5. Cautionary Note Regarding Assumptions of a Going Concern

There are none.

6. Significant Issues Regarding the Basis for Preparation of Consolidated Financial Statements

1) Items regarding the scope of consolidation

This consolidated financial report consolidates the results of 512 major subsidiaries (514 during the previous accounting period). As for changes in the scope of consolidation for this consolidated accounting year, 14 companies were added and 16 companies were removed. Since the names of major subsidiary companies are noted on page 43 they are omitted here. Major additions and subtractions are described below.

New consolidated subsidiaries as a result of acquisitions or the formation of new companies during the fiscal year:	13 companies
Changed from unconsolidated subsidiaries to consolidated subsidiaries:	1 companies
Subtracted due to liquidation or sale:	12 companies
Subtracted due to merger:	4 companies

2) Subsidiaries accounted for by equity method

Regarding investments in non-consolidated subsidiaries and affiliated companies, they are accounted for by the equity method and the number of companies to which this applies is 24 (26 during the previous accounting period).

Affiliated companies	24 companies

Major equity-method affiliate companies include: Fujitsu General Ltd., Fujitsu Leasing Co., Ltd., and others.

7. Significant Changes in the Basis for Preparation of Consolidated Financial Statements

Changes in Accounting Policies

(Application of Accounting Standard for Retirement Benefits)
Starting from the end of its 2013 consolidated fiscal year, Fujitsu and its consolidated subsidiaries in Japan have adopted "Accounting Standard for Retirement Benefits" (Accounting Standards Board of Japan Statement No. 26, issued May 17, 2012, hereafter "Accounting Standard for Retirement Benefits") and "Implementation Guidance on Accounting Standard for Retirement Benefits" (Accounting Standards Board of Japan Statement No. 25, issued May 17, 2012, hereafter "Guidance on Accounting Standard for Retirement Benefits"). Fujitsu has, however, chosen to forgo the early adoption of provisions on retirement benefit obligations and service costs (paragraphs 16 through 21 in Accounting Standard for Retirement Benefits, and paragraphs 4 through 16, and paragraphs 22 through 32 in Guidance on Accounting Standard for Retirement Benefits).

Switching to a method by which the amount of plan assets are subtracted from retirement benefit obligations and the balance is recorded in net defined benefit liability (asset), unrecognized actuarial losses and past service costs are reflected on the consolidated balance sheets under net assets, adjusted for tax effects, and recorded in net defined benefit liability (asset) as of the end of fiscal 2013.

With the adoption of the Accounting Standard for Retirement Benefits, in accordance with the provision for transitional treatment as stated in paragraph 37 of the Accounting Standard for Retirement Benefits, Fujitsu is not applying retroactive adjustments, and the amount of the impact stemming from this change is added to or subtracted from remeasurements of defined benefit plans, net of taxes, under accumulated other comprehensive income as of the end of fiscal 2013.

As a result, investments and other non-current assets as of the end of fiscal 2013 have declined by 37,793 million yen, non-current liabilities have increased by 114,246 million yen, and net assets fell by 152,039 million yen (of which accumulated other comprehensive income declined by 146,756 million yen, and minority interests in consolidated subsidiaries declined by 5,283 million yen). There is no impact on the 2013 consolidated fiscal year figures for operating income, income before income taxes and minority interests, net income, other comprehensive income and comprehensive income. The impact of this change on per share data and segment can be found under "Consolidated Per Share Data" and "Segment Information" in "Part II: Financial Tables."

(Adoption of IAS 19 "Employee Benefits")
From the first quarter of this fiscal year, the Fujitsu Group's consolidated subsidiaries outside Japan have adopted IAS 19 "Employee Benefits" (issued June 16, 2011).
The main changes resulting from the adoption of the accounting standard are as follows. 1) Regarding remeasurements of the net defined benefit liability (asset), including actuarial gains and losses, the option to defer partial recognition is abolished, and instead immediate recognition through net assets, as remeasurements of defined benefit plans (net of tax effects) under accumulated other comprehensive income, is required. The funded status is recognized as a liability or asset. 2) Consolidated subsidiaries outside Japan had applied the corridor approach for recognizing a portion of actuarial gains and losses as an expense. Under the corridor approach, when the net cumulative unrecognized actuarial gains and losses at the end of the previous fiscal year exceed the greater of 10% of the present value of the defined benefit obligation or 10% of the fair value of plan assets, the excess amount is recognized as an expense over the expected average remaining service lives of employees. Starting this fiscal year, consolidated subsidiaries outside Japan recognize actuarial gains and losses in accumulated other comprehensive income and do not recycle to the income statement in accordance with the adoption of IAS 19. However, in the process of the Group's consolidation, actuarial gains and losses are recycled to the income statement in line with the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (Accounting Standards Board of Japan, Practical Issues Task Force, No. 18 dated February 19, 2010). Actuarial gains and losses are periodically recognized as an expense over the expected average remaining service lives of employees. 3) The net interest on the net defined benefit liability (asset) replaces the recognition of the interest cost and the expected return on plan assets previously required.

These changes to accounting policies are applied retrospectively, and the consolidated financial statements of the previous fiscal year now reflect this retrospective application.

As a result, compared to the amounts prior to the retrospective application, the fiscal 2012 amounts for operating income, income before income taxes and minority interests, and net income have all been reduced by 7,006 million yen. Other comprehensive income has decreased by 40,651 million yen and comprehensive income has decreased by 47,657 million yen. The balance as of the end of the previous fiscal year for investments and other non-current assets decreased by 128,728 million yen, long-term liabilities increased by 28,643 million yen, net assets decreased by 157,371 million yen (of which retained earnings decreased by 7,006 million yen and accumulated other comprehensive income decreased by 150,365 million yen). In addition, as a result of reflecting the cumulative effects, the balance of net assets at the beginning of the previous fiscal year decreased by 109,714 million yen (of which accumulated other comprehensive income decreased by 109,714 million yen). The impact of this change on per share data and segment can be found under "Consolidated Per Share Data" and "Segment Information" in "Part II: Financial Tables."

Changes in the Presentation of Consolidated Financial Statements

(Consolidated Balance Sheets)
As a result of the adoption, starting from this fiscal year, of IAS 19 "Employee Benefits" (issued June 16, 2011), the method of presentation has changed. In addition, with the adoption of IAS 19 by the Fujitsu Group's consolidated subsidiaries outside Japan, presentation of prepaid pension costs and accrued retirement benefits for Fujitsu Limited and its subsidiaries in Japan has been changed. To reflect these changes in presentation, Fujitsu has reclassified the consolidated financial statements for fiscal 2012.

As a result of the reclassification, in the consolidated balance sheets for fiscal 2012, 180,121 million yen in prepaid pension costs under investments and other non-current assets and 178,482 million yen in accrued retirement benefits under long-term liabilities have been reclassified as 51,393 million yen in net defined benefit asset under investments and other non-current assets and 207,125 million yen in net defined benefit liability under long-term liabilities, -7,006 million yen in retained earnings under share holders' equity, -641 million yen in foreign currency translation adjustments and -149,724 million yen in remeasurements of defined benefit plans, net of taxes, under accumulated other comprehensive income.

Because the provision for environmental countermeasures, which in fiscal 2012 was included in "Others" under current liabilities and "Others" under non-current liabilities, has grown in the scale of its financial significance, starting in fiscal 2013 it is being broken out as its own account on the balance sheet. To reflect this change, balance sheet figures for the prior fiscal year have been reclassified.

As a result of the reclassification, the prior fiscal year's balance sheet figures of 251,731 million yen for "Others" under current liabilities and 56,150 million yen for "Others" under non-current liabilities have been restated as 219 million yen for the provision for environmental countermeasures and 251,512 million yen for "Others" under current liabilities, and 5,453 million yen for the provision for environmental countermeasures and 50,697 million yen for "Others" under non-current liabilities.

(Changes to Consolidated Income Statements)
Environmental countermeasure expenses, which in fiscal 2012 were included in "Others" under "Other expenses," exceeded 10% of total other expenses. From fiscal 2013 they are therefore being broken out on their own line on the income statement. To reflect this change, income statement figures for the prior fiscal year have been reclassified.

As a result of the reclassification, the prior fiscal year's income statement figure of 10,464 million yen for "Others" under "Other expenses" has been restated as 13 million yen for environmental countermeasure expenses and 10,451 million yen for "Others" under "Other expenses."

(Consolidated Statements of Cash Flows)
In accordance with the adoption of IAS 19 "Employee Benefits" (issued June 16, 2011) from this fiscal year, presentation has changed. In addition, for the first nine months of fiscal 2012, accrued retirement benefits included in "Increase (decrease) in provisions" and increases and decreases of prepaid pension costs included in "Other, net" are now presented with increases and decreases in net defined benefit liability (asset) as "Retirement benefit expenses, net of contribution." To reflect these changes in presentation, Fujitsu has reclassified the consolidated financial statements for fiscal 2012.

As a result of the reclassification, in the statement of cash flows for fiscal 2012, -45,113 million yen in "Income (loss) before income taxes and minority interests," 41,771 million yen in "Increase (decrease) in provisions," and -137,905 million yen in "Other, net" have been reclassified as -52,119 million yen in "Income (loss) before income taxes and minority interests," 46,027 million yen in "Increase (decrease) in provisions," -116,484 million yen in "Retirement benefit expenses, net of contribution," and -18,671 million yen in "Other, net" in cash flows from operating activities.