

Consolidated Statements of Shareholders' Equity

Fujitsu Limited and Consolidated Subsidiaries
Years ended March 31

	2003	2004	Yen (millions) 2005	U.S. Dollars (thousands) (Note 3) 2005
Common stock:				
Balance at beginning of year	¥ 324,624	¥324,624	¥324,624	\$3,033,869
Conversion of bonds	—	—	1	9
Balance at end of year	¥ 324,624	¥324,624	¥324,625	\$3,033,878
Capital surplus:				
Balance at beginning of year	¥ 519,720	¥519,720	¥455,963	\$4,261,336
Increase as a result of stock exchange	—	—	50,156	468,748
Gain on sales of treasury stocks	—	16	12	112
Decrease as a result of deconsolidation of equity method affiliates	—	(63,773)	(8,249)	(77,093)
Balance at end of year	¥ 519,720	¥455,963	¥497,882	\$4,653,103
Retained earnings (Deficit):				
Balance at beginning of year	¥ 76,176	¥(60,718)	¥ (35,734)	\$ (333,963)
Net income (loss)	(122,066)	49,704	31,907	298,196
Cash dividends paid	(5,005)	—	(12,001)	(112,159)
Bonuses to directors and statutory auditors	(598)	(620)	(620)	(5,794)
Increase as a result of deconsolidation of equity method affiliates	—	—	7,961	74,402
Decrease as a result of deconsolidation of equity method affiliates	—	(27,706)	—	—
Other, net	(9,225)	3,606	664	6,206
Balance at end of year	¥ (60,718)	¥ (35,734)	¥ (7,823)	\$ (73,112)
Unrealized gains on securities, net of taxes:				
Balance at beginning of year	¥ 10,417	¥ 2,152	¥149,629	\$1,398,402
Increase (decrease)	(8,265)	147,477	(51,553)	(481,804)
Balance at end of year	¥ 2,152	¥149,629	¥ 98,076	\$ 916,598
Revaluation surplus on land, net of taxes:				
Balance at beginning of year	¥ 4,311	¥ 3,938	¥ 3,453	\$ 32,271
Increase (decrease)	(373)	(485)	—	—
Balance at end of year	¥ 3,938	¥ 3,453	¥ 3,453	\$ 32,271
Foreign currency translation adjustments:				
Balance at beginning of year	¥ (81,323)	¥ (86,517)	¥ (69,901)	\$ (653,280)
Change during the period	(5,194)	16,616	11,921	111,411
Balance at end of year	¥ (86,517)	¥ (69,901)	¥ (57,980)	\$ (541,869)
Treasury stock:				
Balance at beginning of year	¥ (169)	¥ (809)	¥ (857)	\$ (8,009)
(Increase) decrease	(640)	(48)	(386)	(3,608)
Balance at end of year	¥ (809)	¥ (857)	¥ (1,243)	\$ (11,617)

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.