1. Significant Accounting Policies

(a) Basis of presenting consolidated financial statements and the principles of consolidation

The accompanying consolidated financial statements of Fujitsu Limited (the "Company") and its consolidated subsidiaries (together, the "Group") have been prepared in accordance with the regulations under the Financial Instruments and Exchange Law of Japan and accounting principles and practices generally accepted in Japan. In presenting the accompanying consolidated financial statements, certain items have been reclassified for the convenience of readers outside Japan.

The consolidated financial statements include the accounts of the Company and, with minor exceptions, those of its majority-owned subsidiaries.

The Company's consolidated subsidiaries outside Japan prepare their financial statements in accordance with IFRS (International Financial Reporting Standards).

However, certain items, such as amortization of goodwill, are adjusted in the process of consolidation based on "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (Accounting Standards Board of Japan, Practical Issues Task Force, No. 18 dated February 19, 2010).

The acquisition of companies is accounted for by the purchase method. Goodwill represents the excess of the acquisition cost over the fair value of the net assets of the acquired companies.

Investments in affiliates, with minor exceptions, are accounted for by the equity method.

(b) Translation of foreign currency accounts

Receivables and payables denominated in foreign currencies are translated into Japanese yen at the foreign currency exchange rates in effect at the respective balance sheet dates.

The assets and liabilities accounts of the consolidated subsidiaries outside Japan are translated into Japanese yen at the exchange rates in effect at the respective balance sheet dates. Income and expense accounts are translated at the average exchange rate during the year. The resulting translation adjustments are recorded in a separate component of accumulated other comprehensive income as "foreign currency translation adjustments."

(c) Revenue recognition

Revenue from sales of ICT systems and products excluding customized software under development contracts (the "customized software") is recognized upon acceptance by the customers, whereas, revenue from sales of PCs, other equipment and electronic devices is recognized when the products are delivered to the customers. Revenue from sales of the customized software is recognized by reference to the percentage-of-completion method.

(d) Cash equivalents

Cash equivalents consist of short-term highly liquid investments with original maturities of three months or less from the date of acquisition and an insignificant risk of fluctuation in value, as well as overdrafts. Overdrafts are included in "Short-term borrowings and current portion of long-term debt" under "Current liabilities" in the consolidated balance sheets.

(e) Investment securities

Investment securities included in "Cash and cash equivalents," "Investments in and long-term loans to affiliates" and "Others" under "Investments and other non-current assets" are classified as investments in affiliates; held-to-maturity investments, which are the debt securities that the Group has the positive intent and ability to hold to maturity; or available-for-sale securities, which are investment securities not classified as investments in affiliates or held-to-maturity investments.

Investments in affiliates are accounted for by the equity method. Held-to-maturity investments are stated at amortized cost, adjusted for the amortization of premiums or accretion of discounts to maturity. Available-for-sale securities are basically carried at fair value. However, unlisted securities are carried at the acquisition cost, and classified as "financial instruments for which it is extremely difficult to determine the fair value," as no market price is available and it is not possible to estimate the future cash flow. The cost of available-for-sale securities sold is calculated by the moving average method.

Available-for-sale securities are carried at fair market value, with the unrealized gains or losses, net of taxes, included in accumulated other comprehensive income.

(f) Derivative financial instruments

The Group uses derivative financial instruments mainly for the purpose of hedging against the risk of fluctuations in foreign exchange rates and interest rates on receivables and payables denominated in foreign currencies.

The hedging instruments consist of forward exchange, option and swap contracts and related complex contracts.

Derivative financial instruments are stated at fair value, and gains or losses on changes in fair values of the hedging instruments are recognized as "Other income (expenses)."

However, gains or losses on changes in fair values of derivative financial instruments, which qualify for deferral hedge accounting, are deferred on the balance sheet until gain or loss on the hedged items are recognized.

(g) Allowance for doubtful accounts

The allowance for doubtful accounts is provided at an amount deemed sufficient to cover estimated future losses.

(h) Inventories

Finished goods are mainly stated at cost determined by the moving average method.

Work in process is mainly stated at cost determined by the specific identification method or the average cost method.

Raw materials and supplies are mainly stated at cost determined by the moving average method.

Inventories are stated at the lower of cost or market.

(i) Property, plant and equipment (excluding lease assets)

Property, plant and equipment, including renewals and additions, are carried at cost. Maintenance and repairs, including minor renewals and improvements, are charged to income as incurred.

Depreciation is computed by the straight-line method over the estimated useful lives, reflected by the likely period over which the value of the asset can be realized under actual business conditions.

Certain property, plant and equipment are evaluated for impairment based on consideration of their future usefulness. Accumulated impairment loss is subtracted directly from each asset.

(j) Intangible assets

Goodwill, including the goodwill acquired by consolidated subsidiaries, representing the premium paid to acquire a business is amortized using the straight-line method over periods not exceeding 20 years as these are periods over which the Group expects to benefit from the acquired business.

Computer software for sale is amortized based on the current year sales units to the projected total products' sales units. Computer software for internal use is amortized by the straight-line method over the estimated useful lives.

Other intangible assets are amortized by the straight-line method over the estimated useful lives of the respective assets.

(k) Leases

Assets acquired by lessees in finance lease transactions are recorded in the corresponding asset accounts. As for lease transactions in which the title is not transferred to the lessees, the leased assets are depreciated over the lease term by the straight-line method.

Operating lease payments are recognized as expenses over the lease term.

(l) Provision for product warranties

Provision for product warranties is recognized at the same period when related sales of the products are made at an amount which represents the estimated cost, based on past experience, to repair or exchange certain products within the warranty period.

(m) Provision for construction contract losses

Provision for construction contract losses is recorded at the estimated amount of future losses on customized software or construction contracts whose costs are probable to exceed total contract revenues.

(n) Provision for bonuses to board members

Provision for bonuses to board members is recorded based on an estimated amount.

(o) Accrued retirement benefits and prepaid pension cost

The Company and the majority of the consolidated subsidiaries have retirement benefit plans.

Under the significant defined benefit plans, the actuarial valuation used to determine the pension costs is the projected unit credit method.

(Changes in the Presentation for the Consolidated Financial Statements for the year ended March 31, 2013)

"Prepaid pension cost" is presented as a line item in the consolidated financial statements for the year ended March 31, 2013 as the balance of prepaid pension cost as of March 31, 2013 has exceeded 5% of total assets, whereas it was included in the "Others" under "Investments and other non-current assets" in the consolidated financial statements for the year ended March 31, 2012. The following reclassifications to the prior year's consolidated balance sheet and related footnote amounts have been made to conform to the presentation for the current year:

"Others" of ¥164,630 million ($1,751,383 thousand) under "Investments and other non-current assets" have been reclassified to "Prepaid pension cost" of ¥62,138 million ($661,043 thousand) and "Others" of ¥102,492 million ($1,090,340 thousand) in the consolidated balance sheets for the year ended March 31, 2012.

Furthermore, in conjunction with the increase in financial importance of figures of "Provision for restructuring charges," the provision for extra retirement benefits stemming from restructuring in Japan, which in the year ended March 31, 2012 had been included in the "Accrued retirement benefits," in the amount of ¥2,892 million ($30,766 thousand) under "Long-term liabilities," is reclassified to "Provision for restructuring charges" under "Current liabilities" in the consolidated financial statements for the year ended March 31, 2013.

(p) Provision for loss on repurchase of computers

Certain computers manufactured by the Group are sold to Japan Electronic Computer Co., Ltd. ("JECC") and other leasing companies for leasing to ultimate users under contracts which require the Group to repurchase the computers if they are returned by the users after a certain period. Based on past experience, an estimated amount for the loss arising from such repurchases is provided at the point of sales and is charged to income.

(q) Provision for recycling expenses

A provision for anticipated recycling expenses has been made based on the regime for PC recycling enforced in Japan to prepare for recycling expenses incurred upon collection of consumer PCs sold.

(r) Provision for restructuring charges

Provision for restructuring charges is the estimated amount of losses on personnel rationalization and disposal of business.

(Changes in the Presentation for the Consolidated Financial Statements for the year ended March 31, 2013)

"Provision for restructuring charges" is presented as a line item in the consolidated financial statements for the year ended March 31, 2013 due to its materiality, whereas it was included in "Others" under both "Current liabilities" and "Long-term liabilities" in the consolidated financial statements for the year ended March 31, 2012. In addition, in conjunction with this change, the provision for extra retirement benefits stemming from restructuring in Japan, which in the previous fiscal year had been included in the "Accrued retirement benefits," in the amount of ¥2,892 million ($30,766 thousand) under "Long-term liabilities," is reclassified to "Provision for restructuring charges" under "Current liabilities." Furthermore, the following reclassification to the prior year's consolidated balance sheet and related footnote amounts have been made to conform to the presentation for the current year:

"Others" of ¥251,405 million ($2,674,521 thousand) under "Current liabilities," "Accrued retirement benefits" of ¥180,491 million ($1,920,117 thousand) and "Others" of ¥49,525 million ($526,862 thousand) under "Long-term liabilities" have been reclassified to "Provision for restructuring charges" of ¥9,685 million ($103,032 thousand) and "Others" of ¥244,612 million ($2,602,255 thousand) under "Current liabilities," as well as "Accrued retirement benefits" of ¥177,599 million ($1,889,351 thousand), "Provision for restructuring charges" of ¥1,271 million ($13,521 thousand) and "Others" of ¥48,254 million ($513,340 thousand) under "Long-term liabilities" in the consolidated balance sheets for the year ended March 31, 2012.

(s) Income taxes

The Group has mainly adopted the asset and liability method of tax effect accounting in order to recognize income tax effect of all temporary differences in the recognition of assets and liabilities for tax and financial reporting purposes.

(t) Earnings per share

Basic earnings per share is computed based on the weighted average number of shares of common stock outstanding during the respective years.

Diluted earnings per share is computed based on the weighted average number of shares after consideration of the dilutive effect of the shares of common stocks issuable upon the exercise of subscription rights to shares and the conversion of convertible bonds.

(u) Accounting standards issued but not yet effective

The following accounting standards were issued but not yet effective up to June 24, 2013, the filing date of the Annual Securities Report, regulated by the Financial Instruments and Exchange Law of Japan. The Group has not yet adopted these standards as of March 31, 2013.

"Accounting Standard for Retirement Benefits" (Accounting Standards Board of Japan Statement No. 26, issued May 17, 2012) and "Guidance on Accounting Standard for Retirement Benefits" (Accounting Standards Board of Japan Guidance No. 25, issued May 17, 2012)

(1) Overview

Actuarial gains and losses and prior service costs are required to be recognized in net assets at net of tax effects. Funded status is fully recognized as a liability or asset on the balance sheet. With respect to the amortization method of the expected benefit, the benefit formula basis is newly allowed as an option, in addition to the straight-line basis. In addition, the method for determining the discount rate is amended.

(2) Date of adoption

The Company and its consolidated subsidiaries in Japan will adopt the accounting standards at the end of the fiscal year ending March 31, 2014. The standard and guidance will not be applied retrospectively to financial statements of the prior years.

(3) Impact of the adoption of the accounting standards

The Company and its consolidated subsidiaries in Japan are fully compliant with the Generally Accepted Accounting Principles in Japan. The adoption of these standards is expected to have a significant impact on the consolidated financial statements of the Group. In the consolidated balance sheet, the net assets are expected to decrease due mainly to the immediate recognition of the actuarial gains and losses. Currently, it is difficult to estimate the exact financial impact.

"Employee Benefits" (IAS 19, issued June 16, 2011)

(1) Overview

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, is required. The funded status is recognized as a liability or asset. The option to recycle actuarial gains and losses from other comprehensive income to profit and loss is also eliminated. In addition, 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.

(2) Date of adoption

The Company's consolidated subsidiaries outside Japan will adopt this accounting standard from the beginning of the fiscal year ending March 31, 2014, as it will be effective from the fiscal year beginning January 1, 2013. The standard requires retrospective application. The Group will therefore restate the corresponding financial statement for the year ended March 31, 2013 incorporating adjustments for the impact of the adoption of this standard.

(3) Impact of the adoption of the accounting standard

The Company's consolidated subsidiaries outside Japan prepare their financial statements in accordance with IFRS (International Financial Reporting Standards). Certain items, such as amortization of goodwill, are adjusted in the process of consolidation based on "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (Accounting Standards Board of Japan, Practical Issues Task Force, No. 18 issued February 19, 2010). Regarding the amortization of actuarial gains and losses, no adjustment is allowed under the Practical Solution. Therefore, the Group has to date consolidated the amortization of actuarial gains and losses in respect of defined benefit pension plans in subsidiaries outside Japan with no adjustment.

The amendment to IAS 19 has a significant impact on the Group's consolidated financial statements. In the consolidated balance sheet, net assets are expected to decrease due mainly to the immediate recognition of the actuarial gains and losses. As a result of the restatements, net assets at the beginning and end of the year ended March 31, 2013 are expected to decrease by roughly ¥110 billion ($1,170 million) and ¥160 billion ($1,702 million), respectively. In the consolidated income statement, operating income is considered to be adversely impacted due to the increase in amortization of actuarial gains and losses in the consolidated subsidiaries outside Japan*, and the increase in net periodic benefit cost caused by the application of the net interest on the net defined benefit liability (asset). Both operating and net income are considered to decrease by ¥7 billion ($74 million), approximately.

* The Company's consolidated subsidiaries outside of Japan have to date 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 year ended March 31, 2013 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.
The amendment to IAS 19 does not allow recycling of actuarial gains and losses held by the Company's consolidated subsidiaries outside Japan to the income statement. However, in the process of the Group's consolidation, these are periodically recognized as an expense over the expected average remaining service lives of employees, in line with the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements." The accounting standard requires retrospective application. The Group will therefore restate the corresponding financial statement for the year ended March 31, 2013 incorporating adjustments for the impact of the adoption of this standard.

2. U.S. Dollar Amounts

The Company and its consolidated subsidiaries in Japan maintain their books of account in yen. The U.S. dollar amounts included in the accompanying consolidated financial statements and the notes thereto represent the arithmetic results of translating yen into U.S. dollars at ¥94 = US$1, the approximate exchange rate at March 31, 2013.

The U.S. dollar amounts are presented solely for the convenience of readers and the translation is not intended to imply that the assets and liabilities which originated in yen have been or could readily be converted, realized or settled in U.S. dollars at the above or any other rate.

3. Inventories

Inventories at March 31, 2012 and 2013 consist of the following:

	Yen (millions)		U.S. Dollars (thousands)
At March 31	2012	**2013**	**2013**
Finished goods	¥139,162	**¥122,258**	**$1,300,617**
Work in process	106,268	**113,362**	**1,205,979**
Raw materials and supplies	88,686	**87,472**	**930,553**
Total inventories	¥334,116	**¥323,092**	**$3,437,149**

Amounts above are net of write-downs.

The amounts of write-downs recognized as cost of sales for the years ended March 31, 2012 and 2013 were ¥17,730 million and ¥20,578 million ($218,915 thousand), respectively.

4. Property, Plant and Equipment

Changes in property, plant and equipment, net of accumulated depreciation (including lease assets) are as follows:

	Yen (millions)		U.S. Dollars (thousands)
Years ended March 31	2012	**2013**	**2013**
Land			
Balance at beginning of year	¥117,481	**¥115,614**	**$1,229,936**
Additions	601	**287**	**3,053**
Impairment loss	1,477	**5,430**	**57,766**
Translation differences	(269)	**709**	**7,543**
Other, net	(722)	**(2,233)**	**(23,755)**
Balance at end of year	¥115,614	**¥108,947**	**$1,159,011**

FACTS & FIGURES

Years ended March 31	Yen (millions) 2012	2013	U.S. Dollars (thousands) 2013
Buildings			
Balance at beginning of year	¥277,844	**¥284,631**	**$3,027,989**
Additions	26,371	**28,689**	**305,202**
Depreciation	23,573	**22,916**	**243,787**
Impairment loss	469	**16,319**	**173,606**
Translation differences	(489)	**6,109**	**64,989**
Other, net	4,947	**(5,262)**	**(55,979)**
Balance at end of year	¥284,631	**¥274,932**	**$2,924,809**
Machinery and equipment			
Balance at beginning of year	¥226,904	**¥215,601**	**$2,293,628**
Additions	100,627	**85,759**	**912,330**
Depreciation	108,004	**93,649**	**996,266**
Impairment loss	1,257	**6,520**	**69,362**
Translation differences	(2,495)	**6,196**	**65,915**
Other, net	(174)	**(793)**	**(8,436)**
Balance at end of year	¥215,601	**¥206,594**	**$2,197,809**
Construction in progress			
Balance at beginning of year	¥ 16,413	**¥ 25,097**	**$ 266,989**
Additions*[1]	13,027	**7,031**	**74,798**
Translation differences	(111)	**467**	**4,968**
Other, net	(4,232)	**(4,608)**	**(49,021)**
Balance at end of year	¥ 25,097	**¥ 27,987**	**$ 297,734**
Total of balance at end of year	¥640,943	**¥618,460**	**$6,579,362**
Total of additions	¥140,626	**¥121,766**	**$1,295,383**
Total of depreciation	131,577	**116,565**	**1,240,053**

*[1] Additions to construction in progress are offset by the amounts transferred to the buildings and machinery and equipment.

5. Goodwill

An analysis of goodwill is presented below:

Years ended March 31	Yen (millions) 2012	2013	U.S. Dollars (thousands) 2013
Balance at beginning of year	¥80,083	**¥67,526**	**$718,362**
Additions	3,315	**620**	**6,596**
Amortization	15,099	**14,231**	**151,394**
Impairment loss	—	**26,600**	**282,979**
Translation differences and others	(773)	**2,259**	**24,032**
Balance at end of year	¥67,526	**¥29,574**	**$314,617**

6. Short-term Borrowings and Long-term Debt

Short-term borrowings and long-term debt at March 31, 2012 and 2013 consist of the following:

Short-term borrowings

	Yen (millions)		U.S. Dollars (thousands)
At March 31	2012	**2013**	**2013**
Short-term borrowings, principally from banks, with a weighted average interest rate of 1.52% at March 31, 2012 and 0.67% at March 31, 2013:			
Secured	¥ –	**¥ –**	**$ –**
Unsecured	50,581	**210,657**	**2,241,032**
Total short-term borrowings (A)	¥ 50,581	**¥210,657**	**$2,241,032**

Long-term debt (including current portion)

	Yen (millions)		U.S. Dollars (thousands)
At March 31	2012	**2013**	**2013**
a) Long-term borrowings			
Long-term borrowings, principally from banks and insurance companies, due from 2012 to 2016 with a weighted average interest rate of 1.04% at March 31, 2012: due from 2013 to 2018 with a weighted average interest rate of 0.95% at March 31, 2013:			
Secured	¥ –	**¥ –**	**$ –**
Unsecured	99,281	**94,010**	**1,000,106**
Total long-term borrowings	¥ 99,281	**¥ 94,010**	**$1,000,106**
b) Bonds and notes			
Bonds and notes issued by the Company:			
Secured	¥ –	**¥ –**	**$ –**
Unsecured			
3.0% unsecured bonds due 2018	30,000	**30,000**	**319,149**
1.49% unsecured bonds due 2012	60,000	**–**	**–**
1.73% unsecured bonds due 2014	40,000	**40,000**	**425,532**
0.307% unsecured bonds due 2013	20,000	**20,000**	**212,766**
0.42% unsecured bonds due 2015	30,000	**30,000**	**319,149**
0.398% unsecured bonds due 2014	20,000	**20,000**	**212,766**
0.623% unsecured bonds due 2016	30,000	**30,000**	**319,149**
0.331% unsecured bonds due 2015	–	**40,000**	**425,532**
0.476% unsecured bonds due 2017	–	**20,000**	**212,766**
Bonds and notes issued by consolidated subsidiaries,			
Secured	–	**–**	**–**
Unsecured			
[Japan]			
zero coupon unsecured convertible bonds due 2013	200	**200**	**2,128**
zero coupon unsecured convertible bonds due 2015	100	**100**	**1,064**
[Outside Japan]			
Medium Term Note unsecured due 2012 with rate of 0.67%	986	**–**	**–**
Total bonds and notes	¥231,286	**¥230,300**	**$2,450,000**
Total long-term debt (including current portion) (a+b)	¥330,567	**¥324,310**	**$3,450,106**
Current portion (B)	78,341	**79,065**	**841,117**
Non-current portion (C)	252,226	**245,245**	**2,608,989**
Total short-term borrowings and long-term debt (including current portion)	¥381,148	**¥534,967**	**$5,691,138**
Short-term borrowings and current portion of long-term debt (A+B)	128,922	**289,722**	**3,082,149**
Long-term debt (excluding current portion) (C)	252,226	**245,245**	**2,608,989**

Convertible bonds are treated solely as liabilities and the conversion option is not recognized as equity in accordance with accounting principles and practices generally accepted in Japan.

The aggregate annual maturities of long-term debt subsequent to March 31, 2013 are summarized as follows:

Years ending March 31	Yen (millions)	U.S. Dollars (thousands)
2014	¥ 79,065	$ 841,117
2015	63,972	680,553
2016	94,283	1,003,011
2017	36,682	390,234
2018 and thereafter	50,308	535,191
Total	¥324,310	$3,450,106

At March 31, 2013, the Group had committed facility contracts with banks aggregating ¥197,772 million ($2,103,957 thousand) and all of it was unused.

Assets pledged as collateral for short-term borrowings and long-term debt at March 31, 2012 and 2013 are principally presented below:

	Yen (millions)		U.S. Dollars (thousands)
At March 31	2012	**2013**	**2013**
Property, plant and equipment, net	¥2,530	**¥2,484**	**$26,426**

As is customary in Japan, substantially all loans from banks (including short-term loans) are made under bank transaction agreements which stipulate that, at the request of the banks, the borrower is required to provide collateral or guarantors (or additional collateral or guarantors, as appropriate) with respect to such loans, and that all assets pledged as collateral under such agreements will be applicable to all present and future indebtedness to the banks concerned. These bank transaction agreements further stipulate that the banks have the right to offset deposits at the banks against indebtedness which matures or becomes due prematurely by default owed to the banks.

7. Supplementary Information to the Consolidated Income Statements

The amounts of write-down of inventories recognized within "Cost of sales" for the years ended March 31, 2012 and 2013 were ¥17,730 million and ¥20,578 million ($218,915 thousand), respectively. The provision for construction contract losses charged to "Cost of sales" for the same periods were ¥8,452 million and ¥4,759 million ($50,628 thousand), respectively.

Major items that comprise "Selling, general and administrative expenses" are salaries and research and development expenses. The salaries for the years ended March 31, 2012 and 2013 were ¥313,049 million and ¥316,284 million ($3,364,723 thousand), respectively. The research and development expenses for the same periods were ¥238,360 million and ¥231,052 million ($2,458,000 thousand), respectively.

"Other, net" of "Other income (expenses)" for the years ended March 31, 2012 and 2013 consists of the following:

	Yen (millions)		U.S. Dollars (thousands)
Years ended March 31	2012	**2013**	**2013**
Foreign exchange gains (losses), net	¥ (1,805)	**¥ 8,299**	**$ 88,287**
Gain on negative goodwill	–	**199**	**2,117**
Restructuring charges	(15,199)	**(116,221)**	**(1,236,394)**
Impairment loss	(776)	**(34,285)**	**(364,734)**
Loss on disposal of property, plant and equipment and intangible assets	(3,082)	**(1,981)**	**(21,074)**
Loss on changes in retirement benefit plan	(895)	**(245)**	**(2,606)**
Loss on disaster	(7,529)	**–**	**–**
Other, net	(9,281)	**(90)**	**(957)**
	¥(38,567)	**¥(144,324)**	**$(1,535,362)**

For the year ended March 31, 2013

Restructuring charges

Restructuring charges of ¥90,308 million ($960,723 thousand) were recorded relating to structural reforms in the LSI device business. These include ¥33,146 million ($352,617 thousand) in losses relating to the transfer of production facilities, ¥28,685 million ($305,160 thousand) in impairment losses and other losses for the standard logic LSI devices production line, and ¥28,477 million ($302,947 thousand) relating to personnel-related expenses attributed to implementation of an early retirement incentive plan. Losses relating to the transfer of production facilities consist of two items. One is ¥20,895 million ($222,287 thousand) of guarantees, for a set period of time, on a portion of the operational costs of the Iwate Plant and the LSI assembly and testing facilities that were transferred. The other is ¥12,251 million ($130,330 thousand) of personnel-related expenses and impairment losses in accordance with the transfer of the LSI assembly and testing facilities. Impairment losses and other losses of the standard logic LSI devices production line are mainly related to 200 mm lines of Mie and Fukushima regions, for which capacity utilization rates have been declining.

In addition, restructuring charges related to the business outside Japan in the amount of ¥20,074 million ($213,553 thousand) were recorded mainly for personnel-related rationalization charges related to the European subsidiary Fujitsu Technology Solutions (Holding) B.V. Other than the above, ¥5,839 million ($62,117 thousand) of restructuring charges was recorded mainly for the personnel-related charges incurred for an early retirement incentive plan targeting managerial levels in Japan.

The restructuring charges include impairment losses of ¥28,266 million ($300,702 thousand) from mostly the LSI device business.

Impairment loss

Referred mainly to losses on the following asset groups;

Purpose: Production facilities for the LSI device business
Category: Buildings, machinery and equipment, land and other fixed assets
Location: Fukushima, Mie and Kagoshima prefectures, Japan

Purpose: Assets used in European business
Category: Goodwill and other intangible assets
Location: Germany and other countries

In principle, the Group's business-use assets are grouped based on units that management uses to make decisions, and idle assets are grouped on an individual asset basis.

The Group has continually promoted structural reforms of its LSI devices business, as the LSI devices business has been confronted with an extraordinarily difficult operating environment, such as fast-deteriorating market conditions and an increasingly severe competitive situation, resulting in the declining sales. The Group transferred the Iwate Plant to DENSO Corporation in October 2012, and also transferred the LSI assembly and testing facilities to J-Devices Corporation in December 2012. In February 2013, the Group made decisions to establish a new fabless company in system LSI business, in which capital participation from outside investors will be accepted, and transfer the business to the new company. Furthermore, the Group decided to transfer 300 mm line of the Mie Plant to a new foundry company.

In conjunction with transfers stated above, the Group reviewed the grouping of assets within LSI device business. As a result, the Group recognized impairment losses on assets group of standard logic LSI devices production line, such as 200 mm lines in Mie and Fukushima regions, and assets group of the LSI assembly and testing facilities. The losses of ¥28,123 million ($299,181 thousand) are recorded as "Restructuring charges" and included in "Other, net" under "Other income (expenses)" in the consolidated income statement. Impairment losses for the Iwate Plant were already recognized in the year ended March 31, 2012.

Other than those described above, the Group recognized impairment losses of ¥24,895 million ($264,840 thousand) on the remaining unamortized balance of goodwill and ¥3,154 million ($33,553 thousand) on other intangible assets recorded at the time when the remaining shares of Fujitsu Technology Solutions (Holding) B.V. were acquired. In the standalone financial statements of the Company, impairment losses on the investments in the subsidiaries (*) were recognized. Due to the recession in Europe and intensification of price competition in PCs and x86 servers, the Group determined that it would not be able to achieve its original return on its investment planned for ten years, in April 2009 (date of acquisition). The losses are recorded as "Impairment loss" and included in "Other, net" under "Other income (expenses)" in the consolidated income statement.

In addition, Consolidated subsidiaries in Japan recognized impairment losses related to assets used in businesses with low profitability and welfare facilities for employees planned to be sold. The losses consists of ¥6,236 million ($66,340 thousand) of "Impairment loss" and ¥143 million ($1,521 thousand) of "Restructuring charges" included in "Other income (expenses)."

Total impairment losses consist of ¥26,600 million ($282,979 thousand) for goodwill, ¥16,319 million ($173,606 thousand) for buildings, ¥5,430 million ($57,766 thousand) for land, ¥6,520 million ($69,362 thousand) for machinery and equipment and ¥3,826 million ($40,702 thousand) for other intangible assets and ¥3,856 million ($41,021 thousand) for other assets.

The recoverable amount is measured at fair value less costs of disposal or value in use. The fair value less costs of disposal is measured based on the amount obtainable from the sale of assets less any costs of disposal. Regarding the LSI device business, the recoverable amount calculated by value in use is measured at nil because negative future cash flow is expected.

* In the standalone financial statements of the Company, the Company has adopted cost method for valuation of the investments in its subsidiaries. The impairment losses on such investments are generally recognized when the net assets of its subsidiaries decrease significantly due to a deterioration of its subsidiaries' financial condition, and when the decline is deemed to be irrecoverable.

Loss on changes in retirement benefit plan

Referred to the costs related to changes to a defined contribution pension plan by a consolidated subsidiary in Japan.

For the year ended March 31, 2012

Restructuring charges

Restructuring charges are in relation to the LSI device business, the car audio and navigation systems business and the services business outside of Japan. In the LSI device business, as part of structural reorganization to optimize the manufacturing capabilities, the Group reached an agreement to transfer ownership of its Iwate plant, one of the front-end manufacturing plants, to DENSO Corporation. As a result of this agreement, the Group recorded a loss of ¥5,992 million, including impairment losses on fixed assets agreed to be transferred and expenses associated with transferring employees to DENSO Corporation. In the car audio and navigation systems business, the Group is restructuring its manufacturing operations in order to strengthen cost competitiveness. As a result, ¥5,236 million was recorded, which includes provisions and charges for reassigning employees in Japan. In the services business outside Japan, ¥3,971 million was recorded on rationalization in Europe and North America.

The restructuring charges under the LSI device and the car audio and navigation systems businesses include impairment losses of ¥2,465 million.

Loss on disaster

Referred mainly to fixed costs associated with temporary plant shutdowns due to aftershocks following the Great East Japan Earthquake and customer-related factors.

Loss on changes in retirement benefit plan

Referred mainly to the costs related to changes from qualified retirement pension plans to lump-sum retirement plans within consolidated subsidiaries in Japan.

Impairment loss

Referred mainly to losses on the following asset groups;

Purpose: Production facilities for the LSI device business
Category: Land
Location: Iwate Prefecture, Japan

Purpose: Production facilities for car audio and navigation systems business
Category: Machinery and other assets
Location: Tianjin, China, and other areas

In principle, the Group's business-use assets are grouped based on units that management uses to make decisions, and idle assets are grouped on an individual asset basis.

In the LSI device business, in order to optimize the manufacturing capabilities, the transfer of the Iwate plant, one of the front-end manufacturing plants, to DENSO Corporation was agreed in the fiscal year ended March 31, 2012. The asset group of the Iwate plant, scheduled to be transferred during the next fiscal year, was impaired by ¥1,300 million and the impairment loss is included in "Restructuring charges" classified within "Other income (expenses)" on the income statement.

In the car audio and navigation systems business, the Group has shifted to outsourced production of car audio products due to a decline in customer demand. As a result, the assets were impaired by ¥1,165 million. The impairment loss is included in "Restructuring charges" classified within "Other income (expenses)."

In other businesses, the impairment losses of ¥776 million include losses on employee facilities already committed to be sold at the end of the fiscal year."

Total impairment losses consist of ¥1,477 million for land, ¥936 million for machinery and equipment and ¥828 million for other assets.

The recoverable amount is measured at fair value less costs of disposal or value in use. The fair value less costs of disposal is measured based on the amount obtainable from the sale of assets less any costs of disposal.

8. Supplementary Information to the Consolidated Statements of Comprehensive Income

Years ended March 31	Yen (millions) 2012	2013	U.S. Dollars (thousands) 2013
Unrealized gain and loss on securities			
Gains (losses) during the term	¥(2,637)	**¥19,569**	**$208,181**
Reclassification adjustments	393	**(1,774)**	**(18,872)**
Amount before related income tax effects	(2,244)	**17,795**	**189,309**
Income tax effect	2,288	**(6,250)**	**(66,489)**
Unrealized gain and loss on securities, net of taxes	44	**11,545**	**122,819**
Deferred gains or losses on hedges and others			
Gains (losses) during the term	75	**(1,287)**	**(13,691)**
Reclassification adjustments	(5)	**1,288**	**13,702**
Amount before related income tax effects	70	**1**	**11**
Income tax effect	42	**26**	**277**
Deferred gains or losses on hedges and others, net of taxes	112	**27**	**287**
Foreign currency translation adjustments			
Gains (losses) during the term	(3,773)	**22,681**	**241,287**
Reclassification adjustments	681	**176**	**1,872**
Amount before related income tax effects	(3,092)	**22,857**	**243,160**
Income tax effect	–	**–**	**–**
Foreign currency translation adjustments	(3,092)	**22,857**	**243,160**
Share of other comprehensive income of affiliates accounted for using the equity method			
Gains (losses) during the term	(31)	**3,090**	**32,872**
Reclassification adjustments*1	559	**(1,105)**	**(11,755)**
Share of other comprehensive income of affiliates accounted for using the equity method	528	**1,985**	**21,117**
Total other comprehensive income	¥(2,408)	**¥36,414**	**$387,383**

*1 The reclassification adjustments of the share of other comprehensive income of affiliates accounted for using the equity method include the adjustment for purchase price of assets.

9. Supplementary Information to the Consolidated Statements of Cash Flows

Cash and cash equivalents

At March 31	Yen (millions) 2012	2013	U.S. Dollars (thousands) 2013
Cash and cash equivalents in consolidated balance sheets	¥266,698	**¥286,602**	**$3,048,957**
Short-term borrowings (Overdrafts)	–	**(2,054)**	**(21,851)**
Cash and cash equivalents in consolidated statements of cash flows	¥266,698	**¥284,548**	**$3,027,106**

(Additional information)

For the year ended March 31, 2013

Cash flows from operating activities:

Other, net

"Other, net" in cash flows from operating activities includes a special payment of ¥114,360 million (800 million Pound Sterling) into defined benefit pension schemes of Fujitsu Services Holding PLC (including its consolidated subsidiaries).

Cash flows from investing activities:

Proceeds from transfer of business

Proceeds from sales of property, plant and equipment in conjunction with transfer of the Iwate Plant and LSI assembly and testing facilities.

10. Leases

The following is a summary of assets and liabilities related to finance lease transactions at March 31, 2012 and 2013, which includes acquisition cost, accumulated depreciation and book value of leased assets, future minimum lease payments required under finance leases, and the present value of lease obligations.

	Yen (millions)		U.S. Dollars (thousands)
At March 31	2012	**2013**	**2013**
Acquisition cost	¥74,189	**¥68,449**	**$728,181**
Accumulated depreciation	39,452	**36,624**	**389,617**
Book value	34,737	**31,825**	**338,564**
Future minimum lease payments			
Within one year	16,744	**15,225**	**161,968**
Over one year but within five years	25,372	**24,529**	**260,947**
Over five years	7,114	**6,701**	**71,287**
Total future minimum lease payments	¥49,230	**¥46,455**	**$494,202**
Less: Interest	(5,701)	**(5,306)**	**(56,447)**
Present value of lease obligations	¥43,529	**¥41,149**	**$437,755**
Lease obligations (current)	15,794	**14,385**	**153,032**
Lease obligations (long-term)	27,735	**26,764**	**284,723**

The following is a summary of future minimum lease payments required under non-cancelable operating leases in the aggregate and for each of the following periods.

	Yen (millions)		U.S. Dollars (thousands)
At March 31	2012	**2013**	**2013**
Within one year	¥18,611	**¥19,951**	**$212,245**
Over one year but within five years	39,642	**42,012**	**446,936**
Over five years	21,423	**22,836**	**242,936**
Total	¥79,676	**¥84,799**	**$902,117**

11. Financial Instruments

1. Status of Financial Instruments

(1) Policies for Financial Instruments

The Group carries out its financial activities in accordance with the "Fujitsu Group Treasury Policy," and primarily obtains funds through bank borrowing and the issuance of corporate bonds based on funding requirements of its business activities. After the adequate liquidity for its business activities has been ensured, the Group invests temporary excess funds in financial assets with low risk. The Group utilizes derivative transactions only for hedging purposes and not for speculative or dealing purposes.

(2) Description and Risks of Financial Instruments

Trade receivables are exposed to customer credit risk. Additionally, some trade receivables are denominated in foreign currencies in conjunction with the export of products and exposed to exchange rate fluctuation risk. Investment securities are comprised primarily of certificates of deposit and available for sale securities issued by the customers. The certificates of deposit are held for fund management and the shares are held for maintaining and strengthening business relationships with customers. Shares are exposed to market price fluctuation risk and financial risk of the company invested. The Group also provides loans to customers.

Trade liabilities such as payables, trade and accrued expenses are generally payable within one year. Some trade liabilities are denominated in foreign currencies in conjunction with the import of components and exposed to exchange rate fluctuation risk. Borrowings, corporate bonds, and lease obligation related to finance lease transactions are mainly for the purpose of obtaining working capital and preparing for capital expenditures. Because some of the foregoing have a floating interest rate, they are exposed to interest rate fluctuation risk.

Derivative transactions consist primarily of the use of exchange forward contracts for the purpose of hedging exchange rate fluctuation risk related to trade receivables and trade liabilities, currency swap contracts for the purpose of hedging exchange rate fluctuation risk related to foreign currency denominated cash flow, and interest swap contracts for the purpose of hedging interest rate fluctuation risk related to borrowings and corporate bonds.

(3) Risk Management of Financial Instruments

(i) Management of Credit Risk

The Group strives to mitigate collection risk in accordance with credit management standards and procedures in selling goods and services. A unit independent from the sales units assesses the credit standing of customers and manages collection dates and the balance outstanding for each customer to ensure smooth and dependable collection of trade receivables. Regarding the loan receivable, the Group periodically assesses debtor's financial condition, and reviews the terms of the loan if needed. The counterparties to derivative transactions are selected upon assessment of their credit risk. The amounts of the largest credit risks as of the reporting date are indicated in the balance sheet values of the financial assets that are exposed to credit risk.

(ii) Management of Market Risk

The Group utilizes mainly exchange forward contracts in respect to trade receivables and trade liabilities denominated in foreign currencies to mitigate exchange rate fluctuation risk monitored by each currency respectively, currency swap contracts to mitigate the foreign currency exchange rate fluctuation risk of cash flow denominated in foreign currency, and interest swap contracts in respect to borrowings and corporate bonds to mitigate interest rate fluctuation risk. The Group regularly monitors the market price and the financial condition of the issuer in respect to its securities and continuously reconsiders investment in each company, taking into account its relationship with the counterparty.

The Group enters into derivative transactions based on regulations established by the Company. Based on policies approved by the Chief Financial Officer (CFO), the finance division undertakes particular transactions and records them and also confirms the balance of transactions with counterparties. In addition, the finance division reports on the content of transactions undertaken and changes in transaction balances to the CFO and the chief of the accounting department.

(iii) Management of Liquidity Risk in Financing Activities

The Group prepares a cash flow projection and monitors its funding requirements. The Group also strives to diversify its sources of financing in order to reduce liquidity risk.

(4) Supplementary Explanation of Fair Value of Financial Instruments

The fair value of financial instruments is based on the market price, but in case a market price is not available, the fair value is reasonably estimated. As variable factors are incorporated in the estimation of values, fair values may vary depending on the assumptions used. The contract amount related to derivative transactions under "13. Derivative Financial Instruments" does not represent the market risk related to the derivative transactions.

2. Fair Value of Financial Instruments

Amounts recorded on the consolidated balance sheet as of March 31, 2012 and 2013, fair values, and the variances between the two are as shown below. Unlisted securities, categorized within "Investments in and long-term loans to affiliates" and "Others" of "Investments and other non-current assets," are not included in the table below, as it is extremely difficult to determine the fair value. Financial instruments categorized within "Others" of both "Current assets" and "Investments and other non-current assets" are not included, except for available-for-sale securities and held-to-maturity investments stated at fair value.

	Yen (millions)			U.S. Dollars (thousands)		
At March 31, 2013	Carrying value in consolidated balance sheet	Fair value	Variance	Carrying value in consolidated balance sheet	Fair value	Variance
Current assets						
(1) Cash and cash equivalents	**¥ 286,602**	**¥ 286,602**	**¥ –**	**$ 3,048,957**	**$ 3,048,957**	**$ –**
(2) Short-term investments	**18,363**	**18,363**	**–**	**195,351**	**195,351**	**–**
(3) Receivables, trade	**895,984**			**9,531,745**		
Allowance for doubtful accounts*1	**(12,079)**			**(128,500)**		
	883,905	**883,905**	**–**	**9,403,245**	**9,403,245**	**–**
Investments and other non-current assets*2						
(4) Investments in and long-term loans to affiliates	**29,483**	**50,046**	**20,563**	**313,649**	**532,404**	**218,755**
(5) Others	**95,666**	**95,666**	**–**	**1,017,723**	**1,017,723**	**–**
Total assets	**1,314,019**	**1,334,582**	**20,563**	**13,978,926**	**14,197,681**	**218,755**
Current liabilities						
(1) Short-term borrowings and current portion of long-term debt	**289,722**	**289,722**	**–**	**3,082,149**	**3,082,149**	**–**
(2) Lease obligations	**14,385**	**14,385**	**–**	**153,032**	**153,032**	**–**
(3) Payables, trade	**566,757**	**566,757**	**–**	**6,029,330**	**6,029,330**	**–**
(4) Accrued expenses	**322,765**	**322,765**	**–**	**3,433,670**	**3,433,670**	**–**
Long-term liabilities						
(5) Long-term debt	**245,245**	**251,026**	**5,781**	**2,608,989**	**2,670,489**	**61,500**
(6) Lease obligations	**26,764**	**26,917**	**153**	**284,723**	**286,351**	**1,628**
Total liabilities	**1,465,638**	**1,471,572**	**5,934**	**15,591,894**	**15,655,021**	**63,128**
Derivative transactions*3						
(i) Transactions which do not qualify for hedge accounting	**1,326**	**1,326**	**–**	**14,106**	**14,106**	**–**
(ii) Transactions which qualify for hedge accounting	**674**	**674**	**–**	**7,170**	**7,170**	**–**
Total derivative transactions	**2,000**	**2,000**	**–**	**21,277**	**21,277**	**–**

At March 31, 2012	Carrying value in consolidated balance sheet	Fair value	Variance
			Yen (millions)
Current assets			
(1) Cash and cash equivalents	¥ 266,698	¥ 266,698	¥ –
(2) Short-term investments	7,227	7,227	–
(3) Receivables, trade	901,316		
Allowance for doubtful accounts*[1]	(12,802)		
	888,514	888,514	–
Investments and other non-current assets*[2]			
(4) Investments in and long-term loans to affiliates	21,381	40,603	19,222
(5) Others	81,118	81,118	–
Total assets	1,264,938	1,284,160	19,222
Current liabilities			
(1) Short-term borrowings and current portion of long-term debt	128,922	128,922	–
(2) Lease obligations	15,794	15,794	–
(3) Payables, trade	617,755	617,755	–
(4) Accrued expenses	342,541	342,541	–
Long-term liabilities			
(5) Long-term debt	252,226	258,811	6,585
(6) Lease obligations	27,735	27,911	176
Total liabilities	1,384,973	1,391,734	6,761
Derivative transactions*[3]			
(i) Transactions which do not qualify for hedge accounting	[3,236]	[3,236]	–
(ii) Transactions which qualify for hedge accounting	626	626	–
Total derivative transactions	[2,610]	[2,610]	–

*[1] It comprises the allowance for doubtful accounts in respect to Receivables, trade, short-term loan receivable and others.

*[2] Unlisted securities classified in shares in affiliates or available-for-sale securities are defined as "Financial Instruments for which it is extremely difficult to determine the fair value," because no market price is available and it is not possible to estimate the future cash flow in accordance with "Accounting Standard for Financial Instruments" (Accounting Standards Board of Japan, Statement No. 10, dated March 10, 2008) and "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (Accounting Standards Board of Japan Guidance No. 19, dated March 25, 2011). Accordingly unlisted securities are not included in the "Investments and other non-current assets" stated above. The carrying values of the stocks in the consolidated balance sheet as of March 31, 2012 and 2013 are ¥46,598 million and ¥46,643 million ($496,202 thousand), consisting of Investments in and long-term loans to affiliates: ¥18,087 million and ¥19,118 million ($203,383 thousand) and Others: ¥28,511 million and ¥27,525 million ($292,819 thousand) respectively.

*[3] The net amount of the assets and liabilities is shown. If the net amount is a liability, it is written in parentheses [ ].

Calculation method relating to fair value of Financial Instruments

Current assets:

(1) Cash and cash equivalents, (2) Short-term investments and (3) Receivables, trade

The fair value of these items approximates the carrying value due to the short maturity of these instruments.

Investments and other non-current assets:

(4) Investments in and long-term loans to affiliates and (5) Others

The fair value of securities is based on the market price on the stock exchanges, and fair value of bonds is based on quotes obtained from the financial institutions or on the market price on the stock exchanges.

Current liabilities:

(1) Short-term borrowings and current portion of long-term debt, (2) Lease obligations, (3) Payables, trade and (4) Accrued expenses

The fair value of these items approximates the carrying value due to the short maturity of these instruments.

Long-term liabilities:

(5) Long-term debt and (6)Lease obligations

The fair value of bonds which have a market price is based on the market price. The fair value of bonds for which there is no market price is calculated by discounting the sum of future principal and interest payments to the present value at a rate taking into account the remaining term and the credit risk of bonds.

The fair value of long-term debt and lease obligations is calculated by discounting the sum of future principal and interest payments to the present value at the rate expected in another loan or lease transaction with the same conditions.

Impairment losses on investment securities

For the years ended March 31, 2012 and 2013

No significant losses were recorded.

Available-for-sale securities with fair value that has declined by 50% or more against their acquisition costs are generally booked as an impairment loss. Those that have declined in a range of 30% or more but less than 50% are impaired if the decline is deemed to be irrecoverable. Available-for-sale securities with no available fair value are generally impaired when issuers' net assets in the balance sheet decrease to more than 50% below the acquisition cost due to a deterioration of issuers' financial conditions.

12. Available-for-sale Securities

At March 31, 2012 and 2013, available-for-sale securities included in "Cash and cash equivalents," "Short-term investments" and "Others" of "Investments and other non-current assets" are stated as follows. Unlisted securities for which it is extremely difficult to determine the fair value are not included in the table.

	Yen (millions)		U.S. Dollars (thousands)
At March 31	2012	**2013**	**2013**
Available-for-sale securities			
Acquisition costs	¥121,278	**¥160,292**	**$1,705,234**
Carrying value (Market value)	141,544	**198,129**	**2,107,755**
Net unrealized gain and loss	¥ 20,266	**¥ 37,837**	**$ 402,521**

13. Derivative Financial Instruments

1. Derivative transactions which do not qualify for hedge accounting

<Currency-related transactions>

At March 31, 2013	Yen (millions)				U.S. Dollars (thousands)			
	Contract amount	Contract amount over 1 year	Fair value	Gain/Loss	Contract amount	Contract amount over 1 year	Fair value	Gain/Loss
Foreign Exchange								
Forward Contracts								
To buy foreign currencies								
Pound Sterling	**¥111,715**	**¥ –**	**¥2,036**	**¥2,036**	**$1,188,457**	**$ –**	**$ 21,660**	**$ 21,660**
U.S. Dollars	**34,837**	**371**	**616**	**616**	**370,606**	**3,947**	**6,553**	**6,553**
Euro	**40,638**	**–**	**567**	**567**	**432,319**	**–**	**6,032**	**6,032**
Other currencies	**5,513**	**–**	**(42)**	**(42)**	**58,649**	**–**	**(447)**	**(447)**
To sell foreign currencies								
U.S. Dollars	**27,585**	**–**	**(1,789)**	**(1,789)**	**293,457**	**–**	**(19,032)**	**(19,032)**
Euro	**6,731**	**736**	**72**	**72**	**71,606**	**7,830**	**766**	**766**
Other currencies	**4,365**	**44**	**(77)**	**(77)**	**46,436**	**468**	**(819)**	**(819)**
Foreign Exchange								
Option Contracts								
To buy options								
U.S. Dollar puts	**3,002**	**–**			**31,936**	**–**		
	<33>	**<–>**	**20**	**(13)**	**<351>**	**<–>**	**213**	**(138)**
To sell options								
U.S. Dollar calls	**3,002**	**–**			**31,936**	**–**		
	<(33)>	**<–>**	**(187)**	**(154)**	**<(351)>**	**<–>**	**(1,989)**	**(1,638)**
Foreign Exchange								
Swap Contracts								
Receive Pound Sterling	**15,672**	**–**	**110**	**110**	**166,723**	**–**	**1,170**	**1,170**
Pay Pound Sterling	**15,647**	**–**	**38**	**38**	**166,457**	**–**	**404**	**404**
Others	**15,024**	**834**	**(38)**	**(38)**	**159,830**	**8,872**	**(404)**	**(404)**
Total			**¥1,326**	**¥1,326**			**$ 14,106**	**$14,106**

At March 31, 2012				Yen (millions)
	Contract amount	Contract amount over 1 year	Fair value	Gain/Loss
Foreign Exchange Forward Contracts				
To buy foreign currencies				
U.S. Dollars	¥26,236	¥ —	¥(1,654)	¥(1,654)
Euro	27,870	891	(157)	(157)
Other currencies	5,458	124	(31)	(31)
To sell foreign currencies				
U.S. Dollars	17,191	—	(498)	(498)
Euro	8,299	141	(88)	(88)
Other currencies	2,156	626	(3)	(3)
Foreign Exchange Option Contracts				
To buy options				
U.S. Dollar puts	26,488	—		
	<285>	<—>	170	(115)
Euro puts	7,593	—		
	<—>	<—>	—	—
To sell options				
U.S. Dollar calls	26,488	—		
	<(285)>	<—>	(997)	(712)
Euro calls	14,507	—		
	<—>	<—>	(14)	(14)
Foreign Exchange Swap Contracts				
Receive Pound Sterling	19,389	25	178	178
Pay Pound Sterling	22,755	—	(113)	(113)
Others	10,298	766	(29)	(29)
Total			¥(3,236)	¥(3,236)

1) The method for estimating the fair value is principally based on obtaining quotes provided by financial institutions.
2) In the column "Contract amount," option premiums are disclosed in brackets < >, and corresponding fair value and valuation gains and losses are disclosed on the same line.
3) Collateral conditions at March 31, 2012 are attached to some foreign exchange forward contracts, and there is the possibility of change in contract amount and duration due to the fluctuation of the currency exchange rate.
4) Option contracts at March 31, 2012 represent zero-cost options. In this contract, no premiums are received or paid due to the offsetting payables and receivables. The amounts of "Fair value" and the "Gain/Loss" for "Euro puts" and "Euro calls" are presented net of buying and selling positions.

2. Derivative transactions which qualify for hedge accounting

(i) Currency-related transactions

At March 31, 2013

Not applicable for the year

At March 31, 2012

Type of hedge accounting	Type of transaction	Principal item hedged	Contract amount	Contract amounts over 1 year	Fair value
					Yen (millions)
Fair value hedge	Foreign exchange forward transactions To buy foreign currencies Singapore Dollars, etc.	Borrowings	¥1,141	¥—	¥ (8)
Deferral hedge	Foreign exchange forward transactions To sell foreign currencies U.S. Dollars	Receivables, trade	¥1,651	¥—	¥10

1) The fair value is based mainly on quotes obtained from the financial institutions.
2) Foreign exchange forward transactions accounted for by the fair value hedge accounting attribute to a transaction by a subsidiary outside Japan which adopts International Financial Reporting Standard (IFRS).

(ii) Interest-related transactions

At March 31, 2013

Type of hedge accounting	Type of transaction	Principal item hedged	Contract amount	Contract amounts over 1 year	Fair value	Contract amount	Contract amounts over 1 year	Fair value
					Yen (millions)			U.S. Dollars (thousands)
Deferral hedge	Interest rate swap transaction Pay fixed/ Receive variable	**Borrowings**	**¥1,224**	**¥245**	**¥(14)**	**$13,021**	**$2,606**	**$(149)**

At March 31, 2012

Type of hedge accounting	Type of transaction	Principal item hedged	Contract amount	Contract amounts over 1 year	Fair value
					Yen (millions)
Deferral hedge	Interest rate swap transaction Pay fixed/ Receive variable	Borrowings	¥1,923	¥1,068	¥(23)

The fair value is based on quotes obtained from the financial institutions.

(iii) Stock-related transactions

At March 31, 2013

Type of hedge accounting	Type of transaction	Principal item hedged	Contract amount	Contract amounts over 1 year	Fair value	Contract amount	Contract amounts over 1 year	Fair value
					Yen (millions)			U.S. Dollars (thousands)
Deferral hedge	Option transaction to sell a stock	**Investment Securities**	**¥555**	**¥555**	**¥688**	**$5,904**	**$5,904**	**$7,319**

At March 31, 2012

Type of hedge accounting	Type of transaction	Principal item hedged	Contract amount	Contract amounts over 1 year	Fair value
					Yen (millions)
Deferral hedge	Option transaction to sell a stock	Investment Securities	¥555	¥555	¥647

The fair value is based on an option pricing model.

14. Retirement Benefits

The Company and the majority of the consolidated subsidiaries in Japan have unfunded lump-sum retirement plans which, in general, cover all employees who retire before a retirement age prescribed in their internal labor codes. The employees are entitled to the benefits primarily based on their length of service and base salary as of the retirement date.

In addition, the Company and the majority of the consolidated subsidiaries in Japan participate in contributory defined benefit plans which cover substantially all employees. The major contributory defined benefit plan (the "Plan"), which is referred to as the Fujitsu Corporate Pension Fund, entitles employees upon retirement at the normal retirement age to either a lump-sum payment or pension annuity payments for life commencing at age 60, or a combination of both based on their length of service, base salary and the number of years of participation in the Plan. The contributions of the Company and the subsidiaries covered by the Plan and their employees are made to the Fujitsu Corporate Pension Fund which is an external organization.

The Fujitsu Welfare Pension Fund, in which the Company and certain consolidated subsidiaries in Japan participated, received approval of an elimination of the future benefit obligations of the substitutional portion on March 23, 2004, and then received approval of transfer of past benefit obligation of the substitutional portion on September 1, 2005, from the Minister of Health, Labour and Welfare. Accordingly, Fujitsu Welfare Pension Fund changed to the Defined Benefit Corporate Plan based on the Japanese Defined Benefit Corporate Pension Law from the Japanese Welfare Pension Plan based on the Japanese Welfare Pension Insurance Law, and concurrently a part of the pension system was revised.

The majority of the consolidated subsidiaries outside Japan have defined benefit plans and/or defined contribution plans covering substantially all their employees. The major defined benefit pension plans provided outside Japan are the plans that Fujitsu Services Holdings PLC (including its consolidated subsidiaries, "FS") and Fujitsu Technology Solutions (Holding) B.V. (including its consolidated subsidiaries) provide. The plan provided by FS entitles employees to payments based on their length of service and salary. The defined benefit section of the plan was closed to new entrants effective the year ended March 31, 2001. New employees are, however, eligible for membership of the defined contribution section of the plan. For the year ended March 31, 2011, FS started to switch future accrual of benefits relevant to the employees participating in the defined benefit section of the plan to the defined contribution section of the plan, and completed for the year ended March 31, 2012. For the year ended March 31, 2013, a special payment of ¥114,360 million (800 million Pound Sterling) was made into pension schemes of FS so as to make up the deficit –projected benefit obligation in excess of plan assets–. Also, the investment portfolio of plan assets is shifted toward bonds for the purpose of asset-liability matching.

The balances of the "Projected benefit obligation and plan assets" and the "Components of net periodic benefit cost" in the plans in both Japan and outside Japan are summarized as follows:

<In Japan>

Projected benefit obligation and plan assets

	Yen (millions)		U.S. Dollars (thousands)
At March 31	2012	**2013**	**2013**
Projected benefit obligation*[1]	¥(1,296,621)	**¥(1,432,021)**	**$(15,234,266)**
Plan assets	943,936	**1,068,535**	**11,367,394**
Projected benefit obligation in excess of plan assets*[1]	(352,685)	**(363,486)**	**(3,866,872)**
Unrecognized actuarial loss	357,527	**354,049**	**3,766,479**
Unrecognized prior service cost (reduced obligation)*[2]	(65,518)	**(45,309)**	**(482,011)**
Prepaid pension cost	(52,308)	**(50,022)**	**(532,149)**
Accrued retirement benefits*[1]	¥ (112,984)	**¥ (104,768)**	**$ (1,114,553)**

*[1] The provision for extra retirement benefits stemming from restructuring in Japan, which in the year ended March 31, 2012 had been included in "Accrued retirement benefits" of ¥2,892 million ($30,766 thousand) for the year ended March 31, 2012, is included in "Provision for restructuring charges" for the year ended March 31, 2013. In conjunction with this change, the amounts as of March 31, 2012 were restated.

*[2] As a result of pension revisions, unrecognized prior service cost (reduced obligation) occurred for the year ended March 31, 2006 in Fujitsu Corporate Pension Fund in which the Company and certain consolidated subsidiaries in Japan participate.

Components of net periodic benefit cost

	Yen (millions)		U.S. Dollars (thousands)
Years ended March 31	2012	**2013**	**2013**
Service cost	¥ 40,110	**¥ 40,204**	**$ 427,702**
Interest cost	31,795	**32,074**	**341,213**
Expected return on plan assets	(26,557)	**(27,411)**	**(291,606)**
Amortization of unrecognized obligation for retirement benefits:			
Amortization of actuarial loss	41,999	**43,528**	**463,064**
Amortization of prior service cost	(18,630)	**(18,967)**	**(201,777)**
Contribution to defined contribution plans	501	**566**	**6,021**
Net periodic benefit cost	69,218	**69,994**	**744,617**
Loss on termination of retirement benefit plan	895	**245**	**2,606**
Total	¥ 70,113	**¥ 70,239**	**$ 747,223**

In addition to the net periodic benefit cost stated above, extra retirement benefits of ¥6,961 million and ¥36,377 million ($386,989 thousand) were paid for the years ended March 31, 2012 and 2013, respectively.

Assumptions used in accounting for the plans

At March 31	2012	**2013**
Discount rate*3	2.5%	**1.7%**
Expected rate of return on plan assets	2.9%	**2.9%**
Method of allocating actuarial loss	Straight-line method over the employees' average remaining service period	**Straight-line method over the employees' average remaining service period**
Method of allocating prior service cost	Straight-line method over 10 years	**Straight-line method over 10 years**

*3 The discount rate used for the calculation of projected benefit obligation at the beginning of the year ended March 31, 2013 was 2.5%. However the discount rate was revised to 1.7% as of March 31, 2013 based on the Group's judgment that, as a result of the revaluation of the discount rate based on the market yield at the year end, the change of discount rate has made significant impact on the amounts of projected benefit obligation.

<Outside Japan>

Fujitsu Services Holdings PLC (including its consolidated subsidiaries, "FS") adopted International Financial Reporting Standards ("IFRS") effective the year ended March 31, 2006, and accounts for retirement benefits in accordance with IAS 19 "Employee Benefits" issued in February, 1998. For this change in accounting principles and practices, FS adopted IFRS 1 "First-time Adoption of International Financial Reporting Standards," and recognized the projected benefit obligation in excess of plan assets as of the beginning of the year ended March 31, 2005. For the year ended March 31, 2009, other consolidated subsidiaries outside Japan applied IAS19 in accordance with adoption of IFRS. They recognized actuarial gains or losses over future periods after the adoption of IFRS 1 and applied the "corridor approach" to amortization of actuarial gain and loss.

From the beginning of the year ending March 31, 2014, the Company's consolidated subsidiaries outside Japan will adopt the amended IAS19, issued on June 16, 2011 and effective for fiscal year beginning on or after January 1, 2013.

Projected benefit obligation and plan assets

	Yen (millions)		U.S. Dollars (thousands)
At March 31	2012	**2013**	**2013**
Projected benefit obligation	¥(571,823)	**¥(719,178)**	**$(7,650,830)**
Plan assets	408,126	**618,440**	**6,579,149**
Projected benefit obligation in excess of plan assets	(163,697)	**(100,738)**	**(1,071,681)**
Unrecognized actuarial loss*[1]	109,714	**157,371**	**1,674,160**
Asset ceiling adjustments*[1]	(802)	**(248)**	**(2,638)**
Prepaid pension cost	(9,830)	**(130,099)**	**(1,384,032)**
Accrued retirement benefits	¥ (64,615)	**¥ (73,714)**	**$ (784,191)**

*[1] The prior-year figure is restated because the adjustment arising from the asset ceiling, which was previously included in unrecognized actuarial gains and losses, is now reported as a separate line item. If the fair value of the plan assets exceeds the obligations arising from the pension benefits, prepaid pension cost is adjusted for any effect of limiting it to the asset ceiling.

Components of net periodic benefit cost

	Yen (millions)		U.S. Dollars (thousands)
Years ended March 31	2012	**2013**	**2013**
Service cost	¥ 3,707	**¥ 3,471**	**$ 36,926**
Interest cost	27,154	**27,361**	**291,074**
Expected return on plan assets	(24,145)	**(22,624)**	**(240,681)**
Amortization of the unrecognized obligation for retirement benefit:			
Amortization of actuarial gain and loss	3,498	**6,546**	**69,638**
Amortization of prior service cost	(118)	**158**	**1,681**
Contribution to defined contribution plans	13,488	**14,642**	**155,766**
Net periodic benefit cost	23,584	**29,554**	**314,404**
Loss on termination of retirement benefit plan	114	**34**	**362**
Total	¥ 23,698	**¥ 29,588**	**$ 314,766**

Assumptions used in accounting for the plans

At March 31	2012	**2013**
Discount rate*[2]	Mainly 5.0%	**Mainly 4.4%**
Expected rate of return on plan assets	Mainly 6.7%	**Mainly 5.7%**
Method of allocating actuarial loss	Straight-line method over the employees' average remaining service period	**Straight-line method over the employees' average remaining service period**

*[2] The discount rate used for the calculation of projected benefit obligation as of March 31, 2013 was revised to be in line with the market yields as of March 31, 2013.

15. Share-based Payment Plans

No significant transactions.

16. Income Taxes

The components of income taxes are as follows:

	Yen (millions)		U.S. Dollars (thousands)
Years ended March 31	2012	**2013**	**2013**
Current	¥23,499	**¥31,726**	**$337,511**
Deferred	6,500	**(7,466)**	**(79,426)**
Income taxes	¥29,999	**¥24,260**	**$258,085**

The reconciliations between the statutory income tax rates and the effective income tax rates for the years ended March 31, 2012 and 2013 are as follows:

Years ended March 31	2012	**2013**
Statutory income tax rates	40.6%	**37.9%**
Increase (Decrease) in tax rates:		
Valuation allowance for deferred tax assets	(15.1%)	**(63.1%)**
Amortization and impairment loss of goodwill	9.2%	**(32.5%)**
Tax credit	(0.2%)	**7.3%**
Non-deductible expenses for tax purposes	6.2%	**(6.4%)**
Tax effect on equity in earnings of affiliates, net	(1.9%)	**5.6%**
Non-taxable income	(2.3%)	**1.8%**
Decrease in deferred tax assets in accordance with changes in tax rate	7.0%	**–**
Other	1.5%	**(4.4%)**
Effective income tax rates	45.0%	**(53.8%)**

The significant components of deferred tax assets and liabilities at March 31, 2012 and 2013 are as follows:

	Yen (millions)		U.S. Dollars (thousands)
At March 31	2012	**2013**	**2013**
Deferred tax assets:			
Tax loss carryforwards	¥ 153,008	**¥ 168,947**	**$ 1,797,309**
Accrued retirement benefits	137,131	**126,516**	**1,345,915**
Excess of depreciation and amortization and impairment loss, etc.	50,013	**57,949**	**616,479**
Accrued bonus	40,906	**40,164**	**427,277**
Inventories	22,043	**25,751**	**273,947**
Provision for product warranties	8,255	**8,026**	**85,383**
Intercompany profit on inventories and property, plant and equipment	5,673	**6,039**	**64,245**
Loss on revaluation of investment securities	6,153	**4,845**	**51,543**
Provision for loss on repurchase of computers	5,024	**4,555**	**48,457**
Other	48,907	**65,774**	**699,723**
Gross deferred tax assets	477,113	**508,566**	**5,410,277**
Less: Valuation allowance	(253,902)	**(274,540)**	**(2,920,638)**
Total deferred tax assets	223,211	**234,026**	**2,489,638**
Deferred tax liabilities:			
Gains from establishment of stock holding trust for retirement benefit plan	¥ (96,860)	**¥ (96,860)**	**$(1,030,426)**
Unrealized gains on securities	(7,498)	**(13,551)**	**(144,160)**
Tax allowable reserves	(1,364)	**(734)**	**(7,809)**
Other	(8,159)	**(7,679)**	**(81,691)**
Total deferred tax liabilities	(113,881)	**(118,824)**	**(1,264,085)**
Net deferred tax assets	¥ 109,330	**¥ 115,202**	**$ 1,225,553**

Net deferred tax assets are included in the consolidated balance sheets as follows:

	Yen (millions)		U.S. Dollars (thousands)
At March 31	2012	**2013**	**2013**
Current assets–Deferred tax assets	¥ 72,519	**¥ 81,988**	**$ 872,213**
Investments and other non-current assets–Deferred tax assets	65,268	**67,018**	**712,957**
Current liabilities–Others	(15)	**(23)**	**(245)**
Long-term liabilities–Deferred tax liabilities	(28,442)	**(33,781)**	**(359,372)**
Net deferred tax assets	¥109,330	**¥115,202**	**$1,225,553**

The Company and its wholly owned subsidiaries in Japan have adopted the consolidated tax return system of Japan.

In Japan, tax losses generated before March 31, 2008 and on and after April 1, 2008 can be carried forward up to 7 and 9 years, respectively. Tax losses can be carried forward up to 20 years in the United States, and indefinitely in the United Kingdom.

Realization depends on the abilities of the companies to generate sufficient taxable income prior to the expiration of the tax loss carryforwards. With respect to deferred tax assets, the Group recorded a valuation allowance to cover the amount in excess of what we are likely to recover in the future.

17. Business Combinations

No significant transactions.

18. Segment Information

1. Reportable Segments Overview

The Company's reportable segments consist of components of the Group for which discrete financial information is available and whose operating results are regularly reviewed by the Group's executive decision-making body to make decisions about resource allocation to the segments and assess their performance.

In the field of information and communication technology (ICT), while delivering wide varieties of services, the Group offers comprehensive solutions, from the development, manufacturing, and sales, to the maintenance and operations of cutting-edge, high-performance and high-quality products, and electronic devices that support services. The Group's business is organized into three reportable segments—Technology Solutions, Ubiquitous Solutions, and Device Solutions—based on the Group's managerial structure, characteristics of the products and services, and the similarities of the sales market within each operating segment. Managerial structure and product and service classification in each reportable segment are as follows.

(1) Technology Solutions

To optimally deliver to customers comprehensive services that integrate products, software, and services, the segment is organized in a matrix management structure comprised of business departments that are organized by product and service type in order to manage costs and devise global business strategies, and sales departments that are organized along industry and geographic lines.

This reportable segment consists of Solutions/Systems Integration, which are services for the construction of information and communication systems, Infrastructure Services, which are primarily outsourcing and maintenance services, System Products, which covers mainly the servers and storage systems that comprise ICT platforms, and Network Products, which are used to build communications infrastructure, such as mobile phone base stations and optical transmission systems.

(2) Ubiquitous Solutions

The segment is organized into independent business management units along product lines and includes the sales departments.

This reportable segment contains ubiquitous terminals—including personal computers and mobile phones, as well as car audio and navigation systems, mobile communication equipment, and automotive electronic equipment—that collect various information and knowledge generated from the behavioral patterns of people and organizations needed to achieve the Group's vision of a "Human Centric Intelligent Society" (a society that enjoys the benefits of the value generated by ICT without requiring anyone to be conscious of the technological complexities involved).

(3) Device Solutions

The segment is organized by product in independent business management units which include the respective sales departments and contains the cutting-edge technologies, including LSI devices used in digital home appliances, automobiles, mobile phones and servers, as well as electronic components, such as semiconductor packages and batteries.

2. Method Used to Calculate Net Sales, Profit or Loss, Assets and Other Items by Reportable Segments

Accounting methods applied to Reportable Segments are almost the same as that presented in "1. Significant Accounting Policies."

Income figures for operating segments are based on operating income. The Group's financing (including financial expense and income) as well as other items such as corporate tax are managed by the whole Group and have not been allocated within the operating segments.

Inter-segment transactions are based on an arm's length basis.

3. Amounts of Net Sales, Profit or Loss, Assets and Other Items by Reportable Segments

Yen (millions)

Years ended March 31	Reportable segments: Technology Solutions	Ubiquitous Solutions	Device Solutions	Total	Other Operations	Elimination & Corporate	Consolidated
2013							
Net sales							
External customers	**¥2,890,376**	**¥ 972,971**	**¥483,896**	**¥4,347,243**	**¥18,379**	**¥ 16,106**	**¥4,381,728**
Inter-segment	**52,002**	**117,278**	**56,478**	**225,758**	**46,333**	**(272,091)**	**–**
Total sales	**2,942,378**	**1,090,249**	**540,374**	**4,573,001**	**64,712**	**(255,985)**	**4,381,728**
Operating income (loss)	**180,973**	**9,626**	**(14,246)**	**176,353**	**(6,922)**	**(74,153)**	**95,278**
Total assets	**1,442,810**	**335,747**	**383,418**	**2,161,975**	**20,562**	**866,517**	**3,049,054**
Other items							
Capital expenditure (including intangible assets)	**104,585**	**23,851**	**45,828**	**174,264**	**1,873**	**10,155**	**186,292**
Depreciation	**102,784**	**21,496**	**44,023**	**168,303**	**1,703**	**8,385**	**178,391**
Amortization of goodwill for the year	**14,115**	**49**	**67**	**14,231**	**–**	**–**	**14,231**
Balance of goodwill at end of the fiscal year	**30,181**	**119**	**(726)**	**29,574**	**–**	**–**	**29,574**
2012							
Net sales							
External customers	¥2,864,658	¥1,039,809	¥515,834	¥4,420,301	¥35,371	¥ 11,902	¥4,467,574
Inter-segment	70,247	114,473	68,866	253,586	48,208	(301,794)	–
Total sales	2,934,905	1,154,282	584,700	4,673,887	83,579	(289,892)	4,467,574
Operating income (loss)	171,297	19,938	(10,182)	181,053	(2,056)	(73,693)	105,304
Total assets	1,446,368	361,732	434,902	2,243,002	31,188	671,317	2,945,507
Other items							
Capital expenditure (including intangible assets)	119,712	19,698	51,876	191,286	1,575	5,307	198,168
Depreciation	106,771	21,210	56,483	184,464	1,806	8,179	194,449
Amortization of goodwill for the year	14,495	48	556	15,099	–	–	15,099
Balance of goodwill at end of the fiscal year	68,024	148	(646)	67,526	–	–	67,526

U.S. Dollars (thousands)

Year ended March 31	Reportable segments: Technology Solutions	Ubiquitous Solutions	Device Solutions	Total	Other Operations	Elimination & Corporate	Consolidated
2013 (in U.S. Dollars)							
Net sales							
External customers	**$30,748,681**	**$10,350,755**	**$5,147,830**	**$46,247,266**	**$195,521**	**$ 171,340**	**$46,614,128**
Inter-segment	**553,213**	**1,247,638**	**600,830**	**2,401,681**	**492,904**	**(2,894,585)**	**–**
Total sales	**31,301,894**	**11,598,394**	**5,748,660**	**48,648,947**	**688,426**	**(2,723,245)**	**46,614,128**
Operating income (loss)	**1,925,245**	**102,404**	**(151,553)**	**1,876,096**	**(73,638)**	**(788,862)**	**1,013,596**
Total assets	**15,349,043**	**3,571,777**	**4,078,915**	**22,999,734**	**218,745**	**9,218,266**	**32,436,745**
Other items							
Capital expenditure (including intangible assets)	**1,112,606**	**253,734**	**487,532**	**1,853,872**	**19,926**	**108,032**	**1,981,830**
Depreciation	**1,093,447**	**228,681**	**468,330**	**1,790,457**	**18,117**	**89,202**	**1,897,777**
Amortization of goodwill for the year	**150,160**	**521**	**713**	**151,394**	**–**	**–**	**151,394**
Balance of goodwill at end of the fiscal year	**321,074**	**1,266**	**(7,723)**	**314,617**	**–**	**–**	**314,617**

Notes 1. "Other Operations" segment consists of operations not included in the reportable segments, such as Japan's Next-Generation Supercomputer project, facility services and the development of information systems for the Group companies and welfare benefits for the Group employees.

2. Operating income (loss) of "Elimination & Corporate" consists of corporate expenses and elimination.
Amounts incurred for the years ended March 31, 2012 and 2013 were, corporate expenses: ¥75,929 million and ¥70,750 million ($752,660 thousand), elimination: ¥(2,236) million and ¥3,403 million ($36,202 thousand), respectively.
Corporate expenses mainly consist of strategic expenses such as basic research and development expenses which are not attributable to the reportable segments and group management shared expenses incurred by the Company.

3. Total assets of "Elimination & Corporate" consist of corporate assets and elimination. Balances at March 31, 2012 and 2013 were,corporate assets: ¥767,959 million and ¥947,771 million ($10,082,670 thousand), elimination: ¥96,642 million and ¥81,254 million ($864,404 thousand), respectively.
Corporate assets mainly consist of temporary excess funds, certificates of deposit, shares of corporate customers held for maintaining and strengthening business ties, deferred tax assets and prepaid pension cost.

4. The Group has adopted "Accounting Standard for Business Combinations" (Accounting Standards Board of Japan Statement No. 21) and "Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (Accounting Standards Board of Japan Guidance No. 10) effective the year ended March 31, 2011. The negative goodwill generated by the business combination before the adoption of the standards is included in "Amortization of goodwill" and "Balance of goodwill at end of the fiscal year."

5. The Group has recognized ¥26,600 million ($282,979 thousand) of impairment losses on goodwill generated at acquisition of Fujitsu Technology Solutions (Holding) B.V. (including its consolidated subsidiaries) and other consolidated subsidiaries for the year ended March 31, 2013. Amortization and the balance of goodwill related to FTS are included in the "Technology solutions" reportable segment.

4. Related Information

(1) Information by products and services

Sales to external customers

	Yen (millions)		U.S. Dollars (thousands)
Years ended March 31	2012	**2013**	**2013**
Technology Solutions			
Services	¥2,339,574	**¥2,356,780**	**$25,072,128**
System Platforms	525,084	**533,596**	**5,676,553**
Ubiquitous Solutions			
Personal Computers and Mobile Phones	779,226	**711,468**	**7,568,809**
Mobilewear	260,583	**261,503**	**2,781,947**
Device Solutions			
LSI	281,325	**255,558**	**2,718,702**
Electronic Components	234,509	**228,338**	**2,429,128**
Other Operations	35,371	**18,379**	**195,521**
Elimination & Corporate	11,902	**16,106**	**171,340**
Total	¥4,467,574	**¥4,381,728**	**$46,614,128**

Note: The details on products and services are presented in "Business Overview" (page 32).

(2) Geographic information

a. Net sales

Years ended March 31	Yen (millions) 2012		2013		U.S. Dollars (thousands) 2013
Japan	¥2,961,478	66.3%	**¥2,883,513**	**65.8%**	**$30,675,670**
Outside Japan					
EMEA	809,277	18.1%	**768,149**	**17.5%**	**8,171,798**
The Americas	286,595	6.4%	**287,742**	**6.6%**	**3,061,085**
APAC & China	410,224	9.2%	**442,324**	**10.1%**	**4,705,574**
Sub Total	1,506,096	33.7%	**1,498,215**	**34.2%**	**15,938,457**
Total	¥4,467,574	100.0%	**¥4,381,728**	**100.0%**	**$46,614,128**

b. Property, plant and equipment

At March 31	Yen (millions) 2012	2013	U.S. Dollars (thousands) 2013
Japan	¥534,359	**¥496,916**	**$5,286,340**
Outside Japan			
EMEA	47,344	**48,052**	**511,191**
The Americas	17,009	**21,332**	**226,936**
APAC & China	42,231	**52,160**	**554,894**
Sub Total	106,584	**121,544**	**1,293,021**
Total	¥640,943	**¥618,460**	**$6,579,362**

Notes 1. The principal countries and regions included in the Outside Japan segment are as follows:
(1) EMEA (Europe, Middle East and Africa) .... U.K., Germany, Spain, Finland, Sweden
(2) The Americas .... U.S.A., Canada
(3) APAC & China (APAC = Asia-Pacific) .... Australia, Singapore, Korea, Taiwan, China
2. There is no country which is required to be disclosed individually.
3. Net sales are classified by countries or regions based on locations of customers.
4. The property, plant and equipment are classified by countries or regions based on locations of the Group.

(3) Information about major customer

Net Sales

Years ended March 31	Yen (millions) 2012	2013	U.S. Dollars (thousands) 2013
NTT Group	¥503,332	**¥523,908**	**$5,573,489**

Related segment: .... Technology Solutions, Ubiquitous Solutions and other segment

Note: NIPPON TELEGRAPH AND TELEPHONE CORPORATION, NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION, NIPPON TELEGRAPH AND TELEPHONE WEST CORPORATION, NTT COMMUNICATIONS CORPORATION, NTT DOCOMO, Inc. and NTT DATA CORPORATION are included in NTT Group.

19. Related-party Transactions

(Related-party transactions)
No significant transactions.

(Note to significant affiliate)
Not applicable for the year.

20. Earnings per Share

Years ended March 31	Yen 2012	Yen 2013	U.S. Dollars 2013
Basic earnings (losses) per share	¥20.64	**¥(35.24)**	**$(0.375)**
Diluted earnings per share	20.55	**–**	**–**

Years ended March 31	Yen (millions) 2012	Yen (millions) 2013	U.S. Dollars (thousands) 2013
Net income (loss)	¥42,707	**¥(72,913)**	**$(775,670)**
Net income not attributable to common stock holders	–	**–**	**–**
Net income (loss) attributable to common stock holders	42,707	**(72,913)**	**(775,670)**
Effect of dilutive securities	155	**–**	**–**
[Adjustment related to dilutive securities issued by subsidiaries and affiliates]	[(18)]	**[–]**	**[–]**
[Corporate bond costs (after tax adjustment)]	[173]	**[–]**	**[–]**
Diluted net income (loss)	¥42,862	**¥ –**	**$ –**

	thousands 2012	thousands 2013
Basic weighted average number of shares	2,069,526	**2,069,330**
Effect of dilutive securities	16,393	**–**
[Subscription rights to shares issued by subsidiaries and affiliates]	[16,393]	**[–]**
Diluted weighted average number of shares	2,085,919	**–**

Note: Diluted earnings per share for the year ended March 31, 2013 are not disclosed due to the recording at a net loss in accordance with "Accounting Standard for Earnings Per Share" (Accounting Standards Board of Japan, Statement No. 2), although the Company has potentially diluted share.

21. Commitments and Contingent Liabilities

Commitments outstanding at March 31, 2012 and 2013 for purchases of property, plant and equipment and intangible assets were approximately ¥6,750 million and ¥11,615 million ($123,564 thousand), respectively.

Contingent liabilities for guarantee contracts at March 31, 2012 and 2013 amounted to ¥2,271 million and ¥1,716 million ($18,255 thousand), respectively, and referred mainly to guarantees given for employees' housing loans.

22. Events after the Reporting Period

No significant events.