



Consolidated Financial Results for the First Quarter, Fiscal 2022

**I . Consolidated Financial Results for the First
Quarter, Fiscal 2022**

II . Supplementary Data

SHARP CORPORATION

August 5, 2022

Outline

- Fiscal 2022 Q1 results were largely in line with our full-year forecast.
- Q1 net sales, operating profit, and ordinary profit were lower year on year, mainly due to a difficult business environment, including the rapid depreciation of the yen, the lockdowns in China, and the situation in Ukraine.
- Bottom-line profit exceeded the same period in the previous fiscal year, mainly due to foreign exchange gains and gain on step acquisitions.

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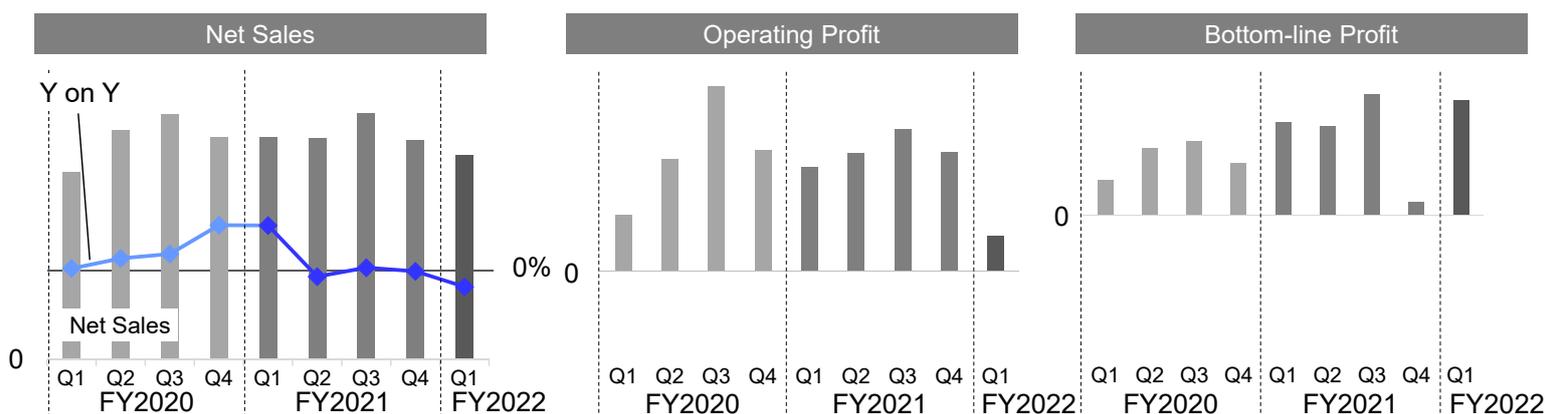
- First, let's take a look at a summary of our consolidated financial results.
- Fiscal 2022 Q1 results were largely in line with our full-year forecast.
- Q1 net sales, operating profit, and ordinary profit were lower year on year, mainly due to a difficult business environment, including the rapid depreciation of the yen, the lockdowns in China, and the situation in Ukraine.
- Bottom-line profit exceeded the same period in the previous fiscal year, mainly due to foreign exchange gains and gain on step acquisitions.

I . Consolidated Financial Results for the First Quarter, Fiscal 2022

- Next, let's look at an overview of our consolidated financial results.

Consolidated Financial Results for the First Quarter, Fiscal 2022

	FY2021				(Billions of Yen)	
					FY2022	
	Q1	Q2	Q3	Q4	Q1	Y on Y
Net Sales	611.5	606.6	675.8	601.5	562.1	-8.1%
Operating Profit	18.3 (3.0%)	20.6 (3.4%)	24.8 (3.7%)	20.8 (3.5%)	6.1 (1.1%)	-66.7%
Ordinary Profit	25.6 (4.2%)	25.2 (4.2%)	33.7 (5.0%)	30.3 (5.0%)	17.4 (3.1%)	-31.9%
Bottom-line Profit	21.6 (3.5%)	20.8 (3.4%)	28.3 (4.2%)	3.1 (0.5%)	26.9 (4.8%)	+24.3%
Avg. Exchange Rates						
USD/JPY	108.49	109.11	112.71	115.21	128.57	
Euro/JPY	130.45	128.33	128.57	128.90	136.60	



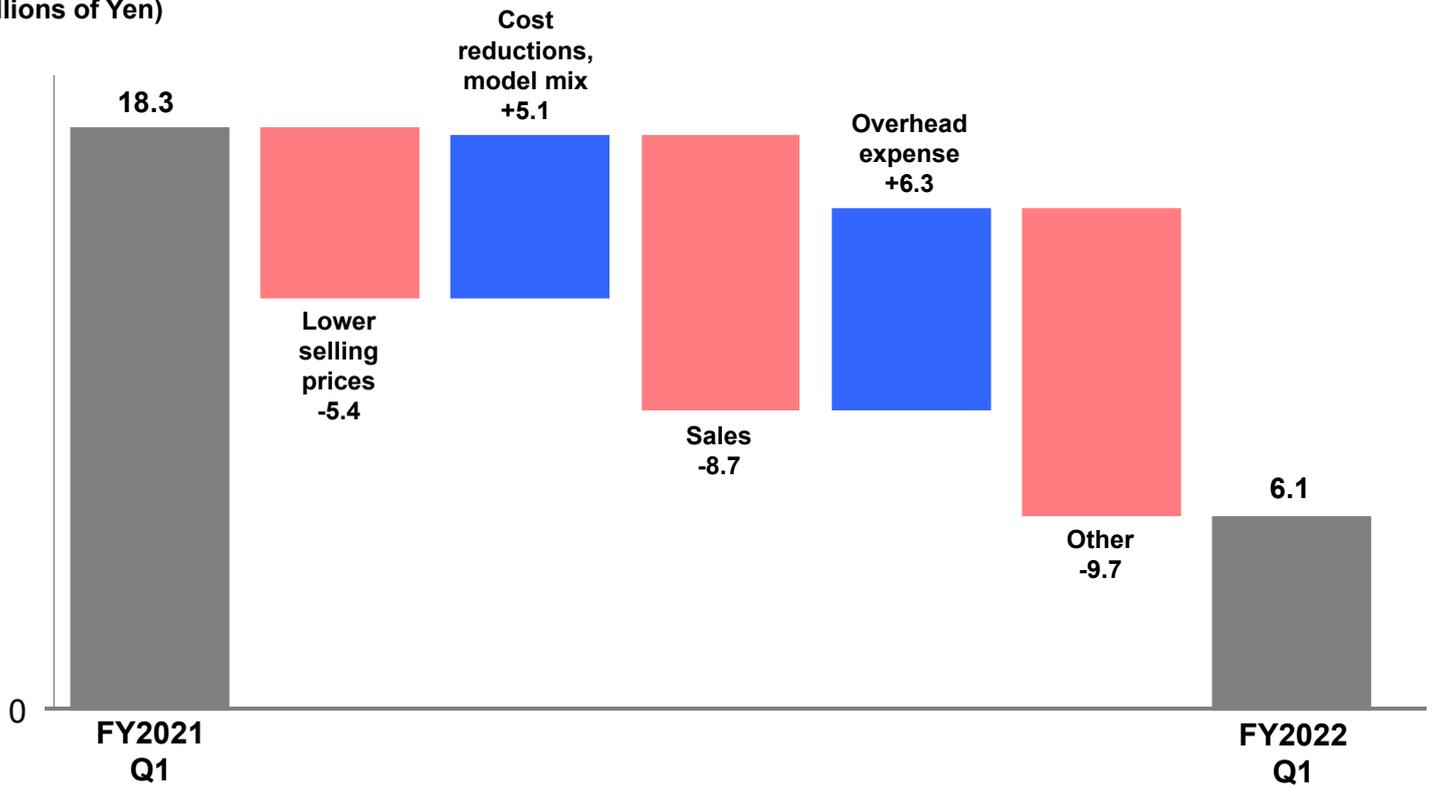
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- Let's turn to the next slide, which provides highlights of our financial results for Q1, fiscal 2022.
- Net sales amounted to 562.1 billion yen, a decrease of 8.1% year on year.
- Operating profit amounted to 6.1 billion yen, 66.7% lower year on year, ordinary profit amounted to 17.4 billion yen, 31.9% lower year on year, bottom-line profit amounted to 26.9 billion yen, 24.3% up year on year.

Operating Profit Analysis : Y on Y Change Factors for the First Quarter, Fiscal 2022

(Billions of Yen)

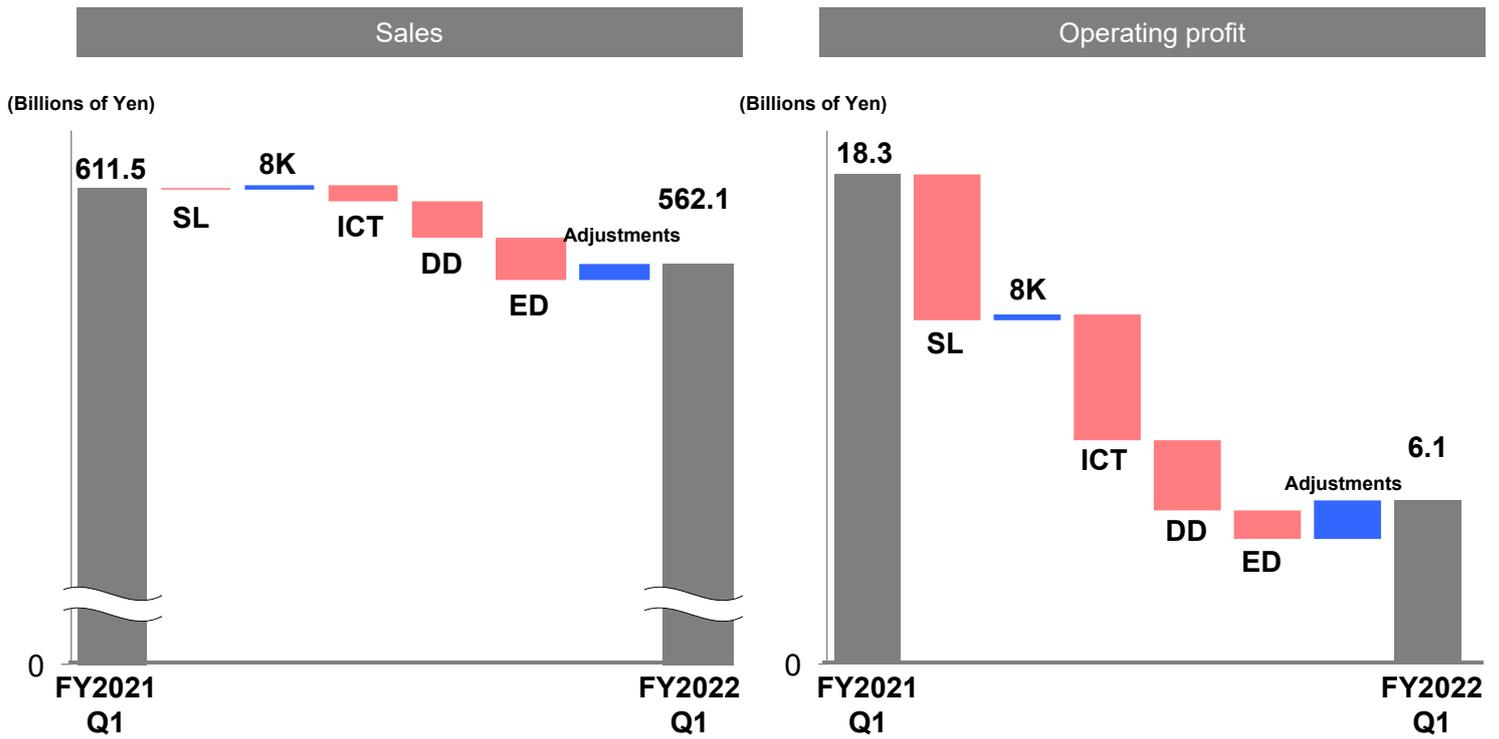


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- The next graph shows our analysis of year-on-year changes in operating profit for Q1, fiscal 2022.
- Change factors were
 - a 5.4 billion yen decrease due to lower selling prices,
 - a 5.1 billion yen improvement due to cost reductions and model mix,
 - a 8.7 billion yen decrease due to changes in sales performance,
 - a 6.3 billion yen increase related to overhead expenses, and
 - a 9.7 billion yen decrease mainly due to foreign exchange fluctuation.

Sales and Operating Profit Analysis: Y on Y Change by Segment for the First Quarter, Fiscal 2022

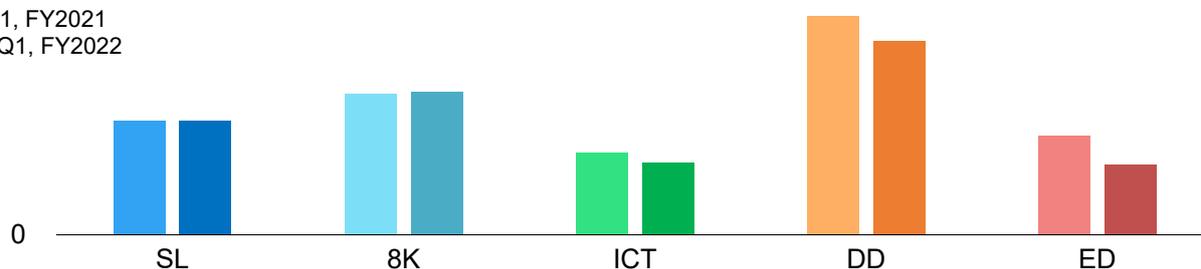


- The next graphs provide a year-on-year change analysis for sales and operating profit.
- 8K Ecosystem recorded higher sales and profits for Q1, fiscal 2022.

(First Quarter) Sales by Segment

	FY2021				(Billions of Yen) FY2022	
	Q1	Q2	Q3	Q4	Q1	Y on Y
	Smart Life	111.0	112.9	107.3	114.9	110.9
8K Ecosystem	137.5	138.5	148.9	142.6	139.8	+1.7%
ICT	80.2	81.8	82.2	79.6	70.0	-12.7%
Brand Businesses	328.7	333.3	338.5	337.2	320.8	-2.4%
Display Device	213.3	223.4	221.8	201.0	189.4	-11.2%
Electronic Device	96.5	73.5	139.5	87.1	68.9	-28.6%
Device Businesses	309.8	297.0	361.3	288.2	258.3	-16.6%
Subtotal	638.6	630.3	699.9	625.4	579.2	-9.3%
Adjustments	-27.0	-23.7	-24.0	-23.9	-17.0	-
Total	611.5	606.6	675.8	601.5	562.1	-8.1%

Left bar: Q1, FY2021
Right bar: Q1, FY2022



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*Sales include inter-segment sales and transfers.

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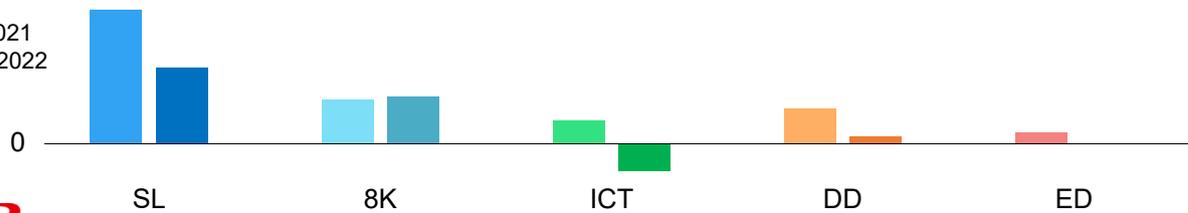
- This next slide shows sales by segment for Q1, fiscal 2022.
- Brand Business sales decreased 2.4% year on year to 320.8 billion yen, while Device Business sales decreased 16.6% to 258.3 billion yen.

(First Quarter) Operating Profit by Segment

*Figures within parentheses indicate operating margin.

	FY2021				(Billions of Yen) FY2022	
	Q1	Q2	Q3	Q4	Q1	Y on Y
	Smart Life	12.6 (11.4%)	11.8 (10.5%)	11.6 (10.9%)	12.1 (10.6%)	7.1 (6.4%)
8K Ecosystem	4.1 (3.0%)	7.3 (5.3%)	6.8 (4.6%)	6.5 (4.6%)	4.3 (3.1%)	+5.5%
ICT	2.1 (2.7%)	0.9 (1.2%)	2.1 (2.7%)	-1.2 (-1.6%)	-2.5 (-3.7%)	-
Brand Businesses	18.9 (5.8%)	20.2 (6.1%)	20.7 (6.1%)	17.4 (5.2%)	8.9 (2.8%)	-52.6%
Display Device	3.3 (1.6%)	5.9 (2.7%)	5.6 (2.5%)	5.3 (2.7%)	0.6 (0.3%)	-80.6%
Electronic Device	1.0 (1.1%)	-0.7 (-1.0%)	5.6 (4.1%)	0.9 (1.1%)	0.0 (0.0%)	-99.9%
Device Businesses	4.3 (1.4%)	5.2 (1.8%)	11.2 (3.1%)	6.3 (2.2%)	0.6 (0.2%)	-85.4%
Subtotal	23.3 (3.7%)	25.5 (4.0%)	31.9 (4.6%)	23.7 (3.8%)	9.6 (1.7%)	-58.8%
Adjustments	-4.9	-4.8	-7.1	-2.9	-3.4	-
Total	18.3 (3.0%)	20.6 (3.4%)	24.8 (3.7%)	20.8 (3.5%)	6.1 (1.1%)	-66.7%

Left bar: Q1, FY2021
Right bar: Q1, FY2022



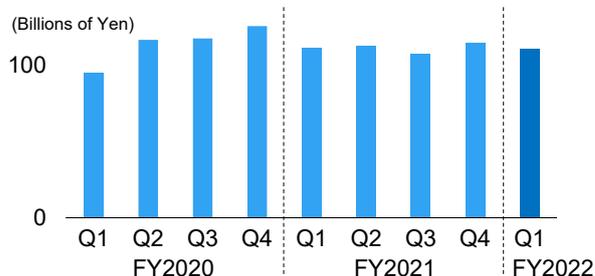
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- Let's turn to the next slide, which shows operating profit by segment for Q1, fiscal 2022.
- Brand Business operating profit amounted to 8.9 billion yen, 52.6% lower year on year, while the Device Business amounted to 0.6 billion yen, 85.4% lower year on year

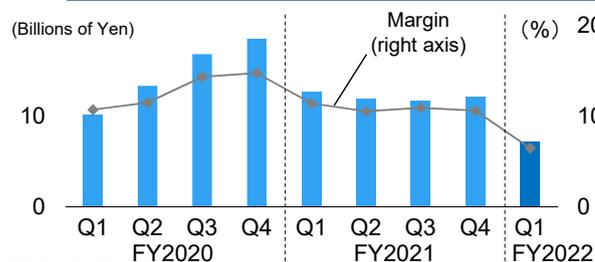
(Billions of Yen)	FY2021				FY2022	
	Q1	Q2	Q3	Q4	Q1	Y on Y
Sales	111.0	112.9	107.3	114.9	110.9	-0.1%
Operating Profit	12.6	11.8	11.6	12.1	7.1	-43.5%
	(11.4%)	(10.5%)	(10.9%)	(10.6%)	(6.4%)	

Sales (Decrease)



- (Dec.) Domestic sales of air conditioners, washing machines, etc., declined, partly due to the lockdowns in China
- (Dec.) Demand for air purifiers reached the end of a cycle in the domestic market
- (Dec.) Sales in the domestic energy solutions business declined, partly due to the impact of parts bottlenecks
- (Incr.) Overseas sales of white goods continued to grow significantly
 - Sales of refrigerators and washing machines increased significantly in Asia
 - Sales of cooking appliances were extremely strong, particularly in Europe and the Americas
- (Incr.) The energy solutions business overseas also grew

Operating profit (Decrease)



- (Dec.) Weakening of the yen
- (Dec.) Soaring prices for semiconductors, raw materials, etc.
- (Dec.) Change in product mix
- (Incr.) Improved earnings capacity

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- Please turn to the next slide. This is our performance by segment. First, I want to address our Smart Life segment.

- Sales were nearly level year on year at 110.9 billion yen.

Our white goods business recorded an increase in sales, despite a domestic decline, as overseas sales grew significantly.

In Japan, sales of air conditioners and washing machines declined due to the impact of the China lockdowns on production. Demand for air purifiers reached the end of a cycle.

Overseas, sales of refrigerators and washing machines increased significantly in Asia, and sales of cooking appliances were also very strong, particularly in Europe and the Americas.

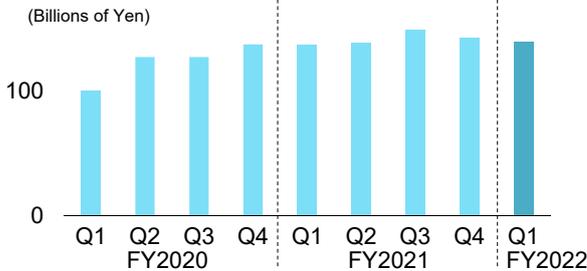
Sales in the energy solution business declined. While overseas sales grew, domestic sales were lower year on year due to the impact of parts bottlenecks.

- Operating profit amounted to 7.1 billion yen, 43.5% lower year on year.

This was mainly due to the impact of the weakening of the yen, higher prices for semiconductors and raw materials, and a change in product mix.

(Billions of Yen)	FY2021				FY2022	
	Q1	Q2	Q3	Q4	Q1	Y on Y
Sales	137.5	138.5	148.9	142.6	139.8	+1.7%
Operating Profit	4.1 (3.0%)	7.3 (5.3%)	6.8 (4.6%)	6.5 (4.6%)	4.3 (3.1%)	+5.5%

Sales (Increase)



(Incr.) The MFP business experienced significant sales growth in Japan, the Americas, Europe, etc.

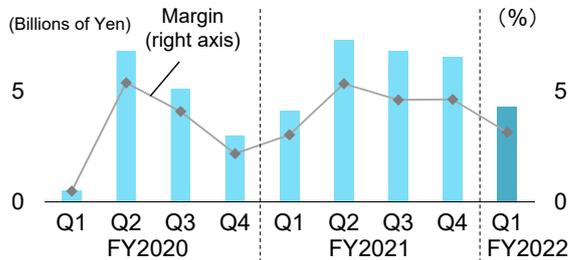
(Incr.) The smart office business and information displays saw growth, mainly in Europe and the Americas

(Incr.) TV sales grew in Asia and the Americas

(Dec.) TV demand in China declined sharply due to the impact of the lockdowns

(Dec.) In Europe, the TV market weakened

Operating profit (Increase)



(Incr.) Increase in MFP business sales

(Incr.) Print volume recovery in MFP business

(Dec.) Rising semiconductor and raw materials prices

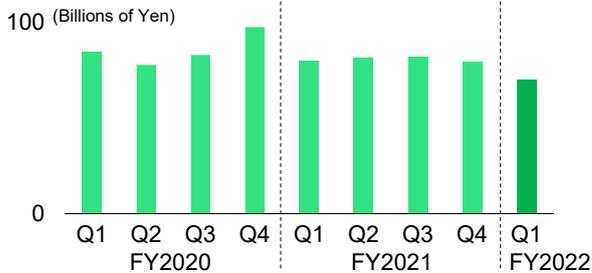
(Dec.) Increased logistics costs

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- The next slide describes performance in our 8K Ecosystem.
- Net sales increased 1.7% year on year to 139.8 billion yen, as growth in the business solutions business more than offset lower sales in the TV business. MFP business sales in business solutions increased significantly in Japan, the Americas, and Europe, while the smart office business and information display sales also grew, mainly in Europe and the United States. TV business sales grew in Asia and the Americas, but declined in China due to a significant drop in demand following the lockdowns. Sales in Europe declined due to weakening market conditions.
- Operating profit amounted to 4.3 billion yen, 5.5% up year on year. This increase was mainly due to an increase in sales in the MFP business and a recovery in print volume.

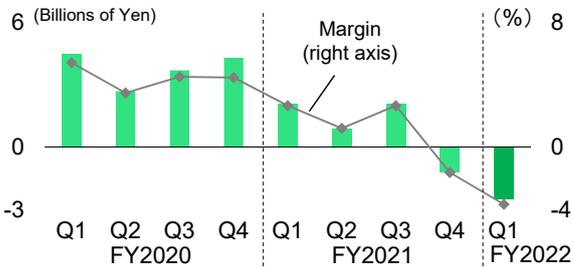
(Billions of Yen)	FY2021				FY2022	
	Q1	Q2	Q3	Q4	Q1	Y on Y
Sales	80.2	81.8	82.2	79.6	70.0	-12.7%
Operating Profit	2.1 (2.7%)	0.9 (1.2%)	2.1 (2.7%)	-1.2 (-1.6%)	-2.5 (-3.7%)	-

Sales (Decrease)



- (Dec.) Impact of parts bottlenecks in the mobile communications business
- (Dec.) Decrease in sales of the PC business in Europe and the U.S., including educational PCs, which had experienced strong sales in the year-ago period due in part to COVID-19
- (Dec.) Impact of the market slowdown in consumer PCs in Japan
- (Incr.) Growth in corporate PCs in Canada, Australia, Asia and China

Operating profit (Decrease)



- (Dec.) Weakening of the yen
- (Dec.) Decrease in sales

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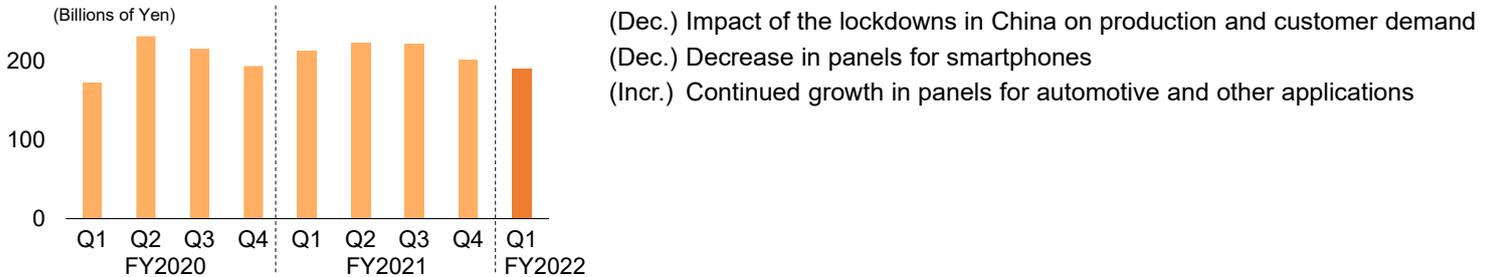
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- Please turn to the next slide. This slide shows ICT performance.
- Sales amounted to 70.0 billion yen, a decrease of 12.7% year on year.
Both the mobile communications and the PC businesses posted lower sales due to parts bottlenecks and deteriorating market conditions.
PC business sales in Japan were nearly level, while sales in Europe and the U.S., where demand fluctuated widely, declined. Sales in Canada, Australia, and other markets increased.
- Operating loss amounted to 2.5 billion yen, compared with a profit of 2.1 billion yen in the same period in the previous fiscal year.
This result was due to lower sales and the weakening of the yen.

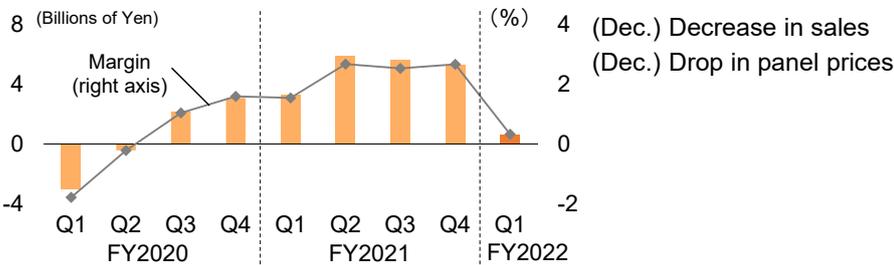
(Billions of Yen)

	FY2021				FY2022	
	Q1	Q2	Q3	Q4	Q1	Y on Y
Sales	213.3	223.4	221.8	201.0	189.4	-11.2%
Operating Profit	3.3 (1.6%)	5.9 (2.7%)	5.6 (2.5%)	5.3 (2.7%)	0.6 (0.3%)	-80.6%

Sales (Decrease)



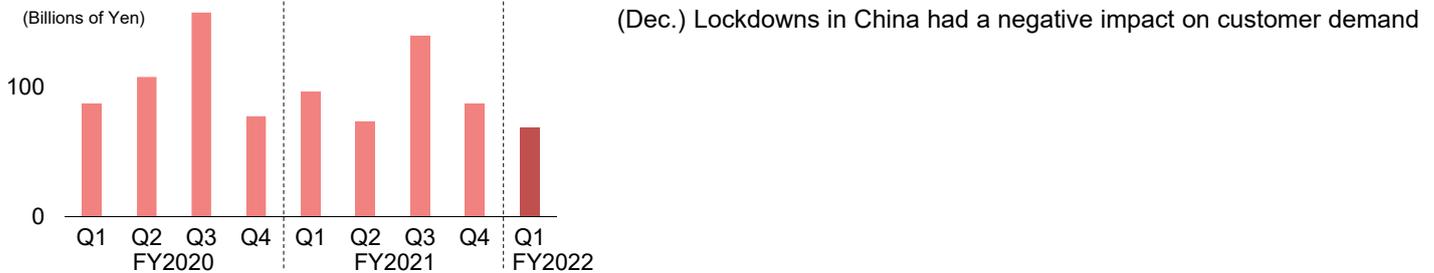
Operating profit (Decrease)



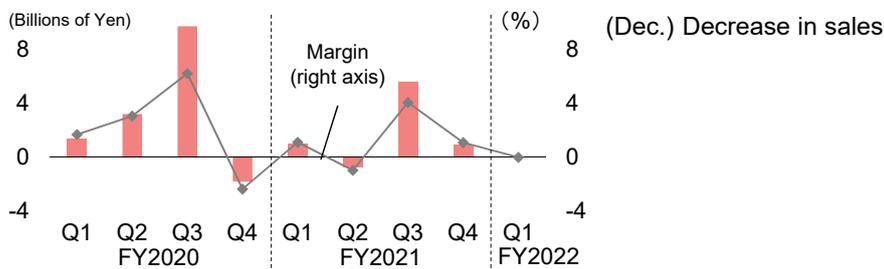
- Let's turn to the next slide, which shows performance in our Display Device.
- Net sales decreased 11.2% year on year to 189.4 billion yen, partly due to the impact of the lockdowns in China on production and customer demand.
By application, sales of panels for smartphones decreased, while sales of panels for automotive and other applications increased.
- Operating profit decreased 80.6% year on year to 0.6 billion yen, mainly due to a decrease in sales and a drop in panel prices.

(Billions of Yen)	FY2021				FY2022	
	Q1	Q2	Q3	Q4	Q1	Y on Y
Sales	96.5	73.5	139.5	87.1	68.9	-28.6%
Operating Profit	1.0	-0.7	5.6	0.9	0.0	-99.9%
	(1.1%)	(-1.0%)	(4.1%)	(1.1%)	(0.0%)	

Sales (Decrease)



Operating profit (Decrease)



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- This next slide shows Electronic Device performance.
- Sales amounted to 68.9 billion yen, a decrease of 28.6% year on year. Sales were lower due to the negative impact of the lockdowns in China on customer demand.
- We secured positive operating profit.

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

					(Billions of Yen)	
	FY2021				FY2022	
	Q1	Q2	Q3	Q4	Q1	Difference (Y on Y)
Operating Profit	18.3	20.6	24.8	20.8	6.1	-12.2
Non-operating Income (Expenses)	+7.2	+4.5	+8.8	+9.5	+11.3	+4.1
Interest expenses	-1.3	-1.1	-1.1	-0.7	-0.9	+0.4
Foreign exchange gains (losses)	+3.2	+3.7	+5.5	+6.4	+13.0	+9.8
Investment income (expenses)	+0.0	+2.2	+2.0	+4.8	+4.1	+4.1
Share of profit (loss) of entities accounted for using equity method	+4.3	+2.3	-1.3	-1.7	-5.1	-9.4
Ordinary Profit	25.6	25.2	33.7	30.3	17.4	-8.2
Extraordinary Income (Losses)	+0.7	+0.8	-1.9	-24.7	+12.2	+11.5
Gain (loss) on sale of non-current assets	+0.1	+0.4	+2.3	+2.2	+0.9	+0.8
Gain (loss) on sale of businesses	-	-	+5.9	-0.2	-	-
Gain on receipt of donated non-current assets	+0.7	+0.5	-	+0.0	-	-0.7
Gain on step acquisitions	-	-	-	-	+12.4	+12.4
Impairment losses	-	-	-7.7	-14.9	-	-
Provision for loss on litigation	-	-	-	-11.7	-1.4	-1.4
Settlement payments	-	-	-2.7	-	-	-
Pretax Income	26.3	26.0	31.8	5.5	29.6	+3.3
Income Taxes, etc.	-4.6	-5.2	-3.4	-2.4	-2.7	+1.9
Bottom-line Profit	21.6	20.8	28.3	3.1	26.9	+5.3

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- The next slide addresses non-operating income, extraordinary income, and income taxes.
- Non-operating income in fiscal 2022 Q1 included a foreign exchange gain of 13.0 billion yen and an extraordinary gain of 12.4 billion yen related to the stepped acquisition of shares in Sakai Display Products Corporation.

Consolidated Balance Sheets

- Cash and deposits as of the end of Q1 amounted to 248.6 billion yen, net assets amounted to 538.7 billion yen, and the equity ratio was 24.2%

	FY2021		FY2022		FY2021		FY2022
	End of Dec.	End of Mar.	End of Jun.		End of Dec.	End of Mar.	End of Jun.
	Cash and deposits	243.3	287.3		248.6	Notes and accounts payable – trade, etc.	459.0
Notes and accounts receivable – trade, etc.	553.5	487.1	463.6	Short-term borrowings	73.0	54.3	67.1
Inventories	316.4	310.2	379.1	Current portion of bonds payable	0.0	0.0	0.0
Other current assets	122.5	145.8	103.5	Other current liabilities	322.4	331.5	357.9
Current Assets	1,235.9	1,230.6	1,194.9	Current Liabilities	854.6	808.1	876.0
Property, plant and Equipment	434.3	418.2	560.2	Bonds payable	0.0	0.0	0.0
Intangible assets	42.6	42.2	88.2	Long-term borrowings	570.8	572.2	620.2
Investments and other Assets	255.2	265.1	318.2	Other non-current liabilities	108.1	106.5	126.5
Non-current Assets	732.3	725.6	966.6	Non-current Liabilities	679.0	678.8	746.8
Total Assets	1,968.2	1,956.2	2,161.6	Net Assets	434.5	469.2	538.7
				Total Liabilities and Net Assets	1,968.2	1,956.2	2,161.6
Exchange Rate, End of Period							
USD/JPY	114.02	121.41	135.69	Equity Ratio	21.4%	23.2%	24.2%
Euro/JPY	129.02	135.27	141.15	Equity	421.2	454.2	523.3

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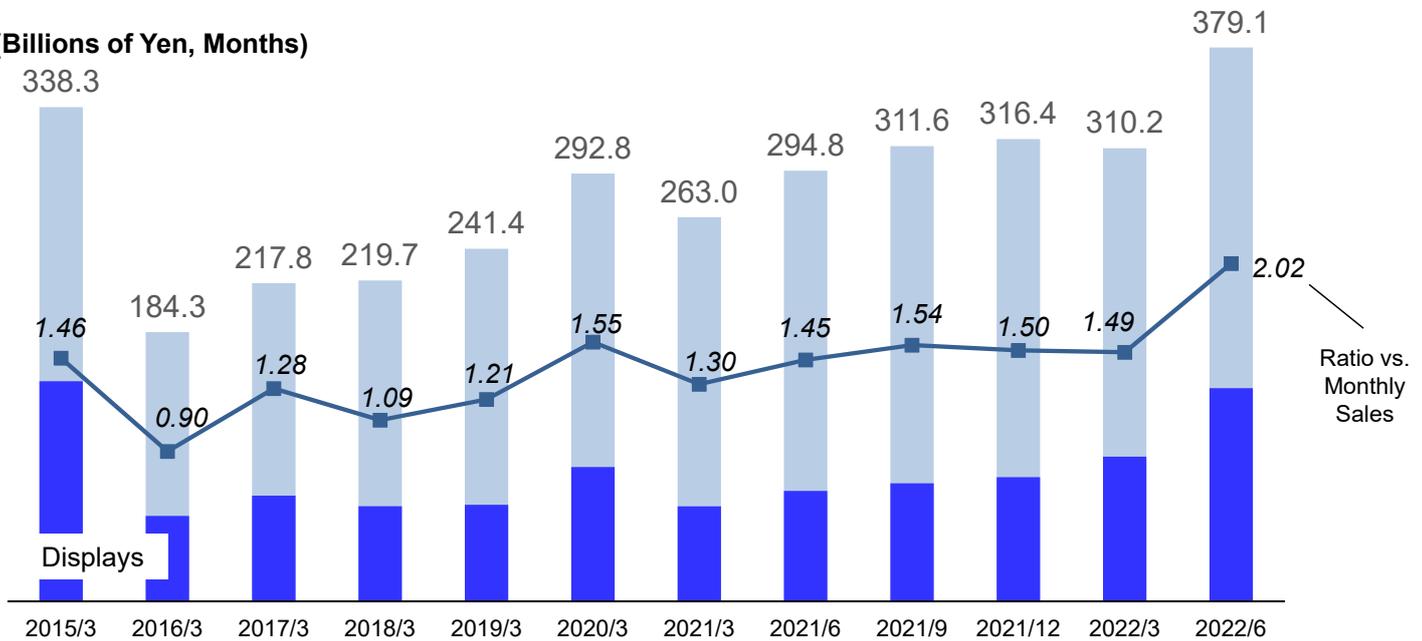
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- The next slide provides information about our balance sheets.
- Cash and deposits amounted to 248.6 billion yen compared with the balance of 287.3 billion yen at the end of March.
Net assets amounted to 538.7 billion yen compared to 469.2 billion yen, while our equity ratio was 24.2%, up from 23.2%.

Inventory Trends

- Inventory was 379.1 billion yen, up 68.9 billion yen compared with March 31, 2022. Our ratio of inventory to monthly sales amounted to 2.02 months, up 0.53 months. This increase was mainly due to the consolidation of Sakai Display Products Corporation, the lockdowns in China, and the weaker yen, in addition considerations of the business environment, including supply chain disruptions.
- Sharp will strive to respond to changes in the business environment and manage inventory appropriately.

(Billions of Yen, Months)



*The company adopted a change in accounting standards; figures for 2021/3 and earlier were prepared under different standards

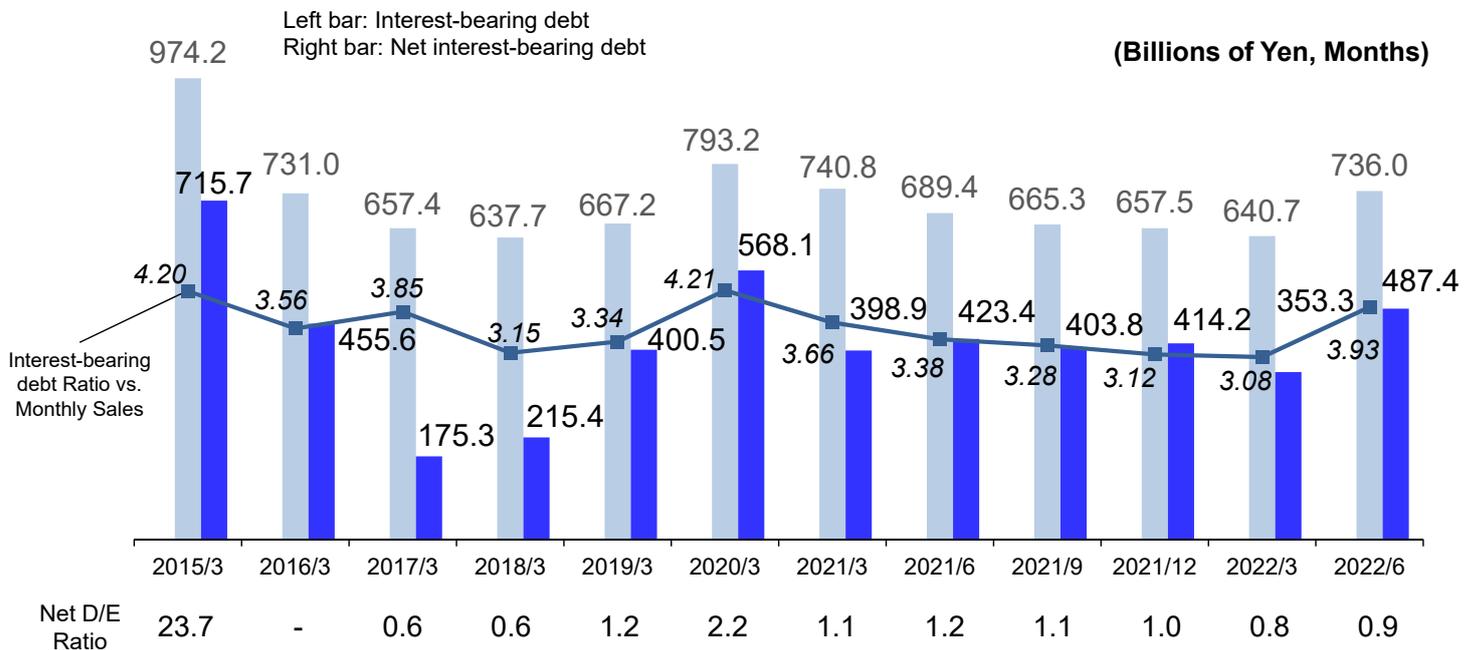
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- The next slide discusses our inventory trends.
- Inventory at the end of fiscal 2022 Q1 increased 68.9 billion yen compared with the end of fiscal 2021, amounting to 379.1 billion yen. Ratio of inventory to monthly sales increased 0.53 months to 2.02 months. This increase was mainly due to the consolidation of Sakai Display Products Corporation, the lockdowns in China, and the yen-based valuation (increase) in overseas inventory due to the weaker yen, in addition to considerations of the business environment, including supply chain disruptions.
- Inventory increased in the first quarter mainly due to significant changes in the business environment, but we will continue to respond to the changes and strive to manage inventories appropriately.

Interest-Bearing Debt Trends

- Interest-bearing debt increased 95.3 billion yen compared with the end of March 2022 to 736.0 billion yen; our ratio of interest-bearing debt to monthly sales increased 0.85 months to 3.93 months
- Net interest-bearing debt* increased 134.1 billion yen to 487.4 billion yen
- Net D/E ratio was 0.9 times



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

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- Next, let's take a look at interest-bearing debt.
- Interest-bearing debt amounted to 736.0 billion yen compared with 640.7 billion yen at the end of March 2022; our ratio of interest-bearing debt to monthly sales was 3.93 months compared with 3.08 months.
Net interest-bearing debt amounted to 487.4 billion yen compared with 353.3 billion yen at the end of March.
Net D/E ratio was 0.9 times.
- We will continue striving to balance business growth with financial structure improvement.

Fiscal 2022 Consolidated Financial Results Forecast

(Billions of Yen)

	FY2021	FY2022	
	Fiscal Year	Fiscal Year Forecast	Y on Y
Net Sales	2,495.5	2,700.0	+8.2%
Operating Profit (margin)	84.7 (3.4%)	65.0 (2.4%)	-23.3%
Ordinary Profit (margin)	114.9 (4.6%)	63.0 (2.3%)	-45.2%
Bottom-line Profit (margin)	73.9 (3.0%)	50.0 (1.9%)	-32.4%
Avg. Exchange Rate			
USD/JPY	111.38	125.00	
Euro/JPY	129.06	133.00	

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- Please turn to the next slide.
- This is our full-year forecast for fiscal 2022.
Although the yen has depreciated more than forecast, business performance is progressing nearly in line with expectations, and we have not made any changes to our full-year forecast.

II . Supplementary Data

- Supplementary materials include a summary of net sales and operating profit by segment, as well as other information.
- Although we expect the business environment to remain very challenging, we aim to achieve our financial forecasts under a new management structure, focusing on three pillars: Strengthen global business centering Europe / Americas and ASEAN, expand new areas by developing new products / services cultivating new markets and creating new businesses, and correspond to risks such as those seen in supply chain confusion.
- Thank you for your attention.

Consolidated Financial Results

(Billions of Yen)

	FY2020			FY2021			FY2022
	First Half	Second Half	Fiscal Year	First Half	Second Half	Fiscal Year	Fiscal Year Forecast
Net Sales	1,143.4	1,282.4	2,425.9	1,218.2	1,277.3	2,495.5	2,700.0
Operating Profit	29.6	53.4	83.1	39.0	45.6	84.7	65.0
(margin)	(2.6%)	(4.2%)	(3.4%)	(3.2%)	(3.6%)	(3.4%)	(2.4%)
Ordinary Profit	29.8	33.2	63.1	50.8	64.0	114.9	63.0
(margin)	(2.6%)	(2.6%)	(2.6%)	(4.2%)	(5.0%)	(4.6%)	(2.3%)
Bottom-line Profit	23.7	29.4	53.2	42.5	31.4	73.9	50.0
(margin)	(2.1%)	(2.3%)	(2.2%)	(3.5%)	(2.5%)	(3.0%)	(1.9%)

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S-2

Consolidated Quarterly Financial Results

(Billions of Yen)

	FY2020				FY2021				FY2022
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Net Sales	514.4	628.9	673.4	609.0	611.5	606.6	675.8	601.5	562.1
Operating Profit	9.8	19.7	32.3	21.1	18.3	20.6	24.8	20.8	6.1
(margin)	(1.9%)	(3.1%)	(4.8%)	(3.5%)	(3.0%)	(3.4%)	(3.7%)	(3.5%)	(1.1%)
Ordinary Profit	11.2	18.5	13.9	19.3	25.6	25.2	33.7	30.3	17.4
(margin)	(2.2%)	(3.0%)	(2.1%)	(3.2%)	(4.2%)	(4.2%)	(5.0%)	(5.0%)	(3.1%)
Bottom-line Profit	8.1	15.5	17.3	12.1	21.6	20.8	28.3	3.1	26.9
(margin)	(1.6%)	(2.5%)	(2.6%)	(2.0%)	(3.5%)	(3.4%)	(4.2%)	(0.5%)	(4.8%)

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S-3

Sales by Segment

(Billions of Yen)

	FY2020			FY2021		
	First Half	Second Half	Fiscal Year	First Half	Second Half	Fiscal Year
Smart Life	212.0	243.4	455.5	223.9	222.2	446.1
8K Ecosystem	227.9	265.0	493.0	276.0	291.5	567.6
ICT	162.5	180.9	343.4	162.1	161.9	324.0
Brand Businesses	602.6	689.4	1,292.0	662.1	675.7	1,337.8
Display Device	403.3	409.4	812.7	436.7	422.8	859.6
Electronic Device	194.2	234.3	428.5	170.0	226.7	396.8
Device Businesses	597.6	643.7	1,241.3	606.8	649.6	1,256.5
Subtotal	1,200.2	1,333.2	2,533.4	1,269.0	1,325.3	2,594.4
Adjustments	-56.7	-50.8	-107.5	-50.8	-47.9	-98.8
Total	1,143.4	1,282.4	2,425.9	1,218.2	1,277.3	2,495.5

*Sales include inter-segment sales and transfers.

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S-4

Operating Profit by Segment

(Billions of Yen)

	FY2020			FY2021		
	First Half	Second Half	Fiscal Year	First Half	Second Half	Fiscal Year
Smart Life	23.5 (11.1%)	35.3 (14.5%)	58.8 (12.9%)	24.4 (10.9%)	23.8 (10.7%)	48.2 (10.8%)
8K Ecosystem	7.3 (3.2%)	8.1 (3.1%)	15.5 (3.1%)	11.5 (4.2%)	13.4 (4.6%)	24.9 (4.4%)
ICT	7.2 (4.5%)	8.1 (4.5%)	15.4 (4.5%)	3.1 (1.9%)	0.9 (0.6%)	4.0 (1.2%)
Brand Businesses	38.1 (6.3%)	51.6 (7.5%)	89.8 (7.0%)	39.1 (5.9%)	38.1 (5.6%)	77.2 (5.8%)
Display Device	-3.5 (-0.9%)	5.3 (1.3%)	1.8 (0.2%)	9.3 (2.1%)	11.0 (2.6%)	20.3 (2.4%)
Electronic Device	4.7 (2.4%)	7.9 (3.4%)	12.6 (3.0%)	0.3 (0.2%)	6.6 (2.9%)	6.9 (1.8%)
Device Businesses	1.2 (0.2%)	13.3 (2.1%)	14.5 (1.2%)	9.6 (1.6%)	17.6 (2.7%)	27.3 (2.2%)
Subtotal	39.4 (3.3%)	64.9 (4.9%)	104.3 (4.1%)	48.8 (3.8%)	55.7 (4.2%)	104.6 (4.0%)
Adjustments	-9.7	-11.4	-21.2	-9.8	-10.0	-19.8
Total	29.6 (2.6%)	53.4 (4.2%)	83.1 (3.4%)	39.0 (3.2%)	45.6 (3.6%)	84.7 (3.4%)

*Figures within parentheses indicate operating margin.

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S-5

Quarterly Sales by Segment

(Billions of Yen)

	FY2020				FY2021				FY2022
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Smart Life	95.3	116.7	117.6	125.7	111.0	112.9	107.3	114.9	110.9
8K Ecosystem	100.5	127.4	127.4	137.6	137.5	138.5	148.9	142.6	139.8
ICT	84.5	77.9	83.1	97.7	80.2	81.8	82.2	79.6	70.0
Brand Businesses	280.4	322.1	328.2	361.2	328.7	333.3	338.5	337.2	320.8
Display Device	171.8	231.4	215.6	193.7	213.3	223.4	221.8	201.0	189.4
Electronic Device	86.6	107.5	157.1	77.2	96.5	73.5	139.5	87.1	68.9
Device Businesses	258.5	339.0	372.8	270.9	309.8	297.0	361.3	288.2	258.3
Subtotal	539.0	661.1	701.0	632.1	638.6	630.3	699.9	625.4	579.2
Adjustments	-24.5	-32.1	-27.6	-23.1	-27.0	-23.7	-24.0	-23.9	-17.0
Total	514.4	628.9	673.4	609.0	611.5	606.6	675.8	601.5	562.1

*Sales include inter-segment sales and transfers.

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S-6

Quarterly Operating Profit by Segment

(Billions of Yen)

	FY2020				FY2021				FY2022
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Smart Life	10.1 (10.7%)	13.3 (11.5%)	16.8 (14.3%)	18.5 (14.7%)	12.6 (11.4%)	11.8 (10.5%)	11.6 (10.9%)	12.1 (10.6%)	7.1 (6.4%)
8K Ecosystem	0.5 (0.5%)	6.8 (5.4%)	5.1 (4.1%)	3.0 (2.2%)	4.1 (3.0%)	7.3 (5.3%)	6.8 (4.6%)	6.5 (4.6%)	4.3 (3.1%)
ICT	4.5 (5.4%)	2.7 (3.5%)	3.7 (4.5%)	4.3 (4.5%)	2.1 (2.7%)	0.9 (1.2%)	2.1 (2.7%)	-1.2 (-1.6%)	-2.5 (-3.7%)
Brand Businesses	15.2 (5.4%)	22.9 (7.1%)	25.7 (7.8%)	25.8 (7.2%)	18.9 (5.8%)	20.2 (6.1%)	20.7 (6.1%)	17.4 (5.2%)	8.9 (2.8%)
Display Device	-3.0 (-1.8%)	-0.4 (-0.2%)	2.2 (1.1%)	3.1 (1.6%)	3.3 (1.6%)	5.9 (2.7%)	5.6 (2.5%)	5.3 (2.7%)	0.6 (0.3%)
Electronic Device	1.4 (1.7%)	3.2 (3.1%)	9.7 (6.2%)	-1.8 (-2.3%)	1.0 (1.1%)	-0.7 (-1.0%)	5.6 (4.1%)	0.9 (1.1%)	0.0 (0.0%)
Device Businesses	-1.5 (-0.6%)	2.8 (0.8%)	12.0 (3.2%)	1.2 (0.5%)	4.3 (1.4%)	5.2 (1.8%)	11.2 (3.1%)	6.3 (2.2%)	0.6 (0.2%)
Subtotal	13.6 (2.5%)	25.7 (3.9%)	37.7 (5.4%)	27.1 (4.3%)	23.3 (3.7%)	25.5 (4.0%)	31.9 (4.6%)	23.7 (3.8%)	9.6 (1.7%)
Adjustments	-3.8	-5.9	-5.4	-6.0	-4.9	-4.8	-7.1	-2.9	-3.4
Total	9.8 (1.9%)	19.7 (3.1%)	32.3 (4.8%)	21.1 (3.5%)	18.3 (3.0%)	20.6 (3.4%)	24.8 (3.7%)	20.8 (3.5%)	6.1 (1.1%)

*Figures within parentheses indicate operating margin.

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S-7

Capital Investment / Depreciation and Amortization

	(Billions of Yen)						
	FY2020			FY2021			FY2022
	First Half	Second Half	Fiscal Year	First Half	Second Half	Fiscal Year	Fiscal Year Forecast
Capital Investment	21.8	69.6	91.5	30.4	21.2	51.7	85.0
Displays	6.4	56.6	63.1	10.4	6.1	16.5	41.0
Depreciation and Amortization	29.6	33.9	63.5	31.2	34.7	65.9	80.0
R&D Expenditures	43.0	43.7	86.7	39.9	46.3	86.2	95.0
Avg. Exchange Rate	(Yen)						
	FY2020			FY2021			FY2022
	First Half	Second Half	Fiscal Year	First Half	Second Half	Fiscal Year	Fiscal Year Forecast
US Dollar	105.92	104.20	105.06	108.80	113.96	111.38	125.00
Euro	119.79	124.61	122.20	129.39	128.73	129.06	133.00

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Quarterly Capital Investment and Depreciation, etc.

	(Billions of Yen)								
	FY2020				FY2021				FY2022
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Capital Investment	10.1	11.6	60.7	8.9	13.4	17.0	11.0	10.2	5.0
Displays	4.4	2.0	51.9	4.7	7.4	3.0	2.4	3.6	0.9
Depreciation and Amortization	15.2	14.4	16.4	17.4	15.3	15.9	16.8	17.9	15.6
R&D Expenditures	20.3	22.6	21.9	21.7	19.6	20.3	19.2	27.0	18.7
Avg. Exchange Rate	(Yen)								
	FY2020				FY2021				FY2022
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
US Dollar	106.62	105.22	103.51	104.90	108.49	109.11	112.71	115.21	128.57
Euro	116.97	122.61	123.03	126.18	130.45	128.33	128.57	128.90	136.60

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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, 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: SL 8K Ecosystem: 8K ICT: ICT Display Device: DD Electronic Device: ED

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