

11. Full-Year Consolidated Statements of Cash Flows

	Yen (Millions)		Change (Million Yen)
	FY 2007	FY 2006	
	<u>(4/1/07~3/31/08)</u>	<u>(4/1/06~3/31/07)</u>	
1. Cash flows from operating activities:			
Income before income taxes and minority interests	Y 109,444	214,495	-105,051
Depreciation and amortization	279,298	278,784	+514
Impairment loss*	18,756	9,991	+8,765
Increase (decrease) in provisions	(24,611)	(20,686)	-3,925
Equity in earnings of affiliates, net	(9,192)	(6,996)	-2,196
Disposal of non-current assets	17,314	27,879	-10,565
Gain on sales of investment securities, net	(17,308)	(75,062)	+57,754
Loss on revaluation of investment securities	25,132	4,703	+20,429
Revaluation loss on inventories	25,045	-	+25,045
(Increase) decrease in receivables, trade**	(26,452)	(116,659)	+90,207
(Increase) decrease in inventories	(8,361)	(7,445)	-916
Increase (decrease) in payables, trade**	(22,892)	49,263	-72,155
Other, net**	(44,101)	50,498	-94,599
Net cash provided by operating activities	322,072	408,765	-86,693
2. Cash flows from investing activities:			
Purchase of property, plant and equipment**	(268,955)	(258,631)	-10,324
(Increase) decrease in investment securities	34,485	94,308	-59,823
Other, net	(49,456)	13,240	-62,696
Net cash used in investing activities	(283,926)	(151,083)	-132,843
1+2 [Free Cash Flow]	38,146	257,682	-219,536
3. Cash flows from financing activities:			
Increase (decrease) in bonds, notes, short-term borrowings and long-term debt	150,254	(186,778)	+337,032
Dividends paid	(15,875)	(16,572)	+697
Other, net***	(72,054)	(31,603)	-40,451
Net cash provided by (used in) financing activities	62,325	(234,953)	+297,278
4. Effect of exchange rate changes on cash and cash equivalents	(2,313)	4,424	-6,737
5. Net increase (decrease) in cash and cash equivalents	98,158	27,153	+71,005
6. Cash and cash equivalents at beginning of period	448,705	420,894	+27,811
7. Cash and cash equivalents of newly consolidated subsidiaries	981	658	+323
8. Cash and cash equivalents at end of period	Y 547,844	448,705	+99,139

Notes:

- * Impairment loss includes an 18,297 million yen loss related to restructuring charges recognized this term.
- ** Since the last business day of fiscal 2006 fell on a holiday, receivables and payables were carried over to this term, with the following effect on the value of assets and liabilities:
18,049 million yen decrease in receivables, trade; 74,168 million yen decrease in payables, trade;
19,081 million yen decrease in others, net on cash flows from operating activities, other; 34,398 million yen decrease in purchase of property, plant, and equipment.
- *** Others, net refers mainly to an expenditure of 26,531 million yen, for purchase of treasury shares approved by the Board of Directors on May 24, 2007, for the exchange of shares required to make Fujitsu Access Limited, Fujitsu Devices Inc. and Fujitsu Wireless Systems Limited wholly owned subsidiaries. The purchased treasury shares were exchanged for shares in these companies. Fujitsu Devices Inc. changed its corporate name to Fujitsu Electronics Inc. in October 2007.