

## **Consolidated Financial Results for the Second Quarter Fiscal 2009**

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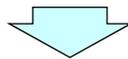
- I . Financial Results for the Second Quarter**
  - II . Financial Results by Product Group**
  - III . Outline of Main Products and Devices**
  - IV . Financial Results Forecast for Fiscal 2009**
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SHARP CORPORATION

October 29, 2009

### **I . Financial Results for the Second Quarter**

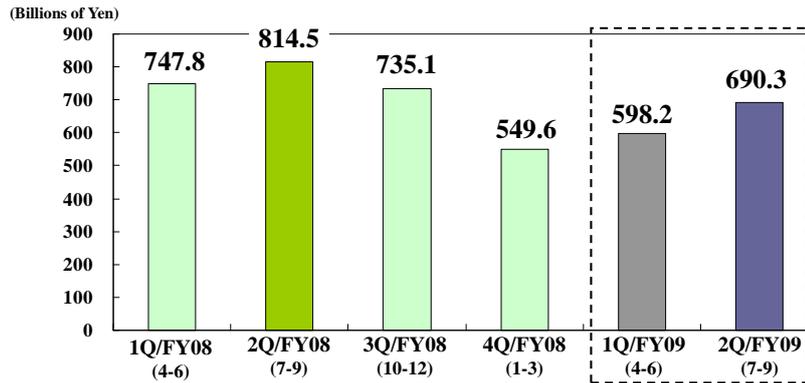
- **Creation of uniquely featured products**
- **Recovery Plan**
  - Personnel reallocation
  - Reorganization of LCD plants
  - Annual total cost reduction of 200.0 billion yen



- **Returned to profitability at operating level and net level**
- **Recorded operating income in all product groups**

## Net Sales

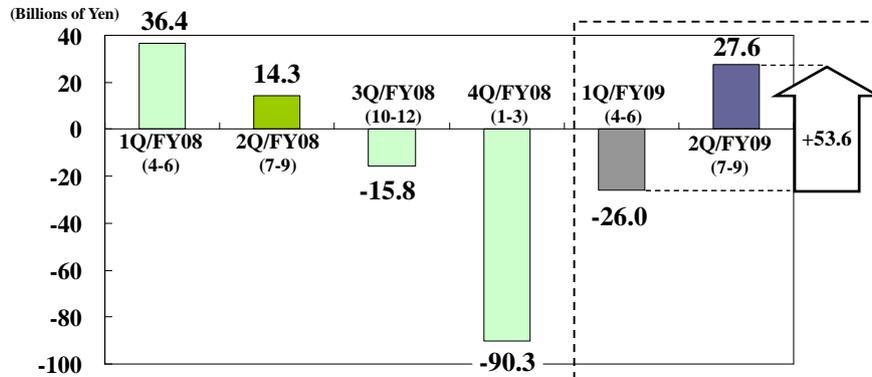
	FY2009		Change
	1Q	2Q	
<b>Net Sales (Billions of Yen)</b>	<b>598.2</b>	<b>690.3</b>	<b>+15.4%</b>



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## Operating Income

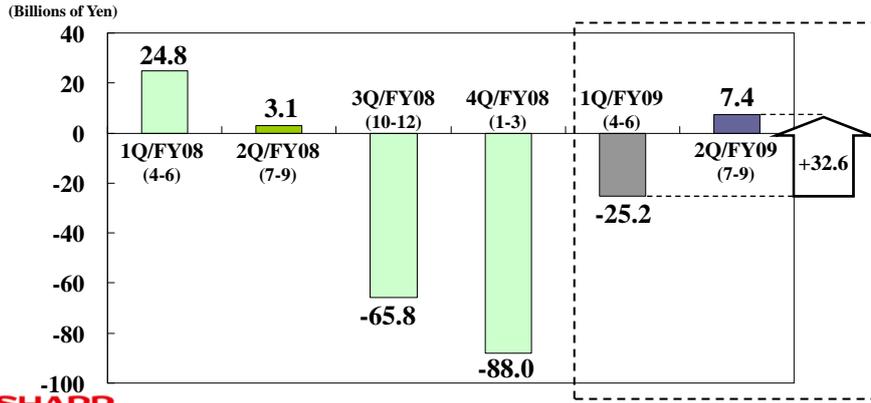
	FY2009		Change
	1Q	2Q	
<b>Operating Income (Billions of Yen)</b>	<b>-26.0</b>	<b>27.6</b>	<b>+53.6</b>
<b>Ratio</b>	<b>-4.4%</b>	<b>4.0%</b>	



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## Net Income

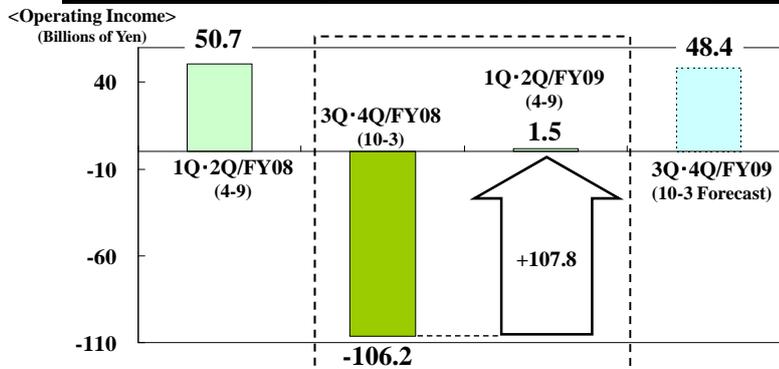
	FY2009		Change
	1Q	2Q	
<b>Net Income</b> (Billions of Yen)	<b>-25.2</b>	<b>7.4</b>	<b>+32.6</b>
<b>Ratio</b>	<b>-4.2%</b>	<b>1.1%</b>	



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## Net Sales / Operating Income (6 months)

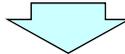
	FY2008		FY2009	
	Oct. - Mar.	Apr. - Sep.	Change	
<b>Net Sales</b> (Billions of Yen)	<b>1,284.8</b>	<b>1,288.6</b>	<b>+3.8</b>	
<b>Operating Income</b> (Billions of Yen)	<b>-106.2</b>	<b>1.5</b>	<b>+107.8</b>	
<b>Ratio</b>	<b>-8.3%</b>	<b>0.1%</b>		



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## Total Cost Reduction

- Annual cost reduction target \*: **200.0 billion yen**
  - Labor cost **45.0 billion yen**
  - Depreciation and amortization **35.0 billion yen**



- Apr. - Sep. 2009 reduction in total cost : **119.1 billion yen**  
(progress : 60%)
  - Labor cost **22.6 billion yen**  
(progress : 50%)
  - Depreciation and amortization **26.5 billion yen**  
(progress : 76%)

\* The cost for start of LCD panel plant operation in Sakai City is not included

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## II . Financial Results by Product Group

### Sales by Product Group

(Billions of Yen)

	FY2009 1Q	2Q	FY2009 Change	
			Amount	%
			Audio-Visual and Communication Equipment	311.6
Health and Environmental Equipment	57.7	60.2	+2.5	+4.4%
Information Equipment	67.7	69.8	+2.1	+3.2%
Consumer/Information Products	437.1	448.7	+11.5	+2.6%
LCDs	176.1	222.3	+46.1	+26.2%
Solar Cells	34.8	51.4	+16.6	+47.8%
Other Electronic Devices	60.2	82.1	+21.9	+36.5%
Electronic Components	271.2	355.9	+84.7	+31.2%
Sub Total	708.4	804.7	+96.2	+13.6%
Elimination	-110.1	-114.3	-4.1	-
Total	598.2	690.3	+92.0	+15.4%

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Sales of each product group include internal sales between segments (Consumer/Information Products and Electronic Components).

## Operating Income by Product Group

(Billions of Yen)

	FY2009 1Q	FY2009 2Q	FY2009 Change	
			Amount	%
			Audio-Visual and Communication Equipment	-13.3
Health and Environmental Equipment	2.0	4.3	+2.3	+118.4%
Information Equipment	2.6	4.3	+1.6	+61.3%
Consumer/Information Products	-8.6	12.6	+21.2	-
LCDs	-14.7	15.5	+30.3	-
Solar Cells	-1.7	1.1	+2.9	-
Other Electronic Devices	-2.0	2.0	+4.0	-
Electronic Components	-18.5	18.7	+37.3	-
Sub Total	-27.2	31.4	+58.6	-
Elimination	1.1	-3.8	-4.9	-
Total	-26.0	27.6	+53.6	-

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## III. Outline of Main Products and Devices

(Billions of Yen)

	FY2009										
	1Q		2Q			Apr. - Sep.		Oct. - Mar.		Full Year	
		Change (Y on Y)		Change (Q to Q)	Change (Y on Y)		Change (Y on Y)	(Forecast)	Change (Y on Y)	(Forecast)	Change (Y on Y)
LCD Color TV	139.1	-21.0%	166.9	+20.0%	-17.4%	306.1	-19.1%	363.8	+3.7%	670.0	-8.1%
(Millions of units)	2.00	-2.4%	2.39	+19.6%	-12.3%	4.39	-8.1%	5.60	+7.3%	10.00	-0.0%
LCDs *	176.1	-44.3%	222.3	+26.2%	-30.5%	398.5	-37.3%	546.4	+30.5%	945.0	-10.4%
Mobile phones	124.4	-3.5%	101.9	-18.1%	-0.7%	226.3	-2.3%	253.6	+23.3%	480.0	+9.7%
(millions of units)	2.74	-8.3%	2.38	-13.2%	-2.1%	5.12	-5.5%	6.07	+35.2%	11.20	+12.9%
Solar Cells *	34.8	-17.1%	51.4	+47.8%	+0.7%	86.2	-7.4%	103.7	+62.0%	190.0	+20.9%
(MW)	136	+34.2%	191	+40.3%	+55.4%	327	+45.8%	443	+124.8%	770	+82.9%

\*Including internal sales between segments (Consumer/Information Products and Electronic Components)

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## IV. Financial Results Forecast for Fiscal 2009

(Billions of Yen)

	FY2009									
	1Q		2Q		Apr. – Sep.		Oct. – Mar.		Full Year	
		Change (Y on Y)		Change (Y on Y)		Change (Y on Y)	(Forecast)	Change (Y on Y)	(Forecast)	Change (Y on Y)
Net Sales	598.2	-20.0%	690.3	-15.2%	1,288.6	-17.5%	1,461.3	+13.7%	2,750.0	-3.4%
Operating Income	-26.0	-	27.6	+92.8%	1.5	-96.9%	48.4	-	50.0	-
Net Income	-25.2	-	7.4	+139.7%	-17.7	-	20.7	-	3.0	-
Capital Investment	92.7	-19.9%	52.7	+4.0%	145.4	-12.6%	104.5	+11.3%	250.0	-4.0%
Depreciation and Amortization	59.6	-17.9%	56.6	-1.8%	116.3	-10.8%	133.6	-5.3%	250.0	-7.9%

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- (4) Sharp's ability to respond to rapid technological changes and changing consumer preferences with timely and cost-effective introductions of new products and services
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- (6) Litigation and other legal proceedings against Sharp

\*Amounts less than 100 million yen shown in this presentation material have been rounded down.

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