

Management System

Question 7

Tell us about the Fujifilm Group's Corporate Philosophy.

Answer

As stated in the Corporate Philosophy, the Fujifilm Group's ultimate goal is to help enhance the quality of life of people worldwide.

In 2006, Fujifilm formulated its new Corporate Philosophy. I believe that a corporate philosophy represents the fundamental reason for the company to exist in society. The Group's new Corporate Philosophy challenges us to go beyond our traditional business fields of imaging and information and contribute to the advancement of culture, science, technology, and industry, as well as improved health and environmental protection in society. This philosophy and our passion for helping to enhance the quality of life of people worldwide were behind our decision to launch pharmaceutical operations and develop them into a comprehensive medical business. I strongly believe that pursuing the attainment of this philosophy over the medium-to-long term will lead to the maximization of our corporate value.

Corporate Philosophy

We will use leading-edge, proprietary technologies to provide top-quality products and services that contribute to the advancement of culture, science, technology, and industry, as well as improved health and environmental protection in society. Our overarching aim is to help enhance the quality of life of people worldwide.

Question 8

We would like to know more about the Fujifilm Group's CSR Activities.

Answer

The Fujifilm Group's approach to CSR is to faithfully and fairly perform our role as a responsible corporate citizen and take a stance in contributing to society and make sure that we do not become self-righteous.

The objective of management is to increase corporate value. This does not simply mean increasing earnings. It includes making contributions to the advancement of society and culture and having the strength to meet societal needs and expectations that involve contributions to solving environmental and other key issues. We thus revised the Fujifilm Group Charter for Corporate Behavior and the Code of Conduct in April 2007. During these revisions, we asked ourselves about the kind of company that deserves social recognition, the direction toward which we should be heading, and the kind of action we should be taking. This self-questioning attitude has made us incorporate CSR into our management plans as part of the implementation of the Group's Second Foundation. Our approach to CSR is to faithfully and fairly perform the roles given to each individual and organization, contribute to society and ensure that we do not become self-righteous. This approach allows us to implement CSR activities, with executives and employees persistently searching for the truest sense of CSR. As a corporate group, we will proactively communicate with our stakeholders to constantly improve our CSR activities, and this will help develop a sustainable society.



Question 9

Tell us about Fujifilm's initiatives to maximize shareholder value and future policies on returns to shareholders.

Answer

I am committed to maximizing our corporate and shareholder value, optimizing the balance of our growth, profitability, efficiency, and returns to stakeholders, including shareholders.

To further bolster its corporate value, Fujifilm must optimize its balance of growth, profitability, efficiency and returns to stakeholders, including shareholders. We will aim for further growth by expanding existing businesses and accelerating the promotion of new businesses. The implementation of the VISION75 (2007) has resulted in a sharp improvement in our performance. We will implement initiatives to overcome negative operational factors and ensure our Second Foundation under the new VISION75 (2008). For the fiscal year ending March 31, 2009, we are aiming to achieve ¥2,900 billion and ¥210 billion in revenues and operating income, respectively. From the medium-term perspective, we will work to improve investment efficiency with emphasis placed on ROE and ROA. Moreover, we will pursue higher shareholder value by boosting the profitability of growth businesses while flexibly undertaking share buybacks to enhance capital efficiency.

Fujifilm has taken advantage of the opportunity provided by the sharp performance improvement achieved to more proactively return growing profits to shareholders. Thus, we have revised our basic policy on the distribution of profits to shareholders effective after the fiscal year ended March 31, 2008, setting a 25% target for our return to shareholders ratio*. For the reporting term, Fujifilm increased its annual dividend by ¥10 to ¥35 per share. This dividend increase, coupled with share buybacks totaling ¥34.1 billion, resulted in an approximate 50% return. We will strive to improve the ratio with due consideration given to our financial standing and future investment plans.

* Total of cash dividends and share buybacks divided by consolidated net income

