I. Sharp’s achievements in fiscal year 2009

II. Action to realize mid-term vision

(1) Sharp’s business targets

(2) Sharp’s key businesses

- Large-size LCD, LCD TV
- Medium / small-size LCD, Mobile phone / Smartphone
- Health and environment, Solar cell
I. Sharp’s achievements in fiscal year 2009
Sharp’s achievements in fiscal year 2009

Reducing the costs and reforming corporate structure

**Recovery plan**
Reduce total costs by 200 billion yen compared to FY2008

**New business model**
- Establishing value-chain at the area of consumption
- Alliances with local companies

**Achieved the target of total cost reduction**
Reduced total costs by 213.8 billion yen
- Reduced variable costs by 116.6 billion yen
- Reduced fixed costs by 97.2 billion yen

**LCD**
Signed an agreement for LCD panel production project in China (August 2009)

**Solar cell**
Signed an agreement for the production of thin-film solar cells and photovoltaic power generation business (January 2010)
Sharp’s achievements in fiscal year 2009

Achievements in Sharp’s key businesses

**Action plan**

**LCD**
- start operation of LCD plant in Sakai

**Solar cell**
- strengthen both crystalline and thin-film

**Mobile phone**
- Increase market share in Japan
- Expand global business

**Health and environment**
- Vertically integrated business model for Plasmacluster Ion, LED lighting and products incorporating solar cells

**Achievements**

**LCD**
- Started operation of LCD plant in Sakai (36K/month, operating since Oct. 2009)
- Development of UV²A technology and Four primary color technology

**Solar cell**
- Started operation of thin-film solar cell plant in Sakai (operating since March 2010)

**Mobile phone**
- Increased market share in Japan by commercializing new products incorporating high resolution CCD camera and solar panel
- Expanded product line-up for the Chinese market

**Health and environment**
- Sales of products incorporating Plasmacluster Ion technology made a significant contribution to profits
- Expanded the product line-up of LED lighting
Financial results and forecast

(Billions of yen)

<table>
<thead>
<tr>
<th></th>
<th>FY2008</th>
<th>FY2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>747.8</td>
<td>549.6</td>
</tr>
<tr>
<td></td>
<td>814.5</td>
<td>690.3</td>
</tr>
<tr>
<td></td>
<td>735.1</td>
<td>598.2</td>
</tr>
<tr>
<td></td>
<td>4Q</td>
<td>1Q</td>
</tr>
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</table>

(Billions of yen)

<table>
<thead>
<tr>
<th></th>
<th>FY2008</th>
<th>FY2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td>36.4</td>
<td>14.3</td>
</tr>
<tr>
<td></td>
<td>3Q</td>
<td>2Q</td>
</tr>
<tr>
<td></td>
<td>-15.8</td>
<td>-90.3</td>
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<tr>
<td></td>
<td>1Q</td>
<td>3Q</td>
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<tr>
<td></td>
<td>-26.0</td>
<td>27.6</td>
</tr>
<tr>
<td></td>
<td>4Q</td>
<td>2Q</td>
</tr>
<tr>
<td></td>
<td>21.0</td>
<td>29.3</td>
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</table>

(Billions of yen)

<table>
<thead>
<tr>
<th></th>
<th>FY2009</th>
<th>FY2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change (Y on Y)</td>
<td>-3.2%</td>
<td>+12.5%</td>
</tr>
<tr>
<td>Forecast</td>
<td>3,100.0</td>
<td></td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th></th>
<th>FY2009</th>
<th>FY2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change (Y on Y)</td>
<td>-</td>
<td>+131.2%</td>
</tr>
<tr>
<td>Forecast</td>
<td>120.0</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY2009</th>
<th>FY2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change (Y on Y)</td>
<td>-</td>
<td>+1,037.1%</td>
</tr>
<tr>
<td>Forecast</td>
<td>50.0</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>FY2009</th>
<th>FY2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>2,755.9</td>
<td>3,100.0</td>
</tr>
<tr>
<td>Operating income</td>
<td>51.9</td>
<td>120.0</td>
</tr>
<tr>
<td>Net income</td>
<td>4.3</td>
<td>50.0</td>
</tr>
</tbody>
</table>
II. Action to realize mid-term vision
Ⅱ. Action to realize mid-term vision

(1) Sharp’s business targets
Structural change in global economy and Sharp’s business targets

Transition to low-carbon society

Global decision-making shift from G7 to G20

20th century

Fossil energy (Coal/Petroleum, etc.)
Developed countries led by G7

21st century

Renewable energy (Solar Energy, etc.)
Emerging countries including G20

“What is desired”
- Technology for energy-creation and energy-saving to realize both economic growth and CO₂ reduction
- Lower cost to compete in emerging countries
Becoming an Eco-Positive Company

Sharp aims to realize a low-carbon society with its environmentally-conscious factories, as well as energy-creating and energy-saving technologies.

Create a green society

DC Eco-house
Eco-office/LEDs
Power generation business
Products incorporating solar cells
Trigeneration
New LCDs
Energy-creation (Solar cell)
Energy-saving (LCD)

G R E E N  F R O N T  S A K A I

Balance “environmental contribution” and “creation of electronics products for realizing a new society”

“Eco-Positive” does not mean that a company has no negative impact on the environment. Rather, “Eco-Positive Company” is a phrase Sharp uses to indicate the ideal state of a company in terms of environmentalism; it is the state Sharp aims to achieve.
Sharp’s mid-term business targets

Solutions business
Expand value chain
Engineering business

- Propose total solutions to the client
- Strengthen B to B business
- Propose total-solution systems (Hardware/software/maintenance)
- Royalty income by providing know-how

Emerging countries
Potential target; household with $10,000 income

- Costs to match the emerging countries
- Product planning and sales promotion targeting households with $10,000 income
- Hire local staffs
- Match the costs to fit the emerging countries (material procurement/design/production)

Developed countries (G7)
Diverse market

Current business category area

Stand-alone products
Focus on value of each product

- Sharp’s mid-term business targets

Emerging countries
Potential target; household with $10,000 income

- Product planning and sales promotion targeting households with $10,000 income
- Hire local staffs
- Match the costs to fit the emerging countries (material procurement/design/production)
Change in corporate structure (April 1, 2010)

**FY2009**

- Planning Dept.
  - Business Strategy Development Dept.

- General Manager of Administration

- General Manager of Emerging Markets Development

- CEO Americas
  - CEO Europe
  - CEO China
  - CEO Asia and Africa

- Strategic Planning Dept.
- General Manager of Production Planning
- General Manager of Production Innovation

**Managed by Headquarters**

**FY2010**

- Strategic Planning Dept.
  - China Dept

- General Manager of Administration

- Global Business Planning Group
- Global Market Development Group
- North & South America Group
- Europe Group
- China Group

- General Manager of Central & South Africa
- CEO Asia and Africa
Optimum allocation of management resources

Allocation of management resources to match the smile curve

Value chain
- Material/Equipment/IPR, Know-how/Element technology
- Product planning/Design/Procurement/Production/Distribution
- Sales/Service/Solution

Allocation of management resources

Current
- Management resources
- Product innovation
- Process innovation
- Value innovation

Future
- Management resources
- Investment in R&D
- Expand the investment in the initial phase
- Expand the investment in the later phase
- Investment in product marketing

Smile curve

Allocation of management resources to match the smile curve

Expand the investment in the initial phase

Expand the investment in the later phase

Optimum allocation of management resources
Contribute to the world with environment and health conscious business, focusing on energy-saving and energy-creating products.

Contribute to ubiquitous society with one-of-a-kind liquid crystal display.
Ⅱ. Action to realize mid-term vision

(2) Sharp’s key businesses
Supply / Demand balance of LCDs for TVs

(Millions of m²)

Demand

Supply

09/3Q 09/4Q 10/1Q 10/2Q 10/3Q 10/4Q 11/1Q 11/2Q 11/3Q 11/4Q

*09/3Q-10/1Q: Results
10/2Q-: Forecast
(Source: Sharp)
Supply / Demand balance of LCDs for TVs

Reviewed forecast

(Millions of m²)

Supply

Demand

Shortage of supply for large-size LCDs for TVs

(1) Demand in the emerging market has increased more than expected

(2) LCDs for TVs produced in G6 and G7 lines are being shifted to PC application

09/3Q-10/1Q: Results
10/2Q-: Forecast

(Source: Sharp)
Expanding demand for TVs incorporating new technologies

- Increase in sales of LCD TVs with LED backlight
- Increase in demand for 3D TVs
- Increase in demand for high-spec LCD panels
Display technology innovation: Quattron

**UV²A technology**

- World’s first application of photo-alignment technology
- Bright panel without rib and slot
- Deep black with minimized light leakage
- High aperture ratio (high brightness)
- High contrast (deep black)
- Fast response (optimal for 3D)
- Improved production efficiency (simplified structure)

**Four primary color technology**

- Technology to expand 3 primary color signal to 4 colors
- Innovation achieved by LCD panel and Image processing technology
- High light transmission efficiency (high brightness)
- Color reproducibility (improved over 10% compared to conventional panel)

Conventional technology (3 primary color: RGB)

Four primary color technology (4 primary color: RGBY)

---

High-spec panel achieving both low power consumption and high image quality
Production capacity of large-size LCDs for TV

(Monthly production: equivalent to G8 panels)

<table>
<thead>
<tr>
<th>Month</th>
<th>Capacity (K)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 2009</td>
<td>90K</td>
</tr>
<tr>
<td>Aug 2009</td>
<td>100K</td>
</tr>
<tr>
<td>Oct 2009</td>
<td>36K</td>
</tr>
<tr>
<td>May 2010</td>
<td>55K</td>
</tr>
<tr>
<td>July 2010</td>
<td>72K</td>
</tr>
</tbody>
</table>

(plan)
AQUOS Quattron series to be launched in global market

Launch in global market within 2010

U.S. (April 2010)

Europe (April 2010)

Japan (Summer 2010)

Marketing promotion including TV advertisement

Emerging markets

Expand step by step

AQUOS Quattron series

to be launched in global market
AQUOS in the global market (China)

Stores selling AQUOS

- March 2010: 5,200 stores
- Dec. 2010: 10,000 stores (plan)

AQUOS Line-up

- March 2010: 24 models
- Oct. 2010: over 30 models (plan)
## AQUOS in the global market (U.S.)

### AQUOS Line-up (SKU)

<table>
<thead>
<tr>
<th>AQUOS Line-up (SKU)</th>
<th>Company A</th>
<th>Company B</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009</td>
<td>2010</td>
</tr>
<tr>
<td>LE920 series (Quattron)</td>
<td>68-inch</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>60-inch</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>52-inch</td>
<td>X</td>
</tr>
<tr>
<td>LE820 series (Quattron)</td>
<td>60-inch</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>52-inch</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>46-inch</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>40-inch</td>
<td>X</td>
</tr>
<tr>
<td>LE810 series (Quattron)</td>
<td>60-inch</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>52-inch</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>46-inch</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>40-inch</td>
<td>X</td>
</tr>
<tr>
<td>LE700 series</td>
<td>52-inch</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>46-inch</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>40-inch</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>32-inch</td>
<td>X</td>
</tr>
</tbody>
</table>

### Display at the retailer

- **Corner display**
- **Window display**

### Number of LED models

- **Company A:** 4
- **Company B:** 11
- Company A: 2
- Company B: 7
Expanding product line-up of displays incorporating Quattron panel

1. Three primary colors to four primary colors
   - Color signal conversion technology
2. Optimum design for pixel area
3. Color design using primary color

Four primary color technology

Large-size TVs
Design
Museums
Large-size 3D TVs
Video-editing
Digital archive contents
Medical sector

SHARP
Medium / small-size LCD, Mobile phone / Smartphone
Market trend of medium / small-size LCD

- New markets including smartphone and e-book
- Demand for portable game handset hit bottom in 2009
- Increasing demand for high picture quality / touch-screen / 3D LCD
New application for medium / small-size LCD

Smartphone

In 2013, smartphones will take approx. 20% of total mobile phone market

Increasing demand for high-spec LCDs

Utilize CG Silicon LCD
Sharp’s smartphone business

Collaboration with Microsoft

Launch of KIN smartphone in the U.S. and Europe
Smartphone designed for smooth interaction for social networking using cloud computing

Smartphone incorporating Sharp’s unique technologies to be launched in the global market
Mobile phone business in China

Expanding the number of stores and sales routes

<table>
<thead>
<tr>
<th>Number of stores</th>
<th>Sales routes</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 2008: approx. 300 stores</td>
<td>Exclusive stores</td>
</tr>
<tr>
<td>September 2009: approx. 3,500 stores</td>
<td>Exclusive stores / Volume retailers</td>
</tr>
<tr>
<td>In 2010: approx. 10,000 stores (plan)</td>
<td>Exclusive stores / Volume retailers / Mobile operator stores (plan)</td>
</tr>
</tbody>
</table>

Expanding product line-up

3 models in 2008

- June 2008: SH9010C
- Sept 2008: SH8010C
- Nov 2008: SH9020C

Plan to expand the line-up to a total of 35 models within 2010
Development of new mobile devices

High-definition 3D camera module for mobile devices

3D touch-screen LCD - switchable between 2D and 3D mode

Smartphone Mobile phone Digital camera

3D photos 3D videos

3D LCD TV

3D broadcasting
3D game
3D blu-ray

3D contents
Health and environment, Solar cell
Sales and profits of health and environmental equipment

Net sales

Operating income

FY2006-2009: Results
FY2010: Forecast
Expanding Plasmacluster Ion products

Cumulative sales of Plasmacluster Ion (PCI) products

(Millions of units)

FY00 FY01 FY02 FY03 FY04 FY05 FY06 FY07 FY08 FY09 FY10

First PCI product Airpurifier

First application to other industrial sectors

Increased collaboration with other industrial sectors triggered by the car application

Application in other products

Record 10 million units (Nov.2005)

Record 20 million units (end of 2008)

Record 30 million units

Achieved high-density Ions

Adopted in housing complex

PCI introduced in railcars

SHARP

FY2000-2009: Results FY2010: Forecast
LED lighting business

Target to expand LED lighting business

Global market
- Meet replacement as demand for incandescent bulb regulated by government

Japanese market
- Expand the line-up
- Strengthen cost competitiveness by reviewing the components
- Expand B to B business
Expanding PV market

PV demand by location

FY 2008-2009: Results
FY 2010-2012: Forecasts
(Source: Sharp)
PV market trend by application

Significant growth in global market demand for flat-space installation including mega-solar power generation

(Source: Sharp)
Expanding PV market

With rising demand for mega-solar power generation plants, thin-film solar cells are expected to take approx. 30% of world’s entire PV demand in 2012.

<table>
<thead>
<tr>
<th>Region</th>
<th>FY2009</th>
<th>FY2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thin-film</td>
<td>0</td>
<td>37</td>
</tr>
<tr>
<td>Crystalline</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td>World Total</td>
<td>0</td>
<td>49</td>
</tr>
</tbody>
</table>

Approx. 3.7 times (comparison to FY2009)
To be competitive in solar cell business

Mega-solar power generation plants to be built around the world
Utilizes solar power generation as an energy infrastructure

Started the operation of solar cell plant at GREEN FRONT SAKAI in March 2010
Thin-film solar cells to be shipped from Sakai to customers around the world

Requirements for PV manufacturer

- Technology
- Cost competitiveness (Grid parity)
- Long reliability
Approx. 8.4 times (comparison to FY08)

Sales of Sharp solar cells in fiscal year 2010

**Sales of crystalline type (Sharp)**

<table>
<thead>
<tr>
<th>(MW)</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>400</td>
<td>600</td>
<td>900</td>
</tr>
<tr>
<td>1000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Sales of thin-film type (Sharp)**

<table>
<thead>
<tr>
<th>(MW)</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>50</td>
<td>100</td>
<td>300</td>
</tr>
<tr>
<td>300</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FY 2008-2009: Results
FY2010: Forecast
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 performance 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 such 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) Sharp’s ability to respond to rapid technological changes and changing consumer preferences with timely and cost-effective introductions of new products and services
(5) Regulations such as trade restrictions in other countries
(6) Litigation and other legal proceedings against Sharp

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