

# Consolidated Financial Results for the Third Quarter, Fiscal 2021

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## I . Cumulative Consolidated Financial Results for the Third Quarter, Fiscal 2021

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## II . Fiscal 2021 Consolidated Financial Results Forecast and Dividends

## III . Supplementary Data

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SHARP CORPORATION

February 8, 2022

## Outline

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- Cumulative Q3 net sales and profits outperformed results from the same period in the previous year. Ordinary profit and bottom-line profit rose significantly at 1.9 times and 1.7 times, respectively.
- Q3 operating profit was lower year on year, due in part to the impact of supply chain disruptions; however, ordinary profit and bottom-line profit increased 2.4 times and 1.6 times, respectively.
- White goods maintained double-digit profit margin in the midst of soaring raw material prices.  
Display device sales posted a 2.5-fold profit year on year due to improved model mix.
- We made revisions to our full-year forecast, reflecting our progress through Q3 and recent conditions.  
We made a downward revision to net sales and operating profit, and an upward revision to ordinary profit and bottom-line profit.
- In consideration of bottom-line profit growth, we plan to pay 40 yen per share in fiscal 2021 dividends, an increase of 10 yen compared to the 30 yen per share dividend payment in fiscal 2020

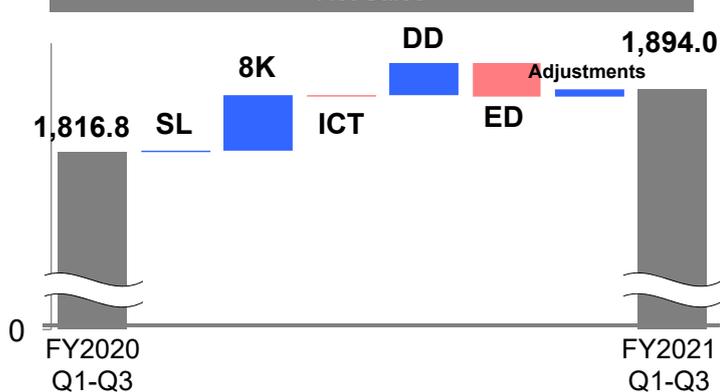
# I . Cumulative Consolidated Financial Results for the Third Quarter, Fiscal 2021

## Consolidated Financial Results for the Third Quarter, Fiscal 2021

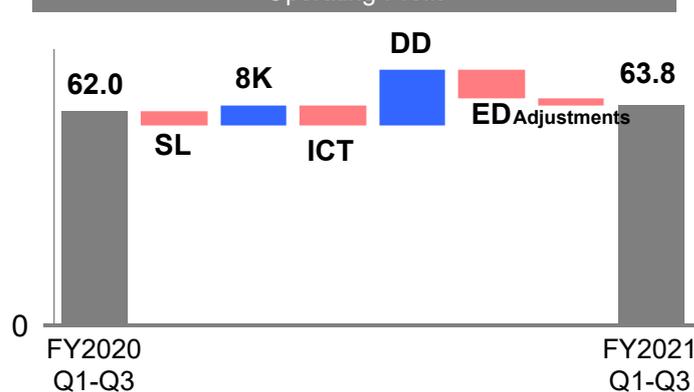
### Cumulative Consolidated Financial Results for the Third Quarter, Fiscal 2021

	(Billions of Yen)		
	FY2020	FY2021	
	Q1-Q3	Q1-Q3	Y on Y
Net Sales	1,816.8	1,894.0	+4.2%
Operating Profit	62.0 (3.4%)	63.8 (3.4%)	+3.0%
Ordinary Profit	43.8 (2.4%)	84.6 (4.5%)	+93.0%
Profit Attributable to Owners of Parent	41.1 (2.3%)	70.8 (3.7%)	+72.2%
Avg. Exchange Rate			
USD/JPY	105.11	110.10	
Euro/JPY	120.87	129.12	

Net Sales



Operating Profit

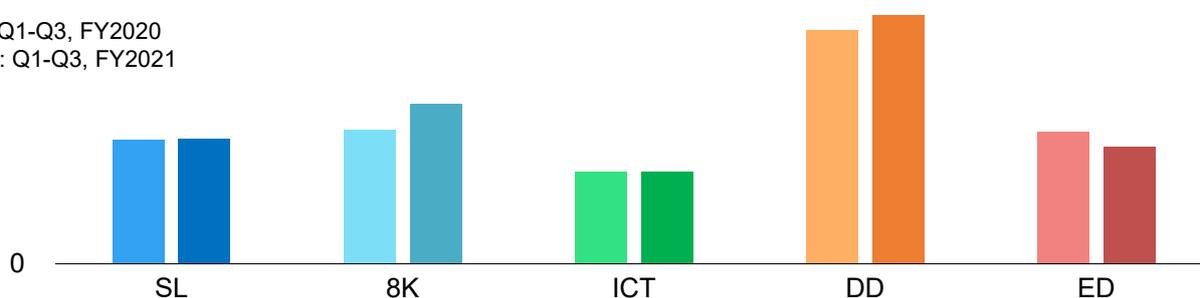


# (Cumulative Q3) Sales by Segment

(Billions of Yen)

	FY2020	FY2021	
	Q1-Q3	Q1-Q3	Y on Y
Smart Life	329.7	331.2	+0.5%
8K Ecosystem	355.4	425.0	+19.6%
ICT	245.7	244.3	-0.6%
<b>Brand Businesses</b>	<b>930.8</b>	<b>1,000.6</b>	<b>+7.5%</b>
Display Device	619.0	658.6	+6.4%
Electronic Device	351.3	309.6	-11.9%
<b>Device Businesses</b>	<b>970.4</b>	<b>968.2</b>	<b>-0.2%</b>
<b>Subtotal</b>	<b>1,901.2</b>	<b>1,968.9</b>	<b>+3.6%</b>
<b>Adjustments</b>	<b>-84.4</b>	<b>-74.8</b>	<b>-</b>
<b>Total</b>	<b>1,816.8</b>	<b>1,894.0</b>	<b>+4.2%</b>

Left bar: Q1-Q3, FY2020  
Right bar: Q1-Q3, FY2021



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\*Sales include inter-segment sales and transfers.

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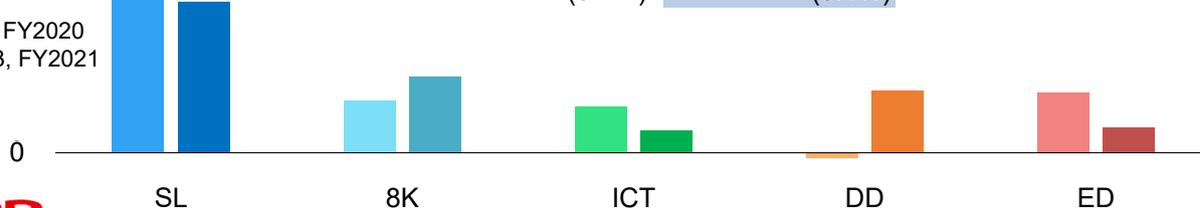
# (Cumulative Q3) Operating Profit by Segment

\*Figures within parentheses indicate operating margin.

(Billions of Yen)

	FY2020	FY2021	
	Q1-Q3	Q1-Q3	Y on Y
Smart Life	40.3 (12.2%)	36.1 (10.9%)	-10.5%
8K Ecosystem	12.5 (3.5%)	18.3 (4.3%)	+46.8%
ICT	11.0 (4.5%)	5.3 (2.2%)	-51.8%
<b>Brand Businesses</b>	<b>63.9</b> (6.9%)	<b>59.8</b> (6.0%)	<b>-6.4%</b>
Display Device	-1.2 (-0.2%)	14.9 (2.3%)	-
Electronic Device	14.5 (4.1%)	6.0 (1.9%)	-58.4%
<b>Device Businesses</b>	<b>13.2</b> (1.4%)	<b>20.9</b> (2.2%)	<b>+58.2%</b>
<b>Subtotal</b>	<b>77.2</b> (4.1%)	<b>80.8</b> (4.1%)	<b>+4.7%</b>
<b>Adjustments</b>	<b>-15.1</b>	<b>-16.9</b>	<b>-</b>
<b>Total</b>	<b>62.0</b> (3.4%)	<b>63.8</b> (3.4%)	<b>+3.0%</b>

Left bar: Q1-Q3, FY2020  
Right bar: Q1-Q3, FY2021



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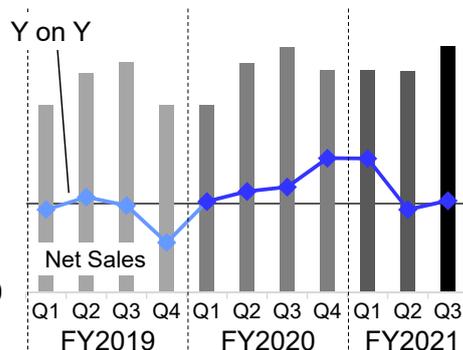
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# Consolidated Financial Results for the Third Quarter, Fiscal 2021

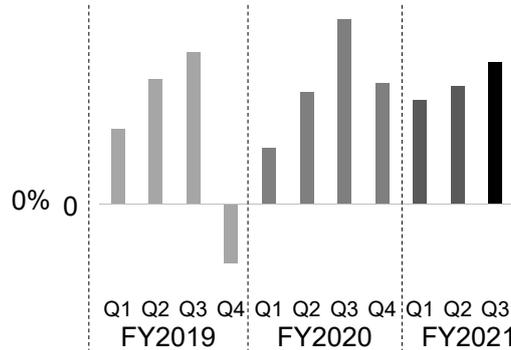
(Billions of Yen)

	FY2020				FY2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Y on Y
Net Sales	514.4	628.9	673.4	609.0	611.5	606.6	675.8	+0.4%
Operating Profit	9.8 (1.9%)	19.7 (3.1%)	32.3 (4.8%)	21.1 (3.5%)	18.3 (3.0%)	20.6 (3.4%)	24.8 (3.7%)	-23.2%
Ordinary Profit	11.2 (2.2%)	18.5 (3.0%)	13.9 (2.1%)	19.3 (3.2%)	25.6 (4.2%)	25.2 (4.2%)	33.7 (5.0%)	+141.7%
Profit Attributable to Owners of Parent	8.1 (1.6%)	15.5 (2.5%)	17.3 (2.6%)	12.1 (2.0%)	21.6 (3.5%)	20.8 (3.4%)	28.3 (4.2%)	+63.0%
Avg. Exchange Rate								
USD/JPY	106.62	105.22	103.51	104.90	108.49	109.11	112.71	
Euro/JPY	116.97	122.61	123.03	126.18	130.45	128.33	128.57	

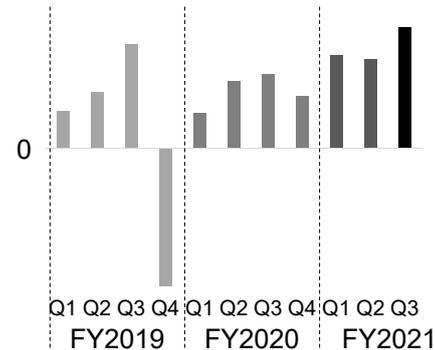
Net Sales



Operating Profit



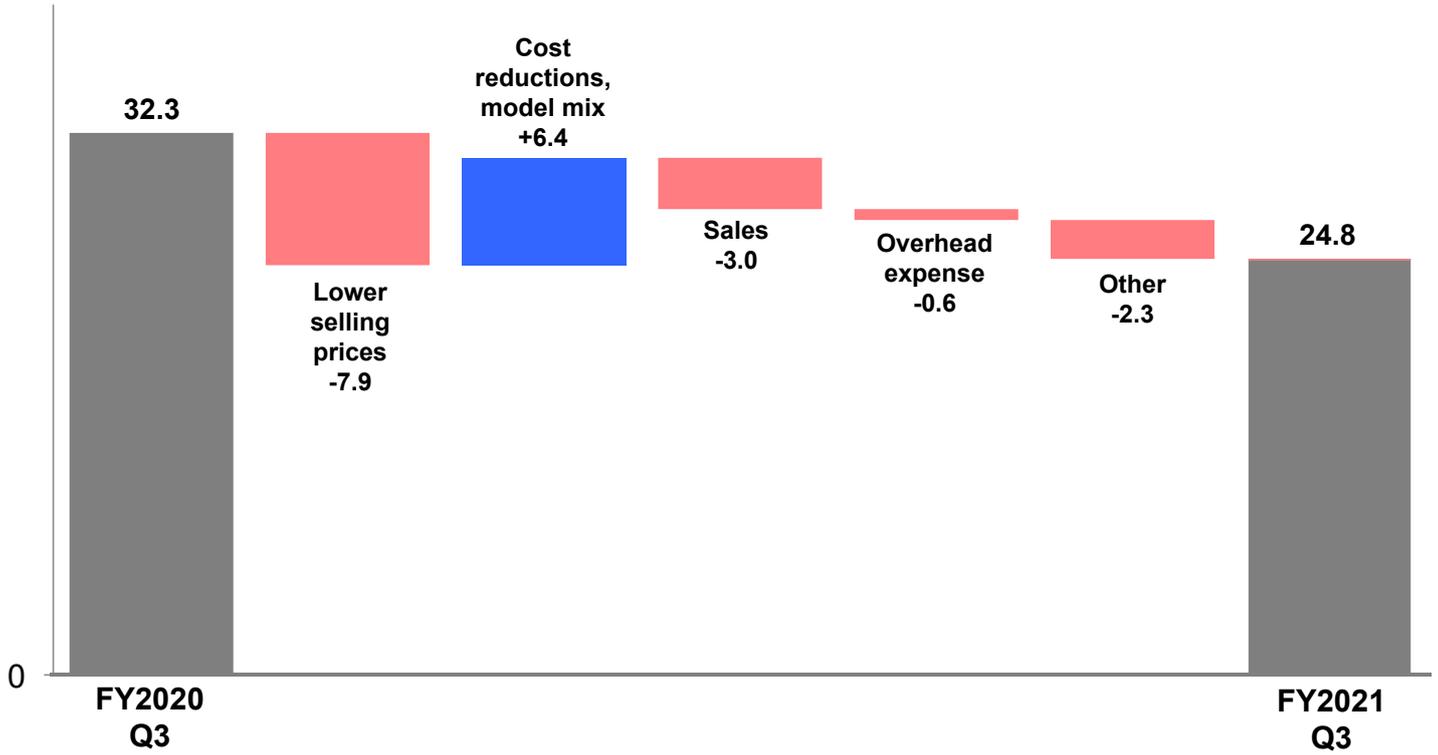
Profit Attributable to Owners of Parent



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# Operating Profit Analysis : Y on Y Change Factors for the Third Quarter, Fiscal 2021

(Billions of Yen)



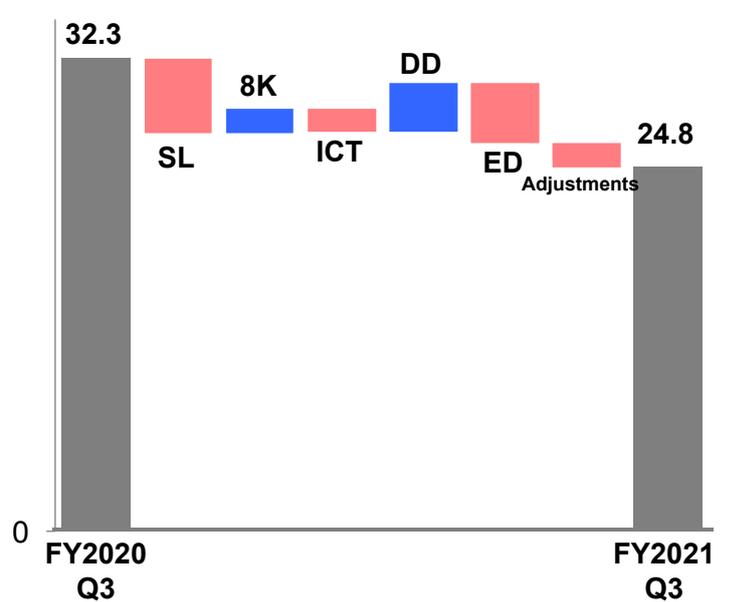
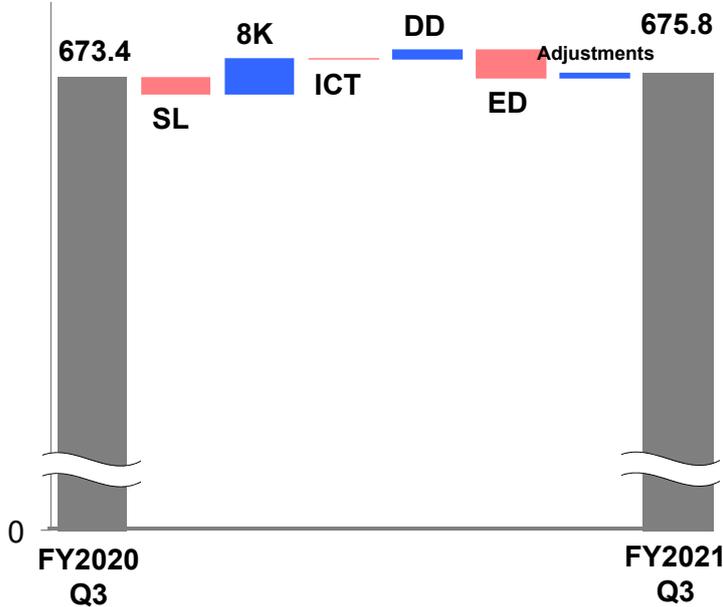
# Sales and Operating Profit Analysis: Y on Y Change by Segment for the Third Quarter, Fiscal 2021

## Sales

## Operating profit

(Billions of Yen)

(Billions of Yen)

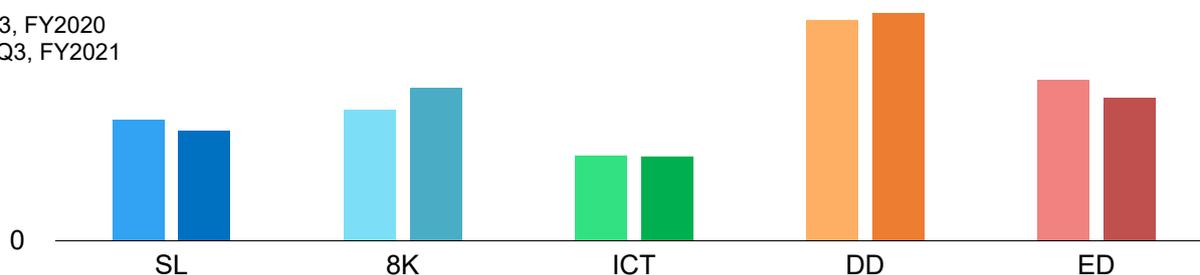


## (Third Quarter) Sales by Segment

(Billions of Yen)

	FY2020				FY2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Y on Y
Smart Life	95.3	116.7	117.6	125.7	111.0	112.9	107.3	-8.8%
8K Ecosystem	100.5	127.4	127.4	137.6	137.5	138.5	148.9	+16.9%
ICT	84.5	77.9	83.1	97.7	80.2	81.8	82.2	-1.1%
Brand Businesses	280.4	322.1	328.2	361.2	328.7	333.3	338.5	+3.1%
Display Device	171.8	231.4	215.6	193.7	213.3	223.4	221.8	+2.8%
Electronic Device	86.6	107.5	157.1	77.2	96.5	73.5	139.5	-11.2%
Device Businesses	258.5	339.0	372.8	270.9	309.8	297.0	361.3	-3.1%
Subtotal	539.0	661.1	701.0	632.1	638.6	630.3	699.9	-0.2%
Adjustments	-24.5	-32.1	-27.6	-23.1	-27.0	-23.7	-24.0	-
Total	514.4	628.9	673.4	609.0	611.5	606.6	675.8	+0.4%

Left bar: Q3, FY2020  
Right bar: Q3, FY2021



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\*Sales include inter-segment sales and transfers.

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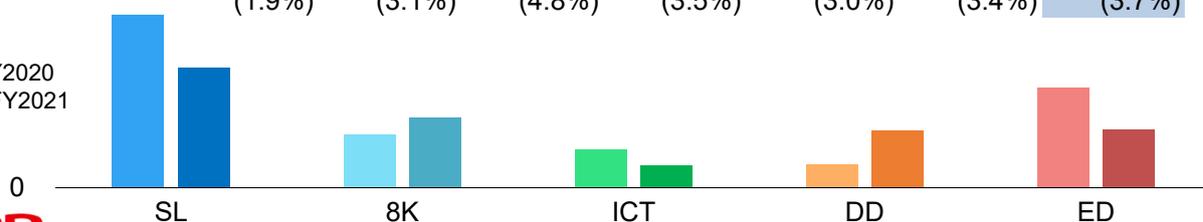
## (Third Quarter) Operating Profit by Segment

\*Figures within parentheses indicate operating margin.

(Billions of Yen)

	FY2020				FY2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Y on Y
Smart Life	10.1 (10.7%)	13.3 (11.5%)	16.8 (14.3%)	18.5 (14.7%)	12.6 (11.4%)	11.8 (10.5%)	11.6 (10.9%)	-30.6%
8K Ecosystem	0.5 (0.5%)	6.8 (5.4%)	5.1 (4.1%)	3.0 (2.2%)	4.1 (3.0%)	7.3 (5.3%)	6.8 (4.6%)	+31.8%
ICT	4.5 (5.4%)	2.7 (3.5%)	3.7 (4.5%)	4.3 (4.5%)	2.1 (2.7%)	0.9 (1.2%)	2.1 (2.7%)	-41.6%
Brand Businesses	15.2 (5.4%)	22.9 (7.1%)	25.7 (7.8%)	25.8 (7.2%)	18.9 (5.8%)	20.2 (6.1%)	20.7 (6.1%)	-19.6%
Display Device	-3.0 (-1.8%)	-0.4 (-0.2%)	2.2 (1.1%)	3.1 (1.6%)	3.3 (1.6%)	5.9 (2.7%)	5.6 (2.5%)	+147.8%
Electronic Device	1.4 (1.7%)	3.2 (3.1%)	9.7 (6.2%)	-1.8 (-2.3%)	1.0 (1.1%)	-0.7 (-1.0%)	5.6 (4.1%)	-41.9%
Device Businesses	-1.5 (-0.6%)	2.8 (0.8%)	12.0 (3.2%)	1.2 (0.5%)	4.3 (1.4%)	5.2 (1.8%)	11.2 (3.1%)	-6.1%
Subtotal	13.6 (2.5%)	25.7 (3.9%)	37.7 (5.4%)	27.1 (4.3%)	23.3 (3.7%)	25.5 (4.0%)	31.9 (4.6%)	-15.3%
Adjustments	-3.8	-5.9	-5.4	-6.0	-4.9	-4.8	-7.1	-
Total	9.8 (1.9%)	19.7 (3.1%)	32.3 (4.8%)	21.1 (3.5%)	18.3 (3.0%)	20.6 (3.4%)	24.8 (3.7%)	-23.2%

Left bar: Q3, FY2020  
Right bar: Q3, FY2021

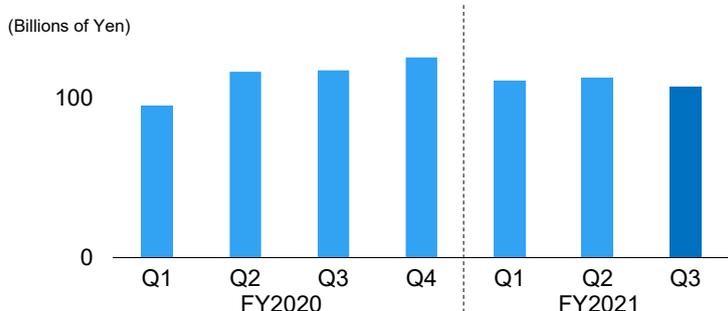


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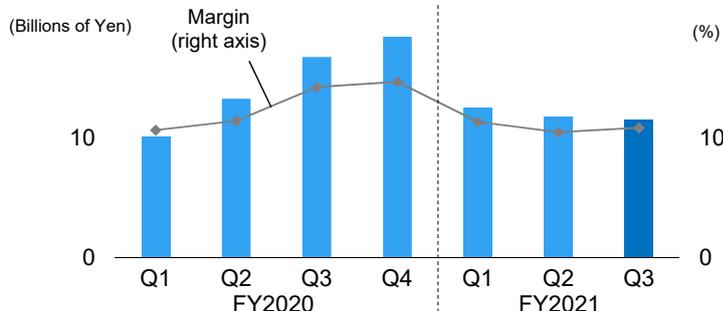
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(Billions of Yen)	FY2020				FY2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Y on Y
<b>Sales</b>	95.3	116.7	117.6	125.7	111.0	112.9	107.3	-8.8%
<b>Operating Profit</b>	10.1 (10.7%)	13.3 (11.5%)	16.8 (14.3%)	18.5 (14.7%)	12.6 (11.4%)	11.8 (10.5%)	11.6 (10.9%)	-30.6%

Sales (Decrease)



Operating profit (Decrease)



(Dec.) Domestic Plasmacluster sales decreased year on year, when sales more than doubled due to special factors (sales increased compared to the year before last)

(Dec.) Semiconductor bottlenecks have impacted the energy solutions business

(Incr.) Growth for built-in ranges and other cooking appliances in Europe and the Americas

(Incr.) Strong performance in air conditioners, washing machines, etc., in Asia

(Incr.) Increase in EPC business sales in Japan

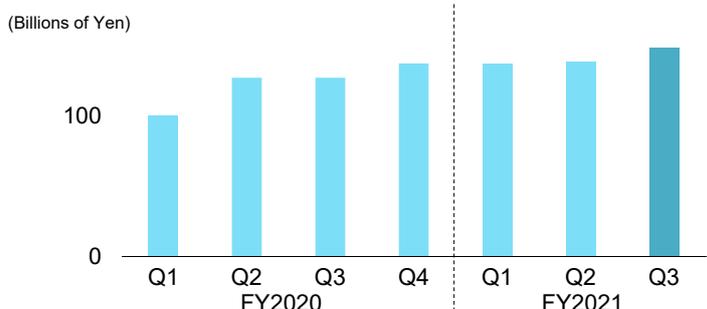
(Dec.) Decrease in sales

(Dec.) Impact of soaring component prices

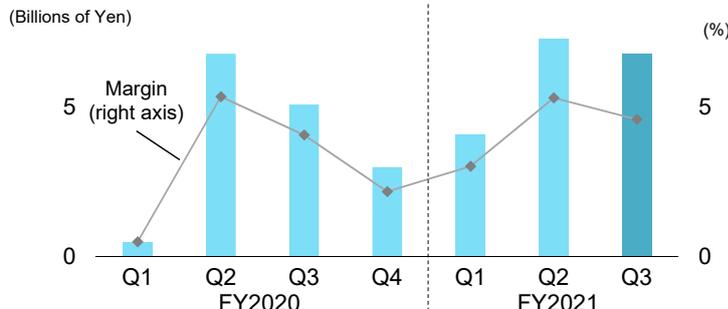
(Incr.) Improved earnings capacity

(Billions of Yen)	FY2020				FY2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Y on Y
<b>Sales</b>	100.5	127.4	127.4	137.6	137.5	138.5	148.9	+16.9%
<b>Operating Profit</b>	0.5 (0.5%)	6.8 (5.4%)	5.1 (4.1%)	3.0 (2.2%)	4.1 (3.0%)	7.3 (5.3%)	6.8 (4.6%)	+31.8%

Sales (Increase)



Operating profit (Increase)



(Incr.) Growth in TVs in Europe, Asia, etc.

(Incr.) Impact of MFP business sales growth in Europe, the Americas

(Incr.) Smart office business was firm in Europe and the Americas, etc.

(Incr.) Impact of SNDS\* consolidation

(Dec.) Impact of logistics bottlenecks for shipments to Europe, the Americas

(Incr.) Increase in sales

(Incr.) Advancements in added value for TVs in Europe, etc.

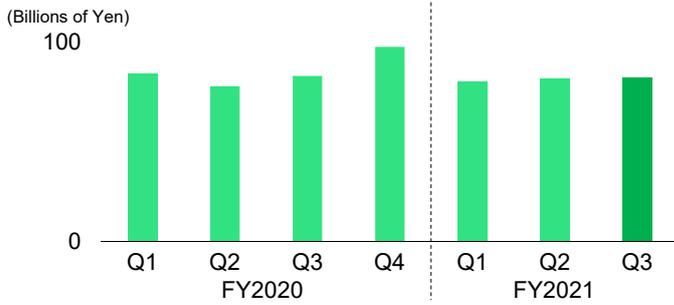
(Incr.) Increase in MFP print volume

(Dec.) Rising component prices

(Dec.) Increased logistics costs

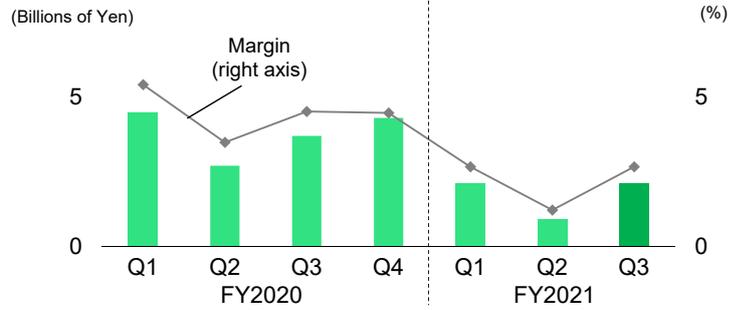
(Billions of Yen)	FY2020				FY2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Y on Y
<b>Sales</b>	84.5	77.9	83.1	97.7	80.2	81.8	82.2	-1.1%
<b>Operating Profit</b>	4.5	2.7	3.7	4.3	2.1	0.9	2.1	-41.6%
	(5.4%)	(3.5%)	(4.5%)	(4.5%)	(2.7%)	(1.2%)	(2.7%)	

Sales (Decrease)



(Dec.) Impact of semiconductor bottlenecks  
 (Dec.) Pause in domestic GIGA School demand in the PC business  
 (Incr.) Increase in corporate PC business sales in Asia, etc.

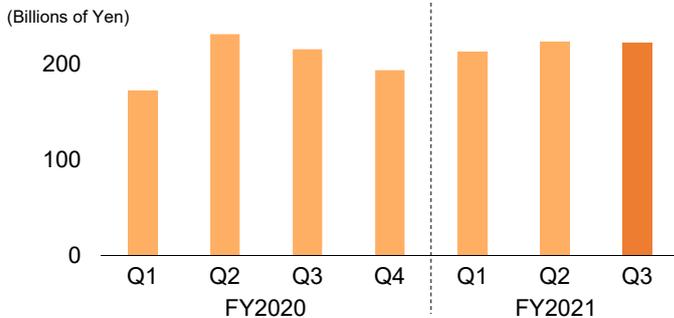
Operating profit (Decrease)



(Dec.) Rising prices for semiconductors, etc.  
 (Dec.) Decrease in sales

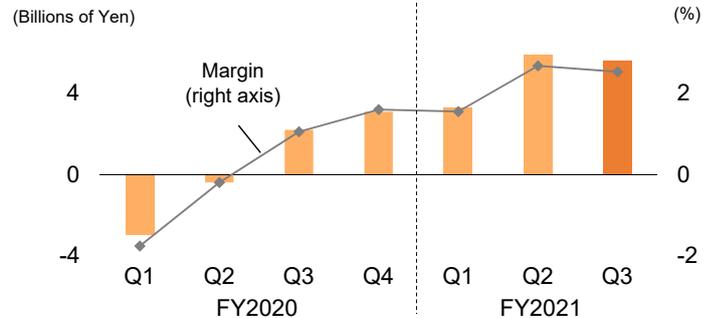
(Billions of Yen)	FY2020				FY2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Y on Y
<b>Sales</b>	171.8	231.4	215.6	193.7	213.3	223.4	221.8	+2.8%
<b>Operating Profit</b>	-3.0	-0.4	2.2	3.1	3.3	5.9	5.6	+147.8%
	(-1.8%)	(-0.2%)	(1.1%)	(1.6%)	(1.6%)	(2.7%)	(2.5%)	

Sales (Increase)



(Incr.) Firm performance for PCs and tablets  
 (Incr.) Growth in panels for automotive  
 (Dec.) Decrease in panels for smartphones  
 (Dec.) Impact of semiconductor bottlenecks

Operating profit (Increase)



(Incr.) Model mix improvement through increased sales of medium-size panels, etc.  
 (Dec.) Rising prices for semiconductors, etc.

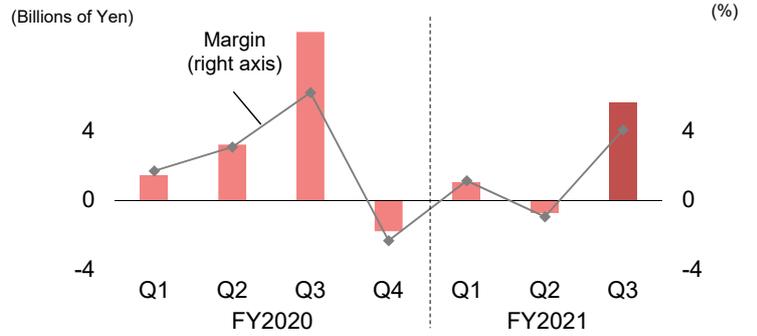
(Billions of Yen)	FY2020				FY2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Y on Y
<b>Sales</b>	86.6	107.5	157.1	77.2	96.5	73.5	139.5	-11.2%
<b>Operating Profit</b>	1.4	3.2	9.7	-1.8	1.0	-0.7	5.6	-41.9%
	(1.7%)	(3.1%)	(6.2%)	(-2.3%)	(1.1%)	(-1.0%)	(4.1%)	

Sales (Decrease)



(Dec.) Impact of COVID-19 on production remained as of the beginning of Q3 (normalized at present)

Operating profit (Decrease)



(Dec.) Decrease in sales (Significant increase vs. Q2; operating profit shifted positive)

# Non-Operating Income (Expenses) / Extraordinary Income (Losses)

(Billions of Yen)

	FY2020				FY2021			Difference (Y on Y)
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
<b>Operating Profit</b>	<b>9.8</b>	<b>19.7</b>	<b>32.3</b>	<b>21.1</b>	<b>18.3</b>	<b>20.6</b>	<b>24.8</b>	-7.5
<b>Non-operating Income (Expenses)</b>	<b>+1.4</b>	<b>-1.1</b>	<b>-18.3</b>	<b>-1.7</b>	<b>+7.2</b>	<b>+4.5</b>	<b>+8.8</b>	+27.1
Interest expense	-1.2	-1.5	-1.3	-1.3	-1.3	-1.1	-1.1	+0.2
Foreign exchange gain (loss)	+2.2	+1.3	+0.8	+1.0	+3.2	+3.7	+5.5	+4.7
Share of profit (loss) of entities accounted for using equity method	-0.6	-2.8	-15.3	+2.1	+4.3	+2.3	-1.3	+14.0
<b>Ordinary Profit</b>	<b>11.2</b>	<b>18.5</b>	<b>13.9</b>	<b>19.3</b>	<b>25.6</b>	<b>25.2</b>	<b>33.7</b>	+19.8
<b>Extraordinary Income (Losses)</b>	<b>-0.2</b>	<b>-0.1</b>	<b>+8.6</b>	<b>-4.9</b>	<b>+0.7</b>	<b>+0.8</b>	<b>-1.9</b>	-10.5
Gain (loss) on sale of non-current assets	+2.8	-	+2.6	+0.1	+0.1	+0.4	+2.3	-0.3
Gain on sale of businesses	-	-	-	-	-	-	+5.9	+5.9
Gain on receipt of donated non-current assets	-	-	+6.1	+0.5	+0.7	+0.5	-	-6.1
Impairment loss	-0.8	-0.1	-0.1	-5.2	-	-	-7.7	-7.6
Settlement package	-	-	-	-	-	-	-2.7	-2.7
<b>Pretax Income</b>	<b>11.0</b>	<b>18.4</b>	<b>22.5</b>	<b>14.3</b>	<b>26.3</b>	<b>26.0</b>	<b>31.8</b>	+9.3
<b>Income Taxes, etc.</b>	<b>-2.8</b>	<b>-2.8</b>	<b>-5.1</b>	<b>-2.2</b>	<b>-4.6</b>	<b>-5.2</b>	<b>-3.4</b>	+1.7
<b>Profit Attributable to Owners of Parent</b>	<b>8.1</b>	<b>15.5</b>	<b>17.3</b>	<b>12.1</b>	<b>21.6</b>	<b>20.8</b>	<b>28.3</b>	+11.0

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## Consolidated Balance Sheets

- Cash and deposits as of the end of Q3 amounted to 243.3 billion yen, net assets amounted to 434.5 billion yen, and the equity ratio was 21.4%

(Billions of Yen)

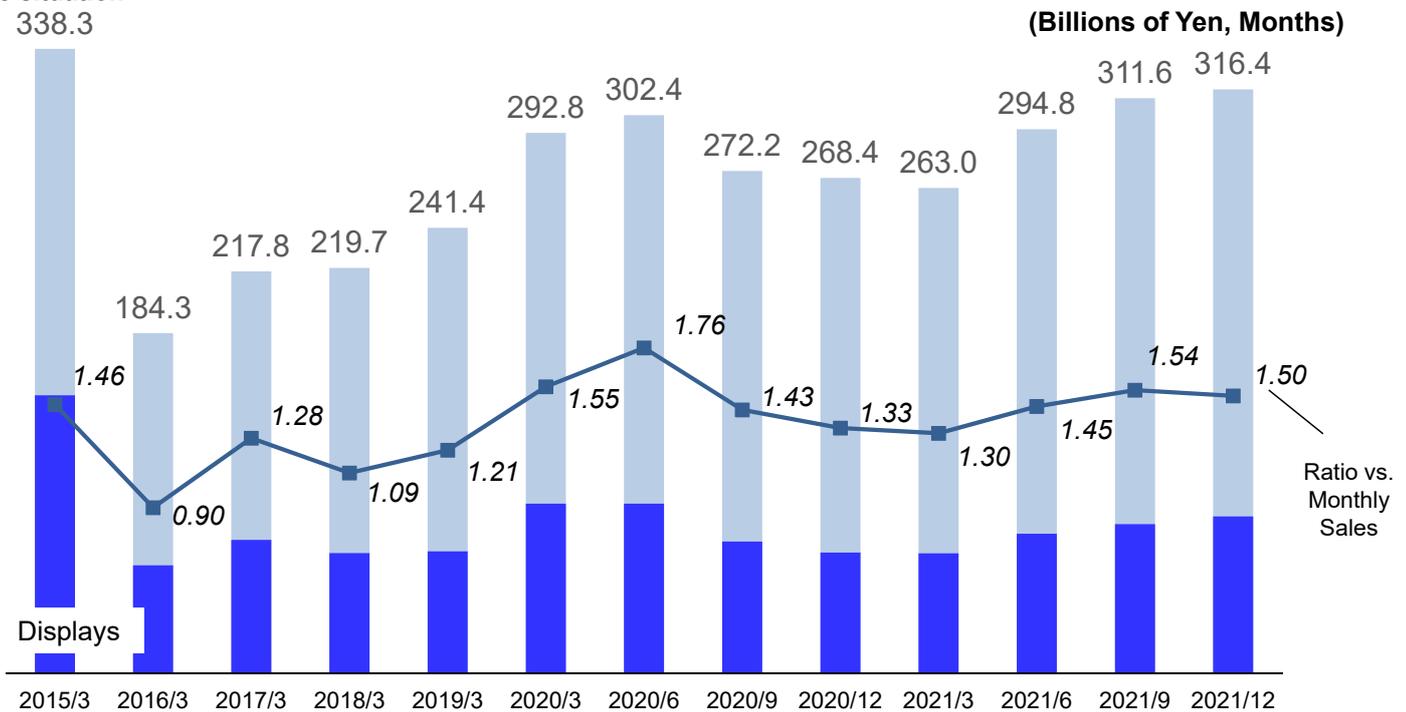
	FY2020	FY2021			FY2020	FY2021	
	End of Mar.	End of Sep.	End of Dec.		End of Mar.	End of Sep.	End of Dec.
Cash and deposits	341.9	261.5	243.3	Notes and accounts payable – trade, etc.	396.4	403.6	459.0
Notes and accounts receivable – trade, etc.	457.6	461.0	553.5	Short-term borrowings	163.0	82.4	73.0
Inventories	263.0	311.6	316.4	Current portion of bonds payable	0.0	0.0	0.0
Other current assets	126.1	119.9	122.5	Other current liabilities	326.1	337.6	322.4
<b>Current Assets</b>	<b>1,188.7</b>	<b>1,154.2</b>	<b>1,235.9</b>	<b>Current Liabilities</b>	<b>885.5</b>	<b>823.7</b>	<b>854.6</b>
Property, plant and Equipment	438.4	443.5	434.3	Bonds payable	0.0	0.0	0.0
Intangible assets	45.1	43.5	42.6	Long-term borrowings	561.8	569.4	570.8
Investments and other Assets	254.8	254.1	255.2	Other non-current liabilities	115.6	110.2	108.1
<b>Non-current Assets</b>	<b>738.4</b>	<b>741.2</b>	<b>732.3</b>	<b>Non-current Liabilities</b>	<b>677.5</b>	<b>679.7</b>	<b>679.0</b>
<b>Total Assets</b>	<b>1,927.2</b>	<b>1,895.5</b>	<b>1,968.2</b>	<b>Net Assets</b>	<b>364.1</b>	<b>392.0</b>	<b>434.5</b>
				<b>Total Liabilities and Net Assets</b>	<b>1,927.2</b>	<b>1,895.5</b>	<b>1,968.2</b>
Exchange Rate, End of Period							
USD/JPY	109.72	110.95	114.02	Equity Ratio	18.2%	20.0%	21.4%
Euro/JPY	128.26	128.40	129.02	Equity	350.3	379.3	421.2

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# Inventory Trends

- Inventory amounted to 316.4 billion yen, an increase of 4.8 billion compared with the end of September 2021; our ratio of inventory to monthly sales decreased 0.04 months to 1.50 months.
- In response to disruptions in the supply chain, we intend to make advance arrangements for semiconductors and other items necessary for production activities, and we will secure inventory in consideration of the extended logistics timing to avoid sales disruptions
- We will continue to monitor changes in the business environment and strive to manage inventory appropriately according to the situation



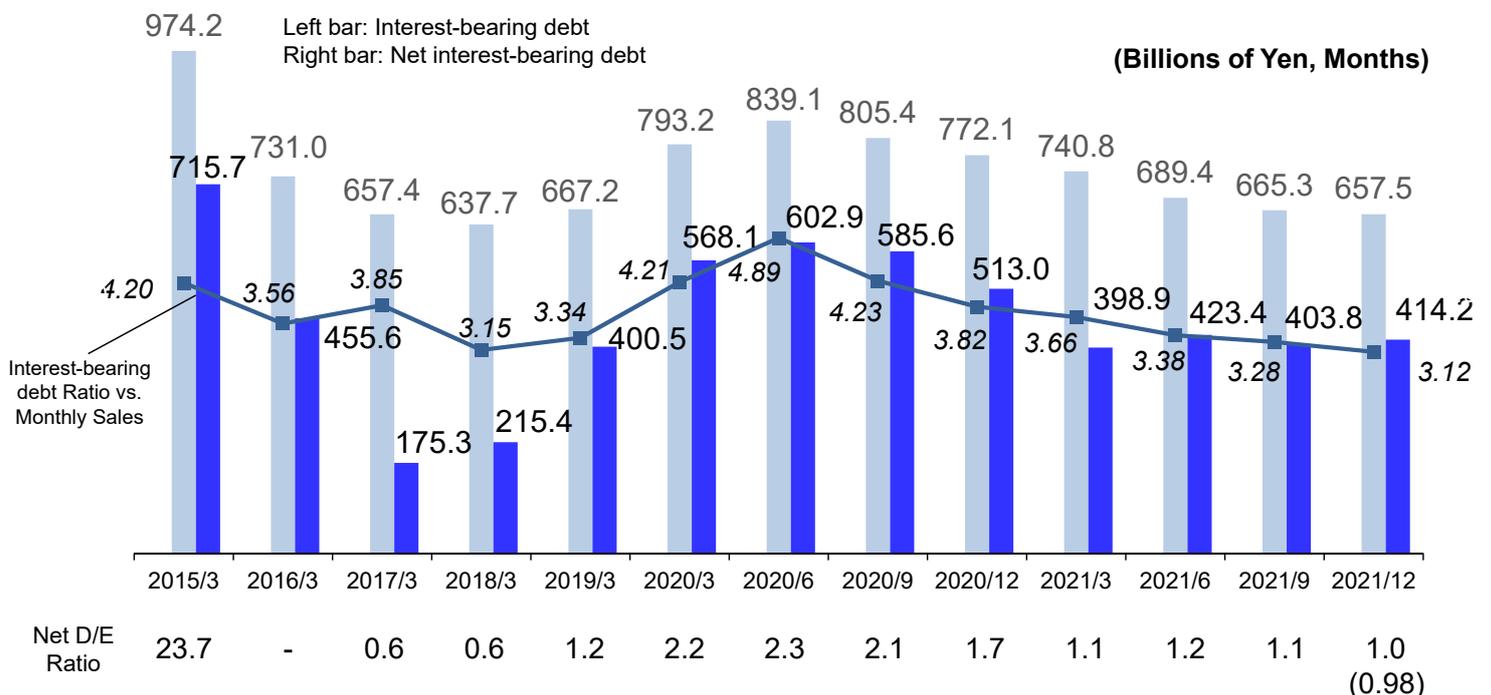
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\*The company adopted a change in accounting standards; figures for 2021/3 and earlier were prepared under different standards

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# Interest-Bearing Debt Trends

- Interest-bearing debt decreased 7.8 billion yen compared with the end of September 2021 to 657.5 billion yen; our ratio of interest-bearing debt to monthly sales decreased 0.16 months to 3.12 months
- Net interest-bearing debt\* increased 10.4 billion yen to 414.2 billion yen
- Net D/E ratio was 0.98 times, a level lower than our current target of 1.0 times



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\*Net interest-bearing debt: interest-bearing debt – cash and deposits

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## II. Fiscal 2021 Consolidated Financial Results Forecast and Dividends

### Fiscal 2021 Consolidated Financial Results Forecast and Dividends

- We made revisions to our full-year forecast for fiscal 2021, reflecting our progress through Q3 and recent conditions
- We made a downward revision to operating profit due to higher-than-expected semiconductor prices, raw materials prices, and logistics costs, etc., caused by supply chain disruptions
- We made an upward revision to ordinary profit and bottom-line profit to reflect performance through Q3
- We plan to pay 40 yen per share in fiscal 2021 dividends, an increase of 10 yen compared to 30 yen per share dividend payment in fiscal 2020

	(Billions of Yen)				
	FY2020	FY2021		Revision	Previous Forecast
Results	Revised Forecast	Y on Y			
<b>Net Sales</b>	<b>2,425.9</b>	<b>2,520.0</b>	+3.9%	-30.0	2,550.0
<b>Operating Profit</b>	<b>83.1</b>	<b>92.0</b>	+10.7%	-9.0	101.0
(margin)	(3.4%)	(3.7%)			(4.0%)
<b>Ordinary Profit</b>	<b>63.1</b>	<b>110.0</b>	+74.1%	+19.0	91.0
(margin)	(2.6%)	(4.4%)			(3.6%)
<b>Profit Attributable to Owners of Parent</b>	<b>53.2</b>	<b>85.0</b>	+59.6%	+9.0	76.0
(margin)	(2.2%)	(3.4%)			(3.0%)
			(Yen)		
<b>Dividends Per Share</b>	<b>30.0</b>	<b>40.0</b>	+10.0		
Avg. Exchange Rate					
USD/JPY	105.06				
Euro/JPY	122.20				

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### **Ⅲ. Supplementary Data**

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# Consolidated Financial Results

(Billions of Yen)

	FY2020			FY2021		
	First Half	Second Half	Fiscal Year	First Half	Second Half Forecast	Fiscal Year Forecast
<b>Net Sales</b>	<b>1,143.4</b>	<b>1,282.4</b>	<b>2,425.9</b>	<b>1,218.2</b>	<b>1,301.8</b>	<b>2,520.0</b>
<b>Operating Profit</b>	<b>29.6</b>	<b>53.4</b>	<b>83.1</b>	<b>39.0</b>	<b>53.0</b>	<b>92.0</b>
(margin)	(2.6%)	(4.2%)	(3.4%)	(3.2%)	(4.1%)	(3.7%)
<b>Ordinary Profit</b>	<b>29.8</b>	<b>33.2</b>	<b>63.1</b>	<b>50.8</b>	<b>59.2</b>	<b>110.0</b>
(margin)	(2.6%)	(2.6%)	(2.6%)	(4.2%)	(4.5%)	(4.4%)
<b>Profit Attributable to Owners of Parent</b>	<b>23.7</b>	<b>29.4</b>	<b>53.2</b>	<b>42.5</b>	<b>42.5</b>	<b>85.0</b>
(margin)	(2.1%)	(2.3%)	(2.2%)	(3.5%)	(3.3%)	(3.4%)

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# Consolidated Quarterly Financial Results

(Billions of Yen)

	FY2020				FY2021		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>Net Sales</b>	<b>514.4</b>	<b>628.9</b>	<b>673.4</b>	<b>609.0</b>	<b>611.5</b>	<b>606.6</b>	<b>675.8</b>
<b>Operating Profit</b>	<b>9.8</b>	<b>19.7</b>	<b>32.3</b>	<b>21.1</b>	<b>18.3</b>	<b>20.6</b>	<b>24.8</b>
(margin)	(1.9%)	(3.1%)	(4.8%)	(3.5%)	(3.0%)	(3.4%)	(3.7%)
<b>Ordinary Profit</b>	<b>11.2</b>	<b>18.5</b>	<b>13.9</b>	<b>19.3</b>	<b>25.6</b>	<b>25.2</b>	<b>33.7</b>
(margin)	(2.2%)	(3.0%)	(2.1%)	(3.2%)	(4.2%)	(4.2%)	(5.0%)
<b>Profit Attributable to Owners of Parent</b>	<b>8.1</b>	<b>15.5</b>	<b>17.3</b>	<b>12.1</b>	<b>21.6</b>	<b>20.8</b>	<b>28.3</b>
(margin)	(1.6%)	(2.5%)	(2.6%)	(2.0%)	(3.5%)	(3.4%)	(4.2%)

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# Sales by Segment

(Billions of Yen)

	FY2020			FY2021
	First Half	Second Half	Fiscal Year	First Half
Smart Life	212.0	243.4	455.5	223.9
8K Ecosystem	227.9	265.0	493.0	276.0
ICT	162.5	180.9	343.4	162.1
<b>Brand Businesses</b>	<b>602.6</b>	<b>689.4</b>	<b>1,292.0</b>	<b>662.1</b>
Display Device	403.3	409.4	812.7	436.7
Electronic Device	194.2	234.3	428.5	170.0
<b>Device Businesses</b>	<b>597.6</b>	<b>643.7</b>	<b>1,241.3</b>	<b>606.8</b>
<b>Subtotal</b>	<b>1,200.2</b>	<b>1,333.2</b>	<b>2,533.4</b>	<b>1,269.0</b>
<b>Adjustments</b>	<b>-56.7</b>	<b>-50.8</b>	<b>-107.5</b>	<b>-50.8</b>
<b>Total</b>	<b>1,143.4</b>	<b>1,282.4</b>	<b>2,425.9</b>	<b>1,218.2</b>

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\*Sales include inter-segment sales and transfers.

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# Operating Profit by Segment

(Billions of Yen)

	FY2020			FY2021
	First Half	Second Half	Fiscal Year	First Half
Smart Life	23.5 (11.1%)	35.3 (14.5%)	58.8 (12.9%)	24.4 (10.9%)
8K Ecosystem	7.3 (3.2%)	8.1 (3.1%)	15.5 (3.1%)	11.5 (4.2%)
ICT	7.2 (4.5%)	8.1 (4.5%)	15.4 (4.5%)	3.1 (1.9%)
<b>Brand Businesses</b>	<b>38.1</b> (6.3%)	<b>51.6</b> (7.5%)	<b>89.8</b> (7.0%)	<b>39.1</b> (5.9%)
Display Device	-3.5 (-0.9%)	5.3 (1.3%)	1.8 (0.2%)	9.3 (2.1%)
Electronic Device	4.7 (2.4%)	7.9 (3.4%)	12.6 (3.0%)	0.3 (0.2%)
<b>Device Businesses</b>	<b>1.2</b> (0.2%)	<b>13.3</b> (2.1%)	<b>14.5</b> (1.2%)	<b>9.6</b> (1.6%)
<b>Subtotal</b>	<b>39.4</b> (3.3%)	<b>64.9</b> (4.9%)	<b>104.3</b> (4.1%)	<b>48.8</b> (3.8%)
<b>Adjustments</b>	<b>-9.7</b>	<b>-11.4</b>	<b>-21.2</b>	<b>-9.8</b>
<b>Total</b>	<b>29.6</b> (2.6%)	<b>53.4</b> (4.2%)	<b>83.1</b> (3.4%)	<b>39.0</b> (3.2%)

\*Figures within parentheses indicate operating margin.

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# Quarterly Sales by Segment

(Billions of Yen)

	FY2020				FY2021		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Smart Life	95.3	116.7	117.6	125.7	111.0	112.9	107.3
8K Ecosystem	100.5	127.4	127.4	137.6	137.5	138.5	148.9
ICT	84.5	77.9	83.1	97.7	80.2	81.8	82.2
Brand Businesses	280.4	322.1	328.2	361.2	328.7	333.3	338.5
Display Device	171.8	231.4	215.6	193.7	213.3	223.4	221.8
Electronic Device	86.6	107.5	157.1	77.2	96.5	73.5	139.5
Device Businesses	258.5	339.0	372.8	270.9	309.8	297.0	361.3
Subtotal	539.0	661.1	701.0	632.1	638.6	630.3	699.9
Adjustments	-24.5	-32.1	-27.6	-23.1	-27.0	-23.7	-24.0
Total	514.4	628.9	673.4	609.0	611.5	606.6	675.8

\*Sales include inter-segment sales and transfers.

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# Quarterly Operating Profit by Segment

(Billions of Yen)

	FY2020				FY2021		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Smart Life	10.1 (10.7%)	13.3 (11.5%)	16.8 (14.3%)	18.5 (14.7%)	12.6 (11.4%)	11.8 (10.5%)	11.6 (10.9%)
8K Ecosystem	0.5 (0.5%)	6.8 (5.4%)	5.1 (4.1%)	3.0 (2.2%)	4.1 (3.0%)	7.3 (5.3%)	6.8 (4.6%)
ICT	4.5 (5.4%)	2.7 (3.5%)	3.7 (4.5%)	4.3 (4.5%)	2.1 (2.7%)	0.9 (1.2%)	2.1 (2.7%)
Brand Businesses	15.2 (5.4%)	22.9 (7.1%)	25.7 (7.8%)	25.8 (7.2%)	18.9 (5.8%)	20.2 (6.1%)	20.7 (6.1%)
Display Device	-3.0 (-1.8%)	-0.4 (-0.2%)	2.2 (1.1%)	3.1 (1.6%)	3.3 (1.6%)	5.9 (2.7%)	5.6 (2.5%)
Electronic Device	1.4 (1.7%)	3.2 (3.1%)	9.7 (6.2%)	-1.8 (-2.3%)	1.0 (1.1%)	-0.7 (-1.0%)	5.6 (4.1%)
Device Businesses	-1.5 (-0.6%)	2.8 (0.8%)	12.0 (3.2%)	1.2 (0.5%)	4.3 (1.4%)	5.2 (1.8%)	11.2 (3.1%)
Subtotal	13.6 (2.5%)	25.7 (3.9%)	37.7 (5.4%)	27.1 (4.3%)	23.3 (3.7%)	25.5 (4.0%)	31.9 (4.6%)
Adjustments	-3.8	-5.9	-5.4	-6.0	-4.9	-4.8	-7.1
Total	9.8 (1.9%)	19.7 (3.1%)	32.3 (4.8%)	21.1 (3.5%)	18.3 (3.0%)	20.6 (3.4%)	24.8 (3.7%)

\*Figures within parentheses indicate operating margin.

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# Capital Investment / Depreciation and Amortization

(Billions of Yen)

	FY2020			FY2021		
	First Half	Second Half	Fiscal Year	First Half	Second Half Forecast	Fiscal Year Forecast
<b>Capital Investment</b>	<b>21.8</b>	<b>69.6</b>	<b>91.5</b>	<b>30.4</b>	<b>39.6</b>	<b>70.0</b>
Displays	6.4	56.6	63.1	10.4	12.6	23.0
<b>Depreciation and Amortization</b>	<b>29.6</b>	<b>33.9</b>	<b>63.5</b>	<b>31.2</b>	<b>48.8</b>	<b>80.0</b>
<b>R&amp;D Expenditures</b>	<b>43.0</b>	<b>43.7</b>	<b>86.7</b>	<b>39.9</b>	<b>55.1</b>	<b>95.0</b>

(Yen)

Avg. Exchange Rate	FY2020			FY2021	
	First Half	Second Half	Fiscal Year	First Half	Second Half Forecast
<b>US Dollar</b>	<b>105.92</b>	<b>104.20</b>	<b>105.06</b>	<b>108.80</b>	<b>113.00</b>
<b>Euro</b>	<b>119.79</b>	<b>124.61</b>	<b>122.20</b>	<b>129.39</b>	<b>128.00</b>

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# Quarterly Capital Investment and Depreciation, etc.

(Billions of Yen)

	FY2020				FY2021		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>Capital Investment</b>	<b>10.1</b>	<b>11.6</b>	<b>60.7</b>	<b>8.9</b>	<b>13.4</b>	<b>17.0</b>	<b>11.0</b>
Displays	4.4	2.0	51.9	4.7	7.4	3.0	2.4
<b>Depreciation and Amortization</b>	<b>15.2</b>	<b>14.4</b>	<b>16.4</b>	<b>17.4</b>	<b>15.3</b>	<b>15.9</b>	<b>16.8</b>
<b>R&amp;D Expenditures</b>	<b>20.3</b>	<b>22.6</b>	<b>21.9</b>	<b>21.7</b>	<b>19.6</b>	<b>20.3</b>	<b>19.2</b>

(Yen)

Avg. Exchange Rate	FY2020				FY2021		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>US Dollar</b>	<b>106.62</b>	<b>105.22</b>	<b>103.51</b>	<b>104.90</b>	<b>108.49</b>	<b>109.11</b>	<b>112.71</b>
<b>Euro</b>	<b>116.97</b>	<b>122.61</b>	<b>123.03</b>	<b>126.18</b>	<b>130.45</b>	<b>128.33</b>	<b>128.57</b>

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### Forward-Looking Statements

This presentation contains certain statements about the future plans, strategies, and performance of Sharp Corporation and its consolidated subsidiaries (“the Company” or “Sharp”). Statements not based on historical or present facts are assumptions and estimates based on information available at the time. Future plans, strategies, and performance are subject to known and unknown risks, uncertainties, and other factors. Actual performance, business activities, and financial position may differ materially from the assumptions and estimates provided herein due to risks, uncertainties, and other factors. Sharp is under no obligation to update these forward-looking statements in light of new information, future events, or other factors. Risks, uncertainties, and other matters that could affect actual results include, but are not limited to, the following factors:

- (1) The economic conditions in which Sharp operates
- (2) Sudden, rapid fluctuations in demand for Sharp products and services, as well as intensified price competition
- (3) Exchange rate fluctuations (particularly between the yen and the U.S. dollar, the euro, and other currencies)
- (4) Regulations, including trade restrictions with other countries
- (5) The progress of collaborations and alliances with other companies
- (6) Litigation and other legal proceedings against Sharp
- (7) Rapid technological changes in products and services, etc.

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

\*Year-on-year change has been calculated based on 100 million yen units. Percentage change has been calculated based on actual figures.

\*Segment Name Abbreviations:

Smart Life: SL 8K Ecosystem: 8K ICT: ICT Display Device: DD Electronic Device: ED

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