourg, or through any of certain financial intermediaries, in each case as prescribed by the Special Taxation Measures Law (each such participant or financial intermediary being referred to as a “Participant”), the requirement to provide certain information prescribed by the Special Taxation Measures Law to enable the Participant to establish that the beneficial owner is exempt from the requirement for Japanese tax to be withheld or deducted; and
- (b) if such Notes are held not through a Participant, the requirement to submit to the Paying Agent a claim for exemption from withholding tax (*hikazei tekiyo shinkokusho*), together with certain documentary evidence, at or prior to each receipt of interest.

Even if a beneficial owner of any Notes is an individual non-resident of Japan or a non-Japanese corporation that in either case is not a specially-related person of the Issuer and has complied with the requirements described above, payment of interest on the Notes however, will be subject to Japanese income or corporation taxes (including, where applicable, special taxes for reconstruction) payable otherwise than by way of withholding if such beneficial owner has a permanent establishment in Japan and payment of such interest is attributable to the business thereof carried on in Japan through such permanent establishment.

The above-described exemption from Japanese income or corporation taxes (including, where applicable, special taxes for reconstruction) with respect to interest on the Notes will not be applicable to any Notes on which interest is calculated based on any of certain indices, including the amount of profits or assets of the Issuer or a specially-related person of the Issuer, as described in Article 6, paragraph 4 of the Special Taxation Measures Law and the Cabinet Order relating to that paragraph.

If the recipient of any difference between the issue price of Notes and the amount which the holder receives upon redemption of such Notes, defined in Article 41-13 of the Special Taxation Measures Law as issue differential (the “Issue Differential”), is an individual non-resident of Japan or a non-Japanese corporation with no permanent establishment in Japan that in either case is not a specially-related person of the Issuer, no Japanese income or corporation taxes (including, where applicable, special taxes for reconstruction) will be payable with respect to the Issue Differential. If the receipt of the Issue Differential is attributable to the business carried on in Japan by an individual non-resident of Japan or a non-Japanese corporation through a permanent establishment maintained by it in Japan and in certain other cases provided by Japanese Cabinet Order, however, the Issue Differential will be subject to Japanese income or corporation taxes (including, where applicable, special taxes for reconstruction).

Notes issued by SIF

Under Japanese tax laws currently in effect, payment of interest on Notes to a non-resident of Japan or a non-Japanese corporation will not be subject to any Japanese income taxes (including, where applicable, special income tax for reconstruction) by way of withholding. Nor will such payment be subject to any Japanese income or corporation taxes (including, where applicable, special taxes for reconstruction) otherwise than by way of withholding unless such non-resident or non-Japanese corporation has a permanent establishment in Japan and payment of such interest is attributable to the business of such non-resident or non-Japanese corporation carried on in Japan through such permanent establishment.

Notes issued by either of the Issuers

Gains derived by a non-resident of Japan or a non-Japanese corporation from the sale outside Japan of Notes, or from the sale of Notes within Japan by a non-resident of Japan or non-Japanese corporation not having a permanent establishment in Japan, are in general not subject to Japanese income or corporation taxes (including, where applicable, special taxes for reconstruction). Japanese inheritance and gift taxes at progressive rates may be payable by an individual who has acquired Notes as a legatee, heir or donee. No stamp, issue, registration or similar taxes or duties will, under present Japanese law, be payable by holders of Notes in connection with the issue of Notes.

United Kingdom Taxation

The following is a summary of the United Kingdom withholding tax treatment of payments on the Notes at the date of this Offering Circular and is based on current United Kingdom law and HM Revenue & Customs practice (which may not be binding on HM Revenue & Customs). It assumes that Sharp is not resident in the United Kingdom and does not act through a permanent establishment in the United Kingdom in relation to the Notes. It is not intended to be exhaustive as (subject to the comments in the section headed “General” below) it only deals with United Kingdom withholding tax and disclosure of information in respect of persons who

are the absolute beneficial owners of their Notes and Coupons and may not apply to certain classes of persons such as dealers. Prospective holders of Notes should be aware that the particular terms of issue of any Notes, as specified in the relevant Pricing Supplement, may affect the treatment of that series of Notes. Noteholders who are in any doubt as to their tax position should consult their professional advisers.

Notes issued by Sharp (“Sharp Notes”)

On the basis that interest on the Sharp Notes is not expected to have a United Kingdom source, there should be no United Kingdom withholding tax.

Persons in the United Kingdom (i) paying interest to or receiving interest on behalf of another person who is an individual, or (ii) paying amounts due on redemption of any Sharp Notes which constitute deeply discounted securities as defined in Chapter 8 of Part 4 of the Income Tax (Trading and Other Income) Act 2005 to or receiving such amounts on behalf of another person who is an individual, may be required to provide certain information to HM Revenue & Customs regarding the identity of the payee or person entitled to the interest and, in certain circumstances, such information may be exchanged with tax authorities in other countries. However, in relation to amounts payable on the redemption of such Sharp Notes, HM Revenue & Customs published practice indicates that HM Revenue & Customs will not exercise its power to obtain information where such amounts are paid or received on or before 5th April, 2012.

Notes issued by SIF (“UK Notes”)

While the UK Notes continue to be listed on a recognised stock exchange, within the meaning of Section 1005 Income Tax Act 2007 (the London Stock Exchange is a “recognised stock exchange” for these purposes), payments of interest may be made without withholding or deduction for or on account of United Kingdom income tax. Securities will be treated as listed on the London Stock Exchange if they are included in the Official List by the United Kingdom Listing Authority and are admitted to trading on the London Stock Exchange. HM Revenue & Customs has confirmed that securities that are admitted to trading on the Professional Securities Market of the London Stock Exchange plc satisfy the condition of being admitted to trading on the London Stock Exchange.

If a UK Note carries a right to interest and has a maturity date less than one year from the date of issue (and is not issued under any arrangement, the effect of which is to render such UK Note part of a borrowing for a total term of one year or more) payments of interest may be made without withholding or deduction for or on account of United Kingdom income tax.

In all other cases, interest on the UK Notes will generally be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to any direction to the availability of other reliefs or to the contrary from HM Revenue & Customs in respect of such relief as may be available pursuant to the provisions of any applicable double taxation treaty or to any application of the exception for payments between certain companies and persons provided for by Section 930 Income Tax Act 2007.

Persons in the United Kingdom (i) paying interest to or receiving interest on behalf of another person who is an individual, or (ii) paying amounts due on redemption of any UK Notes which constitute deeply discounted securities as defined in Chapter 8 of Part 4 of the Income Tax (Trading and Other Income) Act 2005 to or receiving such amounts on behalf of another person who is an individual, may be required to provide certain information to HM Revenue & Customs regarding the identity of the payee or person entitled to the interest or other amounts and, in certain circumstances, such information may be exchanged with tax authorities in other countries. However, in relation to amounts payable on the redemption of such UK Notes, HM Revenue & Customs published practice indicates that HM Revenue & Customs will not exercise its power to obtain information where such amounts are paid or received on or before 5th April, 2012.

UK Notes may be issued at an issue price of less than 100 per cent. of their principal amount. Any discount element on any such UK Notes should not be subject to United Kingdom withholding tax, but may be subject to provision of information requirements as outlined above.

Where UK Notes are issued with a redemption premium, as opposed to being issued at a discount, then any such element of premium may constitute a payment of interest. Payments of interest may be subject to United Kingdom withholding tax and provision of information requirements as outlined above.

The references to “interest” or “principal” in this “United Kingdom Taxation” section mean “interest” or “principal” as understood in United Kingdom tax law. The statements in this “United Kingdom Taxation” section do not take any account of any different definitions of “interest” or “principal” which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation.

EU Directive on the Taxation of Savings Income

The EU has adopted a Directive regarding the taxation of savings income (the “Savings Directive”). The Savings Directive requires each Member State to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a person within its jurisdiction to an individual or to certain other persons in another Member State, except that Austria and Luxembourg will instead impose a withholding system for a transitional period (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld) unless during such period they elect otherwise. The European Commission has proposed certain amendments to the Savings Directive which may, if implemented, amend or broaden the scope of the requirements described above.

General

Where interest has been paid under deduction of United Kingdom income tax (e.g. if the UK Notes no longer constituted Securities listed on a recognised stock exchange as outlined above), Noteholders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in an applicable double taxation treaty.

Interest and any accruing discount on the UK Notes will have a United Kingdom source and accordingly may be chargeable to United Kingdom tax by direct assessment. Where interest or accruing discount is paid without withholding or deduction, the interest or accruing discount will not be assessed to United Kingdom tax in the hands of holders of the UK Notes who are not resident in the United Kingdom, except where such persons, in the case of individual Noteholders, carry on a trade, profession or vocation in the United Kingdom through a United Kingdom branch or agency, or, in the case of corporate Noteholders, carry on a trade through a permanent establishment in the United Kingdom in connection with which the interest or accruing discount is received or to which the UK Notes are attributable, in which case (subject to exemptions for interest and accruing discount received by certain categories of agent) tax may be levied on the United Kingdom branch, agency or permanent establishment.

Noteholders should note that the provisions relating to additional amounts referred to in “Terms and Conditions of the Notes — Taxation” above would not apply if HM Revenue & Customs sought to assess directly the person entitled to the relevant interest to United Kingdom tax. However, exemption from, or reduction of, such United Kingdom tax liability might be available under an applicable double taxation treaty.

PLAN OF DISTRIBUTION

Summary of Distribution Agreement

Subject to the terms and on the conditions contained in an amended and restated distribution agreement dated 7th February, 2011 (as supplemented and/or amended from time to time, the “Distribution Agreement”) between the Issuers, Goldman Sachs International (the “Arranger”) and Citigroup Global Markets Limited, Daiwa Capital Markets Europe Limited, J.P. Morgan Securities Ltd., Mitsubishi UFJ Securities International plc, Mizuho International plc, Morgan Stanley & Co. International plc, Nomura International plc, The Royal Bank of Scotland plc, and UBS Limited (together with the Arranger, the “Permanent Dealers”) the Notes will be offered on a continuous basis by an Issuer to the Permanent Dealers. However, each of the Issuers has reserved the right to sell Notes directly on its own behalf to purchasers which are not Permanent Dealers (together with the Permanent Dealers, “Dealers”) provided that such sales are upon the terms of the Distribution Agreement. Such Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by each Issuer through the Dealers, acting as agents of such Issuer. The Distribution Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuers will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed or procured for subscription by it. Each of the Issuers has agreed to reimburse the Arranger for certain of its expenses incurred in connection with the establishment of the Programme. The commission in respect of an issue of Notes will be stated in the Pricing Supplement.

The Issuers have agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Distribution Agreement may be terminated in relation to all the Dealers or any of them by the Issuers or, in relation to itself and the Issuers only, by any Dealer, at any time on giving not less than ten business days’ notice.

Selling Restrictions

United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each Dealer has represented and agreed that, except as permitted by the Distribution Agreement, it has not offered, sold or delivered and will not offer, sell or deliver the Notes of any identifiable Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined and certified to the Issuer and each relevant Dealer, by the Fiscal Agent or, in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

United Kingdom

Each Dealer has represented and agreed that:

- (i) in relation to any Notes which have a maturity of less than one year from the date of issue, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Japan

In respect of Notes issued by Sharp only:

The Notes have not been and will not be registered under the FIEL. Accordingly, each Dealer has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident in Japan (which term as used in this paragraph means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and other relevant laws, regulations and ministerial guidelines of Japan.

In addition, the Notes are subject to the Special Taxation Measures Law. Accordingly, each Dealer has represented and agreed that it (i) has not, directly or indirectly, offered or sold any of the Notes to, or for the benefit of, any person other than a Gross Recipient (as defined below), and (ii) will not, directly or indirectly, offer or sell any of the Notes, (x) as part of its initial distribution at any time, to, or for the benefit of, any person other than a Gross Recipient, and (y) otherwise until 40 days after the date of issue of the Notes, in Japan or to, or for the benefit of, any resident of Japan (which term as used in this paragraph means any person resident in Japan or any Japanese corporation under the Special Taxation Measures Law excluding certain financial institutions defined in Article 6, Paragraph 9 of the Special Taxation Measures Law and any other excluded category of persons, corporations or other entities under the Special Taxation Measures Law), or any individual non-resident of Japan or non-Japanese corporation that in either case is a person having a special relationship with the Issuer as described in Article 6, Paragraph 4 of the Special Taxation Measures Law (any such person hereinafter referred to as a “specially-related person of the Issuer”), or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan or any specially-related person of the Issuer, so as to satisfy the requirements for the tax exemption as provided for in Article 6 of the Special Taxation Measures Law and any other applicable laws, regulations and ministerial guidelines of Japan. A “Gross Recipient” means (a) a beneficial owner that is, for Japanese tax purposes,

neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a party having a special relationship with Issuer as described in Article 6, paragraph 4 of the Special Taxation Measures Law, or (b) a Japanese financial institution, designated in Article 3-2-2, Paragraph 29 of the Cabinet Order relating to the Special Taxation Measures Law (Cabinet Order No. 43 of 1957, as amended) (the “Cabinet Order”) that will hold Securities for its own proprietary account.

In respect of Notes issued by SIF only:

The Notes have not been and will not be registered under the FIEL. Accordingly, each Dealer has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident in Japan (which term as used in this paragraph means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and other relevant laws regulations and ministerial guidelines of Japan.

Public Offer Selling Restriction Under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”), each Dealer has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the pricing supplement in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (i) if the pricing supplement in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “Non-exempt Offer”), following the date of publication of an offering circular in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such offering circular has subsequently been completed by the pricing supplement contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such offering circular or pricing supplement, as applicable and the relevant Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (ii) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (iii) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (iv) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (ii) to (iv) above shall require the Issuers or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement an offering circular pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient

information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

General

These selling restrictions may be modified by the agreement of the Issuers and the relevant Dealer(s) following a change in a relevant law, regulation or directive. Any such modification will be set out in the Pricing Supplement issued in respect of the issue of Notes to which it relates or in a supplement to this Offering Circular.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Offering Circular or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives, and obtain all relevant consents, approvals or permissions, in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Offering Circular, any other offering material or any Pricing Supplement and neither the Issuers nor any other Dealer shall have responsibility therefor.

FORM OF PRICING SUPPLEMENT

The form of Pricing Supplement that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below.

Pricing Supplement dated [●]

SHARP CORPORATION SHARP INTERNATIONAL FINANCE (U.K.) PLC

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the
U.S.\$700,000,000
Euro Medium Term Note Programme
Due from one month to 30 years from the original date of issue

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Offering Circular dated [●] [and the supplemental Offering Circular dated [●]] which [together] constitute[s] listing particulars for the purposes of Chapter 4 of the FSA's Listing Rules. This document constitutes the final terms for the Notes described herein and must be read in conjunction with such Offering Circular [as so supplemented].

[The Offering Circular [and the supplemental Offering Circular] [is] [are] available for viewing at [address] [and] [website] and copies may be obtained from [address].]

[The Offering Circular [and the supplemental Offering Circular] are available for viewing at [address] [and] [website] and copies may be obtained from [address].]

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement.]

[When completing final terms or adding any other final terms or information consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Offering Circular under FSMA.]

- | | | |
|---|--|--|
| 1 | Issuer: | Sharp Corporation/Sharp International Finance (U.K.) Plc |
| 2 | [(i)] Series Number: | [●] |
| | [(ii)] Tranche Number: | [●] |
| | (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).] | |
| 3 | Specified Currency or Currencies: | [●] |

4	Aggregate Nominal Amount:	
	(i) Series:	[●]
	(ii) [Tranche:	[●]]
5	(i) Issue Price:	[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from <i>[insert date]</i> (if applicable)]
6	(ii) Specified Denominations:	[Note - where multiple denominations above €100,000 (or equivalent) are being used the following sample wording should be followed: <i>[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000]</i>
	(iii) Calculation Amount:	<i>[If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor] [Note: There must be a common factor in the case of two or more Specified Denominations]</i>
7	(i) Issue Date:	[●]
	(ii) Interest Commencement Date:	[●]
8	Maturity Date:	<i>[specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]</i>
9	Interest Basis:	[[●] per cent. Fixed Rate] [[specify reference rate] +/- [●] per cent. Floating Rate] [Zero Coupon] [Index Linked Interest] [Other (specify)] (further particulars specified below)
10	Redemption/Payment Basis:	[Redemption at par] [Index Linked Redemption] [Dual Currency] [Partly Paid] [Instalment] [Other (specify)]
11	Change of Interest or Redemption/Payment Basis:	<i>[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]</i>

- 12 Put/Call Options: [Investor Put]
[Issuer Call]
(further particulars specified below)
- 13 Status of the Notes: Senior
- 14 Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 15 Fixed Rate Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate [(s)] of Interest: [●] per cent. per annum [payable
[annually/semi-annually/quarterly/ monthly]
in arrear]
- (ii) Interest Payment Date(s): [●] in each year [adjusted in accordance
with [specify Business Day Convention and
any applicable Business Centre(s) for the
definition of “Business Day” that is not
already provided for in the Conditions]/not
adjusted]
- (iii) Fixed Coupon Amount [(s)]: [●] per Calculation Amount
- (iv) Broken Amount(s): [●] per Calculation Amount, payable on the
Interest Payment Date falling [in/on] [●]
- (v) Day Count Fraction (Condition 4(j)): [●]
*(Day count fraction should be
Actual/Actual-ICMA for all fixed rate issues
other than those denominated in U.S.
dollars, unless requested otherwise)*
- (vi) Determination Date(s) (Condition 4(j)): [●] in each year. *[insert regular interest
payment dates, ignoring issue date or
maturity date in the case of a long or short
first or last coupon]*¹
- (vii) Other terms relating to the method of
calculating interest for Fixed Rate Notes: [Not Applicable/give details]
- 16 Floating Rate Note Provisions [Applicable/Not Applicable] *(If not
applicable, delete the remaining sub-
paragraphs of this paragraph)*
- (i) Interest Period(s): [●]
- (ii) Specified Interest Payment Dates: [●]
- (iii) Interest Period Date(s): [●]
- (iv) Business Day Convention: [Floating Rate Business Day
Convention/Following Business Day]

¹ Only to be completed for an issue where Day Count Fraction is Actual/Actua-ICMA.

- Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)
- (v) Business Centre(s) (Condition 4(j)): [●]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (*give details*)]
- (vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Calculation Agent]): [●]
- (viii) Screen Rate Determination (Condition 4(b)(iii)(B)):
- Relevant Time: [●]
 - Interest Determination Date(s): [[●] [TARGET] Business Days in [*specify city*] for [*specify currency*] prior to [*the first day in each Interest Accrual Period/each Interest Payment Date*]]
 - Reference Banks (if Primary Source is “Reference Banks”): [Specify four]
 - Relevant Financial Centre: [The financial centre most closely connected to the Benchmark-Specify if not London]
 - Benchmark: [LIBOR, LIBID, LIMEAN, EURIBOR or other benchmark]
 - Representative Amount: [Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified national amount]
 - Effective Date: [Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period]
 - Specified Duration: [Specify period for quotation if not duration of Interest Accrual Period.]
 - Page: [●]
- (ix) ISDA Determination (Condition 4(b)(iii)(A)):
- Floating Rate Option: [●]
 - Designated Maturity: [●]
 - ISDA Definitions (if different from those set out in the Conditions): [●]
- (x) Margin(s): [+/-][●] per cent. per annum
- (xi) Minimum Rate of Interest: [●] per cent. per annum

	(xii) Maximum Rate of Interest:	[●] per cent. per annum
	(xiii) Day Count Fraction (Condition 4(j)):	[●]
	(xiv) Rate Multiplier:	[●]
	(xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[●]
17	Zero Coupon Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Amortisation Yield (Condition 5(d)):	[●] per cent. per annum
	(ii) Day Count Fraction (Condition 4(j)):	[●]
	(iii) Any other formula/basis of determining amount payable:	[●]
18	Index Linked Note/other variable-linked interest Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Index/Formula/other variable:	[Give or annex details]
	(ii) Calculation Agent responsible for calculating the interest due:	[●]
	(iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	[●]
	(iv) Interest Period(s):	[●]
	(v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	[●]
	(vi) Specified Interest Payment Dates:	[●]
	(vii) Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other <i>(give details)</i>]
	(viii) Additional Business Centre(s) (Condition	[●]

	4(j)):	
	(ix) Minimum Rate of Interest:	[●] per cent. per annum
	(x) Maximum Rate of Interest:	[●] per cent. per annum
	(xi) Day Count Fraction (Condition 4(j)):	[●]
19	Dual Currency Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Rate of Exchange/Method of calculating Rate of Exchange:	[Give details]
	(ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due:	[●]
	(iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:	[●]
	(iv) Person at whose option Specified Currency(ies) is/are payable:	[●]
	(v) Day Count Fraction (Condition 5(j)):	[●]
PROVISIONS RELATING TO REDEMPTION		
20	Issuer Call Option	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Optional Redemption Date(s):	[●]
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[●] per Note of [●] specified denomination
	(iii) If redeemable in part:	
	(a) Minimum nominal amount to be redeemed	[●]
	(b) Minimum nominal amount to be redeemed	[●]
	(iv) Option Exercise Date(s):	[●]
	(v) Description of any other Issuer's Option:	[●]
	(vi) Notice period: ²	[●]
21	Investor Put Option	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-</i>

² If setting notice periods which are different to those provided in the terms and conditions, issuers are advised to consider the practicalities of distribution of information through intermediaries, for example clearing systems and custodians, as well as any other notice requirements which may apply, for example as between the issuer and its fiscal agent or trustee.

- paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
 - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Note of [●] specified denomination
 - (iii) Option Exercise Date(s): [●]
 - (iv) Description of any other Noteholders' option: [●]
 - (v) Notice period:² [●]
- 22** Final Redemption Amount of each Note [[●] per Note of [●] specified denomination/Other/See Appendix]
- In cases where the Final [give or annex details] Redemption Amount is Index-Linked or other variable-linked:
- (i) Index/Formula/variable: [*give or annex details*]
 - (ii) Calculation Agent responsible for calculating the Final Redemption Amount: [●]
 - (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [●]
 - (iv) Date of Calculation: [●]
 - (v) Provisions for determining the Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]
 - (vi) Date of Payment: [●]
 - (vii) Minimum Final Redemption Amount: [●]
 - (viii) Maximum Final Redemption Amount: [●]
- 23** Early Redemption Amount
- (i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 5(b)) or an event of default (Condition 9) and/or the method of calculating the same (if required or if different from that set out in the Conditions): [●]
 - (ii) Redemption for taxation reasons [Yes/No]

permitted on days other than Interest
Payment Dates (Condition 5(b)):

- (iii) Unmatured Coupons to become void upon early redemption (Bearer Notes only) (Condition 5(d)) [Yes/No/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24	Form of Notes:	Bearer Notes [Delete as appropriate]
	(i) Temporary or permanent global Note:	[Temporary Global Note exchangeable for a permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the permanent Global Note] [Temporary Global Note exchangeable for Definitive Notes on [●] days' notice] [N.B. Exchange upon notice at any time should not be used if the Specified Denomination includes language to the following effect "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]".] [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the permanent Global Note]
25	Financial Centre(s) (Condition 6(g)) or other special provisions relating to payment dates:	[Not Applicable/Give details. Note that this item relates to the date and place of payment, and not interest period end dates, to which item 18(viii) relates]
26	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No. If yes, give details]
27	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	[Not Applicable/give details]
28	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	[Not Applicable/give details]
	(i) Instalment Amount(s):	[●]
	(ii) Instalment Date(s):	[●]

- | | | |
|-----------|--|---|
| 29 | Redenomination, renominatisation and reconventioning provisions: | [Not Applicable/The provisions [in Condition [●]] [annexed to this Pricing Supplement] apply] |
| 30 | Consolidation provisions: | [Not Applicable/The provisions [in Condition [●]] [annexed to this Pricing Supplement] apply] |
| 31 | Other final terms: ³ | [Not Applicable/give details] |

DISTRIBUTION

- | | | |
|-----------|--|-------------------------------|
| 32 | (i) If syndicated, names of Managers: | [Not Applicable/give names] |
| | (ii) Stabilising Manager(s) (if any): | [Not Applicable/give name] |
| | (iii) Dealer’s Commission: | [●] |
| 33 | Additional steps that may only be taken following approval by an Extraordinary Resolution in accordance with Condition 10(a): | [Not Applicable/give details] |
| 34 | The aggregate principal amount of Notes issued has been translated into [U.S. dollars] at the rate of [●], producing a sum of (for Notes not denominated in [U.S. dollars]): | [Not Applicable/U.S.\$[●]] |

[PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required to have admitted to the Official List of the FSA and admitted to trading to the Professional Securities Market of the London Stock Exchange plc the issue of Notes described herein pursuant to the U.S.\$700,000,000 Euro Medium Term Note Programme of Sharp Corporation and Sharp International Finance (U.K.) plc.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement. [[●] has been extracted from [●].The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

 Duly authorised

³ If full terms and conditions are to be used, please add the following here:

“The full text of the Conditions which apply to the Notes [and which will be endorsed on the Notes in definitive form] are set out in [the Annex hereto], which Conditions replace in their entirety those appearing in the Offering Circular for the purposes of these Notes and such Conditions will prevail over any other provision to the contrary.”

The first set of bracketed words is to be deleted where there is a permanent global Note instead of Notes in definitive form. The full Conditions should be attached to and form part of the pricing supplement.

PART B - OTHER INFORMATION

1 LISTING

- (i) Listing: [London PSM/other (*specify*)/None]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [the Professional Securities Market] / Not Applicable]
- (iii) Estimate of total expenses related to admission to trading: [●]

2 RATINGS

- Ratings: The Notes to be issued have [not] been rated:
- [Rating and Investment Information, Inc.: [●]]
- [S & P: [●]]
- [Moody's: [●]]
- [[Other]: [●]]
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating. If rated, specify whether or not the rating(s) will be treated as having been issued by a credit agency established in the European union and registered under Regulation (EC) No. 1060/2009 on credit rating agencies.)*

3 [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in “Plan of Distribution”, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”]

4 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- [(i) Reasons for the offer: [●]
- (See [“Use of Proceeds”] wording in the Offering Circular - if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]*
- [(ii) Estimated net proceeds: [●]

[(iii)]	Estimated total expenses:	[●] <i>(Only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above were disclosure is included at (i) above.)]</i>
5	[Fixed Rate Notes only - YIELD Indication of yield:	[●] The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]
6	[[Index-Linked or other variable-linked Notes only - PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING <i>Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained. Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information. Include other information concerning the underlying required of Paragraph 4.2 of Annex XII of the PD Regulation.]</i>	
7	[Dual Currency Notes only - PERFORMANCE OF RATE[S] OF EXCHANGE <i>Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained.]</i>	
8	OPERATIONAL INFORMATION ISIN Code:	[●]
	Common Code:	[●]
	Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, <i>société anonyme</i> and the relevant identification number(s):	[Not Applicable/give name(s) and number(s)]
	Delivery:	Delivery [against/free of] payment
	Names and addresses of additional Paying Agent(s) (if any):	[●]
9	General Applicable TEFRA exemption:	[C Rules / D Rules / Not Applicable]

GENERAL INFORMATION

1. The listing of the Notes on the Official List will be expressed as a percentage of their nominal amount (exclusive of accrued interest). It is expected that each Tranche of the Notes which is to be admitted to the Official List and to trading on the Market will be admitted separately as and when issued, subject only to the issue of a temporary or permanent Global Note in respect of each Tranche. The listing of the Programme in respect of the Notes is expected to be granted on or before 13th February, 2012, subject only to the issue of a temporary or permanent Global Note initially representing the Notes in respect of each Tranche. Prior to official listing and admission to trading, however, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions on the Market will normally be effected for delivery on the third working day after the day of the transaction. However Notes may be issued pursuant to the Programme which will not be listed on the Official List and admitted to trading on the Market or any other stock exchange.
2. Sharp has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes. The participation of Sharp in the Programme as an Issuer and the issue of Notes thereunder were authorised by a resolution of the Board of Directors of Sharp on 26th January, 1999, provided that each issue of Notes by Sharp will be subject to approval by a resolution of its Board of Directors.
3. SIF has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes. The creation of the Programme and the issue of the Notes thereunder were authorised by a meeting of the Board of Directors of SIF held on 22nd April, 1994 and the amendment to the Programme was authorised by a written resolution of the Board of Directors of SIF dated 7th February, 2012.
4. Each Note, Receipt, Coupon and Talon will bear the following legend:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTION 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE”.

Each Note, Receipt, Coupon and Talon issued by Sharp will bear the following Japanese taxation legend:

“INTEREST PAYMENTS ON THE NOTES WILL BE SUBJECT TO JAPANESE WITHHOLDING TAX UNLESS THE HOLDER ESTABLISHES THAT NOTES ARE HELD BY OR FOR THE ACCOUNT OF A HOLDER THAT IS (I) FOR JAPANESE TAX PURPOSES, NEITHER (X) AN INDIVIDUAL RESIDENT OF JAPAN OR A JAPANESE CORPORATION, NOR (Y) AN INDIVIDUAL NON-RESIDENT OF JAPAN OR A NON-JAPANESE CORPORATION THAT IN EITHER CASE IS A PERSON HAVING A SPECIAL RELATIONSHIP WITH THE ISSUER AS DESCRIBED IN ARTICLE 6, PARAGRAPH 4 OF THE SPECIAL TAXATION MEASURES LAW OF JAPAN (A “SPECIALLY-RELATED PERSON OF THE ISSUER”), OR (II) A JAPANESE DESIGNATED FINANCIAL INSTITUTION DESCRIBED IN ARTICLE 6, PARAGRAPH 9 OF THE SPECIAL TAXATION MEASURES LAW OF JAPAN WHICH COMPLIES WITH THE REQUIREMENT FOR TAX EXEMPTION UNDER THAT PARAGRAPH.

INTEREST PAYMENTS ON THE NOTES TO AN INDIVIDUAL RESIDENT OF JAPAN, , OR A JAPANESE CORPORATION NOT DESCRIBED IN ITEM (II) OF THE PRECEDING PARAGRAPH OR AN INDIVIDUAL NON-RESIDENT OF JAPAN OR A NON-JAPANESE CORPORATION THAT EITHER CASE IS A SPECIALLY-RELATED PERSON OF THE ISSUER

WILL BE SUBJECT TO DEDUCTION IN RESPECT OF JAPANESE INCOME TAX AT A RATE OF 15 PER CENT. OF THE AMOUNT SPECIFIED IN SUB-PARAGRAPH (A) OR (B) BELOW, AS APPLICABLE:

- (A) IF INTEREST IS PAID TO AN INDIVIDUAL RESIDENT OF JAPAN, A JAPANESE CORPORATION OR AN INDIVIDUAL NON-RESIDENT OF JAPAN OR A NON-JAPANESE CORPORATION THAT IN EITHER CASE IS A SPECIALLY-RELATED PERSON OF THE ISSUER (EXCEPT AS PROVIDED IN SUB-PARAGRAPH (B) BELOW), THE AMOUNT OF SUCH INTEREST; OR
 - (B) IF INTEREST IS PAID TO A PUBLIC CORPORATION, A FINANCIAL INSTITUTION, A FINANCIAL INSTRUMENTS BUSINESS OPERATOR OR CERTAIN OTHER ENTITIES THROUGH A JAPANESE PAYMENT HANDLING AGENT AS PROVIDED IN ARTICLE 3-3, PARAGRAPH 6 OF THE SPECIAL TAXATION MEASURES LAW OF JAPAN IN COMPLIANCE WITH THE REQUIREMENT FOR TAX EXEMPTION UNDER THAT PARAGRAPH, THE AMOUNT OF SUCH INTEREST MINUS THE AMOUNT PROVIDED IN THE CABINET ORDER RELATING TO THE SAID PARAGRAPH 6.”
5. Except as disclosed at “Legal Proceedings” at page 49 of this Offering Circular, there are no, nor have there been, any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuers are aware) during the 12 months preceding the date of this Offering Circular which may have or has had in the recent past significant effects on the financial position or profitability of the Issuers and Sharp’s consolidated subsidiaries (taken as a whole).
 6. There has been no significant change in the financial or trading position of Sharp or the Group (taken as a whole) since 30th September, 2011 and no material adverse change in the financial position or prospects of Sharp or the Group (taken as a whole) since 31st March, 2011.
 7. There has been no significant change in the financial or trading position of SIF since 31st March, 2011 and no material adverse change in the financial position or prospects of SIF since 31st March, 2011.
 8. The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records). The Common Code, the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Pricing Supplement. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the applicable Pricing Supplement.
 9. There are no material contracts entered into other than in the ordinary course of either Issuer’s business, which could result in the Issuers or any member of the Group being under an obligation or entitlement that is material to the relevant Issuer’s ability to meet its obligations to noteholders in respect of the Notes being issued.
 10. The issue price and the amount of the relevant Notes will be determined, before filing of the relevant Pricing Supplement of each Tranche, based on the prevailing market conditions. The Issuers do not intend to provide any post-issuance information in relation to any issue of Notes.
 11. From the date hereof and for the life of each document or so long as any Notes remain outstanding, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted) for inspection at the registered office of each Issuer and the specified office in London of the Fiscal Agent:

- (i) the Agency Agreement (which includes the form of the Global Notes, the Definitive Notes, the Coupons, the Receipts and the Talons);
 - (ii) the Distribution Agreement;
 - (iii) the Deed of Covenant of Sharp;
 - (iv) the Deed of Covenant of SIF;
 - (v) the Keep Well Agreement and the Deed Poll;
 - (vi) the Memorandum and Articles of Association of SIF and an English translation of the Articles of Incorporation of Sharp;
 - (vii) each Pricing Supplement for Notes which are listed on the Official List and admitted to trading on the Market or any other stock exchange;
 - (viii) a copy of this Offering Circular together with any further offering circular;
 - (ix) a copy of the subscription agreement for syndicated issues which are listed on the Official List and admitted to trading on the Market; and
 - (x) (i) the audited consolidated financial statements of Sharp for the financial year ended 31st March, 2010 and the financial year ended 31st March, 2011, together with the audit reports thereon included on pages 42 to 63 (inclusive) of Sharp's annual report 2010 and pages 42 to 65 (inclusive) of Sharp's annual report 2011, respectively, and the unaudited consolidated financial statements of Sharp for the six-month periods ended 30th September, 2010 and 2011 and (ii) the audited financial statements of SIF for the financial year ended 31st March, 2010 and the financial year ended 31st March, 2011, together with the audit reports thereon included on pages 6 to 34 (inclusive) of SIF's 2011 report and accounts and pages 6 to 31 (inclusive) of SIF's 2011 report and accounts, respectively.
12. KPMG AZSA LLC (Independent Public Accountants) (authorised and regulated by the Certified Public Accountant Law of Japan) has audited and rendered unqualified audit reports on the consolidated accounts of Sharp for the two years ended 31st March, 2011.
13. KPMG Audit Plc (a member of the Institute of Chartered Accounts in England and Wales) have audited and expressed an unqualified audit opinion on the accounts of SIF for the years ended 31st March, 2010 and 2011.

REGISTERED HEAD OFFICE OF SHARP

Sharp Corporation
22-22, Nagaike-cho
Abeno-ku
Osaka 545-8522

REGISTERED OFFICE OF SIF

Sharp International Finance (U.K.) Plc
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