



Consolidated Financial Results for the Second Quarter Fiscal 2013

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Supplementary Data -Sales of Main Products, etc.-

SHARP CORPORATION
October 31, 2013

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- (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) Regulations such as trade restrictions in other countries
- (5) The progress of collaborations and alliances with other companies
- (6) Litigation and other legal proceedings against Sharp
- (7) Rapid technological changes in products and services, etc.

*Amounts less than 100 million yen shown in this presentation material have been rounded down.

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I . Financial Results for the 1H Fiscal 2013

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Financial Results for the 1H Fiscal 2013

Net sales, operating income and net loss improved significantly compared with 1H FY2012, exceeding previous forecast.

(Billions of Yen)

	FY2012	FY2013					
	1H	Initial forecast (5/14)	Previous forecast (9/18)	1H	Change (Y on Y)	Difference from initial forecast	Difference from previous forecast
Net Sales	1,104.1	1,270.0	1,310.0	1,342.0	+21.5%	+72.0	+32.0
Operating Income (vs. sales)	-168.8 (-15.3%)	15.0 (1.2%)	30.0 (2.3%)	33.8 (2.5%)	-	+18.8	+3.8
Net Income (vs. sales)	-387.5 (-35.1%)	-20.0 (-1.6%)	-10.0 (-0.8%)	-4.3 (-0.3%)	-	+15.6	+5.6

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Financial Results by Quarter

- The operating margin on sales improved from 0.5% in 1Q to 4.2% in 2Q.
- In 2Q, operating income and net income were both in the black.

(Billions of Yen)

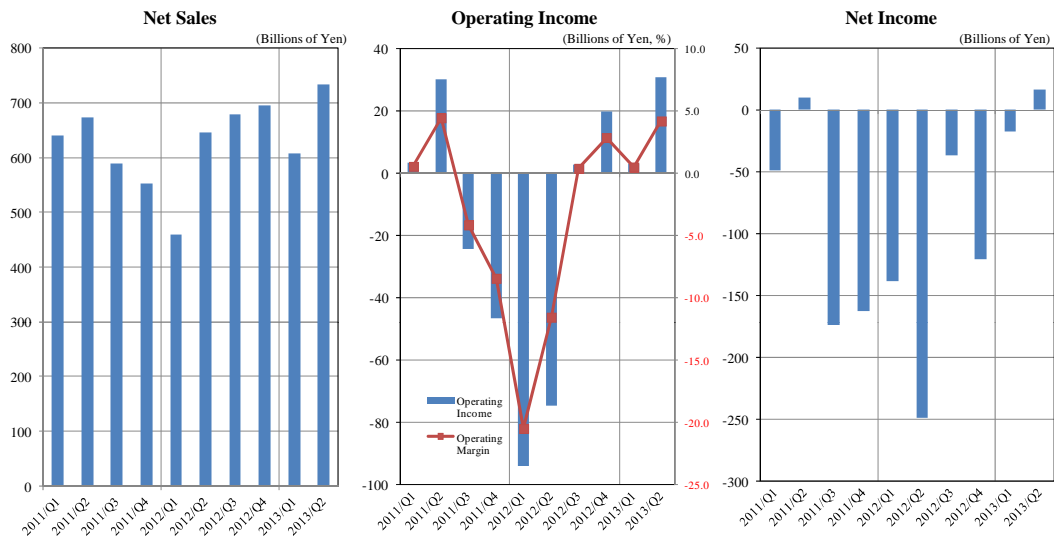
	FY2013					
	1Q	Change	2Q	Change	1H	Change
Net Sales	607.9	+32.6%	734.1	+13.7%	1,342.0	+21.5%
Operating Income (vs. sales)	3.0 (0.5%)	-	30.8 (4.2%)	-	33.8 (2.5%)	-
Net Income (vs. sales)	-17.9 (-3.0%)	-	13.6 (1.9%)	-	-4.3 (-0.3%)	-

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Transitions in Net Sales/Operating Income/Net Income by Quarter

- Quarterly net sales have been improved to the 600 to 700 billion yen level.
- Operating income and net income have continued to recover since the lows of 1Q and 2Q FY2012.
- Operating income has stayed in the black for 4 consecutive quarters.



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Sales by Product Group

• In 1H FY2013, all product groups except Digital Information Equipment showed growth compared with 1H FY2012.

• In particular, Solar Cells, Business Solutions, LCDs and Electronic Devices showed a significant improvement in results.

(Billions of Yen)

	FY2012	FY2013					
	1H	1Q	2Q	Difference (Q on Q)	1H	Change (Y on Y)	Difference (Y on Y)
Digital Information Equipment	338.5	158.9	175.6	+16.6	334.6	-1.2%	-3.9
Health and Environmental Equipment	154.9	82.3	77.5	-4.7	159.8	+3.2%	+4.8
Solar Cells	93.0	84.3	83.9	-0.4	168.2	+80.8%	+75.1
Business Solutions	138.9	77.6	80.7	+3.1	158.4	+14.0%	+19.4
Product Business	725.6	403.3	417.9	+14.5	821.2	+13.2%	+95.5
LCDs	368.0	193.8	284.7	+90.9	478.5	+30.0%	+110.5
Electronic Devices	126.4	61.2	86.5	+25.3	147.8	+17.0%	+21.4
Device Business	494.4	255.0	371.3	+116.2	626.4	+26.7%	+131.9
Sub Total	1,220.1	658.3	789.2	+130.8	1,447.6	+18.6%	+227.5
Adjustments	-115.9	-50.4	-55.1	-4.6	-105.6	-	+10.3
Total	1,104.1	607.9	734.1	+126.1	1,342.0	+21.5%	+237.8

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

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Operating Income by Product Group

• In 1H FY2013, all product groups were in the black.

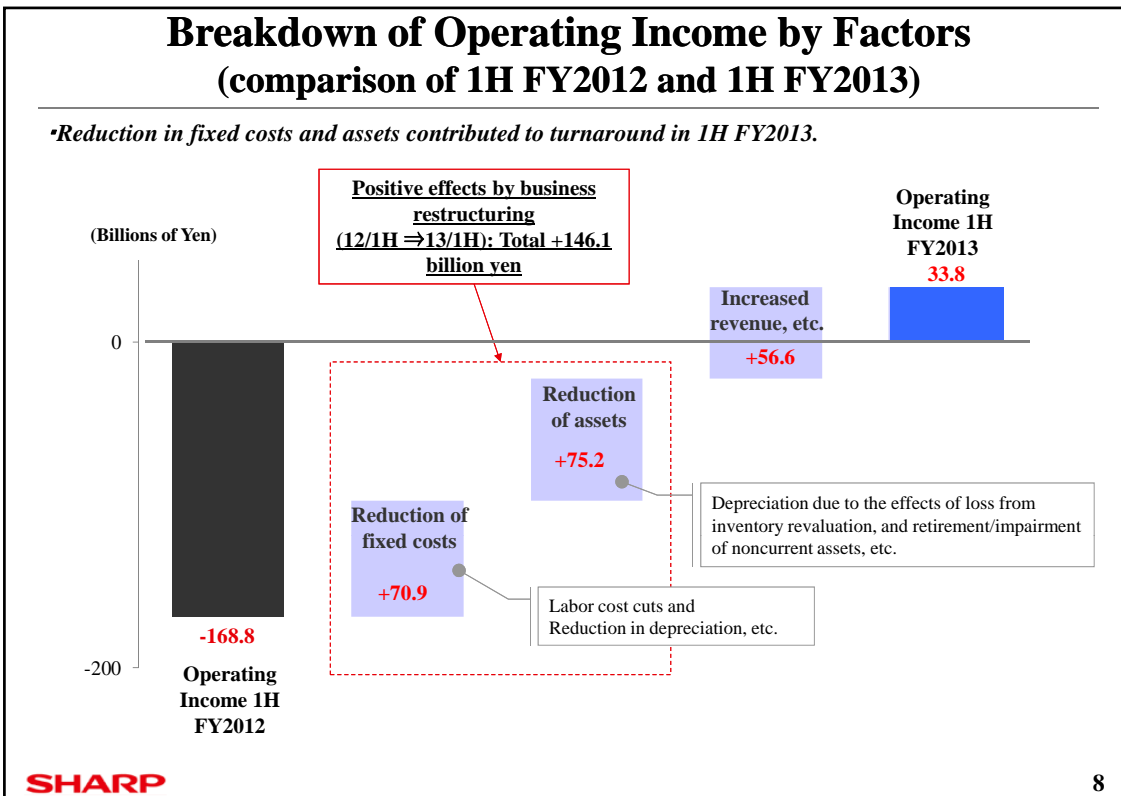
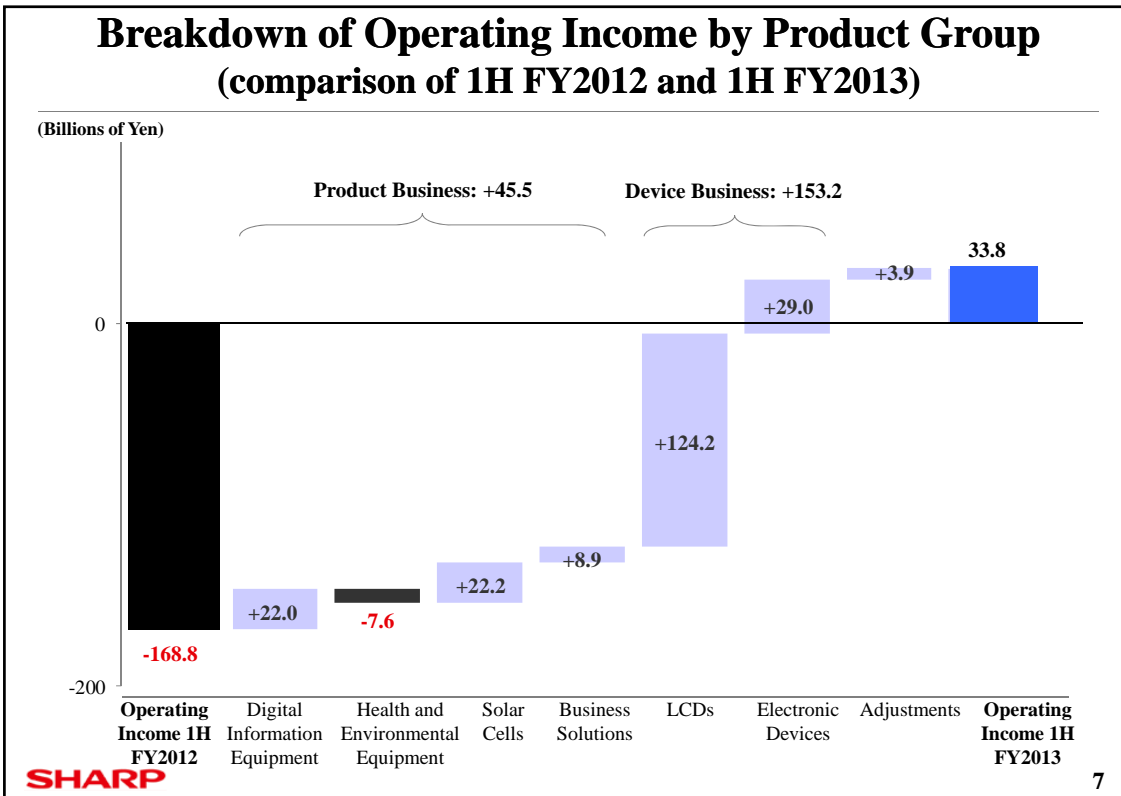
(Billions of Yen)

	FY2012	FY2013					
	1H	1Q	2Q	Difference (Q on Q)	1H	Difference (Y on Y)	
Digital Information Equipment	-21.1 (-6.3%)	-1.3 (-0.9%)	2.2 (1.3%)	+3.5	0.8 (0.3%)	+22.0	
Health and Environmental Equipment	17.3 (11.2%)	6.4 (7.8%)	3.2 (4.2%)	-3.1	9.6 (6.0%)	-7.6	
Solar Cells	-12.3 (-13.2%)	6.8 (8.1%)	3.0 (3.7%)	-3.7	9.8 (5.9%)	+22.2	
Business Solutions	6.9 (5.0%)	7.5 (9.8%)	8.3 (10.3%)	+0.7	15.9 (10.1%)	+8.9	
Product Business	-9.1 (-1.3%)	19.4 (4.8%)	16.8 (4.0%)	-2.6	36.3 (4.4%)	+45.5	
LCDs	-115.5 (-31.4%)	-9.5 (-4.9%)	18.1 (6.4%)	+27.6	8.6 (1.8%)	+124.2	
Electronic Devices	-23.7 (-18.8%)	0.1 (0.2%)	5.1 (5.9%)	+5.0	5.2 (3.5%)	+29.0	
Device Business	-139.3 (-28.2%)	-9.3 (-3.7%)	23.3 (6.3%)	+32.7	13.9 (2.2%)	+153.2	
Sub Total	-148.5 (-12.2%)	10.0 (1.5%)	40.1 (5.1%)	+30.0	50.2 (3.5%)	+198.7	
Adjustments	-20.3	-7.0	-9.3	-2.3	-16.4	+3.9	
Total	-168.8 (-15.3%)	3.0 (0.5%)	30.8 (4.2%)	+27.7	33.8 (2.5%)	+202.7	

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*The percentage figures noted in brackets show operating margin

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Other Income (Expenses)

**Recording of the costs associated with restructuring has been almost completed, leading to a significant improvement in other income (expenses).*

(Billions of Yen)

	FY2012		FY2013	
	1H	1H	1H	Difference
Operating Income	-168.8	33.8		+202.7
Other Income (Expenses)	-153.9	-28.9		+124.9
Gain on sales of noncurrent assets	3.8	3.0		-0.8
Gain on sales of investment securities	0.3	1.6		+1.3
Interest expense	-5.3	-8.9		-3.6
Loss on sales and retirement of noncurrent assets	-8.3	-1.1		+7.1
Loss on valuation of investment securities	-2.8	-0.9		+1.9
Restructuring charges	-98.6	0.0		+98.6
Settlement package	-15.8	0.0		+15.8
Provision for loss on litigation	0.0	-1.0		-1.0
Others	-27.1	-21.5		+5.5
Income Taxes, etc.	-64.7	-9.1		+55.5
Net Income	-387.5	-4.3		+383.2

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Consolidated Balance Sheets

**The equity ratio improved from 6.0% at end of March 2013 to 6.4% at end of September 2013.*

(Billions of Yen)

	FY2012			FY2013			
	End of Sep. 2012	End of Mar. 2013	End of Sep. 2013	End of Sep. 2012	End of Mar. 2013	End of Sep. 2013	
Cash, time deposits and restricted cash	221.1	191.9	167.5	CB	200.7	200.3	0.0
Notes and accounts receivable	470.2	558.2	608.0	Short-term borrowings	898.0	924.1	874.0
Inventories	325.7	310.7	317.5	Notes and accounts payable	422.2	405.6	449.3
Other current assets	241.9	160.9	189.9	Other current liabilities	333.9	337.7	289.6
Current Assets	1,259.0	1,221.8	1,282.9	Current Liabilities	1,654.2	1,667.5	1,613.0
Plant and Equipment	636.6	563.6	535.2	Long-term Liabilities	338.3	285.3	355.9
Investments and Other Assets	323.7	301.6	297.1	Liabilities	1,992.5	1,952.9	1,968.9
Deferred Assets	1.0	0.6	0.1	Net Assets	227.9	134.8	146.6
Total assets	2,220.4	2,087.7	2,115.5	Total liabilities and net assets	2,220.4	2,087.7	2,115.5
				Equity Ratio	9.9%	6.0%	6.4%

Only amounts settled by end of October are reflected in these figures.

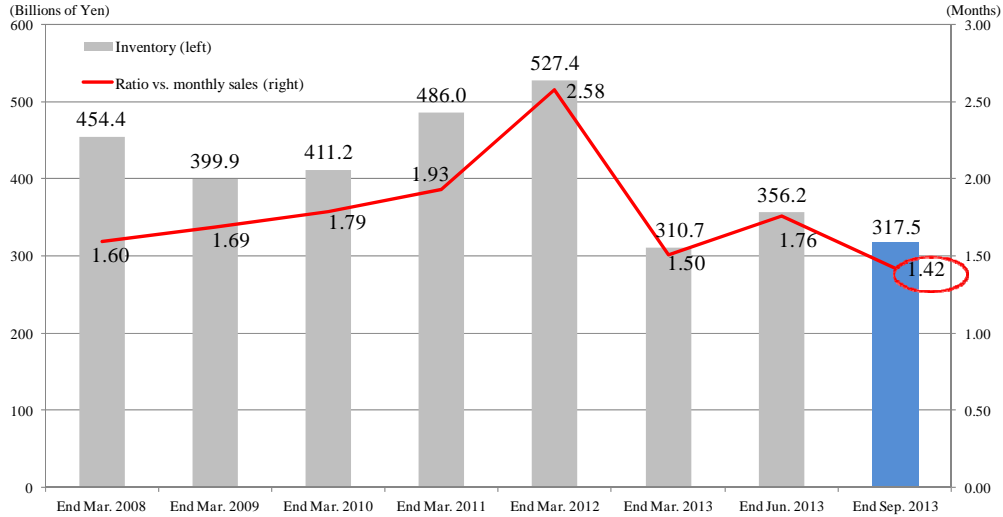
Capital increase through :
- public offering 109.0
- third-party allotments with DENSO, Makita and LIXIL 17.4
+ Increased amount of net assets 126.5

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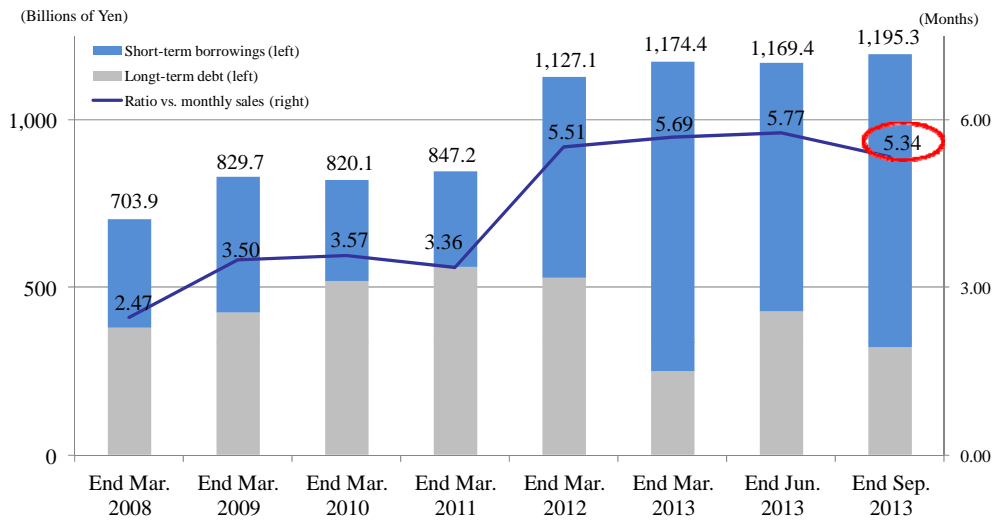
“Asset Light” Approach [Transition of Inventory]

• Inventory at end Sep. 2013 has been cut down by 38.6 billion yen compared with end Jun. 2013 to the level at end Mar. 2013, and the ratio vs. monthly sales has fallen from 1.76 months to 1.42 months due to sales expansion.



Transition of Interest-bearing Debt

• Interest-bearing debt at end Sep. 2013 has increased by 25.8 billion yen compared with end Jun. 2013, but ratio vs. monthly sales has improved by 0.43 months.



Implementation of the Medium-Term Management Plan

<Exit Closed Innovation and Aggressively Utilize Alliances >

- The implementation of the second third-party allotment capital increase to Qualcomm according to the agreement concerning the development of MEMS displays. (Sharp has received **5.9 billion yen** for the second issuance of new shares, **10.8 billion yen** in sum total.)
- The execution of the agreement with China Electronics Corporation (CEC) for LCD panel production project in China.
 - Sharp to provide its technologies of high-definition TFT LCD panel and module to CEC, and to take part in a joint venture for producing LCD panels and modules using 8.5th generation glass substrates.

<Reducing Fixed Costs by Reformation of Cost Structure>

- The reduction in fixed costs under progress: **70.9 billion yen** (vs. 1H FY2012)
 - Labor cost cuts and reduction in depreciation as planned

<Improving Financial Position>

- Stable funding through the renewal of the syndicated loan of **360 billion yen**, and redemption of convertible bond of 200 billion yen (end of September 2013) with additional borrowing facility set at **150 billion yen**.
- Capital increase through a public offering (109 billion yen) and through third-party allotments with DENSO, Makita, and LIXIL (17.4 billion yen).

*Payment for capital increase through a third-party allotment to be undertaken in relation to the secondary offering of Sharp's shares due to over-allotment (maximum of 11.2 billion yen) is planned to be completed on November 12, 2013.

II. Information by Product Group

Digital Information Equipment

(Billions of Yen, millions of units)

	FY2012		FY2013					FY2013	
	1H	1Q	Change	2Q	Change	1H	Change	Full Year	
								Forecast (8/1)	Change (Y on Y)
Sales	338.5	158.9	+18.5%	175.6	-14.1%	334.6	-1.2%	730.0	-0.4%
LCD TVs									
Amt	185.7	80.3	+3.4%	113.7	+5.3%	194.0	+4.5%	400.0	+3.0%
Unit	3.89	1.56	-6.2%	2.12	-4.6%	3.69	-5.3%	8.00	-0.4%
Mobile Phones									
Amt	98.3	50.2	+71.8%	37.2	-46.0%	87.5	-11.0%	210.0	-8.5%
Unit	2.73	1.31	+69.1%	1.11	-43.0%	2.42	-11.1%	5.50	-10.0%
Operating Income	-21.1	-1.3	-	2.2	-	0.8	-	5.0	-
(vs. sales)	(-6.3%)	(-0.9%)		(1.3%)		(0.3%)		(0.7%)	

* Sales of product group including internal sales between segments (Product Business / Device Business)

[1H]

(LCD TVs) Sales grew in Japan, China and emerging countries but fell in Europe and the U.S.
 (Mobile phones) Stiffening competition with Japanese and overseas mobile phone manufacturers.
 The above situations have resulted in squeeze on sales of Digital Information Equipment Group.

[Onward Actions]

(LCD TVs) Shift to 60 inch and larger (70/80/90 inch) models and strengthen product range, invest in providing locally suitable products in emerging countries and other important regions.
 (Mobile phones) Win back market share in Japan by enhancing the lineup centering on new products equipped with IGZO LCDs that feature high definition and low power consumption.

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Health and Environmental Equipment

(Billions of Yen)

	FY2012		FY2013					FY2013	
	1H	1Q	Change	2Q	Change	1H	Change	Full Year	
								Forecast (8/1)	Change (Y on Y)
Sales	154.9	82.3	+5.2%	77.5	+1.1%	159.8	+3.2%	320.0	+3.3%
Operating Income	17.3	6.4	-22.1%	3.2	-64.3%	9.6	-44.2%	20.0	-37.9%
(vs. sales)	(11.2%)	(7.8%)		(4.2%)		(6.0%)		(6.3%)	

* Sales of product group including internal sales between segments (Product Business / Device Business)

[1H]

•Sales of air conditioners and refrigerators were strong.
 •The profitability of business in Japan relying on imports from overseas worsened due to the depreciation of the yen.

[Onward Actions]

•Expand overseas business with ASEAN region as top-priority area, and strengthen production capabilities in Indonesian factories.
 •Minimize the influence of exchange rate fluctuations by promoting local production for local consumption.

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Solar Cells

(Billions of Yen)

	FY2012	FY2013						FY2013	
	1H	1Q		2Q		1H		Full Year	
			Change		Change		Change	Forecast (8/1)	Change (Y on Y)
Sales	93.0	84.3	+101.1%	83.9	+64.1%	168.2	+80.8%	310.0	+19.3%
Volume (MW)	542	343	+35.7%	560	+93.6%	904	+66.6%	1,800	+36.4%
Operating Income (vs. sales)	-12.3 (-13.2%)	6.8 (8.1%)	-	3.0 (3.7%)	-	9.8 (5.9%)	-	13.0 (4.2%)	-

* Sales of product group including internal sales between segments (Product Business / Device Business)

[1H]

- Sales increased in Japan for residential and industrial use (e.g. mega-solar power generation plants).

[Onward Actions]

- Secure profitability by expanding sales in Japanese market with steady demand.
Residential use: Expand product range so suit various roof shapes, boost sales and marketing activity, increase sales of systems including HEMS and storage batteries.
Industrial use: Steady completion of installation and increase sales based on strengthened product supply and servicing systems, and acquire mega-solar power generation projects through enhanced design and sales function.
Overseas: Expand solution and developer businesses.

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Business Solutions

(Billions of Yen)

	FY2012	FY2013						FY2013	
	1H	1Q		2Q		1H		Full Year	
			Change		Change		Change	Forecast (8/1)	Change (Y on Y)
Sales	138.9	77.6	+20.0%	80.7	+8.8%	158.4	+14.0%	310.0	+4.4%
Operating Income (vs. sales)	6.9 (5.0%)	7.5 (9.8%)	+223.8%	8.3 (10.3%)	+80.2%	15.9 (10.1%)	+128.5%	22.0 (7.1%)	-9.6%

* Sales of product group including internal sales between segments (Product Business / Device Business)

[1H]

- Sales of color MFPs grew in Japan and overseas. Sales of information displays increased overseas.

[Onward Actions]

- Increase sales of high-speed MFPs in developed countries and shift to color MFPs in emerging countries.
- Develop new customers by offering enhanced solutions and services through combination of MFPs and displays.

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LCDs

(Billions of Yen)

	FY2012	FY2013						FY2013	
	1H	1Q	Change	2Q	Change	1H	Change	Full Year	
								Forecast (8/1)	Change (Y on Y)
Sales	368.0	193.8	+32.8%	284.7	+28.2%	478.5	+30.0%	970.0	+14.5%
Operating Income (vs. sales)	-115.5 (-31.4%)	-9.5 (-4.9%)	-	18.1 (6.4%)	-	8.6 (1.8%)	-	30.0 (3.1%)	-

* Sales of product group including internal sales between segments (Product Business / Device Business)

[1H]

- In 1H FY2012, huge loss recorded due to reduction of operation of the large-size LCD plants and postponed orders of small- and medium-size LCDs from major customers.
- In 1H FY2013, strong sales recorded in large-size LCDs to external customers and in small- and medium-size LCDs due to increased demands of smartphones and tablet terminals.
- Strategic partnership contributed to maintaining the utilization rate of Kameyama No.2 Plant at the level as planned.

[Onward Actions]

- Stabilize and expand business by promoting design-in activities with new customers.
- Shift to the panels featuring high definition and low power consumption such as IGZO LCDs.
- Streamline and optimize production, sales and inventory of TV panels by closely monitoring supply and demand trend.

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Electronic Devices

(Billions of Yen)

	FY2012	FY2013						FY2013	
	1H	1Q	Change	2Q	Change	1H	Change	Full Year	
								Forecast (8/1)	Change (Y on Y)
Sales	126.4	61.2	+29.0%	86.5	+9.7%	147.8	+17.0%	320.0	+18.2%
Operating Income (vs. sales)	-23.7 (-18.8%)	0.1 (0.2%)	-	5.1 (5.9%)	-	5.2 (3.5%)	-	12.0 (3.8%)	-

* Sales of product group including internal sales between segments (Product Business / Device Business)

[1H]

- Sales of camera modules for mobile devices were strong.

[Onward Actions]

- Expand sales of camera modules for mobile devices to develop new customers.
- Enhance sales of sensing devices to be applied in security, in-vehicle and medical fields.
- Enhance sales of system devices such as optical sensor, touchscreen, and power devices.
- Promote sales of lighting devices such as LED.

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III. Financial Results Forecast for Fiscal 2013

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Consolidated Financial Results Forecast for Fiscal 2013

- Aim to achieve positive results of net income in FY2013.
- The forecast for the full year remains unchanged from the previous forecast.
- Sharp will make a timely announcement on forecast revision, if it is deemed to be required in monitoring company progress and market conditions.

(Billions of Yen)

	FY2013						FY2013	
	1Q	Change (Y on Y)	2Q	Change (Y on Y)	1H	Change (Y on Y)	Forecast (8/1)	Change (Y on Y)
Net Sales	607.9	+32.6%	734.1	+13.7%	1,342.0	+21.5%	2,700.0	+8.9%
Domestic	258.8	+38.1%	285.5	+6.4%	544.3	+19.4%	1,020.0	+1.3%
Overseas	349.1	+28.7%	448.5	+18.9%	797.6	+23.0%	1,680.0	+14.2%
Operating Income	3.0	-	30.8	-	33.8	-	80.0	-
Net Income	-17.9	-	13.6	-	-4.3	-	5.0	-

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Supplementary Data -Sales of Main Products, etc.-

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Sales of Main Products and Electronic Components

(Billions of Yen)

	FY2012		FY2013		FY2013	
	1H	Full Year	1H	Change (Y on Y)	Full Year	Change (Y on Y)
					Forecast (8/1)	Change (Y on Y)
LCD Color TVs	185.7	388.4	194.0	+4.5%	400.0	+3.0%
Unit (million units)	3.89	8.03	3.69	-5.3%	8.00	-0.4%
Mobile Phones	98.3	229.6	87.5	-11.0%	210.0	-8.5%
Unit (million units)	2.73	6.11	2.42	-11.1%	5.50	-10.0%
Refrigerators	45.1	87.9	47.5	+5.3%	96.0	+9.1%
Air Conditioners	35.8	59.6	42.5	+18.9%	62.0	+3.9%
Solar Cells	93.0	259.9	168.2	+80.8%	310.0	+19.3%
Volume (MW)	542	1,319	904	+66.6%	1,800	+36.4%
Copiers / Printers	56.3	128.4	66.2	+17.6%	140.0	+9.0%
CCD / CMOS Imagers	66.7	153.5	84.5	+26.7%	190.0	+23.8%

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Overseas Sales by Region

Above: Sales (Billions of Yen)
Below: Composition Ratio

		FY2012		FY2013		FY2013	
		1H	Full Year	1H	Change (Y on Y)	Forecast (8/1)	Change (Y on Y)
The Americas		146.9	355.2	204.2	+39.0%	360.0	+1.3%
		22.6%	24.1%	25.6%		21.4%	
Europe		91.9	174.3	77.8	-15.3%	170.0	-2.5%
		14.2%	11.9%	9.7%		10.1%	
China		278.7	667.9	382.5	+37.2%	820.0	+22.8%
		43.0%	45.4%	48.0%		48.8%	
Asia etc.		130.8	273.7	133.0	+1.7%	330.0	+20.6%
		20.2%	18.6%	16.7%		19.7%	
Total		648.4	1,471.3	797.6	+23.0%	1,680.0	+14.2%
		100.0%	100.0%	100.0%		100.0%	

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Other Information

(Billions of Yen)

		FY2012		FY2013		FY2013	
		1H	Full Year	1H	Change (Y on Y)	Forecast (8/1)	Change (Y on Y)
Capital Investment		55.0	82.4	21.5	-60.9%	80.0	-3.0%
<Reference>LCDs*1		36.9	46.0	6.8	-81.6%	27.0	-41.4%
Depreciation and Amortization		92.6	173.3	58.6	-36.6%	130.0	-25.0%
R&D Expenditures		74.3	137.9	65.4	-12.0%	160.0	+16.0%

Exchange Rate	1H	Full Year	1H	Difference	Previous Forecast	Difference from previous year
U.S. Dollar	¥ 78.42	¥ 82.11	¥ 97.86	+ ¥ 19.44	¥ 95.00	+ ¥ 12.89
Euro	¥ 99.14	¥ 105.65	¥ 128.51	+ ¥ 29.37	¥ 125.00	+ ¥ 19.35

	End of Mar. 2012	End of Mar. 2013	End of Sep. 2013
Number of Employees*2	56,756	50,647	51,080
Domestic	29,387	24,758	24,433
Overseas	27,369	25,889	26,647

*1 Sharp Corporation (Sharp Corporation and Sharp Display Products Corporation until 1Q FY2012)

*2 Sharp Corporation and its consolidated subsidiary companies

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