

# Summary of Consolidated Financial Results for the Year Ended March 31, 2024

May 14, 2024

## SHARP CORPORATION

Stock exchange listings: Tokyo  
 Code number: 6753  
 URL: <https://corporate.jp.sharp/> (English : <https://global.sharp/>)  
 Representative: Po-Hsuan Wu, President & Chief Executive Officer  
 Contact person: Hiroyuki Murase, General Manager, Head of Accounting Division, Finance and Administration Office, Corporate Strategic Planning and Control Group  
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Scheduled date of the Ordinary General Meeting of Shareholders: June 27, 2024  
 Scheduled dividend payment date: —  
 Supplementary material: Yes  
 Financial results meeting: Yes (targeted at institutional investors and analysts)

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

## 1. Results for the Year Ended March 31, 2024

### (1) Financial Results

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

Millions of Yen

	Net Sales	Percent Change	Operating Profit	Percent Change	Ordinary Profit	Percent Change
Year Ended March 31, 2024	2,321,921	-8.9%	( 20,343 )	-	( 7,084 )	-
Year Ended March 31, 2023	2,548,117	+2.1%	( 25,719 )	-	( 30,487 )	-

	Profit Attributable to Owners of Parent	Percent Change	Income per Share (Yen)	Fully Diluted Income per Share (Yen)
Year Ended March 31, 2024	( 149,980 )	-	( 230.99 )	-
Year Ended March 31, 2023	( 260,840 )	-	( 407.31 )	-

[Reference] Comprehensive income: March 31, 2024 ; (64,418) million yen — %  
 March 31, 2023 ; (262,369) million yen — %

	Income to Equity	Ordinary Profit to Total Assets	Operating Profit to Net Sales
Year Ended March 31, 2024	-85.5%	-0.4%	-0.9%
Year Ended March 31, 2023	-78.7%	-1.6%	-1.0%

[Reference] Share of profit (loss) of entities accounted for using equity method: March 31, 2024 ; 8,359 million yen  
 March 31, 2023 ; (20,401) million yen

Note: Fully diluted income per share is not provided. Although Sharp has dilutive shares, the shares in question are loss per share.

### (2) Financial Position

Millions of Yen

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share (Yen)
As of March 31, 2024	1,590,032	157,424	9.0%	219.35
As of March 31, 2023	1,772,961	222,362	11.8%	321.05

[Reference] Equity: March 31, 2024 ; 142,421 million yen  
 March 31, 2023 ; 208,450 million yen

### (3) Cash Flows

Millions of Yen

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Year
Year Ended March 31, 2024	124,495	10,875	( 149,668 )	219,128
Year Ended March 31, 2023	14,746	( 40,967 )	( 18,483 )	206,612

## 2. Dividends

	Dividends per Share (Yen)					Total Dividend Payment (Millions of Yen)	Pay-out Ratio (Consolidated)	Dividend to Net Assets (Consolidated)
	1st Quarter	2nd Quarter	3rd Quarter	Year-End	Annual			
Year Ended March 31, 2023	-	0.00	-	0.00	0.00	0	0.0%	0.0%
Year Ended March 31, 2024	-	0.00	-	0.00	0.00	0	0.0%	0.0%
Year Ending March 31, 2025 (Forecast)	-	-	-	-	-		-	

Note: The amount of dividend per share for the year ending March 31, 2025, has not been decided at the time of announcement.

## 3. Forecast of Financial Results for the Year Ending March 31, 2025

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

Millions of Yen

	Net Sales	Percent Change	Operating Profit	Percent Change	Ordinary Profit	Percent Change	Profit Attributable to Owners of Parent	Percent Change	Net Income per Share (Yen)
Year Ending March 31, 2025 (Forecast)	2,100,000	-9.6%	10,000	-	10,000	-	5,000	-	7.70

## 4. Other Information

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

Newly added : 3 companies

SHARP FRONTIER ELECTRONICS DEVICE PTE. LTD. (Former FIT ELECTRONICS DEVICE PTE. LTD.)

Wuxi Sharp Optoelectronic Technology Co., LTD. (Former SHARP FIT Automotive Technology (Wuxi) Co., Ltd.)

Dynabook Solutions & Services (Hangzhou) Co., Ltd.

Excluded : 1 company

Pinghu Kantatsu Fine Technology Co., Ltd.

Note1: Dynabook Solutions & Services (Hangzhou) Co., Ltd. changed its company name from TOSHIBA HANGZHOU CO., LTD. on March 25, 2024.

Note2: While there are not applicable to the changes in specified subsidiaries, Kantatsu Co., Ltd., which was Sharp's consolidated subsidiary, was excluded from the scope of consolidation as Sharp's ownership decreased due to the transfer of shares on November 30, 2023.

(2) Changes in accounting policies and accounting estimates, and restatement

1. Changes in accounting policies arising from revision of accounting standards: None

2. Changes arising from other factors: None

3. Changes in accounting estimates: None

4. Restatement: None

(3) Number of shares outstanding (common shares)

1. Number of shares outstanding (including treasury stock) as of March 31, 2024 ; 650,406,538 shares  
as of March 31, 2023 ; 650,406,538 shares

2. Number of shares of treasury stock as of March 31, 2024 ; 1,105,236 shares  
as of March 31, 2023 ; 1,133,210 shares

3. Average number of shares outstanding during the year ended March 31, 2024 ; 649,281,586 shares  
during the year ended March 31, 2023 ; 640,400,405 shares

Notes:

1. This financial release is not subject to audit.

2. This financial release contains certain statements about the future, which are based on information available and deemed reasonable to the Sharp Group at the time of announcement and are not the commitments made by Sharp.

3. Sharp will hold a financial results meeting on May 14, 2024. Financial materials distributed at the meeting will be posted on its website immediately after the meeting.

4. The accompanying consolidated financial statements are a translation of the consolidated financial statements of Sharp, which were prepared in accordance with accounting principles and practices generally accepted in Japan.

## Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	262,058	227,130
Notes and accounts receivable - trade, and contract assets	438,057	407,538
Inventories	299,307	269,584
Other	90,713	90,998
Allowance for doubtful accounts	(3,049)	(5,024)
Total current assets	1,087,087	990,228
Non-current assets		
Property, plant and equipment		
Buildings and structures	695,180	623,523
Machinery, equipment and vehicles	1,181,932	1,164,709
Tools, furniture and fixtures	170,801	144,944
Land	76,467	69,641
Construction in progress	24,982	7,126
Other	57,352	68,580
Accumulated depreciation	(1,817,459)	(1,798,401)
Total property, plant and equipment	389,257	280,123
Intangible assets		
Software	23,322	20,988
Goodwill	6,284	5,422
Other	6,237	4,669
Total intangible assets	35,845	31,080
Investments and other assets		
Investment securities	216,207	238,581
Retirement benefit asset	6,214	5,363
Deferred tax assets	18,127	21,872
Other	22,667	24,268
Allowance for doubtful accounts	(2,445)	(1,485)
Total investments and other assets	260,770	288,599
Total non-current assets	685,873	599,803
<b>Total assets</b>	<b>1,772,961</b>	<b>1,590,032</b>
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	328,899	318,159
Electronically recorded obligations - operating	42,973	37,094
Short-term borrowings	163,896	115,969
Lease liabilities	18,966	16,264
Accrued expenses	114,638	124,653
Provision for bonuses	15,791	17,423
Provision for product warranties	12,165	16,685
Provision for sales promotion expenses	4,120	2,830
Provisions for restructuring	1,024	4,903
Other provisions	6,104	7,702
Other	173,982	194,669
Total current liabilities	882,563	856,357
Non-current liabilities		
Long-term borrowings	542,727	457,623
Deferred tax liabilities	15,065	20,345
Provision for product warranties	5,894	5,756
Provision for restructuring	-	6,286
Other provisions	2,669	2,991
Retirement benefit liability	72,019	52,911
Other	29,657	30,336
Total non-current liabilities	668,034	576,250
<b>Total liabilities</b>	<b>1,550,598</b>	<b>1,432,607</b>

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,000	5,000
Capital surplus	148,929	148,594
Retained earnings	59,802	(90,178)
Treasury shares	(13,749)	(13,387)
Total shareholders' equity	199,982	50,028
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	26,469	40,396
Deferred gains or losses on hedges	475	508
Foreign currency translation adjustment	(2,266)	52,870
Remeasurements of defined benefit plans	(16,211)	(1,381)
Total accumulated other comprehensive income	8,467	92,393
Share acquisition rights	293	756
Non-controlling interests	13,618	14,246
<b>Total net assets</b>	222,362	157,424
<b>Total liabilities and net assets</b>	1,772,961	1,590,032

## (2) Consolidated Statements of Income / Consolidated Statements of Comprehensive Income

## - Consolidated Statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	2,548,117	2,321,921
Cost of sales	2,217,285	1,974,032
Gross profit	330,831	347,888
Selling, general and administrative expenses	356,550	368,232
Operating loss	(25,719)	(20,343)
Non-operating income		
Interest income	2,681	4,556
Dividend income	1,533	1,865
Rental income from non-current assets	4,396	4,580
Foreign exchange gains	17,223	13,365
Share of profit of entities accounted for using equity method	-	8,359
Investment income	6,907	1,130
Other	7,942	6,225
Total non-operating income	40,683	40,084
Non-operating expenses		
Interest expenses	9,296	10,801
Rental expenses on non-current assets	3,471	3,215
Share of loss of entities accounted for using equity method	20,401	-
Inactive assets expenses	4,221	3,725
Other	8,060	9,081
Total non-operating expenses	45,451	26,825
Ordinary loss	(30,487)	(7,084)
Extraordinary income		
Gain on sale of non-current assets	7,126	3,622
Gain on sale of investment securities	17	113
Gain on sale of shares of subsidiaries and associates	-	818
Gain on step acquisitions	12,422	1,312
Gain on change in equity	261	4,203
Gain on reversal of liabilities	-	4,863
Gain on reversal of share acquisition rights	4	1
Total extraordinary income	19,833	14,934
Extraordinary losses		
Loss on sale and retirement of non-current assets	1,269	1,370
Impairment losses	220,553	122,332
Loss on valuation of investment securities	138	2,885
Loss from cancellation of made-to-order production	-	4,718
Loss on sale of businesses	-	2,327
Business restructuring expenses	4,451	11,777
Provision for loss on litigation	1,976	-
Total extraordinary losses	228,389	145,413
Loss before income taxes	(239,043)	(137,563)
Income taxes - current	15,660	14,552
Income taxes - deferred	6,950	(2,030)
Total income taxes	22,610	12,522
Loss	(261,654)	(150,085)
Loss attributable to non-controlling interests	(814)	(104)
Loss attributable to owners of parent	(260,840)	(149,980)

- Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Loss	(261,654)	(150,085)
Other comprehensive income		
Valuation difference on available-for-sale securities	6,301	13,911
Deferred gains or losses on hedges	(1,345)	35
Foreign currency translation adjustment	14,868	51,492
Remeasurements of defined benefit plans, net of tax	(12,657)	14,763
Share of other comprehensive income of entities accounted for using equity method	(7,882)	5,464
Total other comprehensive income	(714)	85,667
Comprehensive income	(262,369)	(64,418)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(261,546)	(66,054)
Comprehensive income attributable to non-controlling interests	(822)	1,636

## (3) Consolidated Statements of Changes in Net Assets

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,000	108,623	345,218	(13,747)	445,094
Cumulative effects of changes in accounting policies			(143)		(143)
Restated balance	5,000	108,623	345,075	(13,747)	444,951
Changes during period					
Dividends of surplus			(24,432)		(24,432)
Profit (loss) attributable to owners of parent			(260,840)		(260,840)
Increase by share exchanges		40,337			40,337
Change in ownership interest of parent due to transactions with non-controlling interests		(31)			(31)
Purchase of treasury shares				(2)	(2)
Net changes in items other than shareholders' equity					
Total changes during period	-	40,306	(285,273)	(2)	(244,968)
Balance at end of period	5,000	148,929	59,802	(13,749)	199,982

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	20,169	1,835	(9,085)	(3,745)	9,173	304	14,696	469,269
Cumulative effects of changes in accounting policies								(143)
Restated balance	20,169	1,835	(9,085)	(3,745)	9,173	304	14,696	469,126
Changes during period								
Dividends of surplus								(24,432)
Profit (loss) attributable to owners of parent								(260,840)
Increase by share exchanges								40,337
Change in ownership interest of parent due to transactions with non-controlling interests								(31)
Purchase of treasury shares								(2)
Net changes in items other than shareholders' equity	6,300	(1,359)	6,818	(12,466)	(706)	(11)	(1,077)	(1,795)
Total changes during period	6,300	(1,359)	6,818	(12,466)	(706)	(11)	(1,077)	(246,763)
Balance at end of period	26,469	475	(2,266)	(16,211)	8,467	293	13,618	222,362

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,000	148,929	59,802	(13,749)	199,982
Changes during period					
Profit (loss) attributable to owners of parent			(149,980)		(149,980)
Change in ownership interest of parent due to transactions with non-controlling interests		(2)			(2)
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		(333)		363	29
Net changes in items other than shareholders' equity					
Total changes during period	-	(335)	(149,980)	361	(149,954)
Balance at end of period	5,000	148,594	(90,178)	(13,387)	50,028

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	26,469	475	(2,266)	(16,211)	8,467	293	13,618	222,362
Changes during period								
Profit (loss) attributable to owners of parent								(149,980)
Change in ownership interest of parent due to transactions with non-controlling interests								(2)
Purchase of treasury shares								(1)
Disposal of treasury shares								29
Net changes in items other than shareholders' equity	13,926	33	55,136	14,829	83,926	463	627	85,017
Total changes during period	13,926	33	55,136	14,829	83,926	463	627	(64,937)
Balance at end of period	40,396	508	52,870	(1,381)	92,393	756	14,246	157,424

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
<b>Cash flows from operating activities</b>		
Loss before income taxes	(239,043)	(137,563)
Depreciation	89,799	66,215
Interest and dividend income	(4,214)	(6,422)
Interest expenses	9,296	10,801
Share of loss (profit) of entities accounted for using equity method	20,401	(8,359)
Investment expenses (income)	(6,907)	(1,130)
Loss (gain) on sale and retirement of non-current assets	(5,857)	(2,251)
Impairment losses	220,553	122,332
Loss (gain) on valuation of investment securities	138	2,885
Loss (gain) on sale of investment securities	(17)	(113)
Loss (gain) on sale of shares of subsidiaries and associates	-	(818)
Loss (gain) on step acquisitions	(12,422)	(1,312)
Loss (gain) on change in equity	(261)	(4,203)
Gain on reversal of liabilities	-	(4,863)
Loss from cancellation of made-to-order production	-	4,718
Loss on sale of businesses	-	2,327
Gain on reversal of share acquisition rights	(4)	(1)
Business restructuring expenses	4,451	11,777
Provision for loss on litigation	1,976	-
Decrease (increase) in accounts receivable - trade, and contract assets	41,579	56,822
Decrease (increase) in accounts receivable - other	2,207	(2,982)
Decrease (increase) in inventories	45,354	48,012
Increase (decrease) in trade payables	(82,201)	(40,572)
Other, net	(44,484)	24,802
Subtotal	40,343	140,102
Interest and dividends received	8,078	10,906
Interest paid	(8,918)	(8,661)
Income taxes refund (paid)	(13,946)	(10,052)
Payments for business Restructuring	(998)	(4,210)
Settlement paid	(9,813)	(3,588)
<b>Net cash provided by (used in) operating activities</b>	<b>14,746</b>	<b>124,495</b>
<b>Cash flows from investing activities</b>		
Payments into time deposits	(98,943)	(12,004)
Proceeds from withdrawal of time deposits	91,739	61,231
Purchase of property, plant and equipment	(43,565)	(40,874)
Proceeds from sale of property, plant and equipment	9,828	5,149
Purchase of intangible assets	(13,449)	(11,699)
Purchase of investment securities	(2,472)	(1,871)
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	-	(364)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(26)	(166)
Proceeds from sale of businesses	619	-
Other, net	15,301	11,476
<b>Net cash provided by (used in) investing activities</b>	<b>(40,967)</b>	<b>10,875</b>

	(Millions of yen)	
	Fiscal year ended	Fiscal year ended
	March 31, 2023	March 31, 2024
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	25,854	7,439
Proceeds from long-term borrowings	1	11,203
Repayments of long-term borrowings	(10,908)	(157,207)
Dividends paid	(24,425)	(25)
Other, net	(9,006)	(11,077)
<b>Net cash provided by (used in) financing activities</b>	<b>(18,483)</b>	<b>(149,668)</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>9,859</b>	<b>26,812</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(34,845)</b>	<b>12,515</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>239,359</b>	<b>206,612</b>
<b>Increase in cash and cash equivalents resulting from share exchanges</b>	<b>2,099</b>	<b>-</b>
<b>Cash and cash equivalents at end of period</b>	<b>206,612</b>	<b>219,128</b>

## Segment Information

### 1. Year Ended March 31, 2023

#### i . Information regarding sales and income (loss) by reportable segment

Millions of Yen

Net Sales	
Smart Life & Energy	
Customers	475,096
Intersegment	1,736
Total	476,832
Smart Office	
Customers	556,380
Intersegment	5,388
Total	561,768
Universal Network	
Customers	333,855
Intersegment	261
Total	334,116
Display Device	
Customers	736,224
Intersegment	23,729
Total	759,953
Electronic Device	
Customers	446,560
Intersegment	29,028
Total	475,589
Adjustments	( 60,144 )
The amount presented in Consolidated Statements of Income	2,548,117
Segment Income (Loss)	
Smart Life & Energy	29,381
Smart Office	14,526
Universal Network	( 7,807 )
Display Device	( 66,482 )
Electronic Device	14,799
Adjustments <sup>*1</sup>	( 10,137 )
The amount presented in Consolidated Statements of Income <sup>*2</sup>	( 25,719 )

- Notes: 1. Adjustments of segment income (loss) of (10,137) million yen include elimination of intersegment transactions of (0) million yen and corporate expenses not allocated to each reportable segment of (15,929) million yen. Corporate expenses are mainly attributable to basic R&D expenses and expenses related to parent company's functional groups.
2. Adjustments were made to reconcile segment income to operating profit presented in Consolidated Statements of Income.

## 2. Year Ended March 31, 2024

### ii . Information regarding sales and income (loss) by reportable segment

Millions of Yen

Net Sales	
Smart Life & Energy	
Customers	440,198
Intersegment	1,117
Total	441,315
Smart Office	
Customers	580,047
Intersegment	1,955
Total	582,003
Universal Network	
Customers	311,485
Intersegment	406
Total	311,891
Display Device	
Customers	595,293
Intersegment	19,656
Total	614,950
Electronic Device	
Customers	394,895
Intersegment	22,086
Total	416,981
Adjustments	( 45,221 )
The amount presented in Consolidated Statements of Income	2,321,921
Segment Income (Loss)	
Smart Life & Energy	27,373
Smart Office	29,674
Universal Network	8,880
Display Device	( 83,290 )
Electronic Device	13,583
Adjustments <sup>*1</sup>	( 16,564 )
The amount presented in Consolidated Statements of Income <sup>*2</sup>	( 20,343 )

- Notes: 1. Adjustments of segment income (loss) of (16,564) million yen include elimination of intersegment transactions of (0) million yen and corporate expenses not allocated to each reportable segment of (17,163) million yen. Corporate expenses are mainly attributable to basic R&D expenses and expenses related to parent company's functional groups.
2. Adjustments were made to reconcile segment income to operating profit presented in Consolidated Statements of Income.

## (Per Share Information)

Yen

	Year Ended March 31, 2023	Year Ended March 31, 2024
Net assets per share	321.05	219.35
Loss per share	( 407.31 )	( 230.99 )
Fully diluted income per share	-	-
	Fully diluted income per share for the year ended March 31, 2023, is not provided. Although Sharp has dilutive shares, the shares in question are loss per share.	Fully diluted income per share for the year ended March 31, 2024, is not provided. Although Sharp has dilutive shares, the shares in question are loss per share.

Notes: Loss per share and fully diluted income per share were calculated on the following basis.

	Year Ended March 31, 2023	Year Ended March 31, 2024
Loss per share		
Loss attributable to owners of parent (millions of yen)	( 260,840 )	( 149,980 )
Amounts not allocated to common shares (millions of yen)	-	-
Loss attributable to owners of parent (millions of yen)	( 260,840 )	( 149,980 )
Average number of common shares outstanding during each year (thousands of shares)	640,400	649,281
Residual securities which do not dilute income per share	720 share options resolved by the board of directors on April 19, 2017 (First Share Options) 381 share options resolved by the board of directors on September 26, 2017 (Second Share Options) 875 share options resolved by the board of directors on August 28, 2018 (Third Share Options)	712 share options resolved by the board of directors on April 19, 2017 (First Share Options) 381 share options resolved by the board of directors on September 26, 2017 (Second Share Options) 875 share options resolved by the board of directors on August 28, 2018 (Third Share Options) 54,540 share options resolved by the board of directors on August 4, 2023 (Fourth Share Options)