



Double the Business!

Sharp Electronics Europe CEO Hans Kleis wants to double the turnover of the Japanese technology group in Europe by the end of fiscal year 2007 by focusing on the three strategic divisions of LCD TV, Document Solutions and Solar.

Hamburg, 18 March 2005. With a clearly defined objective of doubling business in Europe by the end of fiscal year 2007 Hans Kleis, President of Sharp Europe, announced at this year's CeBIT the company's strategy.

Specifically, Kleis is basing the growth on the booming divisions of LCD TV, Document Solutions and Photovoltaics. Apart from further developing the existing key markets, Sharp will, to an increasing extent, invest in the prospering markets in the East of Europe where the demand for high-tech products is growing steadily. As examples, besides Russia, Kleis mentioned the new EU member states, where Sharp's sales structure will be strengthened as a first step.

While Sharp has been the global market leader in LCD TVs and photovoltaic modules for years, the Japanese technology group has been one of several big players in the Document Solutions market, without holding the number one position. This is about to change. In a world premiere before a large audience a completely new technology was presented which will reduce toner consumption by one third compared to previous models. With new devices, new consulting models for potential customers, and new sales concepts, Sharp wants to "massively increase" its current share in the European market, Kleis announced.

In the fourth quarter of 2004 Europe, for the first time, succeeded in overtaking Japan to become the largest market for LCD TVs in the world. In Germany alone, 60 million cathode ray tube (CRT) TVs have the potential to be replaced by modern, flat panel TV sets. Here consumer demands differ widely – from the early adopter, who wants to have high-definition television (HDTV) compatible products today to enjoy superb picture quality on a large screen flat TV, to the consumer who is happy to have just a TV with a great picture, but without a host of technical features. With the "Four-Panel Strategy" presented today Sharp is the only manufacturer worldwide to cover the entire spectrum demanded by customers.

Besides true "Full-HD" sets, such as the current 45-inch model and the 65-inch LCD TV presented for the first time in Europe at CeBIT, Sharp wants to offer a comprehensive portfolio of "HD-ready" products. As a world premiere in this segment, Sharp showcased the GD7 series– the first LCD TVs developed jointly with Loewe.

This new Sharp series is manufactured at the Loewe plant in Kronach. Kronach is the second plant manufacturing LCD TVs in Europe, alongside Sharp's own plant in Barcelona. Since both sites are close to the market, Sharp expects to gain far-reaching strategic advantages over its competitors.



With another world premiere Sharp is addressing the specific needs of the European television market. The P50 series models have been designed specially for the European PAL TV standard and provide unmatched picture quality. Sharp is the only manufacturer worldwide to offer such PAL-optimised panels addressing consumers who are not interested in HDTV for the foreseeable future – and these consumers make up the majority of the potential LCD TV market.

The fourth group comprises the still frequently demanded 4:3 models with VGA resolution and screen diagonals between 13 and 20 inches, which are predominantly bought as second or third TVs in households.

"This unique 'Four-Panel Strategy' puts Sharp in a starting position in Europe which will enable us, despite growing competition, to at least maintain, if not even increase our market share in the next two years," says Hans Kleis.

According to Kleis, this also applies to the third pillar – solar photovoltaics (PV). For years Germany, the most important market worldwide after Japan, has been a pioneer in this field. It is expected that further countries such as Spain will follow Germany's example and support the solar energy product market with new legislation. In photovoltaics Sharp not only focuses on large-scale projects in the megawatt range, but also pushes the installation of solar modules on roofs and facades of private homes.

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