



# Consolidated Financial Results for the Second Quarter, Fiscal 2024

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- I. Consolidated Financial Results for the First Half, Fiscal 2024
  - II. Consolidated Financial Results for the Second Quarter, Fiscal 2024
  - III. Consolidated Financial Results Forecast for Fiscal 2024
  - IV. Supplementary Data
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SHARP CORPORATION

November 12, 2024

# Outline

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- **Brand Business sales for the first half of fiscal 2024, grew compared to the same period of last fiscal year, driven by significant sales increase in the Smart Office segment.**  
**Despite the negative impact of the depreciating yen, the Brand Business achieved an increase in operating profit.**  
  
**Device Business sales declined, while the operating loss significantly narrowed due to the effects of structural reforms and other factors.**  
  
**As a result, while Sharp's net sales decreased, operating profit improved substantially, resulting in a profit for the first time since the first half of fiscal 2022.**
- **Ordinary profit decreased due to the change in foreign exchange gains and losses, while bottom-line profit significantly improved due to gain on sale of investment securities.**
- **As the first half performance is almost in line with the plan, there is no change in the fiscal year forecasts.**

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1

- First, this is the executive summary of the presentation.
- Brand Business sales for H1, fiscal 2024, grew compared to the same period of last fiscal year, driven by significant sales increase in the Smart Office segment. Despite the negative impact of the depreciating yen, the Brand Business achieved an increase in operating profit.  
  
Device Business sales declined, while the operating loss significantly narrowed due to the effects of structural reforms and other factors.  
  
As a result, while Sharp's net sales decreased, operating profit improved substantially, resulting in a profit for the first time since H1, fiscal 2022.
- Ordinary profit decreased due to the change in foreign exchange gains and losses, while bottom-line profit significantly improved due to gain on sale of investment securities.
- As the first half performance is almost in line with the plan, there is no change in the fiscal year forecasts.

# I . Consolidated Financial Results for the First Half, Fiscal 2024

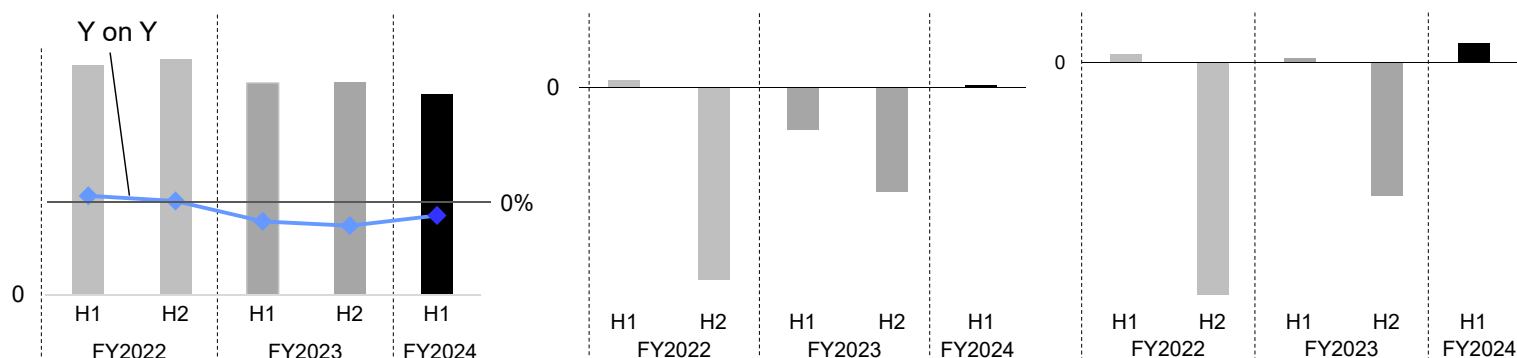
# Consolidated Financial Results for the First Half, Fiscal 2024

(Billions of Yen)	FY2023			FY2024	
	First Half	Second Half	Fiscal Year	First Half	Y on Y
<b>Net Sales</b>	<b>1,158.2</b>	<b>1,163.6</b>	<b>2,321.9</b>	<b>1,096.4</b>	-5.3%
<b>Operating Profit</b>	<b>-5.8</b> (-0.5%)	<b>-14.4</b> (-1.2%)	<b>-20.3</b> (-0.9%)	<b>0.4</b> (0.0%)	-
<b>Ordinary Profit</b>	<b>3.0</b> (0.3%)	<b>-10.1</b> (-0.9%)	<b>-7.0</b> (-0.3%)	<b>1.4</b> (0.1%)	-51.6%
<b>Bottom-line Profit</b>	<b>4.9</b> (0.4%)	<b>-154.9</b> (-13.3%)	<b>-149.9</b> (-6.5%)	<b>22.9</b> (2.1%)	+362.6%
Avg. Exchange Rates					
USD/JPY	141.00	148.25	144.62	152.61	
Euro/JPY	153.38	160.20	156.79	165.91	

Net Sales

Operating Profit

Bottom-line Profit



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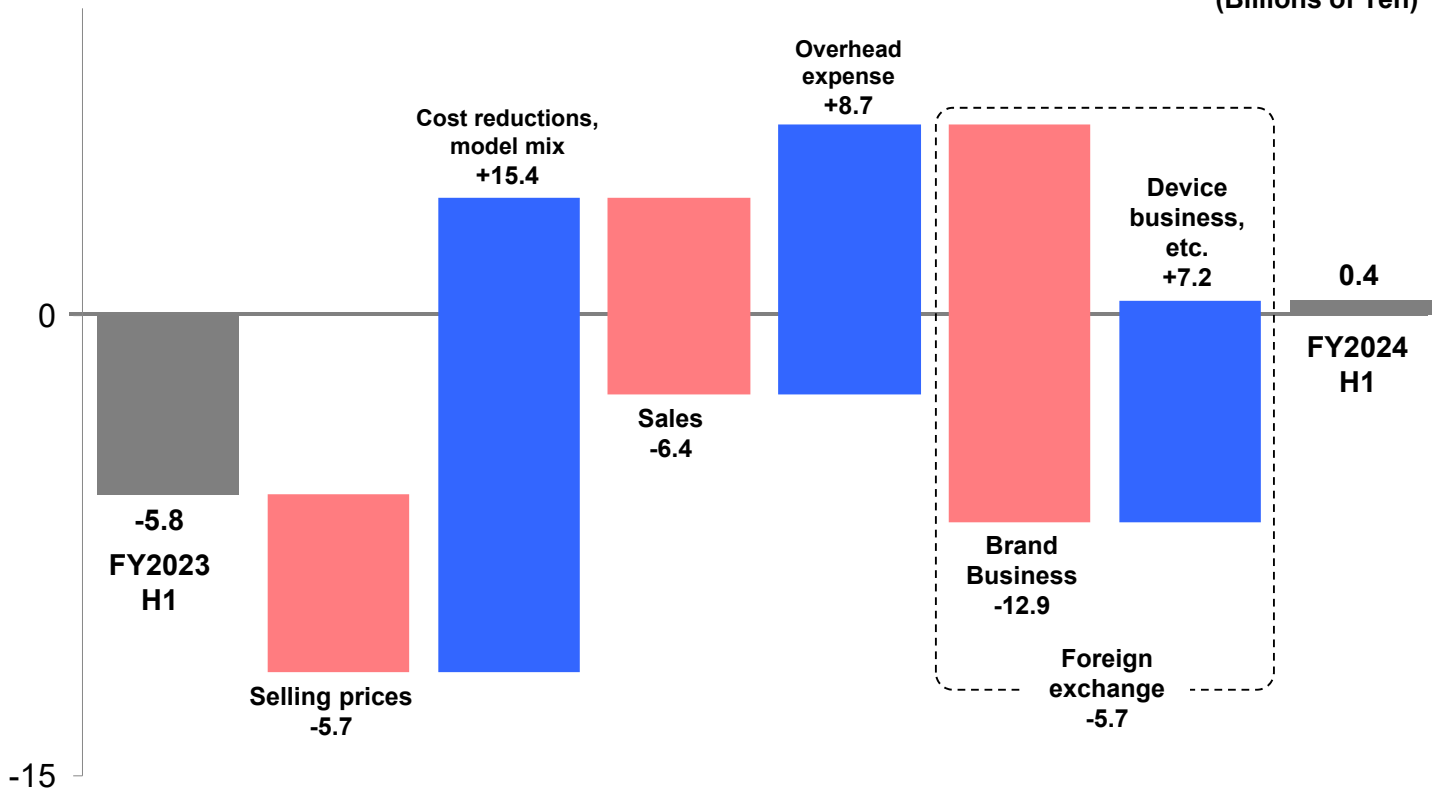
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- This slide provides highlights of our financial results for H1, fiscal 2024.
- Net sales amounted to 1,096.4 billion yen.
- Operating profit was 0.4 billion yen.  
Ordinary profit was 1.4 billion yen.  
Bottom-line profit was 22.9 billion yen.

# Operating Profit Analysis: Y on Y Change Factors

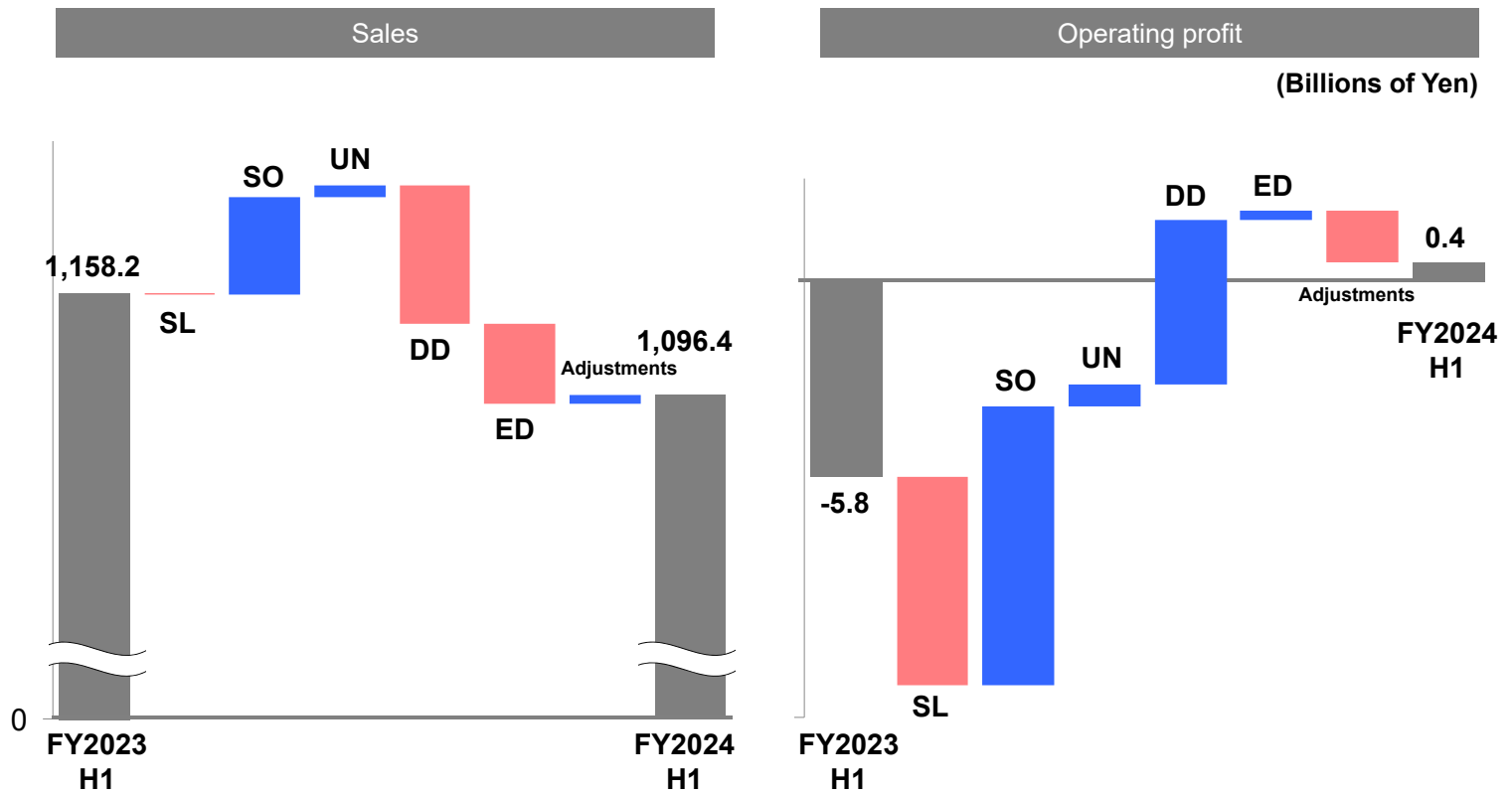
(Management accounting)

(Billions of Yen)



- The next graph shows our analysis of year-on-year changes in operating profit.

# Sales and Operating Profit Analysis: Y on Y Change by Segment

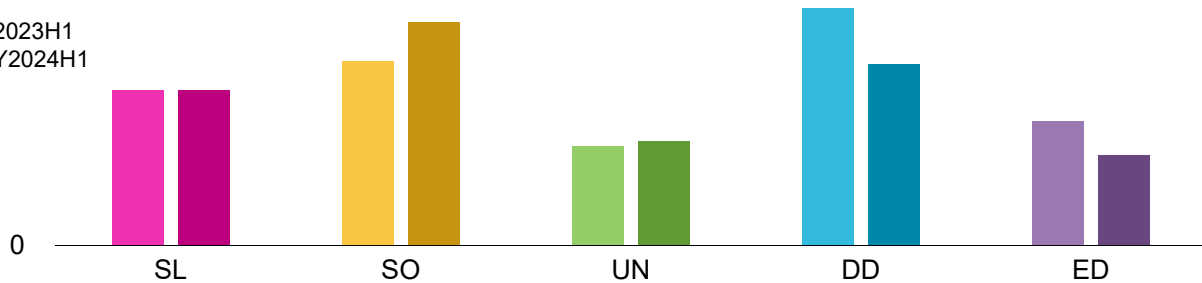


- These graphs provide a year-on-year change analysis by segment for sales and operating profit.
- Sales grew in the Smart Office segment and the Universal Network segment. Operating profit increased in four segments, except for the Smart Life & Energy segment.

# Sales by Segment

(Billions of Yen)	FY2023			FY2024	
	First Half	Second Half	Fiscal Year	First Half	Y on Y
Smart Life & Energy	229.0	223.4	452.5	229.0	-0.0%
Smart Office	271.4	310.5	582.0	329.6	+21.4%
Universal Network	146.1	165.7	311.8	154.2	+5.5%
Brand Business	646.6	699.7	1,346.4	712.9	+10.2%
Display Device	350.7	264.2	614.9	267.9	-23.6%
Electronic Device	183.3	217.9	401.2	133.1	-27.4%
Device Business	534.0	482.1	1,016.1	401.0	-24.9%
Subtotal	1,180.6	1,181.8	2,362.5	1,113.9	-5.7%
Adjustments	-22.4	-18.2	-40.6	-17.5	-
Total	1,158.2	1,163.6	2,321.9	1,096.4	-5.3%

Left bar, FY2023H1  
Right bar, FY2024H1



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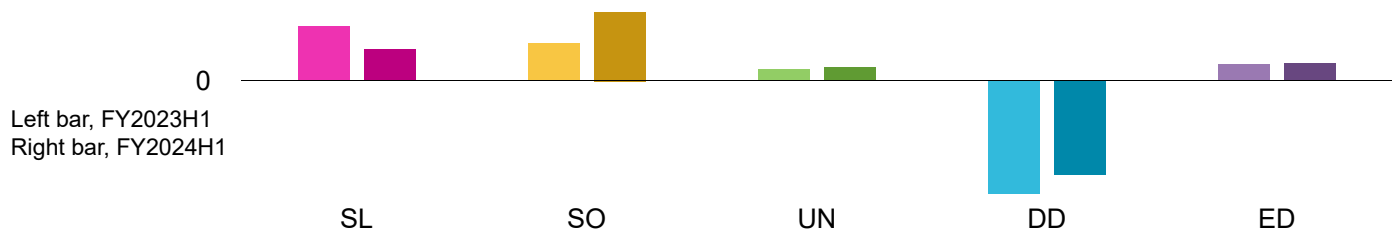
\*Sales include inter-segment sales and transfers.

6

- This slide shows sales by segment.
- Brand Business sales increased by 10.2% year on year to 712.9 billion yen, driven by significant sales growth in the Smart Office segment.
- Device Business sales decreased by 24.9% to 401.0 billion yen.

# Operating Profit by Segment

(Billions of Yen)	FY2023			FY2024	
	First Half	Second Half	Fiscal Year	First Half	Y on Y
<b>Smart Life &amp; Energy</b>	<b>14.5</b> (6.3%)	<b>13.2</b> (5.9%)	<b>27.7</b> (6.1%)	<b>8.3</b> (3.6%)	-42.5%
<b>Smart Office</b>	<b>9.9</b> (3.7%)	<b>19.7</b> (6.4%)	<b>29.6</b> (5.1%)	<b>18.2</b> (5.5%)	+83.3%
<b>Universal Network</b>	<b>3.0</b> (2.1%)	<b>5.8</b> (3.5%)	<b>8.8</b> (2.8%)	<b>3.6</b> (2.4%)	+21.5%
<b>Brand Business</b>	<b>27.4</b> (4.2%)	<b>38.8</b> (5.6%)	<b>66.3</b> (4.9%)	<b>30.2</b> (4.2%)	+10.0%
<b>Display Device</b>	<b>-29.6</b> (-8.5%)	<b>-53.6</b> (-20.3%)	<b>-83.2</b> (-13.5%)	<b>-24.8</b> (-9.3%)	-
<b>Electronic Device</b>	<b>4.3</b> (2.4%)	<b>8.7</b> (4.0%)	<b>13.1</b> (3.3%)	<b>4.6</b> (3.5%)	+6.9%
<b>Device Business</b>	<b>-25.2</b> (-4.7%)	<b>-44.8</b> (-9.3%)	<b>-70.1</b> (-6.9%)	<b>-20.1</b> (-5.0%)	-
<b>Subtotal</b>	<b>2.1</b> (0.2%)	<b>-5.9</b> (-0.5%)	<b>-3.7</b> (-0.2%)	<b>10.0</b> (0.9%)	+360.5%
<b>Adjustments</b>	<b>-8.0</b>	<b>-8.5</b>	<b>-16.5</b>	<b>-9.6</b>	-
<b>Total</b>	<b>-5.8</b> (-0.5%)	<b>-14.4</b> (-1.2%)	<b>-20.3</b> (-0.9%)	<b>0.4</b> (0.0%)	-



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\*Figures within parentheses indicate operating margin.

7

- This slide shows operating profit by segment.
- Operating profit of the Brand Business rose 10.0% year on year to 30.2 billion yen.  
Operating profit increased significantly in the Smart Office segment and Universal Network.  
Despite the negative impact of one-time expenses in energy solution business in Europe, the Smart Life & Energy segment recorded stable profits.
- Operating loss in the Device Business improved by 5.1 billion yen year on year, from 25.2 billion yen to 20.1 billion yen.



## **II . Consolidated Financial Results for the Second Quarter, Fiscal 2024**

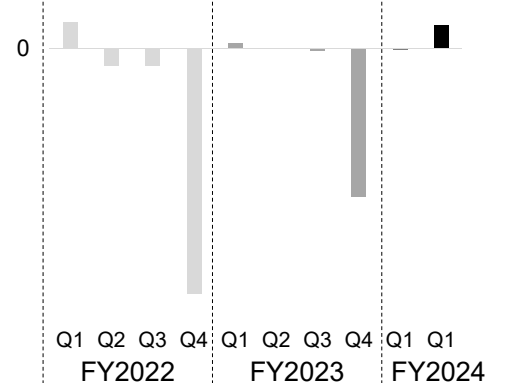
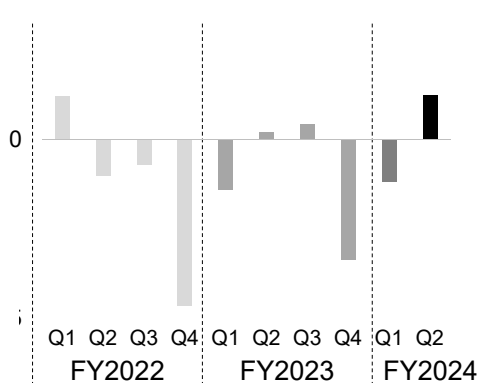
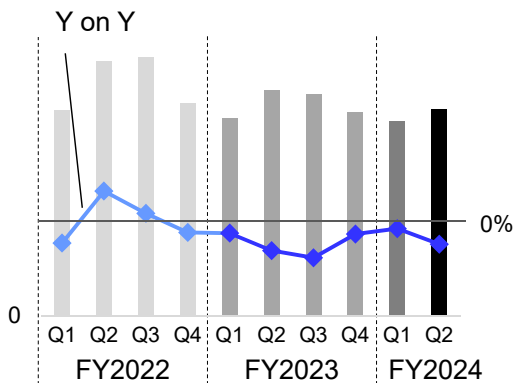
# Consolidated Financial Results for the Second Quarter, Fiscal 2024

(Billions of Yen)	FY2023				FY2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Y on Y
<b>Net Sales</b>	<b>541.2</b>	<b>617.0</b>	<b>606.4</b>	<b>557.2</b>	<b>531.9</b>	<b>564.4</b>	-8.5%
<b>Operating Profit</b>	<b>-7.0</b> (-1.3%)	<b>1.1</b> (0.2%)	<b>2.2</b> (0.4%)	<b>-16.7</b> (-3.0%)	<b>-5.8</b> (-1.1%)	<b>6.2</b> (1.1%)	+425.9%
<b>Ordinary Profit</b>	<b>-0.5</b> (-0.1%)	<b>3.5</b> (0.6%)	<b>3.5</b> (0.6%)	<b>-13.6</b> (-2.5%)	<b>-10.1</b> (-1.9%)	<b>11.6</b> (2.1%)	+226.5%
<b>Bottom-line Profit</b>	<b>5.5</b> (1.0%)	<b>-0.5</b> (-0.1%)	<b>-2.9</b> (-0.5%)	<b>-152.0</b> (-27.3%)	<b>-1.2</b> (-0.2%)	<b>24.2</b> (4.3%)	-
Avg. Exchange Rates							
USD/JPY	137.37	144.63	147.89	148.60	155.89	149.32	
Euro/JPY	149.46	157.29	159.10	161.30	167.88	163.95	

Net Sales

Operating Profit

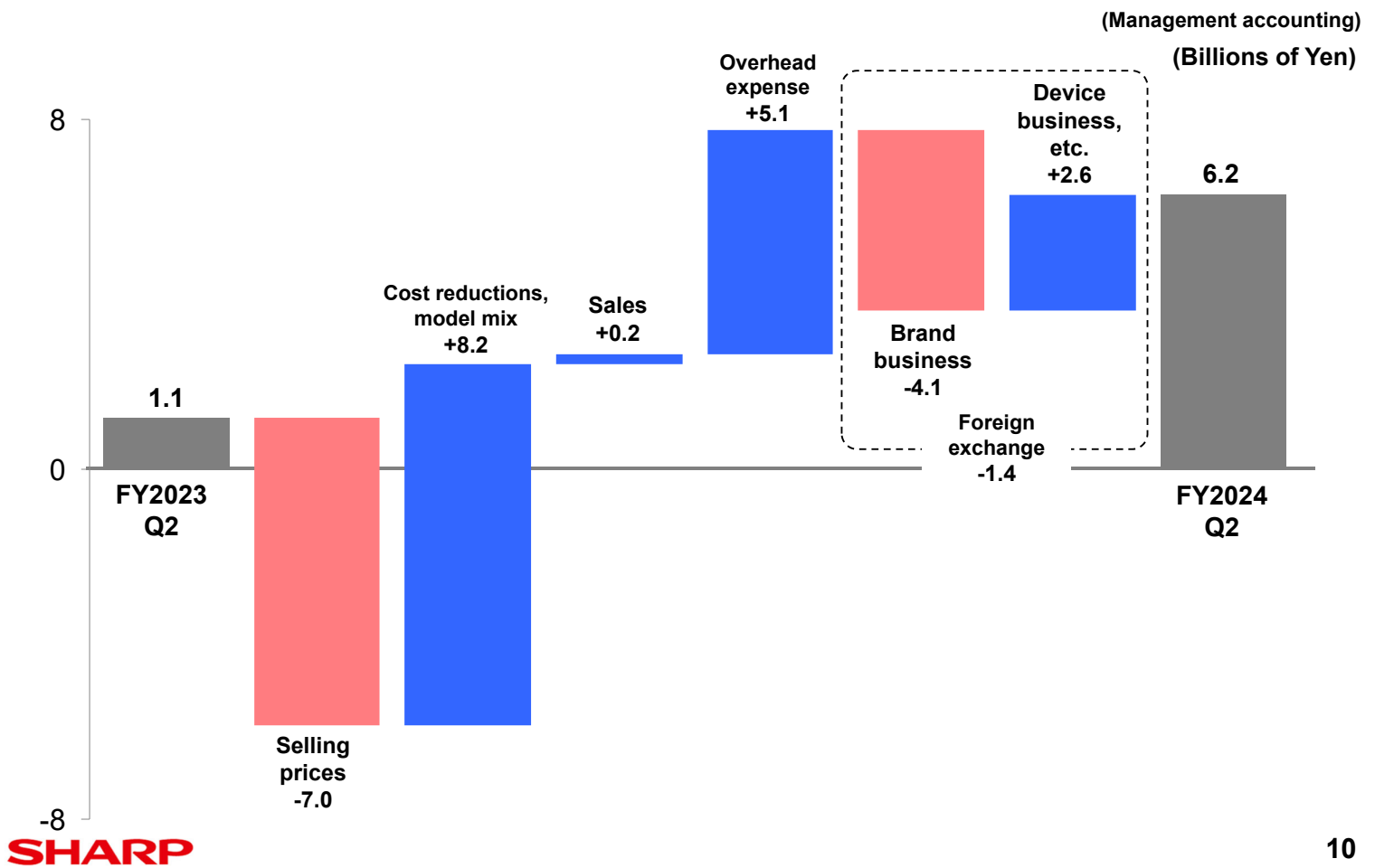
Bottom-line Profit



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- This slide provides highlights of our financial results for Q2, fiscal 2024.
- Net sales amounted to 564.4 billion yen.
- Operating profit was 6.2 billion yen.  
Ordinary profit was 11.6 billion yen.  
Bottom-line profit was 24.2 billion yen.

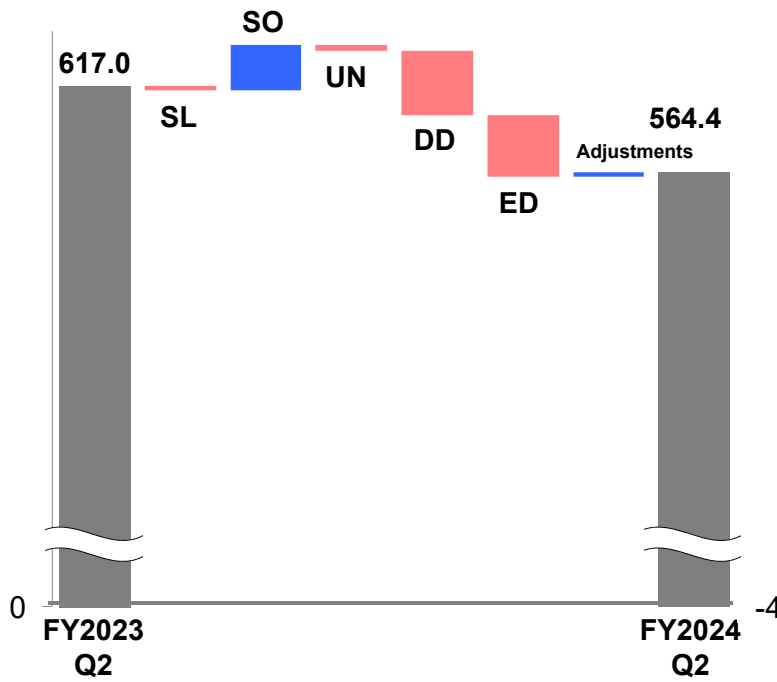
# Operating Profit Analysis: Y on Y Change Factors



- The next graph shows our analysis of year-on-year changes in operating profit.

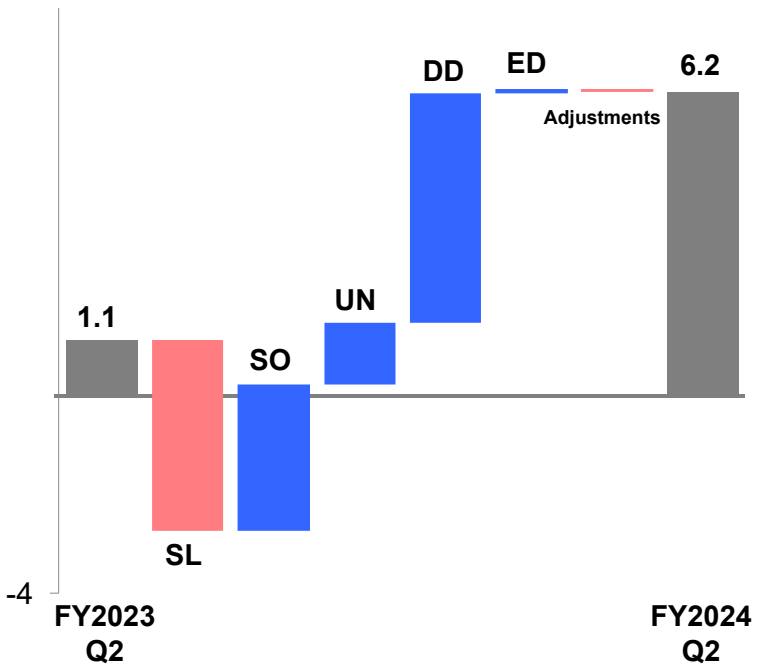
# Sales and Operating Profit Analysis: Y on Y Change by Segment

Sales



Operating profit

(Billions of Yen)

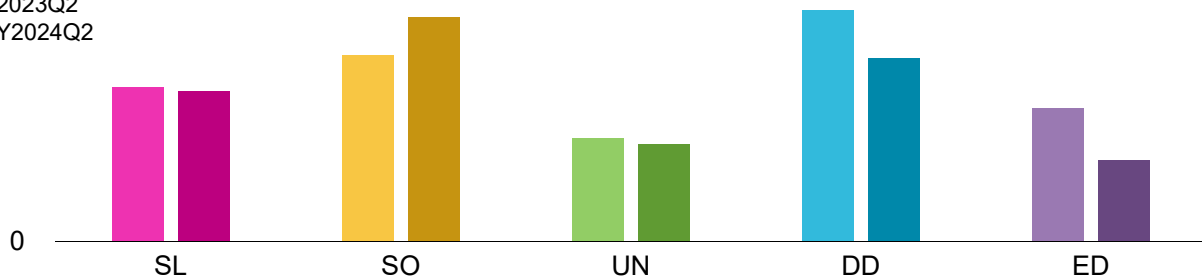


- These graphs provide a year-on-year change analysis by segment for sales and operating profit.

# Sales by Segment

(Billions of Yen)	FY2023				FY2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Y on Y
Smart Life & Energy	109.2	119.8	109.2	114.1	112.4	116.6	-2.7%
Smart Office	126.6	144.8	150.2	160.2	155.6	173.9	+20.1%
Universal Network	65.7	80.3	92.5	73.1	78.5	75.6	-5.9%
Brand Business	301.5	345.0	352.1	347.6	346.6	366.2	+6.1%
Display Device	171.3	179.4	126.3	137.8	125.2	142.6	-20.5%
Electronic Device	79.5	103.8	137.0	80.8	69.8	63.2	-39.1%
Device Business	250.8	283.2	263.3	218.7	195.1	205.8	-27.3%
Subtotal	552.4	628.2	615.5	566.3	541.8	572.1	-8.9%
Adjustments	-11.1	-11.2	-9.1	-9.1	-9.8	-7.6	-
<b>Total</b>	<b>541.2</b>	<b>617.0</b>	<b>606.4</b>	<b>557.2</b>	<b>531.9</b>	<b>564.4</b>	<b>-8.5%</b>

Left bar, FY2023Q2  
Right bar, FY2024Q2



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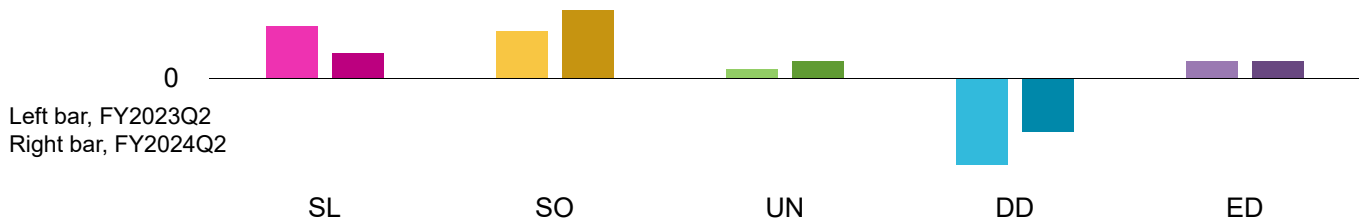
\*Sales include inter-segment sales and transfers.

12

- This slide shows sales by segment.
- Brand Business sales increased by 6.1% year on year to 366.2 billion yen, driven by significant sales growth in the Smart Office segment.
- Device Business sales decreased by 27.3% to 205.8 billion yen.

# Operating Profit by Segment

(Billions of Yen)	FY2023				FY2024		Y on Y
	Q1	Q2	Q3	Q4	Q1	Q2	
<b>Smart Life &amp; Energy</b>	<b>7.0</b> (6.4%)	<b>7.4</b> (6.2%)	<b>5.3</b> (4.9%)	<b>7.8</b> (6.9%)	<b>4.7</b> (4.3%)	<b>3.5</b> (3.1%)	-52.4%
<b>Smart Office</b>	<b>3.1</b> (2.5%)	<b>6.7</b> (4.7%)	<b>9.0</b> (6.0%)	<b>10.7</b> (6.7%)	<b>8.4</b> (5.4%)	<b>9.8</b> (5.6%)	+44.2%
<b>Universal Network</b>	<b>1.7</b> (2.7%)	<b>1.2</b> (1.6%)	<b>4.6</b> (5.0%)	<b>1.2</b> (1.7%)	<b>1.1</b> (1.4%)	<b>2.5</b> (3.3%)	+99.2%
<b>Brand Business</b>	<b>11.9</b> (4.0%)	<b>15.5</b> (4.5%)	<b>19.0</b> (5.4%)	<b>19.8</b> (5.7%)	<b>14.3</b> (4.1%)	<b>15.8</b> (4.3%)	+2.2%
<b>Display Device</b>	<b>-17.3</b> (-10.1%)	<b>-12.3</b> (-6.9%)	<b>-19.7</b> (-15.6%)	<b>-33.8</b> (-24.6%)	<b>-17.1</b> (-13.7%)	<b>-7.6</b> (-5.4%)	-
<b>Electronic Device</b>	<b>1.9</b> (2.5%)	<b>2.4</b> (2.3%)	<b>7.5</b> (5.5%)	<b>1.2</b> (1.5%)	<b>2.1</b> (3.1%)	<b>2.5</b> (4.0%)	+3.6%
<b>Device Business</b>	<b>-15.3</b> (-6.1%)	<b>-9.9</b> (-3.5%)	<b>-12.2</b> (-4.6%)	<b>-32.6</b> (-14.9%)	<b>-15.0</b> (-7.7%)	<b>-5.1</b> (-2.5%)	-
<b>Subtotal</b>	<b>-3.4</b> (-0.6%)	<b>5.6</b> (0.9%)	<b>6.8</b> (1.1%)	<b>-12.8</b> (-2.3%)	<b>-0.6</b> (-0.1%)	<b>10.7</b> (1.9%)	+91.1%
<b>Adjustments</b>	<b>-3.6</b>	<b>-4.4</b>	<b>-4.5</b>	<b>-3.9</b>	<b>-5.1</b>	<b>-4.4</b>	-
<b>Total</b>	<b>-7.0</b> (-1.3%)	<b>1.1</b> (0.2%)	<b>2.2</b> (0.4%)	<b>-16.7</b> (-3.0%)	<b>-5.8</b> (-1.1%)	<b>6.2</b> (1.1%)	+425.9%



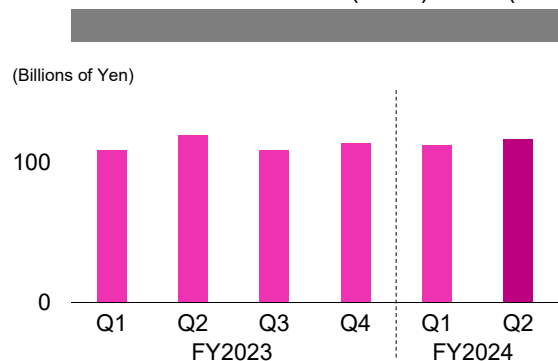
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\*Figures within parentheses indicate operating margin.

13

- This slide shows operating profit by segment.
  - Operating profit of the Brand Business increased by 2.2% year on year to 15.8 billion yen.
- Operating loss in the Device Business improved by 4.8 billion yen year on year, from 9.9 billion yen to 5.1 billion yen.

(Billions of Yen)	FY2023				FY2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Y on Y
<b>Sales</b>	109.2	119.8	109.2	114.1	112.4	116.6	-2.7%
<b>Operating Profit</b>	7.0 (6.4%)	7.4 (6.2%)	5.3 (4.9%)	7.8 (6.9%)	4.7 (4.3%)	3.5 (3.1%)	-52.4%



**Sales (Decrease)**

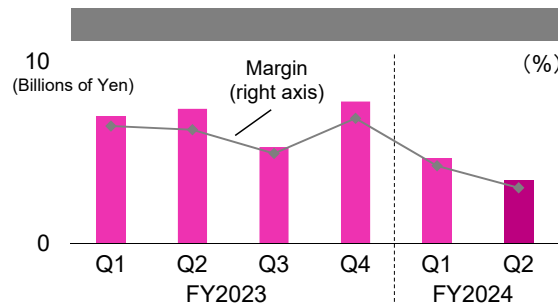
(Dec.) Increasing price competition in the washing machine business and stagnant demand for refrigerators, in Japan.

(Dec.) The energy solutions business saw a decline in EPC sales.

(Inc.) In Japan, beauty products and kitchen appliances sales grew significantly.

(Inc.) In ASEAN, sales for refrigerators increased significantly as a result of shift towards large, high-value-added models, and sales for washing machines grew.

(Inc.) In the U.S., kitchen appliances sales grew, mainly in high-value-added products.



**Operating profit (Decrease)**

(Dec.) Recording of one-time expenses in the energy solutions business in Europe.

(Dec.) Sales decline in the energy solution business.

(Dec.) Weakening of the yen.

(Inc.) Growth in overseas sales of kitchen appliances and refrigerators.

(Inc.) Sales for high-value-added products grew in each business.

(Inc.) Cost reduction.

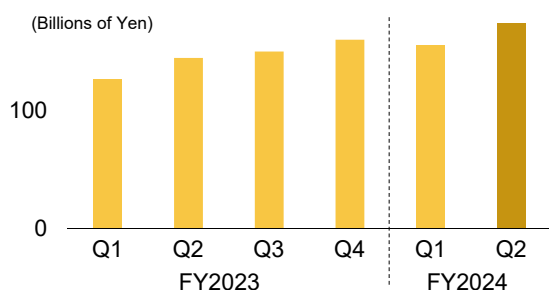
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14

- This is our performance by segment. First, let's look at the Smart Life & Energy segment.
- Sales amounted to 116.6 billion yen, a 2.7% decrease year on year. Energy solution business sales decreased, while sales for the white goods business increased. Sales for white goods businesses grew in the overseas market, while stagnating in the domestic market.  
In Japan, beauty products kept good momentum, and sales for air conditioners increased. However, the sales of washing machines and refrigerators decreased year on year due to intense price competition and sluggish demand, respectively. Overseas, in ASEAN, sales increased significantly. Sales for refrigerators increased significantly as a result of a shift towards large, high value-added models, and sales for washing machines grew. In the U.S., sales increased supported by growth in kitchen appliances, mainly higher value-added models. The EPC business declined substantially in the energy solution business.
- Operating profit was 3.5 billion yen, 52.4% down year on year. While profit decreased due to the yen depreciation and the one-time expenses in the energy solutions business in Europe, the white goods business maintained a profit level similar to the first quarter of the year and this segment secured a stable profit.

(Billions of Yen)	FY2023				FY2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Y on Y
<b>Sales</b>	<b>126.6</b>	<b>144.8</b>	<b>150.2</b>	<b>160.2</b>	<b>155.6</b>	<b>173.9</b>	+20.1%
<b>Operating Profit</b>	<b>3.1</b>	<b>6.7</b>	<b>9.0</b>	<b>10.7</b>	<b>8.4</b>	<b>9.8</b>	+44.2%
	(2.5%)	(4.7%)	(6.0%)	(6.7%)	(5.4%)	(5.6%)	

## Sales (Increase)



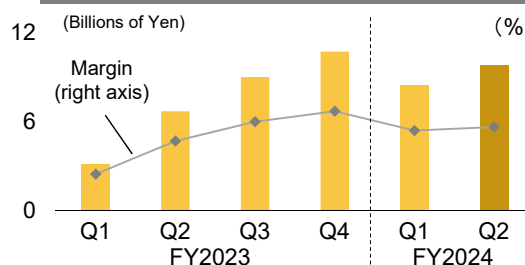
(Inc.) In Japan, office solutions and information displays sold well, and MFP sales increased.

(Inc.) MFP in Europe and office solutions in the U.S. grew significantly.

(Inc.) PC sales for enterprise customers grew significantly, due to strong performance of premium models as well as positive effect from reinforcing Lifecycle Management service function.

(Dec.) Weak demand for MFP and information displays in China.

## Operating profit (Increase)



(Inc.) Increase in sales.

(Inc.) Shift toward high-value-added offerings in the PC and office solution businesses.

(Inc.) Positive effects of structural reforms in the information display business.

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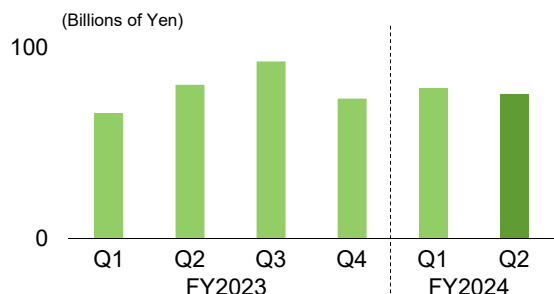
15

- This slide shows performance in our Smart Office segment.
- Sales for both the business solutions business and PC business grew, and the Smart Office segment sales increased to 173.9 billion yen, up 20.1% from the same period of last fiscal year.  
Business solutions business sales increased both in Japan and in the overseas markets.  
In Japan, office solutions and information displays sold well, and MFP sales increased year on year.  
Overseas, sales of MFPs in Europe and office solutions in the Americas grew significantly.  
In the PC business, premium model PCs sold well for the B2B market, and life cycle management services were gradually expanded. As a result, the PC business increased shares for domestic enterprises and government clients.
- Operating profit amounted to 9.8 billion yen, a 44.2% increase year on year.  
The Smart Office segment posted a significant increase in profit due to the total sales increase and the shift of sales mix toward higher value-added products in the PC and office solution businesses. Additionally, the structural reforms in loss-making information display business have been in progress, and has become profitable.



(Billions of Yen)	FY2023				FY2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Y on Y
<b>Sales</b>	65.7	80.3	92.5	73.1	78.5	75.6	-5.9%
<b>Operating Profit</b>	1.7 (2.7%)	1.2 (1.6%)	4.6 (5.0%)	1.2 (1.7%)	1.1 (1.4%)	2.5 (3.3%)	+99.2%

## Sales (Decrease)



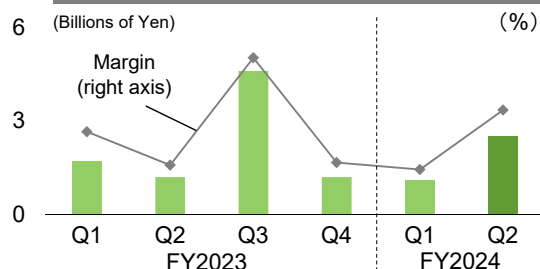
(Dec.) Sluggish demand and increasing competition in the overseas TV market.

(Dec.) Smartphone sales amount decreased, while the sales unit grew, in the mobile communication business.

(Inc.) New XLED and OLED TV models sold well, contributing to an increase in our market share of high-end TVs in Japan.

(Inc.) New smartphone models, such as the AQUOS R9 and AQUOS wish4, sold well.

## Operating profit (Increase)



(Inc.) Higher value-added products in the TV business.

(Inc.) Recording of one-time income in the mobile communication business.

(Inc.) Cost and expense reduction through structural reforms, etc.

(Dec.) Weakening of the yen.

(Dec.) Decrease in sales.

SHARP

- This slide is about the Universal Network segment.
- Sales of both the TV business and mobile communication business decreased, and Universal Network segment sales decreased by 5.9% year on year to 75.6 billion yen.

Sales of TVs decreased due to the severe competition in the stagnant overseas market.

New XLED and OLED TV models sold well, and our market share of high-end TVs increased in Japan.

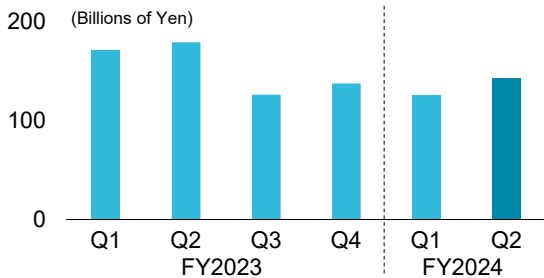
Sales in the mobile communication business decreased. However, the sales volume of smart phone increased, especially for newly introduced models, such as AQUOS R9 and AQUOS wish4.

- Operating profit amounted to 2.5 billion yen, a 99.2% increase year on year.
- Operating profit in Universal Network increased year on year, due to cost and expense reduction through structural reforms as well as the contribution of a one-time income recorded in the mobile communication business.

# Display Device

(Billions of Yen)	FY2023				FY2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Y on Y
<b>Sales</b>	171.3	179.4	126.3	137.8	125.2	142.6	-20.5%
<b>Operating Profit</b>	-17.3	-12.3	-19.7	-33.8	-17.1	-7.6	-
	(-10.1%)	(-6.9%)	(-15.6%)	(-24.6%)	(-13.7%)	(-5.4%)	

## Sales (Decrease)

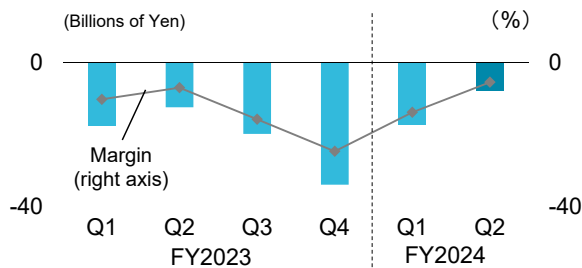


(Dec.) Sales for smartphone, PC, and tablet panels decreased.

(Dec.) Sales for large-size displays declined as production at SDP was halted.

(Inc.) Automotive display sales remained solid.

## Operating profit (Increase)



(Inc.) Positive effects of structural reform, such as optimization of manufacturing capability.

(Inc.) Cost and expense reduction.

(Dec.) Decrease in sales.

**SHARP**

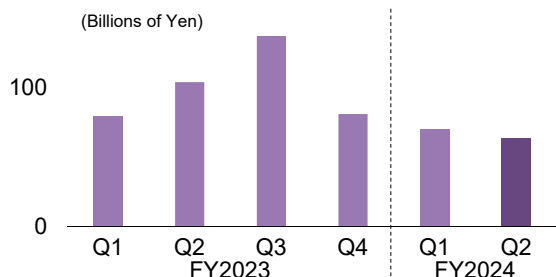
17

- This slide shows performance for Display Device segment.
- Sales declined by 20.5% from the same period of last fiscal year to 142.6 billion yen.  
Sales of automotive displays sales remained solid, but sales of displays for smartphones, PCs and tablets decreased year on year. Sales of large-size displays also decreased as we halted manufacturing at SDP.
- Operating loss improved by 4.7 billion yen year on year, from 12.3 billion yen to 7.6 billion yen.

Due to the impact of structural reform, including the optimization of manufacturing capabilities, the deficit substantially decreased year on year.

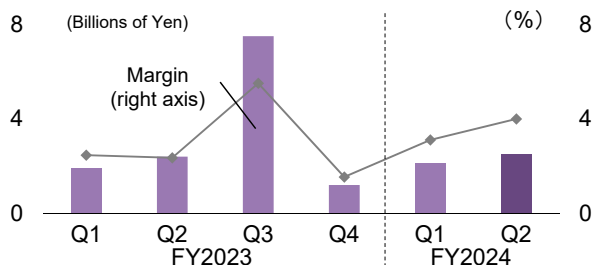
(Billions of Yen)	FY2023				FY2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Y on Y
<b>Sales</b>	79.5	103.8	137.0	80.8	69.8	63.2	-39.1%
<b>Operating Profit</b>	1.9 (2.5%)	2.4 (2.3%)	7.5 (5.5%)	1.2 (1.5%)	2.1 (3.1%)	2.5 (4.0%)	+3.6%

### Sales (Decrease)



(Dec.) Fluctuating customer demand for sensor modules.  
 (Inc.) Substantial increase in sales of semiconductor laser for processing use as well as for automotive use that started mass production in 2024.

### Operating profit (Increase)



(Inc.) Semiconductor lasers sold well.  
 (Inc.) Expense reduction.  
 (Inc.) Weakening of the yen.  
 (Dec.) Sales of sensor module declined.



- This slide shows the Electronic Device segment performance.

- Sales declined by 39.1% year on year to 63.2 billion yen.

Sales increased year on year in semiconductor laser for processing use as well as for automotive use that started mass production in 2024.

However, sales declined in the sensor module business, due to the customer demand fluctuation.

- Operating profit amounted to 2.5 billion yen, a 3.6% increase year on year.

Operating profit increased due to sales growth in semiconductor laser and cost reductions although sales of sensor module decreased year on year.

# Non-Operating Income (Expenses) / Extraordinary Income (Losses)

(Billions of Yen)	FY2023				FY2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Difference (Y on Y)
<b>Operating Profit</b>	<b>-7.0</b>	<b>1.1</b>	<b>2.2</b>	<b>-16.7</b>	<b>-5.8</b>	<b>6.2</b>	+5.1
<b>Non-operating Income (Expenses)</b>	<b>+6.5</b>	<b>+2.3</b>	<b>+1.2</b>	<b>+3.0</b>	<b>-4.3</b>	<b>+5.3</b>	+3.0
Interest expenses	-2.9	-2.6	-2.5	-2.6	-2.6	-2.1	+0.5
Foreign exchange gains (losses)	+6.2	+2.9	+0.4	+3.7	-7.4	+4.3	+1.4
Investment income (expenses)	+0.2	+0.3	+0.3	+0.1	+0.2	+0.8	+0.5
Share of profit (loss) of entities accounted for using equity method	+1.3	+2.4	+2.9	+1.5	+2.3	+2.4	0.0
<b>Ordinary Profit</b>	<b>-0.5</b>	<b>3.5</b>	<b>3.5</b>	<b>-13.6</b>	<b>-10.1</b>	<b>11.6</b>	+8.1
<b>Extraordinary Income (Losses)</b>	<b>+9.3</b>	<b>-0.9</b>	<b>-3.4</b>	<b>-135.4</b>	<b>+11.7</b>	<b>+18.2</b>	+19.1
Gain on sale of investment securities	-	+0.1	-	-	+10.1	+18.1	+18.0
Gain on sale of non-current assets	+0.5	+2.0	+0.6	+0.3	+0.0	+0.0	-2.0
Gain on step acquisitions	+1.3	-	-	-	-	+0.7	+0.7
Gain on change in equity	+4.2	-	-	-	+2.7	-	-
Gain on reversal of liabilities	+4.8	-	-	-	+3.5	-	-
Compensation income	-	-	-	-	-	+3.8	+3.8
Business restructuring expenses	-	-0.6	-0.2	-10.8	-3.4	+1.0	+1.6
Impairment losses	-1.4	-1.8	-1.0	-117.9	-1.2	-5.6	-3.8
Loss on sale of business	-	-	-2.3	-	-	-	-
Loss from cancellation of made-to-order production	-	-	-	-4.7	-	-	-
<b>Pretax Income</b>	<b>8.8</b>	<b>2.6</b>	<b>0.0</b>	<b>-149.1</b>	<b>1.6</b>	<b>29.8</b>	+27.2
<b>Income Taxes, etc.</b>	<b>-3.2</b>	<b>-3.2</b>	<b>-3.0</b>	<b>-2.8</b>	<b>-2.8</b>	<b>-5.6</b>	-2.4
<b>Bottom-line Profit</b>	<b>5.5</b>	<b>-0.5</b>	<b>-2.9</b>	<b>-152.0</b>	<b>-1.2</b>	<b>24.2</b>	+24.7

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19

- This slide addresses non-operating income, extraordinary income, and income taxes.
- We recorded foreign exchange gains under non-operating income. Gains on sale of investment securities and impairment losses relating to the small- and medium-size display business were posted as extraordinary items.

# Consolidated Balance Sheets

- Cash and deposits amounted to 248.8 billion yen, net assets amounted to 145.0 billion yen, and equity ratio was 8.4%.

(Billions of Yen)

	FY2023	FY2024			FY2023	FY2024	
	End of Mar.	End of Jun.	End of Sep.		End of Mar.	End of Jun.	End of Sep.
Cash and deposits	227.1	238.1	248.8	Notes and accounts payable – trade, etc.	355.2	362.5	335.9
Notes and accounts receivable – trade, etc.	407.5	419.7	408.0	Short-term borrowings	115.9	139.2	122.1
Inventories	269.5	295.2	272.0	Current portion of bonds payable	0.0	0.0	0.0
Other current assets	85.9	89.8	72.7	Other current liabilities	385.1	387.9	368.4
<b>Current Assets</b>	<b>990.2</b>	<b>1,043.0</b>	<b>1,001.7</b>	<b>Current Liabilities</b>	<b>856.3</b>	<b>889.6</b>	<b>826.4</b>
Property, plant and Equipment	280.1	280.5	271.2	Bonds payable	0.0	0.0	0.0
Intangible assets	31.0	30.4	34.2	Long-term borrowings	457.6	458.1	456.7
Investments and other Assets	288.5	291.4	243.6	Other non-current liabilities	118.6	115.8	122.5
<b>Non-current Assets</b>	<b>599.8</b>	<b>602.4</b>	<b>549.1</b>	<b>Non-current Liabilities</b>	<b>576.2</b>	<b>574.0</b>	<b>579.3</b>
<b>Total Assets</b>	<b>1,590.0</b>	<b>1,645.5</b>	<b>1,550.9</b>	<b>Net Assets</b>	<b>157.4</b>	<b>181.8</b>	<b>145.0</b>
				<b>Total Liabilities and Net Assets</b>	<b>1,590.0</b>	<b>1,645.5</b>	<b>1,550.9</b>
Exchange Rate, End of Period							
USD/JPY	151.40	161.14	142.82	Equity Ratio	9.0%	10.1%	8.4%
Euro/JPY	163.28	172.44	159.53	Equity	142.4	165.8	129.9

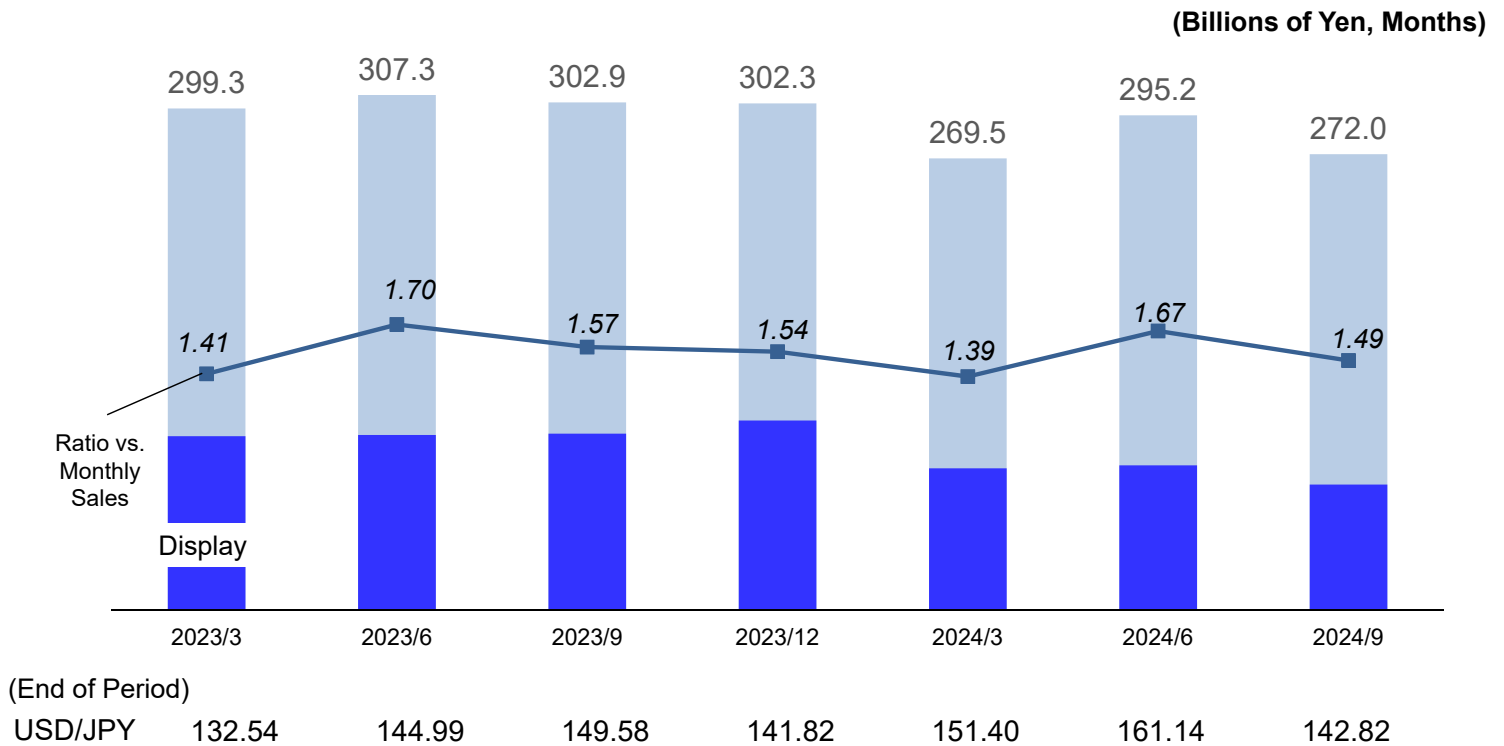
**SHARP**

20

- This slide provides information about our balance sheets.
- Cash and deposits amounted to 248.8 billion yen, while we posted 238.1 billion yen at the end of June 2024.  
Net assets amounted to 145.0 billion yen, while we posted 181.8 billion yen at the end of June 2024.  
The equity ratio was 8.4%, while it was 10.1% at the end of June 2024.

# Inventory Trends

• Inventories decreased to 272.0 billion yen from 295.2 billion yen as of the end of June.



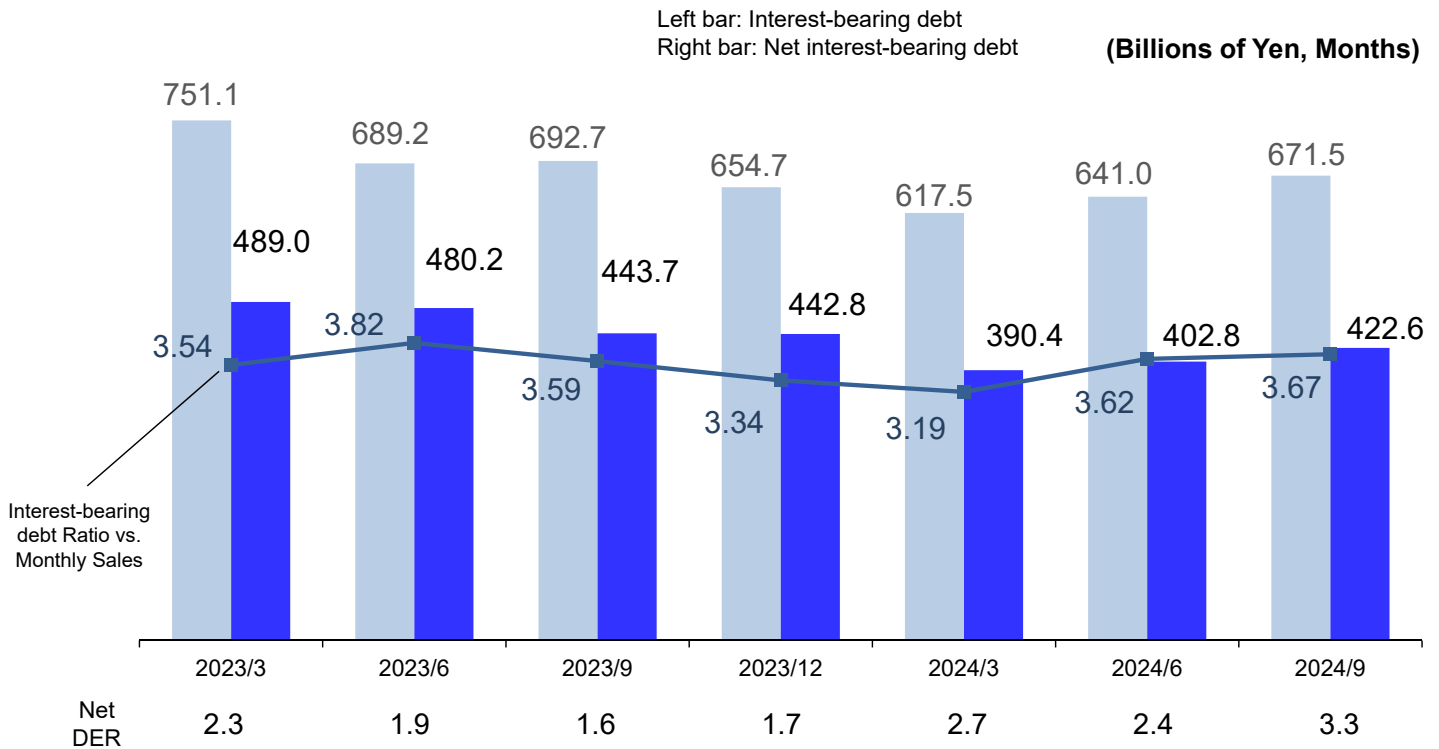
**SHARP**

21

- This slide shows our inventory trends.
- Inventories decreased to 272.0 billion yen from 295.2 billion yen as of the end of June.  
Inventories decreased from the end of the same period of last year, and it is in line with the sales projection for the latter half of this fiscal year.
- We will continue to monitor changes in the situation and strive to manage inventories appropriately.

# Interest-Bearing Debt Trends

- Net interest-bearing debt increased to 422.6 billion yen from 402.8 billion yen as of the end of June.



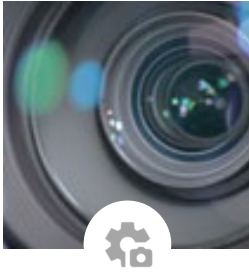
\*Net interest-bearing debt: interest-bearing debt – cash and deposits

- This slide shows interest-bearing debt.
- Net interest-bearing debt increased to 422.6 billion yen from 402.8 billion yen as of the end of June.

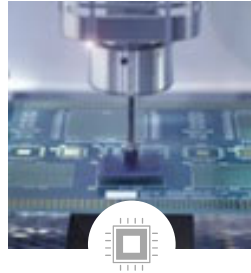
## **Ⅲ. Consolidated Financial Results Forecast for Fiscal 2024**



# FY2024 Key Initiatives (Asset Light)



**Camera module**  
(Sharp Sensing Technology Corporation)



**Semiconductor**  
(Sharp Fukuyama Laser Co., Ltd. )



**Green Front Sakai**  
(SDP LCD plant and related facilities)

We are in final discussions with Hon Hai, aiming to conclude the transfer agreement in the third quarter of fiscal 2024 and close in the fourth quarter.

(1) SoftBank Corp.

We are in final discussions to conclude the transfer agreement for the land and building within the fiscal 2024.

(2) KDDI Corporation

We are discussing various conditions to realize the full operation of the AI data center within the fiscal 2025.

- This slide shows the progress of the Asset Light Initiatives, which are our key initiatives for fiscal 2024.
- We are in final discussions with Hon Hai, aiming to conclude the transfer agreement for camera module and semiconductor businesses in Q3, fiscal 2024, and close in Q4.

As for initiatives related to Green Front Sakai, we are in final discussions with SoftBank corp. to conclude the transfer agreement for the land and building within the fiscal 2024. At the same time, we are discussing various conditions with KDDI Corporation to realize the full operation of the AI data center within the fiscal 2025.

# Consolidated Financial Results Forecast for Fiscal 2024

(Billions of Yen)

	FY2023	FY2024	
	Fiscal Year	Fiscal Year Forecast	Y on Y
<b>Net Sales</b>	<b>2,321.9</b>	<b>2,100.0</b>	-9.6%
<b>Operating Profit</b> (margin)	<b>-20.3</b> (-0.9%)	<b>10.0</b> (0.5%)	-
<b>Ordinary Profit</b> (margin)	<b>-7.0</b> (-0.3%)	<b>10.0</b> (0.5%)	-
<b>Bottom-line Profit</b> (margin)	<b>-149.9</b> (-6.5%)	<b>5.0</b> (0.2%)	-
Avg. Exchange Rate			
USD/JPY	144.62	150.00	
Euro/JPY	156.79	160.00	

**SHARP**

25

- This slide provides our financial results forecast for fiscal 2024.
- As the first quarter performance is almost in line with the plan, there is no change in the fiscal year forecasts.
- As explained earlier, we have been working on several asset sales projects under the Asset Light initiatives. As we are still in the process of discussing with partner candidates, the annual performance forecast does not include the effect of those projects.  
We will make a timely announcement in case any revision of the consolidated financial results forecast become necessary.
- Thank you for your attention.

## IV. Supplementary Data

# Consolidated Financial Results

(Billions of Yen)

	FY2023			FY2024		
	First Half	Second Half	Fiscal Year	First Half	Second Half Forecast	Fiscal Year Forecast
<b>Net Sales</b>	<b>1,158.2</b>	<b>1,163.6</b>	<b>2,321.9</b>	<b>1,096.4</b>	<b>1,003.6</b>	<b>2,100.0</b>
<b>Operating Profit</b>	<b>-5.8</b>	<b>-14.4</b>	<b>-20.3</b>	<b>0.4</b>	<b>9.6</b>	<b>10.0</b>
(margin)	(-0.5%)	(-1.2%)	(-0.9%)	(0.0%)	(0.9%)	(0.5%)
<b>Ordinary Profit</b>	<b>3.0</b>	<b>-10.1</b>	<b>-7.0</b>	<b>1.4</b>	<b>8.6</b>	<b>10.0</b>
(margin)	(0.3%)	(-0.9%)	(-0.3%)	(0.1%)	(0.9%)	(0.5%)
<b>Bottom-line Profit</b>	<b>4.9</b>	<b>-154.9</b>	<b>-149.9</b>	<b>22.9</b>	<b>-17.9</b>	<b>5.0</b>
(margin)	(0.4%)	(-13.3%)	(-6.5%)	(2.1%)	(-1.8%)	(0.2%)

**SHARP**

S-2

# Consolidated Quarterly Financial Results

(Billions of Yen)

	FY2023				FY2024	
	Q1	Q2	Q3	Q4	Q1	Q2
<b>Net Sales</b>	<b>541.2</b>	<b>617.0</b>	<b>606.4</b>	<b>557.2</b>	<b>531.9</b>	<b>564.4</b>
<b>Operating Profit</b>	<b>-7.0</b>	<b>1.1</b>	<b>2.2</b>	<b>-16.7</b>	<b>-5.8</b>	<b>6.2</b>
(margin)	(-1.3%)	(0.2%)	(0.4%)	(-3.0%)	(-1.1%)	(1.1%)
<b>Ordinary Profit</b>	<b>-0.5</b>	<b>3.5</b>	<b>3.5</b>	<b>-13.6</b>	<b>-10.1</b>	<b>11.6</b>
(margin)	(-0.1%)	(0.6%)	(0.6%)	(-2.5%)	(-1.9%)	(2.1%)
<b>Bottom-line Profit</b>	<b>5.5</b>	<b>-0.5</b>	<b>-2.9</b>	<b>-152.0</b>	<b>-1.2</b>	<b>24.2</b>
(margin)	(1.0%)	(-0.1%)	(-0.5%)	(-27.3%)	(-0.2%)	(4.3%)

**SHARP**

S-3

# Sales by Segment

(Billions of Yen)

	FY2023			FY2024
	First Half	Second Half	Fiscal Year	First Half
Smart Life & Energy	229.0	223.4	452.5	229.0
Smart Office	271.4	310.5	582.0	329.6
Universal Network	146.1	165.7	311.8	154.2
Brand Business	646.6	699.7	1,346.4	712.9
Display Device	350.7	264.2	614.9	267.9
Electronic Device	183.3	217.9	401.2	133.1
Device Business	534.0	482.1	1,016.1	401.0
Subtotal	1,180.6	1,181.8	2,362.5	1,113.9
Adjustments	-22.4	-18.2	-40.6	-17.5
Total	1,158.2	1,163.6	2,321.9	1,096.4

\*Sales include inter-segment sales and transfers.

**SHARP**

S-4

# Operating Profit by Segment

(Billions of Yen)

	FY2023			FY2024
	First Half	Second Half	Fiscal Year	First Half
Smart Life & Energy	14.5 (6.3%)	13.2 (5.9%)	27.7 (6.1%)	8.3 (3.6%)
Smart Office	9.9 (3.7%)	19.7 (6.4%)	29.6 (5.1%)	18.2 (5.5%)
Universal Network	3.0 (2.1%)	5.8 (3.5%)	8.8 (2.8%)	3.6 (2.4%)
Brand Business	27.4 (4.2%)	38.8 (5.6%)	66.3 (4.9%)	30.2 (4.2%)
Display Device	-29.6 (-8.5%)	-53.6 (-20.3%)	-83.2 (-13.5%)	-24.8 (-9.3%)
Electronic Device	4.3 (2.4%)	8.7 (4.0%)	13.1 (3.3%)	4.6 (3.5%)
Device Business	-25.2 (-4.7%)	-44.8 (-9.3%)	-70.1 (-6.9%)	-20.1 (-5.0%)
Subtotal	2.1 (0.2%)	-5.9 (-0.5%)	-3.7 (-0.2%)	10.0 (0.9%)
Adjustments	-8.0	-8.5	-16.5	-9.6
Total	-5.8 (-0.5%)	-14.4 (-1.2%)	-20.3 (-0.9%)	0.4 (0.0%)

\*Figures within parentheses indicate operating margin.

**SHARP**

S-5

# Quarterly Sales by Segment

(Billions of Yen)

	FY2023				FY2024	
	Q1	Q2	Q3	Q4	Q1	Q2
Smart Life & Energy	109.2	119.8	109.2	114.1	112.4	116.6
Smart Office	126.6	144.8	150.2	160.2	155.6	173.9
Universal Network	65.7	80.3	92.5	73.1	78.5	75.6
Brand Business	301.5	345.0	352.1	347.6	346.6	366.2
Display Device	171.3	179.4	126.3	137.8	125.2	142.6
Electronic Device	79.5	103.8	137.0	80.8	69.8	63.2
Device Business	250.8	283.2	263.3	218.7	195.1	205.8
Subtotal	552.4	628.2	615.5	566.3	541.8	572.1
Adjustments	-11.1	-11.2	-9.1	-9.1	-9.8	-7.6
Total	541.2	617.0	606.4	557.2	531.9	564.4



\*Sales include inter-segment sales and transfers.

S-6

# Quarterly Operating Profit by Segment

(Billions of Yen)

	FY2023				FY2024	
	Q1	Q2	Q3	Q4	Q1	Q2
Smart Life & Energy	7.0 (6.4%)	7.4 (6.2%)	5.3 (4.9%)	7.8 (6.9%)	4.7 (4.3%)	3.5 (3.1%)
Smart Office	3.1 (2.5%)	6.7 (4.7%)	9.0 (6.0%)	10.7 (6.7%)	8.4 (5.4%)	9.8 (5.6%)
Universal Network	1.7 (2.7%)	1.2 (1.6%)	4.6 (5.0%)	1.2 (1.7%)	1.1 (1.4%)	2.5 (3.3%)
Brand Business	11.9 (4.0%)	15.5 (4.5%)	19.0 (5.4%)	19.8 (5.7%)	14.3 (4.1%)	15.8 (4.3%)
Display Device	-17.3 (-10.1%)	-12.3 (-6.9%)	-19.7 (-15.6%)	-33.8 (-24.6%)	-17.1 (-13.7%)	-7.6 (-5.4%)
Electronic Device	1.9 (2.5%)	2.4 (2.3%)	7.5 (5.5%)	1.2 (1.5%)	2.1 (3.1%)	2.5 (4.0%)
Device Business	-15.3 (-6.1%)	-9.9 (-3.5%)	-12.2 (-4.6%)	-32.6 (-14.9%)	-15.0 (-7.7%)	-5.1 (-2.5%)
Subtotal	-3.4 (-0.6%)	5.6 (0.9%)	6.8 (1.1%)	-12.8 (-2.3%)	-0.6 (-0.1%)	10.7 (1.9%)
Adjustments	-3.6	-4.4	-4.5	-3.9	-5.1	-4.4
Total	-7.0 (-1.3%)	1.1 (0.2%)	2.2 (0.4%)	-16.7 (-3.0%)	-5.8 (-1.1%)	6.2 (1.1%)



\*Figures within parentheses indicate operating margin.

S-7

# Capital Investment / Depreciation and Amortization

(Billions of Yen)

	FY2023			FY2024		
	First Half	Second Half	Fiscal Year	First Half	Second Half Forecast	Fiscal Year Forecast
<b>Capital Investment</b>	<b>22.3</b>	<b>25.2</b>	<b>47.6</b>	<b>14.4</b>	<b>35.6</b>	<b>50.0</b>
Displays	10.3	9.4	19.8	6.1	9.0	15.1
<b>Depreciation and Amortization</b>	<b>29.2</b>	<b>31.2</b>	<b>60.5</b>	<b>21.8</b>	<b>32.2</b>	<b>54.0</b>
<b>R&amp;D Expenditures</b>	<b>36.7</b>	<b>36.2</b>	<b>73.0</b>	<b>39.1</b>	<b>40.9</b>	<b>80.0</b>

(Yen)

Avg. Exchange Rate	FY2023			FY2024	
	First Half	Second Half	Fiscal Year	First Half	Fiscal Year Forecast
<b>US Dollar</b>	<b>141.00</b>	<b>148.25</b>	<b>144.62</b>	<b>152.61</b>	<b>150.00</b>
<b>Euro</b>	<b>153.38</b>	<b>160.20</b>	<b>156.79</b>	<b>165.91</b>	<b>160.00</b>

**SHARP**

S-8

## Quarterly Capital Investment, Depreciation and Amortization, etc.

(Billions of Yen)

	FY2023				FY2024	
	Q1	Q2	Q3	Q4	Q1	Q2
<b>Capital Investment</b>	<b>8.9</b>	<b>13.3</b>	<b>13.4</b>	<b>11.8</b>	<b>6.2</b>	<b>8.1</b>
Displays	4.0	6.3	5.8	3.6	2.5	3.5
<b>Depreciation and Amortization</b>	<b>14.1</b>	<b>15.1</b>	<b>15.6</b>	<b>15.5</b>	<b>11.0</b>	<b>10.8</b>
<b>R&amp;D Expenditures</b>	<b>17.6</b>	<b>19.1</b>	<b>18.0</b>	<b>18.2</b>	<b>17.2</b>	<b>21.9</b>

(Yen)

Avg. Exchange Rate	FY2023				FY2024	
	Q1	Q2	Q3	Q4	Q1	Q2
<b>US Dollar</b>	<b>137.37</b>	<b>144.63</b>	<b>147.89</b>	<b>148.60</b>	<b>155.89</b>	<b>149.32</b>
<b>Euro</b>	<b>149.46</b>	<b>157.29</b>	<b>159.10</b>	<b>161.30</b>	<b>167.88</b>	<b>163.95</b>

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S-9

## Forward-Looking Statements

This presentation contains certain statements about the future plans, strategies, and performance of Sharp Corporation and its consolidated subsidiaries (“the Company” or “Sharp”). Statements not based on historical or present facts are assumptions and estimates based on information available at the time. Future plans, strategies, and performance are subject to known and unknown risks, uncertainties, and other factors. Actual performance, business activities, and financial position may differ materially from the assumptions and estimates provided herein due to risks, uncertainties, and other factors. Sharp is under no obligation to update these forward-looking statements in light of new information, future events, or other factors. Risks, uncertainties, and other matters that could affect actual results include, but are not limited to, to the following factors:

- (1) The economic conditions in which Sharp operates
- (2) Sudden, rapid fluctuations in demand for Sharp products and services, as well as intensified price competition
- (3) Exchange rate fluctuations (particularly between the yen and the U.S. dollar, the euro, and other currencies)
- (4) Regulations, including trade restrictions with 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.

\*Year-on-year change has been calculated based on 100 million yen units. Percentage change has been calculated based on actual figures.

\*Bottom-line profit: Profit attributable to owners of parent

\*Segment Name Abbreviations:

Smart Life & Energy: SL Smart Office: SO Universal Network: UN Display Device: DD Electronic Device: ED

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