

At the Start of A New Fiscal Year

President CEO
Masahiro Okitsu



From today, our fiscal 2025 starts. I am looking forward to continuing to work with you in this term.

1. Looking Back at Fiscal 2024

In the last fiscal year, we worked together as one to improve our business performance with the goal of achieving annual profitability for the first time in three years. As a result, final profit is expected to be in the black, although details are being aggregated. Operating income, which indicates profit from core business, is also expected to end in the range as revised upward in the third quarter results.

In addition, for the past two consecutive years, we needed to make downward revisions in our business forecasts, revealing management challenges. However, this fiscal year, as a result of company-wide efforts to quickly identify and respond to risks and changes, the gap between monthly forecasts and actual results has been steadily narrowing, and I believe these daily efforts have contributed to the current results.

Furthermore, our asset-light strategy, the most important management issue, is largely coming to a conclusion.

Specifically, on March 14, after about a year of negotiations, the company concluded an agreement with Softbank for the partial transfer of the land and building of Green Front Sakai. In addition, are negotiations with KDDI as well as our discussions with Foxconn regarding the transfer of SFL are in the final stages of agreement.

With everyone's hard work, last fiscal year was a year in which we were able to execute the key objectives we set forth at its start. I would like to express my gratitude from the bottom of my heart against all of your hard work over this past year. Thank you very much.

2. Toward Regrowth

After a year of structural reforms, we are now steering our company toward regrowth starting this fiscal year.

We are currently in the process of finalizing our Medium-Term Management Plan and details will be shared separately, but mainly we will focus our resources on our Brand Business, which is the source of our earnings, and will innovate our entity to realize sustainable from a matured business. We will also expand investment in technology and human resources to build a solid foundation for future growth.

In order to give concrete shape to these initiatives as soon as possible, today we updated our business promotion structure prior to the release of our Medium-Term Management Plan.

For details, please refer to the announcement made on March 19. The three Brand Businesses will be reorganized into two groups: the "Smart Life Business Group," which aims to create new value in the area of "living" by quickly realizing the AIoT worldview, and the "Smart Workplace Business Group," which aims to create new value in the area of "working" by integrating AI, IT, and communication technologies. The new structure is also designed to allow the heads of both business groups to focus on growth strategies for their respective groups.

As for the management team, a CBDO (Chief Business Development Officer), who is responsible for developing new sales channels globally, and a CDO (Chief Digital Officer), who is responsible for promoting DX, have been newly appointed, and the heads of both Business Groups have been appointed as Co-COO (Co-Chief Operating Officer) to clarify their roles.

In addition, new young leaders have been assigned to head the business divisions of SAS, SBS, and MCB.

Once again, our theme for FY2025 is "Regrowth". Under the new structure, let's mobilize the collective strength of the Sharp Group and open the way to our future.

3. End note

Today, we held our 2025 induction ceremony and welcomed 402 new colleagues. I gave a message to the new employees, "Please learn from your seniors and work hard at your jobs with the spirit of overtaking them. I expect all senior employees to warmly welcome new colleagues, provide guidance and training, and vigorously encourage them to take on their challenges.

Last but not least, our company is moving forward to a new stage starting today. It will not be easy, but I am confident that together with all of you who have overcome the challenges of the past year, we will be able to achieve renewed growth and revive Sharp. Let's continue to work together as a whole!