

## Part III: Supplementary Information

		(Thousands)		
<b>1. Employees</b>		March 31	<b>March 31</b>	
		2006	<b>2007</b>	change
	Japan	99	<b>99</b>	-0
	[Parent Company]	[37]	<b>[37]</b>	[-0]
	Overseas	59	<b>62</b>	+3
	<b>Total</b>	158	<b>161</b>	+2

## 2. Miscellaneous Forecasts for FY 2007

### a. R&D Expenses

		Yen (billions)		
		FY 2005	FY 2006	<b>FY 2007</b>
		(Actual)	(Actual)	<b>(Forecast)</b>
		241.5	254.0	<b>260.0</b>
	As % of sales	5.0%	5.0%	<b>4.8%</b>

### b. Capital Expenditures, Depreciation

		Yen (billions)		
		FY 2005	FY 2006	<b>FY 2007</b>
		(Actual)	(Actual)	<b>(Forecast)</b>
<b>Capital Expenditures</b>				
	Technology Solutions	93.1	91.3	110.0
	Ubiquitous Product Solutions	19.4	24.8	30.0
	Device Solutions	115.5	166.2	125.0
	Corporate and others	21.8	22.8	25.0
	<b>Total</b>	<u>249.9</u>	<u>305.2</u>	<u>290.0</u>
	Japan	190.6	254.6	225.0
	Overseas	59.3	50.6	65.0
	<b>Depreciation</b>	169.8	202.8	240.0

### c. Cash Flows

		Yen (billions)		
		FY 2005	FY 2006	<b>FY 2007</b>
		(Actual)	(Actual)	<b>(Forecast)</b>
	(A) Cash flows from operating activities	405.5	408.7	340.0
	[Net income]	[68.5]	[102.4]	[75.0]
	[Depreciation *]	[242.3]	[278.7]	[320.0]
	[Others]	[94.6]	[27.5]	[(-55.0)]
	(B) Cash flows from investing activities	(234.6)	(151.0)	(320.0)
	(C) Free cash flow (A)+(B)	170.8	257.6	20.0
	(D) Cash flows from financing activities	(207.8)	(234.9)	(50.0)
	<b>(E) Total (C)+(D)</b>	<u>(36.9)</u>	<u>22.7</u>	<u>(30.0)</u>

Note:

Including amortization of goodwill.

**d. Exchange Rates**

Average rates for

<u>FY 2005</u> (Actual)	<u>FY 2006</u> (Actual)	<u>FY 2007</u> (Forecast)
\$1=113 yen	\$1= 117yen	<b>\$1= 115yen</b>
€1=138yen	€1=150yen	<b>€1=145yen</b>
£1=202yen	£1=222yen	<b>£1=220yen</b>

**e. PC Shipments**

(Million Units)

<u>FY 2005</u> (Actual)	<u>FY 2006</u> (Actual)	<u>FY 2007</u> (Forecast)
8.25	8.45	<b>9.30</b>

**f. Mobile Phone Shipments**

(Million Units)

<u>FY 2005</u> (Actual)	<u>FY 2006</u> (Actual)	<u>FY 2007</u> (Forecast)
3.62	4.05	<b>4.50</b>

**g. HDD Production**

(Million Units)

<u>FY 2005</u> (Actual)	<u>FY 2006</u> (Actual)	<u>FY 2007</u> (Forecast)
25.21	30.98	<b>37.00</b>