

# CONSOLIDATED STATEMENTS OF CASH FLOWS

Fujitsu Limited and Consolidated Subsidiaries

Years ended March 31	Notes	Yen (millions)		U.S. Dollars (thousands) (Note 2)
		2013	2014	2014
<b>Cash flows from operating activities (A):</b>				
Income (loss) before income taxes and minority interests		¥ (52,119)	¥ 92,934	\$ 902,272
Adjustments to reconcile income (loss) before income taxes and minority interests to net cash provided by operating activities:				
Depreciation and amortization		178,391	176,059	1,709,311
Impairment loss		62,551	9,621	93,408
Amortization of goodwill		14,231	9,708	94,252
Increase (decrease) in provisions		46,027	(38,720)	(375,922)
Retirement benefit expenses, net of contribution		(116,484)	4,573	44,398
Financial income and expenses, net		2,772	1,289	12,515
Equity in earnings of affiliates, net		(6,705)	(6,546)	(63,553)
Loss on disposal of non-current assets		3,400	5,241	50,883
Gain on sales of investment securities	9	—	(6,847)	(66,476)
(Increase) decrease in receivables, trade		34,184	(58,867)	(571,524)
(Increase) decrease in inventories		17,207	(2,810)	(27,282)
Increase (decrease) in payables, trade		(71,609)	46,284	449,359
Other, net		(18,671)	12,975	125,971
Cash generated from operations		93,175	244,894	2,377,612
Interest and dividends received		4,934	6,543	63,524
Interest paid		(7,193)	(6,582)	(63,903)
Income taxes paid		(19,906)	(69,323)	(673,039)
Net cash provided by operating activities		71,010	175,532	1,704,194
<b>Cash flows from investing activities (B):</b>				
Purchases of property, plant and equipment		(111,531)	(114,121)	(1,107,971)
Proceeds from sales of property, plant and equipment		5,767	11,010	106,893
Purchases of intangible assets		(64,448)	(64,862)	(629,728)
Proceeds from sales of investment securities		4,483	21,367	207,447
Proceeds from transfer of business	9	10,980	10,807	104,922
Other, net		(6,732)	6,926	67,243
Net cash used in investing activities		(161,481)	(128,873)	(1,251,194)
<b>A+B *</b>		(90,471)	46,659	453,000
<b>Cash flows from financing activities:</b>				
Increase (decrease) in short-term borrowings		148,007	(185,880)	(1,804,660)
Proceeds from long-term debt		79,808	241,557	2,345,214
Repayment of long-term debt		(87,583)	(81,358)	(789,883)
Dividends paid		(23,104)	(2,662)	(25,845)
Other, net		(16,744)	(16,451)	(159,718)
Net cash provided by (used in) financing activities		100,384	(44,794)	(434,893)
<b>Effect of exchange rate changes on cash and cash equivalents</b>		7,409	15,267	148,223
<b>Net increase (decrease) in cash and cash equivalents</b>		17,322	17,132	166,330
<b>Cash and cash equivalents at beginning of year</b>		266,698	284,548	2,762,602
<b>Increase in cash and cash equivalents of newly consolidated subsidiaries</b>		528	14	136
<b>Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation</b>		—	(532)	(5,165)
<b>Cash and cash equivalents at end of year</b>	9	¥ 284,548	¥ 301,162	\$ 2,923,903
<b>Non-cash investing and financing activities:</b>				
Acquisition of assets under finance leases		¥ 12,032	¥ 11,269	\$ 109,408

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.