

## 14. Full-Year Unconsolidated Statements of Operations

	Yen (millions)		
	FY 2005 (4/1/05-3/31/06)	FY 2004 (4/1/04-3/31/05)	Change (%)
<b>Net sales</b>	<b>Y 2,850,235</b>	2,846,256	+0.1
<b>Operating costs and expenses:</b>			
Cost of sales	2,212,308	2,191,120	+1.0
Selling, general and administrative expenses	619,034	624,504	-0.9
	<u>2,831,342</u>	<u>2,815,624</u>	
<b>Operating income</b>	<b>18,892</b>	30,631	-38.3
<b>Other income (expenses):</b>			
Net interest <sup>*1</sup>	58,609	32,776	
Amortization of unrecognized obligation for retirement benefits	(11,169)	(16,848)	
Settlement gain <sup>*2</sup>	15,956	-	
Gain on sales of marketable securities	-	141,459	
Gain on business transfer	-	12,931	
Loss on devaluation of subsidiaries' and affiliates' stock <sup>*3</sup>	(62,974)	(60,755)	
Provision for prior product warranties <sup>*4</sup>	(7,413)	-	
Real estate valuation losses	-	(15,274)	
Other, net	(10,789)	(14,937)	
	<u>(17,780)</u>	<u>79,352</u>	-
<b>Income before income taxes</b>	<b>1,111</b>	109,984	-99.0
<b>Income taxes</b>			
Current	(12,950)	(4,559)	
Deferred	(3,400)	154,400	
	<u>(16,350)</u>	<u>149,841</u>	
<b>Net income (loss)</b>	<b>Y <u>17,462</u></b>	<u>(39,856)</u>	-
<b>Unappropriated retained earnings at beginning of year</b>	<b>5,216</b>	54,576	
<b>Interim dividends</b>	<b>6,203</b>	6,000	
<b>Unappropriated retained earnings at end of year</b>	<b>Y <u>16,474</u></b>	<u>8,719</u>	

Note: \*1 Net interest consists of interest income, dividend income and interest charges.

\*2 Settlement gain is related to reconciliation of HDD litigation.

\*3 Loss on devaluation of subsidiaries' and affiliates' stock for FY 2005 refers to US-based subsidiary holding Fujitsu Limited shares in Spansion.

\*4 Provision for prior product warranties is related to provision to cover warranty-related costs for products sold in prior fiscal years.