

## Corporate Governance

The Company recognizes that a corporation's main mission is to keep improving its corporate value. To promote the accomplishment of this mission, the Company implements measures to strengthen and expand its corporate governance systems and thereby aims to win the trust of all stakeholders. Such measures are what underpin our Groupwide efforts to achieve corporate governance consistent with a holding company and maximize corporate value. The Fujifilm Group aims to constantly improve the transparency and soundness of its Group management.

### Corporate Organization and Others

#### Directors and Board of Directors

The Company has positioned the board of directors as the organization for determining basic Group management policies and strategies and other important matters relating to business execution, as well as for supervising the implementation of business affairs. The Company's Articles of Incorporation stipulate that the board can consist of up to 12 directors. Currently, the board has eight directors, including one outside director. The board's regular meetings are held, in principle, once a month, with extraordinary board meetings held on an as-required basis. In addition, certain matters are deliberated and resolved flexibly at board meetings convened by directors with special authority. To better clarify their missions and responsibilities, the Company's directors have a one-year term of office.

Meanwhile, the Company has adopted a remuneration system under the stock option plan to make its directors, excluding outside directors, share a mutual interest—the effect of stock price fluctuations—with its shareholders. In this way, the directors are in actual fact encouraged to have stronger drive and morale toward achieving higher corporate value.

#### Executive Officer System

The Company has adopted an executive officer system to facilitate speedier business execution. Executive officers carry out business affairs in accordance with the basic policies and strategies formulated by the board of directors. The Company currently has 13 executive officers, including four concurrently serving as directors. The executive officers have a one-year term of office, the same as the Company's directors.

#### Management Council

The management council makes decisions on the submission of matters to be exclusively deliberated by the board of directors. At the same time, the council considers the methods used by executive officers to implement particularly important initiatives in accordance with the basic policies, plans and strategies formulated by the board of directors. The council consists of full-time members—president and executive officers responsible for corporate planning and corporate R&D—and meetings of the management council are flexibly convened, with the attendance of relevant executive officers requested, depending on the matters concerned.

#### Corporate Auditors and Board of Corporate Auditors

The Company has adopted a corporate auditor system with a board of corporate auditors, which currently consists of four members, including two outside corporate auditors. As an independent organization with key roles and responsibilities in the Company's corporate governance system, the auditors audit the entire range of the directors' performance of their duties following audit policies and an audit plan in conformity with corporate auditors' audit standards determined by the board of corporate auditors. At meetings of the board of corporate auditors, which are held, in principle, once a month, information is shared on the details of matters subject to auditing. In addition, all corporate auditors attend meetings of the board of directors, while the full-time corporate auditors also attend every management council meeting, regularly exchange opinions with the representative directors and audit the entire range of business execution. The Company has currently appointed two personnel to perform internal audits and to support the corporate auditors, with the aim of strengthening the audit functions of the corporate auditors.

#### Internal Audits

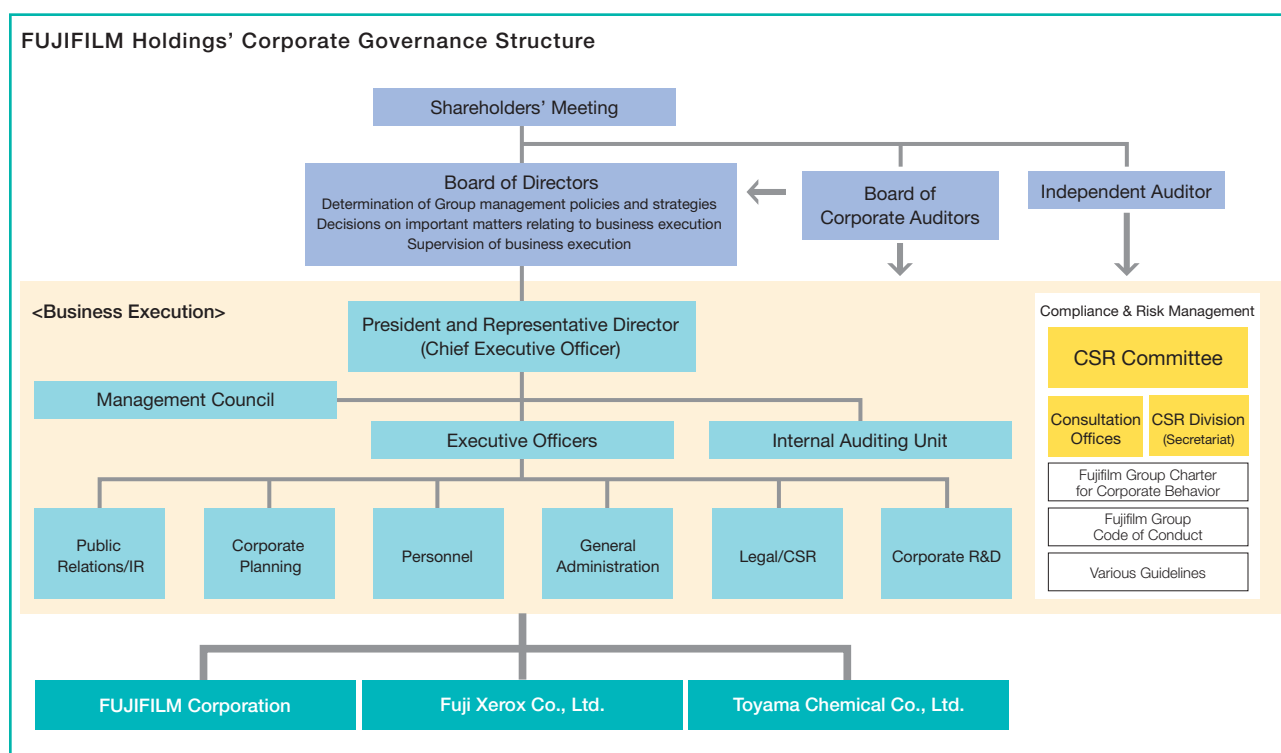
The Company has an Internal Audit Division, which currently comprises 10 personnel, as an internal auditing unit that is independent from divisions responsible for the execution of business affairs. From the standpoint of a holding company, this division audits operational processes and other relevant matters at individual divisions of the Company and its Group companies through cooperation with the internal auditing units at the operating companies. In this way, the division evaluates and verifies that these processes are appropriate.

In addition, the division is in charge of assessing internal control over financial reporting by the Company and its Group companies, in response to the April 2008 application of the internal control reporting system in Japan. The Company compiles the outcome of the assessment in a management's report on internal control over financial reporting. The Company submits this report, together with its annual securities report, to the Kanto Local Finance Bureau. In addition, personnel in specialized units at the operating companies audit operations regulated by the Pharmaceutical Affairs Law of Japan, as well as those in the quality control, environmental and export control fields.

### Accounting Audits

The Company engages Ernst & Young ShinNihon LLC as its independent auditor. Ernst & Young ShinNihon expresses an opinion on the Company's financial statements from

an independent standpoint as an auditor. In addition to accounting audits, Ernst & Young ShinNihon commenced auditing internal control of the Company's financial reporting from the fiscal year ended March 31, 2009.



### Remuneration to Directors and Corporate Auditors during the Fiscal Year Ended March 31, 2009

Subject of Remuneration	Number of People	Remuneration Amount
Directors (Outside director)	8 (1)	¥464 million (¥ 9 million)
Corporate auditors (Outside corporate auditors)	5 (2)	¥ 57 million (¥19 million)
Total (Outside directors and corporate auditors)	13 (3)	¥521 million (¥28 million)

Note 1: The amounts shown in the table to the left include the following:

- (1) Bonuses paid to the directors during the fiscal year ended March 31, 2009
- Total of ¥61 million paid to seven directors, including ¥1 million paid to the outside director
  - Total of ¥5 million paid to four corporate auditors, including ¥2 million paid to the two outside corporate auditors
- (2) Provision to the reserve for directors' retirement gratuities during the fiscal year ended March 31, 2009
- Total of ¥31 million for six directors
  - Total of ¥9 million for the two corporate auditors
- (3) Remuneration in conjunction with the stock option plan
- Total of ¥238 million remuneration to seven directors

Note 2: In accordance with the resolution for the abolishment of the directors' and corporate auditors' retirement gratuity system at the 113th ordinary general meeting of shareholders held on June 26, 2009, the Company shall pay a maximum of ¥567 million, to be divided among five directors, and a maximum of ¥15 million to a corporate auditor upon their respective retirement.

## Matters Concerning the Outside Director and Outside Corporate Auditors

### Outside Director

The Company has appointed Mr. Teisuke Kitayama as its outside director to enable him to impart his ample experience and wide range of knowledge as a management executive of a global financial group. He currently holds the post of representative director at both Sumitomo Mitsui Financial Group and Sumitomo Mitsui Banking Corporation.

Outside director Kitayama attended seven of the 10 board of directors meetings during the fiscal year ended March 31, 2009. Mr. Kitayama requested explanations when necessary and offered advice where appropriate at the meetings he attended to ensure the adequacy and appropriateness of the decisions made by the board.

### Outside Corporate Auditors

Outside corporate auditor Kiichiro Furusawa attended nine of the 10 board of directors meetings and 12 of the 13 board of corporate auditors meetings during the fiscal year ended March 31, 2009. Outside corporate auditor Daisuke Ogawa attended eight board of directors meetings and 11 board of corporate auditors meetings during the same period. Both outside corporate auditors requested explanations when necessary and made comments where appropriate at the board of directors meetings they attended to ensure the adequacy and appropriateness of the decisions made by the board of directors. They also asked questions and expressed their opinions, as appropriate, at the board of corporate auditors meetings they attended.

### Support System for Outside Director and Outside Corporate Auditors

The Legal Department, the secretariat for the board of directors, prepares materials and provides the outside directors and outside corporate auditors with information relating to proposals submitted to regular board of directors meetings. The department also provides them with supplementary explanations where requested. The internal auditing unit, the secretariat for the board of corporate auditors, provides support to outside corporate auditors in such areas as the preparation of materials and provision of relevant information for regular meetings of the board of corporate auditors. The materials prepared are used to promote information sharing between full-time and outside corporate auditors.

## Cooperation between Internal Auditing Unit, Corporate Auditors and Independent Auditor

With the aim of improving its corporate governance, the Fujifilm Group promotes mutual cooperation among the internal auditing unit, corporate auditors and the independent auditor. When audits are planned, performed and reviewed every fiscal year, these three groups exchange information and opinions. In addition, deliberations are held as needed when interim and year-end audits are carried out. In auditing Group companies, the internal auditing unit and the independent auditor report the results to corporate auditors, while the three groups share information by simultaneously conducting their individual audit operations. These efforts enable effective and efficient audits.

### Accountability

The Fujifilm Group maintains an aggressive stance in disclosing such corporate information as management strategies and financial results, with due consideration given to disclosure timeliness, fairness, accuracy and continuity. This stance is based on a principle interwoven in the Fujifilm Group Charter for Corporate Behavior. In legal terms, the Company discloses information in strict compliance with the Financial Instruments and Exchange Act of Japan and other relevant laws and regulations as well as timely information disclosure rules of the bourses on which the Company's stock is listed. We disclose information that is not required by said laws, regulations and guidelines but may have material influence on investors' decision-making in a proactive manner and facilitate deeper understanding of the Company. Such information disclosure is carried out through press conferences and briefings and through various IR tools, which include the Company's website.

### IR Activities

Fujifilm's top management actively participates in IR activities. This is because they are fully aware that these activities are important in accelerating interactive communication between the Company and investors and, ultimately, strengthening the circle of trust and improving the quality of these activities. Also, we strive to minimize the discrepancy between the Company's true corporate value and its market evaluation by constantly disclosing management policies and other important information and incorporating feedback from capital markets into our management. More specifically, the Company holds conferences on business results quarterly with the attendance of its chief executive officer or chief financial officer. Complementing these briefings, the Company also holds conferences and small meetings for both domestic and overseas investors frequently. For individual investors, we provide information through our website, while also holding company information sessions in major cities nationwide.