

Consolidated Statements of Cash Flows

Fujitsu Limited and Consolidated Subsidiaries

Years ended March 31	Yen (millions)		U.S. Dollars (thousands) (Note 2)
	2011	2012	2012
Cash flows from operating activities (A):			
Income before income taxes and minority interests	¥ 102,236	¥ 66,717	\$ 813,622
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities:			
Depreciation and amortization	207,767	194,449	2,371,329
Impairment loss	1,579	3,241	39,524
Amortization of goodwill	15,610	15,099	184,134
Increase (decrease) in provisions	(45,500)	(11,666)	(142,268)
Interest and dividend income	(6,121)	(6,203)	(75,646)
Interest charges	11,728	9,283	113,207
Equity in earnings of affiliates, net	(3,804)	(3,060)	(37,317)
Loss on disposal of non-current assets	7,309	5,274	64,317
Gain on sales of investment securities, net	(9,366)	—	—
(Increase) decrease in receivables, trade	25,687	(33,914)	(413,585)
(Increase) decrease in inventories	(22,706)	4,647	56,671
Increase (decrease) in payables, trade	(1,718)	20,826	253,976
Other, net	13,361	15,798	192,659
Cash generated from operations	296,062	280,491	3,420,622
Interest and dividends received	6,893	6,770	82,561
Interest paid	(11,179)	(12,588)	(153,512)
Income taxes paid	(36,242)	(34,663)	(422,720)
Net cash provided by operating activities	255,534	240,010	2,926,951
Cash flows from investing activities (B):			
Purchases of property, plant and equipment	(122,267)	(137,786)	(1,680,317)
Proceeds from sales of property, plant and equipment	6,861	6,135	74,817
Purchases of intangible assets	(59,693)	(57,542)	(701,732)
Purchases of investment securities	(16,029)	(6,358)	(77,537)
Proceeds from sales of investment securities	35,120	5,618	68,512
Proceeds from acquisition of subsidiaries' stock resulting in change in scope of consolidation	715	45	549
Proceeds from transfer of business	4,214	—	—
Other, net	8,971	(942)	(11,488)
Net cash used in investing activities	(142,108)	(190,830)	(2,327,195)
A+B*	113,426	49,180	599,756
Cash flows from financing activities:			
Increase (decrease) in short-term borrowings	7,373	(3,522)	(42,951)
Proceeds from long-term debt	63,739	96,118	1,172,171
Repayment of long-term debt	(174,142)	(181,435)	(2,212,622)
Proceeds from sales of treasury stock	24	18	220
Purchase of treasury stock	(145)	(126)	(1,537)
Dividends paid	(23,187)	(22,666)	(276,415)
Other, net	(40,595)	(27,353)	(333,573)
Net cash used in financing activities	(166,933)	(138,966)	(1,694,707)
Effect of exchange rate changes on cash and cash equivalents	(8,091)	(6,209)	(75,720)
Net decrease in cash and cash equivalents	(61,598)	(95,995)	(1,170,671)
Cash and cash equivalents at beginning of year	420,166	358,593	4,373,085
Cash and cash equivalents of newly consolidated subsidiaries	25	4,100	50,000
Cash and cash equivalents at end of year	¥ 358,593	¥ 266,698	\$ 3,252,415
Non-cash investing and financing activities:			
Acquisition of assets under finance leases	¥ 13,171	¥ 17,674	\$ 215,537

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.