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

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**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.

We will now present an overview of Fujifilm Holdings' operations during the first half of the fiscal year ending March 31 2011 (April 1, 2010 through September 30, 2010).

With respect to Fujifilm's business environment as a whole, the demand is recovering. Sales were particularly strong in such emerging countries as China and India, which are sustaining the expansion of their markets. On the other hand, the impact of yen appreciation and surging raw materials prices continues to preclude excessive optimism.

The Fujifilm Group has been implementing structural reforms and it has striven to build a corporate constitution that constantly secure profitability even under severe conditions. During the current fiscal year, the Company anticipates that it will complete the structural reforms it began in the fiscal year ended March 31, 2010, and it is therefore positioning the current fiscal year as a transitional period for getting corporate growth back on track. The Group is giving thorough attention to promoting sales growth and launching new products that respond to market needs and offer excellent cost-performance ratios and working to expand markets in individual business fields. Moreover, through the concentrated investment of management resources in regions where growth is projected—particularly the markets of emerging countries and regions where the Group has relatively low market shares—the Group has been increasing its sales and market shares going forward.

## Performance Summary for 1H FY2011/3

**FUJIFILM**

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		excluding the impact of forex YoY: +8.6%
							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)	

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Consolidated revenue during the first half of the fiscal year was negatively impacted by foreign exchange rates, which had the effect of reducing consolidated revenue by approximately ¥28.2 billion. However, we have been launching highly competitive new products in our principal business fields and strengthening our efforts to expand sales in emerging economy markets. Owing to these and other factors, consolidated revenue grew to ¥1,105.3 billion, up 5.9% from the same period of the previous fiscal year.

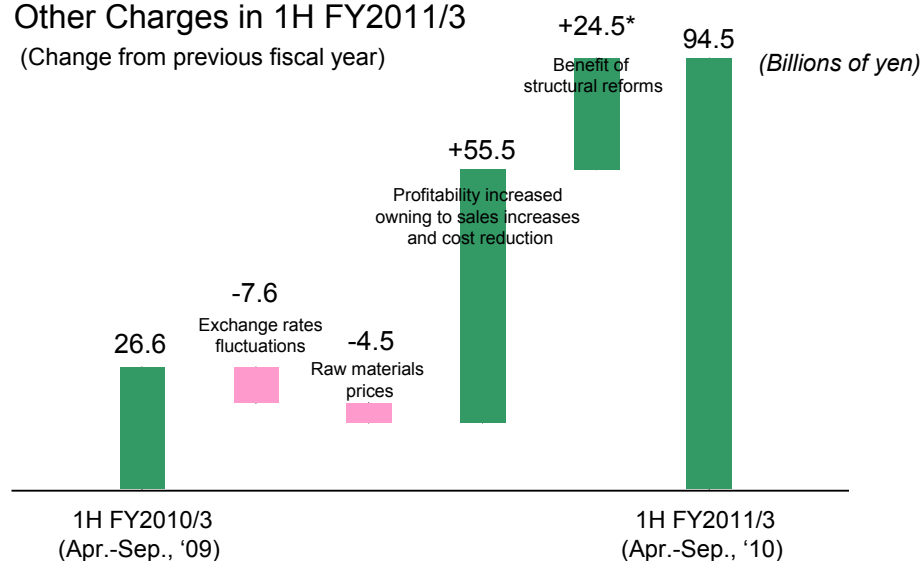
Excluding the impact of foreign exchange rates, consolidated revenue was up 8.6% compared with the same period of the previous fiscal year.

Operating income before restructuring and other charges was also impacted by yen appreciation, which had the effect of reducing operating income before restructuring and other charges, but the rise in consolidated revenue, the implementation of structural reforms and cost reduction measures, and other factors boosted operating income before restructuring and other charges considerably to ¥94.5 billion (up 3.6 times from the same period of the previous fiscal year).

Compared with performance in the first half of fiscal 2008, before the Lehman shock and the start of the global financial crisis, consolidated revenue was down 17.4%, but the ratio of operating income before restructuring and other charges to consolidated revenue was up 2.2 percentage points to 8.6%, representing a considerable improvement in profitability.

■ 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.

Compared with the first half of FY2010/3, Fujifilm estimates that exchange rates fluctuations and principal raw material price increases had the effect of reducing operating income before restructuring and other charges by ¥7.6 billion and ¥4.5 billion, respectively. However, the sales increase and cost reductions are estimated to have boosted profitability ¥55.5 billion, while the benefits of structural reforms are estimated to have augmented profitability ¥24.5 billion. As a result, operating income before restructuring and other charges increased greatly.

## 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

45.0

7.0

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

Next, we will explain the progress we have been making in implementing structural reforms.

The management innovation activities of Fuji Xerox and other Fujifilm Group structural reform measures have advanced in accordance with plans.

Structural reform expenses amounted to ¥8.6 billion.

The accumulated benefits of structural reforms are estimated to have increased operating income by approximately ¥39.0 billion, up from ¥24.5 billion in the same period of the previous fiscal year.

## Operating Segments

FUJIFILM

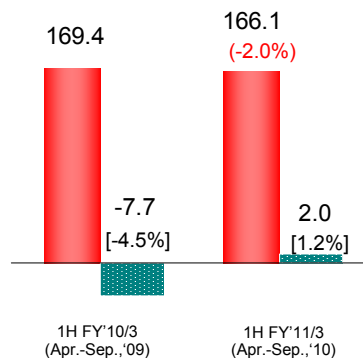
### ■ Imaging Solutions

#### Revenue\* / Operating Income

- Revenue
- Operating Income Before Restructuring and Other Charges

[ ]: Operating Margin  
( ): YoY Comparison

Billions of yen



#### 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.

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Next, we will explain the condition of our operations in each business segment.

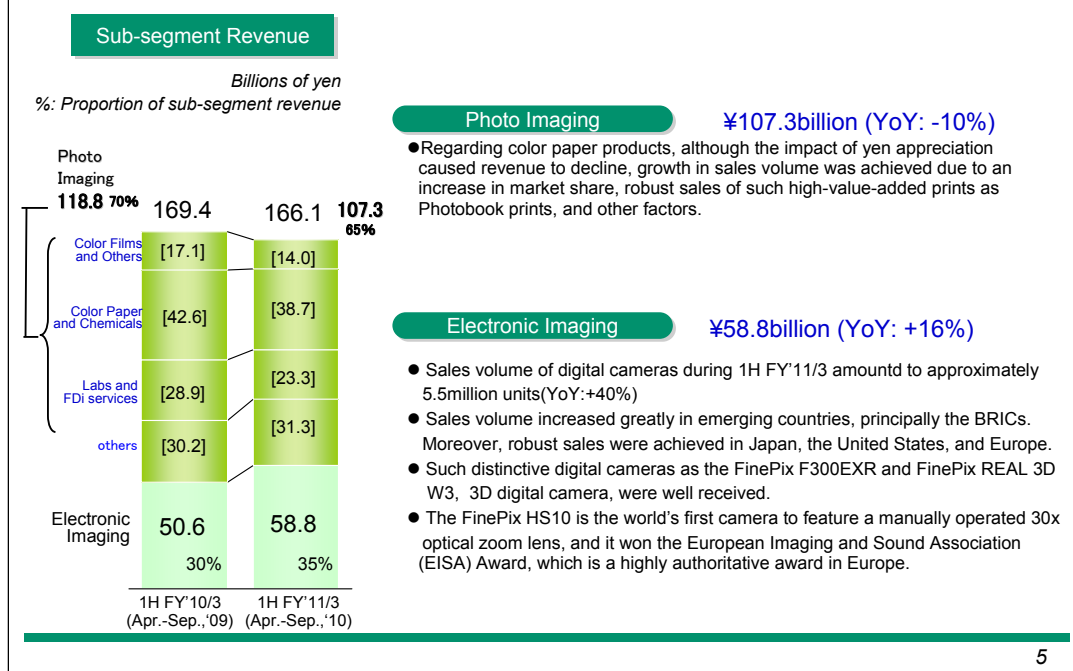
In the Imaging Solutions segment, consolidated revenue was impacted by yen appreciation and decreased only slightly to ¥166.1 billion, down from the same period of the previous year, reflecting such positive factors as robust sales of digital camera products.

Excluding the impact of foreign exchange rates, consolidated revenue was up 4.4% compared with the same period of the previous fiscal year.

The cost reduction, benefits of structural reforms, and other factors offset the negative impact on profitability of yen appreciation and high raw materials prices. Consequently, the segment greatly improved its profitability and returned to the black in terms of operating income before restructuring and other charges, which amounted to ¥2.0 billion.

# Operating Segments

Imaging Solutions



The condition of sub-segment businesses was as shown.

In the photo imaging business field, concerning color paper business, the impact of yen appreciation and other situations caused Fujifilm's sales to decline, but growth in sales volume was achieved due to an increase in market share, robust sales of *Photobook* and other high-value-added printing services, and other factors.

In the electronic imaging business field, Fujifilm's sales volume grew to approximately 5.5 million units, up 40% from the same period of the previous fiscal year. This growth reflected a large sales volume increase in the markets of emerging countries, principally the BRICs, as well as robust sales achieved in developed country and regional markets as those of Japan, North America, and Europe.

In September 2010, Fujifilm launched several distinctive products that leverage the Company's unique technologies, including the *FinePix F300EXR*, which features an Auto Focus speed comparable to that of SLR models and is equipped with a 15x optical zoom lens, and the *FinePix REAL 3D W3*, which is able to record 3D Hi-Vision video for viewing. These new products have been extremely popular.

In August 2010, the *FinePix HS10* won the European Imaging and Sound Association (EISA) Award, which is a highly authoritative award in Europe. It was chosen to receive the award because, despite being a lightweight model, it is the world's first camera to feature a manually operated 30x optical zoom lens, and this combination of features was highly evaluated.

The *FinePix HS10* was also chosen as the "Best Super Zoom Camera" by the Technical Image Press Association (TIPA), which is the most-prestigious photography industry association in Europe as well as the rest of the world. So, together with the EISA Award, the *FinePix HS10* won two top awards.

The European Imaging and Sound Association (EISA) has a membership of about 50 camera, video, and audio-related specialized magazines based in 19 European countries. Each year, EISA selects the most-outstanding imaging-related products from those launched in European markets during the previous year.

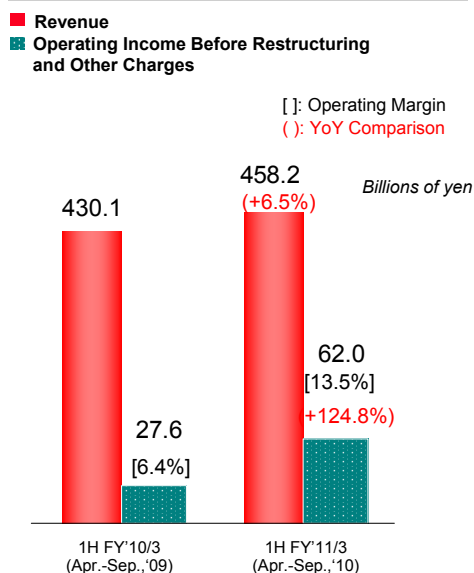
The Technical Image Press Association (TIPA) is an organization of 29 different specialist camera publications from 13 countries, including South Africa and those in Europe and North America. It annually selects the best imaging-related products from among those that have been announced in Europe in each individual product category.

## Operating Segments

FUJIFILM

### ■ Information Solutions

#### Revenue\* /Operating Income



#### 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.

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Moving on to the Information Solutions segment.

In the Information Solutions segment, consolidated revenue surged considerably, to ¥458.2 billion, up 6.5% from the same period of the previous year. Despite the impact of yen appreciation, revenue surged because of sales expansion in flat panel display materials business, medical systems business and life sciences business, and other principal businesses.

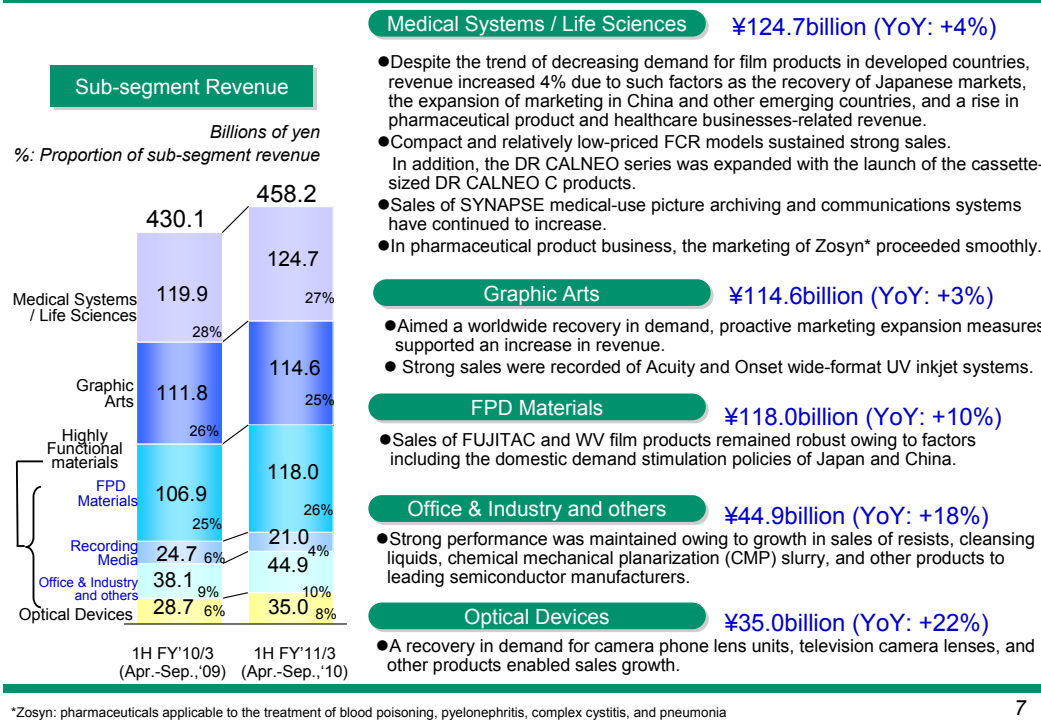
Excluding the impact of foreign exchange rates, consolidated revenue was up 10.5% compared with the same period of the previous fiscal year.

The segment's profitability was impacted by yen appreciation, but the rise in consolidated revenue, the implementation of cost reduction measures, and other factors boosted the segment's operating income before restructuring and other charges to ¥62.0 billion, up 2.2 times from the same period of the previous fiscal year. The ratio of operating income before restructuring and other charges to consolidated revenue was 13.5%, a record high level of first half profitability.

# Operating Segments

Information Solution

**FUJIFILM**



The condition of sub-segment businesses was as shown.

Sales of the medical systems business were up 4%. Despite a trend of decrease in demand for film products in industrialized countries, Fujifilm's sales growth in this business resulted from a recovery in Japanese markets, marketing expansion efforts in emerging countries, particularly in China, and a rise in sales of pharmaceuticals and healthcare products.

In the modality field, Fujifilm recorded strong sales of *FCR PRIMA*, a compact and relatively low-priced computed radiography product. We have also been strengthening and expanding the products of the *FUJIFILM DR CALNEO* series of digital X-ray diagnostic imaging systems, which was expanded with the April 2010 launch of the *Cassette FUJIFILM DR CALNEO C*.

In the network system business, amid the steadily growing use of IT products related to medical institutions, sales of network system related products have continued to increase. The Company's *SYNAPSE* medical-use picture archiving and communications systems have now been adopted by approximately 1,400 facilities in Japan, and Fujifilm is maintaining the leading market share in this field.

In pharmaceutical product business, the marketing of *Zosyn* and *OZEX* proceeded smoothly.

In the life sciences business, sales of *ASTALIFT* functional cosmetics products increased greatly due to such factors as the strengthening of the product lineup with the launch of new items. In addition, marketing operations for this business were initiated in China from September 2010.

The graphic arts business sales increased, reflecting a worldwide recovery in demand and aggressive marketing-promotion measures. In the growth field of digital printing business, Fujifilm successfully worked to expand its sales of *Acuity* and *Onset* wide-format UV inkjet systems.

In flat panel display materials business, sales of *WV film* and *FUJITAC* products continued to increase owing to such factors as rising demand for LCD televisions associated with the maintenance of Japan's Eco-Point system and Chinese government policies for promoting the ownership of household electric products.

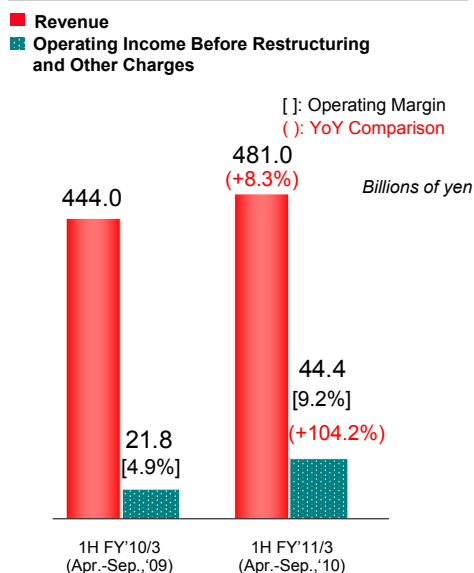
Sales in the optical devices increased, reflecting such factors as the recovery of demand for camera phone lens units and TV camera lens.

## Operating Segments

FUJIFILM

### ■ Document Solutions

#### Revenue\* /Operating Income



#### 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.

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Moving on to the Document Solutions segment.

In the Document Solutions segment, consolidated revenue grew to ¥481.0 billion, up 8.3% from the previous fiscal year. This reflected such factors as large increases in sales in the Asia-Oceania region and in exports to Xerox Corporation.

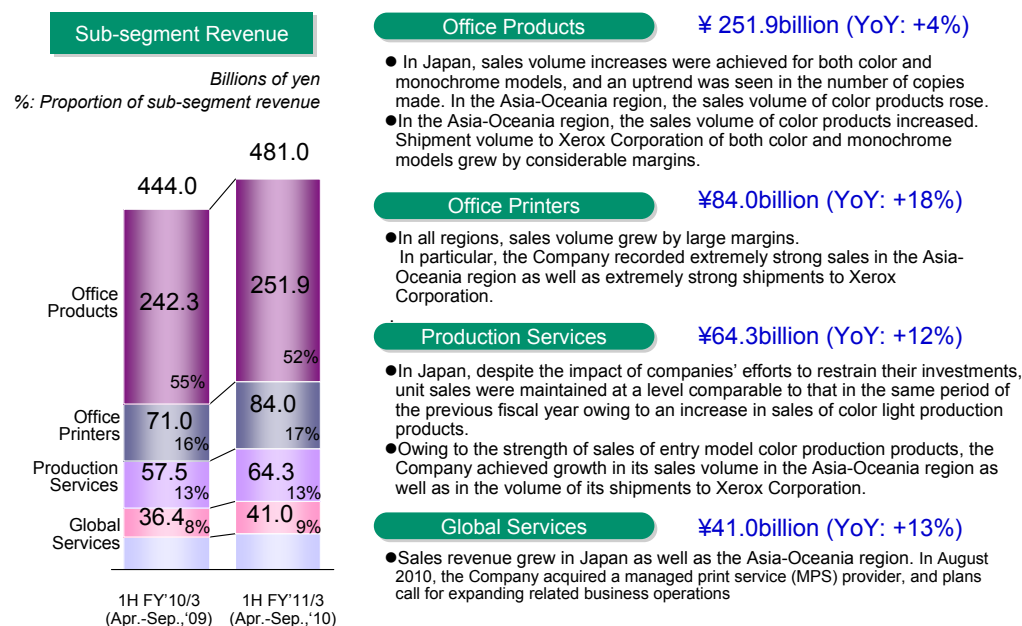
The revenue increase, continued cost reduction measures, and the benefits of structural reforms combined to greatly improve the segment's operating income before restructuring and other charges, which surged 2 times from the same period of the previous fiscal year, to ¥44.4 billion.

The ratio of operating income before restructuring and other charges to consolidated revenue improved greatly, rising 9.2%.

# Operating Segments

Document Solution

**FUJIFILM**



The condition of sub-segment businesses was as shown.

Regarding office products business, in Japan, sales volume increases were achieved for both color and monochrome models, and an uptrend was seen in the number of copies made. Fuji Xerox is maintaining its leading domestic position in terms of the high volume of copies made using its device. In the Asia-Oceania region, a considerable rise was recorded in the sales volume of color products. Looking at exports to Xerox Corporation, shipment volume of both color and monochrome models increased by considerable margins.

Regarding the office printer business, large increase of sales volume was seen in all regions, particularly in the Asia-Oceania region and export shipments to Xerox Corporation.

In production services business, despite the impact of companies' efforts to restrain their investments, domestic 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.

Sales of *Fuji Xerox Color 1000 Press/Color 800 Press* color on-demand publishing system were robust, and increases were recorded in sales volume in the Asia-Oceania region as well as in the volume of shipments to Xerox Corporation.

In the global services business, sales revenue grew in Japan as well as the Asia-Oceania region. Amid to expand their business, the Company acquired an Australia-based managed print service (MPS) provider in August 2010. In Australia, which is a large market within the Asia-Oceania region, this initiative is enabling Fuji Xerox to supplement its leading position as a provider of services to major companies by strengthening and expanding its supply of services to the small and medium-sized companies.

## Forecast for FY2011/3 by segments

**FUJIFILM**

(Billions of yen)	Segment	FY'10/3 Actual	1H FY'11/3 Actual	progress	FY'11/3 <sup>2</sup> (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 <sup>*1</sup>	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)
	Total	101.6	94.5	65.2	145.0
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	Total	(42.1)	85.9	71.6	120.0

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

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

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At this point, we will explain our forecast for the fiscal year as a whole.

Looking at current market conditions, the trend of recovery in emerging countries is continuing. On the other hand, Fujifilm cannot be overly optimistic about its operating environment in view of such factors as the rapid surge of yen appreciation, concerns about prospective economic conditions in the developed countries of North America and Europe, and the high level of raw materials prices.

Amid this environment, the continued strong sales of principal products appear to indicate that performance figures for the fiscal year as a whole may exceed the targeted levels. However, because it remains impossible to disregard concerns about the opacity of economic conditions in the third quarter and subsequently, Fujifilm is maintaining its current performance forecast while adjusting its currency exchange rate assumptions for the latter half of the fiscal year to \$1=¥80 and €1=¥110.

# Shareholder's return

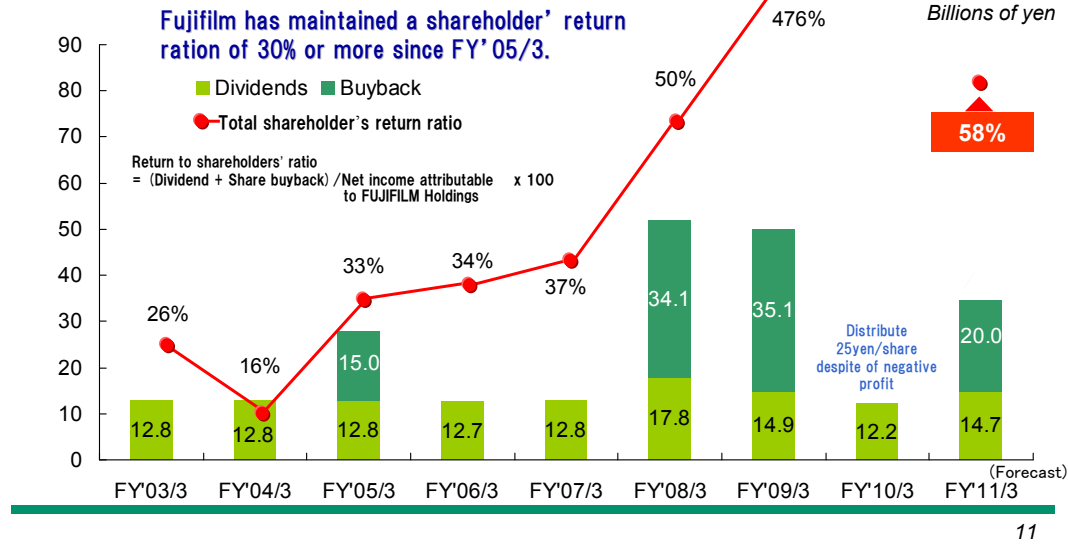


## ■ Announced Share Buyback (on October 29)

- 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



In conclusion, we will give a general explanation of our decision to conduct a buyback, which we announced today.

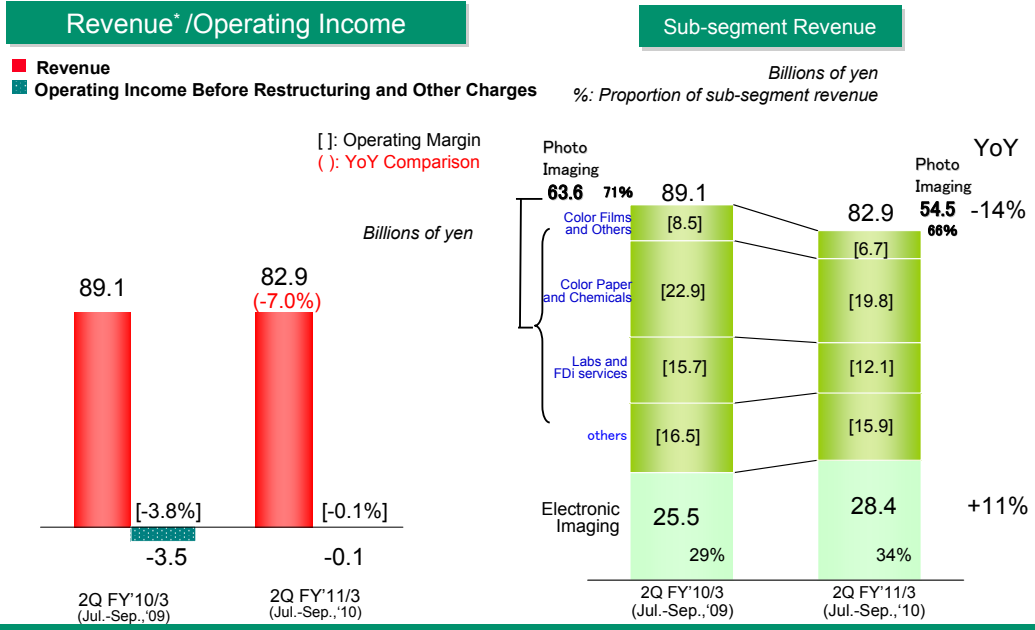
The upper limit of the buyback of a number of shares or amount is set at 7.5 million shares or ¥20.0 billion during the period from November 1, 2010, through January 31, 2011.

As a result of this buyback and cash dividends applicable to the fiscal year under review, which are expected to total ¥30.00 per share, the return to shareholders ratio for the year is projected to be around 58%, considerably higher than the target level of 25%.

■ 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



\*Note: After elimination of intersegment transaction

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

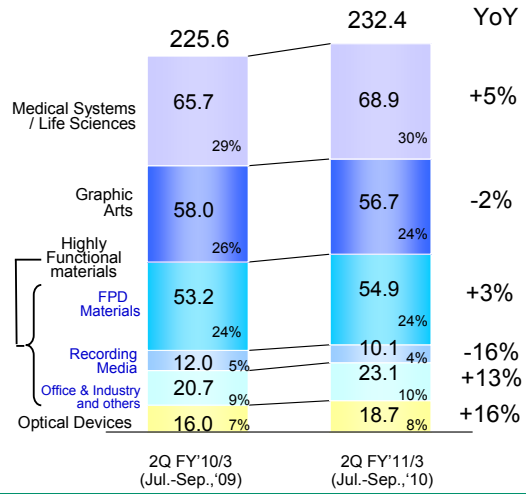
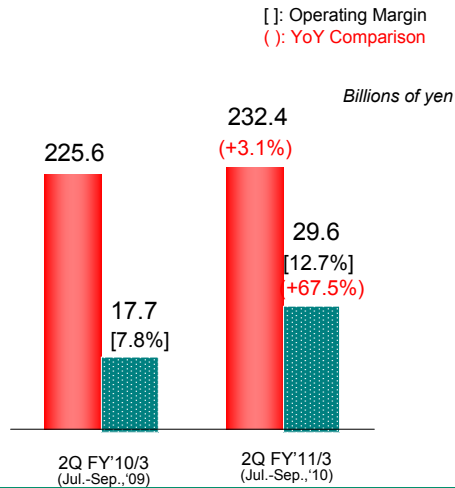
■ Information Solutions

Revenue\* /Operating Income

Sub-segment Revenue

■ Revenue  
 ■ Operating Income Before Restructuring and Other Charges

Billions of yen  
 %: Proportion of sub-segment revenue



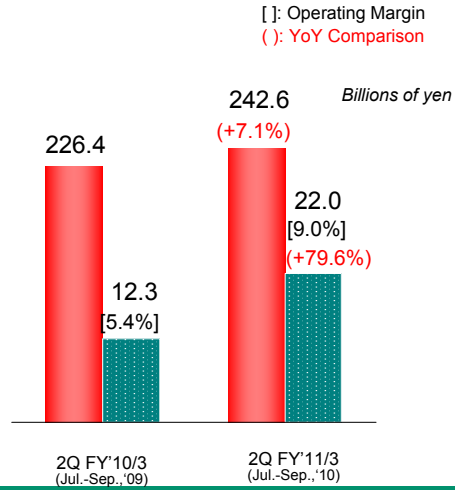
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■ Document Solutions

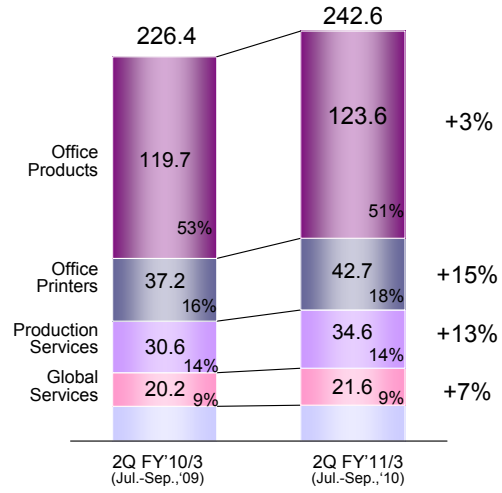
Revenue\* /Operating Income

■ 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		Y o Y Change (%)
	Ratio (%)		Ratio (%)		Ratio (%)		
<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

## ■ 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.

■ 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.*

■ 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

■ 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"

>Changes since the previous announcement (Jul. 30, 2010):

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

● 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

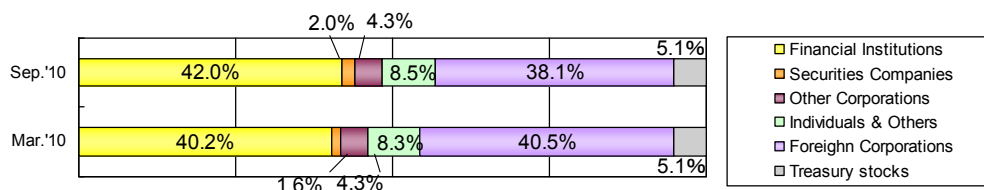
Sensitivity of Currency  
(full year, ¥1 change)  
Billions of yen

	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





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.