4. Cautionary Note Regarding Assumptions of a Going Concern

There are none.

5. Significant Changes in Shareholder's Equity

There are none.

6. Notes to FY2013 First-Half Consolidated Financial Statements

Changes in Accounting Policies

From the first quarter of this fiscal year, the Fujitsu Group's consolidated subsidiaries outside Japan have adopted IAS 19 *Employee Benefits* (issued on June 16, 2011). The main changes resulting from the adoption of these accounting standards 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 eliminated, and immediate recognition through net assets, net of tax effects as remeasurements of defined benefit plans, net of taxes in accumulated other comprehensive income, is required. The funded status is recognized as a liability or asset. 2) Previously consolidated subsidiaries outside Japan 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. From the first quarter of 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 IAS19. However, in the process of the Group's consolidation, actuarial gains and losses are recycled to the income statement in line with the "Accounting Standards Board of Japan, Practical Issues Task Force, No.18 (issued on 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 retroactively, and the quarterly and annual consolidated financial statements of the previous fiscal year now reflect this retroactive application.

As a result, compared to the amounts prior to the retroactive application, the amounts in the first half of fiscal 2012 for operating income, income before income taxes and minority interests, and net income have all been reduced by 3,354 million yen. Other comprehensive income and comprehensive income have increased by 10,031 million yen and 6,677 million yen, respectively. The amounts in the second quarter of fiscal 2012 for operating income, income before income taxes and minority interests, and net income have all been reduced by 1,658 million yen. Other comprehensive income has increased by 328 million yen and comprehensive income has decreased by 1,330 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 amount 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 on per-share amounts is reported elsewhere in these statements.

Changes in the Presentation of Consolidated Financial Statements

(Quarterly Consolidated Balance Sheets)

As a result of the adoption, starting from this first quarter consolidated accounting period, 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, the method of presenting prepaid pension costs and accrued retirement benefits for Fujitsu Limited and its subsidiaries in Japan has been changed. To reflect these changes in the method of presentation, Fujitsu has reclassified the consolidated financial statements for fiscal 2012.

As a result, in the consolidated balance sheets for fiscal 2012, the 180,121 million yen in prepaid pension costs in investments and other non-current assets and the 178,482 million yen in accrued retirement benefits in long-term liabilities have been reclassified as 51,393 million yen in net defined benefit asset in investments and other non-current assets and 207,125 million yen in net defined benefit liability in long-term liabilities, -7,006 million yen in retained earnings in 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 in accumulated other comprehensive income.

(Quarterly Consolidated Statements of Cash Flows)

In line with the adoption of IAS 19 *Employee Benefits* from this first quarter consolidated accounting period, the method of presentation has changed. In addition, for the first half of fiscal 2012, accrued retirement benefits included in "Increase (decrease) in provisions" and increases and decreases of prepaid pension costs included in the "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 the method of presentation, we have reclassified the consolidated financial statements for the first half of fiscal 2012.

As a result, in the statement of cash flows for the first half of fiscal 2012, the 3,121 million yen in "Income (loss) before income taxes and minority interests, the -18,934 million yen in "Increase (decrease) in provisions," and the -49,850 million yen in "Other, net" have been reclassified as -233 million yen in "Income (loss) before income taxes and minority interests," -15,865 million yen in "Increase (decrease) in provisions," 52 million yen in "Retirement benefit expenses, net of contribution," and -49,617 million yen in "Other, net" in cash flows from operating activities.

Quarterly Balance Sheet Statement

1H FY2013 (September 30, 2013)
(Additional Information) Changes in the balances of the components of “Remeasurements of defined benefit plans, net of taxes” in “Accumulated other comprehensive income” in the first half of fiscal 2013 are as follows. The unrecognized actuarial gain or loss recorded in remeasurements of defined benefit plans, net of taxes increased by 13,096 million yen (including a one-time write-off of 4,550 million yen stemming mainly from a partial buyout in the retirement benefit plan of a European subsidiary) as a result of the recycling to the income statement. On the other hand, it decreased by 15,428 million yen due to the impact of exchange rates to remeasurements of net defined benefit plans, net of taxes denominated in foreign currency in consolidated subsidiaries outside Japan upon conversion into yen.

Presentation of Consolidated Income Statements

	1H FY2012 (4/1/2012 – 9/30/2012)	**1H FY2013** (4/1/2013 – 9/30/2013)
Restructuring charges	________________________	Personnel-related expenses, primarily in its businesses outside Japan, and restructuring expenses for its LSI device business.

Presentation of Consolidated Statements of Cash Flows

	1H FY2012 (4/1/2012 – 9/30/2012)	**1H FY2013** (4/1/2013 – 9/30/2013)
Cash flows from investing activities: Proceeds from transfer of business	________________________	(Additional Information) Primarily the proceeds from the sale of the microcontroller and analog device.