



# Consolidated Financial Results for the First Quarter Fiscal 2014

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**SHARP CORPORATION**

**August 1, 2014**

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- (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.

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**I . Financial Results for 1Q Fiscal 2014**  
**Financial Results Forecast for Fiscal 2014**

## Financial Results for 1Q Fiscal 2014

• Net sales were up 1.9% to 619.7 billion yen and operating income was up 55.0% to 4.6 billion yen compared with 1Q FY2013

• Net income improved significantly compared with 1Q FY2013

(Billions of Yen)

	FY2013	FY2014		
	1Q	1Q	Change (Y on Y)	Difference (Y on Y)
<b>Net Sales</b>	<b>607.9</b>	<b>619.7</b>	+1.9%	+11.8
<b>Operating Income</b> (margin)	<b>3.0</b> (0.5%)	<b>4.6</b> (0.8%)	+55.0%	+1.6
<b>Net Income</b> (margin)	<b>-17.9</b> (-3.0%)	<b>-1.7</b> (-0.3%)	-	+16.1

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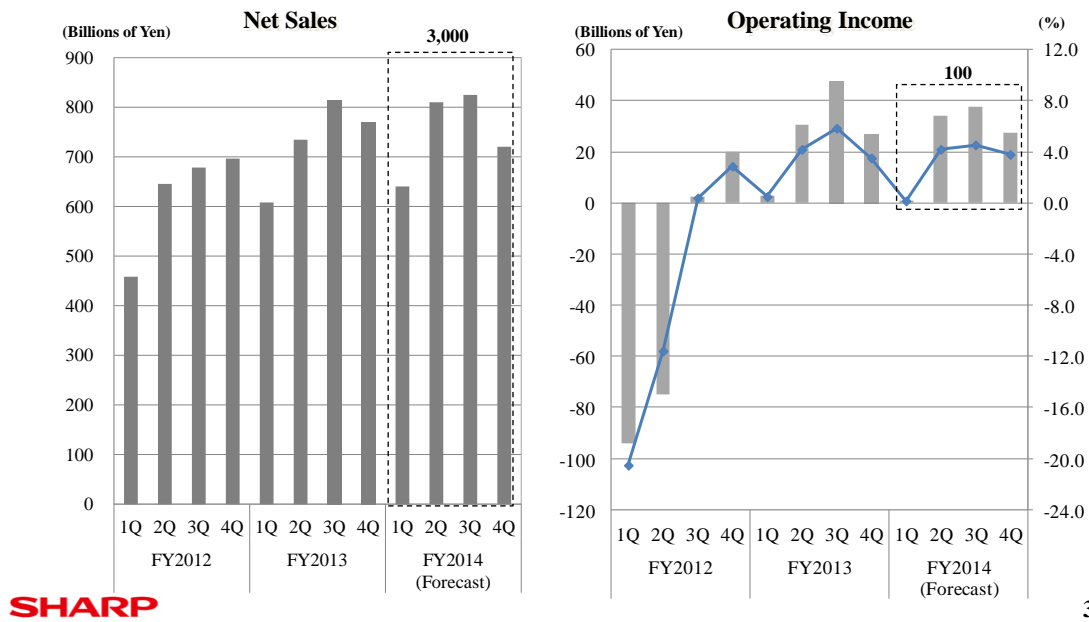
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• Consolidated financial results for the first quarter (April-June) recorded net sales of 619.7 billion yen, up 1.9% compared with the same period last year, and operating income of 4.6 billion yen, up 55.0%.

• Net loss was 1.7 billion yen, improving significantly compared with the same period last year.

## Net Sales / Operating Income Transition Forecast by Quarter (Relist)

• *1Q FY2014 is expected to see a decrease in net sales compared to 4Q FY2013 in addition to sluggish operating income due to seasonal fluctuations and a backlash from the last-minute demand following the hike in consumption tax*



• This slide shows net sales / operating income transition forecast by quarter, which we outlined at the previous financial announcement.

• Operating income was expected to be around "0" for the first quarter, but we exceeded this amount.

## Other Income (Expenses)

• *Other income (expenses) improved*

• *Main items in other income (expenses):*

- *Reversal of provision for loss on litigation, due to the progress of civil lawsuits for TFT LCDs*

- *Settlement, which is expenses related to structural reform of thin-film solar cell business in Europe*

(Billions of Yen)

	FY2013	FY2014	
	1Q	1Q	Difference (Y on Y)
<b>Operating Income</b>	<b>3.0</b>	<b>4.6</b>	+1.6
<b>Other Income (Expenses)</b>	<b>-16.8</b>	<b>-6.0</b>	+10.8
Reversal of provision for loss on litigation	0.0	+19.2	+19.2
Settlement	0.0	-14.3	-14.3
<b>Income taxes, etc.</b>	<b>-4.1</b>	<b>-0.4</b>	+3.6
<b>Net Income</b>	<b>-17.9</b>	<b>-1.7</b>	+16.1

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• This slide shows other income (expenses).

• Based on the progress of immediate civil lawsuits for TFT LCDs, we have revised some of the provisions from previous years, and recorded “reversal of provision for loss on litigation” as other income. On the other hand, “settlement” for expenses related to structural reform of the thin-film solar cell business in Europe was recorded as other expenses.

## Financial Results Forecast for Fiscal 2014

• 1Q FY2014 results progressed smoothly, with forecast figures announced previously remaining unchanged based on current business conditions and future outlook

(Billions of Yen)

	FY2014									
	1Q	Change (Y on Y)	2Q Forecast	Change (Y on Y)	1 H Forecast	Change (Y on Y)	2 H Forecast	Change (Y on Y)	Full Year Forecast	Change (Y on Y)
Net Sales	619.7	+1.9%	830.2	+13.1%	1,450.0	+8.0%	1,550.0	-2.2%	3,000.0	+2.5%
Operating Income	4.6	+55.0%	30.3	-1.5%	35.0	+3.5%	65.0	-13.0%	100.0	-7.9%
Net Income	-1.7	-	6.7	-50.3%	5.0	-	25.0	+57.3%	30.0	2.6-fold

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- This slide shows the full year forecast for fiscal 2014.
- Performance in the first quarter progressed smoothly, with forecast figures announced on May 12, 2014, remaining unchanged based on current business conditions and future outlook.

## Consolidated Balance Sheets

- *Inventory increased and cash and time deposits decreased due to seasonal factor*
- *The equity ratio increased from 8.9% to 9.4% at end of Mar. 2014*

(Billions of Yen)

	FY2013		FY2014
	End of Jun. 2013	End of Mar. 2014	End of Jun. 2014
Cash, time deposits and restricted cash	154.6	379.5	358.9
Notes and accounts receivable	516.0	568.8	517.1
Inventories	356.2	295.1	315.5
Other current assets	172.7	130.6	120.8
<b>Current Assets</b>	<b>1,199.6</b>	<b>1,374.2</b>	<b>1,312.5</b>
Plant and Equipment	554.2	519.7	510.6
Investments and Other Asset	298.0	287.5	289.2
Deferred Assets	0.3	0.1	0.1
<b>Total assets</b>	<b>2,052.2</b>	<b>2,181.6</b>	<b>2,112.5</b>

	FY2013		FY2014
	End of Jun. 2013	End of Mar. 2014	End of Jun. 2014
Short-term borrowings	740.4	793.1	809.8
Notes and accounts payable	425.4	409.9	395.4
Other current liabilities	287.9	348.5	298.4
<b>Current Liabilities</b>	<b>1,453.7</b>	<b>1,551.6</b>	<b>1,503.6</b>
Long-term Liabilities	465.4	422.8	399.7
<b>Liabilities</b>	<b>1,919.2</b>	<b>1,974.5</b>	<b>1,903.4</b>
<b>Net Assets</b>	<b>133.0</b>	<b>207.1</b>	<b>209.0</b>
<b>Total liabilities and net assets</b>	<b>2,052.2</b>	<b>2,181.6</b>	<b>2,112.5</b>

<b>Equity Ratio</b>	<b>6.0%</b>	<b>8.9%</b>	<b>9.4%</b>
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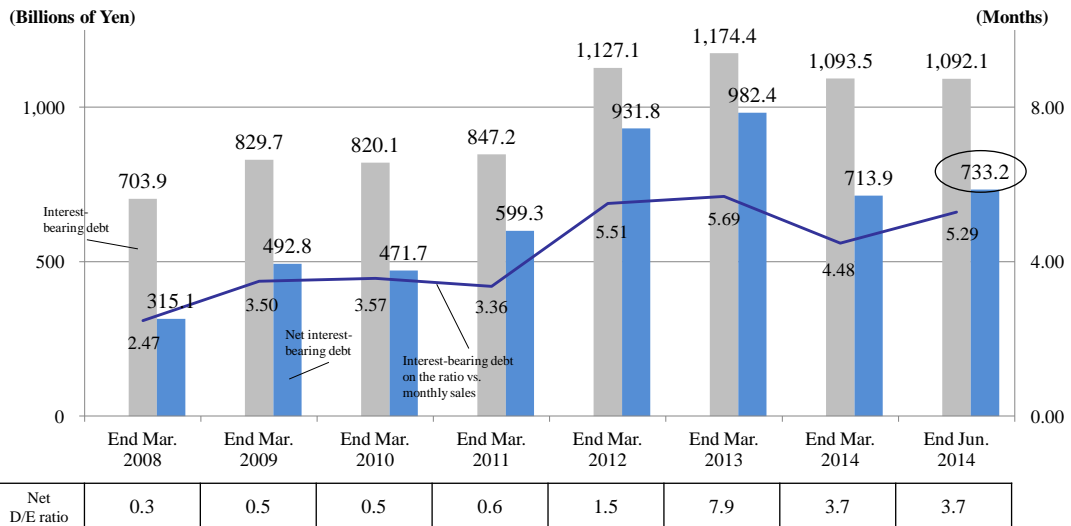
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- This slide shows the consolidated balance sheets.
- Due to seasonal influences, there was an increase in inventory and a decrease in cash and time deposits for the first quarter.
- Net assets increased to 209.0 billion yen and the equity ratio increased by 0.5 point since March to 9.4%, due to factors such as a decrease in remeasurements of defined benefit plans.

## Transition of Interest-bearing Debt

• Interest-bearing debt was 1,092.1 billion yen at end of Jun. 2014, decreased 1.3 billion yen from end of Mar. 2014, and the ratio vs. monthly sales has risen from 4.48 months to 5.29 months due to sales decrease from seasonal fluctuations

• Net interest-bearing debt\* increased to 733.2 billion yen from 713.9 billion yen at end of Mar. 2014



\* Net interest-bearing debt: interest-bearing debt - cash, time deposits and restricted cash

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• This slide shows transition of interest-bearing debt.

• Interest-bearing debt was 1,092.1 billion yen at the end of June 2014, decreasing 1.3 billion yen from the end of March 2014.

We will continue to work to optimize inventory and reduce noncurrent assets to cut back on interest-bearing debt.



## II. Information by Product Group

- Let's look at information by product group.

## Sales by Product Group

	FY2013		FY2014				(Billions of Yen)
	1Q	Full Year	1Q	Change (Y on Y)	Revised Full Year Forecast	Change (Y on Y)	FY2014
							Previous Full Year Forecast
Digital Information Equipment	158.9	733.3	168.6	+6.1%	780.0	+6.4%	780.0
Health and Environmental Equipment	82.3	326.8	82.1	-0.3%	360.0	+10.1%	360.0
Energy Solutions	84.3	439.0	69.0	-18.1%	290.0	-33.9%	290.0
Business Solutions	77.6	318.8	79.2	+2.1%	340.0	+6.6%	340.0
<b>Product Business</b>	<b>403.3</b>	<b>1,818.1</b>	<b>399.1</b>	<b>-1.0%</b>	<b>1,770.0</b>	<b>-2.6%</b>	<b>1,770.0</b>
LCDs	193.8	991.0	206.9	+6.8%	1,000.0	+0.9%	1,000.0
Electronic Devices	61.2	326.3	58.9	-3.8%	430.0	+31.7%	450.0
<b>Device Business</b>	<b>255.0</b>	<b>1,317.4</b>	<b>265.9</b>	<b>+4.2%</b>	<b>1,430.0</b>	<b>+8.5%</b>	<b>1,450.0</b>
<b>Sub Total</b>	<b>658.3</b>	<b>3,135.6</b>	<b>665.0</b>	<b>+1.0%</b>	<b>3,200.0</b>	<b>+2.1%</b>	<b>3,220.0</b>
<b>Adjustments</b>	<b>-50.4</b>	<b>-208.4</b>	<b>-45.3</b>	<b>-</b>	<b>-200.0</b>	<b>-</b>	<b>-220.0</b>
<b>Total</b>	<b>607.9</b>	<b>2,927.1</b>	<b>619.7</b>	<b>+1.9%</b>	<b>3,000.0</b>	<b>+2.5%</b>	<b>3,000.0</b>

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

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- This slide shows sales by product group.
- There has been a significant decline in Energy Solutions, including a decrease in the number of projects in overseas developer businesses and a drop in sales of solar cells for domestic residential applications. Yet Digital Information Equipment, Business Solutions, and LCDs have helped bring about a total increase of 11.8 billion yen from the same period last year.

## Operating Income by Product Group

	FY2013		FY2014				(Billions of Yen)
	1Q	Full Year	1Q	Change (Y on Y)	Revised Full Year Forecast	Change (Y on Y)	FY2014
							Previous Full Year Forecast
Digital Information Equipment	-1.3 (-0.9%)	12.8 (1.8%)	2.6 (1.6%)	-	20.0 (2.6%)	+55.8%	20.0 (2.6%)
Health and Environmental Equipment	6.4 (7.8%)	21.0 (6.4%)	3.1 (3.9%)	-50.7%	19.0 (5.3%)	-9.6%	19.0 (5.3%)
Energy Solutions	6.8 (8.1%)	32.4 (7.4%)	0.1 (0.3%)	-97.3%	3.0 (1.0%)	-90.7%	-5.0 (-1.7%)
Business Solutions	7.5 (9.8%)	30.5 (9.6%)	7.7 (9.8%)	+1.8%	26.0 (7.6%)	-14.9%	26.0 (7.6%)
<b>Product Business</b>	<b>19.4</b> (4.8%)	<b>96.8</b> (5.3%)	<b>13.7</b> (3.4%)	-29.6%	<b>68.0</b> (3.8%)	-29.8%	<b>60.0</b> (3.4%)
LCDs	-9.5 (-4.9%)	41.5 (4.2%)	2.1 (1.0%)	-	55.0 (5.5%)	+32.2%	55.0 (5.5%)
Electronic Devices	0.1 (0.2%)	3.2 (1.0%)	-3.5 (-5.9%)	-	7.0 (1.6%)	2.1-fold	15.0 (3.3%)
<b>Device Business</b>	<b>-9.3</b> (-3.7%)	<b>44.8</b> (3.4%)	<b>-1.3</b> (-0.5%)	-	<b>62.0</b> (4.3%)	+38.2%	<b>70.0</b> (4.8%)
<b>Sub Total</b>	<b>10.0</b> (1.5%)	<b>141.6</b> (4.5%)	<b>12.3</b> (1.9%)	+22.1%	<b>130.0</b> (4.1%)	-8.2%	<b>130.0</b> (4.0%)
<b>Adjustments</b>	<b>-7.0</b>	<b>-33.0</b>	<b>-7.6</b>	-	<b>-30.0</b>	-	<b>-30.0</b>
<b>Total</b>	<b>3.0</b> (0.5%)	<b>108.5</b> (3.7%)	<b>4.6</b> (0.8%)	+55.0%	<b>100.0</b> (3.3%)	-7.9%	<b>100.0</b> (3.3%)

\*The percentage figures noted in brackets show operating margin

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- This slide shows operating income.

Electronic Devices put us in the red, but Digital Information Equipment and LCDs put us back in the black, resulting in an overall earnings increase of 1.6 billion yen from the same period last year.

- Based on current business conditions and future outlook, we revised the full year forecast of Energy Solutions and Electronic Devices.

Next, I will explain details of the product groups.

## Digital Information Equipment <Total>

(Billions of Yen)

	FY2013		FY2014			
	1Q	Full Year	1Q	Change (Y on Y)	Full Year Forecast	Change (Y on Y)
Sales	158.9	733.3	168.6	+6.1%	780.0	+6.4%
Operating Income (margin)	-1.3 (-0.9%)	12.8 (1.8%)	2.6 (1.6%)	-	20.0 (2.6%)	+55.8%

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

### [ 1Q FY2014 Results ]

- Secured an improvement due to the expansion of LCD TV sales overseas and the increase in sales of tablet terminals even though the units sold and amounts recorded for mobile phones were lower than 1Q FY2013
- Put back into the black by introducing new products such as smartphones equipped with IGZO LCDs on the market and reducing costs

### [ Onward Actions ]

- Strengthen the sales of large LCD TVs featuring high-definition capability and promote working with mobile phone operators to introduce new distinctive models.

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• Sales of Digital Information Equipment for the first quarter were up 6.1% to 168.6 billion yen compared with the same period last year.

Operating income turned to a profit of 2.6 billion yen, an improvement of 3.9 billion yen from a loss of 1.3 billion yen. This was achieved by introducing high-value-added models such as smartphones incorporating IGZO LCDs into the market, increasing sales of tablet terminals, and reducing costs.

## Digital Information Equipment <LCD TVs, Mobile Phones>

(Billions of Yen; Millions of Units)

		FY2013		FY2014			
		1Q	Full Year	1Q	Change (Y on Y)	Full Year Forecast	Change (Y on Y)
LCD TVs	Amt	80.3	413.8	85.7	+6.7%	440.0	+6.3%
	Unit	1.56	7.81	1.73	+11.0%	8.20	+4.9%
Mobile Phones	Amt	50.2	205.5	49.6	-1.2%	220.0	+7.0%
	Unit	1.31	5.51	1.23	-5.7%	6.30	+14.3%

**[ 1Q FY2014 Results ]**

**LCD TVs: Sales expanded overseas especially in China, although sales amount in Japan were below 1Q FY2013. Exceeded both units sold and amounts recorded in 1Q FY2013.**

**Mobile Phones: Sold less units and recorded lower amounts than 1Q FY2013 due to increased competition with overseas mobile phone manufacturers**

**[ Onward Actions ]**

**LCD TVs: Utilize a strategy to focus on large-size and high-definition LCD TVs such as 4K models and Quattron Pros, while developing products with features tailored to regional characteristics and promoting structural reform in Europe**

**Mobile Phones: Tap the demand for feature phones market and introduce distinctive smartphones to boost the domestic market share**

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• Here are the main items in this product group.

• Sales of LCD TVs exceeded the same period last year, primarily because sales in China and other overseas markets increased, although domestic figures were lower than the same period last year.

In order to boost sales of this product, we will strengthen sales activities in priority areas such as emerging countries, and extend our lineup of large-size models such as Quattron Pro and 4K2K.

• We sold less units and recorded lower amounts of mobile phones than the same period last year, but sales increased in the communication system business as a whole, such as with tablet terminals, which showed growth in sales.

We will proceed with efforts to increase market share in Japan by expanding our lineup of models equipped with IGZO LCDs featuring high-definition and low power consumption.

## Health and Environmental Equipment

(Billions of Yen)

	FY2013		FY2014			
	1Q	Full Year	1Q	Change (Y on Y)	Full Year Forecast	Change (Y on Y)
<b>Sales</b>	<b>82.3</b>	<b>326.8</b>	<b>82.1</b>	-0.3%	<b>360.0</b>	+10.1%
<b>Operating Income</b> (margin)	<b>6.4</b> (7.8%)	<b>21.0</b> (6.4%)	<b>3.1</b> (3.9%)	-50.7%	<b>19.0</b> (5.3%)	-9.6%

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

**[ 1Q FY2014 Results ]**

- Secured sales similar to 1Q FY2013 despite a backlash from the last-minute demand generated by the consumption tax increase
- Deteriorated profitability of imported products due to the yen depreciation lowered operating margin

**[ Onward Actions ]**

- Respond to slow demand due to the backlash from the consumption tax increase by creating products that arouse new demand and introducing products with unique features on the market
- Expand the business by enhancing sales structure and progressing local production for local consumption centered on ASEAN

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▪ Sales of Health and Environmental Equipment were 82.1 billion yen, on par with the same period last year. This was mainly because sales of refrigerators and washing machines grew, despite a backlash from the last-minute demand following the revision in consumption tax in Japan.

Operating income was down 50.7% to 3.1 billion yen compared with the same period last year, because of deteriorated profitability of imported products due to the yen depreciation.

▪ We will expand the business by enhancing sales structure and progressing local production for local consumption centered on ASEAN, while at the same time working to create new category products.

# Energy Solutions

(Billions of Yen)

	FY2013		FY2014				FY2014 Previous Full Year Forecast
	1Q	Full Year	1Q	Change (Y on Y)	Revised	Change (Y on Y)	
					Full Year Forecast		
<b>Sales</b>	<b>84.3</b>	<b>439.0</b>	<b>69.0</b>	-18.1%	<b>290.0</b>	-33.9%	290.0
<b>Operating Income (margin)</b>	<b>6.8</b> (8.1%)	<b>32.4</b> (7.4%)	<b>0.1</b> (0.3%)	-97.3%	<b>3.0</b> (1.0%)	-90.7%	-5.0 (-1.7%)

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

(Reference) Volume (Solar Cells) (MW)	343	2,098	360	+4.8%	2,000	-4.7%	2,000
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## [ 1Q FY2014 Results ]

- Favorable results for industrial applications including mega-solar power generation in Japan
- Deteriorated earnings due to a significant drop in sales of domestic residential applications and decrease in sales of overseas developer business

## [ Onward Actions ]

- Work to transform business models by expanding the EPC sales ratio and shift to IPP/O&M and other energy solution business
- Work to improve profit by steadily promoting structural reform in Europe

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• Sales of Energy Solutions were down by 18.1% over the same period last year to 69.0 billion yen, and operating income was 180 million yen, a significant drop from 6.8 billion yen. This was the result of factors such as a reduction in the number of projects in the overseas developer businesses and fewer sales of residential solar cells in Japan.

• Tough conditions are expected to continue into this year, however we will make every endeavor to improve profitability by strengthening the solution business and consistently implementing structural reform in Europe.

## Business Solutions

(Billions of Yen)

	FY2013		FY2014			
	1Q	Full Year	1Q	Change (Y on Y)	Full Year Forecast	Change (Y on Y)
Sales	77.6	318.8	79.2	+2.1%	340.0	+6.6%
Operating Income (margin)	7.5 (9.8%)	30.5 (9.6%)	7.7 (9.8%)	+1.8%	26.0 (7.6%)	-14.9%

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

### [ 1Q FY2014 Results ]

- In addition to expanding color MFPs overseas, information displays also had favorable results in Japan and overseas

### [ Onward Actions ]

- Continue to maintain profit stability even though operating income is anticipated to decrease due to competitive environment intensification
- Expand convenience store print services and introduce new services
- Expand high-speed MFPs in developed countries and strengthen sales of color MFPs in emerging countries
- Increase the lineup of digital signage mostly in large-size models
- Develop new customers by offering solution proposals through combinations of MFPs and displays

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• Sales of Business Solutions were up 2.1% over the same period last year to 79.2 billion yen, and the operating income was up 1.8% to 7.7 billion yen.

• We will continue to expand this business by enhancing solutions and services centered on MFPs and distinctive displays that embody our strengths.



## LCDs

(Billions of Yen)

	FY2013		FY2014			
	1Q	Full Year	1Q	Change (Y on Y)	Full Year Forecast	Change (Y on Y)
Sales	193.8	991.0	206.9	+6.8%	1,000.0	+0.9%
Operating Income (margin)	-9.5 (-4.9%)	41.5 (4.2%)	2.1 (1.0%)	-	55.0 (5.5%)	+32.2%

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

### [ 1Q FY2014 Results ]

- Expanded small- and medium-size LCDs for smartphones, especially for major clients
- Increased the small- and medium-size LCD production ratio at the Kameyama No.2 Plant from 28% in 4Q FY2013 to 35%
- Secured being in the black by increasing the mixed sales ratio of high-margin small- and medium-size LCDs and reducing costs

### [ Onward Actions ]

- Expand the small- and medium-size LCD production ratio at the Kameyama No.2 Plant and increase the inch size of large LCD panels
- Work towards the strong demands of Chinese clients and promote design activities
- Propose solutions through combinations of electronic devices and LCDs that meet customer needs

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▪ In the first quarter last year, LCD business experienced a major deficit due to adjustments to operations at the large-size LCD plant, and delays in orders from major clients for small- and medium-size LCDs.

▪ In this first quarter, sales of LCDs were up 6.8% over the same period last year to 206.9 billion yen. This is because small- and medium-size LCDs for smartphones and other devices increased, although large-size LCDs for TVs and other applications were down over the same period last year.

▪ Operating income improved 11.6 billion yen to 2.1 billion yen from a loss of 9.5 billion yen in the same period last year, thanks mainly to an increase in sales ratio of small- and medium-size LCDs.

The production ratio of small- and medium-size LCDs at the Kameyama No.2 Plant increased from 28% in the fourth quarter of the previous year to 35%.

▪ We will continue to focus on future market trends and the state of demand by each client, while developing new customers and increasing business with major clients. We believe that this will enable us to increase sales and reduce earning volatility.

## Electronic Devices

(Billions of Yen)

	FY2013		FY2014				FY2014 Previous Full Year Forecast
	1Q	Full Year	1Q	Change (Y on Y)	Revised Full Year Forecast	Change (Y on Y)	
<b>Sales</b>	<b>61.2</b>	<b>326.3</b>	<b>58.9</b>	-3.8%	<b>430.0</b>	+31.7%	450.0
<b>Operating Income</b> (margin)	<b>0.1</b> (0.2%)	<b>3.2</b> (1.0%)	<b>-3.5</b> (-5.9%)	-	<b>7.0</b> (1.6%)	2.1-fold	15.0 (3.3%)

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

**[ 1Q FY2014 Results ]**

- Reduced sales of LED devices and ICs for major clients
- Recorded in the red due mainly to mix deterioration of clients and models

**[ Onward Actions ]**

- Use the following measures to improve profitability
  - Strengthen offering solution proposals through combinations of LCDs and electronic devices in order to expand sales of camera modules and proximity and luminance sensors for mobile devices
  - Strengthen sales of device features such as LED devices and touchscreen systems
  - Enhance application development of sensing devices to be applied in home, monitoring (security), in-vehicle and medical fields, etc.

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▪ Sales of Electronic Devices were down 3.8% over the same period last year to 58.9 billion yen due to a reduction in sales of LEDs and ICs for major clients, despite a growth in camera modules for mobile devices.

Operating loss was 3.5 billion yen due to price competition of camera modules and low sales ratio of profitable models and customers.

▪ We will work on improving profitability by strengthening sales of distinctive devices such as high-performance camera modules and touchscreen systems for smartphones and tablet terminals.

## Conclusion

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- **1Q FY2014 results progressed smoothly and the Medium-Term Management Plan is going on track**
- **No uncertainty about a 100 billion yen straight bond redemption arriving in September**
- **We plan to stay on the offensive and fulfill the Medium-Term Management Plan, to move toward realizing "Recovery and Growth"**

• As I have explained today, the first quarter results progressed smoothly, and the Medium-Term Management Plan is going on track. Also, there is no uncertainty about a 100 billion yen corporate bond redemption arriving in September.

• We plan to stay on the offensive and fulfill the Medium-Term Management Plan, to move toward realizing “Recovery and Growth.”

### III. Supplementary Data

### Sales by Product Group

(Billions of Yen)

	FY2013				FY2014		
	1Q	2Q	3Q	4Q	1Q	Change (Q on Q)	Change (Y on Y)
Digital Information Equipment	158.9	175.6	216.9	181.8	168.6	-7.2%	+6.1%
Health and Environmental Equipment	82.3	77.5	82.1	84.9	82.1	-3.3%	-0.3%
Energy Solutions	84.3	83.9	108.5	162.1	69.0	-57.4%	-18.1%
Business Solutions	77.6	80.7	77.1	83.3	79.2	-4.8%	+2.1%
<b>Product Business</b>	<b>403.3</b>	<b>417.9</b>	<b>484.7</b>	<b>512.2</b>	<b>399.1</b>	<b>-22.1%</b>	<b>-1.0%</b>
LCDs	193.8	284.7	277.5	234.9	206.9	-11.9%	+6.8%
Electronic Devices	61.2	86.5	106.4	72.0	58.9	-18.2%	-3.8%
<b>Device Business</b>	<b>255.0</b>	<b>371.3</b>	<b>384.0</b>	<b>307.0</b>	<b>265.9</b>	<b>-13.4%</b>	<b>+4.2%</b>
<b>Sub Total</b>	<b>658.3</b>	<b>789.2</b>	<b>868.7</b>	<b>819.2</b>	<b>665.0</b>	<b>-18.8%</b>	<b>+1.0%</b>
Adjustments	-50.4	-55.1	-53.4	-49.3	-45.3	-	-
<b>Total</b>	<b>607.9</b>	<b>734.1</b>	<b>815.2</b>	<b>769.8</b>	<b>619.7</b>	<b>-19.5%</b>	<b>+1.9%</b>

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

## Operating Income by Product Group

(Billions of Yen)

	FY2013				FY2014		
	1Q	2Q	3Q	4Q	1Q	Change (Q on Q)	Change (Y on Y)
Digital Information Equipment	-1.3 (-0.9%)	2.2 (1.3%)	8.4 (3.9%)	3.4 (1.9%)	2.6 (1.6%)	-24.7%	-
Health and Environmental Equipment	6.4 (7.8%)	3.2 (4.2%)	5.6 (6.9%)	5.6 (6.7%)	3.1 (3.9%)	-44.0%	-50.7%
Energy Solutions	6.8 (8.1%)	3.0 (3.7%)	5.9 (5.5%)	16.5 (10.2%)	0.1 (0.3%)	-98.9%	-97.3%
Business Solutions	7.5 (9.8%)	8.3 (10.3%)	6.1 (8.0%)	8.4 (10.2%)	7.7 (9.8%)	-8.7%	+1.8%
<b>Product Business</b>	<b>19.4</b> (4.8%)	<b>16.8</b> (4.0%)	<b>26.2</b> (5.4%)	<b>34.1</b> (6.7%)	<b>13.7</b> (3.4%)	-59.9%	-29.6%
LCDs	-9.5 (-4.9%)	18.1 (6.4%)	26.0 (9.4%)	6.9 (2.9%)	2.1 (1.0%)	-69.4%	-
Electronic Devices	0.1 (0.2%)	5.1 (5.9%)	4.2 (4.0%)	-6.1 (-8.6%)	-3.5 (-5.9%)	-	-
<b>Device Business</b>	<b>-9.3</b> (-3.7%)	<b>23.3</b> (6.3%)	<b>30.2</b> (7.9%)	<b>0.7</b> (0.2%)	<b>-1.3</b> (-0.5%)	-	-
<b>Sub Total</b>	<b>10.0</b> (1.5%)	<b>40.1</b> (5.1%)	<b>56.4</b> (6.5%)	<b>34.8</b> (4.3%)	<b>12.3</b> (1.9%)	-64.7%	+22.1%
<b>Adjustments</b>	<b>-7.0</b>	<b>-9.3</b>	<b>-8.8</b>	<b>-7.8</b>	<b>-7.6</b>	-	-
<b>Total</b>	<b>3.0</b> (0.5%)	<b>30.8</b> (4.2%)	<b>47.6</b> (5.8%)	<b>27.0</b> (3.5%)	<b>4.6</b> (0.8%)	-82.8%	+55.0%

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\*The percentage figures noted in brackets show operating margin

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## Sales of Main Products

(Billions of Yen)

	FY2013					FY2014			
	1Q	2Q	3Q	4Q	Full Year	1Q	Change (Y on Y)	Full Year Forecast	Change (Y on Y)
LCD TVs	80.3	113.7	118.8	100.9	413.8	85.7	+6.7%	440.0	+6.3%
Unit (million units)	1.56	2.12	2.18	1.94	7.81	1.73	+11.0%	8.20	+4.9%
Mobile Phones	50.2	37.2	69.2	48.8	205.5	49.6	-1.2%	220.0	+7.0%
Unit (million units)	1.31	1.11	1.77	1.30	5.51	1.23	-5.7%	6.30	+14.3%
Refrigerators	22.9	24.6	23.2	24.9	95.7	23.9	+4.4%	106.0	+10.7%
Air Conditioners	26.1	16.4	10.9	15.4	68.9	23.6	-9.4%	75.0	+8.8%
Copiers / Printers	36.4	29.8	31.6	36.5	134.4	34.3	-5.7%	147.0	+9.4%
CCD / CMOS Imagers	34.8	49.6	84.2	49.3	218.1	38.8	+11.3%	310.0	+42.1%

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## Other

(Billions of Yen)

	FY2013					FY2014			
	1Q	2Q	3Q	4Q	Full Year	1Q	Change (Y on Y)	Full Year Forecast	Change (Y on Y)
<b>Capital Investment</b>	10.5	10.9	11.2	16.6	49.4	14.5	+38.1%	80.0	+61.8%
LCDs	4.3	3.9	5.2	9.9	23.5	5.7	+32.1%	35.0	+48.7%
<b>Depreciation and Amortization</b>	29.9	28.7	27.7	28.1	114.6	24.4	-18.3%	120.0	+4.7%
<b>R&amp;D Expenditures</b>	35.4	30.0	35.9	30.6	132.1	34.4	-2.7%	140.0	+6.0%

### Exchange Rate

	FY2013					FY2014	
	1Q	2Q	3Q	4Q	Full Year	1Q	Full Year Forecast
<b>U.S. Dollar</b>	¥97.76	¥97.96	¥99.46	¥101.78	¥99.24	¥101.16	¥104.00
<b>Euro</b>	¥127.46	¥129.57	¥135.20	¥139.29	¥132.88	¥138.56	¥138.00

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