

SHARP CORPORATION
CONSOLIDATED BALANCE SHEETS

Millions of Yen

| | December 31, 2004 | September 30, 2004 | Increase Decrease | Year Ended March 31, 2004 |
|---|-------------------|--------------------|----------------------|------------------------------|
| ASSETS | | | | |
| Current Assets: | | | | |
| Cash, Time deposits, and Short-term investments | 365,959 | 370,164 | - 4,205 | 369,924 |
| Notes and accounts receivable, less-Allowance for doubtful receivables | 521,484 | 487,407 | + 34,077 | 424,229 |
| Inventories | 328,592 | 332,290 | - 3,698 | 273,668 |
| Other current assets | 103,347 | 90,646 | + 12,701 | 80,314 |
| Total current assets | 1,319,382 | 1,280,507 | + 38,875 | 1,148,135 |
| Plant and Equipment, less Accumulated depreciation | 818,783 | 807,896 | + 10,887 | 760,797 |
| Investments and Other Assets | 233,888 | 245,677 | - 11,789 | 241,318 |
| Total assets | 2,372,053 | 2,334,080 | + 37,973 | 2,150,250 |
| LIABILITIES, MINORITY INTERESTS AND SHAREHOLDERS' EQUITY | | | | |
| Current Liabilities: | | | | |
| Short-term borrowings, including current portion of long-term debt | 372,553 | 287,826 | + 84,727 | 215,577 |
| Notes and accounts payable | 636,653 | 659,822 | - 23,169 | 558,119 |
| Other current liabilities | 166,516 | 182,859 | - 16,343 | 176,319 |
| Total current liabilities | 1,175,722 | 1,130,507 | + 45,215 | 950,015 |
| Long-term Liabilities | 204,867 | 216,487 | - 11,620 | 248,798 |
| Total liabilities | 1,380,589 | 1,346,994 | + 33,595 | 1,198,813 |
| Minority Interests | 8,709 | 8,399 | + 310 | 7,905 |
| Shareholders' Equity: | | | | |
| Common stock | 204,676 | 204,676 | 0 | 204,676 |
| Capital surplus | 262,282 | 262,278 | + 4 | 262,140 |
| Retained earnings | 588,792 | 578,824 | + 9,968 | 550,894 |
| Net unrealized holding gains on securities | 11,449 | 11,415 | + 34 | 14,176 |
| Foreign currency translation adjustments | (58,461) | (52,649) | - 5,812 | (61,828) |
| Less-Cost of treasury stock | (25,983) | (25,857) | - 126 | (26,526) |
| Total shareholders' equity | 982,755 | 978,687 | + 4,068 | 943,532 |
| Total liabilities, minority interests and shareholders' equity | 2,372,053 | 2,334,080 | + 37,973 | 2,150,250 |

Note: The value of Investments in Securities included in Investments and Other Assets as of December 31, 2004 is based on the market value as of September 30, 2004.