

SHARP CORPORATION
CONSOLIDATED STATEMENTS OF INCOME

Millions of Yen

	Six Months Ended September 30, 2006		Six Months Ended September 30, 2005		Increase Decrease	Year Ended March 31, 2006	
	Amount	Ratio	Amount	Ratio		Amount	Ratio
Net Sales	1,465,693	100.0	1,335,547	100.0	+ 130,146	2,797,109	100.0
Cost of Sales	1,130,735	77.1	1,036,507	77.6	+ 94,228	2,165,126	77.4
Gross profit	334,958	22.9	299,040	22.4	+ 35,918	631,983	22.6
Selling, General and Administrative Expenses	244,791	16.7	223,972	16.8	+ 20,819	468,273	16.7
Operating income	90,167	6.2	75,068	5.6	+ 15,099	163,710	5.9
Other Income (Expenses)							
Interest and dividends income	3,697	0.3	3,055	0.2	+ 642	5,769	0.2
Interest expense	(3,394)	0.3	(3,050)	0.2	- 344	(6,410)	0.2
Other, net	(15,152)	1.1	(15,147)	1.1	- 5	(23,051)	0.9
Income before income taxes and minority interests	(14,849)	1.1	(15,142)	1.1	+ 293	(23,692)	0.9
Income Taxes	75,318	5.1	59,926	4.5	+ 15,392	140,018	5.0
Current	24,350	1.6	23,256	1.7	+ 1,094	50,073	1.8
Deferred	4,027	0.3	(229)	0.0	+ 4,256	608	0.0
Minority Interests in Income of Consolidated Subsidiaries	(401)	0.0	(407)	0.1	+ 6	(666)	0.0
Net Income	46,540	3.2	36,492	2.7	+ 10,048	88,671	3.2

Note: "Accounting Standard for Directors' Bonus" issued by the Accounting Standards Board of Japan, is being applied from this period.
This change has immaterial impact on Consolidated Statements of Income.

[Reference]

	〔 Six Months Ended September 30, 2006 〕	〔 Six Months Ended September 30, 2005 〕	〔 Year Ended March 31, 2006 〕
Depreciation and Amortization	99,448	91,244	193,114
R&D expenditures	94,219	92,512	185,240