

6. Full-Year Consolidated Statements of Operations

	Yen		Change (%)
	(Millions)		
	FY 2007 (4/1/07~3/31/08)	FY 2006 (4/1/06~3/31/07)	
Net sales	Y 5,330,865	5,100,163	+4.5
Cost of sales	3,959,561	3,781,647	+4.7
Gross profit	1,371,304	1,318,516	+4.0
Selling, general and administrative expenses	1,166,315	1,136,428	+2.6
Operating income	204,989	182,088	+12.6
Other income:			
Interest income	10,090	7,894	
Dividend income	7,669	6,291	
Equity in earnings of affiliates, net	9,192	6,996	
Gain on foreign exchange, net	-	2,132	
Gain on sales of investment securities*	17,308	77,337	
Gain on change in interest**	2,074	2,136	
Others	17,359	21,840	
Total other income	63,692	124,626	
Other expenses:			
Interest expense	21,277	18,429	
Loss on foreign exchange, net	14,557	-	
Loss on disposal of property, plant and equipment and intangible assets	11,766	19,763	
Amortization of unrecognized obligation for retirement benefits	-	3,146	
Loss on revaluation of investment securities ***	25,132	-	
Revaluation loss on inventories****	25,045	-	
Restructuring charges*****	22,126	-	
Impairment loss*****	459	9,991	
Loss on sales of investment securities	-	2,275	
Others	38,875	38,615	
Total other expenses	159,237	92,219	
Income before income taxes and minority interests	109,444	214,495	-49.0
Income taxes	47,270	96,243	
Minority interests	14,067	15,837	
Net income	Y 48,107	102,415	-53.0

Notes:

- * Gain on sales of investment securities refers principally to gain on sale of shares in affiliate Japan Cablenet Holdings Limited.
- ** Gain on change in interest refers principally to listing of and capital increase in a Chinese affiliate (Nantong Fujitsu Microelectronics Co., Ltd.).
- *** Loss on revaluation of investment securities refers principally to a significant decline in the market share price of Spansion Inc. of the U.S.
- **** Revaluation loss on inventories refers to write-downs on book value of inventories at the beginning of period in conjunction with early adoption of new accounting standard for the valuation of inventories this fiscal year.
- ***** Restructuring charges refers to the reorganization of the LSI business, and specifically impairment losses along with relocation and disposal costs related to the relocation of the Akiruno Technology Center's development and mass-production prototyping functions to the Mie Plant. The impairment loss totals 18,297 million yen, comprised of a loss of 8,936 million yen relating to the disposal of machinery and other equipment in fiscal 2008, and a loss of 9,361 million yen for idle property, plants and other assets for which there is currently no plan for use.
- ***** Impairment loss refers to the electronic components business.