

SHARP CORPORATION  
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSET

Year Ended March 31, 2007

Millions of Yen

|   | Owners' Equity |                 |                   |                             |                      |
|---|----------------|-----------------|-------------------|-----------------------------|----------------------|
|   | Common stock   | Capital surplus | Retained earnings | Less-Cost of treasury stock | Total owners' equity |
| Balance at March 31, 2006   | 204,676        | 262,288         | 668,687           | ( 26,381 )                  | 1,109,270            |
| Changes of items during the period  |                |                 |                   |                             |                      |
| Dividends from surplus*   |                |                 | ( 13,091 )        |                             | ( 13,091 )           |
| Dividends from surplus  |                |                 | ( 13,089 )        |                             | ( 13,089 )           |
| Directors' bonus*   |                |                 | ( 468 )           |                             | ( 468 )              |
| Net income  |                |                 | 101,717           |                             | 101,717              |
| Increase resulting from increase in number of consolidated subsidiaries             |                |                 | 1,875             |                             | 1,875                |
| Decrease resulting from increase in number of consolidated subsidiaries             |                |                 | ( 428 )           |                             | ( 428 )              |
| Decrease resulting from change in accounting standards of consolidated subsidiaries |                |                 | ( 2,826 )         |                             | ( 2,826 )            |
| Increase due to unfunded retirement benefit obligation of foreign subsidiaries      |                |                 | 2,832             |                             | 2,832                |
| Purchase of treasury stock  |                |                 |                   | ( 480 )                     | ( 480 )              |
| Disposal of treasury stock  |                | 7               |                   | 17                          | 24                   |
| Net changes of items other than owners' equity                                      |                |                 |                   |                             |                      |
| Total changes of items during the period  | -              | 7               | 76,522            | ( 463 )                     | 76,066               |
| Balance at March 31, 2007   | 204,676        | 262,295         | 745,209           | ( 26,844 )                  | 1,185,336            |

|   | Valuation and Translation Adjustments      |                           |  |   | Minority Interests | Total Net Assets |
|---|--|---------------------------|--|---|--------------------|------------------|
|   | Net unrealized holding gains on securities | Deferred losses on hedges | Foreign currency translation adjustments | Total valuation and translation adjustments |                    |                  |
| Balance at March 31, 2006   | 27,992                                     | -                         | ( 38,352 )                               | ( 10,360 )                                  | 8,734              | 1,107,644        |
| Changes of items during the period  |  |                           |  |   |                    |                  |
| Dividends from surplus*   |  |                           |  |   |                    | ( 13,091 )       |
| Dividends from surplus  |  |                           |  |   |                    | ( 13,089 )       |
| Directors' bonus*   |  |                           |  |   |                    | ( 468 )          |
| Net income  |  |                           |  |   |                    | 101,717          |
| Increase resulting from increase in number of consolidated subsidiaries             |  |                           |  |   |                    | 1,875            |
| Decrease resulting from increase in number of consolidated subsidiaries             |  |                           |  |   |                    | ( 428 )          |
| Decrease resulting from change in accounting standards of consolidated subsidiaries |  |                           |  |   |                    | ( 2,826 )        |
| Increase due to unfunded retirement benefit obligation of foreign subsidiaries      |  |                           |  |   |                    | 2,832            |
| Purchase of treasury stock  |  |                           |  |   |                    | ( 480 )          |
| Disposal of treasury stock  |  |                           |  |   |                    | 24               |
| Net changes of items other than owners' equity                                      | ( 3,611 )                                  | 1                         | 11,761                                   | 8,151                                       | 344                | 8,495            |
| Total changes of items during the period  | ( 3,611 )                                  | 1                         | 11,761                                   | 8,151                                       | 344                | 84,561           |
| Balance at March 31, 2007   | 24,381                                     | 1                         | ( 26,591 )                               | ( 2,209 )                                   | 9,078              | 1,192,205        |

\*Note: Appropriation of retained earnings resolved at Ordinary General Meeting of Shareholders held in June, 2006.