

Consolidated Financial Results for the Second Quarter Ended September 30, 2008

October 30, 2008

SHARP CORPORATION

Stock exchange listings: Tokyo, Osaka, Nagoya, Sapporo, Fukuoka
 Code number: 6753
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 Scheduled dividend payment date: December 1, 2008

(Monetary amounts are rounded to the nearest million yen.)

1. Results for the Six Months Ended September 30, 2008

(1) Financial Results

(The percentage figures represent the percentage of increase or decrease against the same period of the previous year.) Millions of Yen

	Net Sales	Percent Change	Operating Income	Percent Change
Six Months Ended September 30, 2008	1,562,427	-	50,759	-
Six Months Ended September 30, 2007	1,640,876	+12.0%	79,057	-12.3%

	Net Income	Percent Change	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)
Six Months Ended September 30, 2008	28,011	-	25.45	23.76
Six Months Ended September 30, 2007	43,310	-6.9%	39.71	37.04

(2) Financial Position

Millions of Yen

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share (Yen)
As of September 30, 2008	2,993,346	1,249,279	41.4%	1,125.63
As of March 31, 2008	3,073,207	1,241,868	40.1%	1,119.09

[Reference] Equity: September 30, 2008 ; 1,238,727 million yen
 March 31, 2008 ; 1,231,586 million yen

2. Dividends

Yen

(Date of Record)	Dividends per Share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-End	Annual
Year Ended March 31, 2008	-	14.00	-	14.00	28.00
Year Ending March 31, 2009	-	14.00			
Year Ending March 31, 2009 (Forecast)			-	14.00	28.00

Note: Revisions to forecast of dividends in this quarter; None

3. Forecast of Financial Results for the Year Ending March 31, 2009

(The percentage figures represent the percentage of increase or decrease against the same period of the previous year.)

Millions of Yen

	Net Sales	Percent Change	Operating Income	Percent Change	Net Income	Percent Change	Net Income per Share (Yen)
Year Ending March 31, 2009	3,420,000	+0.1%	130,000	-29.2%	60,000	-41.1%	54.52

Note: Revisions to forecast of financial results in this quarter; None

4. Other Information

(1) Changes in significant consolidated subsidiaries

(Changes in specified subsidiaries involving changes in scope of consolidation)

None

(2) Simplified accounting methods and adoption of special accounting methods for preparation of quarterly financial statements

Yes

Note: For detailed information, please refer to “4. Other Information” of [Qualitative Information and Financial Statements] on page 5.

(3) Changes in accounting principles, procedures and presentation methods for preparation of quarterly financial statements

1. Changes arising from revision of accounting standards: Yes

2. Changes arising from other factors: Yes

Note: For detailed information, please refer to “4. Other Information” of [Qualitative Information and Financial Statements] on page 5.

(4) Number of shares outstanding (ordinary shares)

- | | |
|--|----------------------|
| 1. Number of shares outstanding (including treasury stock) as of September 30, 2008 ; | 1,110,699,887 shares |
| as of March 31, 2008 ; | 1,110,699,887 shares |
| 2. Number of shares of treasury stock as of September 30, 2008 ; | 10,224,927 shares |
| as of March 31, 2008 ; | 10,174,616 shares |
| 3. Average number of shares outstanding during the six months ended September 30, 2008 ; | 1,100,500,947 shares |
| during the six months ended September 30, 2007 ; | 1,090,614,474 shares |

Notes:

- For the assumptions and other related matters concerning financial results forecast, please refer to “3. Qualitative Information regarding Forecast of Consolidated Financial Results” of [Qualitative Information and Financial Statements] on page 4.
- Starting from the year ending March 31, 2009, Sharp Corporation (“the Company”) and its domestic consolidated subsidiaries have applied the “Accounting Standard for Quarterly Financial Statements” (Accounting Standards Board of Japan (ASBJ) Statement No.12, issued by the ASBJ on March 14, 2007) and the “Implementation Guideline for Accounting Standards for Quarterly Financial Statements” (ASBJ Guidance No.14, issued by the ASBJ on March 14, 2007). The current quarterly financial statements were prepared in accordance with Quarterly Consolidated Financial Statement Regulations (2007 Cabinet Office Ordinance No.64).
- Published figures have not been subjected to an accounting audit by an auditing firm.
- The accompanying consolidated financial statements are a translation of the consolidated financial statements of the Sharp Group, which were prepared in accordance with accounting principles and practices generally accepted in Japan. In preparing the accompanying consolidated financial statements, certain reclassifications have been made in the consolidated financial statements issued domestically, in order to present them in a form which is more familiar to readers outside Japan.

[Qualitative Information and Financial Statements]

1. Qualitative Information regarding Consolidated Financial Results

During the six months ended September 30, 2008, there was growing concern over the slowdown of the Japanese economy, as we experienced a decline in corporate profits and sluggish private consumption, resulting from global financial uncertainties triggered by the U.S. subprime mortgage loan problem. Overseas, the U.S. financial crisis affected Europe as well, and the economy showed a clear sign of a slowdown around the world, including emerging countries.

Under these circumstances, the Sharp Group took assertive initiatives through the introduction of one-of-a-kind products and through the development of proprietary devices which support the creation of these products.

In the Consumer/Information Products business, we worked to further expand sales of LCD color TVs. We made global deployment of Premium Models incorporating a double-speed drive and a high contrast ratio, with full-spec high-definition panels. We also reinforced product development for overseas markets and further improved the efficiency of operations at overseas production bases. Other efforts included the launch and start of full-fledged sales of high-value-added mobile phones in the Chinese market. Additionally, we released 21st century health- and environmental-conscious products, equipped with our one-of-a-kind technology, such as Plasmacluster Ion, superheated steam and LED lighting technologies.

In the Electronic Components business, we strived to further expand LCD business. In order to meet the steady demand for large-size LCDs for TVs, we continued to increase production capacity at the Kameyama No.2 Plant. Moreover, for solar cells, we worked toward the installation of a new production line for thin-film solar cells, utilizing large-size glass substrates, at the Katsuragi Plant, while at the same time aggressively promoting alliances with major companies in Japan and overseas. These included the Sakai City Waterfront Mega Solar Power Generation Plan, jointly promoted with the Kansai Electric Power Co., Inc., and strategic collaboration with Enel, an Italian power and energy company, on solar cell production and power generation business.

As for financial results, net sales for the six months recorded 1,562.4 billion yen, down 4.8% from the same period last year, reflecting sluggish sales of mobile phones and related electronic components, and the appreciation of the yen. Together with a price decline of LCD panels, these affected profits as well, resulting in operating income of 50.7 billion yen, down 35.8% and net income of 28.0 billion yen, down 35.3%.

We will distribute an interim dividend of 14 yen per share, the same level as the same period last year.

Operating results by product group are as follows:

Consumer/Information Products

Sales of Audio-Visual and Communication Equipment were 676.1 billion yen, down 13.6% over the same period last year. Sales of Blu-ray Disc recorders were strong, though sales of mobile phones decreased significantly. For LCD TVs, unit sales increased steadily, however, sales amount fell slightly below the same period last year due to price decline.

Sales of Health and Environmental Equipment were 120.8 billion yen, down 6.5%. Though sales of refrigerators were strong, sales declined for air conditioners.

Sales of Information Equipment were 196.2 billion yen, down 10.3%. Sales increased for digital full-color MFPs, while sales of wireless PDAs decreased.

Electronic Components

Sales of LCDs were 343.5 billion yen, up 20.2% from the same period last year. Increase in production capacity at the Kameyama No.2 Plant contributed to a sales growth of large-size LCD panels for TVs.

Sales of Solar Cells were 93.0 billion yen, up 36.4%. Overseas sales increased significantly.

Sales of Other Electronic Devices were 132.5 billion yen, down 15.0%. Sales of electronic devices, including CCD/CMOS imagers, decreased due to a sluggish mobile phone market.

2. Qualitative Information regarding Consolidated Financial Position

Total assets as of September 30, 2008 were 2,993.3 billion yen, down 79.8 billion yen from March 31, 2008. This was due mainly to the impact of an exclusion of Sharp Finance Corporation from the scope of consolidation, while there was an increase in investment related to LCDs. Total liabilities were 1,744.0 billion yen, down 87.2 billion yen. This was due mainly to the impact of an exclusion of Sharp Finance Corporation from the scope of consolidation, while there was an increase in commercial papers. Total net assets were 1,249.2 billion yen, up 7.4 billion yen. This was due mainly to an increase in retained earnings, while valuation and translation adjustments decreased.

Regarding cash flows, net cash provided by operating activities was 79.6 billion yen, while net cash used in investing activities was 134.6 billion yen. Net cash provided by financing activities was 43.6 billion yen. As a result, cash and cash equivalents at the end of the period were 327.0 billion yen, a decrease of 12.2 billion yen from March 31, 2008.

3. Qualitative Information regarding Forecast of Consolidated Financial Results

As for the future outlook, we expect the business environment to remain severe. Growing financial instability is accelerating the economic slowdown around the world, and for the electronics industry, global competition is projected to get more aggressive in the growth areas.

Amid these circumstances, the Sharp Group is further strengthening its one-of-a-kind strategy, as we work to improve profitability and enhance corporate value.

In the Consumer/Information Products business, we aim to cultivate new markets by distinguishing ourselves from competitors with the introduction of advanced and high-value-added models, including LCD TVs with built-in Blu-ray Disc recorders, and cutting-edge mobile phones incorporating our proprietary devices.

In the Electronic Components business, we will engage in expanding sales and profit through further enhancement of productivity at the Kameyama No.2 Plant and a production increase for the new thin-film solar cell production lines at the Katsuragi Plant.

In addition, we will make efforts to further improve our competitiveness by working on a company-wide project to promote cost reduction with innovation in design and production processes. We will also enhance our Spiral Strategy, which involves creating one-of-a-kind products utilizing our proprietary devices.

The following is the current forecast of financial results for the year ending March 31, 2009. There are no revisions to the forecast announced on October 6, 2008.

Net sales	3,420.0 billion yen	+ 0.1 % over the previous fiscal year
Operating income	130.0 billion yen	- 29.2 % over the previous fiscal year
Net income	60.0 billion yen	- 41.1 % over the previous fiscal year

The above figures are based on an exchange rate of ¥100=US\$1.00 for the second half.

For the year ending March 31, 2009, we plan to declare an annual dividend of 28 yen per share (14 yen for interim and year-end, respectively), the same level as the previous year.

Note: The above estimates of financial results are based on certain assumptions that the Company deemed reasonable at the time they were prepared, and actual operating results may differ significantly from these estimates. The factors that may influence the figures for final reported business results include, but are not limited to:

- The economic situation in which the Sharp Group operates
- Sudden, rapid fluctuations in demand for products and services, as well as intense price competition
- Changes in exchange rates (particularly between the yen and the U.S. dollar, the euro and other currencies)
- The Sharp Group's ability to respond to rapid technological changes and changing consumer preferences with timely and cost-effective introductions of new products and services
- Regulations such as trade restrictions in other countries
- Litigation and other legal proceedings against the Sharp Group, etc.

4. Other Information

(1) Changes in significant consolidated subsidiaries (Changes in specified subsidiaries involving changes in scope of consolidation)

None

(2) Simplified accounting methods and adoption of special accounting methods for preparation of quarterly financial statements

1. Simplified accounting methods

- Cost variance apportionment methods

When cost variances occur due to the adoption of predetermined costs, said cost variances are apportioned to inventories and cost of sales in a simplified manner compared to preparation of annual financial statements.

- Noncurrent asset depreciation calculation methods

When the declining-balance method is adopted as the method of calculating depreciation, depreciation for the fiscal years is computed by dividing the amount proportionately over the period.

- Income tax calculation methods

When computing the amount to be paid as income taxes, taxable addition and subtraction items and/or tax credits to be included are limited to important items.

2. Adoption of special accounting methods for preparation of quarterly financial statements

None

(3) Changes in accounting principles, procedures and presentation methods for preparation of quarterly financial statements

1. Starting from the year ending March 31, 2009, the Company and its domestic consolidated subsidiaries have applied the “Accounting Standard for Quarterly Financial Statements” (Accounting Standards Board of Japan (ASBJ) Statement No.12, issued by the ASBJ on March 14, 2007) and the “Implementation Guideline for Accounting Standards for Quarterly Financial Statements” (ASBJ Guidance No.14, issued by the ASBJ on March 14, 2007). The current quarterly financial statements were prepared in accordance with Quarterly Consolidated Financial Statement Regulations (2007 Cabinet Office Ordinance No.64).

2. Starting from the three months ended June 30, 2008, the Company and its domestic consolidated subsidiaries have applied the “Accounting Standard for Measurement of Inventories” (ASBJ Statement No. 9, issued by the ASBJ on July 5, 2006) and have adopted the cost method (for the book value of inventory on the balance sheets, by writing inventory down based on its decrease in profitability of assets) as a measurement standard. As a result, for the six months ended September 30, 2008, operating income decreased 1,205 million yen and income before income taxes and minority interests decreased 8,929 million yen, compared to amounts calculated by the previous method.

Also, valuation methods for raw materials and work in process had previously been based on the last invoice method. However, starting from the three months ended June 30, 2008, the Company and its domestic consolidated subsidiaries have adopted the moving average method in order to properly reflect the impact of fluctuations in raw material prices on financial statements, and to achieve more appropriate periodic accounting of profit and loss. This change had an immaterial impact on financial statements.

3. Starting from the three months ended June 30, 2008, the Company and its domestic consolidated subsidiaries have applied the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ PITF No.18, issued by the ASBJ on May 17, 2006) and made revisions required for consolidated accounting. As a result, for the six months ended September 30, 2008, operating income decreased 1,140 million yen and income before income taxes and minority interests decreased 281 million yen, compared to amounts calculated by the previous method.

4. Previously, lease payments under finance leases that do not transfer ownership of the leased property to the lessee had been recognized as expenses. However, in accordance with the “Accounting Standard for Lease Transactions” (ASBJ Statement No.13, revised on March 30, 2007 (originally issued by the 1st committee of the Business Accounting Council on June 17, 1993)) and the “Guidance on Accounting Standard for Lease Transactions” (ASBJ Guidance No.16, revised on March 30, 2007 (originally issued by the Auditing Standards Committee of the Japanese Institute of Certified Public Accountants on January 18, 1994)) becoming applicable beginning with quarterly financial statements for consolidated fiscal years beginning on or after April 1, 2008, the Company and its domestic consolidated subsidiaries have applied these accounting standards, etc., starting from the three months ended June 30, 2008, and are following accounting procedures for normal sales transactions. In addition, regarding methods for depreciation of lease assets for finance leases that do not transfer ownership, the Company and its domestic consolidated subsidiaries have adopted the straight-line method that takes the lease period as the depreciable life and the residual value as zero. Further, regarding finance leases that do not transfer ownership for which the starting date for the lease transaction is prior to the initial fiscal year in which these new accounting standards apply, the Company and its domestic consolidated subsidiaries have continued to recognize lease payments as expenses. This change had an immaterial impact on financial statements.

SHARP CORPORATION
CONSOLIDATED BALANCE SHEETS

Millions of Yen

	As of September 30, 2008	As of March 31, 2008
ASSETS		
Current Assets:		
Cash, time deposits, and short-term investments	376,514	391,277
Notes and accounts receivable, less allowance for doubtful receivables	574,866	679,916
Finished goods	224,275	198,579
Raw materials	111,469	98,142
Work in process	170,439	148,351
Other current assets	121,156	126,357
Total current assets	1,578,719	1,642,622
Plant and Equipment, Less Accumulated Depreciation	1,091,043	1,105,788
Investments and Other Assets	319,842	320,680
Deferred Assets	3,742	4,117
Total assets	2,993,346	3,073,207
LIABILITIES		
Current Liabilities:		
Short-term borrowings, including current portion of long-term debt	319,238	324,328
Notes and accounts payable	773,797	825,510
Other current liabilities	274,366	281,533
Total current liabilities	1,367,401	1,431,371
Long-term Liabilities	376,666	399,968
Total liabilities	1,744,067	1,831,339
NET ASSETS		
Owners' Equity:		
Common stock	204,676	204,676
Capital surplus	268,587	268,582
Retained earnings	834,093	816,387
Less cost of treasury stock	(13,796)	(13,711)
Total owners' equity	1,293,560	1,275,934
Valuation and Translation Adjustments:		
Net unrealized holding gains (losses) on securities	(4,505)	1,662
Deferred gains (losses) on hedges	582	145
Foreign currency translation adjustments	(50,910)	(46,155)
Total valuation and translation adjustments	(54,833)	(44,348)
Minority Interests	10,552	10,282
Total net assets	1,249,279	1,241,868
Total liabilities and net assets	2,993,346	3,073,207

SHARP CORPORATION
CONSOLIDATED STATEMENT OF INCOME

Millions of Yen

	Six Months Ended September 30, 2008
Net Sales	1,562,427
Cost of Sales	1,240,314
Gross profit	322,113
Selling, General and Administrative Expenses	271,354
Operating income	50,759
Other Income (Expenses)	
Interest income	3,067
Rent income on noncurrent assets	6,121
Interest expense	(3,529)
Interest on commercial papers	(1,023)
Foreign exchange loss	(8,871)
Other, net	(2,276)
	(6,511)
Income before income taxes and minority interests	44,248
Income Taxes	
Current	14,731
Deferred	1,031
Minority Interests in Income of Consolidated Subsidiaries	(475)
Net income	28,011

SHARP CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS

Millions of Yen

	Six Months Ended September 30, 2008
<u>Cash Flows from Operating Activities:</u>	
Income before income taxes and minority interests	44,248
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities —	
Depreciation and amortization of properties and intangibles	146,098
Interest and dividend income	(4,376)
Interest expenses paid on loans and commercial papers	4,552
Loss on sales and retirement of noncurrent assets	3,374
Gain on sales of stocks of subsidiaries and affiliates	(18,521)
Decrease in notes and accounts receivable	4,442
Increase in inventories	(67,792)
Decrease in payables	(16,754)
Other, net	(4,529)
Total	90,742
Interest and dividends received	6,352
Interest paid	(4,532)
Income taxes paid	(12,954)
Net cash provided by operating activities	79,608
<u>Cash Flows from Investing Activities:</u>	
Purchase of time deposits	(64,502)
Proceeds from redemption of time deposits	64,520
Proceeds from sales of investments in subsidiaries and affiliates resulting in change in scope of consolidation	28,278
Acquisitions of plant and equipment	(130,960)
Proceeds from sales of plant and equipment	630
Loans made	(169,568)
Proceeds from collection of loans	169,524
Other, net	(32,580)
Net cash used in investing activities	(134,658)
<u>Cash Flows from Financing Activities:</u>	
Increase in short-term borrowings, net	63,892
Proceeds from long-term debt	22,227
Repayments of long-term debt	(26,758)
Purchase of treasury stock	(125)
Dividends paid	(15,403)
Other, net	(198)
Net cash provided by financing activities	43,635
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(944)
Net Decrease in Cash and Cash Equivalents	(12,359)
Cash and Cash Equivalents at Beginning of Year	339,266
Cash and Cash Equivalents Increased by Merger	107
Cash and Cash Equivalents at End of Period	327,014

SHARP CORPORATION
SEGMENT INFORMATION

Information by business segment

Millions of Yen

	Six Months Ended September 30, 2007	Six Months Ended September 30, 2008
Net Sales		
Consumer/Information Products		
Customers	1,130,829	993,297
Intersegment	3,849	3,958
Total	1,134,678	997,255
Electronic Components		
Customers	510,047	569,130
Intersegment	300,775	342,854
Total	810,822	911,984
Elimination	(304,624)	(346,812)
Consolidated	1,640,876	1,562,427
Operating Income		
Consumer/Information Products	33,144	19,243
Electronic Components	43,137	32,580
Elimination	2,776	(1,064)
Consolidated	79,057	50,759

Note: Segmentation of business areas is based on commonality in manufacturing and marketing methods of products.

SHARP CORPORATION
SEGMENT INFORMATION

Information by geographic segment

Millions of Yen

	Six Months Ended September 30, 2007	Six Months Ended September 30, 2008
Net Sales		
Japan		
Customers	943,940	876,032
Intersegment	480,904	484,421
Total	1,424,844	1,360,453
The Americas		
Customers	278,755	259,205
Intersegment	3,545	3,806
Total	282,300	263,011
Europe		
Customers	260,534	254,496
Intersegment	1,903	1,676
Total	262,437	256,172
China		
Customers	84,255	97,283
Intersegment	215,058	223,399
Total	299,313	320,682
Other		
Customers	73,392	75,411
Intersegment	132,812	99,446
Total	206,204	174,857
Elimination	(834,222)	(812,748)
Consolidated	1,640,876	1,562,427
Operating Income		
Japan	66,177	33,789
The Americas	1,779	4,243
Europe	2,384	6,905
China	3,048	3,949
Other	1,475	3,962
Elimination	4,194	(2,089)
Consolidated	79,057	50,759

Notes:

1. Segmentation of countries and regions is based on geographical proximity.
2. Major countries or regions in each geographic segment are as follows.
 - (1) The Americas: U.S.A., Canada
 - (2) Europe: Germany, U.K., Italy, France, Spain
 - (3) Other: Asia, Middle East, Oceania

SHARP CORPORATION
SEGMENT INFORMATION

Overseas sales

Millions of Yen

	Six Months Ended September 30, 2007	Six Months Ended September 30, 2008
The Americas	311,651	289,279
Europe	274,744	271,883
China	171,130	211,206
Other	99,122	111,226
Total	856,647	883,594

Notes:

1. Overseas sales indicate the sales of the Company and its consolidated subsidiaries made to customers located in countries or regions outside Japan.
2. Segmentation of countries and regions is based on geographical proximity.
3. Major countries or regions in each geographic segment are as follows.
 - (1) The Americas: U.S.A., Canada, Central and South America
 - (2) Europe: Germany, U.K., Italy, France, Spain
 - (3) Other: Asia, Middle East, Oceania, Africa

Notes:

1. Starting from the year ending March 31, 2009, the Company and its domestic consolidated subsidiaries have applied the “Accounting Standard for Quarterly Financial Statements” (Accounting Standards Board of Japan (ASBJ) Statement No.12, issued by the ASBJ on March 14, 2007), and the “Implementation Guideline for Accounting Standards for Quarterly Financial Statements” (ASBJ Guidance No.14, issued by the ASBJ on March 14, 2007). The current quarterly financial statements were prepared in accordance with Quarterly Consolidated Financial Statement Regulations (2007 Cabinet Office Ordinance No.64).
2. There was no concurrence of an event or situation which might create any doubts about the going concern during the six months ended September 30, 2008.
3. There were no significant changes in owners’ equity during the six months ended September 30, 2008.

(Reference)

SHARP CORPORATION
CONSOLIDATED STATEMENT OF INCOME

Millions of Yen

	Six Months Ended September 30, 2007	
	Amount	Ratio
		%
Net Sales	1,640,876	100.0
Cost of Sales	1,276,754	77.8
Gross profit	364,122	22.2
Selling, General and Administrative Expenses	285,065	17.4
Operating income	79,057	4.8
Other Income (Expenses)		
Interest income	3,112	
Rent income on noncurrent assets	5,549	
Equity in earnings of affiliates	272	
Interest expense	(3,277)	
Interest on commercial papers	(1,252)	
Rent expenses on noncurrent assets	(3,789)	
Other, net	(9,844)	
	(9,229)	0.5
Income before income taxes and minority interests	69,828	4.3
Income Taxes		
Current	16,702	1.0
Deferred	9,293	0.6
Minority Interests in Income of Consolidated Subsidiaries	(523)	0.1
Net income	43,310	2.6

(Reference)

SHARP CORPORATION

CONSOLIDATED STATEMENT OF CASH FLOWS

Millions of Yen

	Six Months Ended September 30, 2007
<u>Cash Flows from Operating Activities:</u>	
Income before income taxes and minority interests	69,828
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities —	
Depreciation and amortization of properties and intangibles	119,173
Interest and dividend income	(4,021)
Interest expenses paid on loans and commercial papers	4,529
Foreign exchange loss	1,610
Loss on sales and disposal of plant and equipment	2,987
Decrease in notes and accounts receivable	47,540
Increase in inventories	(43,046)
Decrease in payables	(15,900)
Other, net	(22,905)
Total	159,795
Interest and dividends received	4,822
Interest paid	(4,652)
Income taxes paid	(25,347)
Net cash provided by operating activities	134,618
<u>Cash Flows from Investing Activities:</u>	
Purchase of time deposits	(20,001)
Proceeds from redemption of time deposits	55,066
Proceeds from sales of short-term investments	4,671
Acquisitions of plant and equipment	(194,399)
Proceeds from sales of plant and equipment	507
Purchase of investments in securities and investments in nonconsolidated subsidiaries and affiliates	(6,385)
Proceeds from sales of investments in securities and investments in nonconsolidated subsidiaries and affiliates	10,618
Loans made	(359)
Proceeds from collection of loans	172
Other, net	(27,767)
Net cash used in investing activities	(177,877)
<u>Cash Flows from Financing Activities:</u>	
Increase in short-term borrowings, net	73,974
Proceeds from long-term debt	26,652
Repayments of long-term debt	(64,776)
Purchase of treasury stock	(245)
Dividends paid	(15,270)
Other, net	(585)
Net cash provided by financing activities	19,750
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(272)
Net Decrease in Cash and Cash Equivalents	(23,781)
Cash and Cash equivalents at Beginning of Year	329,286
Cash and Cash Equivalents of Newly Consolidated Subsidiaries	1,439
Cash and Cash Equivalents Increased by Merger	144
Cash and Cash Equivalents at End of the Period	307,088

SHARP CORPORATION
CONSOLIDATED SALES BY PRODUCT GROUP

Millions of Yen

	Six Months Ended September 30, 2007		Six Months Ended September 30, 2008		Increase Decrease	Percent Change
	Amount	Ratio	Amount	Ratio		
Audio - Visual and Communication Equipment	782,746	47.7	676,174	43.3	-106,572	-13.6
Health and Environmental Equipment	129,356	7.9	120,894	7.7	-8,462	-6.5
Information Equipment	218,727	13.3	196,229	12.6	-22,498	-10.3
Consumer/Information Products	1,130,829	68.9	993,297	63.6	-137,532	-12.2
LCDs	285,858	17.4	343,528	22.0	+57,670	+20.2
Solar Cells	68,252	4.2	93,099	5.9	+24,847	+36.4
Other Electronic Devices	155,937	9.5	132,503	8.5	-23,434	-15.0
Electronic Components	510,047	31.1	569,130	36.4	+59,083	+11.6
Total	1,640,876	100.0	1,562,427	100.0	-78,449	-4.8
Domestic	784,229	47.8	678,833	43.4	-105,396	-13.4
Overseas	856,647	52.2	883,594	56.6	+26,947	+3.1

Notes:

1. The above figures indicate sales to outside customers.
2. Starting from the three months ended June 30, 2008, product groupings have been recategorized and changed as above, from the previous groupings of Audio-Visual and Communication Equipment, Home Appliances, Information Equipment, LSIs, LCDs and Other Electronic Components. Accordingly, results for the six months ended September 30, 2007 have been restated to conform with the current product groupings.

SHARP

SUPPLEMENTARY DATA

FOR THE SECOND QUARTER ENDED SEPTEMBER 30, 2008
【CONSOLIDATED】

SHARP CORPORATION

SUPPLEMENTARY DATA
FOR THE SECOND QUARTER ENDED SEPTEMBER 30, 2008
【CONSOLIDATED】

1. Financial Highlights

(Millions of yen)

	Six months ended September 30, 2007			Year ended March 31, 2008			Six months ended September 30, 2008			Forecast for year ending March 31, 2009		
	Amount	Ratio	Change	Amount	Ratio	Change	Amount	Ratio	Change	Amount	Ratio	Change
Net Sales	1,640,876	100.0	+12.0	3,417,736	100.0	+9.3	1,562,427	100.0	-4.8	3,420,000	100.0	+0.1
Domestic	784,229	47.8	+10.3	1,590,747	46.5	+4.2	678,833	43.4	-13.4	1,435,000	42.0	-9.8
Overseas	856,647	52.2	+13.5	1,826,989	53.5	+14.1	883,594	56.6	+3.1	1,985,000	58.0	+8.6
Operating Income	79,057	4.8	-12.3	183,692	5.4	-1.5	50,759	3.2	-35.8	130,000	3.8	-29.2
Net Income	43,310	2.6	-6.9	101,922	3.0	+0.2	28,011	1.8	-35.3	60,000	1.8	-41.1
Net Income per Share	39.71 yen			93.17 yen			25.45 yen			54.52 yen		

2. Sales by Product Group

(Millions of yen)

		Six months ended September 30, 2007			Year ended March 31, 2008			Six months ended September 30, 2008			Forecast for year ending March 31, 2009		
		Amount	Ratio	Change	Amount	Ratio	Change	Amount	Ratio	Change	Amount	Ratio	Change
Audio-Visual and Communication Equipment	Domestic	508,672	31.0	+32.2	1,041,950	30.5	+14.0	441,300	28.3	-13.2	948,000	27.7	-9.0
	Overseas	274,074	16.7	+35.1	556,249	16.3	+19.0	234,874	15.0	-14.3	582,000	17.0	+4.6
	Total	782,746	47.7	+33.2	1,598,199	46.8	+15.7	676,174	43.3	-13.6	1,530,000	44.7	-4.3
Health and Environmental Equipment	Domestic	67,024	4.1	+0.7	128,529	3.8	-1.3	65,120	4.1	-2.8	128,000	3.8	-0.4
	Overseas	62,332	3.8	+18.3	121,314	3.5	+11.4	55,774	3.6	-10.5	112,000	3.2	-7.7
	Total	129,356	7.9	+8.5	249,843	7.3	+4.5	120,894	7.7	-6.5	240,000	7.0	-3.9
Information Equipment	Domestic	91,915	5.6	-3.1	182,341	5.3	-4.6	78,874	5.1	-14.2	175,000	5.1	-4.0
	Overseas	126,812	7.7	+8.6	254,958	7.5	+3.3	117,355	7.5	-7.5	245,000	7.2	-3.9
	Total	218,727	13.3	+3.4	437,299	12.8	-0.1	196,229	12.6	-10.3	420,000	12.3	-4.0
Consumer/ Information Products	Domestic	667,611	40.7	+22.2	1,352,820	39.6	+9.5	585,294	37.5	-12.3	1,251,000	36.6	-7.5
	Overseas	463,218	28.2	+24.4	932,521	27.3	+13.3	408,003	26.1	-11.9	939,000	27.4	+0.7
	Total	1,130,829	68.9	+23.1	2,285,341	66.9	+11.0	993,297	63.6	-12.2	2,190,000	64.0	-4.2
LCDs	Domestic	45,148	2.8	-47.1	94,647	2.7	-31.8	34,787	2.2	-22.9	72,000	2.1	-23.9
	Overseas	240,710	14.6	+0.7	588,663	17.3	+20.1	308,741	19.8	+28.3	678,000	19.8	+15.2
	Total	285,858	17.4	-11.8	683,310	20.0	+8.7	343,528	22.0	+20.2	750,000	21.9	+9.8
Solar Cells	Domestic	15,369	0.9	-31.8	32,552	0.9	-22.8	17,027	1.0	+10.8	35,000	1.0	+7.5
	Overseas	52,883	3.3	-9.2	118,459	3.5	+8.5	76,072	4.9	+43.8	170,000	5.0	+43.5
	Total	68,252	4.2	-15.5	151,011	4.4	-0.3	93,099	5.9	+36.4	205,000	6.0	+35.8
Other Electronic Devices	Domestic	56,101	3.4	-0.8	110,728	3.2	-0.2	41,725	2.7	-25.6	77,000	2.3	-30.5
	Overseas	99,836	6.1	+16.8	187,346	5.5	+5.0	90,778	5.8	-9.1	198,000	5.8	+5.7
	Total	155,937	9.5	+9.8	298,074	8.7	+3.0	132,503	8.5	-15.0	275,000	8.1	-7.7
Electronic Components	Domestic	116,618	7.1	-29.1	237,927	6.9	-18.5	93,539	5.9	-19.8	184,000	5.4	-22.7
	Overseas	393,429	24.0	+2.8	894,468	26.2	+15.0	475,591	30.5	+20.9	1,046,000	30.6	+16.9
	Total	510,047	31.1	-6.8	1,132,395	33.1	+5.9	569,130	36.4	+11.6	1,230,000	36.0	+8.6
Total	Domestic	784,229	47.8	+10.3	1,590,747	46.5	+4.2	678,833	43.4	-13.4	1,435,000	42.0	-9.8
	Overseas	856,647	52.2	+13.5	1,826,989	53.5	+14.1	883,594	56.6	+3.1	1,985,000	58.0	+8.6
	Total	1,640,876	100.0	+12.0	3,417,736	100.0	+9.3	1,562,427	100.0	-4.8	3,420,000	100.0	+0.1

* Starting from the year ending March 31, 2009, product groupings have been recategorized and changed as above, from the previous groupings of Audio-Visual and Communication Equipment, Home Appliances, Information Equipment, LSIs, LCDs and Other Electronic Components. Accordingly, prior year figures have been restated to conform with the current product groupings. (The same changes were made in "4. Information by Product Group.")

3. Overseas Sales by Region

(Millions of yen)

	Six months ended September 30, 2007			Year ended March 31, 2008			Six months ended September 30, 2008			Forecast for year ending March 31, 2009		
	Amount	Ratio	Change	Amount	Ratio	Change	Amount	Ratio	Change	Amount	Ratio	Change
The Americas	311,651	36.4	+18.7	625,841	34.2	+7.4	289,279	32.7	-7.2	613,000	30.9	-2.1
Europe	274,744	32.1	+10.2	584,252	32.0	+11.6	271,883	30.8	-1.0	615,000	31.0	+5.3
China	171,130	20.0	+16.3	412,470	22.6	+34.8	211,206	23.9	+23.4	520,000	26.2	+26.1
Other	99,122	11.5	+3.1	204,426	11.2	+8.1	111,226	12.6	+12.2	237,000	11.9	+15.9
Total	856,647	100.0	+13.5	1,826,989	100.0	+14.1	883,594	100.0	+3.1	1,985,000	100.0	+8.6

4. Information by Product Group

[Sales of each product group include internal sales between segments (Consumer/Information Products and Electronic Components).]

(Net Sales)

(Millions of yen)

	Six months ended September 30, 2007			Year ended March 31, 2008			Six months ended September 30, 2008			Forecast for year ending March 31, 2009		
	Amount	Ratio	Change	Amount	Ratio	Change	Amount	Ratio	Change	Amount	Ratio	Change
Audio-Visual and Communication Equipment	783,175	47.7	+33.2	1,598,948	46.8	+15.7	676,365	43.3	-13.6	1,530,200	44.7	-4.3
Health and Environmental Equipment	129,370	7.9	+8.5	249,872	7.3	+4.5	121,292	7.7	-6.2	241,800	7.1	-3.2
Information Equipment	222,133	13.6	+2.4	442,886	13.0	-0.9	199,598	12.8	-10.1	426,000	12.5	-3.8
Consumer/Information Products	1,134,678	69.2	+22.8	2,291,706	67.1	+10.8	997,255	63.8	-12.1	2,198,000	64.3	-4.1
LCDs	549,844	33.5	+8.6	1,234,100	36.1	+18.4	635,780	40.7	+15.6	1,322,000	38.6	+7.1
Solar Cells	68,257	4.2	-15.5	151,025	4.4	-0.3	93,119	5.9	+36.4	205,000	6.0	+35.7
Other Electronic Devices*	192,721	11.7	+8.7	377,760	11.1	+2.7	183,085	11.8	-5.0	365,000	10.7	-3.4
Electronic Components	810,822	49.4	+6.1	1,762,885	51.6	+12.9	911,984	58.4	+12.5	1,892,000	55.3	+7.3
Sub Total	1,945,500	118.6	+15.2	4,054,591	118.7	+11.7	1,909,239	122.2	-1.9	4,090,000	119.6	+0.9
Elimination	-304,624	-18.6	-	-636,855	-18.7	-	-346,812	-22.2	-	-670,000	-19.6	-
Total	1,640,876	100.0	+12.0	3,417,736	100.0	+9.3	1,562,427	100.0	-4.8	3,420,000	100.0	+0.1

* The Other Electronic Device group's sales do not include internal sales to the LCD / Solar Cell group presented below.

(16,547)

(34,370)

(20,853)

(47,000)

(Operating Income)

(Millions of yen)

	Six months ended September 30, 2007			Year ended March 31, 2008			Six months ended September 30, 2008			Forecast for year ending March 31, 2009		
	Amount	Ratio	Change	Amount	Ratio	Change	Amount	Ratio	Change	Amount	Ratio	Change
Audio-Visual and Communication Equipment	16,328	20.7	-19.0	38,277	20.8	-13.8	2,353	4.6	-85.6	15,000	11.5	-60.8
Health and Environmental Equipment	668	0.8	-41.8	1,908	1.0	+0.8	2,082	4.1	+211.7	3,500	2.7	+83.4
Information Equipment	16,148	20.4	+1.8	39,033	21.3	+10.3	14,808	29.2	-8.3	30,000	23.1	-23.1
Consumer/Information Products	33,144	41.9	-10.8	79,218	43.1	-3.0	19,243	37.9	-41.9	48,500	37.3	-38.8
LCDs	37,196	47.0	+0.6	87,901	47.8	+12.5	26,404	52.0	-29.0	67,000	51.5	-23.8
Solar Cells	-5,017	-6.3	-	-3,650	-2.0	-	2,239	4.4	-	5,000	3.9	-
Other Electronic Devices	10,958	13.9	+14.0	20,112	11.0	-9.0	3,937	7.8	-64.1	9,500	7.3	-52.8
Electronic Components	43,137	54.6	-22.8	104,363	56.8	-1.1	32,580	64.2	-24.5	81,500	62.7	-21.9
Sub Total	76,281	96.5	-18.0	183,581	99.9	-1.9	51,823	102.1	-32.1	130,000	100.0	-29.2
Elimination	2,776	3.5	-	111	0.1	-	-1,064	-2.1	-	0	0.0	-
Total	79,057	100.0	-12.3	183,692	100.0	-1.5	50,759	100.0	-35.8	130,000	100.0	-29.2

5. Overseas Production

(Millions of yen)

	Six months ended September 30, 2007			Year ended March 31, 2008			Six months ended September 30, 2008			Forecast for year ending March 31, 2009		
	Amount	Ratio to Net Sales	Change	Amount	Ratio to Net Sales	Change	Amount	Ratio to Net Sales	Change	Amount	Ratio to Net Sales	Change
Overseas Production	861,675	52.5	+14.0	1,826,046	53.4	+12.7	907,973	58.1	+5.4	1,992,000	58.2	+9.1

6. Capital Investment

(Millions of yen)

	Six months ended September 30, 2007		Year ended March 31, 2008		Six months ended September 30, 2008		Forecast for year ending March 31, 2009	
	Amount	Change	Amount	Change	Amount	Change	Amount	Change
Capital Investment	217,925	+32.2	315,304	+10.9	166,438	-23.6	300,000	-4.9
- For LCDs (Nonconsolidated)	170,807	+27.8	228,870	+11.9	104,494	-38.8	203,000	-11.3

7. Depreciation and Amortization

(Millions of yen)

	Six months ended September 30, 2007			Year ended March 31, 2008			Six months ended September 30, 2008			Forecast for year ending March 31, 2009		
	Amount	Ratio to Net Sales	Change	Amount	Ratio to Net Sales	Change	Amount	Ratio to Net Sales	Change	Amount	Ratio to Net Sales	Change
Depreciation and Amortization	124,547	7.6	+25.2	276,567	8.1	+27.0	130,395	8.3	+4.7	275,000	8.0	-0.6

8. R&D Expenditures

(Millions of yen)

	Six months ended September 30, 2007			Year ended March 31, 2008			Six months ended September 30, 2008			Forecast for year ending March 31, 2009		
	Amount	Ratio to Net Sales	Change	Amount	Ratio to Net Sales	Change	Amount	Ratio to Net Sales	Change	Amount	Ratio to Net Sales	Change
R&D Expenditures	99,330	6.1	+5.4	196,186	5.7	+3.3	102,834	6.6	+3.5	195,000	5.7	-0.6

9. Number of Employees

	As of March 31, 2008	As of September 30, 2008
Number of Employees*	53,708	54,765
Domestic	29,954	30,160
Overseas	23,754	24,605

* Sharp Corporation and Consolidated Subsidiaries

10. Exchange Rates

(yen)

	Six months ended September 30, 2007	Year ended March 31, 2008	Six months ended September 30, 2008	Forecast for 2nd half of year ending March 31, 2009
US\$	118.33	113.28	105.11	100.00
EURO	160.80	160.02	161.18	140.00

11. Sales of Main Products

(Billions of yen)

	Six months ended September 30, 2007		Year ended March 31, 2008		Six months ended September 30, 2008		Forecast for year ending March 31, 2009	
	Amount	Change	Amount	Change	Amount	Change	Amount	Change
LCD Color TV (Over 10 inches)	383.1	+55.2	814.1	+32.7	378.4	-1.2	850.0	+4.4
Projectors	9.6	-19.5	19.4	-23.7	8.3	-13.1	20.0	+2.7
Color TV	18.7	-37.5	33.9	-37.4	14.4	-22.9	30.0	-11.8
BD / DVD Players / Recorders	23.1	+22.0	57.8	+28.3	31.7	+37.1	80.0	+38.3
Mobile Phones / Wireless PDA	336.5	+27.6	651.3	+7.2	231.6	-31.2	492.0	-24.5
Facsimiles	12.9	-17.3	24.4	-29.4	9.2	-28.2	20.0	-18.2
Refrigerators	35.6	+19.9	66.6	+15.7	37.8	+6.3	71.0	+6.5
Air Conditioners	36.6	+27.6	59.4	+21.7	33.3	-9.0	54.0	-9.2
Microwave Ovens	22.7	-16.0	51.7	-13.7	22.9	+0.6	52.0	+0.4
Copiers / Printers	67.1	+4.7	147.8	+7.6	68.4	+1.9	143.0	-3.3

12. Sales of Main Electronic Components

(Billions of yen)

	Six months ended September 30, 2007		Year ended March 31, 2008		Six months ended September 30, 2008		Forecast for year ending March 31, 2009	
	Amount	Change	Amount	Change	Amount	Change	Amount	Change
LCDs	549.8	+8.6	1,234.1	+18.4	635.7	+15.6	1,322.0	+7.1
CCD/CMOS Imagers	62.9	+34.0	123.5	+26.5	49.5	-21.2	110.0	-11.0
Solar Cells	68.2	-15.5	151.0	-0.3	93.1	+36.4	205.0	+35.7