

Sharp to withdraw from solar power battery business in Italy

The Associated Press

OSAKA, Dec. 31 (Kyodo) — Struggling Japanese electronics maker Sharp Corp. is considering pulling out of the solar power battery business in Italy to streamline its operations amid slumping demand in Europe, sources close to the matter said Sunday.

The Osaka-based company plans to sell all of its shareholdings in an Italian joint venture set up in July 2010 with the Enel Group, a major Italian power supplier, and Swiss semiconductor maker STMicroelectronics NV to produce thin-film solar cells. The three equally own the venture, 3Sun S.r.l. based in Catania, Sicily.

Sharp aims to improve its profitability in the solar power business by focusing on the Japanese market, where demand for residential use is expected to increase, as well as rapidly growing Asian markets, the sources said.

Sharp also operates another joint company with the Enel group to build solar power generation plants in Europe, but it is likely to sell all of its 50 percent stake in the venture, according to the sources.

The move comes in line with its plan to pull out of the solar power battery business in the United States and Europe, ceasing manufacturing and sales in the regions by the end of this business year through March.

The company is looking to sell U.S. solar power generation firm Recurrent Energy LLC, which it acquired in 2010.

Domestically, Sharp is aiming to focus on residential use to raise its market share to 40 percent from around 30 percent at present. It plans to consolidate its domestic production into the Sakai plant in Osaka Prefecture by next September.

The company also plans to procure solar batteries from U.S. solar battery maker Sunpower Corp. in order to sell products at competitive prices.

Besides the solar power battery business, Sharp aims to sell its TV assembly factories in China, Malaysia and Mexico to its Taiwanese business partner Hon Hai Precision Industry Co.

But negotiations for selling the Chinese and Malaysian plants have run into difficulties, prompting the Japanese manufacturer to seek other purchasers behind the scenes, sources said.

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