

# Accelerating the Establishment of SHARP as a Powerful Corporate Brand



See the following for more information on Sharp's history.  
<https://global.sharp/corporate/info/history/>

## Business Philosophy and Business Creed

The founder of Sharp, Tokuji Hayakawa, once said, "Make products that others want to imitate." This message of Sharp's founder Tokuji Hayakawa encapsulates management's stance of aiming to become a trusted company by contributing to society as a manufacturer that is among the first to grasp the needs of the next era.

Sharp clearly stated this founding spirit in our business philosophy and business creed in 1973. Furthermore, in 2016, Sharp announced our corporate motto of "Be Original," which incorporates a strong commitment to continue operating as a company that inherited the spirit of sincerity and creativity of founder Hayakawa.

Our promise to customers around the world is that we will continue as a brand that creates new and unique value.

We are committed to help develop society going forward by continuing to embody our business philosophy and business creed.



Founder Tokuji Hayakawa

## Future Direction of Sharp: Accelerating the Establishment of SHARP as a Powerful Corporate Brand

Sharp integrates the unique technologies and innovative devices that we have accumulated over the years to provide hardware, services, and solutions to society that are unique to our company. Through these efforts, we work to solve various social issues.

Sharp has two business segments: the brand businesses, which includes refrigerators, solar cells, digital multi-function printers (MFPs), PCs, TVs, and mobile phones; and the device businesses, which includes display modules, camera modules, and other devices.

In the brand businesses, we will continue to expand overseas business and create high-value-added products to strengthen the Sharp brand globally.

In the device businesses, we will strengthen competition by leveraging collaborations with other companies while creating unique devices that support the advantages of our brand business and expanding sales as One SHARP.

At the same time, we will accelerate the creation of new businesses by developing innovative technologies and devices that will enable us to be a game changer.

Through these efforts, we will build a business promotion system centered on brand businesses and accelerate the establishment of SHARP as a powerful corporate brand that is closest to people and society, constantly providing new value.

## Establishing a New Business Promotion System to Accelerate Business Reform

Sharp reviewed the company business promotion system aiming to further accelerate business reform.

We reorganized the business group structure into three brand businesses (Smart Life & Energy, Smart Office, and Universal Network) and two device businesses (Display Device and Electronic Device) to clarify focus areas and maximize synergies among our businesses.

Sharp also newly established the Incubation Committee and the Innovation Committee to strengthen our technological capabilities, including cutting-edge technologies such as AI and robotics.

Furthermore, we established organizations under each business group that are dedicated to new businesses. These organizations will play a central role in the accelerated establishment of businesses that will serve as pillars for future growth.

Specifically, we will strengthen the following initiatives in the following businesses: food, water, environment, healthcare, B2B, and next-generation solar cell initiatives in Smart Life & Energy; MFP strategic products and AI-based solutions in Smart Office; and XR, local 5G/pre-6G, and other initiatives in Universal Network.

### Business Philosophy

We do not seek merely to expand our business volume. Rather, we are dedicated to the use of our unique, innovative technology to contribute to the culture, benefits and welfare of people throughout the world.

It is the intention of our corporation to grow hand-in-hand with our employees, encouraging and aiding them to reach their full potential and improve their standard of living.

Our future prosperity is directly linked to the prosperity of our customers, dealers and shareholders ...indeed, the entire Sharp family.

### Business Creed

Sharp Corporation is dedicated to two principal ideals:

#### "Sincerity and Creativity"

By committing ourselves to these ideals, we can derive genuine satisfaction from our work, while making a meaningful contribution to society.

Sincerity is a virtue fundamental to humanity ... always be sincere.

Harmony brings strength ... trust each other and work together.

Politeness is a merit ... always be courteous and respectful.

Creativity promotes progress ... remain constantly aware of the need to innovate and improve.

Courage is the basis of a rewarding life ... accept every challenge with a positive attitude.

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## ■ New Business Promotion System to Accelerate Business Reform

<p><b>Brand Businesses</b></p>	<p><b>Smart Life &amp; Energy Business</b></p> <p>A Lifestyle True to Oneself Creating Clean Societies</p>	<p><b>Smart Office Business</b></p> <p>Pursue Creativity and Improved Work Efficiency</p>	<p><b>Universal Network Business</b></p> <p>Contribute to Prosperous, New Societies by Connecting People, Goods, and Information</p>
<p><b>Device Businesses</b></p>	<p><b>Display Device Business</b></p> <p>Drive DX with Advanced Display Technologies</p>	<p><b>Electronic Device Business</b></p> <p>Contribute to the Development of Smart Societies Through Unique Technologies</p>	
<p><b>R&amp;D</b></p>	<p><b>Incubation Committee and Innovation Committee</b></p> <p>Support Company-Wide Innovation to Establish New Businesses</p>		

# Accelerating the Establishment of SHARP as a Powerful Corporate Brand



See the following for the latest financial information.  
<https://global.sharp/corporate/ir/library/financial/>

## Initiatives in Fiscal 2023

### Initiative Policies

We expect overall demand in fiscal 2023 to retain the overall sluggishness in fiscal 2022 due to a rebound resulting from the special needs during COVID-19, as well as global inflation, rising energy costs, and geopolitical issues.

However, we expect carbon neutrality and digital transformation-related fields to see solid demand. We expect the outlook to remain uncertain, despite the easing of impacts from supply chain disruptions, such as semiconductor shortages, soaring raw material prices, and rising logistics costs.

In such an environment, Sharp will make a united effort to reach annual profitability in fiscal 2023

by conducting a fundamental review of each business, developing high-value-added products and services, creating new products, and strengthening our overseas business.

We will also pursue efforts to build a business promotion system centered on our brand businesses by thoroughly implementing (開源節流), i.e., business expansion (開源) through the development of new products, new markets, and new businesses, as well as the establishment (節流) of a more muscular management structure.

### Major Initiatives by Business

		Brand Businesses			Device Businesses	
		Smart Life & Energy	Smart Office	Universal Network	Display Device	Electronic Device
Initiatives in Fiscal 2023		<b>White Goods</b> Create uniquely SHARP products and expand overseas business <ul style="list-style-type: none"> <li>Gain market share with value-added products</li> <li>Create new PCI-related products and cultivate B2B business</li> <li>Expand Smart Kitchen in Japan and the U.S.</li> <li>Transition ASEAN businesses to high-value-added</li> <li>Expand sales promotion activities for models produced in our new Indonesian air conditioner plant</li> </ul> <b>Energy Solutions</b> Capture firm demand for renewable energy installations <ul style="list-style-type: none"> <li>Expand sales of residential PV/storage batteries</li> <li>Win large-scale power generating projects in Asia</li> </ul>	<b>Business Solutions</b> Strengthen solutions business and improve B2B display devices business profitability <ul style="list-style-type: none"> <li>Expand smart office business</li> <li>Expand MFP business lineup and strengthen product competitiveness</li> <li>Expand global sales of digital imaging solutions business</li> </ul> <b>PCs</b> Strengthen domestic B2B business and expand solutions business <ul style="list-style-type: none"> <li>Launch new products for B2B business in Japan</li> <li>Expand PC management service</li> <li>Conduct focused expansion in North America/Asia/Oceania</li> </ul>	<b>TV System</b> Improve profitability through more competitive products and supply chain reforms <ul style="list-style-type: none"> <li>Expand global sales of XLEDs</li> <li>Expand high-value-added lineup</li> <li>Strengthen competitiveness of production plants and utilize ODM effectively</li> </ul> <b>Mobile Communications</b> Strengthen the brand power of our smartphone business and expand non-smartphone business <ul style="list-style-type: none"> <li>Increase high-end/middle-range handset mix</li> <li>Expand sales of new wireless products (routers, etc.)</li> </ul>	<b>Medium/Small</b> Expand medium-size panel business, maximize/optimize factory utilization <ul style="list-style-type: none"> <li>Expand sales for VR</li> <li>Expand sales of panels for automotive applications</li> <li>Improve profitability of general-purpose panels (for entry-level PCs, etc.)</li> </ul> <b>Large</b> Engage in business operations with top priority on improving profitability <ul style="list-style-type: none"> <li>Manage production and sales activities reflecting panel prices</li> <li>Promote category shift</li> </ul>	<b>Camera Modules</b> Develop new businesses/new customers <ul style="list-style-type: none"> <li>Expand sales of devices for the XR market</li> <li>Improve profit structure of existing businesses</li> </ul> <b>Sensors/Semiconductors</b> Accelerate developing new business fields <ul style="list-style-type: none"> <li>Expand sales of vital sensing devices</li> <li>Develop applications of CMOS imagers</li> </ul>
	Sharp Corporation	<ul style="list-style-type: none"> <li>Smart Appliances &amp; Solutions Business</li> </ul>	<ul style="list-style-type: none"> <li>Smart Business Solutions Business</li> </ul>	<ul style="list-style-type: none"> <li>TV System Business</li> <li>Mobile Communications Business</li> </ul>		
Subsidiaries	<ul style="list-style-type: none"> <li>Sharp Energy Solutions Corporation</li> <li>Sharp Cocoro Life Inc.</li> </ul>	<ul style="list-style-type: none"> <li>Dynabook Inc.</li> </ul>		<ul style="list-style-type: none"> <li>Sharp Display Technology Corporation</li> <li>Sakai Display Products Corporation</li> </ul>	<ul style="list-style-type: none"> <li>Sharp Sensing Technology Corporation</li> <li>Sharp Semiconductor Innovation Corporation</li> <li>Sharp Fukuyama Laser Co., LTD.</li> </ul>	

\* For more information on major initiatives by business, please also refer to the Management Meeting presentation materials (June 27, 2023).  
[https://global.sharp/corporate/ir/event/shareholder\\_meeting/](https://global.sharp/corporate/ir/event/shareholder_meeting/)