

SHARP

Consolidated Financial Results for the Second Quarter Fiscal 2013

I . Financial Results for the 1H Fiscal 2013

II . Information by Product Group

III . Financial Results Forecast for Fiscal 2013

Supplementary Data -Sales of Main Products, etc.-

SHARP CORPORATION
October 31, 2013

Forward-Looking Statements

This presentation material contains certain statements describing the future plans, strategies and performance of Sharp Corporation and its consolidated subsidiaries (hereinafter "Sharp"). These statements are not based on historical or present fact, but rather assumptions and estimates based on information currently available. These future plans, strategies and performances are subject to known and unknown risks, uncertainties and other factors. Sharp's actual performance, business activities and financial position may differ materially from the assumptions and estimates provided on account of the risks, uncertainties and other factors. Sharp is under no obligation to update these forward-looking statements in light of new information, future events or any other factors. The risks, uncertainties and other factors that could affect actual results include, but are not limited to:

- (1) The economic situation in which Sharp operates
- (2) Sudden, rapid fluctuations in demand for Sharp's products and services, as well as intense price competition
- (3) Changes in exchange rates (particularly between the yen and the U.S. dollar, the euro and other currencies)
- (4) Regulations such as trade restrictions in 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.

Copyright © 2013 SHARP CORPORATION, All Rights Reserved.

SHARP

I . Financial Results for the 1H Fiscal 2013

Financial Results for the 1H Fiscal 2013

**Net sales, operating income and net loss improved significantly compared with 1H FY2012, exceeding previous forecast.*

(Billions of Yen)

	FY2012	FY2013					
	1H	Initial forecast (5/14)	Previous forecast (9/18)	1H	Change (Y on Y)	Difference from initial forecast	Difference from previous forecast
Net Sales	1,104.1	1,270.0	1,310.0	1,342.0	+21.5%	+72.0	+32.0
Operating Income (vs. sales)	-168.8 (-15.3%)	15.0 (1.2%)	30.0 (2.3%)	33.8 (2.5%)	-	+18.8	+3.8
Net Income (vs. sales)	-387.5 (-35.1%)	-20.0 (-1.6%)	-10.0 (-0.8%)	-4.3 (-0.3%)	-	+15.6	+5.6

SHARP

2

Consolidated financial results for the first half of fiscal 2013 (April to September 2013) recorded net sales of 1,342.0 billion yen, up 21.5% compared to the same period last year. Operating income was 33.8 billion yen, while net loss was 4.3 billion yen.

The results all exceeded the revised forecast announced on September 18, 2013, and represent a great improvement compared to the same period last year.

Financial Results by Quarter

- The operating margin on sales improved from 0.5% in 1Q to 4.2% in 2Q.
- In 2Q, operating income and net income were both in the black.

(Billions of Yen)

	FY2013					
	1Q		2Q		1H	
		Change		Change		Change
Net Sales	607.9	+32.6%	734.1	+13.7%	1,342.0	+21.5%
Operating Income (vs. sales)	3.0 (0.5%)	-	30.8 (4.2%)	-	33.8 (2.5%)	-
Net Income (vs. sales)	-17.9 (-3.0%)	-	13.6 (1.9%)	-	-4.3 (-0.3%)	-

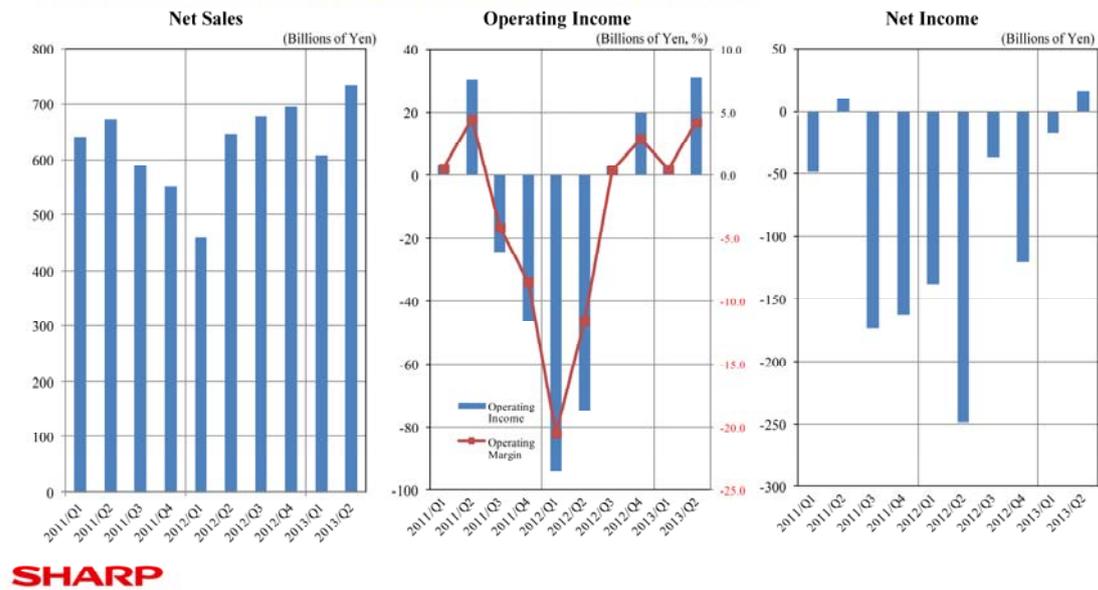
SHARP

3

In the three months of the second quarter of fiscal 2013 (July to September 2013), positive results were achieved for operating income and net income. The operating margin, which was 0.5% in the first quarter, improved to 4.2% in the second quarter.

Transitions in Net Sales/Operating Income/Net Income by Quarter

- Quarterly net sales have been improved to the 600 to 700 billion yen level.
- Operating income and net income have continued to recover since the lows of 1Q and 2Q FY2012.
- Operating income has stayed in the black for 4 consecutive quarters.



4

This slide shows transitions in net sales, operating income, and net income by quarter.

Quarterly net sales recovered to the 600 to 700 billion yen level.

Both operating income and net income continued to recover following the lows of the first and second quarters of fiscal 2012, and operating income has stayed in the black for four consecutive quarters.

Sales by Product Group

* In 1H FY2013, all product groups except Digital Information Equipment showed growth compared with 1H FY2012.

* In particular, Solar Cells, Business Solutions, LCDs and Electronic Devices showed a significant improvement in results. (Billions of Yen)

	FY2012	FY2013					
	1H	1Q	2Q	Difference (Q on Q)	1H	Change (Y on Y)	Difference (Y on Y)
Digital Information Equipment	338.5	158.9	175.6	+16.6	334.6	-1.2%	-3.9
Health and Environmental Equipment	154.9	82.3	77.5	-4.7	159.8	+3.2%	+4.8
Solar Cells	93.0	84.3	83.9	-0.4	168.2	+80.8%	+75.1
Business Solutions	138.9	77.6	80.7	+3.1	158.4	+14.0%	+19.4
Product Business	725.6	403.3	417.9	+14.5	821.2	+13.2%	+95.5
LCDs	368.0	193.8	284.7	+90.9	478.5	+30.0%	+110.5
Electronic Devices	126.4	61.2	86.5	+25.3	147.8	+17.0%	+21.4
Device Business	494.4	255.0	371.3	+116.2	626.4	+26.7%	+131.9
Sub Total	1,220.1	658.3	789.2	+130.8	1,447.6	+18.6%	+227.5
Adjustments	-115.9	-50.4	-55.1	-4.6	-105.6	-	+10.3
Total	1,104.1	607.9	734.1	+126.1	1,342.0	+21.5%	+237.8

SHARP

*Sales of each product group include internal sales between segments (Product Business / Device Business)

5

This slide shows sales by product group.

In the first half of fiscal 2013, all product groups except Digital Information Equipment showed growth compared with the same period last year.

In particular, Solar Cells, Business Solutions, LCDs, and Electronic Devices showed a significant improvement in results. This growth in sales resulted in a 237.8 billion yen total sales increase compared to the same period last year.

Operating Income by Product Group

**In 1H FY2013, all product groups were in the black.*

(Billions of Yen)

	FY2012	FY2013				
	1H	1Q	2Q	Difference (Q on Q)	1H	Difference (Y on Y)
Digital Information Equipment	-21.1 (-6.3%)	-1.3 (-0.9%)	2.2 (1.3%)	+3.5	0.8 (0.3%)	+22.0
Health and Environmental Equipment	17.3 (11.2%)	6.4 (7.8%)	3.2 (4.2%)	-3.1	9.6 (6.0%)	-7.6
Solar Cells	-12.3 (-13.2%)	6.8 (8.1%)	3.0 (3.7%)	-3.7	9.8 (5.9%)	+22.2
Business Solutions	6.9 (5.0%)	7.5 (9.8%)	8.3 (10.3%)	+0.7	15.9 (10.1%)	+8.9
Product Business	-9.1 (-1.3%)	19.4 (4.8%)	16.8 (4.0%)	-2.6	36.3 (4.4%)	+45.5
LCDs	-115.5 (-31.4%)	-9.5 (-4.9%)	18.1 (6.4%)	+27.6	8.6 (1.8%)	+124.2
Electronic Devices	-23.7 (-18.8%)	0.1 (0.2%)	5.1 (5.9%)	+5.0	5.2 (3.5%)	+29.0
Device Business	-139.3 (-28.2%)	-9.3 (-3.7%)	23.3 (6.3%)	+32.7	13.9 (2.2%)	+153.2
Sub Total	-148.5 (-12.2%)	10.0 (1.5%)	40.1 (5.1%)	+30.0	50.2 (3.5%)	+198.7
Adjustments	-20.3	-7.0	-9.3	-2.3	-16.4	+3.9
Total	-168.8 (-15.3%)	3.0 (0.5%)	30.8 (4.2%)	+27.7	33.8 (2.5%)	+202.7

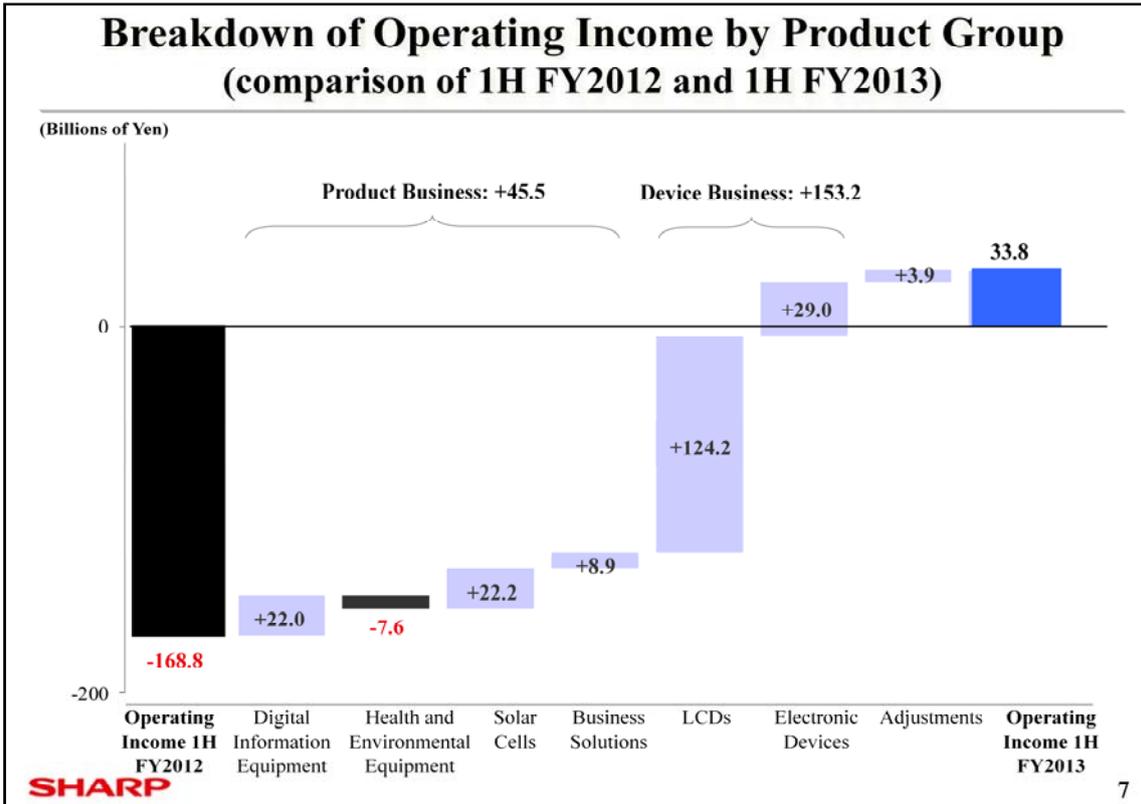
*The percentage figures noted in brackets show operating margin

SHARP

6

As for operating income by product group in the first half of fiscal 2013, all product groups were in the black.

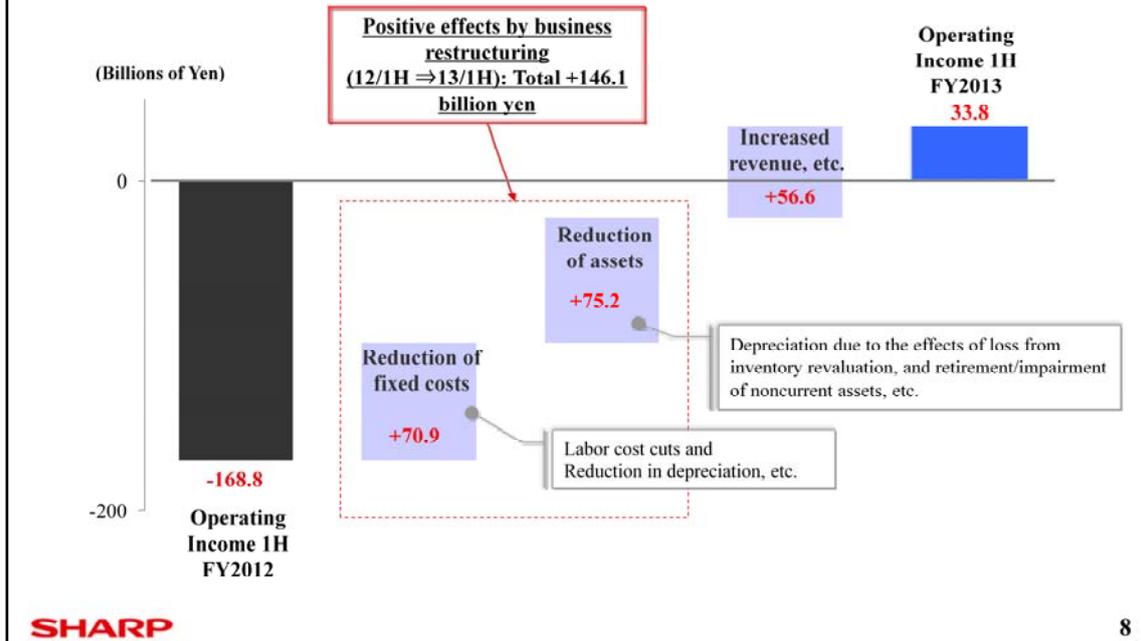
As a result, there was a 202.7 billion yen total increase in operating income compared to the same period last year.



This slide shows a breakdown of operating income by product group, with a comparison between the first half of fiscal 2012 and the first half of fiscal 2013. The LCD business showed an improvement in operating income, which contributed significantly to an overall improvement in operating income.

Breakdown of Operating Income by Factors (comparison of 1H FY2012 and 1H FY2013)

-Reduction in fixed costs and assets contributed to turnaround in 1H FY2013.



8

This slide shows a breakdown of operating income by key contributing factors, with a comparison between the first half of fiscal 2012 and the first half of fiscal 2013.

As part of our business restructuring efforts, we cut back on fixed costs (centering on labor costs) and we reduced inventory and noncurrent assets.

This contributed to an improvement in operating income in the first half of fiscal 2013.

Other Income (Expenses)

Recording of the costs associated with restructuring has been almost completed, leading to a significant improvement in other income (expenses).

(Billions of Yen)

	FY2012	FY2013	
	1H	1H	Difference
Operating Income	-168.8	33.8	+202.7
Other Income (Expenses)	-153.9	-28.9	+124.9
Gain on sales of noncurrent assets	3.8	3.0	-0.8
Gain on sales of investment securities	0.3	1.6	+1.3
Interest expense	-5.3	-8.9	-3.6
Loss on sales and retirement of noncurrent assets	-8.3	-1.1	+7.1
Loss on valuation of investment securities	-2.8	-0.9	+1.9
Restructuring charges	-98.6	0.0	+98.6
Settlement package	-15.8	0.0	+15.8
Provision for loss on litigation	0.0	-1.0	-1.0
Others	-27.1	-21.5	+5.5
Income Taxes, etc.	-64.7	-9.1	+55.5
Net Income	-387.5	-4.3	+383.2

This slide shows other income (expenses) in the first half of fiscal 2013.

Despite an increase in interest expense, other income (expenses) showed a significant improvement compared to the same period last year, thanks partly to the elimination of irregular costs from business restructuring.

Consolidated Balance Sheets

**The equity ratio improved from 6.0% at end of March 2013 to 6.4% at end of September 2013.*

(Billions of Yen)

	FY2012		FY2013		FY2012		FY2013
	End of Sep. 2012	End of Mar. 2013	End of Sep. 2013		End of Sep. 2012	End of Mar. 2013	End of Sep. 2013
Cash, time deposits and restricted cash	221.1	191.9	167.5	CB	200.7	200.3	0.0
Notes and accounts receivable	470.2	558.2	608.0	Short-term borrowings	898.0	924.1	874.0
Inventories	325.7	310.7	317.5	Notes and accounts payable	422.2	405.6	449.3
Other current assets	241.9	160.9	189.9	Other current liabilities	333.9	337.7	289.6
Current Assets	1,259.0	1,221.8	1,282.9	Current Liabilities	1,654.2	1,667.5	1,613.0
Plant and Equipment	636.6	563.6	535.2	Long-term Liabilities	338.3	285.3	355.9
Investments and Other Assets	323.7	301.6	297.1	Liabilities	1,992.5	1,952.9	1,968.9
Deferred Assets	1.0	0.6	0.1	Net Assets	227.9	134.8	146.6
Total assets	2,220.4	2,087.7	2,115.5	Total liabilities and net assets	2,220.4	2,087.7	2,115.5
				Equity Ratio	9.9%	6.0%	6.4%

Only amounts settled by end of October are reflected in these figures.

Capital increase through : - public offering	109.0
- third-party allotments with DENSO, Makita and LIXIL	17.4
Increased amount of net assets	126.5

SHARP

10

This slide shows consolidated balance sheets.

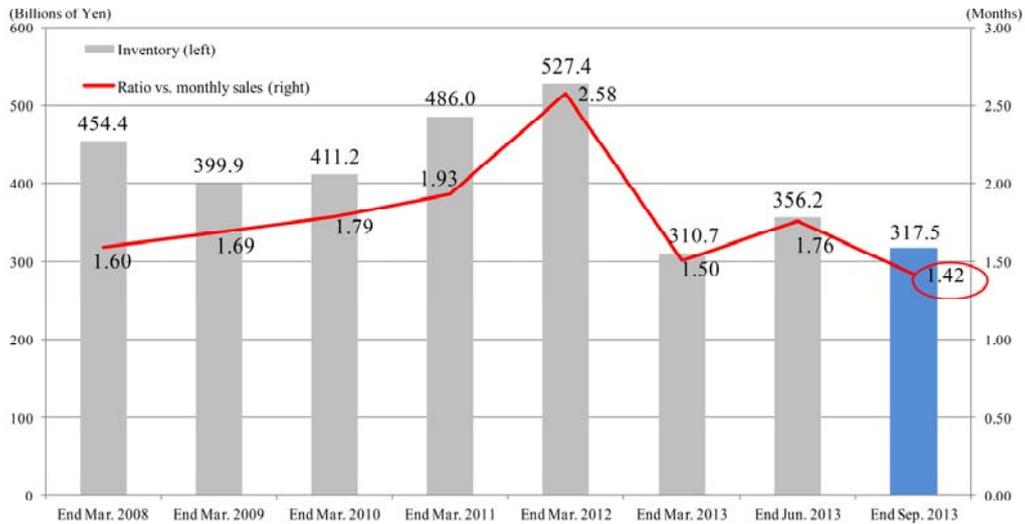
A redemption of convertible bonds was completed at the end of September 2013. Due to this, there was a decrease in short-term borrowings which was slightly offset by additional borrowing facilities provided by financial institutions.

The net asset balance was 146.6 billion yen and equity ratio improved from 6.0% at the end of March 2013 to 6.4%. This resulted from a second third-party allotment capital increase to Qualcomm Incorporated and an improvement in foreign currency translation adjustments brought on by a depreciating yen.

When reflecting the total amount of 126.5 billion yen settled by the end of October 2013 for capital increase through a public offering and third-party allotments with DENSO CORPORATION, Makita Corporation, and LIXIL Corporation, the equity ratio is approximately 12%.

“Asset Light” Approach [Transition of Inventory]

• Inventory at end Sep. 2013 has been cut down by 38.6 billion yen compared with end Jun. 2013 to the level at end Mar. 2013, and the ratio vs. monthly sales has fallen from 1.76 months to 1.42 months due to sales expansion.



SHARP

11

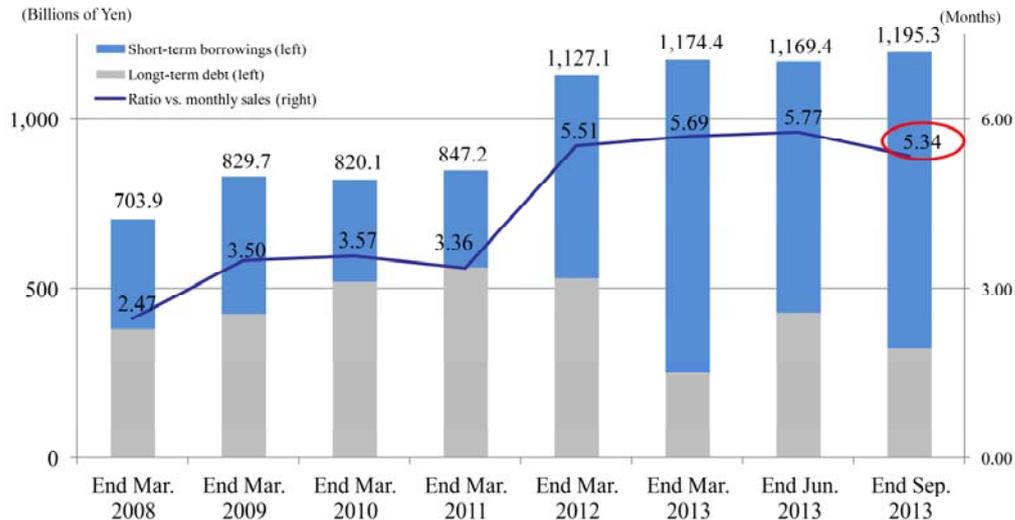
This slide shows the transition of inventory.

The inventory level at the end of September 2013 decreased by 38.6 billion yen from that at the end of June 2013. At 317.5 billion yen, it is close to the level recorded at the end of March 2013.

The ratio vs. monthly sales fell from 1.76 months to 1.42 months, due to sales expansion.

Transition of Interest-bearing Debt

• Interest-bearing debt at end Sep. 2013 has increased by 25.8 billion yen compared with end Jun. 2013, but ratio vs. monthly sales has improved by 0.43 months.



SHARP

12

This slide shows the transition of interest-bearing debt.

The interest-bearing debt at the end of September 2013 was 1,195.3 billion yen, an increase of 25.8 billion yen compared with the end of June 2013. However, the ratio vs. monthly sales improved by 0.43 months.

We will strive for a further reduction of the interest-bearing debt by improving cash flows.

Implementation of the Medium-Term Management Plan

<Exit Closed Innovation and Aggressively Utilize Alliances >

- The implementation of the second third-party allotment capital increase to Qualcomm according to the agreement concerning the development of MEMS displays. (Sharp has received **5.9 billion yen** for the second issuance of new shares, **10.8 billion yen** in sum total.)
- The execution of the agreement with China Electronics Corporation (CEC) for LCD panel production project in China.
 - Sharp to provide its technologies of high-definition TFT LCD panel and module to CEC, and to take part in a joint venture for producing LCD panels and modules using 8.5th generation glass substrates.

<Reducing Fixed Costs by Reformation of Cost Structure>

- The reduction in fixed costs under progress: **70.9 billion yen** (vs. 1H FY2012)
 - Labor cost cuts and reduction in depreciation as planned

<Improving Financial Position>

- Stable funding through the renewal of the syndicated loan of **360 billion yen**, and redemption of convertible bond of 200 billion yen (end of September 2013) with additional borrowing facility set at **150 billion yen**.
- Capital increase through a public offering (109 billion yen) and through third-party allotments with DENSO, Makita, and LIXIL (17.4 billion yen).

*Payment for capital increase through a third-party allotment to be undertaken in relation to the secondary offering of Sharp's shares due to over-allotment (maximum of 11.2 billion yen) is planned to be completed on November 12, 2013.

SHARP

13

The status of the implementation of our Medium-Term Management Plan is as follows.

- Regarding the plan to “Exit Closed Innovation and Aggressively Utilize Alliances,” we have implemented a second third-party allotment capital increase to Qualcomm Incorporated, according to the agreement concerning the development of MEMS displays, and we have signed an agreement with China Electronics Corporation for an LCD panel production project in China to establish an 8.5-generation LCD panel and module plant in China.
- Regarding plans for “Reducing Fixed Costs by Reformation of Cost Structure”, there was progress as planned, with a reduction of 70.9 billion yen compared to the first half of fiscal 2012.
- Regarding “Improving Financial Position”: In order to achieve stable funding, we have secured an agreement for the renewal of a syndicated loan of 360 billion yen. An additional borrowing facility of 150 billion yen was also set, and the redemption of convertible bonds (200 billion yen) was completed at the end of September 2013.
- In addition, Sharp issued new shares through a public offering (109.0 billion yen) in order to secure strategic investment funds and strengthen financial grounds for the steady implementation of the Medium-Term Management Plan. Sharp also issued new shares (17.4 billion yen) through third-party allotments, with DENSO CORPORATION, Makita Corporation, and LIXIL Corporation as the allottees.

II. Information by Product Group

14

The following slides show our financial results by product group and main products.

Please note that the forecasts for this fiscal year for each product group and main product remain unchanged from those announced on August 1, 2013.

We will promptly announce forecast revision, if it is deemed necessary in light of the company's financial performance and market trends in the second half of fiscal 2013.

Digital Information Equipment

(Billions of Yen, millions of units)

	FY2012		FY2013					FY2013		
	1H	1Q	Change	2Q	Change	1H	Change	Full Year		
								Forecast (8/1)	Change (Y on Y)	
Sales	338.5	158.9	+18.5%	175.6	-14.1%	334.6	-1.2%	730.0	-0.4%	
LCD TVs	Amt	185.7	80.3	+3.4%	113.7	+5.3%	194.0	+4.5%	400.0	+3.0%
	Unit	3.89	1.56	-6.2%	2.12	-4.6%	3.69	-5.3%	8.00	-0.4%
Mobile Phones	Amt	98.3	50.2	+71.8%	37.2	-46.0%	87.5	-11.0%	210.0	-8.5%
	Unit	2.73	1.31	+69.1%	1.11	-43.0%	2.42	-11.1%	5.50	-10.0%
Operating Income	-21.1	-1.3	-	2.2	-	0.8	-	5.0	-	
(vs. sales)	(-6.3%)	(-0.9%)		(1.3%)		(0.3%)		(0.7%)		

* Sales of product group including internal sales between segments (Product Business / Device Business)

[1H]

(LCD TVs) Sales grew in Japan, China and emerging countries but fell in Europe and the U.S.

(Mobile phones) Stiffening competition with Japanese and overseas mobile phone manufacturers.

The above situations have resulted in squeeze on sales of Digital Information Equipment Group.

[Onward Actions]

(LCD TVs) Shift to 60 inch and larger (70/80/90 inch) models and strengthen product range, invest in providing locally suitable products in emerging countries and other important regions.

(Mobile phones) Win back market share in Japan by enhancing the lineup centering on new products equipped with IGZO LCDs that feature high definition and low power consumption.

SHARP

15

Sales of Digital Information Equipment were 334.6 billion yen, falling a bit short of those in the same period last year. Operating income was 0.8 billion yen, an improvement of 22.0 billion yen over the operating loss of 21.1 billion yen recorded in the same period last year.

Sales of LCD TVs, one of our main products in this product group, were 194.0 billion yen, up 4.5% compared with the same period last year. The number of units sold was 3.69 million units, down 5.3%. Sales were sluggish in the U.S. and Europe but grew in Japan, China, and emerging countries. In an effort to grow sales, we will continue to expand our lineup of models 60 inches and larger, strengthen sales in emerging countries and other key regions, and develop new products such as 4K models.

Sales of mobile phones were 87.5 billion yen, down 11.0% compared with the same period last year. The number of units sold was 2.42 million units, down 11.1%. We expect that the current tough market situation will continue, due to factors such as fierce competition with overseas mobile phone manufacturers. We will focus our efforts on winning back market share in Japan by enhancing our lineup with models incorporating IGZO LCDs that feature high definition and low power consumption.

Health and Environmental Equipment

(Billions of Yen)

	FY2012	FY2013						FY2013	
	1H	1Q		2Q		1H		Full Year	
				Change		Change		Change	Forecast (8/1)
Sales	154.9	82.3	+5.2%	77.5	+1.1%	159.8	+3.2%	320.0	+3.3%
Operating Income (vs. sales)	17.3 (11.2%)	6.4 (7.8%)	-22.1%	3.2 (4.2%)	-64.3%	9.6 (6.0%)	-44.2%	20.0 (6.3%)	-37.9%

* Sales of product group including internal sales between segments (Product Business / Device Business)

[1H]

- Sales of air conditioners and refrigerators were strong.
- The profitability of business in Japan relying on imports from overseas worsened due to the depreciation of the yen.

[Onward Actions]

- Expand overseas business with ASEAN region as top-priority area, and strengthen production capabilities in Indonesian factories.
- Minimize the influence of exchange rate fluctuations by promoting local production for local consumption.

SHARP

16

Sales of Health and Environmental Equipment were 159.8 billion yen, up 3.2% compared with the same period last year. Operating income was 9.6 billion yen, down 44.2%. The profitability of business in Japan relying on imports from overseas worsened, due to the depreciation of the yen.

We anticipate that rapid changes in terms of trade will continue to have an impact on our earnings. We will push forward with a policy of “local production for local consumption” to minimize the influence of exchange rate fluctuations, and we will expand overseas business, with ASEAN countries as top-priority areas.

Solar Cells

	(Billions of Yen)						
	FY2012	FY2013					
	1H	1Q	Change	2Q	Change	1H	Change
Sales	93.0	84.3	+101.1%	83.9	+64.1%	168.2	+80.8%
Volume (MW)	542	343	+35.7%	560	+93.6%	904	+66.6%
Operating Income (vs. sales)	-12.3 (-13.2%)	6.8 (8.1%)	-	3.0 (3.7%)	-	9.8 (5.9%)	-
						Forecast (8/1)	Change (Y on Y)
						310.0	+19.3%
						1,800	+36.4%
						13.0	-
						(4.2%)	

* Sales of product group including internal sales between segments (Product Business / Device Business)

[1H]

- Sales increased in Japan for residential and industrial use (e.g. mega-solar power generation plants).

[Onward Actions]

- Secure profitability by expanding sales in Japanese market with steady demand.

- Residential use: Expand product range so suit various roof shapes, boost sales and marketing activity, increase sales of systems including HEMS and storage batteries.

- Industrial use: Steady completion of installation and increase sales based on strengthened product supply and servicing systems, and acquire mega-solar power generation projects through enhanced design and sales function.

- Overseas: Expand solution and developer businesses.

SHARP

17

Sales of Solar Cells were 168.2 billion yen, up 80% compared with the same period last year. This can be attributed to increased sales in Japan for residential use and for industrial applications such as mega-solar power generation plants.

Operating income was 9.8 billion yen, an improvement of 22.2 billion yen over an operating loss of 12.3 billion yen in the same period last year. This is due to increased sales and the effects of a reduction in fixed costs.

We will continue our efforts to improve profitability by strengthening our solar solutions business and further strengthening business in the Japanese market.

LCDs

		(Billions of Yen)					
	FY2012	FY2013					
	1H	1Q		2Q		1H	
		Change	Change	Change	Change		
		Forecast (8/1)		Change (Y on Y)			
Sales	368.0	193.8	+32.8%	284.7	+28.2%	478.5	+30.0%
Operating Income (vs. sales)	-115.5 (-31.4%)	-9.5 (-4.9%)	-	18.1 (6.4%)	-	8.6 (1.8%)	-
		970.0		+14.5%			
		30.0		-			
		(3.1%)					

* Sales of product group including internal sales between segments (Product Business / Device Business)

[1H]

- In 1H FY2012, huge loss recorded due to reduction of operation of the large-size LCD plants and postponed orders of small- and medium-size LCDs from major customers.
- In 1H FY2013, strong sales recorded in large-size LCDs to external customers and in small- and medium-size LCDs due to increased demands of smartphones and tablet terminals.
- Strategic partnership contributed to maintaining the utilization rate of Kameyama No.2 Plant at the level as planned.

[Onward Actions]

- Stabilize and expand business by promoting design-in activities with new customers.
- Shift to the panels featuring high definition and low power consumption such as IGZO LCDs.
- Streamline and optimize production, sales and inventory of TV panels by closely monitoring supply and demand trend.

SHARP

19

In the first half of fiscal 2012, this product group recorded a huge loss due to two factors: an inventory optimization that resulted from adjusting production levels for large-size LCDs, and a postponement of orders from major customers for small- and medium-size LCDs.

For the first half of fiscal 2013, sales of large-size LCDs were strong, and sales of small- and medium-size LCDs for products such as smartphones also grew steadily. As a result, sales of LCDs were 478.5 billion yen, up 30.0% compared with the same period last year. Operating income was 8.6 billion yen, an improvement of 124.2 billion yen over an operating loss of 115.5 billion yen in the same period last year.

In an effort to increase sales and minimize earnings volatility, we will keep a close eye on market trends and on demand by user group, and we will also strive to develop new customers by steadily promoting design-in activities.

Electronic Devices

(Billions of Yen)

	FY2012	FY2013						FY2013	
	1H	1Q	Change	2Q	Change	1H	Change	Full Year	
								Forecast (8/1)	Change (Y on Y)
Sales	126.4	61.2	+29.0%	86.5	+9.7%	147.8	+17.0%	320.0	+18.2%
Operating Income (vs. sales)	-23.7 (-18.8%)	0.1 (0.2%)	-	5.1 (5.9%)	-	5.2 (3.5%)	-	12.0 (3.8%)	-

* Sales of product group including internal sales between segments (Product Business / Device Business)

[1H]

- Sales of camera modules for mobile devices were strong.

[Onward Actions]

- Expand sales of camera modules for mobile devices to develop new customers.
- Enhance sales of sensing devices to be applied in security, in-vehicle and medical fields.
- Enhance sales of system devices such as optical sensor, touchscreen, and power devices.
- Promote sales of lighting devices such as LED.

SHARP

20

Sales of Electronic Devices were 147.8 billion yen, up 17.0% compared with the same period last year, due to strong sales of camera modules for mobile devices. Operating income was 5.2 billion yen, an improvement of 29.0 billion yen over an operating loss of 23.7 billion yen in the same period last year.

We will continue to strengthen sales of our uniquely featured devices, such as optical sensors, touchscreens, and high-performance camera modules for smartphones and tablet terminals.

III. Financial Results Forecast for Fiscal 2013

Consolidated Financial Results Forecast for Fiscal 2013

- Aim to achieve positive results of net income in FY2013.
- The forecast for the full year remains unchanged from the previous forecast.
- Sharp will make a timely announcement on forecast revision, if it is deemed to be required in monitoring company progress and market conditions.

(Billions of Yen)

	FY2013						FY2013	
	1Q	Change (Y on Y)	2Q	Change (Y on Y)	1H	Change (Y on Y)	Full Year	
							Forecast (8/1)	Change (Y on Y)
Net Sales	607.9	+32.6%	734.1	+13.7%	1,342.0	+21.5%	2,700.0	+8.9%
Domestic	258.8	+38.1%	285.5	+6.4%	544.3	+19.4%	1,020.0	+1.3%
Overseas	349.1	+28.7%	448.5	+18.9%	797.6	+23.0%	1,680.0	+14.2%
Operating Income	3.0	-	30.8	-	33.8	-	80.0	-
Net Income	-17.9	-	13.6	-	-4.3	-	5.0	-

22

The forecast for fiscal 2013 financial results in net sales, operating income, and net income remain unchanged from those previously announced on August 1, 2013.

We will timely announce forecast revision, if it is deemed necessary in light of the company's financial performance and market conditions.

Supplementary Data -Sales of Main Products, etc.-

23

For the first half of fiscal 2013, we were able to secure results that exceeded our initially announced forecast. However, the situation remains severe for Sharp in terms of earnings and finance.

Going forward, we will work vigorously to secure net income for fiscal 2013 by accelerating structural reforms.

Sales of Main Products and Electronic Components

(Billions of Yen)

	FY2012		FY2013		FY2013	
	1H	Full Year	1H	Change (Y on Y)	Full Year	Change (Y on Y)
					Forecast (8/1)	Change (Y on Y)
LCD TVs	185.7	388.4	194.0	+4.5%	400.0	+3.0%
Unit (million units)	3.89	8.03	3.69	-5.3%	8.00	-0.4%
Mobile Phones	98.3	229.6	87.5	-11.0%	210.0	-8.5%
Unit (million units)	2.73	6.11	2.42	-11.1%	5.50	-10.0%
Refrigerators	45.1	87.9	47.5	+5.3%	96.0	+9.1%
Air Conditioners	35.8	59.6	42.5	+18.9%	62.0	+3.9%
Solar Cells	93.0	259.9	168.2	+80.8%	310.0	+19.3%
Volume (MW)	542	1,319	904	+66.6%	1,800	+36.4%
Copiers / Printers	56.3	128.4	66.2	+17.6%	140.0	+9.0%
CCD / CMOS Imagers	66.7	153.5	84.5	+26.7%	190.0	+23.8%

SHARP

Overseas Sales by Region

Above: Sales (Billions of Yen)
Below: Composition Ratio

		FY2012		FY2013		FY2013	
		1H	Full Year	1H	Change (Y on Y)	Forecast (8/1)	Change (Y on Y)
The Americas		146.9	355.2	204.2	+39.0%	360.0	+1.3%
		22.6%	24.1%	25.6%		21.4%	
Europe		91.9	174.3	77.8	-15.3%	170.0	-2.5%
		14.2%	11.9%	9.7%		10.1%	
China		278.7	667.9	382.5	+37.2%	820.0	+22.8%
		43.0%	45.4%	48.0%		48.8%	
Asia etc.		130.8	273.7	133.0	+1.7%	330.0	+20.6%
		20.2%	18.6%	16.7%		19.7%	
Total		648.4	1,471.3	797.6	+23.0%	1,680.0	+14.2%
		100.0%	100.0%	100.0%		100.0%	

Other Information

(Billions of Yen)

	FY2012		FY2013		FY2013	
	1H	Full Year	1H	Change (Y on Y)	Full Year	Change (Y on Y)
Capital Investment	55.0	82.4	21.5	-60.9%	80.0	-3.0%
<Reference>LCDs*1	36.9	46.0	6.8	-81.6%	27.0	-41.4%
Depreciation and Amortization	92.6	173.3	58.6	-36.6%	130.0	-25.0%
R&D Expenditures	74.3	137.9	65.4	-12.0%	160.0	+16.0%

Exchange Rate	1H	Full Year	1H	Difference	Previous Forecast	Difference from previous year
U.S. Dollar	¥ 78.42	¥ 82.11	¥ 97.86	+ ¥ 19.44	¥ 95.00	+ ¥ 12.89
Euro	¥ 99.14	¥ 105.65	¥ 128.51	+ ¥ 29.37	¥ 125.00	+ ¥ 19.35

	End of Mar. 2012	End of Mar. 2013	End of Sep. 2013
Number of Employees*2	56,756	50,647	51,080
Domestic	29,387	24,758	24,433
Overseas	27,369	25,889	26,647

*1 Sharp Corporation (Sharp Corporation and Sharp Display Products Corporation until 1Q FY2012)

*2 Sharp Corporation and its consolidated subsidiary companies

SHARP