

## Earnings of 1H FY2011/3 (April 1 - September 30, 2010)

FUJIFILM Holdings Corporation

October 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 1H FY2011/3

The launch of new products, measures to expand marketing in emerging countries, and thorough cost reductions improved profitability by a large margin.

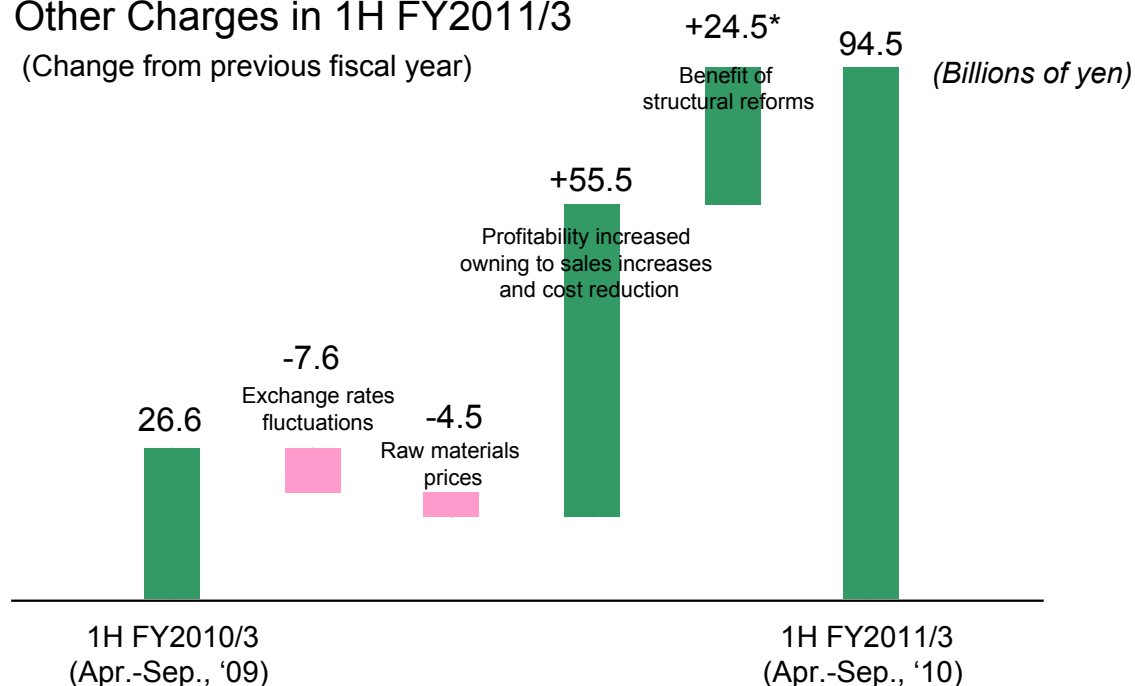
This boosted the ratio of operating income to **8.6%**,  
above the corresponding level for the first half of the FY2009/3, before the "Lehman Shock"  
and the start of the global financial crisis.

(Billions of yen)	1H FY2009/3 (Apr. - Sep. 2008)		1H FY2010/3 (Apr. - Sep. 2009)		1H FY2011/3 (Apr. - Sep. 2010)		Change	
							Amount	%
Revenue	100.0%	1,338.4	100.0%	1,043.5	100.0%	1,105.3	+61.8	5.9
Operating Income Before Restructuring and Other Charges	6.4%	85.3	2.5%	26.6	8.6%	94.5	+67.9	255.4
Restructuring and Other Charges	0.3%	4.1	3.3%	35.2	0.8%	8.6	(26.6)	-
Operating Income After Restructuring and Other Charges	6.1%	81.2	(0.8)%	(8.6)	7.8%	85.9	+94.5	-
Income Before Income Taxes	6.1%	81.7	(0.8)%	(8.0)	7.0%	77.0	+85.0	-
Net Income Attributable to FUJIFILM Holdings	3.4%	45.3	(0.5)%	(5.4)	3.6%	40.3	+45.7	-
Net Income Attributable to FUJIFILM Holdings per Share		¥89.97		¥(11.07)		¥82.48		+¥93.55
Exchange Rates								
US\$		¥106		¥96		¥89		¥(7)
€		¥163		¥133		¥114		¥(19)

excluding the impact of forex  
YoY:  
+8.6%

■ Analysis of Operating Income Before Restructuring and Other Charges in 1H FY2011/3

(Change from previous fiscal year)



\*Structural reform benefit figures refer to the effects of the structural reforms and related expenses implemented to date.

Implementation of Structural Reforms

The implementation of structural reforms proceeded as planned, and the benefits from the reforms steadily emerged.

【Expense】

(Billions of yen)

	1H FY'11/3	FY'10/3(A)	FY'11/3(F)
Imaging Solutions	1.7	54.1	10.0
Information Solutions	0.9	64.3	2.0
Document Solutions	6.0	25.3	13.0
Total Expense	8.6	143.7	25.0

【Benefit\*】

1H FY'10/3	1H FY'11/3	FY'10/3(A)	FY'11/3(F)	FY'12/3(F)
14.5	39.0	38.0	83.0	90.0

YoY improvement 24.5

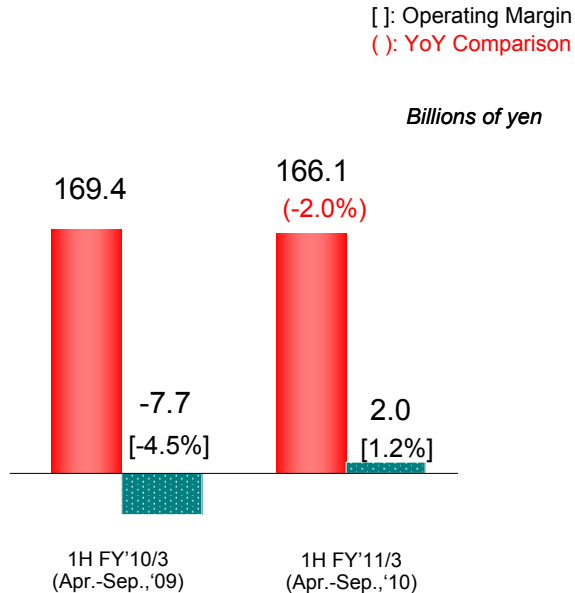
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\*Structural reform benefit figures refer to the effects of the structural reforms and related expenses implemented to date.

## ■ Imaging Solutions

### Revenue\* /Operating Income

- Revenue
- Operating Income Before Restructuring and Other Charges



### Revenue

¥166.1billion (YoY: -2.0%)  
(excluding the impact of forex: YoY +4.4%)

- Although yen appreciation had an impact on performance, strong sales of digital cameras and other factors kept net sales at a level only slightly below that of the same period in the previous fiscal year.
- Impact of forex : -¥10.8billion

### Operating Income

**Before restructuring and other charges:**  
¥2.0 billion (return to profitability)

**After restructuring and other charges:**  
¥0.3billion (return to profitability)

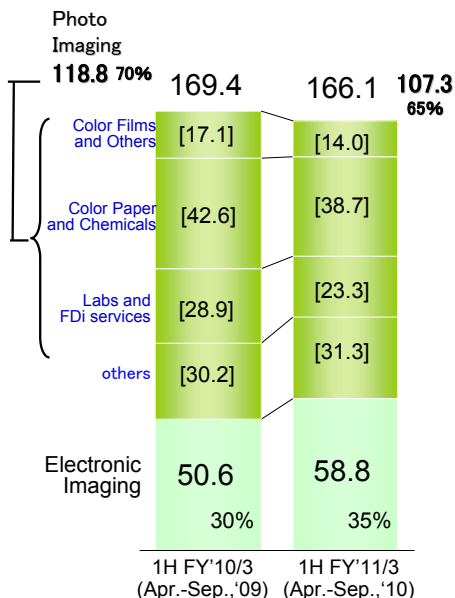
- Cost reductions, benefits of structural reforms and other factors offset the negative impact on profitability of yen appreciation and high raw materials prices.

\*Note: After elimination of intersegment transaction

Due to the reclassification of corporate expenses, operating income for the FY 2010/3, has been restated.

### Sub-segment Revenue

Billions of yen  
%: Proportion of sub-segment revenue



### Photo Imaging

¥107.3billion (YoY: -10%)

- Regarding color paper products, although the impact of yen appreciation caused revenue to decline, growth in sales volume was achieved due to an increase in market share, robust sales of such high-value-added prints as Photobook prints, and other factors.

### Electronic Imaging

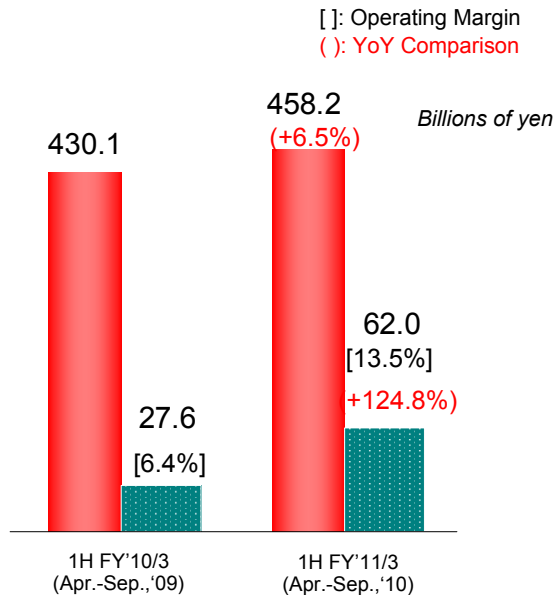
¥58.8billion (YoY: +16%)

- Sales volume of digital cameras during 1H FY'11/3 amounted to approximately 5.5million units(YoY:+40%)
- Sales volume increased greatly in emerging countries, principally the BRICs. Moreover, robust sales were achieved in Japan, the United States, and Europe.
- Such distinctive digital cameras as the FinePix F300EXR and FinePix REAL 3D W3, 3D digital camera, were well received.
- The FinePix HS10 is the world's first camera to feature a manually operated 30x optical zoom lens, and it won the European Imaging and Sound Association (EISA) Award, which is a highly authoritative award in Europe.

## Information Solutions

### Revenue\* / Operating Income

- Revenue
- Operating Income Before Restructuring and Other Charges



### Revenue

¥458.2 billion (YoY: +6.5%)  
(excluding the impact of forex: YoY +10.5%)

- Despite the impact of yen appreciation, increased sales were recorded in flat panel display materials business, medical systems and life sciences business, and other principal businesses.
- Impact of forex : -¥16.9 billion

### Operating Income

**Before restructuring and other charges:**  
¥ 62.0billion (YoY: 2.2 times)

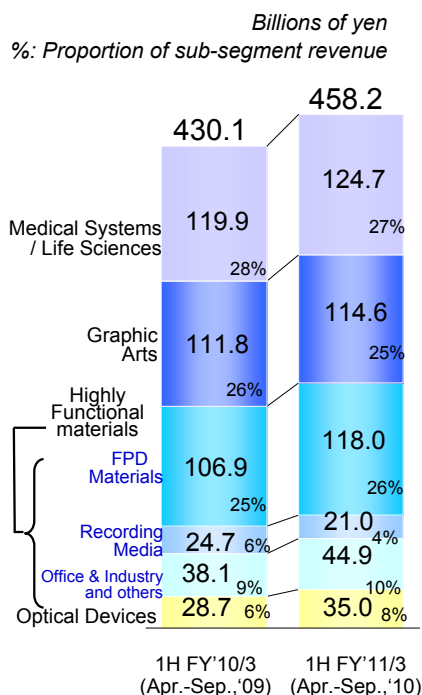
**After restructuring and other charges:**  
¥61.1billion (YoY: 5.5 times)

- Despite the impact of yen appreciation, profitability increased owing to such factors as a rise in sales and the implementation of cost reduction measures and the benefits of structural reforms.
- The ratio of operating income before restructuring and other charges increased considerably.

\*Note: After elimination of intersegment transaction

Due to the reclassification of corporate expenses, operating income for the FY 2010/3, has been restated.

### Sub-segment Revenue



### Medical Systems / Life Sciences ¥124.7billion (YoY: +4%)

- Despite the trend of decreasing demand for film products in developed countries, revenue increased 4% due to such factors as the recovery of Japanese markets, the expansion of marketing in China and other emerging countries, and a rise in pharmaceutical product and healthcare businesses-related revenue.
- Compact and relatively low-priced FCR models sustained strong sales. In addition, the DR CALNEO series was expanded with the launch of the cassette-sized DR CALNEO C products.
- Sales of SYNAPSE medical-use picture archiving and communications systems have continued to increase.
- In pharmaceutical product business, the marketing of Zosyn\* proceeded smoothly.

### Graphic Arts ¥114.6billion (YoY: +3%)

- Aimed a worldwide recovery in demand, proactive marketing expansion measures supported an increase in revenue.
- Strong sales were recorded of Acuity and Onset wide-format UV inkjet systems.

### FPD Materials ¥118.0billion (YoY: +10%)

- Sales of FUJITAC and WV film products remained robust owing to factors including the domestic demand stimulation policies of Japan and China.

### Office & Industry and others ¥44.9billion (YoY: +18%)

- Strong performance was maintained owing to growth in sales of resists, cleansing liquids, chemical mechanical planarization (CMP) slurry, and other products to leading semiconductor manufacturers.

### Optical Devices ¥35.0billion (YoY: +22%)

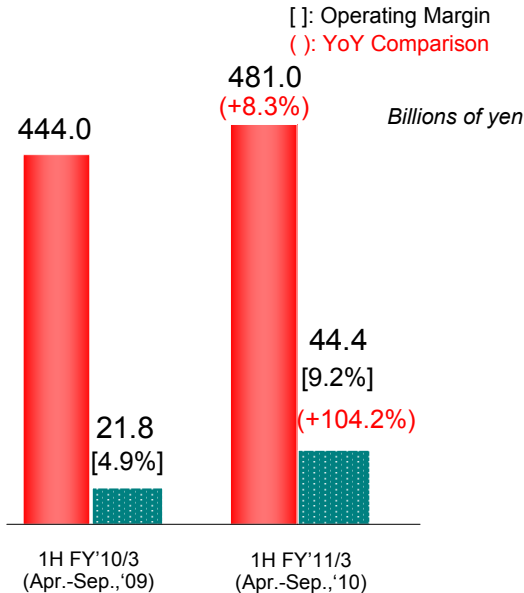
- A recovery in demand for camera phone lens units, television camera lenses, and other products enabled sales growth.

\*Zosyn: pharmaceuticals applicable to the treatment of blood poisoning, pyelonephritis, complex cystitis, and pneumonia

## Document Solutions

### Revenue\* /Operating Income

- Revenue
- Operating Income Before Restructuring and Other Charges



### Revenue

¥481.0billion (YoY:+8.3% )  
(excluding the impact of forex: YoY +8.4%)

- Large increases in sales in the Asia-Oceania region and in exports to Xerox Corporation
- Impact of forex : -¥0.5 billion

### Operating Income

**Before restructuring and other charges:**

¥44.4billion (YoY: 2.0 times)

**After restructuring and other charges:**

¥38.4billion (YoY: 3.1 times)

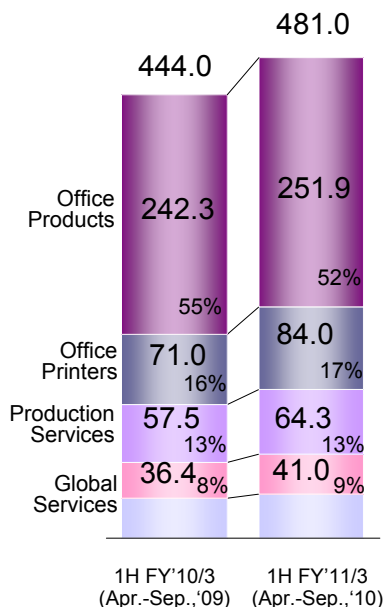
- Profitability was greatly improved owing to the rise in revenue, the implementation of cost reduction measures, benefits from structural reforms and other factors.

\*Note: After elimination of intersegment transaction

Due to the reclassification of corporate expenses, operating income for the FY 2010/3, has been restated.

### Sub-segment Revenue

Billions of yen  
%: Proportion of sub-segment revenue



### Office Products

¥ 251.9billion (YoY: +4%)

- In Japan, sales volume increases were achieved for both color and monochrome models, and an uptrend was seen in the number of copies made. In the Asia-Oceania region, the sales volume of color products rose.
- In the Asia-Oceania region, the sales volume of color products increased. Shipment volume to Xerox Corporation of both color and monochrome models grew by considerable margins.

### Office Printers

¥84.0billion (YoY: +18%)

- In all regions, sales volume grew by large margins. In particular, the Company recorded extremely strong sales in the Asia-Oceania region as well as extremely strong shipments to Xerox Corporation.

### Production Services

¥64.3billion (YoY: +12%)

- In Japan, despite the impact of companies' efforts to restrain their investments, unit sales were maintained at a level comparable to that in the same period of the previous fiscal year owing to an increase in sales of color light production products.
- Owing to the strength of sales of entry model color production products, the Company achieved growth in its sales volume in the Asia-Oceania region as well as in the volume of its shipments to Xerox Corporation.

### Global Services

¥41.0billion (YoY: +13%)

- Sales revenue grew in Japan as well as the Asia-Oceania region. In August 2010, the Company acquired a managed print service (MPS) provider, and plans call for expanding related business operations

(Billions of yen)	Segment	FY'10/3 Actual	1H FY'11/3 Actual	progress	FY'11/3*2 (forecast)
				to forecast (%)	
Revenue	Imaging	345.5	166.1	47.5	350.0
	Information	900.8	458.2	46.8	980.0
	Document	935.4	481.0	49.6	970.0
Operating income before restructuring and other charges*1	Imaging	(9.2)	2.0	39.7	5.0
	Information	75.0	62.0	65.2	95.0
	Document	64.4	44.4	63.5	70.0
	Corporate expenses and eliminations	(28.6)	(13.9)	-	(25.0)
	<b>Total</b>	<b>101.6</b>	<b>94.5</b>	<b>65.2</b>	<b>145.0</b>
Restructuring and other charges	Imaging	54.1	1.7	17.3	10.0
	Information	64.3	0.9	44.2	2.0
	Document	25.3	6.0	46.2	13.0
Operating income after restructuring and other charges	<b>Total</b>	<b>(42.1)</b>	<b>85.9</b>	<b>71.6</b>	<b>120.0</b>

\*1 Due to the reclassification of corporate expenses, operating income for the FY2011/3, has been restated.

\*2 3Q FY'2011/3~ US\$: ¥80, €: ¥110 10

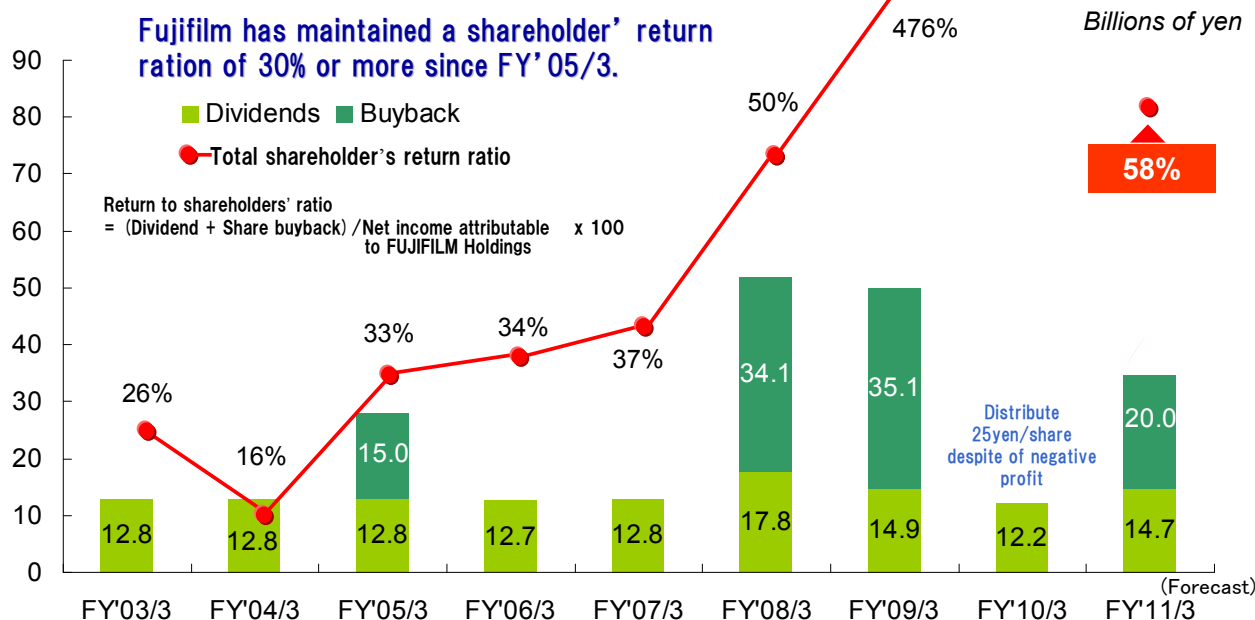
## Shareholder's return

### Announced Share Buyback (on October 29)

- Total number of shares bought (upper limit):  
7.5 million shares (1.5% of shares outstanding)
- Total value of shares bought (upper limit) : ¥20.0 billion
- Dates when the buyback is conducted: Nov. 1, '10 – Jan. 31, '11

### Dividends

- Cash dividends (Forecast) :  
¥30 per share



■ Performance Summary for 2Q FY2011/3

(Billions of yen)	2Q FY2009/3 (Jul.'08-Sep.'08)		2Q FY2010/3 (Jul.'09-Sep.'09)		2Q FY2011/3 (Jul.'10-Sep.'10)		Change from the previous fiscal year	
							Amount	%
Revenue	100.0%	684.7	100.0%	541.1	100.0%	557.9	+16.8	3.1
Operating Income Before Restructuring and Other Charges	5.5%	37.7	3.5%	19.0	7.9%	44.0	+25.0	131.5
Restructuring and Other Charges	0.3%	2.4	4.6%	24.9	0.9%	5.0	(19.9)	-
Operating Income After Restructuring and Other Charges	5.2%	35.3	(1.1)%	(5.9)	7.0%	39.0	+44.9	-
Income Before Income Taxes	3.9%	26.7	(1.7)%	(9.2)	6.9%	38.5	+47.7	-
Net Income Attributable to FUJIFILM Holdings	2.0%	13.4	(0.9)%	(4.7)	4.0%	22.5	+27.2	-
Net Income Attributable to FUJIFILM Holdings per Share		¥26.66		¥(9.65)		¥46.14		+¥55.79
Exchange Rates								
US\$		¥108		¥94		¥86		¥(8)
€		¥162		¥133		¥111		¥(22)

■ Imaging Solutions

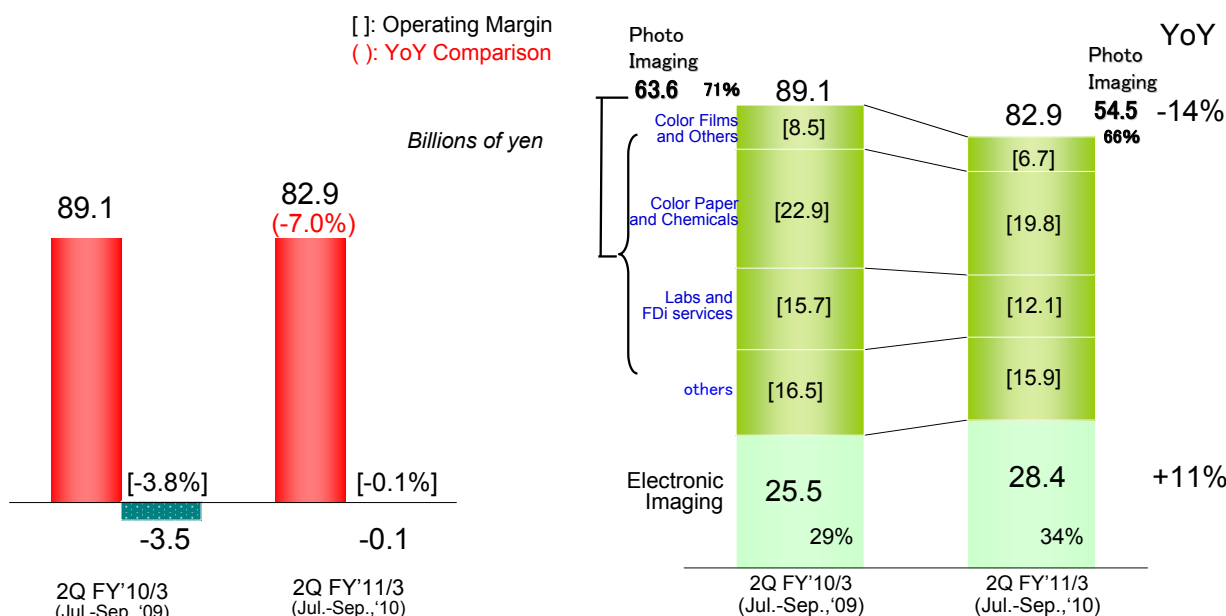
Revenue\* /Operating Income

Sub-segment Revenue

- Revenue
- Operating Income Before Restructuring and Other Charges

Billions of yen

%: Proportion of sub-segment revenue



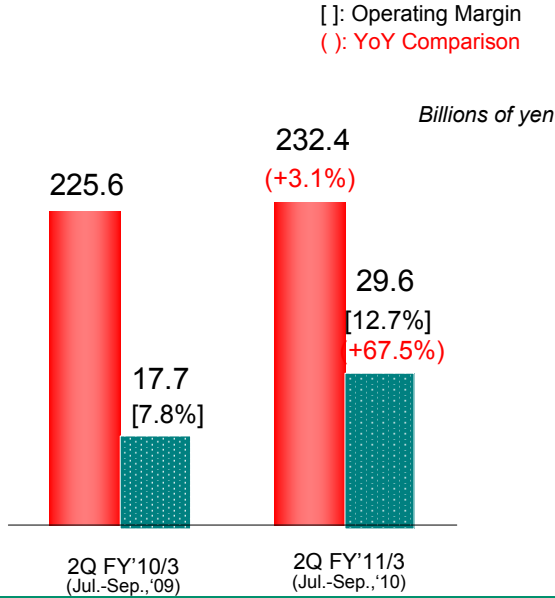
\*Note: After elimination of intersegment transaction

Due to the reclassification of corporate expenses, operating income for the FY 2010/3, has been restated.

Information Solutions

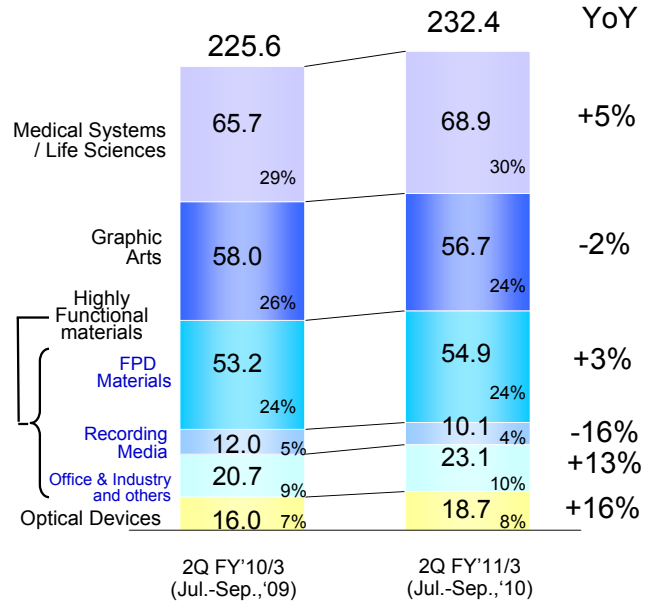
Revenue\* /Operating Income

■ Revenue  
 ■ Operating Income Before Restructuring and Other Charges



Sub-segment Revenue

Billions of yen  
 %: Proportion of sub-segment revenue



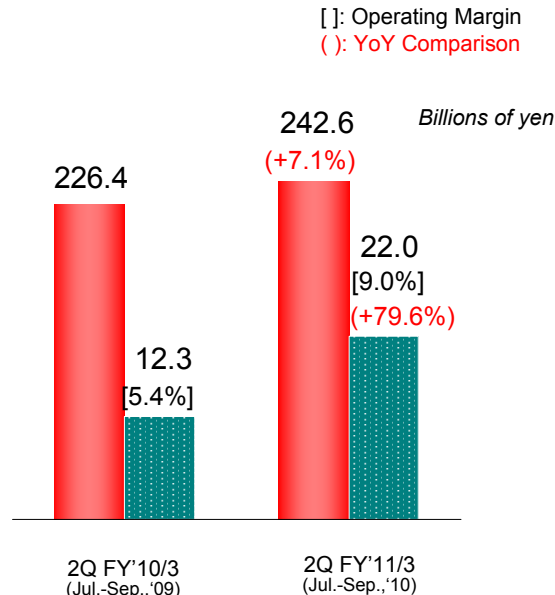
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Due to the reclassification of corporate expenses, operating income for the FY 2010/3, has been restated.

Document Solutions

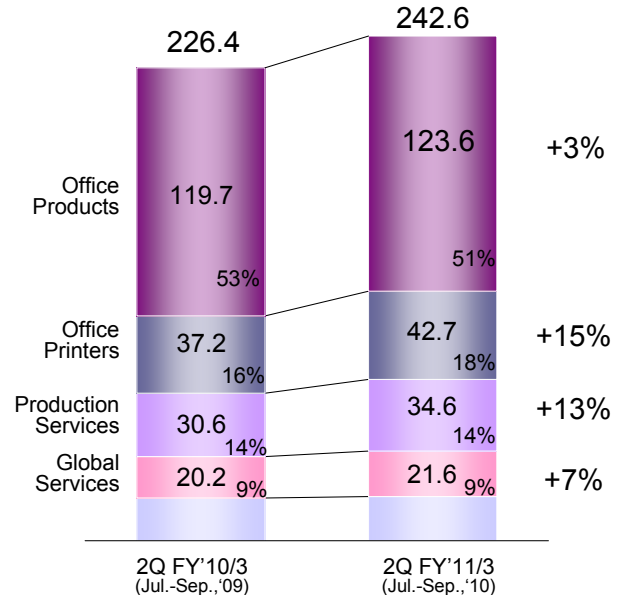
Revenue\* /Operating Income

■ Revenue  
 ■ Operating Income Before Restructuring and Other Charges



Sub-segment Revenue

Billions of yen  
 %: Proportion of sub-segment revenue



\*Note: After elimination of intersegment transaction

Due to the reclassification of corporate expenses, operating income for the FY 2010/3, has been restated.

## ■ Revenue from Domestic and Overseas

Billions of yen

(Billions of yen)	1H FY'09/3		1H FY'10/3		1H FY'11/3		
	Ratio (%)		Ratio (%)		Ratio (%)		Y o Y Change (%)
<b>Domestic</b>	44.1	590.4	48.7	508.0	46.2	510.2	0.5
The Americas	18.5	248.2	16.3	170.4	17.0	188.2	10.4
Europe	15.1	201.8	11.9	124.4	11.6	128.2	3.0
China	8.9	119.1	10.4	108.1	11.2	124.3	15.0
Asia and others	22.3	298.0	23.1	240.7	25.2	278.7	15.8
<b>Overseas</b>	55.9	748.0	51.3	535.5	53.8	595.1	11.1
<b>Consolidated total</b>	100.0	1,338.4	100.0	1,043.5	100.0	1,105.3	5.9

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## ■ Capital Expenditure , Depreciation & Amortization

Billions of yen

	FY2009/3			FY2010/3			FY2011/3		
	2Q	1H		2Q	1H		2Q	1H	(plan)
Imaging	4.0	7.2	12.3	2.5	4.1	9.1	2.3	4.0	10.0
Information	14.5	34.7	59.6	8.5	15.3	28.5	14.2	23.3	70.0
Document	9.7	14.6	40.4	8.9	21.2	40.3	6.6	8.2	29.0
Corporate	0.1	0.2	0.1	0	0	0	0.9	1.0	1.0
<b>Capex *</b>	<b>28.3</b>	<b>56.7</b>	<b>112.4</b>	<b>19.9</b>	<b>40.6</b>	<b>77.9</b>	<b>24.0</b>	<b>36.5</b>	<b>110.0</b>
Imaging	6.8	12.3	22.7	6.1	11.4	21.9	2.6	4.9	-
Information	27.9	55.0	111.8	25.1	48.5	99.1	17.2	36.6	-
Document	19.2	38.0	77.6	17.4	33.6	73.6	16.8	33.4	-
Corporate	0.1	0.3	0.5	0.1	0.2	0.5	1.7	1.9	-
<b>Depreciation &amp; Amortization</b>	<b>54.0</b>	<b>105.6</b>	<b>212.6</b>	<b>48.7</b>	<b>93.7</b>	<b>195.1</b>	<b>38.3</b>	<b>76.8</b>	<b>160.0</b>
<b>Depreciation*</b>	<b>38.0</b>	<b>73.8</b>	<b>149.9</b>	<b>32.7</b>	<b>63.1</b>	<b>135.1</b>	<b>25.9</b>	<b>51.1</b>	<b>115.0</b>

\*Note: Figures do not include amounts for rental equipment handled by the Document Solutions segment.

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## ■ R&D Expenses, SG&A Expenses

*Billions of yen*

	FY2010/3			FY2011/3		
	2Q	1H		2Q	1H	(plan)
Imaging	2.0	4.1	8.5	2.3	4.2	-
Information	20.0	38.1	77.2	18.8	34.6	-
Document	16.7	34.4	65.9	17.2	33.5	-
Corporate	6.0	11.7	23.5	5.7	10.7	-
<b>R&amp;D Expenses</b>	<b>44.7</b>	<b>88.3</b>	<b>175.1</b>	<b>44.0</b>	<b>83.0</b>	<b>170.0</b>
<ratio to revenue>	8.3%	8.5%	8.0%	7.9%	7.5%	7.4%
<b>SG&amp;A Expenses</b>	<b>148.2</b>	<b>295.7</b>	<b>588.2</b>	<b>141.5</b>	<b>281.0</b>	<b>590.0</b>
<ratio to revenue >	27.4%	28.3%	26.9%	25.4%	25.4%	25.7%

*\*Due to the reclassification of corporate expenses, operating income for the FY 2010/3, has been restated.* 18

## ■ Cash Flow

*Billions of yen*

	1H FY2009/3	1H FY2010/3	1H FY2011/3
Net income	51.2	(4.7)	44.9
Depreciation & amortization	105.6	93.7	76.8
Change in notes and accounts receivable	32.3	30.0	7.4
Change in inventories	(10.3)	35.1	(34.9)
Change in notes and accounts payable-trade	(22.4)	(7.4)	(4.0)
Change in accrued income taxes and other liabilities	(38.7)	7.9	(6.7)
Others	15.4	24.8	22.0
<b>C/F from operating activities</b>	<b>133.1</b>	<b>179.4</b>	<b>105.5</b>
Capital expenditure	(82.9)	(42.6)	(48.5)
Sales and purchases of marketable and investment securities	7.5	(3.6)	(12.9)
Others	(11.5)	(13.3)	(19.4)
<b>C/F from investing activities</b>	<b>(86.9)</b>	<b>(59.5)</b>	<b>(80.8)</b>
<b>Free cash flow</b>	<b>46.2</b>	<b>119.9</b>	<b>24.7</b>
<b>C/F from operating activities + Capital expenditure</b>	<b>50.2</b>	<b>136.8</b>	<b>57.0</b>

## ■ Balance Sheet

Billions of yen

	Mar.'09	Mar.'10	Sep.'10		Mar.'09	Mar.'10	Sep.'10
Cash and cash equivalents	270.1	406.2	418.4	Short-term and long-term debt	321.5	295.6	309.7
Notes and accounts receivable	472.5	495.0	472.5	Notes and accounts payable	221.5	261.6	242.6
Inventories	368.3	303.1	329.3	Other liabilities	481.4	394.4	378.4
Marketable securities and other	191.8	206.2	197.6	<b>Total liabilities</b>	<b>1,024.4</b>	<b>951.6</b>	<b>930.7</b>
<b>Total current assets</b>	<b>1,302.7</b>	<b>1,410.5</b>	<b>1,417.8</b>	Total FUJIFILM Holdings shareholders' equity	1,756.3	1,746.1	1,732.1
Property, plant and equipment	698.0	601.7	570.5	Noncontrolling interests	115.9	129.7	126.6
Goodwill, net	329.0	325.9	329.2	<b>Total equity</b>	<b>1,872.2</b>	<b>1,875.8</b>	<b>1,858.7</b>
Investment securities and other	566.9	489.3	471.9	<b>Total liabilities and equity</b>	<b>2,896.6</b>	<b>2,827.4</b>	<b>2,789.4</b>
<b>Total noncurrent assets</b>	<b>1,593.9</b>	<b>1,416.9</b>	<b>1,371.6</b>				
<b>Total assets</b>	<b>2,896.6</b>	<b>2,827.4</b>	<b>2,789.4</b>				

	yen		
Exchange rates	Mar.'09	Mar.'10	Sep.'10
US\$	98	93	84
Euro	130	125	114

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## ■ Current State of New Drug Development

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

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

&gt;Changes since the previous announcement (Jul. 30, 2010):

T-3762 delete from the chart because marketing began in Oct. 2010.

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## ● Exchange Rates

	FY2010/3				FY2011/3		
	1Q	2Q	1H	Year	1Q	2Q	1H
US\$	97	94	96	93	92	86	89
Euro	133	133	133	131	117	111	114

Yen

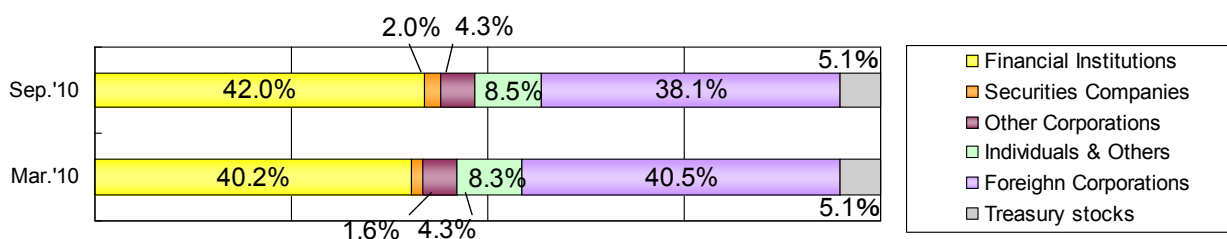
Sensitivity of Currency  
(full year, ¥1 change)  
Billions of yen

	Operating income
US\$	0.9
Euro	0.8

## ● Number of Employees

	Sep. 2009	Dec. 2009	Mar. 2010	Jun. 2010	Sep. 2010
Consolidated Total	75,938	75,333	74,216	75,721	77,616

## ● Distribution of Shareholders



# FUJIFILM

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.

IR Office, Corporate Planning Div.  
FUJIFILM Holdings Corporation

Note: This document is a faithful translation into English of a financial condition-related report prepared in Japanese by FUJIFILM Holdings Corporation in accordance with Tokyo Stock Exchange guidelines. Accordingly, the explanations for each business segment may include references to products that are marketed under different product names overseas or are not marketed overseas and may also include references to product marketing periods that differ by region. "Xerox" is a registered trademark of Xerox Corporation in the U.S. and other countries. All other product names contained in this material are trademarks of their respective companies.