

Consumer/Information Products

Audio-Visual and Communication Equipment

LCD TVs

Demand for large-screen, high-resolution TVs is increasing in line with ongoing advancement in digital broadcasting and increasing high-definition content. In response, Sharp sought to strengthen its range of full high-definition LCD TVs through the release of the industry's first 26- and 22-inch models, in addition to introducing new large-size models. We also released LCD TVs that boast the industry's thinnest profile* at 3.44cm (at the thinnest part), staying one step ahead of diversifying demand, such as wall-mounting capabilities that bring a refined sense of quality to interior décor. On a production front, we expanded the integrated production of LCD TVs from LCD module to finished set at the global level, along with an increase in production capacity of LCD panels at the Kameyama No. 2 Plant. Sharp aims to roll out highly-advanced, cost-competitive LCD TVs to the market in a timely manner and develop AQUOS into a true global brand.

*As of January 24, 2008, for digital high-definition LCD TVs for the Japanese market

Video Recorders/Players

Amid rising demand for video recording quality that matches high-definition broadcasting, sales steadily expanded of high-definition recorders with AQUOS Familink that enables users to operate LCD TV, video recorder and surround sound system with a single remote control. Going forward, we will enhance our line of models to record and play Blu-ray Discs that are ideal for large-volume recording of high-definition content.

Mobile Phones

Despite long-standing demand for high-end mobile phones, the number of users seeking models that focus on specific applications is increasing. Sharp worked to expand business by deploying an extensive line-up, including AQUOS mobile phones, through the application of various technologies accumulated in LCD TVs and other products. Through these efforts, Sharp has achieved top share* in the Japanese market for three consecutive years since fiscal 2005. We will continue to create further distinctive mobile phones by leveraging our unique device technology.

*According to MM Research Institute, Ltd.



X-Series AQUOS LCD TV



AQUOS HD recorder



Mobile phones for (from above) SOFTBANK MOBILE Corp., KDDI CORPORATION, NTT DoCoMo, Inc.

Home Appliances

Home Appliances with Plasmacluster Ion Technology

Amid rising awareness toward healthy living and the environment, Sharp's unique Plasmacluster Ion technology has received high praise in the market for its ability to remove harmful substances such as airborne viruses and allergens. Sharp augmented its range of distinctive products incorporating this technology, including air conditioners equipped with an air flow control function, air purifiers with a humidifier function, and drum-type washer-dryers. Sharp's Plasmacluster Ion technology is being increasingly employed in the products of various other companies as well, including shower-toilets, car air conditioners and elevators. We will continue to expand this business into the future.

Other Home Appliances

Sharp enhanced the fat-removal, salt-reduction and nutrient retention features of its superheated steam oven HEALSIO. We also launched refrigerators that reduce the drying of food and keep freshness through a unique cooling system. Sharp will continue supporting people's lives by enhancing its range of health-related products.



Air conditioner incorporating Plasmacluster Ion technology



Superheated steam oven HEALSIO

Information Equipment

Wireless PDAs

Sharp supplies wireless PDAs to WILLCOM, Inc. and EMOBILE Ltd. in Japan and T-Mobile USA overseas. The design and user-friendliness of the products were evaluated highly by the market, leading to brisk sales. Sharp will continue striving to create distinctive products for the high-growth-potential wireless PDA market.

Copiers/Printers

Sharp released high-speed digital MFPs capable of printing 110 pages per minute, and high-speed digital full-color MFPs capable of printing 50 pages per minute in color, creating an extensive line-up that ranges from low-speed to high-speed models. Sharp's digital MFPs were honored in December 2007 with the prestigious Line of the Year Award 2007 from Buyers Laboratory Inc. (BLI), a U.S.-based independent evaluation organization for business-use office equipment, in the digital MFP category, receiving high marks in the areas of reliability, operability and network-supporting functions. Sharp looks forward to continued business expansion by further bolstering product range and strengthening its approach to the latest document solutions.



Wireless PDAs for (from left) WILLCOM, Inc. and EMOBILE Ltd.



High-speed digital MFP

Electronic Components

LSIs

CCD/CMOS Imagers

Sales of camera modules for mobile phones and CCDs for digital cameras were strong. We launched high-performance camera modules that contribute to thinner, more sophisticated mobile phones by utilizing our high-density mounting technology. Another development was CCDs for surveillance cameras that boast the industry's highest* sensitivity. Into the future, Sharp will make efforts to expand application into new areas such as security, automotive and medical realms.

*As of March 2008, for 1/3-type 270,000 pixel and 320,000 pixel CCDs

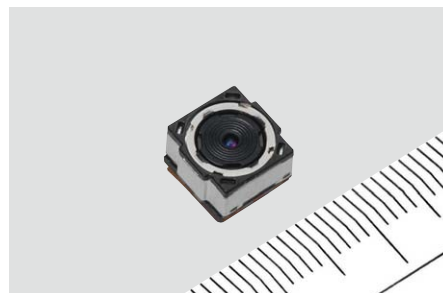
System LSIs

Sales of core LCD drivers for LCD applied products such as LCD TVs were brisk. During the period, Sharp established a joint venture with Renesas Technology Corp. and Powerchip Semiconductor Corp. for the development and sale of drivers and controllers for small- and medium-size LCDs. Going forward, we will strengthen development of drivers for large-size LCDs for TVs, while also focusing on the creation of system devices that bring distinctive functions to LCD applied products.

LCDs

Large-size LCDs

The tight supply/demand balance for large-size LCDs continued due to growing demand for LCD TVs, notebook PCs and LCD monitors. In response, Sharp doubled its eighth generation substrate input capacity to 60,000 sheets per month at the Kameyama No. 2 Plant in July 2007, thereby increasing its supply of LCD panels for TVs. We plan to raise this figure to 90,000 in July 2008 to meet burgeoning demand. In line with this increase in production capacity, we will strengthen sales inside the company as well as to strategic partners. We also started construction of a new plant for LCD panels, which will be the nucleus of the "21st century manufacturing complex" planned for Sakai City, Osaka Prefecture. The LCD plant will be the first in the world to use 10th generation glass substrates. We plan to start production there by March 2010.



CMOS camera module with auto-focus function



Kameyama Plant

Small- and Medium-size LCDs

In addition to expanding demand for mobile phones, applications for small- and medium-size LCDs are growing, including portable media players and personal navigation devices. Amid these circumstances, Sharp expanded business for System LCDs enabling high-definition, high-quality displays and that contribute to significant cost reductions. We applied our System LCD technology in the development of new System LCDs with embedded optical sensors that provide input capabilities including touch screen and scanner functions. Going forward, we will continue to strengthen development of our one-of-a-kind LCDs incorporating our unique, pioneering technology and contribute to advancement in mobile equipment.

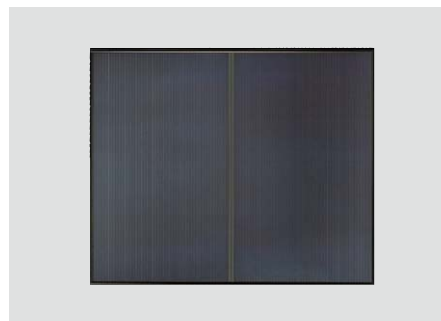


System LCD with embedded optical sensors

Other Electronic Components

Solar Cells

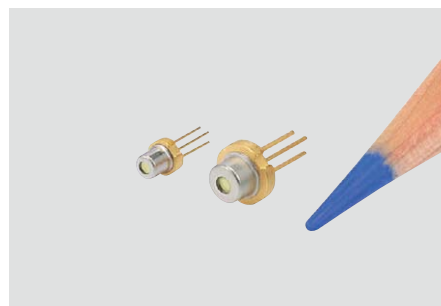
Demand for photovoltaic power generation is rising amid increasing awareness of environmental preservation. Under these circumstances, Sharp was the first in the world to achieve cumulative solar cell production volume of 2,000MW at the end of 2007. In crystalline solar cells, in response to a shortage of silicon materials caused by demand expansion, we strove to secure stable supply by boosting procurement from material manufacturers and increasing the in-house production of silicon for solar cells. In thin-film solar cells, we pushed ahead with innovation of our production technology aimed at expanding production capacity. We will keep endeavoring to improve the performance and cost competitiveness of solar cells as a means to contribute to global environmental preservation through proliferation of photovoltaic power generation.



Thin-film solar module

Others

Sales of electronic components were buoyant, notably digital tuners, laser diodes and LEDs for use mainly in digital equipment. Sharp launched tuner modules for "One Seg" terrestrial broadcast reception for mobile phones that feature the industry's smallest package size and lowest power consumption*. We also mass-produced high-power blue-violet laser diodes for Blu-ray Disc recorders/players that achieve power outputs of 210mW to enable high-speed recording, and developed laser diodes that realize outputs of 250mW, an industry-leading level. Sharp aims to create distinctive devices that contribute to advancement in digital equipment.



High-power blue-violet laser diodes

*As of June 2007 (Sharp developed modules with an even smaller size and lower power consumption in February 2008)