

15. Full-Year Unconsolidated Appropriation of Retained Earnings and Other Capital Surplus

a. Disposal of Unappropriated Retained Earnings

	Yen (millions)		Change (Million Yen)
	FY 2004 (4/1/04-3/31/05)	FY 2003 (4/1/03-3/31/04)	
Unappropriated retained earnings	Y 8,719	63,558	-54,839
Reversal of reserve for:			
Software development	4,300	-	+4,300
Special depreciation	600	-	+600
Total	13,619	63,558	-49,939
To be appropriated as follows:			
Dividends	6,203	6,000	+202
(3.0 yen per share in FY 2004 and 3.0 yen per share in FY 2003)			
Bonuses to directors and statutory auditors	-	81	-81
Reserve for:			
Special depreciation	2,200	2,900	-700
Earnings to be carried forward	Y 5,216	54,576	-49,360

b. Appropriation of Other Capital Surplus

	Yen (millions)	
	FY 2004 (4/1/04-3/31/05)	
Other capital surplus	Y 300,028	
To be appropriated as follows:		
Other capital surplus to be carried forward	Y 300,028	

Policy on Dividends

With regard to distributions of profits, Fujitsu's policy is to provide shareholders with a stable return and to secure sufficient internal reserves to strengthen its financial position for future business growth and improved profitability in the mid to long term.

Although we recorded a net loss on an unconsolidated basis, because of the ensuing reduction in future financial risk, the fact that the loss was not tied to cash outflows, improved positioning for profitability going forward, and forecasting continuing stable income and cash flow, we plan to issue a dividend of 3 yen per share for the second-half, making for a full-year dividend of 6 yen per share (including a 3 yen per share mid-year dividend).