

SHARP

2006 Press Meeting

SHARP CORPORATION

Katsuhiko Machida
President

January 11, 2006

I. Overview

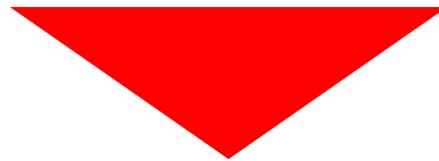
II. Policies for Key Businesses in FY2006

1. LCD TVs and Large-size LCDs



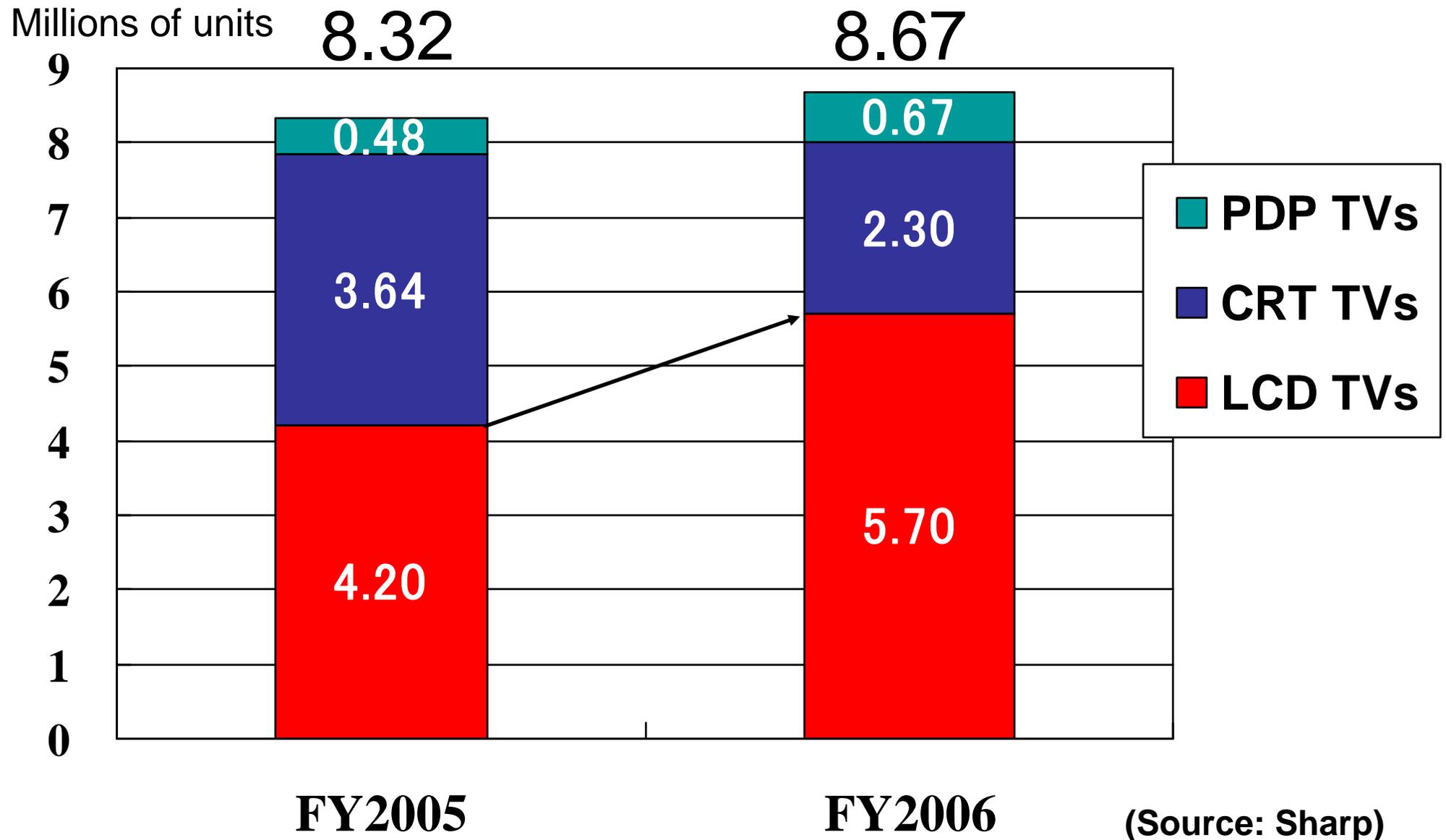
1998 Press Meeting

**“Sharp to change all CRT TVs to
LCD TVs in Japan by 2005”**

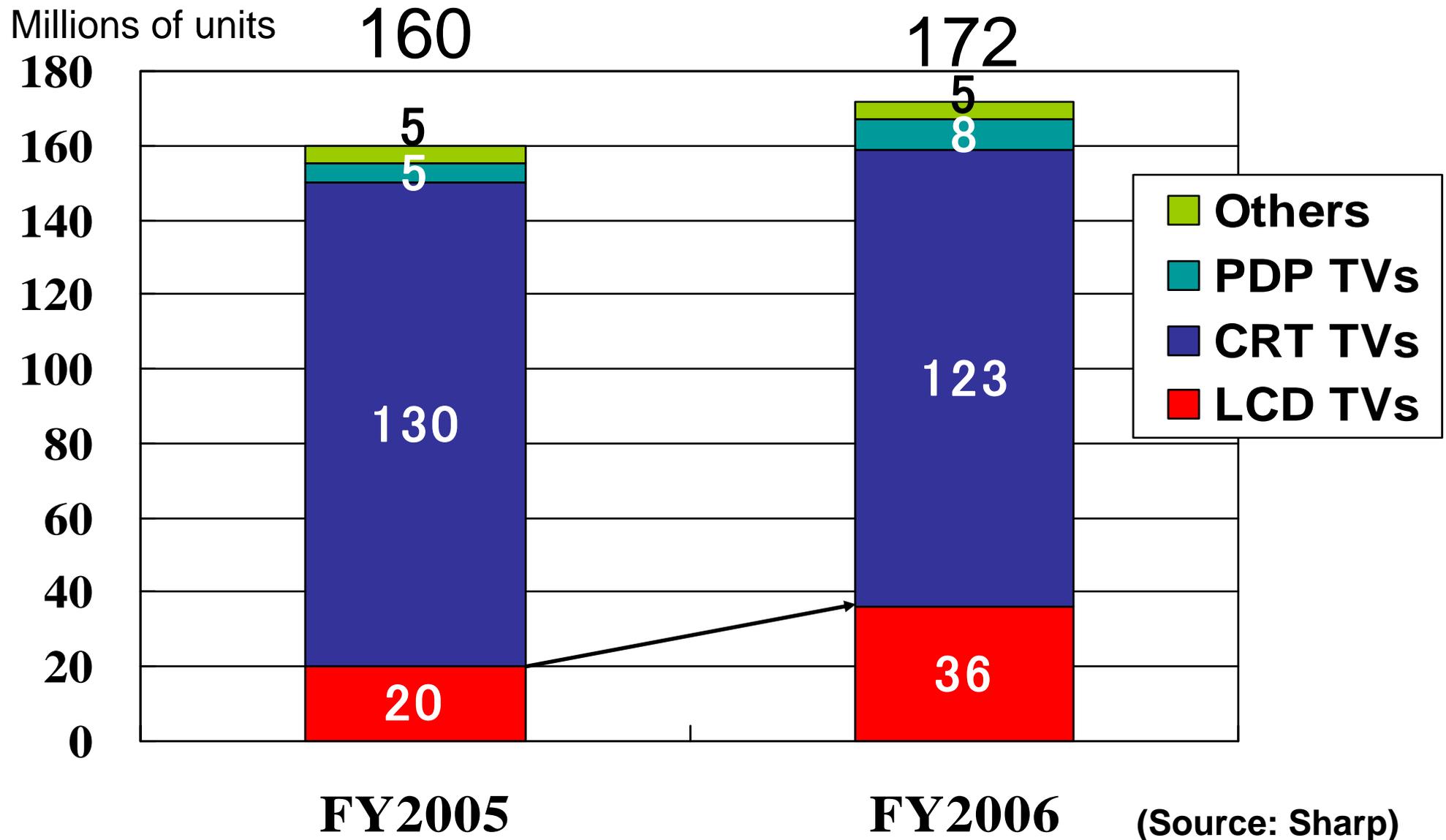


Almost achieved at the end of 2004

TV Demand (Japan)



TV Demand (Worldwide)





**“Truly the world’s No.1
LCD manufacturer”**

Sharp LCD TV Sales (forecast)

FY2005 4 million units(+47.1%)

FY2006 6 million units(+50.0%)

Large-size LCD Panel Production Capability

1. Kameyama No.1 Plant Capacity Enhancement

Substrate input

Apr. 2005

45,000 sheets
per month

Oct. 2005

51,000 sheets
per month

Mar. 2006

**60,000 sheets
per month**

+33%

Investment: 15 billion yen



Large-size LCD Panel Production Capability

2. Kameyama No.2 Plant

A. 8G substrate (2,160 x 2,400 mm)

Best suited for panel production

for LCD TVs of 40 inches and 50 inches

B. Innovation of production process and revolution in LCD materials

Color filter with inkjet method etc.

Making LCDs cost-competitive with PDPs

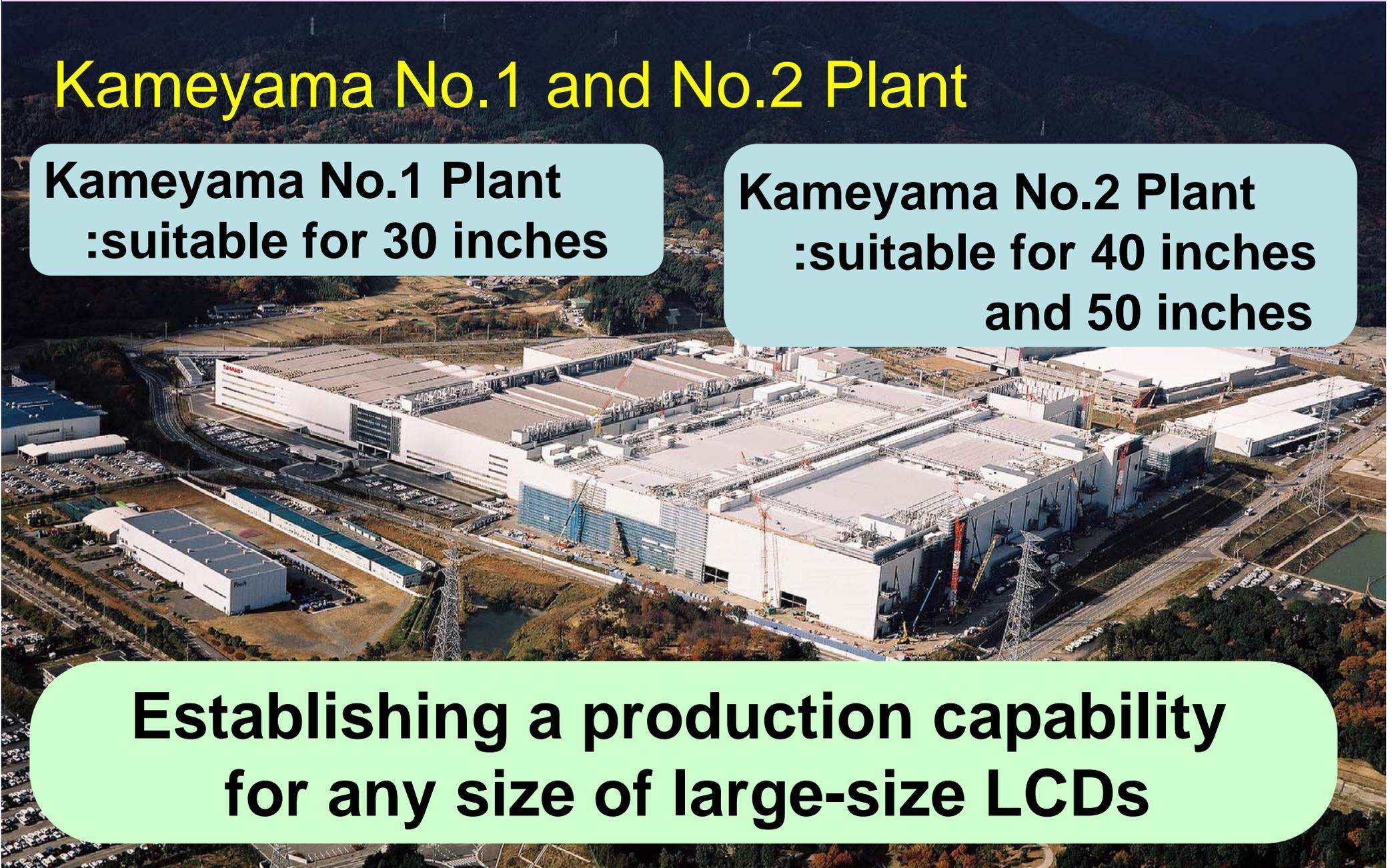
Large-size LCD Panel Production Capability

Kameyama No.1 and No.2 Plant

Kameyama No.1 Plant
:suitable for 30 inches

Kameyama No.2 Plant
:suitable for 40 inches
and 50 inches

Establishing a production capability
for any size of large-size LCDs



Large-size LCD Panel Production Capability

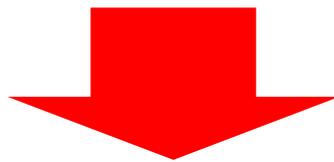
3. Kameyama No.2 Plant

Capacity Enhancement (The Second Phase)

2005 Press Meeting

Increase substrate input

from 15,000 sheets per month to 30,000 in 2007



**Advanced scheduled increase date:
March 2007(the end of FY2006)**

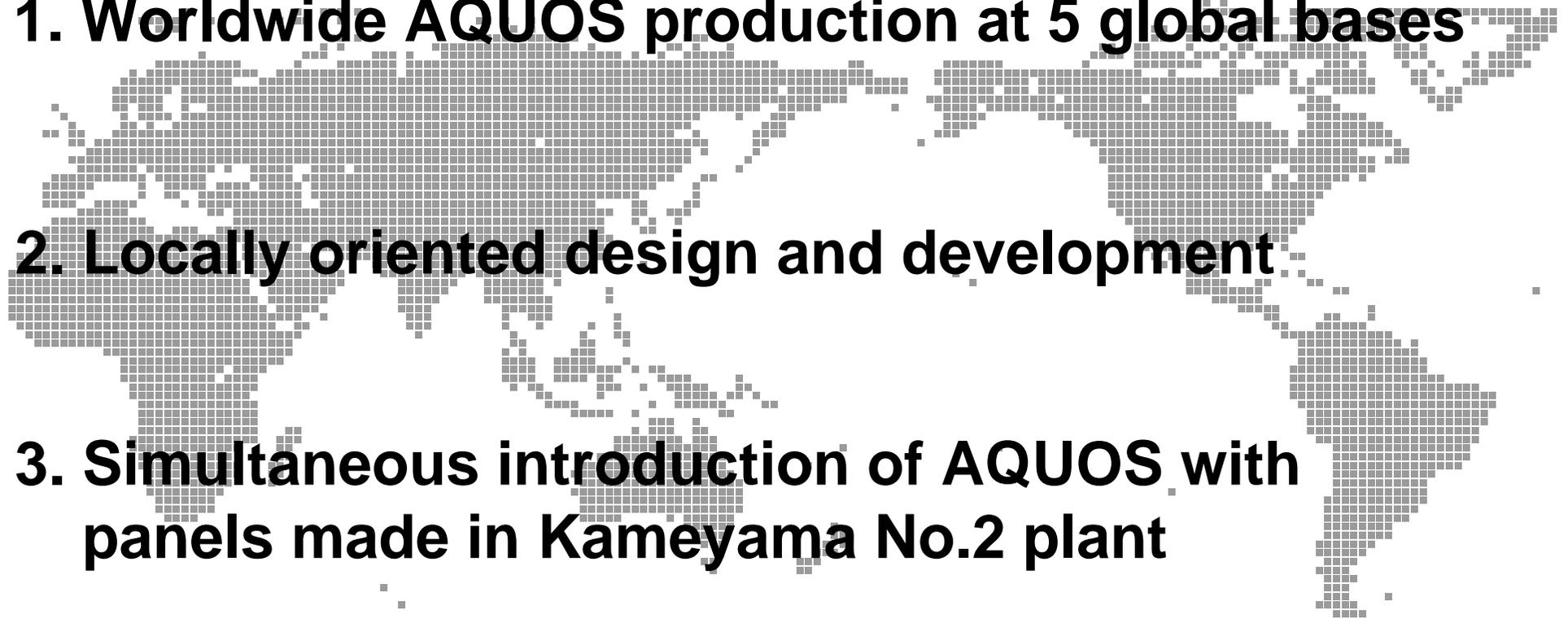
4. Globalization of AQUOS

- Production and Sales -

1. Worldwide AQUOS production at 5 global bases

2. Locally oriented design and development

3. Simultaneous introduction of AQUOS with panels made in Kameyama No.2 plant



2. Mobile Phones and System LCDs



New Services for Mobile Phones in Japan Starting in 2006

Apr. 2006

Terrestrial Digital Broadcasting for Mobile

Nov. 2006

Mobile Number Portability

Expanding Mobile Phone Business

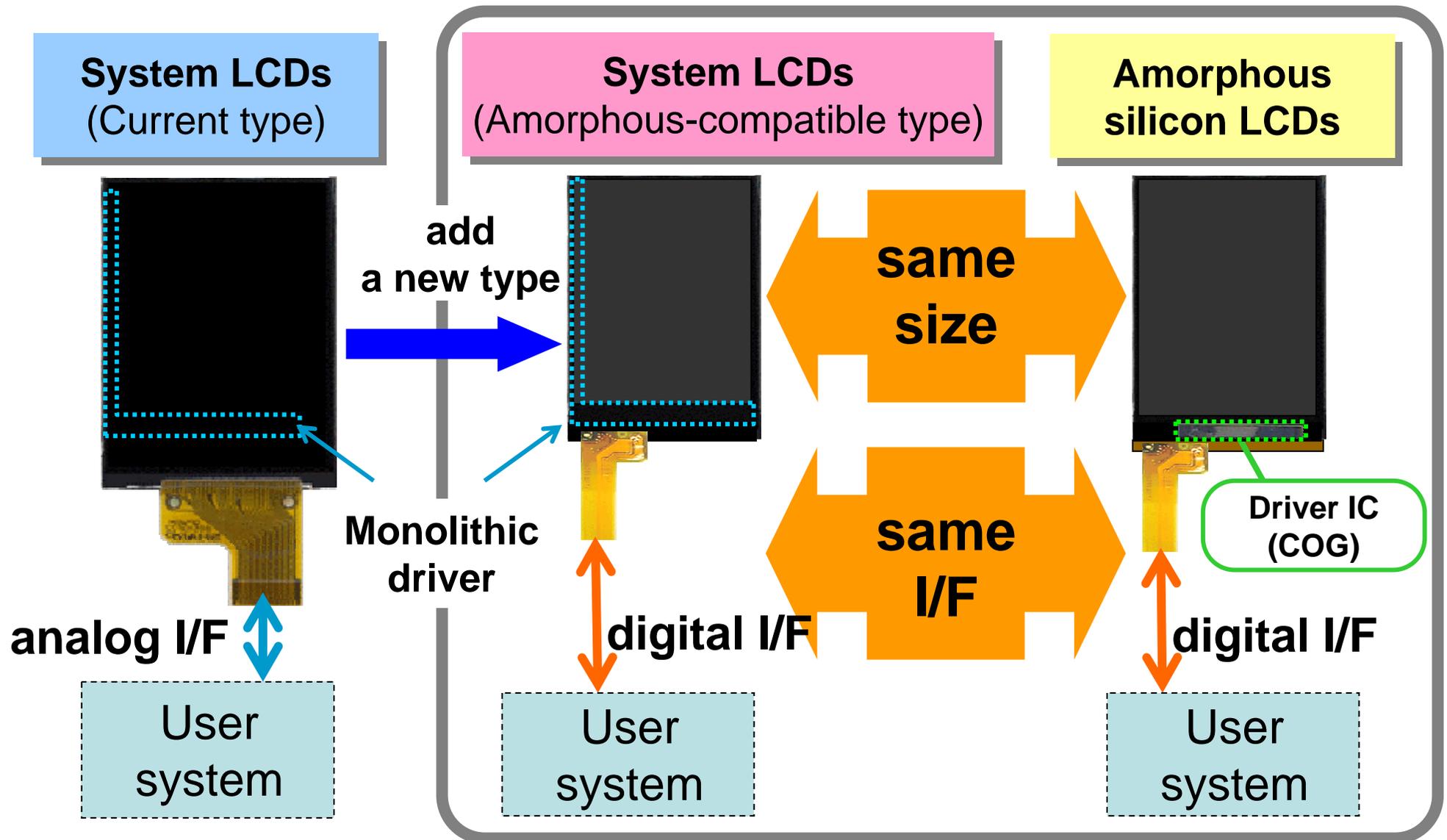
- 1. Create one-of-a-kind products corresponding to new services in Japan**
- 2. Supply to 3 Japanese carriers**
- 3. Focus on 3G overseas. Creating one-of-a-kind products best suited to the overseas market**

Sharp Mobile Phone Sales (forecast)

FY2005 11 million units(+10.2%)

FY2006 13 million units(+18.2%)

Shift from Amorphous Silicon LCDs to System LCDs



Sharp System LCD Sales (forecast)

FY2005 220 billion yen(+17.6%)

FY2006 260 billion yen(+18.2%)

Sharp LCD Sales (forecast)

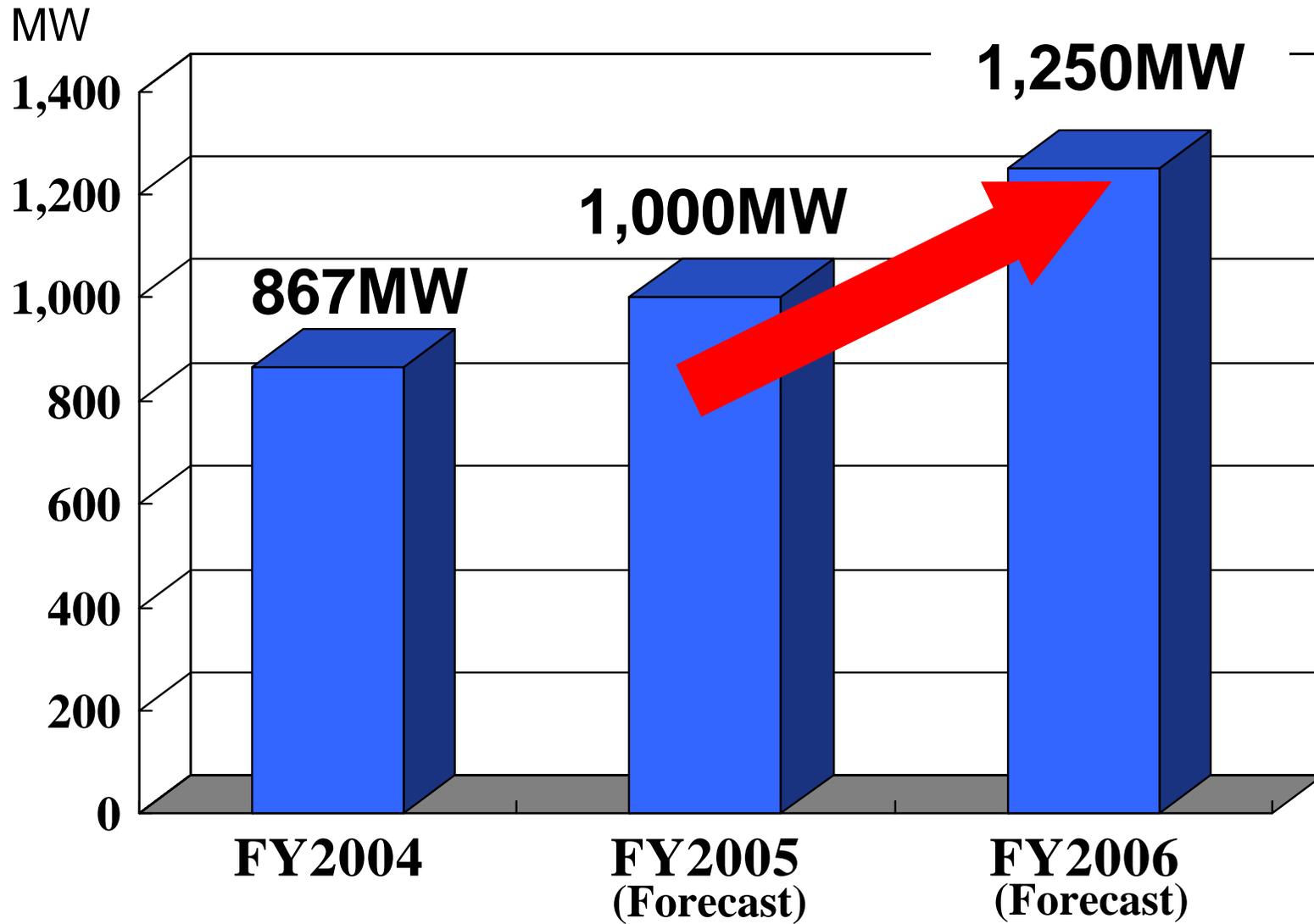
FY2005 830 billion yen(+15.3%)

FY2006 980 billion yen(+18.1%)

3. Photovoltaic Power Systems

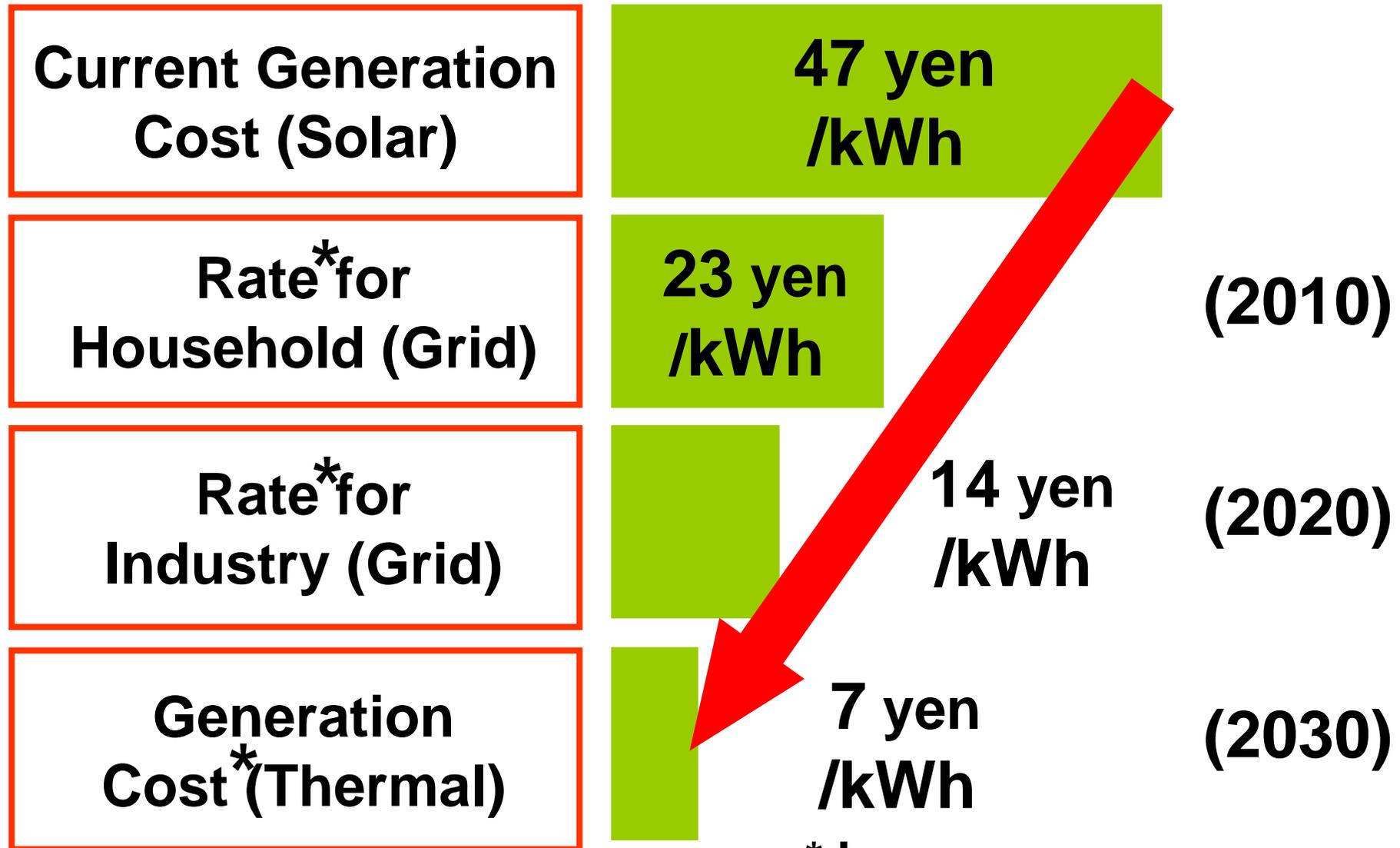


Photovoltaic Power System Demand (Worldwide)



(Source: Sharp)

Reduction of Generation Cost

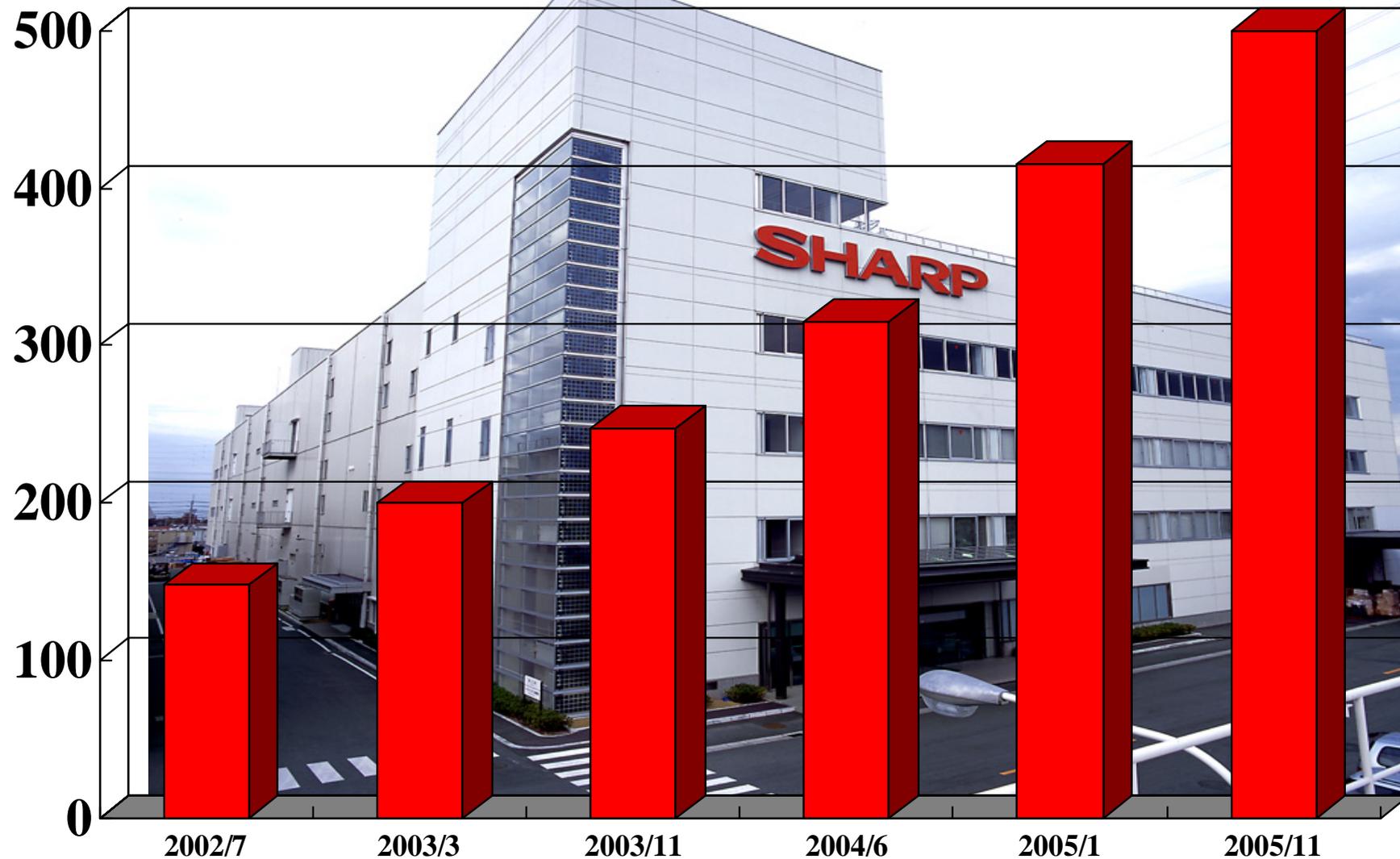


*Japanese average

Sharp Solar Cell Production Capacity

MW/year

< Katsuragi Plant >



Sharp Solar Cell Sales (forecast)

FY2005 150 billion yen(+27.7%)

FY2006 200 billion yen(+33.3%)

III. Sales Target and Capital Investment for FY2006

The background of the slide features a collection of Sharp mobile phones in various colors (grey, blue, red) and sizes, arranged in a slightly overlapping, grid-like pattern. The phones are semi-transparent, allowing the text to be clearly visible over them.

Sharp Net Sales Target

[FY2006]

3 trillion yen (record high)

FY2006 Capital Investment

275 billion yen

(forecast)

For LCDs : 190 billion yen (forecast)

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