

SHARP CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

For the year ended March 31, 2003

Millions of Yen

	Year ended March 31, 2003	Year ended March 31, 2002	Increase (Decrease)
<u>Cash Flows from Operating Activities:</u>			
Income before income taxes and minority interests	57,325	19,863	+37,462
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities –			
Depreciation and amortization of properties and intangibles	134,975	121,172	+13,803
Interest and dividends income	(5,642)	(7,291)	+1,649
Interest expense	7,673	9,626	-1,953
Exchange loss	2,909	4,204	-1,295
Loss on sales and disposal of plant and equipment	3,803	6,790	-2,987
(Increase) decrease in notes and accounts receivable	(7,023)	52,297	-59,320
Increase in inventories	(5,500)	(3,616)	-1,884
Increase (decrease) in payable	43,836	(26,285)	+70,121
Other, net	42,906	1,838	+41,068
Total	275,262	178,598	+96,664
Interest and dividends received	6,042	7,875	-1,833
Interest paid	(7,694)	(10,586)	+2,892
Income taxes paid	(4,480)	(36,819)	+32,339
Net cash provided by operating activities	269,130	139,068	+130,062
<u>Cash Flows from Investing Activities:</u>			
Purchase of time deposits	(50,275)	(307,893)	+257,618
Proceeds from redemption of time deposits	50,914	313,021	-262,107
Purchase of short-term investments	(1,427)	(4,651)	+3,224
Proceeds from sales of short-term investments	25,161	34,166	-9,005
Acquisitions of plant and equipment	(171,703)	(194,291)	+22,588
Proceeds from sales of plant and equipment	2,702	2,747	-45
Purchase of investments in securities and investments in nonconsolidated subsidiaries and affiliates	(64,891)	(54,402)	-10,489
Proceeds from sales of investments in securities and nonconsolidated subsidiaries and affiliates	39,936	23,996	+15,940
Loans made	(20,468)	(12,756)	-7,712
Proceeds from collection of loans	18,217	13,720	+4,497
Other, net	6,001	22,249	-16,248
Net cash used in investing activities	(165,833)	(164,094)	-1,739
<u>Cash Flows from Financing Activities:</u>			
(Decrease) increase in short-term borrowings, net	(25,030)	63,746	-88,776
Proceeds from long-term debt	92,432	36,588	+55,844
Repayments of long-term debt	(82,905)	(30,042)	-52,863
Purchase of treasury stock	(26,565)	(22,214)	-4,351
Dividends paid	(15,453)	(15,701)	+248
Other, net	(326)	(238)	-88
Net cash provided by (used in) financing activities	(57,847)	32,139	-89,986
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(5,555)	2,618	-8,173
Net Increase in Cash and Cash Equivalents	39,895	9,731	+30,164
Cash and Cash Equivalents at Beginning of Year	231,404	221,673	+9,731
Cash and Cash Equivalents of A Newly Consolidated Subsidiary	413	—	+413
Cash and Cash Equivalents at End of Year	271,712	231,404	+40,308