

SHARP CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the six months ended September 30, 2002

Millions of Yen

	Six Months ended September 30, 2002	Six Months ended September 30, 2001	Increase (△ Decrease)	Year ended March 31, 2002
Cash Flows from Operating Activities:				
Income before income taxes and minority interests	39,138	27,788	11,350	19,863
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities –				
Depreciation and amortization of properties and intangibles	61,707	57,609	4,098	121,172
Interest and dividend income	(3,149)	(4,217)	1,068	(7,291)
Interest expense	4,035	5,210	1,175	9,626
Exchange loss	1,703	2,233	530	4,204
Loss on sales and disposal of plant and equipment	2,400	1,490	910	6,790
(Increase) decrease in notes and accounts receivable	(12,101)	42,709	54,810	52,297
(Increase) decrease in inventories	(11,652)	(9,128)	2,524	(3,616)
Increase (decrease) in payable	11,470	(53,015)	64,485	(26,285)
Other, net	14,135	(10,607)	24,742	1,838
Total	107,686	60,072	47,614	178,598
Interest and dividend received	3,243	4,483	1,240	7,875
Interest paid	(3,999)	(5,280)	1,281	(10,586)
Income taxes paid	1,701	(21,341)	23,042	(36,819)
Net cash provided by operating activities	108,631	37,934	70,697	139,068
Cash Flows from Investing Activities:				
Purchase of time deposits	(15,067)	(142,163)	127,096	(307,893)
Proceeds from redemption of time deposits	15,873	138,116	122,243	313,021
Purchase of short-term investments	(1,347)	—	1,347	(4,651)
Proceeds from sales of short-term investments	15,278	2,230	13,048	34,166
Acquisitions of plant and equipment	(73,972)	(86,806)	12,834	(194,291)
Proceeds from sales of plant and equipment	608	1,702	1,094	2,747
Purchase of investments in securities and investments in nonconsolidated subsidiaries and affiliates	(22,916)	(8,640)	14,276	(54,402)
Proceeds from sales of investments in securities and nonconsolidated subsidiaries and affiliates	6,301	2,560	3,741	23,996
Loans made	(9,524)	(8,254)	1,270	(12,756)
Proceeds from collection of loans	8,205	8,067	138	13,720
Other, net	15,863	4,885	10,978	22,249
Net cash used in investing activities	(60,698)	(88,303)	27,605	(164,094)
Cash Flows from Financing Activities:				
Decrease in short-term borrowings, net	(7,673)	(20,457)	12,784	(446)
Increase (decrease) in commercial papers, net	(48,144)	69,513	117,657	65,143
Proceeds from issuance of long-term debt	8,133	9,400	1,267	18,650
Repayments of long-term debt	(6,731)	(31)	6,700	(13,971)
Issuance of bonds	54,666	6,061	48,605	17,938
Redemption of bonds	(9,161)	(2,230)	6,931	(16,042)
Payment for repurchase of treasury stocks	(15,774)	(9,704)	6,070	(22,214)
Dividends paid	(7,772)	(7,878)	106	(15,701)
Other, net	7,282	(1,890)	9,172	(1,218)
Net cash provided by (used in) financing activities	(25,174)	42,784	67,958	32,139
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(4,575)	(457)	4,118	2,618
Net (decrease) increase in cash and cash equivalents	18,184	(8,042)	26,226	9,731
Cash and Cash equivalents at Beginning of Year	231,404	221,673	9,731	221,673
Net Increase in Cash and Cash equivalents attributable to acquisition	413	—	413	—
Cash and Cash equivalents at End of Year	250,001	213,631	36,370	231,404