

2. Reviewing First Quarter of Fiscal Year 2002

In Japan in the first quarter of the current fiscal year, despite a sense emerged that the recession had bottomed out, the employment environment and personal income situation are continuing as severe as ever, as a result, the economy appeared to be moving toward a limited recovery. In the U.S. economy, distrust of corporate accounting and a sense of apprehension surrounding potential terrorist attacks are heightening the sense of uncertainty about the future which is being reflected in a downward spiral in stock prices and a decline in the value of the dollar. This unsettled atmosphere is, in turn, casting a chill on the global economy, which had been on a track to recovery.

During this period, Sharp continued to push ahead aggressively in our business activities, working to strengthen sales of our unique, “one-of-a-kind” products and expand our lines of proprietary devices. As a result, consolidated business results for the first quarter of the current fiscal year yielded net sales of 477.3 billion yen (up 10% compared to the same period last year), and operating income of 25.8 billion yen (up 16% compared to the same period last year).

3. Forecast for Fiscal 2002

There are no revisions to the estimates for operating results in the current fiscal year announced when the financial report for the previous fiscal year was released.

【Reference】

Net sales	2,000 billion yen	+ 10.9% over the previous fiscal year
Operating income	90 billion yen	+ 22.3% over the previous fiscal year
Net income	37 billion yen	+ 227.1% over the previous fiscal year

Note : The above estimates of business results are based on certain assumptions that Sharp Corporation deemed reasonable at the time they were prepared, and actual business results may differ significantly from these estimates.