

SHARP CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

Millions of Yen

	Nine Months Ended December 31, 2005	Nine Months Ended December 31, 2004	Increase Decrease
<u>Cash Flows from Operating Activities:</u>			
Income before income taxes and minority interests	101,116	101,386	- 270
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities –			
Depreciation and amortization of properties and intangibles	136,026	123,773	+ 12,253
Increase in notes and accounts receivable	(53,852)	(65,924)	+ 12,072
Increase in inventories	(3,521)	(50,662)	+ 47,141
Increase in payable	89,880	103,361	- 13,481
Other, net	(90,058)	(93,438)	+ 3,380
Net cash provided by operating activities	179,591	118,496	+ 61,095
<u>Cash Flows from Investing Activities:</u>			
Acquisitions of plant and equipment	(198,069)	(209,341)	+ 11,272
Other, net	109	19,452	- 19,343
Net cash used in investing activities	(197,960)	(189,889)	- 8,071
<u>Cash Flows from Financing Activities:</u>			
Increase in short-term borrowings, net	17,538	114,643	- 97,105
Proceeds from long-term debt	104,726	22,224	+ 82,502
Repayments of long-term debt	(77,271)	(33,143)	- 44,128
Dividends paid	(20,066)	(19,913)	- 153
Other, net	(557)	(566)	+ 9
Net cash provided by financing activities	24,370	83,245	- 58,875
Effect of Exchange Rate Changes on Cash and Cash Equivalents	2,776	(1,834)	+ 4,610
Net Increase in Cash and Cash Equivalents	8,777	10,018	- 1,241
Cash and Cash equivalents at Beginning of Year	295,312	277,623	+ 17,689
Cash and Cash Equivalents of Newly Consolidated Subsidiaries	0	970	- 970
Cash and Cash Equivalents Increased by Merger	154	3	+ 151
Cash and Cash Equivalents at End of the Period	304,243	288,614	+ 15,629