

2. Miscellaneous Forecasts for FY2012

a. R&D Expenses

	Yen (Billions)		Yen (Billions)		Yen (Billions)
	FY2011		FY2012		Change vs.
	9 months (Actual)	Full-year (Actual)	9 months (Actual)	Full-year (Forecast)	previous forecast*
	176.4	238.3	171.5	235.0	-5.0
As % of sales	5.6%	5.3%	5.5%	5.4%	-

b. Capital Expenditures and Depreciation

	Yen (Billions)		Yen (Billions)		Yen (Billions)
	FY2011		FY2012		Change vs.
	9 months (Actual)	Full-year (Actual)	9 months (Actual)	Full-year (Forecast)	previous forecast*
Capital Expenditures					
Technology Solutions	Y 55.6	73.4	44.5	85.0	-
Ubiquitous Solutions	10.6	15.6	10.1	15.0	-
Device Solutions	32.2	47.2	27.2	35.0	-
Other/Corporate	1.8	4.3	4.5	5.0	-
Total	<u>100.4</u>	<u>140.6</u>	<u>86.5</u>	<u>140.0</u>	-
Depreciation	Y 97.0	131.5	87.1	130.0	-

c. Cash Flows

	Yen (Billions)		Yen (Billions)		Yen (Billions)
	FY2011		FY2012		Change vs.
	9 months (Actual)	Full-year (Actual)	9 months (Actual)	Full-year (Forecast)	previous forecast*
(A) Cash flows from operating activities	Y 25.2	240.0	20.6	120.0	-30.0
[Net income]	[1.4]	[42.7]	[-81.4]	[-95.0]	-120.0
[Depreciation & goodwill amortization**]	[152.9]	[209.5]	[143.5]	[210.0]	-
[Others]	[-129.1]	[-12.2]	[-41.4]	[5.0]	90.0
(B) Cash flows from investing activities	-132.8	-190.8	-122.8	-190.0	-
(C) Free cash flow (A)+(B)	-107.5	49.1	-102.2	-70.0	-30.0
(D) Cash flows from financing activities	75.8	-138.9	124.3	90.0	30.0
(E) Total (C)+(D)	<u>Y -31.7</u>	<u>-89.7</u>	<u>22.1</u>	<u>20.0</u>	-

Notes:

* Previous forecast as of October 31, 2012.

** Depreciation & goodwill amortization include amortization of intangible assets.

d. Exchange Rates

Average rate:

	(Yen)		(Yen)		(Yen)
	FY2011		FY2012		Change vs.
	9 months (Actual)	4Q (Actual)	9 months (Actual)	4Q (Forecast)	previous forecast*
U.S. dollar	79	79	80	90	13
	[77]		[81]		
euro	111	104	102	120	20
	[104]		[105]		
British pound	127	125	127	140	15
	[122]		[130]		

Figures in [] are average exchange rates for the third quarter (October 1- December 31).

Reference information: A 1 yen fluctuation (depreciation/appreciation) had the following effect on operating income in nine months of FY2012.

U.S. dollar : Increase/decrease by approximately 0.1 billion yen.

euro : Increase/decrease by approximately 0.1 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 fourth quarter of FY2012.

U.S. dollar : Increase/decrease by approximately 0.2 billion yen.

euro : Increase/decrease by approximately 0.1 billion yen.

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

e. PC Shipments

(Million Units)		Change vs. previous forecast*
FY2011 (Actual)	FY2012 (Forecast)	
6.02	6.00	-1.00

f. Mobile Phone Shipments

(Million Units)		Change vs. previous forecast*
FY2011 (Actual)	FY2012 (Forecast)	
8.00	6.50	-1.50

Notes:

* Previous forecast as of October 31, 2012.