

SHARP CORPORATION  
CONSOLIDATED STATEMENTS OF INCOME

**For the Three Months Ended December 31, 2006**

Millions of Yen

	Three Months Ended December 31, 2006		Three Months Ended December 31, 2005		Increase Decrease	Percent Change
	Amount	Ratio	Amount	Ratio		
Net Sales	820,147	100.0	731,718	100.0	+ 88,429	+12.1
Cost of Sales	639,098	77.9	571,049	78.0	+ 68,049	+11.9
Gross profit	181,049	22.1	160,669	22.0	+ 20,380	+12.7
Selling, General and Administrative Expenses	131,766	16.1	116,904	16.0	+ 14,862	+12.7
Operating income	49,283	6.0	43,765	6.0	+ 5,518	+12.6
Other Income (Expenses), net	( 4,694 )	0.6	( 2,575 )	0.4	- 2,119	+82.3
Income before income taxes and minority interests	44,589	5.4	41,190	5.6	+ 3,399	+8.3
Income Taxes	15,833	1.9	14,727	2.0	+ 1,106	+7.5
Minority Interests in Income of Consolidated Subsidiaries	( 251 )	0.0	( 201 )	0.0	- 50	+24.9
Net income	28,505	3.5	26,262	3.6	+ 2,243	+8.5

**For the Nine Months Ended December 31, 2006**

Millions of Yen

	Nine Months Ended December 31, 2006		Nine Months Ended December 31, 2005		Increase Decrease	Percent Change
	Amount	Ratio	Amount	Ratio		
Net Sales	2,285,840	100.0	2,067,265	100.0	+ 218,575	+10.6
Cost of Sales	1,769,833	77.4	1,607,556	77.8	+ 162,277	+10.1
Gross profit	516,007	22.6	459,709	22.2	+ 56,298	+12.2
Selling, General and Administrative Expenses	376,557	16.5	340,876	16.5	+ 35,681	+10.5
Operating income	139,450	6.1	118,833	5.7	+ 20,617	+17.3
Other Income (Expenses), net	( 19,543 )	0.9	( 17,717 )	0.8	- 1,826	+10.3
Income before income taxes and minority interests	119,907	5.2	101,116	4.9	+ 18,791	+18.6
Income Taxes	44,210	1.9	37,754	1.9	+ 6,456	+17.1
Minority Interests in Income of Consolidated Subsidiaries	( 652 )	0.0	( 608 )	0.0	- 44	+7.2
Net income	75,045	3.3	62,754	3.0	+ 12,291	+19.6

Note: Previously, a royalty and technical assistance fee were included in "Other income," and the cost of the royalty and technical assistance fee was calculated in "Other expenses." However, starting from this period, these are included in "Net sales" and "Cost of sales," respectively. With this change, for the three months ended December 31, 2006, net sales are up 3,637 million yen, cost of sales is up 1,061 million yen, and operating income is up 2,576 million yen. For the nine months ended December 31, 2006, net sales are up 11,882 million yen, cost of sales is up 3,312 million yen, and operating income is up 8,570 million yen. However, these have no impact on income before income taxes and minority interests.