

Sharp weighs investment proposals, decision within a month

February 4 2016, by Yuri Kageyama



Shoppers move on an escalator in front of the Sharp logo at an electronics store in Tokyo, Thursday, Feb. 4, 2016. Troubled Japanese electronics maker Sharp plans to decide within a month whether it will accept investment offers from Taiwanese company Hon Hai, also known as Foxconn, or a consortium of Japanese investors. (AP Photo/Shizuo Kambayashi)

Troubled Japanese electronics maker Sharp plans to decide within a month between investment offers from Taiwanese company Hon Hai, also known as Foxconn, or a consortium of Japanese investors.

Sharp Corp. has acknowledged it needs to restructure its once booming liquid crystal display panel business, now stumbling amid competition from Korean and Chinese rivals.

President Kozo Takahashi said Thursday that Sharp has been talking with various parties, and it has narrowed the decision on a new major shareholder to between Hon Hai Precision Industry Co. and Innovation Network Corp. of Japan which groups Japanese finance companies.

He said both were offering attractive proposals, and more consideration was needed for a fair and proper decision. Japanese media reports that cited unnamed sources, said Sharp was favoring Hon Hai in its talks.

Hon Hai is a major contractor to Apple Inc., assembling products such as iPhones.

Sharp has been doing business with Hon Hai for years but some in Japan, including within government ranks, are worried about Sharp's LCD and other technology getting siphoned out of the country if Sharp is bought by Hon Hai.

The consortium proposal surfaced because of that concern. Earlier talks for Hon Hai to take a stake in Sharp collapsed in 2012.



A Shopper moves on an escalator under the Sharp logo at an electronics store in Tokyo, Thursday, Feb. 4, 2016. Troubled Japanese electronics maker Sharp plans to decide within a month whether it will accept investment offers from Taiwanese company Hon Hai, also known as Foxconn, or a consortium of Japanese investors. (AP Photo/Shizuo Kambayashi)

Takahashi was peppered with questions by reporters on whether he and other executives were going to resign to take responsibility for steering Sharp into massive losses, and also why they were apparently unable to come to a quick decision on a bailout partner.

Sharp reported Thursday a 108 [billion yen](#) (\$915 million) loss for the first three quarters of the fiscal year that ends March, swelling from a 7 billion yen loss in the same period the year before. It said it could not yet estimate its net loss for the whole year.

In another sign of troubles at Japan's technology companies, Toshiba Corp. raised its projection for losses for the fiscal year through March to

710 billion yen (\$6 billion). It previously forecast a 550 billion yen (\$4.7 billion) annual loss.

Toshiba has massive problems of its own, including a scandal in which it acknowledged doctoring its books since 2008 to inflate profits in a systematic cover-up. It also faces problems in its nuclear power business after the March 2011 Fukushima nuclear disaster, not only in the costs of dealing with the disaster but obstacles in building new facilities.



Shoppers look at Sharp's Aquos flat-panel TVs at an electronics store in Tokyo, Thursday, Feb. 4, 2016. Troubled Japanese electronics maker Sharp plans to decide within a month whether it will accept investment offers from Taiwanese company Hon Hai, also known as Foxconn, or a consortium of Japanese investors. (AP Photo/Shizuo Kambayashi)



Employees enter and exit Taiwan's Hon Hai Precision Industry Co. headquarters in New Taipei City, Taiwan, Thursday, Feb. 4, 2016. Taiwan's Hon Hai is said to be looking to purchase Japan's Sharp Corp., local media reports. (AP Photo/Wally Santana)



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An employee exits Taiwan's Hon Hai Precision Industry Co. headquarters in New Taipei City, Taiwan, Thursday, Feb. 4, 2016. Taiwan's Hon Hai is said to be looking to purchase Japan's Sharp Corp., local media reports. (AP Photo/Wally Santana)

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