Sharp eyeing sale of LCD TV factory in Poland

The Associated Press

OSAKA, April 1 (Kyodo) — Sharp Corp. is considering selling a Polish factory where it has been assembling liquid crystal display televisions for the European market as part of turnaround efforts, sources familiar with the matter said Monday.

Sharp appears to be sounding out investment funds and foreign consumer electronics makers on whether they are interested in acquiring the factory.

But it remains uncertain whether the struggling Japanese manufacturer will be able to find a buyer of the plant, as negotiations with potential acquirers have run into difficulties, the sources said. It may eventually move to close the factory if it does not succeed in the ongoing talks.

Sharp is keen on improving the profitability associated with its television operations and padding its cash holdings by selling the plant.

It has already been in talks to sell other overseas television assembly plants including one in Mexico.

European sales of Sharp's LCD TVs stood at 1.4 million units in fiscal 2010. But, hit by the anemic European economy, the sales fell to some 1 million units in fiscal 2012.

Consequently, the operating rate of the Polish plant has dropped, making it unprofitable to run.

Sharp operates television assembly plants in Malaysia and the Chinese city of Nanjing, in addition to those in Poland and Mexico.

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