

Segment Information

Years ended March 31

Main Products and Services

● Information & Telecommunication Systems

Systems Integration
Software
Disk Array Subsystems
Hard Disk Drives
Servers
Mainframes
PCs
Telecommunication Equipment

● Electronic Devices

LCDs
Semiconductor
Manufacturing Equipment
Testing and Measurement Equipment
Medical Electronics Equipment

● Power & Industrial Systems

Nuclear Power Plants
Thermal Power Plants
Hydroelectric Power Plants
Industrial Machinery and Plant Construction
Air-Conditioning Equipment
Construction Machinery
Rail Vehicles
Elevators
Escalators
Automotive Products

● Digital Media & Consumer Products

Optical Disk Drives
TVs
Mobile Phones
LCD Projectors
Room Air Conditioners
Refrigerators
Washing Machines
Batteries
Video Tapes
Information Storage Media

● High Functional Materials & Components

Wires and Cables
Copper Products
Ductile Cast-Iron Products
Forged and Cast-Steel Products
Specialty Steels
Magnetic Materials
Chemical Products
Electrical Insulating Materials
Synthetic Resins
Carbon Products
Printed Circuit Boards
Fine Ceramics

● Logistics, Services & Others

General Trading
Transportation
Property Management

● Financial Services

Loan Guarantees
Leasing
Insurance Services

Industry Segments

		Millions of yen		
		2002	2003	2004
Sales	Information & Telecommunication Systems	¥ 1,829,661	¥ 1,899,651	¥ 2,314,552
	Electronic Devices	1,487,200	1,570,069	1,312,380
	Power & Industrial Systems	2,266,895	2,297,068	2,297,913
	Digital Media & Consumer Products	1,170,744	1,205,551	1,226,955
	High Functional Materials & Components	1,250,248	1,248,550	1,297,085
	Logistics, Services & Others	1,430,825	1,449,594	1,256,266
	Financial Services	567,138	579,267	550,982
	Subtotal	10,002,711	10,249,750	10,256,133
	Eliminations & Corporate items	(2,008,927)	(2,057,998)	(1,623,683)
	Total	7,993,784	8,191,752	8,632,450
Operating income (loss)	Information & Telecommunication Systems	¥ 35,757	¥ 110,523	¥ 69,932
(note 2 on page 21)	Electronic Devices	(163,633)	(23,242)	30,424
	Power & Industrial Systems	55,004	53,253	33,933
	Digital Media & Consumer Products	(14,675)	6,204	6,951
	High Functional Materials & Components	(22,024)	18,301	46,767
	Logistics, Services & Others	3,257	10,352	533
	Financial Services	37,403	12,067	22,388
	Subtotal	(68,911)	187,458	210,928
	Eliminations & Corporate items	(48,504)	(34,491)	(26,065)
	Total	(117,415)	152,967	184,863

Others

		Millions of yen		
		2002	2003	2004
Capital investment (Property, plant and equipment)	Information & Telecommunication Systems	¥ 89,769	¥ 72,752	¥ 82,052
	Electronic Devices	114,602	91,297	39,577
	Power & Industrial Systems	74,549	70,739	71,672
	Digital Media & Consumer Products	38,677	35,135	31,947
	High Functional Materials & Components	80,232	60,676	62,425
	Logistics, Services & Others	40,125	30,828	29,251
	Financial Services	472,129	467,678	522,894
	Subtotal	910,083	829,105	839,818
	Eliminations & Corporate items	(53,804)	(41,609)	(23,271)
Total	856,279	787,496	816,547	
Depreciation (Property, plant and equipment)	Information & Telecommunication Systems	¥ 69,219	¥ 59,139	¥ 81,314
	Electronic Devices	162,146	112,786	52,013
	Power & Industrial Systems	62,944	70,175	73,503
	Digital Media & Consumer Products	44,025	40,841	37,802
	High Functional Materials & Components	81,827	73,055	66,771
	Logistics, Services & Others	36,351	28,836	25,702
	Financial Services	69,349	91,591	95,460
	Subtotal	525,861	476,423	432,565
	Eliminations & Corporate items	3,557	3,851	3,488
Total	529,418	480,274	436,053	
R&D expenditures	Information & Telecommunication Systems	¥ 136,714	¥ 121,379	¥ 169,882
	Electronic Devices	116,706	105,549	40,923
	Power & Industrial Systems	63,733	64,634	69,868
	Digital Media & Consumer Products	37,593	33,875	33,221
	High Functional Materials & Components	47,501	41,741	43,384
	Logistics, Services & Others	11,983	8,553	12,525
	Financial Services	1,218	1,423	2,022
	Total	415,448	377,154	371,825
Assets	Information & Telecommunication Systems	¥1,307,248	¥ 1,702,104	¥ 1,759,163
	Electronic Devices	1,246,285	1,345,835	899,821
	Power & Industrial Systems	2,060,169	2,194,445	2,191,091
	Digital Media & Consumer Products	743,515	782,420	781,386
	High Functional Materials & Components	1,349,133	1,298,973	1,185,662
	Logistics, Services & Others	1,051,712	1,016,599	1,027,699
	Financial Services	2,114,367	1,932,459	2,062,921
	Subtotal	9,872,429	10,272,835	9,907,743
	Eliminations & Corporate items	43,225	(93,446)	(317,421)
Total	9,915,654	10,179,389	9,590,322	

		2002	2003	2004
Number of employees	Information & Telecommunication Systems	69,966	86,630	91,254
	Electronic Devices	42,705	42,470	25,688
	Power & Industrial Systems	76,523	81,869	82,142
	Digital Media & Consumer Products	35,612	34,722	34,370
	High Functional Materials & Components	54,881	51,887	51,742
	Logistics, Services & Others	28,483	29,998	29,278
	Financial Services	4,500	4,448	4,490
	Others	5,071	3,745	3,605
	Corporate	3,776	3,803	3,775
	Total	<u>321,517</u>	<u>339,572</u>	<u>326,344</u>

Geographic Segments

		Millions of yen		
		2002	2003	2004
Sales				
Japan	Outside customer sales	¥ 6,134,554	¥ 6,290,654	¥ 6,364,411
	Intersegment transactions	892,562	1,026,916	854,532
	Total	7,027,116	7,317,570	7,218,943
Asia	Outside customer sales	607,041	651,228	993,471
	Intersegment transactions	349,337	351,006	312,153
	Total	956,378	1,002,234	1,305,624
North America	Outside customer sales	830,959	802,582	784,782
	Intersegment transactions	45,382	38,753	25,894
	Total	876,341	841,335	810,676
Europe	Outside customer sales	364,840	379,615	404,278
	Intersegment transactions	32,268	28,382	32,949
	Total	397,108	407,997	437,227
Other Areas	Outside customer sales	56,390	67,673	85,508
	Intersegment transactions	2,359	2,645	2,655
	Total	58,749	70,318	88,163
	Subtotal	9,315,692	9,639,454	9,860,633
	Eliminations & Corporate items	(1,321,908)	(1,447,702)	(1,228,183)
Total	<u>7,993,784</u>	<u>8,191,752</u>	<u>8,632,450</u>	
Operating income (loss) (note 2 on page 21)				
Japan	¥ (70,420)	¥ 155,684	¥ 177,102	
Asia	(5,090)	18,357	33,363	
North America	(21,053)	6,336	4,733	
Europe	4,007	6,720	10,512	
Other Areas	1,842	2,097	3,245	
Subtotal	(90,714)	189,194	228,955	
Eliminations & Corporate items	(26,701)	(36,227)	(44,092)	
Total	<u>(117,415)</u>	<u>152,967</u>	<u>184,863</u>	

Sales by Market

		Millions of yen		
		2002	2003	2004
Japan	Sales	¥5,444,662	¥5,546,543	¥5,654,856
	Percentage of Net Sales (%)	68	68	66
Outside Japan	Asia	896,050	1,017,439	1,212,844
	Percentage of Net Sales (%)	11	12	14
	North America	930,629	890,684	873,243
	Percentage of Net Sales (%)	12	11	10
	Europe	513,310	537,029	655,824
	Percentage of Net Sales (%)	6	7	7
	Other Areas	209,133	200,057	235,683
	Percentage of Net Sales (%)	3	2	3
	Subtotal	2,549,122	2,645,209	2,977,594
	Percentage of Net Sales (%)	32	32	34
	Total	7,993,784	8,191,752	8,632,450

Notes: 1. This information is disclosed in accordance with a ministerial ordinance under the Securities and Exchange Law of Japan.

2. In order to be consistent with financial reporting principles and practices generally accepted in Japan, operating income (loss) is presented as net sales less cost of sales and selling, general and administrative expenses. The Company believes that this is useful to investors in comparing the Company's financial results with those of other Japanese companies. Under accounting principles generally accepted in the United States of America, restructuring charges, net gain or loss on sale and disposal of rental assets and other property, impairment losses, special termination benefits and the losses resulting from the adoption of EITF Issue No. 03-2, "Accounting for the Transfer to the Japanese Government of the Substitutional Portion of Employee Pension Fund Liabilities," are included as part of operating income (loss). The restructuring charges mainly represent impairment losses incurred with the reorganization of the business structures, and as the result of the Company and its subsidiaries reviewing and reshaping the business portfolio. See note 2 on page 2.