

CONSOLIDATED STATEMENTS OF CASH FLOWS

Fujitsu Limited and Consolidated Subsidiaries

Years ended March 31	Notes	Yen (millions)		U.S. Dollars (thousands) (Note 2)
		2010	2011	2011
Cash flows from operating activities (A):				
Income before income taxes and minority interests		¥ 112,706	¥ 102,236	\$ 1,231,759
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities:				
Depreciation and amortization		231,741	207,767	2,503,217
Impairment loss		2,902	1,579	19,024
Amortization of goodwill		23,317	15,610	188,072
Increase (decrease) in provisions		(29,831)	(45,500)	(548,193)
Interest and dividend income		(8,017)	(6,121)	(73,747)
Interest charges		16,321	11,728	141,301
Equity in earnings of affiliates, net		(2,805)	(3,804)	(45,831)
Loss on disposal of non-current assets		10,535	7,309	88,060
Gain on sales of investment securities, net		(89,657)	(9,366)	(112,843)
(Increase) decrease in receivables, trade		48,937	25,687	309,482
(Increase) decrease in inventories		18,793	(22,706)	(273,566)
Increase (decrease) in payables, trade		(23,047)	(1,718)	(20,699)
Other, net		15,773	13,361	160,976
Cash generated from operations		327,668	296,062	3,567,012
Interest and dividends received		8,969	6,893	83,048
Interest paid		(17,879)	(11,179)	(134,687)
Income taxes paid		(23,369)	(36,242)	(436,650)
Net cash provided by operating activities		295,389	255,534	3,078,723
Cash flows from investing activities (B):				
Purchases of property, plant and equipment		(114,525)	(122,267)	(1,473,096)
Proceeds from sales of property, plant and equipment		9,177	6,861	82,663
Purchases of intangible assets		(58,825)	(59,693)	(719,193)
Purchases of investment securities		(23,662)	(16,029)	(193,120)
Proceeds from sales of investment securities		116,814	35,120	423,132
Proceeds from transfer of business	18	17,549	4,214	50,771
Proceeds from acquisition of subsidiaries' stock resulting in change in scope of consolidation	18	50,416	715	8,614
Other, net		4,076	8,971	108,084
Net cash provided by (used in) investing activities		1,020	(142,108)	(1,712,145)
A+B*		296,409	113,426	1,366,578
Cash flows from financing activities:				
Increase (decrease) in short-term borrowings		(80,861)	7,373	88,831
Proceeds from long-term debt		82,047	63,739	767,939
Repayment of long-term debt		(326,605)	(174,142)	(2,098,096)
Proceeds from sales of treasury stock		25	24	289
Purchase of treasury stock		(22,691)	(145)	(1,747)
Dividends paid		(13,842)	(23,187)	(279,361)
Other, net		(43,383)	(40,595)	(489,096)
Net cash used in financing activities		(405,310)	(166,933)	(2,011,241)
Effect of exchange rate changes on cash and cash equivalents		(983)	(8,091)	(97,482)
Net decrease in cash and cash equivalents		(109,884)	(61,598)	(742,145)
Cash and cash equivalents at beginning of year		528,174	420,166	5,062,241
Cash and cash equivalents of newly consolidated subsidiaries		1,876	25	302
Cash and cash equivalents at end of year		¥ 420,166	¥ 358,593	\$ 4,320,398
Non-cash investing and financing activities:				
Acquisition of assets under finance leases		¥ 20,580	¥ 13,171	\$ 158,687

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

* This is referred to as "free cash flow" in Management's Discussion and Analysis of Operations.