

[Translation]

February 7, 2025

To Whom It May Concern

Company Name: Sharp Corporation
Name of representative: Masahiro Okitsu
Chief Executive Officer
(Code No. 6753)

Notice Regarding Non-operating Expenses and Extraordinary Losses

Sharp Corporation (“the Company”) announces the recording of the following non-operating expenses and extraordinary losses in the consolidated financial results for the third quarter of the fiscal year ending March 2025 (October 1, 2024 to December 31, 2024).

1. Details of non-operating expenses

Sharp Group (“the Group”) recorded foreign exchange losses of 17,533 million yen as non-operating expenses for the third quarter of the fiscal year ending March 2025 (October 1, 2024 to December 31, 2024).

Due to sales decline in Device Business, a part of contract liabilities (advances received) denominated in foreign currency became subject to revaluation by foreign currency exchange rate at the end of the third quarter, resulting in a major part of the foreign exchange losses.

2. Details of extraordinary losses

The Group recorded 17,295 million yen impairment losses and 8,818 million yen business restructuring expenses as extraordinary losses for the third quarter of the fiscal year ending March 2025 (October 1, 2024 to December 31, 2024).

These are primarily related to the impairment loss associated with Camera Module Business as well as the restructuring expense associated with the Sakai Plant.

(Breakdown in appendix)

3. Impact on financial performance

The impact has been reflected in *Consolidated Financial Results for the Third Quarter Ended December 31, 2024 [Japanese Accounting Standards]* released today.

End

(Appendix) Breakdown of extraordinary losses

Third quarter (October 1, 2024 to December 31, 2024)		(millions of yen)
		Amount (Note)
Impairment Losses		17,295
Electronic Device		14,862
<ul style="list-style-type: none"> • Machinery and equipment, etc. related to Camera Module Business in domestic and overseas consolidated subsidiaries 		
Display Device		2,432
<ul style="list-style-type: none"> • Machinery and equipment, etc. related to LCD Business in domestic consolidated subsidiaries 		
Business Restructuring Expenses		8,818
Expenses for the production stop at the Sakai Plant (provision set for long-term contracts of electricity, etc.)		4,870
Business restructuring expenses of overseas consolidated subsidiaries, etc.		3,947

(Reference)

Fiscal 2024 (April 1, 2024 to December 31, 2024)		(millions of yen)
		Amount (Note)
Impairment Losses		24,188
Electronic Device		14,862
<ul style="list-style-type: none"> • Machinery and equipment, etc. related to Camera Module Business in domestic and overseas consolidated subsidiaries 		
Display Device		9,325
<ul style="list-style-type: none"> • Machinery and equipment, etc. related to LCD Business in domestic consolidated subsidiaries 		
Business Restructuring Expenses		11,167
Expenses for the production stop at the Sakai Plant (provision set for long-term contracts of electricity, employee redundancy cost for a domestic consolidated subsidiary, etc.)		7,219
Business restructuring expenses of overseas consolidated subsidiaries, etc.		3,947

Note: Monetary amounts are rounded down to the nearest million yen.