

8. First-Half Consolidated Business Segment Information

a. Net Sales and Operating Income

		Yen (Millions)			(For reference)
		1H FY 2007 (4/1/07~9/30/07)	1H FY 2006 (4/1/06~9/30/06)	Change (%)	FY 2006 (4/1/06~3/31/07)
Technology Solutions					
Japan	Y	927,373	942,902	-1.6	2,087,728
Overseas		580,137	485,731	+19.4	1,069,312
Total		1,507,510	1,428,633	+5.5	3,157,040
Operating income (loss):					
System Platforms		(9,373)	(5,174)	-	7,501
[Operating income margin]		[-3.0%]	[-1.5%]		[1.1%]
Services		48,108	41,619	+15.6	156,107
[Operating income margin]		[4.0%]	[3.8%]		[6.4%]
Total operating income		38,735	36,445	+6.3	163,608
[Operating income margin]		[2.6%]	[2.6%]		[5.2%]
Ubiquitous Product Solutions					
Japan		367,110	335,039	+9.6	710,140
Overseas		207,980	193,576	+7.4	408,183
Total		575,090	528,615	+8.8	1,118,323
Operating income		21,815	19,993	+9.1	41,650
[Operating income margin]		[3.8%]	[3.8%]		[3.7%]
Device Solutions					
Japan		261,351	215,662	+21.2	457,039
Overseas		136,570	161,304	-15.3	305,636
Total		397,921	376,966	+5.6	762,675
Operating income		6,157	16,043	-61.6	19,010
[Operating income margin]		[1.5%]	[4.3%]		[2.5%]
Other Operations					
Japan		172,030	170,361	+1.0	349,950
Overseas		81,714	64,738	+26.2	140,427
Total		253,744	235,099	+7.9	490,377
Operating income		5,820	4,924	+18.2	10,563
[Operating income margin]		[2.3%]	[2.1%]		[2.2%]
Elimination					
Sales		(221,152)	(206,980)	-	(428,252)
Operating income		(28,595)	(26,764)	-	(52,743)
Total					
Japan		1,561,507	1,503,331	+3.9	3,274,908
Overseas		951,606	859,002	+10.8	1,825,255
Total		2,513,113	2,362,333	+6.4	5,100,163
Operating income	Y	43,932	50,641	-13.2	182,088
[Operating income margin]		[1.7%]	[2.1%]		[3.6%]

Note:

Includes intersegment sales.

b. Net Sales by Principal Products and Services

		Yen (Millions)			(For reference)
		1H FY 2007 (4/1/07~9/30/07)	1H FY 2006 (4/1/06~9/30/06)	Change (%)	FY 2006 (4/1/06~3/31/07)
Technology Solutions					
System Platforms:					
	System Products	Y 163,736	161,764	+1.2	355,324
	Network Products	153,585	176,981	-13.2	348,456
		317,321	338,745	-6.3	703,780
Services:					
	Solutions / SI	578,295	494,151	+17.0	1,091,060
	Infrastructure Services	586,647	525,653	+11.6	1,164,818
	Others	25,247	70,084	-64.0	197,382
		1,190,189	1,089,888	+9.2	2,453,260
	Total	1,507,510	1,428,633	+5.5	3,157,040
Ubiquitous Product Solutions					
	PCs / Mobile Phones	406,975	363,726	+11.9	768,649
	Hard Disk Drives	159,268	155,499	+2.4	329,835
	Others	8,847	9,390	-5.8	19,839
	Total	575,090	528,615	+8.8	1,118,323
Device Solutions					
	LSI Devices	257,900	236,200	+9.2	473,500
	Electronic Components, Others	140,021	140,766	-0.5	289,175
	Total	Y 397,921	376,966	+5.6	762,675

Note:

Net sales include intersegment sales.

In conjunction with organizational changes designed to enhance collaboration between sales and product development functions, beginning this fiscal year ATM and POS business results (which amounted to sales of about 48.0 billion yen in the first half of fiscal 2006), formerly recorded under the “Others” category in the Services sub-segment, are recorded in the Solutions / SI category, which includes financial and retail solutions.