

2. Miscellaneous Forecasts for FY 2012

a. Exchange Rates

	FY 2010 (Actual)	FY 2011 (Actual)	FY 2012 H1 (Forecast)	FY 2012 H2 (Forecast)
	\$1= 86 yen	\$1= 79 yen	\$1= 80 yen	\$1= 80 yen
Average rates for	€1=113 yen	€1=109 yen	€1=105 yen	€1=100 yen
	£1=133 yen	£1=126 yen	£1=130 yen	£1=130 yen

Reference information:

A 1 yen fluctuation (depreciation/appreciation) had the following effect on operating income in the full-year of FY 2011.

U.S. dollar : Increase/decrease by approximately 0.6 billion yen.

Euro : Increase/decrease by approximately 0.3 billion yen.

British pound : Increase/decrease by approximately 0 billion yen.

A 1 yen fluctuation (depreciation/appreciation) is expected to have the following effect on operating income in the full-year of FY 2012.

U.S. dollar : Increase/decrease by approximately 0.9 billion yen.

Euro : Increase/decrease by approximately 0.3 billion yen.

British pound : Increase/decrease by approximately 0 billion yen.

b. R&D Expenses

	Yen (Billions)		
	FY 2010 (Actual)	FY 2011 (Actual)	FY 2012 (Forecast)
Y	236.2	238.3	235.0
As % of sales	5.2%	5.3%	5.2%

c. Capital Expenditures, Depreciation

	Yen (Billions)		
	FY 2010 (Actual)	FY 2011 (Actual)	FY 2012 (Forecast)
Capital Expenditures			
Technology Solutions	67.2	73.4	85.0
Ubiquitous Solutions	15.5	15.6	15.0
Device Solutions	39.4	47.2	35.0
Other/Corporate	8.0	4.3	5.0
Total	130.2	140.6	140.0
Depreciation	Y 141.6	131.5	130.0

d. Cash Flows

		Yen (Billions)		
		FY 2010	FY 2011	FY 2012
		(Actual)	(Actual)	(Forecast)
(A) Cash flows from operating activities	Y	255.5	240.0	290.0
[Net income]		[55.0]	[42.7]	[60.0]
[Depreciation & goodwill amortization*]		[223.3]	[209.5]	[210.0]
[Others]		[(22.9)]	[(12.2)]	[20.0]
(B) Cash flows from investing activities		(142.1)	(190.8)	(190.0)
(C) Free cash flow (A)+(B)		113.4	49.1	100.0
(D) Cash flows from financing activities		(166.9)	(138.9)	(80.0)
(E) Total (C)+(D)	Y	<u>(53.5)</u>	<u>(89.7)</u>	<u>20.0</u>

e. PC Shipments

(Million Units)		
FY 2010	FY 2011	FY 2012
(Actual)	(Actual)	(Forecast)
5.42	6.02	7.0

f. Mobile Phone Shipments

(Million Units)		
FY 2010	FY 2011	FY 2012
(Actual)	(Actual)	(Forecast)
6.70	8.00	8.00

g. Employees

		(Thousands)	
		2011	2012
		March 31	March 31
Japan		106	107
Outside Japan		66	66
Total		<u>172</u>	<u>173</u>

Notes:

* The depreciation & goodwill amortization includes amortization of intangible assets.