

Part III: Supplementary Information

a. R&D Expenses

	FY 2006 (Forecast)			(Billion Yen)
	Previous*	Revised**	Change	FY 2005 (Actual)
	255.0	255.0	-	241.5
As % of sales	4.9%	4.9%	-	5.0%

b. Capital Expenditures, Depreciation

		FY 2006 (Forecast)			(Billion Yen)
		Previous*	Revised**	Change	FY 2005 (Actual)
Capital Expenditures					
Technology Solutions	Y	120.0	120.0	-	93.1
Ubiquitous Product Solutions		30.0	30.0	-	19.4
Device Solutions		180.0	180.0	-	115.5
Corporate and others		20.0	20.0	-	21.8
Total	Y	350.0	350.0	-	249.9
Japan		290.0	290.0	-	190.6
Overseas		60.0	60.0	-	59.3
Depreciation		220.0	220.0	-	169.8

c. Cash Flows

		FY 2006 (Forecast)			(Billion Yen)
		Previous*	Revised**	Change	FY 2005 (Actual)
(A) Cash flows from operating activities	Y	530.0	530.0	-	405.5
[Net income]		[80.0]	[80.0]	[-]	[68.5]
[Depreciation***]		[300.0]	[300.0]	[-]	[242.3]
[Others]		[150.0]	[150.0]	[-]	[94.6]
(B) Cash flows from investing activities		(360.0)	(360.0)	-	(234.6)
(C) Free cash flow (A)+(B)		170.0	170.0	-	170.8
(D) Cash flows from financing activities		(170.0)	(170.0)	-	(207.8)
(E) Total (C)+(D)	Y	0	0	-	(36.9)

d. Exchange Rates

Average Rates

	FY 2006 (Forecast)		
	Previous*	Revised**	Change
	\$1=115 yen	\$1=115 yen	-

Note: *Previous forecast as of April 27, 2006 **Revised forecast as of July 27, 2006

***Including amortization of goodwill

e. PC Shipments

FY 2006 (Forecast)			(Million Units)
Previous*	Revised**	Change	FY 2005 (Actual)
9.00	9.00	-	8.25

f. Mobile Phone Shipments

FY 2006 (Forecast)			(Million Units)
Previous*	Revised**	Change	FY 2005 (Actual)
3.50	3.50	-	3.62

g. HDD Production

FY 2006 (Forecast)			(Million Units)
Previous*	Revised**	Change	FY 2005 (Actual)
33.50	33.50	-	25.21

Note: *Previous forecast as of April 27, 2006 **Revised forecast as of July 27, 2006