

FINANCIAL HIGHLIGHTS

 Fuji Photo Film Co., Ltd. and Subsidiaries
 Six months ended September 30, 2000 and 1999

	Six months ended September 30		Six months ended
	2000	1999	September 30
	(Millions of yen)		(Thousands of U.S. dollars)
Net sales	¥707,186	¥698,685	\$6,548,018
Net income	76,472	46,820	708,074
	(Yen)		(U.S. Dollars)
Per share of common stock:			
Net income	¥148.60	¥90.98	\$1.38
Cash dividends	11.25	11.25	0.10

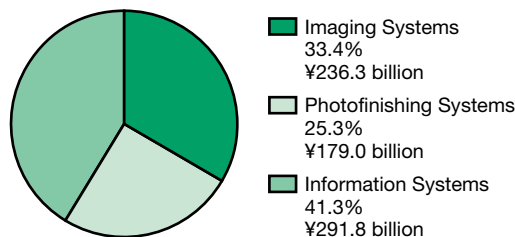
- Notes: 1. U.S. dollar amounts presented are translated from yen, for convenience only, at the rate of ¥108=US\$1, the exchange rate prevailing on September 30, 2000.
2. The computation of net income per share is based on the average number of shares outstanding during each period.

Semiannual Report

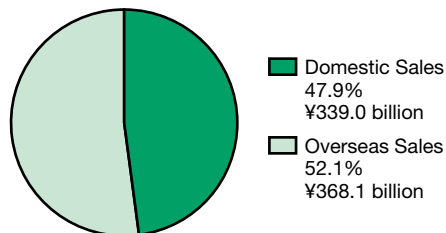
 Six Months Ended
 September 30, 2000

FUJI PHOTO FILM CO., LTD.
Sales Breakdown (Six months ended September 30, 2000)

By Product Category



By Domestic and Overseas Sales


 Cover: New England, U.S.A.
 Photographed by Kaoru Soehata

A MESSAGE FROM THE MANAGEMENT

During the interim period—the six-month period ended September 30, 2000—overall conditions in the Japanese economy continued to be difficult because the recovery trend—that included a pickup in private-sector capital investment—was weak, and personal consumption still remained flat. The U.S. economy sustained growth, although signs of a slowdown emerged in some sectors. The European economy generally expanded smoothly, and the economies of Asian countries also grew steadily overall with the exception of a few regions.

Under these conditions, Fujifilm endeavored to further develop its dynamic marketing operations and reinforce its service network by launching a variety of new products, systems and services. Through these efforts, Fujifilm was able to achieve smooth growth in sales, particularly in overseas markets. However, such factors as the sharp appreciation of the yen, particularly against the European currencies, including the euro, restrained growth in interim consolidated net sales to 1.2%, to ¥707.1 billion (\$6,548 million). During the interim period, the parent company and certain domestic subsidiaries wrote-off the net transition obligations as the result of the adoption of a new Japanese accounting principle on retirement benefit obligations. In this connection, they contributed certain equity securities to employee retirement benefit trusts of which market value were substantially equal to the amount written-off. Because the consolidated financial statements of Fujifilm have been prepared in conformity with accounting principles generally accepted in the U.S., it was not permitted to recognize the write-off of the net transition obligations. Accordingly, the only gain on the securities contribution to employee retirement benefit trusts amounting to ¥56.1 billion (\$520 million) was recognized as other income. This type of gain was attributable only to the current period and not a recurring item. As a result, net income for the interim period amounted to ¥76.4 billion (\$708 million) or 63.3% increase compared to the corresponding previous period. Interim cash dividends per share of ¥11.25 (\$0.10) were declared.

By business segment, in the Imaging Systems segment we introduced the Fujicolor Superia X-TRA 800/Nexia 800, the world's first high-speed negative films to integrate 4th Color Layer Technology. By introducing such films, we aimed to further enhance the appeal of our silver-halide photography. In digital cameras, we responded to a wide range of consumer needs by launching various types of new cameras incorporating a Super CCD that offers ultrahigh resolution. Among these products, the FinePix 40i, which features high quality music playback in addition to being a digital camera, earned fair acclaim.

In the Photofinishing Systems segment, sales of our highly evaluated Digital Minilab Frontier 350 and 370 rose sharply. We are further upgrading our FDI service with the commencement of FUJICOLOR CD service for digitizing analog images and recording these images onto a specialized CD-R along with regular print orders. Also, we are carrying out our color print network service worldwide under

the Print@FUJICOLOR brand as we progress with print service via the Internet.

In the Information Systems segment, among graphic arts products, our computer-to-plate (CTP) systems continued to earn extensive acclaim. In medical diagnostic products, we expanded sales of Fuji Computed Radiography (FCR), digital X-ray diagnosis systems. We also recorded robust sales of such LCD materials as WV FILM, FUJI-TAC and TRANSER. Our DLTape™IV and DDS4 computer data storage media that integrates the unparalleled Advance Super Thin-Layer and High-Output Metal Media (ATOMM) technology continued to be highly praised.

The operating environment for Fujifilm remains difficult, owing to such factors as the ongoing yen appreciation trend. As part of extensive efforts to expand its I&I (Imaging and Information) business domain, Fujifilm will use its own independently developed technologies and aggressively introduce unique new products, systems and services in advance of others. We will also build strong R&D, production, sales and service networks as domestic and overseas group companies work together to fortify the competitiveness of the Fujifilm Group. In addition, we will progress with efforts to reduce total costs and build a solid corporate structure. At the same time, we will strengthen, maintain and upgrade our framework for strictly adhering to corporate ethics and for taking measures to respond to environmental problems and product safety issues.

In closing, we would like to express our sincere appreciation for all the day-to-day cooperation we have received from shareholders, customers and business partners. We hope for your support and encouragement.

December 2000



Minoru Ohnishi
Chairman and Chief Executive Officer



Masayuki Muneyuki
Vice Chairman



Shigetaka Komori
President

CONSOLIDATED BALANCE SHEETS (Unaudited)

Fuji Photo Film Co., Ltd. and Subsidiaries

September 30, 2000 and 1999

Assets	September 30			Liabilities and shareholders' equity	September 30		
	2000	1999	2000		2000	1999	2000
	(Millions of yen)		(Thousands of U.S. dollars)	(Millions of yen)		(Thousands of U.S. dollars)	
Current assets:				Current liabilities:			
Cash and cash equivalents	¥ 638,881	¥ 638,824	\$ 5,915,565	Short-term debt	¥ 156,446	¥ 144,535	\$ 1,448,574
Marketable securities	30,017	182,347	277,935	Notes and accounts payable:			
Notes and accounts receivable:				Trade	151,885	134,968	1,406,343
Trade	261,508	240,483	2,421,370	Construction	32,609	26,338	301,935
Affiliated companies	45,783	41,679	423,917	Affiliated companies	10,311	9,460	95,472
Allowance for doubtful receivables	(8,947)	(8,560)	(82,842)	Accrued income taxes	34,090	29,616	315,648
Inventories	235,281	221,298	2,178,528	Accrued liabilities	91,306	89,213	845,426
Deferred income taxes	38,024	16,220	352,074	Other current liabilities	23,715	28,154	219,583
Prepaid expenses and other	14,975	14,625	138,657	Total current liabilities	500,362	462,284	4,632,981
Total current assets	1,255,522	1,346,916	11,625,204	Long-term debt	25,420	37,328	235,370
Investments and long-term receivables:				Accrued pension and severance costs	22,105	96,800	204,676
Investments in and advances to affiliated companies	173,830	167,331	1,609,537	Deferred income taxes	39,892	8,631	369,370
Investment securities	239,182	113,134	2,214,648	Customers' guarantee deposits and other	41,391	44,038	383,250
Long-term receivables	19,690	16,480	182,315	Minority interests in subsidiaries	24,442	21,918	226,315
	432,702	296,945	4,006,500	Shareholders' equity:			
Property, plant and equipment:				Common stock, ¥50 par value:			
Land	45,591	44,456	422,139	Authorized: 800,000,000 shares			
Buildings	323,633	324,568	2,996,602	Issued: 514,625,728 shares	40,363	40,363	373,732
Machinery and equipment	1,021,564	1,003,822	9,458,926	Additional paid-in capital	68,135	68,135	630,880
Construction in progress	43,317	21,344	401,083	Retained earnings	1,514,164	1,411,195	14,020,037
	1,434,105	1,394,190	13,278,750	Accumulated other comprehensive income (loss)	(32,223)	4,646	(298,361)
Less accumulated depreciation	(964,770)	(936,882)	(8,933,056)	Total shareholders' equity	1,590,439	1,524,339	14,726,288
	469,335	457,308	4,345,694	Total liabilities and shareholders' equity	¥2,244,051	¥2,195,338	\$20,778,250
Other assets:							
Intangible assets, net	43,572	65,263	403,445				
Deferred income taxes	9,585	5,715	88,750				
Other	33,335	23,191	308,657				
	86,492	94,169	800,852				
Total assets	¥2,244,051	¥2,195,338	\$20,778,250				

CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

Fuji Photo Film Co., Ltd. and Subsidiaries
Six months ended September 30, 2000 and 1999

	Six months ended September 30		Six months ended
	2000	1999	September 30
	(Millions of yen)		(Thousands of U.S. dollars)
Net sales	¥707,186	¥698,685	\$6,548,018
Cost of sales	391,152	379,698	3,621,778
Gross profit	316,034	318,987	2,926,240
Operating expenses:			
Selling, general and administrative	200,025	197,256	1,852,083
Research and development	39,679	40,597	367,398
Operating income	76,330	81,134	706,759
Other income (expenses):			
Interest and dividend income	4,025	3,506	37,269
Interest expense	(5,360)	(5,162)	(49,630)
Exchange losses, net	(1,115)	(2,373)	(10,324)
Gain on securities contribution to employee retirement benefit trust	56,131	—	519,731
Other, net	(4,447)	(4,043)	(41,176)
	49,234	(8,072)	455,870
Income before income taxes	125,564	73,062	1,162,629
Income taxes	54,034	31,426	500,314
Income before equity in net earnings of affiliated companies	71,530	41,636	662,315
Equity in net earnings of affiliated companies	4,942	5,184	45,759
Net income	¥ 76,472	¥ 46,820	\$ 708,074

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Unaudited)

Fuji Photo Film Co., Ltd. and Subsidiaries
Six months ended September 30, 2000 and 1999

	Total shareholders' equity	Total shareholders' equity
	(Millions of yen)	(Thousands of U.S. dollars)
Balance at March 31, 2000 (restated)	¥1,575,129	\$14,584,529
Comprehensive income:		
Net income	76,472	708,074
Net unrealized gains on securities	(44,498)	(412,019)
Foreign currency translation adjustments	(10,875)	(100,694)
Net comprehensive income	21,099	195,361
Cash dividends	(5,789)	(53,602)
Balance at September 30, 2000	¥1,590,439	\$14,726,288
Balance at March 31, 1999 (restated)	¥1,489,257	
Comprehensive income:		
Net income	46,820	
Net unrealized gains on securities	18,446	
Foreign currency translation adjustments	(24,395)	
Net comprehensive income	40,871	
Cash dividends	(5,789)	
Balance at September 30, 1999 (restated)	¥1,524,339	

CORPORATE INFORMATION

Fuji Photo Film Co., Ltd.

Established

January 20, 1934

Capital

¥40,363,373,192 (As of September 30, 2000)

Tokyo Head Office

26-30, Nishiazabu 2-chome,
Minato-ku, Tokyo 106-8620, Japan
Tel: (03)3406-2111

URL: <http://www.fujifilm.co.jp/> (Japanese)
<http://home.fujifilm.com/> (English)

Employees

37,706 (As of September 30, 2000, consolidated)

Transfer Agent

The Toyo Trust and Banking Co., Ltd.
4-3, Marunouchi 1-chome, Chiyoda-ku,
Tokyo 100-0005, Japan

Stock Exchange Listings

Tokyo, Osaka, Nagoya