

Earnings of 3Q FY2010/3 (From April 1, to December 31, 2009)

FUJIFILM Holdings Corporation

January 29, 2010

FORWARD-LOOKING STATEMENTS

Forward-looking statements such as those relating to earnings forecasts and other projections contained in this material are management's current assumptions and beliefs based on currently available information. Such forward-looking statements are subject to a number of risks, uncertainties and other factors. Accordingly, actual results may differ materially from those projected due to various factors.

Performance Summary for 3Q FY2010/3

Challenge of yen appreciation along with a demand decrease accompanying the global recession
Powerfully promoting progress in structural reforms

Billions of yen

	3Q FY2009/3 (Oct. - Dec. 2008)		3Q FY2010/3 (Oct. - Dec. 2009)		Change		9 Months FY2009/3 (Apr. - Dec. 2008)		9 Months FY2010/3 (Apr. - Dec. 2009)		Change	
					Amount	%					Amount	%
Revenue	100.0%	565.7	100.0%	553.6	(12.1)	(2.1)	100.0%	1,904.2	100.0%	1,597.1	(307.1)	(16.1)
Operating Income Before Restructuring and Other Charges	0.7%	4.2	6.7%	37.0	32.8	-	4.7%	89.5	4.0%	63.6	(25.9)	(29.0)
Restructuring and Other Charges	0.5%	2.9	5.6%	30.8	27.9	-	0.4%	7.0	4.2%	66.0	59.0	-
Operating Income After Restructuring and Other Charges	0.2%	1.3	1.1%	6.2	4.9	-	4.3%	82.5	(0.2)%	(2.4)	(84.9)	-
Income Before Income Taxes	(4.5)%	(25.4)	1.3%	7.2	32.6	-	3.0%	56.3	(0.0)%	(0.7)	(57.0)	-
Net Income Attributable to FUJIFILM Holdings	(2.8)%	(15.9)	(0.3)%	(1.6)	14.3	-	1.5%	29.5	(0.4)%	(7.0)	(36.5)	-
Net Income Attributable to FUJIFILM Holdings per Share		¥(31.99)		¥(3.24)		¥28.75		¥58.64		¥(14.31)		¥(72.95)
Exchange Rates		¥97		¥90		¥(7)		¥103		¥93		¥(10)
US\$												
€		¥128		¥133		+¥5		¥151		¥133		¥(18)

Performance Summary for 3Q FY2010/3

FUJIFILM

■ By Segment

Billions of yen

	Segment	3Q FY2009/3	3Q FY2010/3	Amt.	%	9 Months FY2009/3	9 Months FY2010/3	Amt.	%
Revenue	Imaging	105.2	97.2	(8.0)	(7.6)	336.4	266.6	(69.8)	(20.7)
	Information	196.4	221.9	25.5	13.0	737.9	652.0	(85.9)	(11.6)
	Document	264.1	234.5	(29.6)	(11.2)	829.9	678.5	(151.4)	(18.2)
Operating Income Before Restructuring and Other Charges	Imaging	(1.3)	3.4	4.7	-	(8.8)	(7.9)	0.9	-
	Information	(11.9)	14.6	26.5	-	37.9	35.9	(2.0)	(5.5)
	Document	18.2	19.8	1.6	8.5	63.3	38.4	(24.9)	(39.3)
Restructuring and Other Charges	Imaging	0.7	2.9	2.2	-	(0.9)	12.4	13.3	-
	Information	0.9	24.0	23.1	-	3.5	40.4	36.9	-
	Document	1.3	3.9	2.6	-	4.4	13.2	8.8	-
Corporate Expenses and Eliminations	Total	(0.8)	(0.8)	0	-	(2.9)	(2.8)	0.1	-
Operating Income After Restructuring and Other Charges	Total	1.3	6.2	4.9	-	82.5	(2.4)	(84.9)	-

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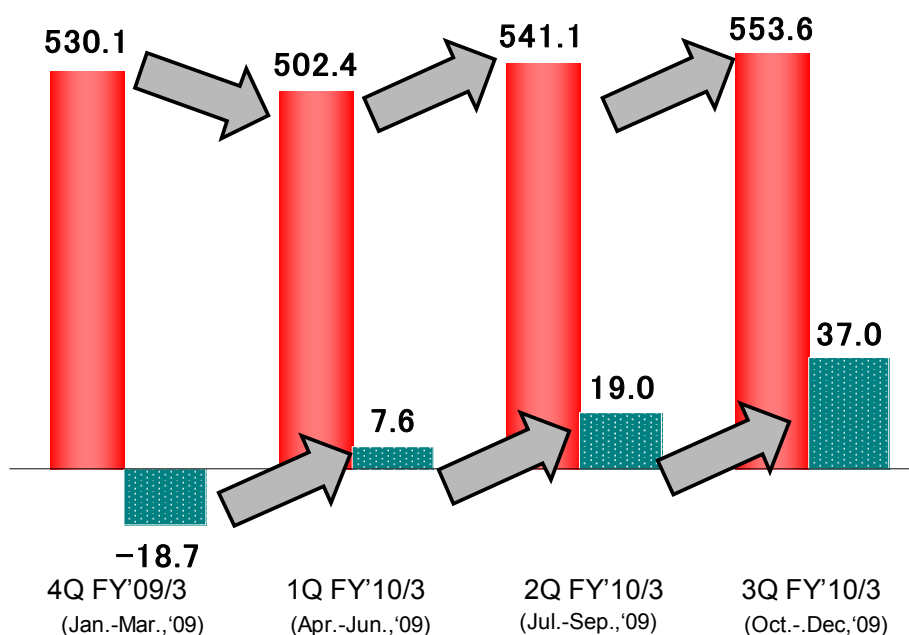
Performance Summary for 3Q FY2010/3

FUJIFILM

Trend of recovery in revenue and operating income

Billions of yen

■ Revenue
■ Operating Income Before Restructuring and Other Charges



3

Progress of the structural reforms

Structural reforms are proceeding smoothly ahead of the planned schedule.

(Billions of yen) 【Breakdown of expenses】

	9 months	Personnel	Facilities
Imaging	12.4	7.0	5.4
Information	40.4	12.0	28.4
Document	13.2	9.5	3.7
Total Expense	66.0	28.5	37.5

Reduction in personnel in companies in Japan and overseas, closure and consolidation of development laboratories, partial suspension of color paper production at the Netherland plant.
 Reduction in personnel in companies in Japan and overseas, reduction of asset
 - Management innovation activities

Scheduled to record structural expenses of ¥79.0 billion in 4Q
 ¥145.0 billion for the year as a whole, in line with the original plan

Imaging/ Information

- ✓ Centralization of administrative functions of local subsidiaries in regional headquarters in Europe, the United States, China, the rest of Asia, and other areas
- ✓ Substantial reductions in fixed costs, mainly in the photo business, and other measures (in all divisions of all Group companies in Japan and overseas)

Document

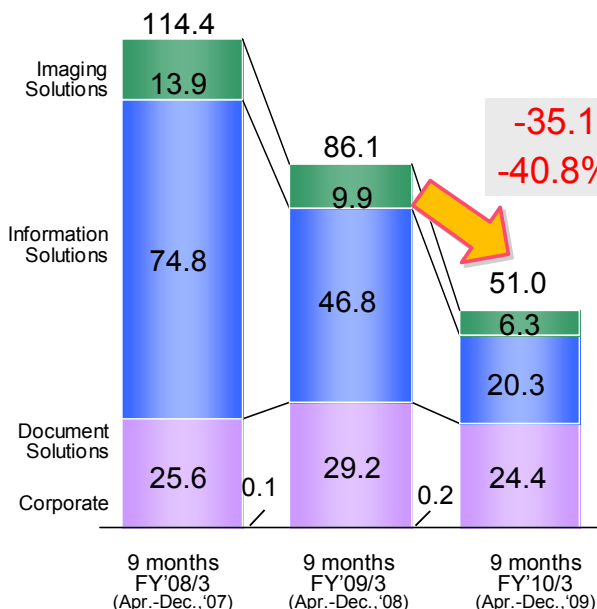
- ✓ Accelerate management innovation activities
 - Realign and integrate R&D functions
 - Promote optimization of manufacturing functions and additional reductions to cost of sales

Capital Expenditure and Depreciation & Amortization

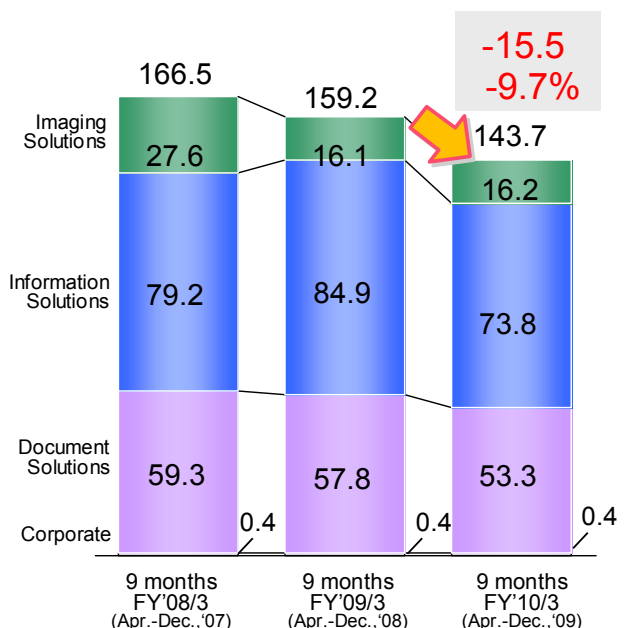
Decrease in capital expenditure and depreciation & amortization, due to enhanced selectivity in capital investments and inventory reductions

Billions of yen

Capital Expenditure



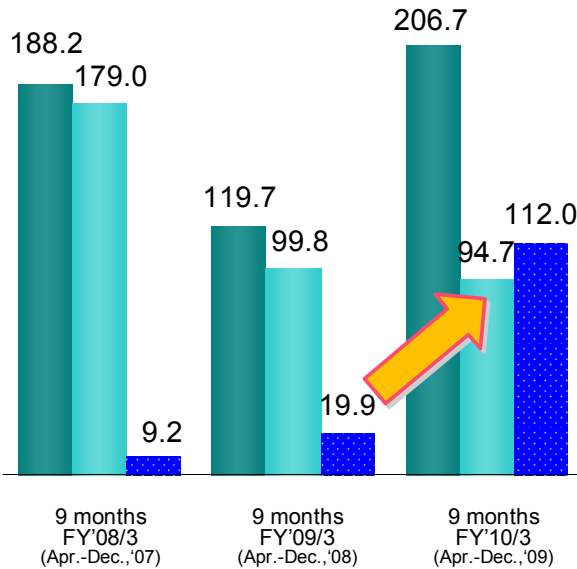
Depreciation & Amortization



Administrate each business based on operational ROA, economic added value, and operational cash flow. Considerable improvement in free cash flow due to enhanced selectivity in capital investments and inventory reductions

■ From operating activities ■ From investing activities ■ Free cash flow

Billions of yen



Cash Flow	FY'09/3 (Apr.-Dec. '08)	FY'10/3 (Apr.-Dec. '09)
Net income(loss)	36.0	(4.3)
Depreciation & amortization	159.2	143.7
Impairment losses for long-lived assets	-	23.6
Change in notes and accounts receivable	47.1	(7.0)
Change in inventories	(27.7)	40.2
Change in notes and accounts payable-trade	(26.2)	2.0
Change in accrued income taxes and other liabilities	(77.6)	(14.3)
Others	8.9	22.8
C/F from operating activities	119.7	206.7
Capital expenditure	(111.8)	(64.1)
Sales and purchases of marketable and investment securities	31.2	(10.8)
Others	(19.2)	(19.8)
C/F from investing activities	(99.8)	(94.7)
Free cash flow	19.9	112.0

An improvement of 92.1 billion yen

Operating Segments (3Quarter, Oct. - Dec.)

■ Imaging Solutions

Revenue* /Operating Income

Sub-segment Revenue

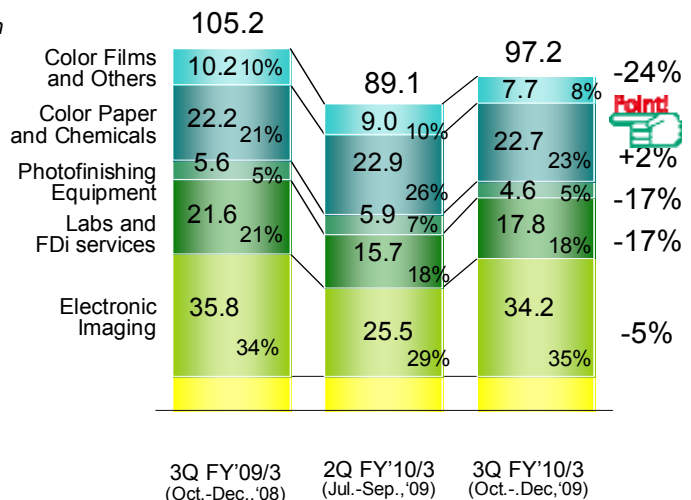
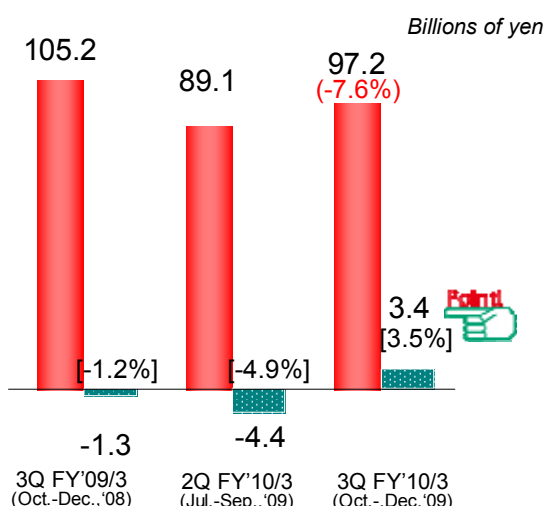
■ Revenue
■ Operating Income Before Restructuring and Other Charges

Billions of yen

%: Proportion of sub-segment revenue

[]: Operating Margin
(): YoY Comparison

YoY



*Note: After elimination of intersegment transaction

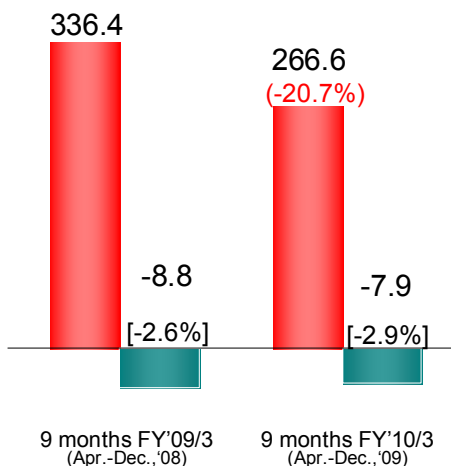
■ Imaging Solutions

Revenue* /Operating Income

- Revenue
- Operating Income Before Restructuring and Other Charges

[]: Operating Margin
(): YoY Comparison

Billions of yen



Revenue

¥266.6 billion (YoY: -20.7%)

- The impact of color film market shrinkage and yen appreciation decreased sales.
- Impact of yen appreciation: -¥25.0 billion(YoY:-7.4%)

Operating Income

Before restructuring and other charges:

-¥7.9billion (YoY: Deficit narrowed)

After restructuring and other charges:

-¥20.3billion (YoY: Deficit widened)

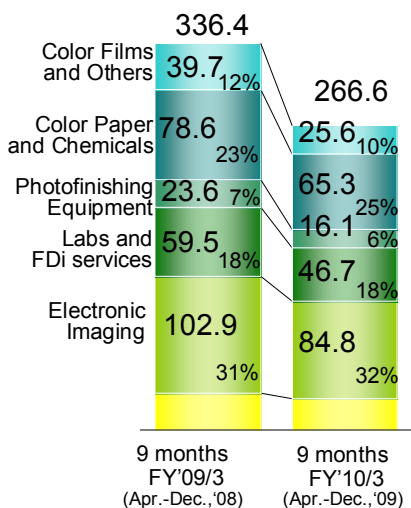
- Although a decline in sales of color film and other products in the photographic business field combined with the impact of yen appreciation to place downward pressure on profitability, a large improvement in digital camera business profitability enabled a reduction in the segment's overall operating loss.

*Note: After elimination of intersegment transaction

Sub-segment Revenue

Billions of yen

%: Proportion of sub-segment revenue



Color Films and Others

¥25.6 billion (YoY: -36%)

- Although sales continued to decline owing to market shrinkage, Fujifilm's market share increased.

Color Paper and Chemicals

¥65.3 billion (YoY: -17%)

- Amid intensifying competition with other companies, expanding marketing promotion measures related to high-value-added print offerings such as photo books.

Electronic Imaging

¥84.8 billion (YoY: -18%)

- Sales decreased due to a drop in unit prices and the impact of yen appreciation.
- Business operating profit was returned to the black owing to benefits generated by efforts to reduce cost of component, shrink fixed costs, and lower inventory levels.
- Sales of entry models were strong in NIEs as well as Europe and other markets.
- On a world wide basis, sales volume of digital cameras during 9 months 'FY10/3 amounted to approximately 7.2million units(YoY:+7%). The sales volume of entry model was 2.4million units.

Electronic Imaging

Leveraging exclusive technologies to create high-value-added, highly differentiated products and thereby strengthening product lineups with product models, including those designed for NIEs markets

FinePix F70EXR (on sale from Aug. 2009)

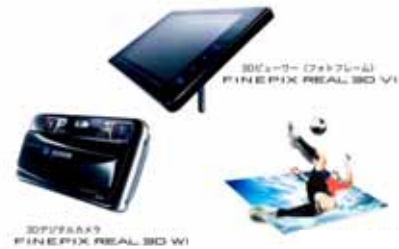
✓ Incorporating epochal new Super CCD EXR that operates in a manner even closer to that of the human eye



FinePix F70EXR

FinePix REAL 3D System (on sale from Aug. 2009)

✓ The FinePix REAL 3D System is the world's first 3D digital real imaging system that makes it simple to record high-quality, natural 3D images and enables the viewing of 3D images without special eyeglasses.



FUJIFILM FinePix REAL 3D System

The model designed for NIEs (launched sequentially from Jul. 2009)

✓ Priced at low levels below \$100, these products feature functions and designs that meet the needs of each marketing region.



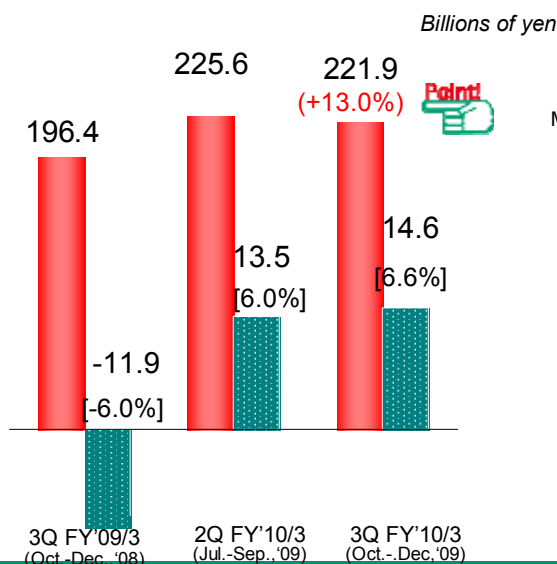
「A170」the model designed for NIEs 10M, 3X zoom

Operating Segments (3Quarter, Oct. - Dec.)

Information Solutions

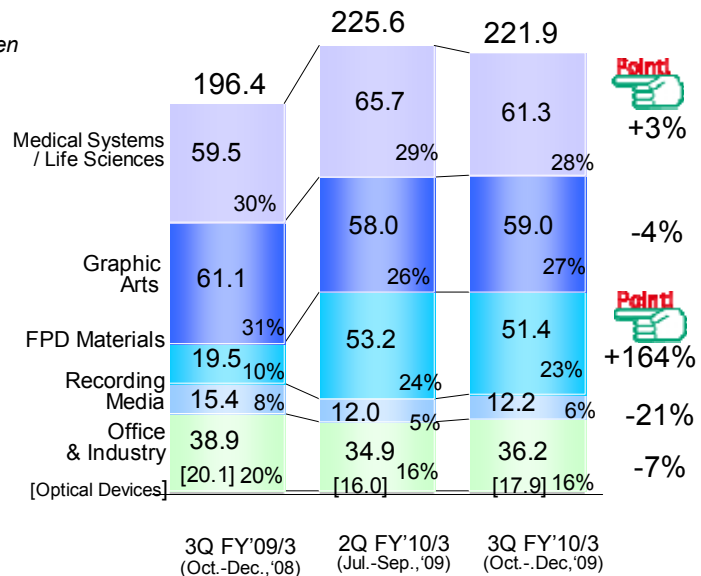
Revenue* / Operating Income

■ Revenue
 ■ Operating Income Before Restructuring and Other Charges
 []: Operating Margin
 (): YoY Comparison



Sub-segment Revenue

Billions of yen
 %: Proportion of sub-segment revenue

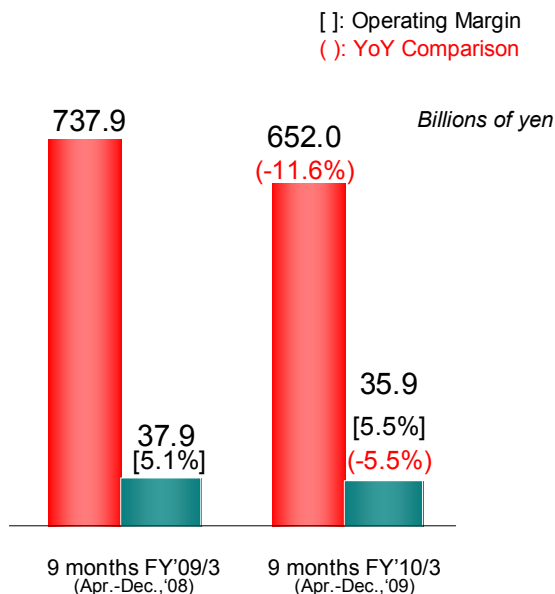


*Note: After elimination of intersegment transaction

Information Solutions

Revenue* /Operating Income

- Revenue
- Operating Income Before Restructuring and Other Charges



Revenue

¥652.0 billion (YoY: -11.6%)

- Sales in FPD materials and pharmaceutical business increased, but sales decreases in graphic arts, optical devices, and other fields led to an overall decline in revenue.
- Impact of yen appreciation: -¥32.4 billion(YoY:-4.4%)

Operating Income

Before restructuring and other charges:

¥35.9 billion (YoY: -5.5%)

After restructuring and other charges:

-¥4.5 billion (YoY: fell into red)

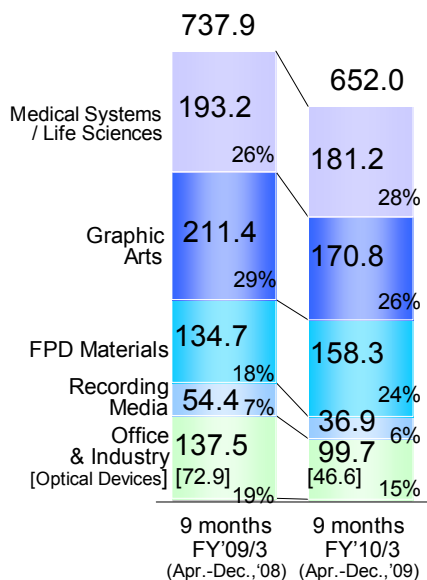
- Despite the impact from the sales decrease and yen appreciation, the strength of business in FPD materials and other fields kept the margin of decline in profitability very small.

*Note:After elimination of intersegment transaction

Information Solution

Sub-segment Revenue

Billions of yen
%: Proportion of sub-segment revenue



Medical Systems / Life Sciences

¥181.2 billion (YoY: -6%)

- Having previously launched low-priced/compact FCR PRIMA products in NIEs markets, we are now also promoting growing sales of those products in the Japan/North America./Europe markets.
- Through the launch of CALNEO series digital X-ray diagnostic imaging systems and other measures, we are augmenting our lineup of high-value-added products as a means of strengthening our sales.
- Sales of SYNAPSE and other medical-use picture archiving and communication system products are smoothly increasing.
- Regarding pharmaceuticals, influenza therapy drug candidate T-705 entered Phase III clinical trials in Japan in October 2009, and sales of Zosyn and Geninax are robust.

Graphic Arts

¥170.8billion (YoY: -19%)

- Printing-related demand has decreased, and overall sales of graphic arts materials have declined. Demand for printing plate materials showed a recovery trend in China and Southeast Asia.
- The Company has recorded strong sales of wide-format UV inkjet systems centered on high-end models.

FPD Materials

¥158.3 billion (YoY: +18%)

- LCD television demand has grown, especially in connection with the Chinese government's measures aimed at stimulating domestic demand. This is generating abundant demand for FUJITAC that has supported continued strong sales of that product.

Office & Industry

¥99.7 billion (YoY: -27%)

- In optical devices, there has been a trend of recovery in orders for camera phone lens units.
- Increasingly widespread use of ArF immersion photoresists by major semiconductor manufacturers in Japan and overseas indicates that sales of ArF immersion photoresists in leading-edge fields will be robust going forward.

Zosyn: pharmaceuticals applicable to the treatment of blood poisoning, pyelonephritis, complex cystitis, and pneumonia
Geninax: pharmaceuticals applicable to the treatment of respiratory and otological infections

FPD Materials

Initiated full-scale operations at the No. 9 WV Film Plant (Jul. 2009)

- ✓ Responding to growing demand for LCD televisions in NIEs
- ✓ Strengthening WV Film manufacturing capabilities and establishing systems that ensure stable product supplies.



No. 9 WV Film plant

Initiated operations at the No.2 FUJITAC manufacturing line of the No.3 plant(Dec. 2009)

- ✓ In accordance with previous plans, FUJIFILM Kyushu has increased the annual FUJITAC manufacturing capacity of its six production lines at three plants
- ✓ The total manufacturing capacity is 6.8 million m²

Pharmaceuticals

(Ref.P28)

Toyama Chemical's net sales in the 9 months period were up 33% compared with the same period of the previous year.

- ✓ Zosyn and Geninax achieved steady sales growth.



Zosyn

Launch of Ozex fine granules for children (on sale from Jan. 12, 2010)

- ✓ New options for treatment of pneumonia and otitis media in children-areas where progress is stalled



Geninax

Start of Phase III Clinical Trials of T-705 as a treatment for influenza infections in Japan (from Oct. 29, 2009)

Operating Segments (3Quarter, Oct. - Dec.)

■ Document Solutions

Revenue* /Operating Income

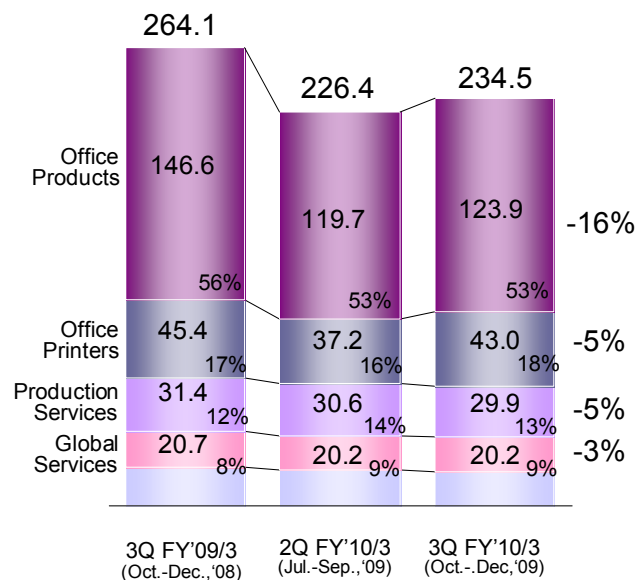
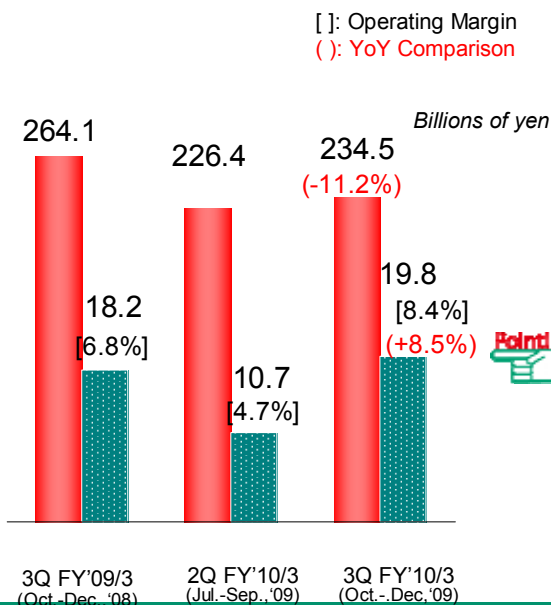
- Revenue
- Operating Income Before Restructuring and Other Charges

Sub-segment Revenue

Billions of yen

%: Proportion of sub-segment revenue

YoY



*Note: After elimination of intersegment transaction

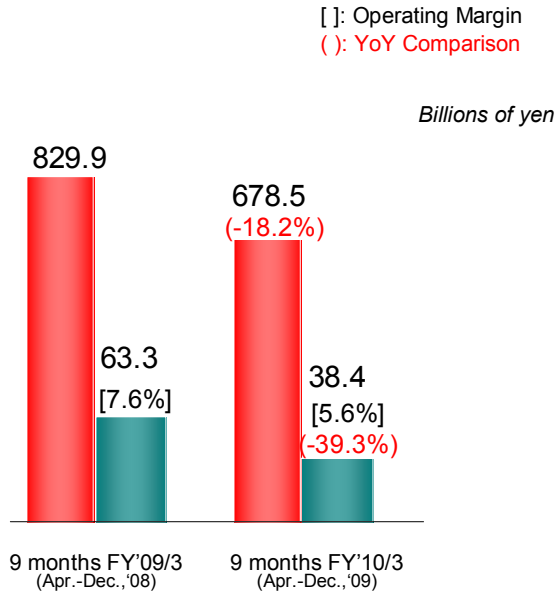
Operating Segments (9 months, Apr. - Dec.)



■ Document Solutions

Revenue* /Operating Income

- Revenue
- Operating Income Before Restructuring and Other Charges



Revenue

¥678.5billion (YoY:-18.2%)

- The impact of slack demand and yen appreciation caused a sales decline, although there have been trends of recovery in certain sectors. For example, excluding the impact of exchange rate trends, positive growth has been recorded from the beginning of the latter half of the year in China and other Asian markets.
- Impact of yen appreciation: -¥32.1 billion (YoY:-3.9%)

Operating Income

Before restructuring and other charges:

¥38.4billion (YoY: -39.3%)

After restructuring and other charges:

¥25.2billion (YoY: -57.2%)

- Continued efforts to reduce cost of sales and to strictly manage SG&A costs to increase cost efficiency are supporting trends of recovering profitability in the latter half of the year

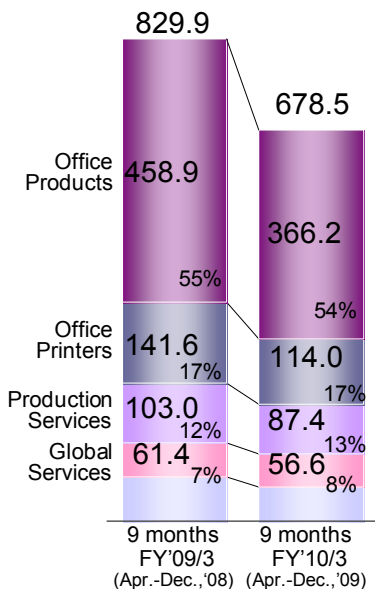
*Note: After elimination of intersegment transaction

Operating Segments (9 months, Apr. - Dec.)



Sub-segment Revenue

Billions of yen
%: Proportion of sub-segment revenue



Office Products

¥366.2billion (YoY: -20%)

- In Japan, although the impact of corporate efforts to restrain capital investment has reduced revenue, there is a trend of recovery in the number of copies being made.
- Exports to U.S.-based Xerox Corporation decreased. In the Asia-Oceania region, however, growing sales volume in the Chinese market enabled a recovery to the level in the previous year.

Office Printers

¥114.0billion (YoY: -20%)

- Although falling demand in Japan reduced domestic sales volume, there is a trend of recovery in exports of color products to U.S.-based Xerox Corporation.
- Regarding the Asia-Oceania region, strong performances in China and other Asian markets led to a large rise in sales volume.

Production Services

¥87.4billion (YoY: -15%)

- With respect to domestic sales and exports to U.S.-based Xerox Corporation, although overall sales volume decreased, sales of light production color system products have been strong.
- In the China-Oceania region, light production color system sales have been strong, and the sales volume of such products has risen.

Global Services

¥56.6 billion (YoY: -8%)

- Although the impact of deteriorating economic conditions caused sales to decrease, an increase was recorded in managed print services.

One after another epochal new products have been launched since August, strengthening the product lineup for marketing operations

Office Product

ApeosPort-IV/DocuCentre-IV Series (8 models)



Realization of the world's top energy conservation performance along with outstanding functionality and ease of operation!

- First incorporation of LEDs and EA-Eco toner in office-use products

[On sale from Aug. 2009](#)

DocuCentre-IV C2260



Strengthening products for small offices—beginning the full-scale development of the medium-sized and small-scale business facility market!

- Besides employing EA-Eco toner, this product has realized a combination of compact size, superior basic functions, and a high cost-performance ratio.

[On sale from Dec. 2009](#)

Production Service

Color 1000 Press / Color 800 Press (2models)



Realizing even higher levels of image quality, productivity, and dependability so that we can dynamically lead the development of the production color printing market

- First high-end-class system of its type to employ EA – Eco toner
- Expanded range of paper compatibility—able to print on thin paper as well as thick paper

[To be launched sequentially from Jan. 29, 2010](#)

Accelerating management innovation activities of Fuji Xerox

Realigns and consolidates development and manufacturing functions to form two new companies
 Accelerates business restructuring towards a more robust corporate structure and a stronger competitive edge (Ref. P29)

Realigning and consolidating R&D functions



Strengthening technological power and customer-response capabilities

R&D functions in five bases scattered about Japan are to be reorganized on the hubs of Fuji Xerox and newly established Fuji Xerox Advanced Technology and consolidated into a new R&D facility in Minato Mirai 21, Yokohama City

【Fuji Xerox】

Concentrating on product development, platforms, marking technologies, and new technology development

【Fuji Xerox Advanced Technology】

Development of modules for image capture, paper feeding, FAX, finishing as well as custom development to swiftly meet customer needs.

Optimizing the manufacturing functions



strengthening cost-competitiveness

Consolidated the manufacturing functions of newly established Fuji Xerox Manufacturing

- Consolidation at the Takematsu Center of manufacturing processes for ground toner and other products previously manufactured at several sites
- Consolidation at the Niigata Factory (previously Niigata Fuji Xerox Manufacturing) of high-tech manufacturing operations centered on production of Office Products (comprehensive shift of office printer manufacturing operations to China)

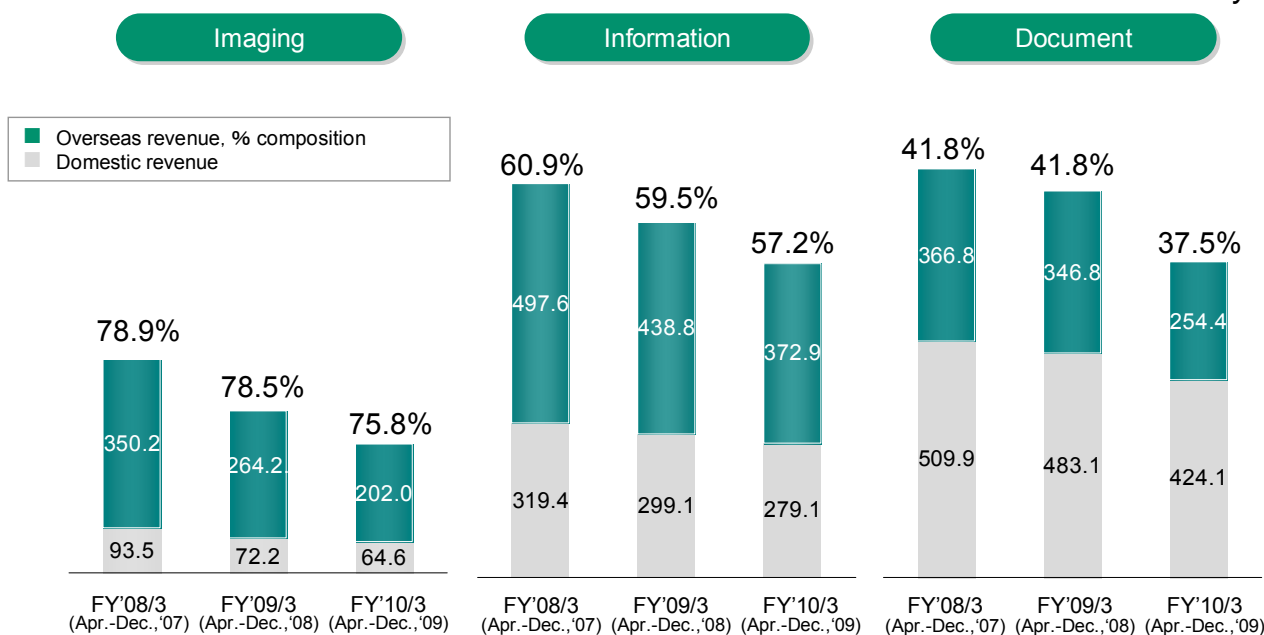
	FY2010/3 Latest plan (Apr.'09- Mar. '10)		FY2010/3 Provision plan (Announced on Oct. 30, '09)		Change		FY2009/3 Actual (Apr.'08 - Mar.'09)	
	Amount	%	Amount	%	Amount	%	Amount	%
Revenue	2,170.0	100.0%	2,300.0	100.0%	(130.0)	(5.7)	2,434.3	100.0%
Operating Income Before Restructuring and Other Charges	80.0	3.7%	55.0	2.4%	25.0	45.5	70.8	2.9%
Restructuring and Other Charges	145.0	6.7%	145.0	6.3%	0	-	33.5	1.4%
Operating Income After Restructuring and Other Charges	(65.0)	(3.0)%	(90.0)	(3.9)%	25.0	-	37.3	1.5%
Income Before Income Taxes	(68.0)	(3.1)%	(93.0)	(4.0)%	25.0	-	9.4	0.4%
Net Income Attributable to FUJIFILM Holdings	(52.0)	(2.4)%	(60.0)	(2.6)%	8.0	-	10.5	0.4%
Net Income Attributable to FUJIFILM Holdings per Share	¥(106.43)		¥(122.80)		¥16.37		¥21.10	
Exchange Rates								
US\$	¥93		¥93		-		¥101	
€	¥131		¥132		¥(1)		¥145	

Impact of exchange rates movement on operating income (full year, ¥1 change)
 US\$: ¥0.6 billion €: ¥0.5 billion

Appendix

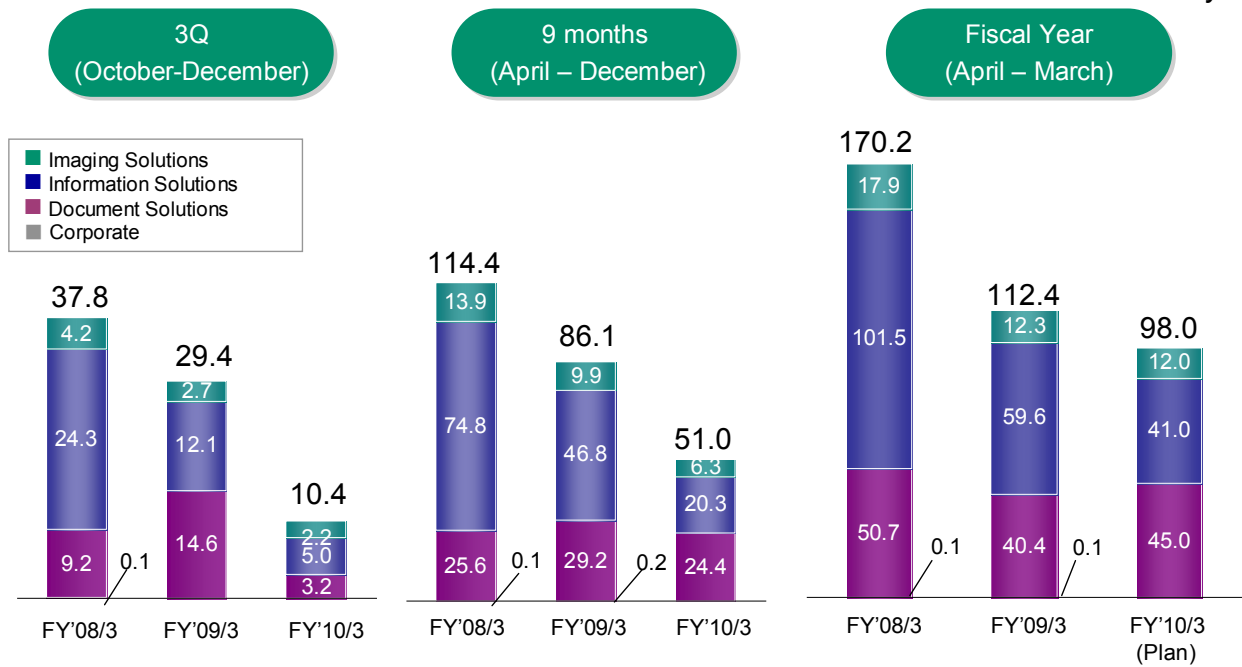
■ Revenue from Overseas (9 months, Apr.-Dec.)

Billions of yen



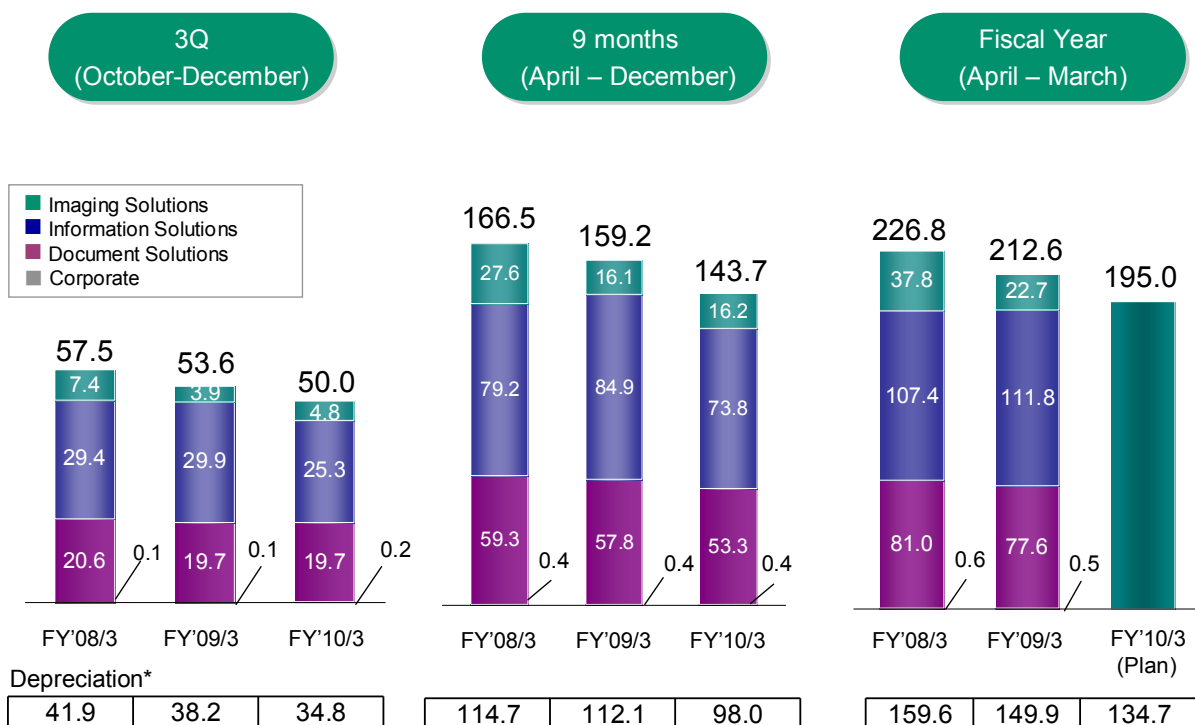
■ Capital Expenditure*

Billions of yen



■ Depreciation & Amortization

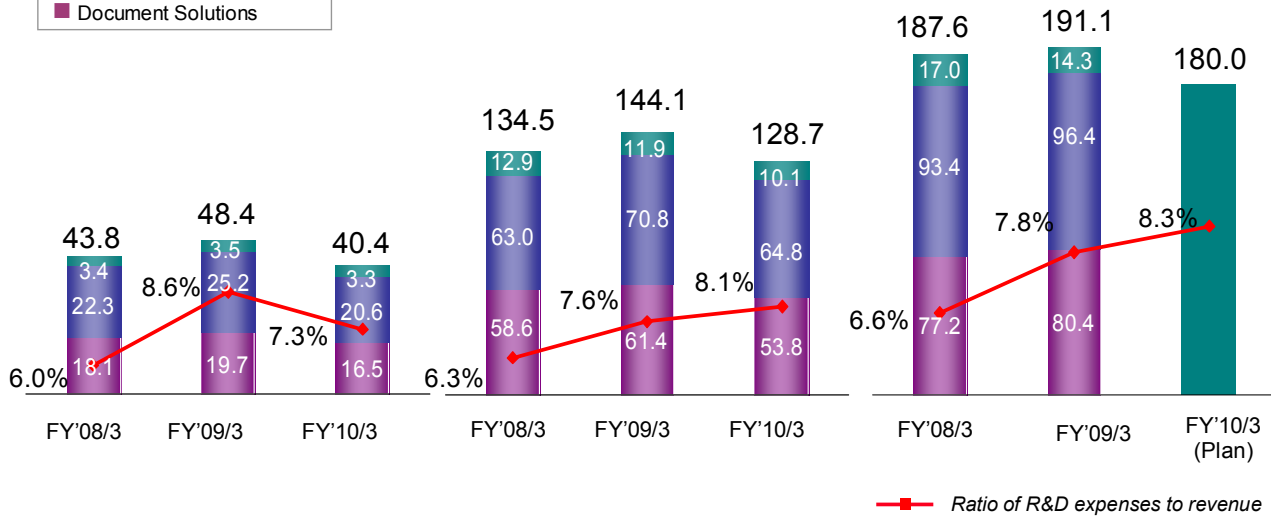
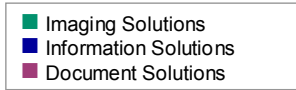
Billions of yen



■ R&D Expenses

Billions of yen

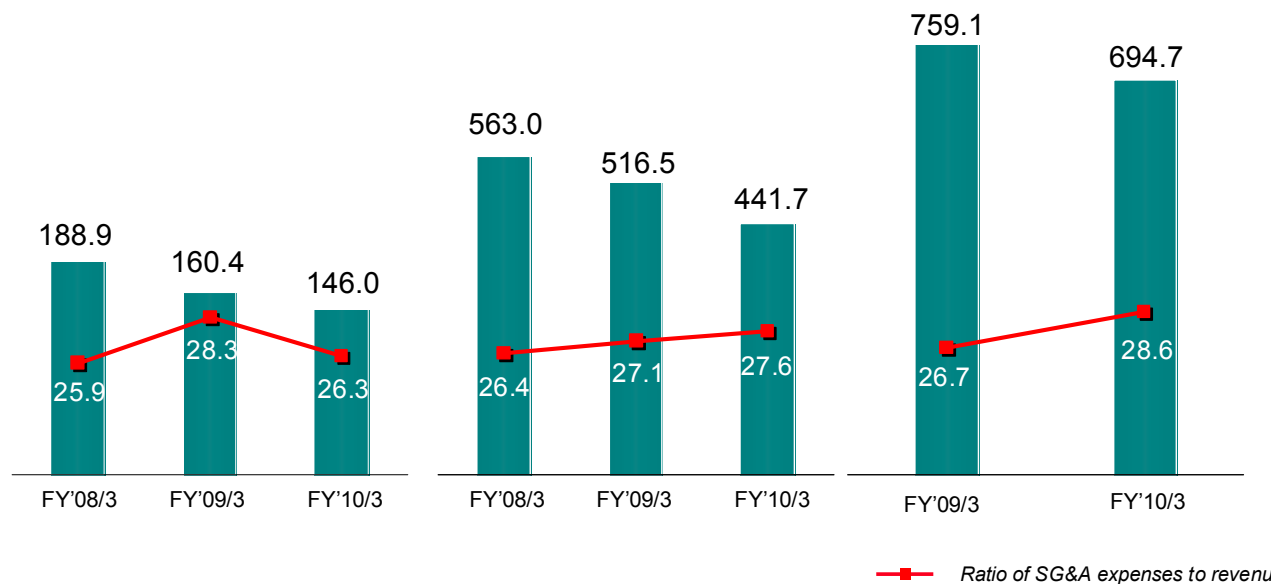
3Q (October-December) 9 months (April – December) Fiscal Year (April – March)



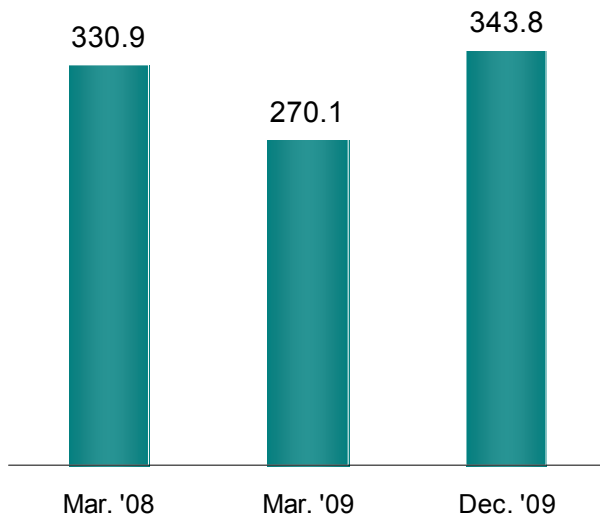
■ SG&A Expenses

Billions of yen

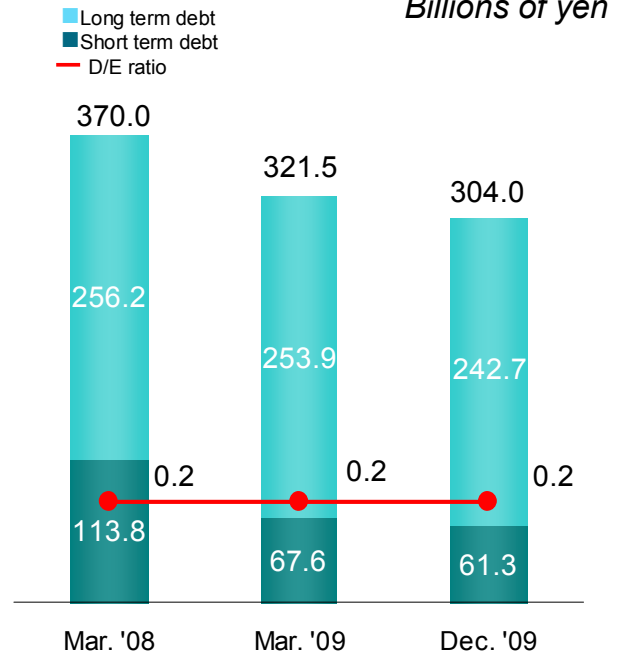
3Q (October-December) 9 months (April – December) Fiscal Year (April – March)



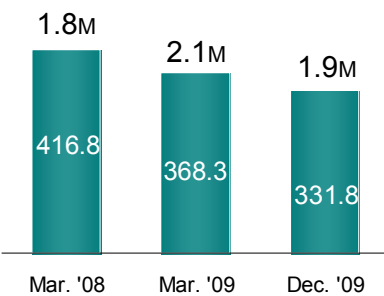
■ Cash and Cash Equivalents



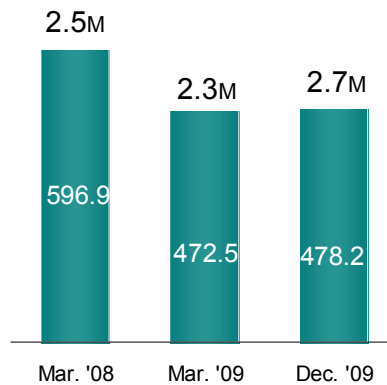
■ Interest Bearing Debt



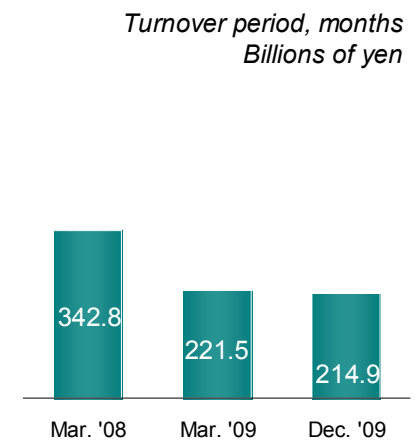
■ Inventories



■ Notes and Accounts Receivable



■ Notes and Accounts Payable



■ Current State of New Drug Development

Development code	Therapeutic category	Region	Development stage					Formulation
			Non-clinical	P I	P II	P III	Filed	
T-3762	Quinolone synthetic antibacterial	Japan	[Progress bar]					Injection*
T-614	Rheumatoid arthritis	Japan	[Progress bar]					Oral
T-3811	New-type quinolone synthetic antibacterial	Japan	[Progress bar]					Injection**
		U.S.A.	[Progress bar]					Oral/Injection
		Europe	[Progress bar]					
T-705	Antiviral	Japan	[Progress bar]					Oral
		U.S.A.	[Progress bar]					
T-817MA	Alzheimer's disease	U.S.A.	[Progress bar]					Oral
T-5224	Rheumatoid arthritis	Japan	[Progress bar]					Oral
		Overseas	[Progress bar]					
T-2307	Antifungal	U.S.A.	[Progress bar]					Injection
T-1106	Antiviral	Japan	[Progress bar]					Oral

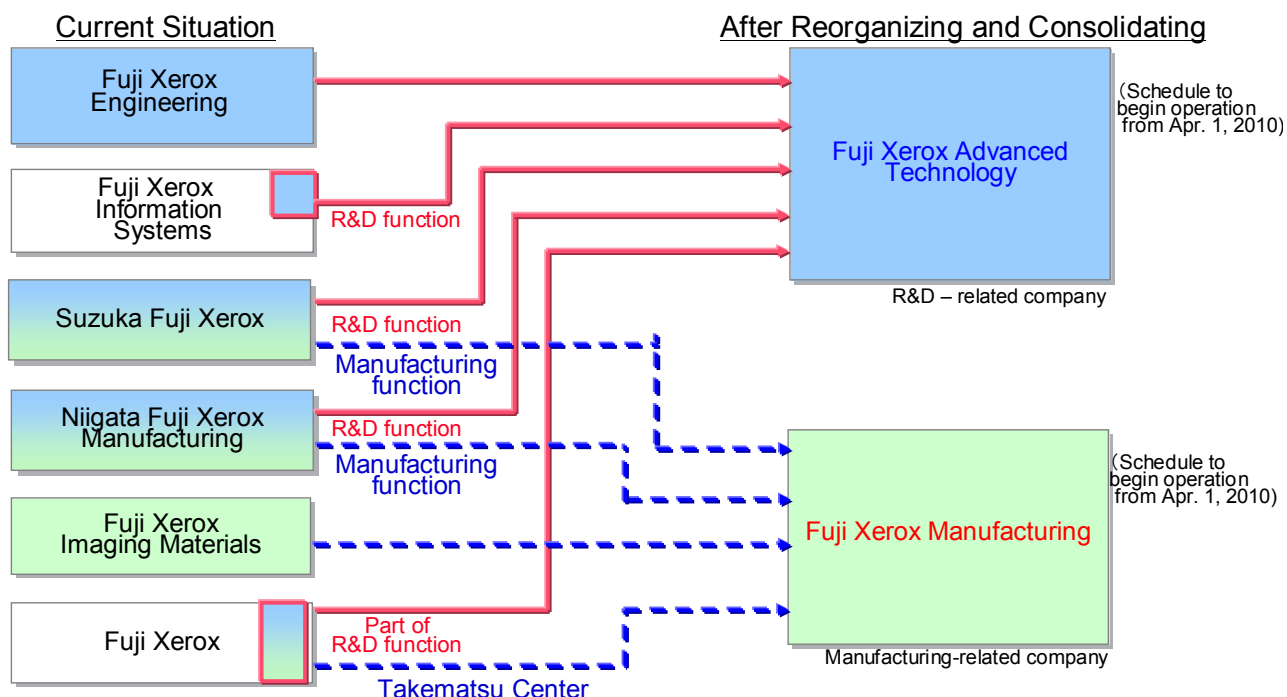
* Additional dosage of "PASIL" intravenous drip, which is currently sold on the market

** Oral drugs are sold under the name "Geninax"

>Changes since the previous announcement (Oct 30, 2009):

T3262 fine granules(Ozex 15% fine granules for children) : Deleted from chart because marketing began in Jan. 2010

■ Fuji Xerox
Reorganizing and consolidating R&D and manufacturing functions



- Exchange Rates

Yen

	FY 2009/3						FY 2010/3					
	9 months					4Q	9 months					4Q Estimated
	1Q	2Q	3Q		1Q		2Q	3Q				
US\$	104	108	97	103	94	101	97	94	90	93	90	93
Euro	163	162	128	151	124	145	133	133	133	133	125	131

Sensitivity of Currency
(full year, ¥1 change)

Billions of Yen

	Operating income
US\$	0.6
Euro	0.5

- Number of Employees

	Dec. 2008	Mar. 2009	Jun. 2009	Sep. 2009	Dec. 2009
Consolidated Total	78,203	76,252	75,929	75,938	75,333

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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.