

# Consolidated Financial Results for the First Quarter, Fiscal 2024

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- I. Consolidated Financial Results for the First Quarter, Fiscal 2024
  - II. Consolidated Financial Results Forecast for Fiscal 2024
  - III. Supplementary Data
- 

SHARP CORPORATION

August 9, 2024

## Outline

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- The Brand Business performed well. Sales increased in all Brand Business segments and delivered double-digit growth compared to the same period of last fiscal year.

Despite the negative impact of the depreciating yen, the Brand Business achieved more than 20% increase in operating profit.

Regarding the Device Business, in which Asset Light Initiatives have been in progress, sales decreased while the operating loss remained the same level.

As a result, Sharp's net sales slightly decreased, and the operating loss narrowed.

- Ordinary profit and bottom-line profit decreased, mainly due to a significant negative change in foreign exchange gains (losses) in non-operating items.
- As the first quarter performance is almost in line with the plan, there is no change in the fiscal year forecasts.

# I . Consolidated Financial Results for the First Quarter, Fiscal 2024

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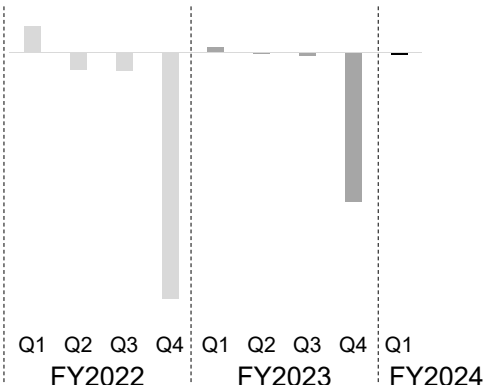
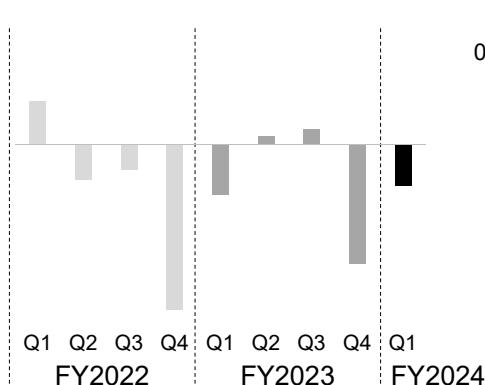
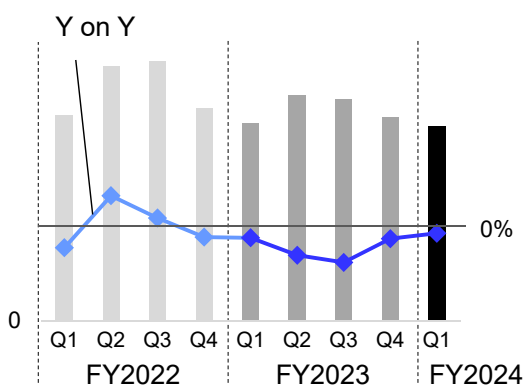
## Consolidated Financial Results for the First Quarter, Fiscal 2024

(Billions of Yen)	FY2023				FY2024	
	Q1	Q2	Q3	Q4	Q1	Y on Y
<b>Net Sales</b>	<b>541.2</b>	<b>617.0</b>	<b>606.4</b>	<b>557.2</b>	<b>531.9</b>	-1.7%
<b>Operating Profit</b>	<b>-7.0</b> (-1.3%)	<b>1.1</b> (0.2%)	<b>2.2</b> (0.4%)	<b>-16.7</b> (-3.0%)	<b>-5.8</b> (-1.1%)	-
<b>Ordinary Profit</b>	<b>-0.5</b> (-0.1%)	<b>3.5</b> (0.6%)	<b>3.5</b> (0.6%)	<b>-13.6</b> (-2.5%)	<b>-10.1</b> (-1.9%)	-
<b>Bottom-line Profit</b>	<b>5.5</b> (1.0%)	<b>-0.5</b> (-0.1%)	<b>-2.9</b> (-0.5%)	<b>-152.0</b> (-27.3%)	<b>-1.2</b> (-0.2%)	-
Avg. Exchange Rates						
USD/JPY	137.37	144.63	147.89	148.60	155.89	
Euro/JPY	149.46	157.29	159.10	161.30	167.88	

Net Sales

Operating Profit

Bottom-line Profit



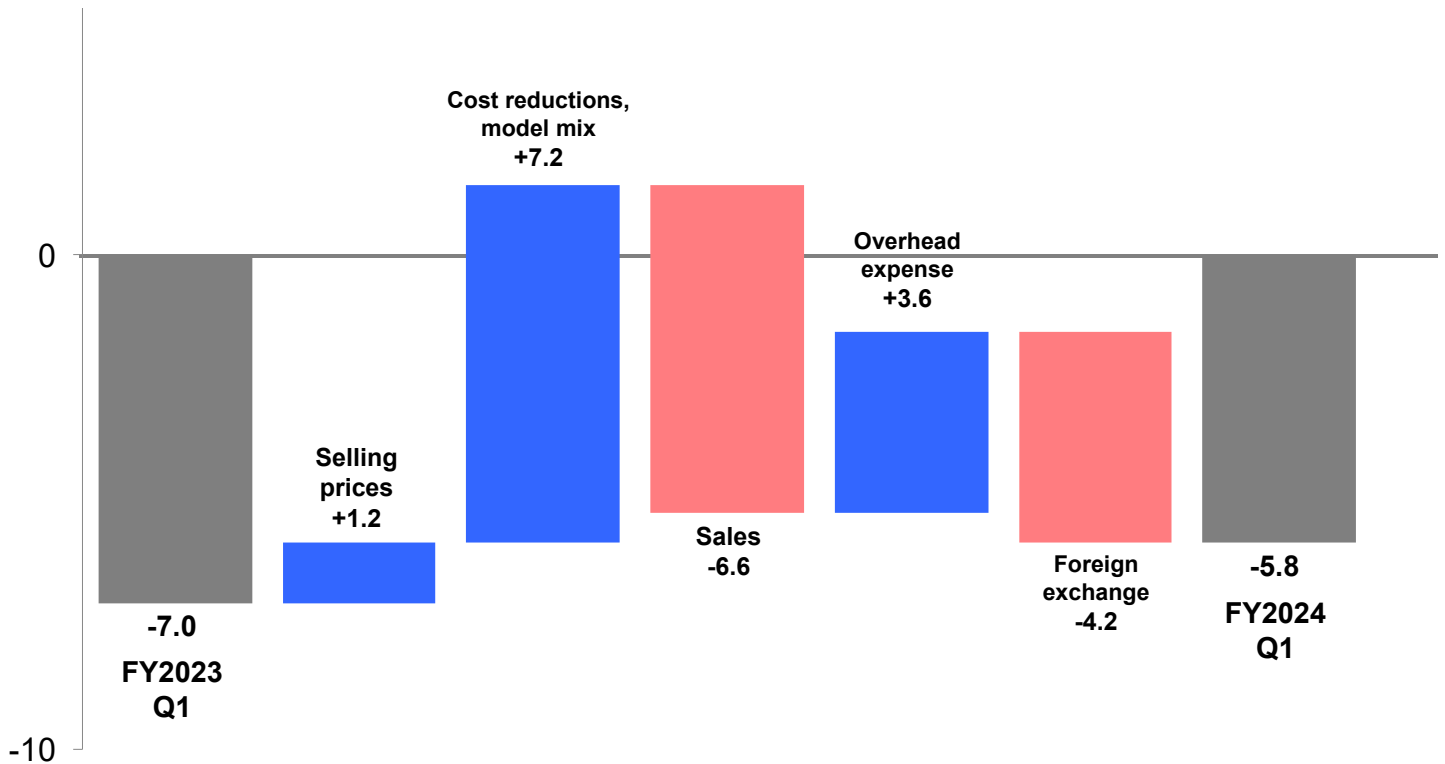
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# Operating Profit Analysis: Y on Y Change Factors

(Management accounting)

(Billions of Yen)

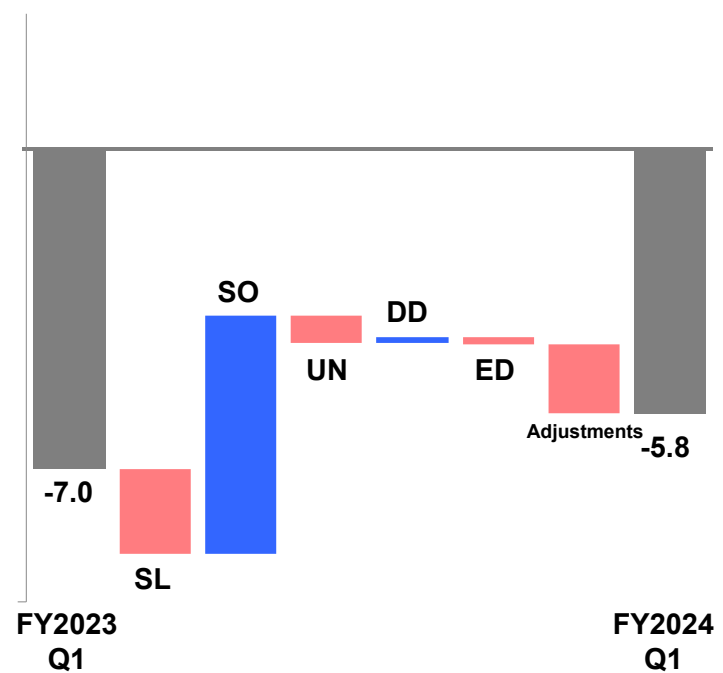
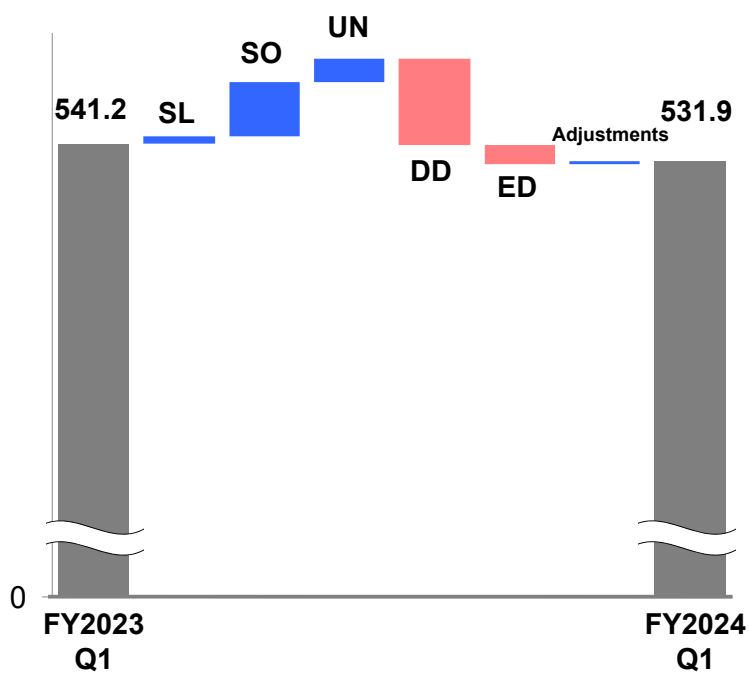


# Sales and Operating Profit Analysis: Y on Y Change by Segment

Sales

Operating profit

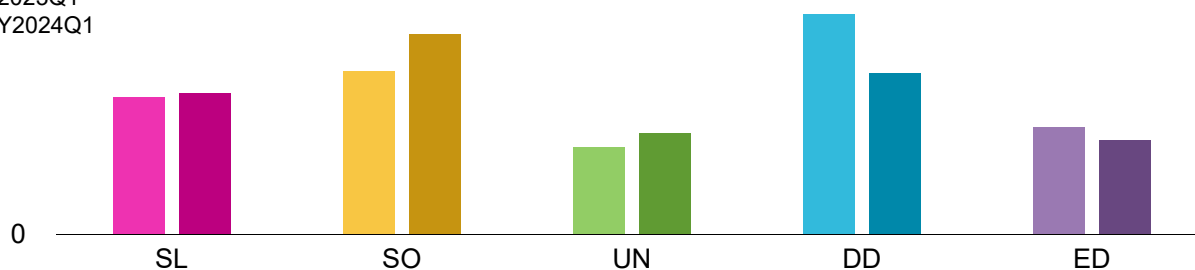
(Billions of Yen)



# Sales by Segment

(Billions of Yen)	FY2023				FY2024	
	Q1	Q2	Q3	Q4	Q1	Y on Y
Smart Life & Energy	106.6	116.6	106.6	111.3	109.9	+3.0%
Smart Office	126.6	144.8	150.2	160.2	155.6	+22.9%
Universal Network	65.7	80.3	92.5	73.1	78.5	+19.5%
Brand Business	299.0	341.8	349.5	344.7	344.1	+15.1%
Display Device	171.3	179.4	126.3	137.8	125.2	-26.9%
Electronic Device	83.2	108.1	140.8	84.7	73.3	-11.9%
Device Business	254.5	287.5	267.1	222.6	198.6	-22.0%
Subtotal	553.6	629.4	616.6	567.4	542.7	-2.0%
Adjustments	-12.3	-12.4	-10.2	-10.2	-10.8	-
Total	541.2	617.0	606.4	557.2	531.9	-1.7%

Left bar, FY2023Q1  
Right bar, FY2024Q1



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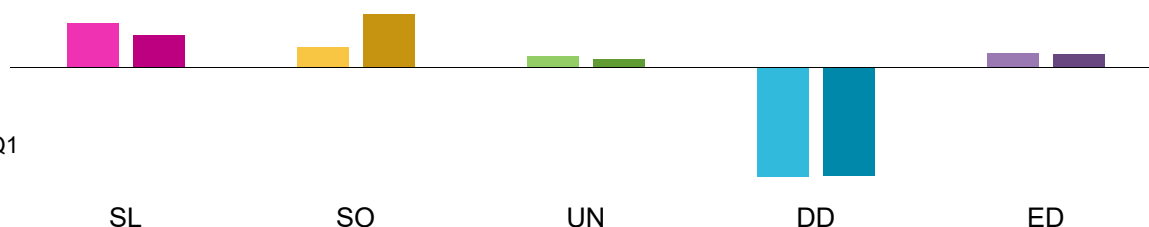
\*Sales include inter-segment sales and transfers.

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# Operating Profit by Segment

(Billions of Yen)	FY2023				FY2024	
	Q1	Q2	Q3	Q4	Q1	Y on Y
Smart Life & Energy	6.9 (6.5%)	7.3 (6.3%)	5.2 (5.0%)	7.8 (7.0%)	5.0 (4.6%)	-27.2%
Smart Office	3.1 (2.5%)	6.7 (4.7%)	9.0 (6.0%)	10.7 (6.7%)	8.4 (5.4%)	+168.1%
Universal Network	1.7 (2.7%)	1.2 (1.6%)	4.6 (5.0%)	1.2 (1.7%)	1.1 (1.4%)	-35.1%
Brand Business	11.7 (3.9%)	15.4 (4.5%)	18.9 (5.4%)	19.7 (5.7%)	14.5 (4.2%)	+23.6%
Display Device	-17.3 (-10.1%)	-12.3 (-6.9%)	-19.7 (-15.6%)	-33.8 (-24.6%)	-17.1 (-13.7%)	-
Electronic Device	2.0 (2.5%)	2.5 (2.4%)	7.6 (5.4%)	1.2 (1.5%)	1.9 (2.6%)	-7.9%
Device Business	-15.2 (-6.0%)	-9.7 (-3.4%)	-12.1 (-4.5%)	-32.5 (-14.6%)	-15.2 (-7.7%)	-
Subtotal	-3.4 (-0.6%)	5.6 (0.9%)	6.8 (1.1%)	-12.8 (-2.3%)	-0.6 (-0.1%)	-
Adjustments	-3.6	-4.4	-4.5	-3.9	-5.1	-
Total	-7.0 (-1.3%)	1.1 (0.2%)	2.2 (0.4%)	-16.7 (-3.0%)	-5.8 (-1.1%)	-

Left bar, FY2023Q1  
Right bar, FY2024Q1



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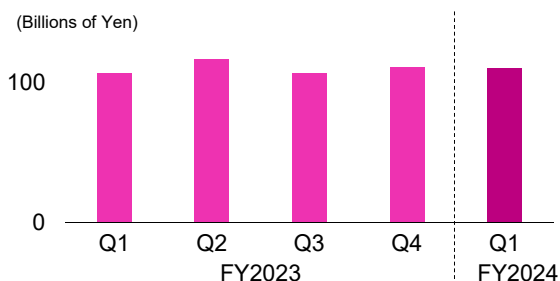
\*Figures within parentheses indicate operating margin.

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## Smart Life &amp; Energy

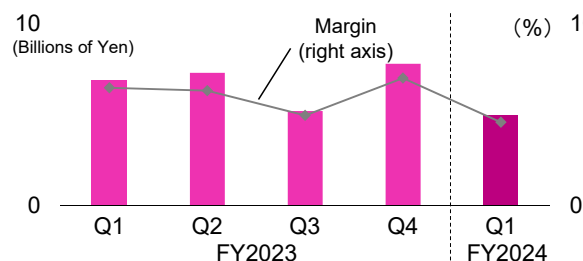
(Billions of Yen)	FY2023				FY2024	
	Q1	Q2	Q3	Q4	Q1	Y on Y
<b>Sales</b>	106.6	116.6	106.6	111.3	109.9	+3.0%
<b>Operating Profit</b>	6.9 (6.5%)	7.3 (6.3%)	5.2 (5.0%)	7.8 (7.0%)	5.0 (4.6%)	-27.2%

## Sales (Increase)



- (Inc.) In Japan, beauty products sold well, and sales of air conditioners increased.
- (Inc.) In ASEAN, air conditioners grew significantly, and refrigerators and washing machines also sold well.
- (Inc.) In Europe and the U.S., kitchen appliances showed a growth, mainly in high value-added products.
- (Inc.) In energy solution business, domestic residential business performed well.
- (Dec.) Weak demand for washing machines, kitchen appliance, and air purifier in Japan.
- (Dec.) The energy solutions business saw a decline in EPC sales.

## Operating profit (Decrease)



- (Dec.) Weakening of the yen.
- (Dec.) Sales decline in energy solution business.
- (Inc.) Sales increase in overseas white goods businesses.
- (Inc.) Sales for high-value-added products grew in each business.
- (Inc.) Cost and expense reduction.

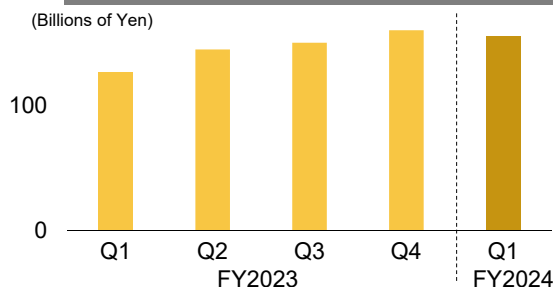
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## Smart Office

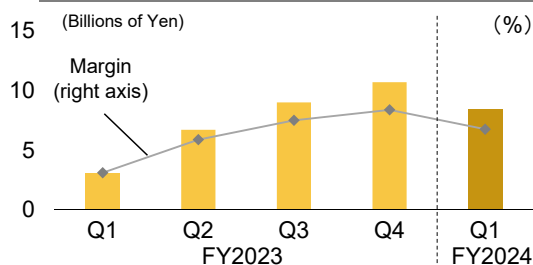
(Billions of Yen)	FY2023				FY2024	
	Q1	Q2	Q3	Q4	Q1	Y on Y
<b>Sales</b>	126.6	144.8	150.2	160.2	155.6	+22.9%
<b>Operating Profit</b>	3.1 (2.5%)	6.7 (4.7%)	9.0 (6.0%)	10.7 (6.7%)	8.4 (5.4%)	+168.1%

## Sales (Increase)



- (Inc.) Mainly in Europe and the U.S., sales increase in MFP, office solutions, and information displays
- (Inc.) PC sales for enterprise customers grew significantly, due to strong performance of premium models as well as positive effect from reinforcing Lifecycle Management service function.
- (Dec.) Domestic PC market for consumers continued to be sluggish.

## Operating profit (Increase)

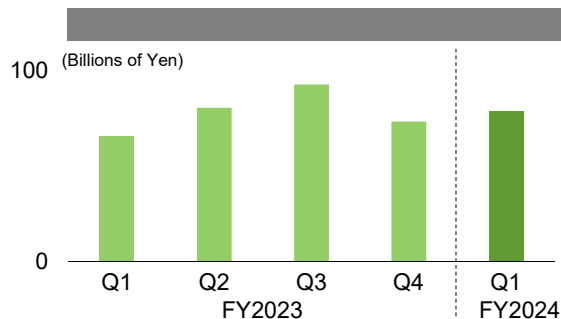


- (Inc.) Increase in sales.
- (Inc.) Shift toward high-value-added offerings in the PC and office solution businesses.
- (Inc.) Positive effects of structural reforms in the information display business.
- (Dec.) Impact of the component price hike and the yen depreciation in the PC business.

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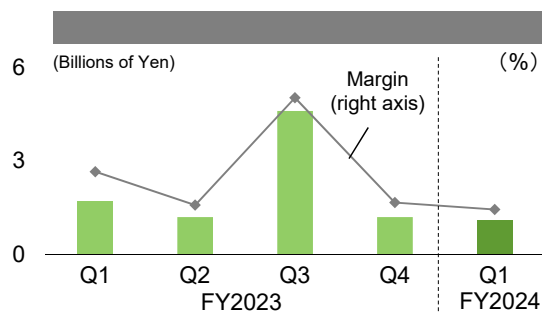
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(Billions of Yen)	FY2023				FY2024	
	Q1	Q2	Q3	Q4	Q1	Y on Y
<b>Sales</b>	65.7	80.3	92.5	73.1	78.5	+19.5%
<b>Operating Profit</b>	1.7 (2.7%)	1.2 (1.6%)	4.6 (5.0%)	1.2 (1.7%)	1.1 (1.4%)	-35.1%



(Inc.) Domestic business performed well, supported by the higher value-added models even in a stagnant TV market. TV sales increased in Europe and the U.S. as well.

(Inc.) Smartphone sales in unit and amount grew in the mobile communication business.



(Dec.) Weakening of the yen.

(Inc.) Higher value-added products in the TV business.

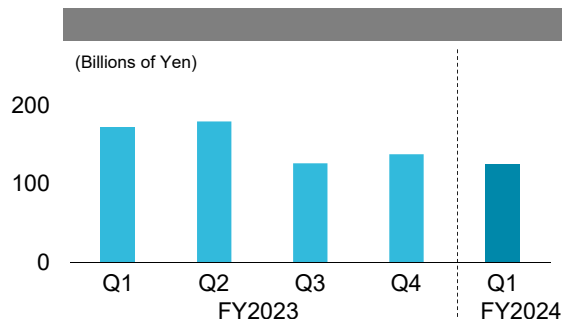
(Inc.) Increase in sales.

(Inc.) Progress in cost and expense reduction, through structural reforms, etc.

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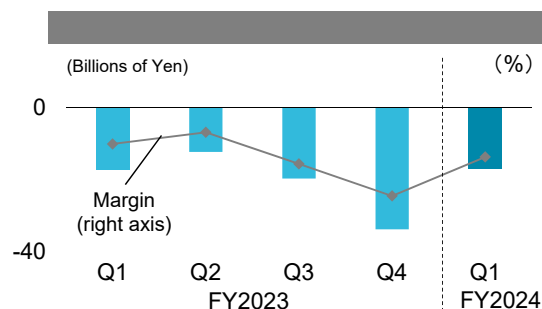
(Billions of Yen)	FY2023				FY2024	
	Q1	Q2	Q3	Q4	Q1	Y on Y
<b>Sales</b>	171.3	179.4	126.3	137.8	125.2	-26.9%
<b>Operating Profit</b>	-17.3 (-10.1%)	-12.3 (-6.9%)	-19.7 (-15.6%)	-33.8 (-24.6%)	-17.1 (-13.7%)	-



(Dec.) Sales for PC and tablet panels decreased.

(Dec.) Sales for smartphone panels decreased.

(Inc.) Sales for large-size displays increased.



(Inc.) Progress in cost and expense reduction.

(Inc.) Recovery in selling prices of large-size displays.

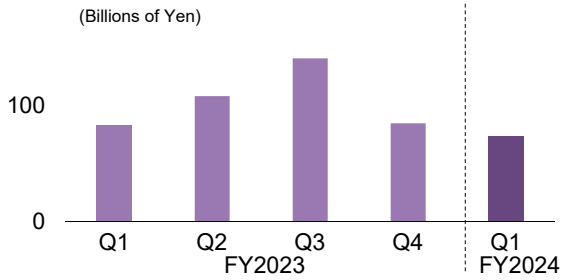
(Dec.) Decrease in sales of small- and medium-size displays.

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(Billions of Yen)	FY2023				FY2024	
	Q1	Q2	Q3	Q4	Q1	Y on Y
<b>Sales</b>	83.2	108.1	140.8	84.7	73.3	-11.9%
<b>Operating Profit</b>	2.0 (2.5%)	2.5 (2.4%)	7.6 (5.4%)	1.2 (1.5%)	1.9 (2.6%)	-7.9%

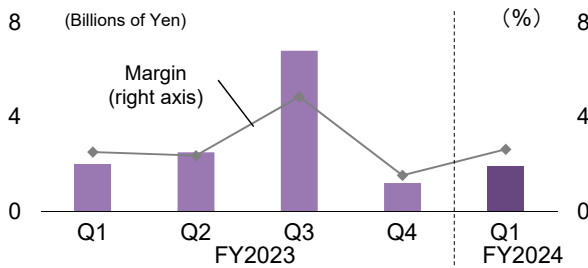
### Sales (Decrease)



(Dec.) Fluctuating customer demand for sensor modules.

(Inc.) Semiconductor laser business performed well, including for new uses in automotive applications.

### Operating profit (Decrease)



(Dec.) Sales of sensor module declined.

(Inc.) Semiconductor lasers sold well.

(Inc.) Expense reduction.

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

(Billions of Yen)	FY2023				FY2024	
	Q1	Q2	Q3	Q4	Q1	Difference (Y on Y)
<b>Operating Profit</b>	-7.0	1.1	2.2	-16.7	-5.8	+1.2
<b>Non-operating Income (Expenses)</b>	+6.5	+2.3	+1.2	+3.0	-4.3	-10.8
Interest expenses	-2.9	-2.6	-2.5	-2.6	-2.6	+0.3
Foreign exchange gains (losses)	+6.2	+2.9	+0.4	+3.7	-7.4	-13.6
Investment income (expenses)	+0.2	+0.3	+0.3	+0.1	+0.2	-
Share of profit (loss) of entities accounted for using equity method	+1.3	+2.4	+2.9	+1.5	+2.3	+1.0
<b>Ordinary Profit</b>	-0.5	3.5	3.5	-13.6	-10.1	-9.6
<b>Extraordinary Income (Losses)</b>	+9.3	-0.9	-3.4	-135.4	+11.7	+2.4
Gain on sale of investment securities	-	+0.1	-	-	+10.1	+10.1
Gain on sale of non-current assets	+0.5	+2.0	+0.6	+0.3	+0.0	-0.5
Gain on step acquisitions	+1.3	-	-	-	-	-1.3
Gain on change in equity	+4.2	-	-	-	+2.7	-1.5
Gain on reversal of liabilities	+4.8	-	-	-	+3.5	-1.3
Business restructuring expenses	-	-0.6	-0.2	-10.8	-3.4	-3.4
Impairment losses	-1.4	-1.8	-1.0	-117.9	-1.2	+0.2
Loss on sale of business	-	-	-2.3	-	-	-
Loss from cancellation of made-to-order production	-	-	-	-4.7	-	-
<b>Pretax Income</b>	8.8	2.6	0.0	-149.1	1.6	-7.2
<b>Income Taxes, etc.</b>	-3.2	-3.2	-3.0	-2.8	-2.8	+0.4
<b>Bottom-line Profit</b>	5.5	-0.5	-2.9	-152.0	-1.2	-6.7

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## Consolidated Balance Sheets

• Cash and deposits amounted to 238.1 billion yen, net assets amounted to 181.8 billion yen, and equity ratio was 10.1%.

(Billions of Yen)

	FY2023		FY2024		FY2023		FY2024
	End of Dec.	End of Mar.	End of Jun.		End of Dec.	End of Mar.	End of Jun.
Cash and deposits	211.9	227.1	238.1	Notes and accounts payable – trade, etc.	398.4	355.2	362.5
Notes and accounts receivable – trade, etc.	434.6	407.5	419.7	Short-term borrowings	171.2	115.9	139.2
Inventories	302.3	269.5	295.2	Current portion of bonds payable	0.0	0.0	0.0
Other current assets	84.3	85.9	89.8	Other current liabilities	339.0	385.1	387.9
<b>Current Assets</b>	<b>1,033.2</b>	<b>990.2</b>	<b>1,043.0</b>	<b>Current Liabilities</b>	<b>908.7</b>	<b>856.3</b>	<b>889.6</b>
Property, plant and Equipment	390.9	280.1	280.5	Bonds payable	0.0	0.0	0.0
Intangible assets	35.0	31.0	30.4	Long-term borrowings	446.4	457.6	458.1
Investments and other Assets	288.6	288.5	291.4	Other non-current liabilities	124.6	118.6	115.8
<b>Non-current Assets</b>	<b>714.7</b>	<b>599.8</b>	<b>602.4</b>	<b>Non-current Liabilities</b>	<b>571.0</b>	<b>576.2</b>	<b>574.0</b>
<b>Total Assets</b>	<b>1,747.9</b>	<b>1,590.0</b>	<b>1,645.5</b>	<b>Net Assets</b>	<b>268.1</b>	<b>157.4</b>	<b>181.8</b>
				<b>Total Liabilities and Net Assets</b>	<b>1,747.9</b>	<b>1,590.0</b>	<b>1,645.5</b>
Exchange Rate, End of Period							
USD/JPY	141.82	151.40	161.14	Equity Ratio	14.5%	9.0%	10.1%
Euro/JPY	157.09	163.28	172.44	Equity	253.8	142.4	165.8

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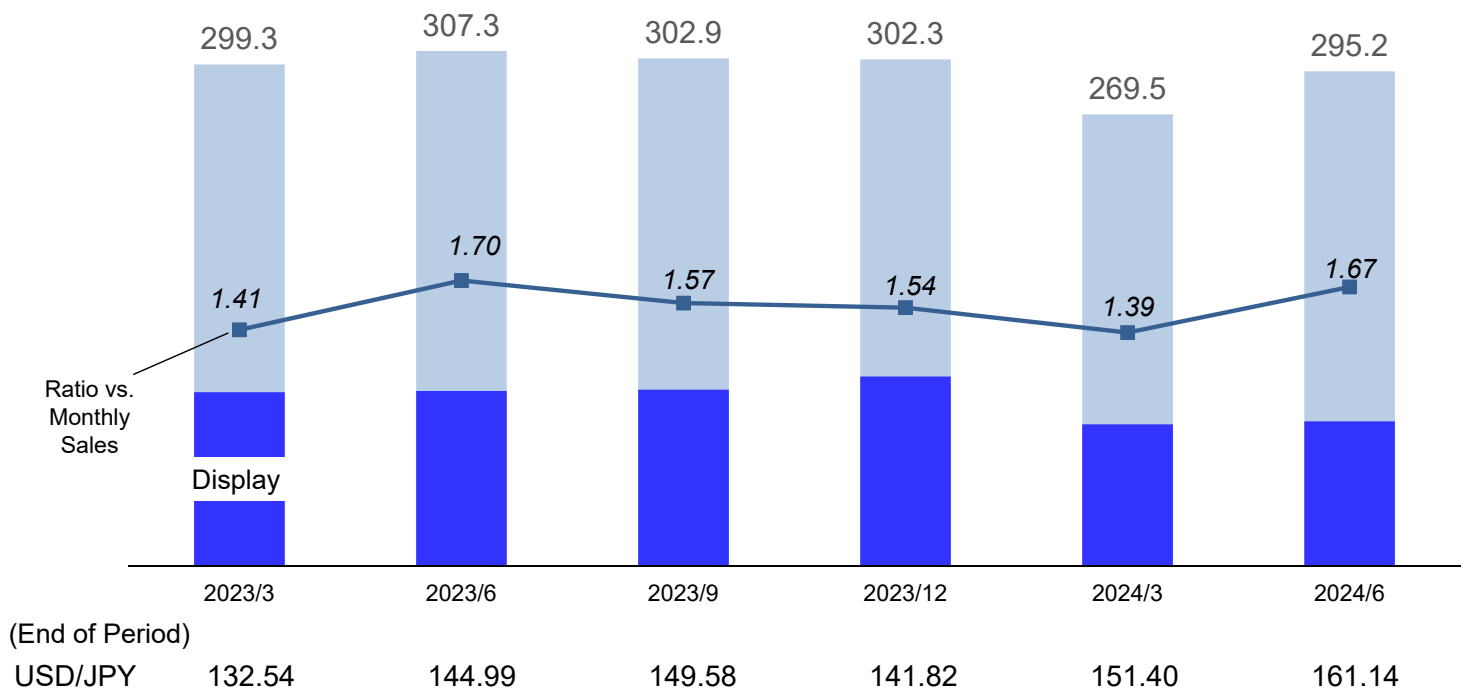
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# Inventory Trends

• Due to the impact of foreign exchange fluctuation and seasonality, inventories increased to 295.2 billion yen from 269.5 billion yen as of the end of March.

(Billions of Yen, Months)



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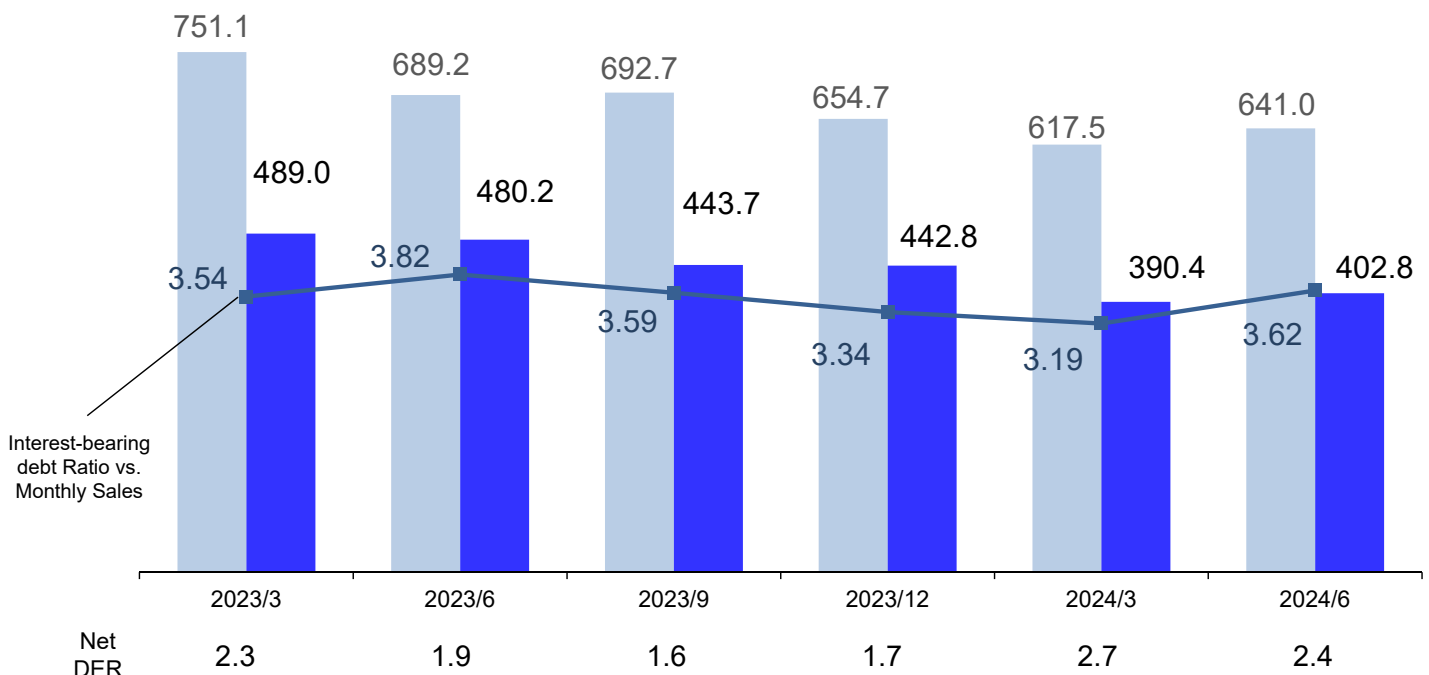
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# Interest-Bearing Debt Trends

• Net interest-bearing debt amounted to 402.8 billion yen, while we posted 390.4 billion yen at the end of March 2024.

Left bar: Interest-bearing debt  
Right bar: Net interest-bearing debt

(Billions of Yen, Months)



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

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## II. Consolidated Financial Results Forecast for Fiscal 2024

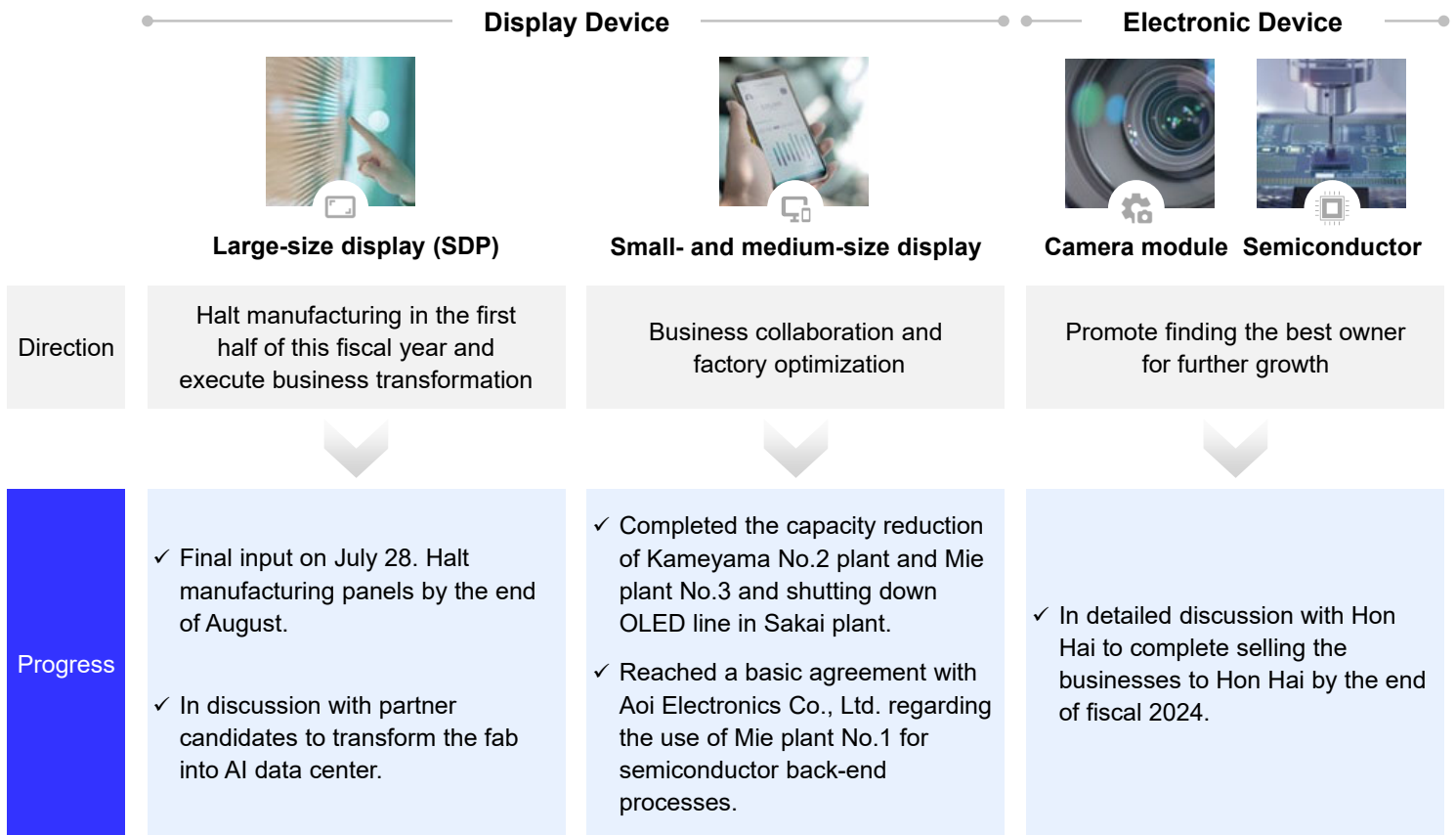
### Consolidated Financial Results Forecast for Fiscal 2024

(Billions of Yen)

	FY2023	FY2024	
	Fiscal Year	Fiscal Year Forecast	Y on Y
<b>Net Sales</b>	<b>2,321.9</b>	<b>2,100.0</b>	-9.6%
<b>Operating Profit</b> (margin)	<b>-20.3</b> (-0.9%)	<b>10.0</b> (0.5%)	-
<b>Ordinary Profit</b> (margin)	<b>-7.0</b> (-0.3%)	<b>10.0</b> (0.5%)	-
<b>Bottom-line Profit</b> (margin)	<b>-149.9</b> (-6.5%)	<b>5.0</b> (0.2%)	-
Avg. Exchange Rate			
USD/JPY	144.62	150.00	
Euro/JPY	156.79	160.00	

# Status update: Medium-Term Management Direction

## (1) Asset Light Initiative



## (2) Reinforcement of the Brand Business

**Signed an agreement with Elaraby in Egypt to establish joint venture to build new refrigerator plant**



- ✓ Agreed to build a new factory capable of manufacturing large-size refrigerators (larger than 600l)
- ✓ Aim to sell approximately 500,000 units in the Egyptian market in 2027
- ✓ Export hub for business expansion in Africa and the Near/Middle East

**Signed memorandum of understanding with ENNOCONN in Taiwan to collaborate in smart retail and other markets**



- ✓ As a first step, jointly developing services that combine POS systems, smart tags, and digital advertising, etc.
- ✓ In medium to long term, future endeavors include venturing alliance beyond retail into fields such as energy management for stores and commercial buildings
- ✓ Expand plans encompassing Japan and Southeast Asia, commencing from Taiwan

## (3) Next Innovation

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- Date and time : September 17<sup>th</sup>, 2024, Tuesday 1:30 p.m. - 7:00 p.m.  
September 18<sup>th</sup>, 2024, Wednesday 10:00 a.m. - 5:00 p.m.
- Venue : Tokyo International Forum
- Summary : Introduce our solutions and showcase the innovative technology in the fields of AI, EV, Green Energy, Industry, and Communication

## Ⅲ. Supplementary Data

# Consolidated Financial Results

(Billions of Yen)

	FY2023			FY2024
	First Half	Second Half	Fiscal Year	Fiscal Year Forecast
<b>Net Sales</b>	<b>1,158.2</b>	<b>1,163.6</b>	<b>2,321.9</b>	<b>2,100.0</b>
<b>Operating Profit</b>	<b>-5.8</b>	<b>-14.4</b>	<b>-20.3</b>	<b>10.0</b>
(margin)	(-0.5%)	(-1.2%)	(-0.9%)	(0.5%)
<b>Ordinary Profit</b>	<b>3.0</b>	<b>-10.1</b>	<b>-7.0</b>	<b>10.0</b>
(margin)	(0.3%)	(-0.9%)	(-0.3%)	(0.5%)
<b>Bottom-line Profit</b>	<b>4.9</b>	<b>-154.9</b>	<b>-149.9</b>	<b>5.0</b>
(margin)	(0.4%)	(-13.3%)	(-6.5%)	(0.2%)

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# Consolidated Quarterly Financial Results

(Billions of Yen)

	FY2023				FY2024
	Q1	Q2	Q3	Q4	Q1
<b>Net Sales</b>	<b>541.2</b>	<b>617.0</b>	<b>606.4</b>	<b>557.2</b>	<b>531.9</b>
<b>Operating Profit</b>	<b>-7.0</b>	<b>1.1</b>	<b>2.2</b>	<b>-16.7</b>	<b>-5.8</b>
(margin)	(-1.3%)	(0.2%)	(0.4%)	(-3.0%)	(-1.1%)
<b>Ordinary Profit</b>	<b>-0.5</b>	<b>3.5</b>	<b>3.5</b>	<b>-13.6</b>	<b>-10.1</b>
(margin)	(-0.1%)	(0.6%)	(0.6%)	(-2.5%)	(-1.9%)
<b>Bottom-line Profit</b>	<b>5.5</b>	<b>-0.5</b>	<b>-2.9</b>	<b>-152.0</b>	<b>-1.2</b>
(margin)	(1.0%)	(-0.1%)	(-0.5%)	(-27.3%)	(-0.2%)

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# Sales by Segment

(Billions of Yen)

	FY2023		
	First Half	Second Half	Fiscal Year
Smart Life & Energy	223.3	217.9	441.3
Smart Office	271.4	310.5	582.0
Universal Network	146.1	165.7	311.8
<b>Brand Business</b>	<b>640.9</b>	<b>694.2</b>	<b>1,335.2</b>
Display Device	350.7	264.2	614.9
Electronic Device	191.4	225.5	416.9
<b>Device Business</b>	<b>542.1</b>	<b>489.7</b>	<b>1,031.9</b>
<b>Subtotal</b>	<b>1,183.0</b>	<b>1,184.0</b>	<b>2,367.1</b>
<b>Adjustments</b>	<b>-24.7</b>	<b>-20.4</b>	<b>-45.2</b>
<b>Total</b>	<b>1,158.2</b>	<b>1,163.6</b>	<b>2,321.9</b>

\*Sales include inter-segment sales and transfers.

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# Operating Profit by Segment

(Billions of Yen)

	FY2023		
	First Half	Second Half	Fiscal Year
Smart Life & Energy	14.2 (6.4%)	13.0 (6.0%)	27.3 (6.2%)
Smart Office	9.9 (3.7%)	19.7 (6.4%)	29.6 (5.1%)
Universal Network	3.0 (2.1%)	5.8 (3.5%)	8.8 (2.8%)
<b>Brand Business</b>	<b>27.2</b> (4.2%)	<b>38.6</b> (5.6%)	<b>65.9</b> (4.9%)
Display Device	-29.6 (-8.5%)	-53.6 (-20.3%)	-83.2 (-13.5%)
Electronic Device	4.6 (2.4%)	8.9 (4.0%)	13.5 (3.3%)
<b>Device Business</b>	<b>-25.0</b> (-4.6%)	<b>-44.6</b> (-9.1%)	<b>-69.7</b> (-6.8%)
<b>Subtotal</b>	<b>2.1</b> (0.2%)	<b>-5.9</b> (-0.5%)	<b>-3.7</b> (-0.2%)
<b>Adjustments</b>	<b>-8.0</b>	<b>-8.5</b>	<b>-16.5</b>
<b>Total</b>	<b>-5.8</b> (-0.5%)	<b>-14.4</b> (-1.2%)	<b>-20.3</b> (-0.9%)

\*Figures within parentheses indicate operating margin.

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# Quarterly Sales by Segment

(Billions of Yen)

	FY2023				FY2024
	Q1	Q2	Q3	Q4	Q1
Smart Life & Energy	106.6	116.6	106.6	111.3	109.9
Smart Office	126.6	144.8	150.2	160.2	155.6
Universal Network	65.7	80.3	92.5	73.1	78.5
Brand Business	299.0	341.8	349.5	344.7	344.1
Display Device	171.3	179.4	126.3	137.8	125.2
Electronic Device	83.2	108.1	140.8	84.7	73.3
Device Business	254.5	287.5	267.1	222.6	198.6
Subtotal	553.6	629.4	616.6	567.4	542.7
Adjustments	-12.3	-12.4	-10.2	-10.2	-10.8
Total	541.2	617.0	606.4	557.2	531.9

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\*Sales include inter-segment sales and transfers.

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# Quarterly Operating Profit by Segment

(Billions of Yen)

	FY2023				FY2024
	Q1	Q2	Q3	Q4	Q1
Smart Life & Energy	6.9 (6.5%)	7.3 (6.3%)	5.2 (5.0%)	7.8 (7.0%)	5.0 (4.6%)
Smart Office	3.1 (2.5%)	6.7 (4.7%)	9.0 (6.0%)	10.7 (6.7%)	8.4 (5.4%)
Universal Network	1.7 (2.7%)	1.2 (1.6%)	4.6 (5.0%)	1.2 (1.7%)	1.1 (1.4%)
Brand Business	11.7 (3.9%)	15.4 (4.5%)	18.9 (5.4%)	19.7 (5.7%)	14.5 (4.2%)
Display Device	-17.3 (-10.1%)	-12.3 (-6.9%)	-19.7 (-15.6%)	-33.8 (-24.6%)	-17.1 (-13.7%)
Electronic Device	2.0 (2.5%)	2.5 (2.4%)	7.6 (5.4%)	1.2 (1.5%)	1.9 (2.6%)
Device Business	-15.2 (-6.0%)	-9.7 (-3.4%)	-12.1 (-4.5%)	-32.5 (-14.6%)	-15.2 (-7.7%)
Subtotal	-3.4 (-0.6%)	5.6 (0.9%)	6.8 (1.1%)	-12.8 (-2.3%)	-0.6 (-0.1%)
Adjustments	-3.6	-4.4	-4.5	-3.9	-5.1
Total	-7.0 (-1.3%)	1.1 (0.2%)	2.2 (0.4%)	-16.7 (-3.0%)	-5.8 (-1.1%)

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\*Figures within parentheses indicate operating margin.

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# Capital Investment / Depreciation and Amortization

	(Billions of Yen)			
	FY2023			FY2024
	First Half	Second Half	Fiscal Year	Fiscal Year Forecast
<b>Capital Investment</b>	<b>22.3</b>	<b>25.2</b>	<b>47.6</b>	<b>50.0</b>
Displays	10.3	9.4	19.8	15.1
<b>Depreciation and Amortization</b>	<b>29.2</b>	<b>31.2</b>	<b>60.5</b>	<b>54.0</b>
<b>R&amp;D Expenditures</b>	<b>36.7</b>	<b>36.2</b>	<b>73.0</b>	<b>80.0</b>
	(Yen)			
Avg. Exchange Rate	FY2023			FY2024
	First Half	Second Half	Fiscal Year	Fiscal Year Forecast
<b>US Dollar</b>	<b>141.00</b>	<b>148.25</b>	<b>144.62</b>	<b>150.00</b>
<b>Euro</b>	<b>153.38</b>	<b>160.20</b>	<b>156.79</b>	<b>160.00</b>

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## Quarterly Capital Investment, Depreciation and Amortization, etc.

	(Billions of Yen)				
	FY2023				FY2024
	Q1	Q2	Q3	Q4	Q1
<b>Capital Investment</b>	<b>8.9</b>	<b>13.3</b>	<b>13.4</b>	<b>11.8</b>	<b>6.2</b>
Displays	4.0	6.3	5.8	3.6	2.5
<b>Depreciation and Amortization</b>	<b>14.1</b>	<b>15.1</b>	<b>15.6</b>	<b>15.5</b>	<b>11.0</b>
<b>R&amp;D Expenditures</b>	<b>17.6</b>	<b>19.1</b>	<b>18.0</b>	<b>18.2</b>	<b>17.2</b>
	(Yen)				
Avg. Exchange Rate	FY2023				FY2023
	Q1	Q2	Q3	Q4	Q1
<b>US Dollar</b>	<b>137.37</b>	<b>144.63</b>	<b>147.89</b>	<b>148.60</b>	<b>155.89</b>
<b>Euro</b>	<b>149.46</b>	<b>157.29</b>	<b>159.10</b>	<b>161.30</b>	<b>167.88</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, 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.

\*Bottom-line profit: Profit attributable to owners of parent

\*Segment Name Abbreviations:

Smart Life & Energy: SL Smart Office: SO Universal Network: UN Display Device: DD Electronic Device: ED

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