

**Financial Results (Consolidated)
for The Fiscal Year ended March 31, 2001**

Date: May 8, 2001

FUJI PHOTO FILM CO.,LTD.

26-30, Nishiazabu 2-chome, Minato-ku, Tokyo 106-8620, Japan

Date of Board Meeting for Fiscal Year ended March 31, 2001: May 8, 2001

(Consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America)

1.Results of Fiscal Year ended March 31, 2001 (From April 1, 2000 to March 31, 2001)**(1) Financial Results**

Amount Unit: Millions of yen unless otherwise specified

	Net Sales		Operating Income		Income before Income Taxes	
		%		%		%
Year ended March 31, 2001	1,440,389	2.8	149,732	1.2	197,333	45.8
Year ended March 31, 2000	1,401,791	(2.5)	147,935	(10.5)	135,308	(1.4)

	Net Income		Net Income Per Share of Common Stock	Net Income Per Share of Common Stock (Assuming Full Dilution)	Ratio of Net Income to Shareholders' Equity	Ratio of Income before Income Taxes to Total Assets	Ratio of Income before Income Taxes to Net Sales
		%	Yen	Yen	%	%	%
Year ended March 31, 2001	117,900	38.9	229.11	-	7.4	7.8	13.7
Year ended March 31, 2000	84,895	18.7	164.97	-	5.7	6.3	9.7

NOTE 1.Equity in net earnings of affiliated companies(including unconsolidated subsidiaries)

Year ended March 31, 2001 : ¥7,102 million Year ended March 31, 2000: ¥12,229 million

2.Average number of shares Year ended March 31, 2001: 514,603,052 Year ended March 31, 2000: 514,612,284

3.Change in Accounting Policies : Effective April 1, 2000, the Company adopted Statement of Financial Accounting Standards No.115, "Accounting for Certain Investments in Debt and Equity Securities."

The consolidated financial statements as of and for year ended March 31, 2000 and prior have been restated to reflect this change in method of accounting.

4.Percent: Increase/Decrease against corresponding period of the previous year on Net Sales, Operating Income, Income before Income Taxes, Net Income.

5.Accounting treatment of investment in Fuji Xerox for the year ended March 31, 2001. See note on page 15.

(2) Financial Position

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio to Total Assets	Shareholders' Equity Per Share of Common Stock
			%	Yen
March 31, 2001	2,830,469	1,625,012	57.4	3,157.86
March 31, 2000	2,235,876	1,575,129	70.4	3,060.81

Note 1.Number of Shares Outstanding As of March 31, 2001 514,593,472 As of March 31, 2000 514,612,632

(3) Cash Flows

	Net Cash provided by Operating activities	Net Cash used in Investing activities	Net Cash used in Financing activities	Cash and Cash Equivalents at end of year
Year ended March 31, 2001	139,976	(259,792)	(74,624)	466,266
Year ended March 31, 2000	212,305	(107,892)	(24,868)	656,781

(4) Scope of Consolidation and Equity Method

- Consolidated Subsidiaries: 165 subsidiaries
- Unconsolidated Subsidiaries: 66 subsidiaries (equity method is applied to all subsidiaries)
- 20 percent to 50 percent owned companies: 58 companies (equity method is applied to all companies)

(5) Change in Scope of Consolidation and Equity Method

- Consolidation: Increase 72 , Decrease Nil , Equity Method: Increase 27 , Decrease 6

2.Forecast for the Fiscal Year ending March 31, 2002 (From April 1, 2001 to March 31, 2002)

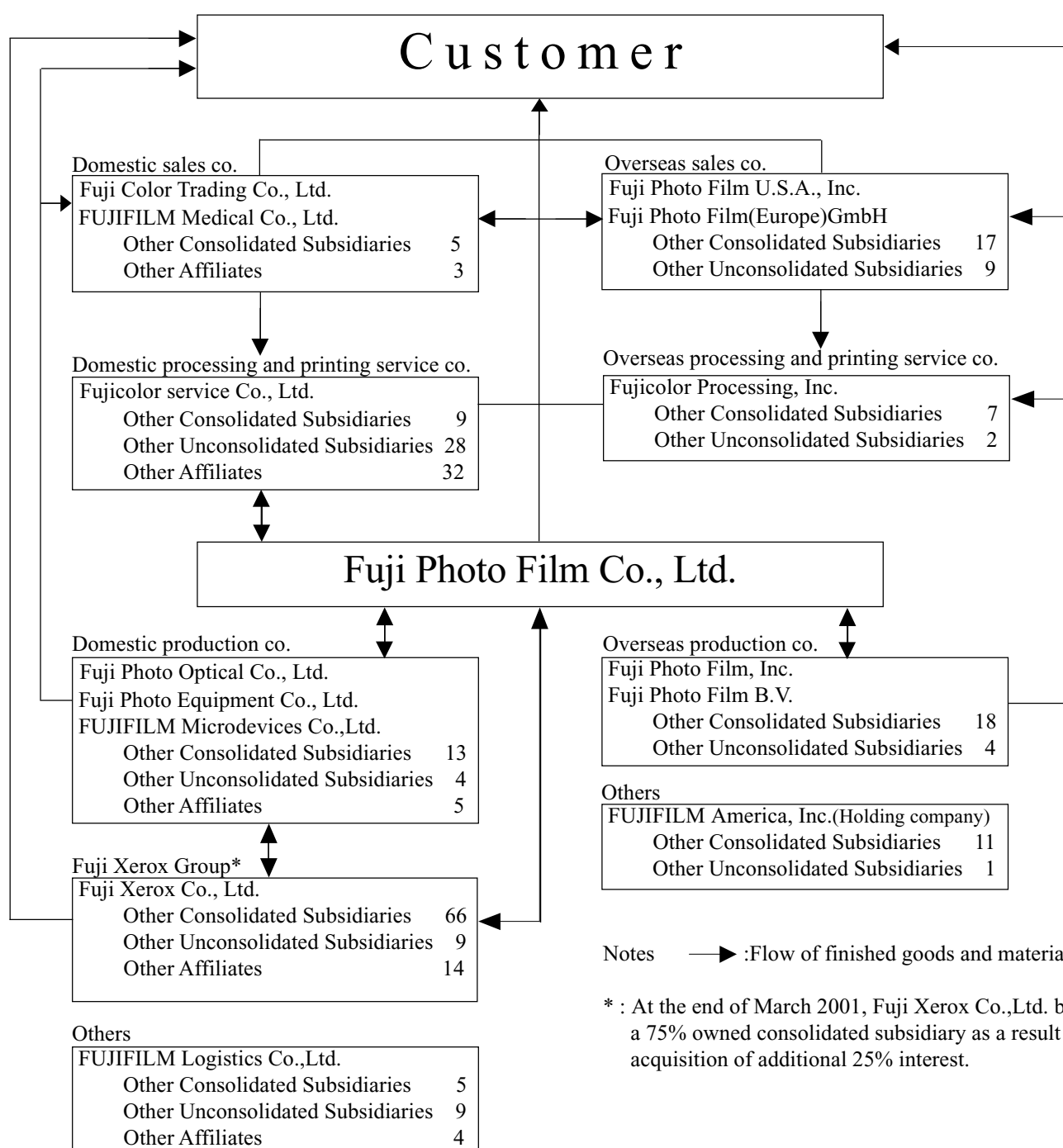
	Net Sales	Operating Income	Income before Income Tax	Net Income
For 6 months ending September 30, 2001	1,250,000	91,000	97,000	49,000
For Year ending March 31, 2002	2,570,000	194,000	191,000	100,000

Expected Net Income per Share of Common Stock for Year ending March 31, 2002: ¥194.32

1.The Fujifilm Group

The Fujifilm Group comprises 231 subsidiaries and 58 affiliated companies that perform R&D, manufacturing, marketing , and service activities in the Group’s core business of segments of Imaging, Photofinishing , and Information systems. Outlined below are the Group’s main subsidiaries and affiliates in each segment.

	Description	Main companies
Imaging Systems	<ul style="list-style-type: none"> • Photographic equipment and materials • Motion picture films • Digital cameras • Videotapes etc. 	Fuji Photo Film Co., Ltd., Fuji Photo Optical Co., Ltd. , FUJIFILM Microdevices Co., Ltd. , Fuji Photo Film, Inc. Fuji Photo Film B.V. , Fuji Photo Film U.S.A., Inc. , Fuji Photo Film (Europe)GmbH etc.
Photofinishing Systems	<ul style="list-style-type: none"> • Photofinishing and Digital-Imaging materials, chemicals, equipment and services etc. 	Fuji Photo Film Co., Ltd. , Fuji Color Trading Co., Ltd. , Fujicolor Service Co., Ltd. , Fuji Photo Film U.S.A., Inc. , Fuji Photo Film (Europe)GmbH ,Fujicolor Processing, Inc etc.
Information Systems	<ul style="list-style-type: none"> • Materials and equipment for graphic arts, medical, office systems • Materials for LCD panel • Data media etc. 	Fuji Photo Film Co., Ltd. , Fuji Xerox Co., Ltd. Fuji Photo Equipment Co., Ltd. , FUJIFILM Medical Co., Ltd., FUJIFILM OLIN Co., Ltd. , Fuji Photo Film U.S.A., Inc. , Fuji Photo Film (Europe)GmbH etc.



2. Management Policies

(1) Basic policies and Essential Tasks

Fujifilm works to contribute to the betterment of society in accordance with its corporate philosophy of “striving to develop superior technologies and to continue to create an imaging and information culture.”

Specifically, as part of vigorous efforts to expand its I&I (Imaging and Information) business domain, Fujifilm is making Companywide efforts to implement the following measures, which are important issues under its medium and long-term management strategies.

- Anticipating that information technology(IT) will more deeply penetrate society, we will respond to the coming challenges by making maximum use of our independently developed technologies and aggressively introduce unique new products, systems, services, and solutions, while establishing a foundation as a leading company in the I&I fields.
- We will build a strong network for R&D, production, sales, and services while determinedly pursuing our business activities with a global perspective but in close harmony with local communities.
- We will upgrade our consolidated operations with the aims of strengthening competitiveness and achieving growth across the entire Fujifilm group, including domestic and overseas subsidiaries and affiliated companies.
- We will continually reform our corporate structure while responding on a global basis to the growth in IT and Internet use, and intensify efforts to reduce all costs, in our drive to build a solid corporate organization.
- We will fulfill our responsibilities to society and further strengthen, maintain, and upgrade our framework for strictly adhering to corporate ethics and for taking measures to respond to environmental problems and product safety issues.

(2) Basic Policy Regarding Distribution of Profits

The Company’s basic policy regarding the distribution of profits is to go on providing stable dividends as well as maintain sufficient internal reserves to aggressively carry out future business activities and strengthen our management foundation in preparation for sudden changes in the business environment.

(3) Upgrading Corporate Governance

The Board of Directors has been designated as the “body for determining management policies and strategies as well as for supervising the execution of business affairs.” Operating executives are responsible for conducting businesses in line with basic policies determined by the Board of Directors. The Company will proceed with making management strategy more transparent and conducting business more speedily as a part of management changes conducted from the viewpoint of corporate governance.

3. Operating Results

(1) An Overview of the Period and Distribution of Profit

Although private capital investment showed signs of recovery in the first half of the fiscal year under review, it grew harder to see where the Japanese economy was heading as adverse factors such as languishing personal consumption and plunging stocks took their toll amid continuing deflationary currents. In the U.S., clear evidence emerged of a slowdown, but that country was still able to post a positive rate of growth over the full year. European economies generally performed well. However, difficulties began to mount in the economies of Asia in the second half of the fiscal year.

In this environment, Fujifilm worked to expand sales through the aggressive marketing of all kinds of new products, systems, services, and solutions, and through the further extension of its service network. As a result, the company posted consolidated net sales of ¥1,440.3 billion, (+2.8%), and consolidated operating income of ¥149.7 billion (+1.2%). During the period, the parent company and certain domestic subsidiaries wrote-off the net transition obligations as the result of the adoption of a new Japanese accounting principle on retirement benefit obligations. In this connection, they contributed certain equity securities to employee retirement benefit trusts of which market value were substantially equal to the amount written-off. Because the consolidated financial statements of Fujifilm have been prepared in conformity with accounting principles generally accepted in the U.S., it was not permitted to recognize the write-off of the net transition obligations. Accordingly, only gain on the securities contribution to employee retirement benefit trusts amounting to ¥56.1 billion was recognized as other income. Consolidated income before income taxes totaled ¥197.3 billion, an increase of 45.8%. Net income rose 38.9%, to ¥117.9 billion.

In March 2001, the Company acquired another 25% of the outstanding shares of Fuji Xerox Co., Ltd., bringing its total shareholding to 75%. As a result, Fuji Xerox became a consolidated subsidiary of the Company.

Imaging Systems

As to color film, we launched the SUPERIA X-TRA series of high-speed ISO 800 negative film, incorporating 4th Color Layer Technology, and the FUJICHROME PROVIA F series of reversal films that have the world's finest graininess. As to APS cameras, we sought to further enhance the appeal of our silver-halide films with the launch of NEXIA 4100ix Z and FUJIFILM KLASSE, a high-picture-quality, easy-to-use 35mm compact camera. As to digital cameras, we launched and had success with the FinePix6800ZOOM, which features Super CCD. In line with our policy of further integrating digital cameras and the Internet, in March 2001 we began launching our new FinePix “Picture The Future” system, which integrates viewing software and Internet imaging services within the FinePix system. We are making the e-Picture concept more fun and are encouraging its use.

Consolidated sales in this segment rose 1.5% to ¥477.4 billion.

Photofinishing Systems

Sales of our highly acclaimed, independently developed Digital Minilab Frontier series advanced sharply. Centering our strategy on the Frontier system, we contributed further to the establishment of the e-Picture infrastructure. Our Frontier service does much more than provide ultrahigh-quality prints from silver-halide film. A rich array of services includes our FDi service, enabling ultrahigh-quality, long-lasting prints to be taken from digital cameras, and FUJICOLOR CD, in which images taken on compact cameras and one-time-use cameras are digitized and recorded onto a special CD-R.

Consolidated sales in this segment rose 4.4%, to ¥360.7 billion.

Information Systems

Among products for graphic arts, we focused our marketing efforts on our computer-to-plate (CTP) system and color on demand publisher systems. As to medical imaging systems, we worked toward the launch of our medical imaging network system SYNAPSE. In the mammography field, in which it has traditionally been difficult to digitize photographs, we developed the FCR5000MA and expect this device to make a major contribution to the early detection of breast cancer. As to industrial materials, we recorded a rise in sales of LCD materials such as WV FILM, FUJITAC, and TRANSER. As to data storage media, we launched Ultrium-use tapes mainly based on our independently developed Advanced Super-Thin-Layer and High-Output Metal Media (ATOMM) technology. In this field, we continue to hold a leading position in the industry.

Consolidated sales in this segment rose 2.8%, to ¥602.2 billion.

Capital Investment

At Fuji Photo Film, Inc., a manufacturing subsidiary in the U.S., we expanded facilities at a color film and color print paper production plant as well as built a factory for producing medical x-ray film in the year under review. These works were completed in February 2001, and production has started. We have also decided to build a new factory for producing FUJITAC in light of the rapidly growing demand for LCD materials. This and other developments demonstrate our determination to expand capacity to meet all possible demand.

Cash dividends per share at year end are expected to amount to ¥11.25, yielding a total dividend for the full year of ¥22.50.

(2) Outlook for the Next Fiscal Year

The operating environment is likely to continue to be difficult for us. However, we are confident that all of our group companies will make every effort to address the previously mentioned priority tasks and further strengthen our operating base. Regarding the outlook for the next fiscal year, taking into account the acquisition of Fuji Xerox as a consolidated subsidiary, Fujifilm expects to record consolidated net sales of ¥2,570.0 billion and consolidated net income of ¥100.0 billion. This projection is based on assumed exchange rates of ¥115=U.S.\$1 and ¥105=euro.

4.Environmental Policies

In the belief that protecting the environment on a global scale is a management issue of the day, the Company has developed and is earnestly pursuing an environmental policy that rests on three pillars: constantly giving due consideration to the natural environment, ensuring safety with regard to chemicals, and preventing the wasteful use of resources.

Fujifilm’s fundamental goal in its environmental policy is to meet Responsible Care obligations (environmental preservation and safety measures undertaken autonomously by the company) as fully as possible. In addition to having secured ISO 14001 certification for environmental management systems at 23 Group companies, we are taking a variety of measures to make our environmental record exemplary. We have built and now operate a database on environmental safety and chemical materials, and in last year we adopted environmental auditing procedures, monitoring outlays on environmental protection and measuring their effect. We are also actively reducing emissions.

Fujifilm will further strengthen its approach to environmental protection on the basis of its corporate philosophy that environmental protection is the foundation of its business activities.

Consolidated Balance Sheets

Amount Unit: Millions of yen

	As of March 31, 2001		As of March 31, 2000		Increase/ Decrease ():Decrease
ASSETS	%		%		
Current assets:					
Cash and cash equivalents	466,266		656,781		(190,515)
Marketable securities	11,019		221,916		(210,897)
Notes and accounts receivable:					
Trade and finance	476,754		244,021		232,733
Affiliated companies	42,185		44,443		(2,258)
Allowance for doubtful receivables	(13,147)		(8,418)		(4,729)
	505,792		280,046		225,746
Inventories	354,321		231,034		123,287
Deferred income taxes	56,079		4,089		51,990
Prepaid expenses and other	26,493		13,852		12,641
Total current assets	50.2	1,419,970	63.0	1,407,718	12,252
Investments and long-term receivables:					
Investments in and advances to affiliated companies	42,169		171,137		(128,968)
Investment securities	245,975		113,966		132,009
Long-term finance and other receivables	99,579		16,439		83,140
Total investments and long-term receivables	13.7	387,723	13.5	301,542	86,181
Property, plant and equipment:					
Land	70,140		44,244		25,896
Buildings	485,574		323,414		162,160
Machinery and equipment	1,400,075		1,013,599		386,476
Construction in progress	33,605		24,008		9,597
	1,989,394		1,405,265		584,129
Less-accumulated depreciation	(1,307,501)		(951,618)		(355,883)
Total property, plant and equipment	24.1	681,893	20.3	453,647	228,246
Other assets:					
Goodwill	182,721		11,652		171,069
Other intangible assets, net	61,015		36,741		24,274
Deferred income taxes	31,916		157		31,759
Other	65,231		24,419		40,812
Total other assets	12.0	340,883	3.2	72,969	267,914
Total Assets	100.0	2,830,469	100.0	2,235,876	594,593

	As of March 31, 2001		As of March 31, 2000		Increase/ Decrease ():Decrease
LIABILITIES	%		%		
Current liabilities:					
Short-term debt	251,402		155,016		96,386
Notes and accounts payable:					
Trade	262,361		153,155		109,206
Construction	39,455		27,902		11,553
Affiliated companies	10,980		11,767		(787)
	312,796		192,824		119,972
Accrued income taxes	51,464		28,248		23,216
Accrued liabilities	141,812		92,199		49,613
Other current liabilities	50,381		23,444		26,937
Total current liabilities	28.5	807,855	22.0	491,731	316,124
Long-term liabilities:					
Long-term debt	81,246		20,897		60,349
Accrued pension and severance costs	130,957		71,488		59,469
Deferred income taxes	17,683		10,917		6,766
Customers' guarantee deposits and other	47,181		43,031		4,150
Total long-term liabilities	9.8	277,067	6.5	146,333	130,734
Minority interests in subsidiaries	4.3	120,535	1.1	22,683	97,852
SHAREHOLDERS' EQUITY					
Common stock,	40,363		40,363		0
50Yen par value:					
Authorized: 800,000,000 shares					
Issued:					
as at Mar.31, 2001 514,625,728 shares					
Additional paid-in capital	68,135		68,135		0
Retained earnings	1,549,803		1,443,481		106,322
Accumulated other comprehensive income/loss	(33,289)		23,150		(56,439)
Total shareholders' equity	57.4	1,625,012	70.4	1,575,129	49,883
Total Liabilities and Shareholders' Equity	100.0	2,830,469	100.0	2,235,876	594,593

Note: Details of accumulated other comprehensive income/loss

	As of March 31, 2001	As of March 31, 2000	Increase/Decrease ():Decrease
Unrealized holding gains on securities, net of reclassification adjustment	14,732	66,991	(52,259)
Foreign currency translation adjustments	(23,397)	(38,731)	15,334
Minimum pension liability adjustments	(24,624)	(5,110)	(19,514)

Consolidated Statements of Income

Amount Unit: Millions of yen

	Year ended March 31, 2001 From April 1, 2000 To March 31, 2001		Year ended March 31, 2000 From April 1, 1999 To March 31, 2000		Increase/ Decrease ():Decrease	
	%		%		Amount	%
Net sales	100.0	1,440,389	100.0	1,401,791	38,598	2.8
Cost of sales	55.8	803,460	55.3	774,757	28,703	3.7
Gross profit	44.2	636,929	44.7	627,034	9,895	1.6
Operating expenses:						
Selling, general and administrative	28.3	408,053	28.3	397,374	10,679	2.7
Research and development	5.5	79,144	5.8	81,725	(2,581)	(3.2)
Operating income	33.8	487,197	34.1	479,099	8,098	1.7
	10.4	149,732	10.6	147,935	1,797	1.2
Other income and expenses (-):						
Interest and dividend income		8,180		6,975	1,205	
Interest expense		(11,093)		(9,957)	(1,136)	
Exchange gains/losses, net		5,177		(1,987)	7,164	
Gains on securities contribution to employee retirement benefit trust		56,131		-	56,131	
Other, net		(10,794)		(7,658)	(3,136)	
Income before income taxes	3.3	47,601	(0.9)	(12,627)	60,228	477.0
	13.7	197,333	9.7	135,308	62,025	45.8
Income taxes						
Current		75,189		58,363	16,826	
Deferred		11,346		4,279	7,067	
Income before equity in net earnings of affiliated companies	6.0	86,535	4.5	62,642	23,893	38.1
	7.7	110,798	5.2	72,666	38,132	52.5
Equity in net earnings of affiliated companies	0.5	7,102	0.9	12,229	(5,127)	(41.9)
Net income	8.2	117,900	6.1	84,895	33,005	38.9

Consolidated Statements of Cash Flows

Amount Unit: Millions of yen

	Year ended March 31, 2001 From April 1, 2000 To March 31, 2001	Year ended March 31, 2000 From April 1, 1999 To March 31, 2000	Increase/ Decrease ():Decrease
Operating activities			
Net income	117,900	84,895	33,005
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	99,241	102,990	(3,749)
Gains on securities contribution to employee retirement benefit trust	(56,131)	-	(56,131)
Deferred income taxes	11,346	4,279	7,067
Equity in net earnings of affiliated companies, less dividends	(2,853)	(7,980)	5,127
Changes in operating assets and liabilities:			
Notes and accounts receivable	(12,872)	(11,383)	(1,489)
Inventories	(25,125)	(8,805)	(16,320)
Notes and accounts payable - trade	(17,702)	30,024	(47,726)
Accrued income taxes	14,495	10,127	4,368
Other	11,677	8,158	3,519
Net cash provided by operating activities	139,976	212,305	(72,329)
Investing activities			
Payments for purchases of property, plant and equipment	(107,268)	(90,145)	(17,123)
Proceeds from sales and maturities of marketable and investment securities	84,746	29,983	54,763
Payments for purchases of marketable and investment securities	(93,039)	(38,371)	(54,668)
Increase in investments and advances	1,537	1,763	(226)
Acquisition	(121,838)	-	(121,838)
Other	(23,930)	(11,122)	(12,808)
Net cash used in investing activities	(259,792)	(107,892)	(151,900)
Financing activities			
Proceeds from long-term debt	18,512	5,279	13,233
Repayments of long-term debt	(21,061)	(12,533)	(8,528)
Decrease in short-term debt	(60,497)	(6,036)	(54,461)
Cash dividends paid	(11,578)	(11,578)	-
Net cash used in financing activities	(74,624)	(24,868)	(49,756)
Effect of exchange rate changes on cash and cash equivalents	3,925	(5,371)	9,296
Net increase (decrease) in cash and cash equivalents	(190,515)	74,174	(264,689)
Cash and cash equivalents at beginning of period	656,781	582,607	74,174
Cash and cash equivalents at end of period	466,266	656,781	(190,515)

Consolidated Statements of Changes in Shareholders' Equity

Amount Unit: Millions of yen

	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income(loss)	Total shareholders' equity
Balance at March 31, 1999	40,363	68,135	1,370,164	10,595	1,489,257
Comprehensive income:					
Net income			84,895		84,895
Unrealized holding gains on securities, net of reclassification adjustment				35,877	35,877
Foreign currency translation adjustments				(30,663)	(30,663)
Minimum pension liability adjustments				7,341	7,341
Net comprehensive income					97,450
Cash dividends applicable to earnings of the year			(11,578)		(11,578)
Balance at March 31, 2000	40,363	68,135	1,443,481	23,150	1,575,129
Comprehensive income:					
Net income			117,900		117,900
Unrealized holding losses on securities, net of reclassification adjustment				(52,259)	(52,259)
Foreign currency translation adjustments				15,334	15,334
Minimum pension liability adjustments				(19,514)	(19,514)
Net comprehensive income					61,461
Cash dividends applicable to earnings of the year			(11,578)		(11,578)
Balance at March 31, 2001	40,363	68,135	1,549,803	(33,289)	1,625,012

Details of Consolidated Net Sales

(1) Net sales by product category

Amount Unit: Millions of yen

	Description	Year ended March 31, 2001		Year ended March 31, 2000		Increase/Decrease
		Amount	%	Amount	%	%
Imaging Systems	<ul style="list-style-type: none"> • Photographic equipment and materials • Motion picture films • Digital cameras • Videotapes etc. 	477,429	33.1	470,324	33.5	1.5
Photofinishing Systems	<ul style="list-style-type: none"> • Photofinishing and Digital-Imaging materials, chemicals, equipment and services etc. 	360,704	25.0	345,542	24.7	4.4
Information Systems	<ul style="list-style-type: none"> • Materials and equipment for graphic arts, medical, office systems • Materials for LCD panel • Data media etc. 	602,256	41.9	585,925	41.8	2.8
Total		1,440,389	100.0	1,401,791	100.0	2.8

(2) Domestic and Overseas sales

Amount Unit: Millions of yen

	Year ended March 31, 2001		Year ended March 31, 2000		Increase/Decrease %
	Amount	%	Amount	%	
Domestic	697,757	48.4	673,343	48.0	3.6
Overseas	742,632	51.6	728,448	52.0	1.9
Total	1,440,389	100.0	1,401,791	100.0	2.8

Segment Information

1. Segment Information by Business Category

Year ended March 31, 2001 (From April 1, 2000 to March 31, 2001)

Amount Unit: Millions of yen

	Imaging Systems	Photofinishing Systems	Information Systems	Total	Elimination or Corporate assets	Consolidation
Sales and Operating income						
Sales						
Net sales for external customers	477,429	360,704	602,256	1,440,389	-	1,440,389
Intersegment sales or transfer	-	-	-	-	-	-
Total net sales	477,429	360,704	602,256	1,440,389	-	1,440,389
Operating expenses	436,414	333,757	520,486	1,290,657	-	1,290,657
Operating income	41,015	26,947	81,770	149,732	-	149,732
Assets	397,514	364,141	1,521,837	2,283,492	546,977	2,830,469
Depreciation expenses	27,075	30,307	41,859	99,241	-	99,241
Capital expenditure	58,144	31,852	53,770	143,766	-	143,766

Year ended March 31, 2000 (From April 1, 1999 to March 31, 2000)

Amount Unit: Millions of yen

	Imaging Systems	Photofinishing Systems	Information Systems	Total	Elimination or Corporate assets	Consolidation
Sales and Operating income						
Sales						
Net sales for external customers	470,324	345,542	585,925	1,401,791	-	1,401,791
Intersegment sales or transfer	-	-	-	-	-	-
Total net sales	470,324	345,542	585,925	1,401,791	-	1,401,791
Operating expenses	431,863	318,646	503,347	1,253,856	-	1,253,856
Operating income	38,461	26,896	82,578	147,935	-	147,935
Assets	332,559	350,727	578,393	1,261,679	889,450	2,151,129
Depreciation expenses	29,155	34,059	39,776	102,990	-	102,990
Capital expenditure	32,772	24,935	49,778	107,485	-	107,485

- Note
1. Business categories are based on similarity of markets and marketing methods.
 2. Business categories and major products and services in each category are as follows:
 - Imaging Systems :Photographic equipment and materials, Motion picture films, Digital camera, Videotapes, etc.
 - Photofinishing Systems :Photofinishing and Digital-Imaging materials, chemicals, equipment and services etc.
 - Information Systems :Materials and equipment for graphic arts, Medical, Office systems, Materials for LCD panel , Data media, etc.
 3. Major components of the “Elimination or corporate assets” include cash and cash equivalents and marketable securities of parent company.

2. Segment Information by Geographic Area

Year ended March 31, 2001 (From April 1, 2000 to March 31, 2001)

Amount Unit: Millions of yen

	Japan	the Americas	Europe	Asia and others	Total	Elimination or Corporate assets	Consolidation
Sales and Operating income							
Sales							
Net sales for external customers	830,282	379,534	211,809	18,764	1,440,389	-	1,440,389
Intersegment sales or transfer	233,554	3,597	15,683	22,521	275,355	(275,355)	-
Total net sales	1,063,836	383,131	227,492	41,285	1,715,744	(275,355)	1,440,389
Operating expenses	941,368	365,519	214,527	39,264	1,560,678	(270,021)	1,290,657
Operating income	122,468	17,612	12,965	2,021	155,066	(5,334)	149,732
Assets	1,586,519	396,532	183,666	217,694	2,384,411	446,058	2,830,469

Year ended March 31, 2000 (From April 1, 1999 to March 31, 2000)

Amount Unit: Millions of yen

	Japan	the Americas	Europe	Asia and others	Total	Elimination or Corporate assets	Consolidation
Sales and Operating income							
Sales							
Net sales for external customers	805,588	362,262	221,770	12,171	1,401,791	-	1,401,791
Intersegment sales or transfer	203,664	5,687	16,004	15,892	241,247	(241,247)	-
Total net sales	1,009,252	367,949	237,774	28,063	1,643,038	(241,247)	1,401,791
Operating expenses	896,856	349,240	223,260	26,778	1,496,134	(242,278)	1,253,856
Operating income	112,396	18,709	14,514	1,285	146,904	1,031	147,935
Assets	775,678	336,780	173,203	24,281	1,309,942	841,187	2,151,129

Note. Major components of the “Elimination or corporate assets” include cash and cash equivalents and marketable securities of parent company.

3.Overseas Net Sales

Year ended March 31, 2001 (From April 1, 2000 to March 31, 2001)

Amount Unit: Millions of yen

	the Americas	Europe	Asia and others	Total
Overseas net sales	394,442	237,310	110,880	742,632
Consolidated net sales				1,440,389
Ratio of overseas net sales to consolidated net sales	27.4%	16.5%	7.7%	51.6%

Year ended March 31, 2000 (From April 1, 1999 to March 31, 2000)

Amount Unit: Millions of yen

	the Americas	Europe	Asia and others	Total
Overseas net sales	378,852	246,055	103,541	728,448
Consolidated net sales				1,401,791
Ratio of overseas net sales to consolidated net sales	27.0%	17.6%	7.4%	52.0%

Transactions with affiliated companies

Transactions with affiliated companies are summarized as follows:

Amount Unit: Millions of yen

	Year ended March 31, 2001 From April 1, 2000 To March 31, 2001	Year ended March 31, 2000 From April 1, 1999 To March 31, 2000
Sales	134,141	145,910
Purchases	40,433	34,509
Dividends received	4,249	4,249

Marketable Securities and Derivative Contracts

(1) Market Value on Marketable Securities

Amount Unit: Millions of yen

	As of March 31, 2001				As of March 31, 2000			
	Cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value	Cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value
Marketable securities:								
Government securities	-	-	-	-	46	9	-	55
Corporate securities	11,043	2	26	11,019	145,374	98	-	145,472
Equity securities	-	-	-	-	1,813	74,576	-	76,389
Total Marketable securities	11,043	2	26	11,019	147,233	74,683	-	221,916
Investment securities:								
Government securities	66	9	-	75	-	-	-	-
Corporate securities	149,740	700	2,976	147,464	9,377	-	-	9,377
Other debt securities	-	-	-	-	3,768	-	-	3,768
Equity securities	35,220	41,194	3,452	72,962	30,058	51,815	670	81,203
Total Investment securities	185,026	41,903	6,428	220,501	43,203	51,815	670	94,348
Total	196,069	41,905	6,454	231,520	190,436	126,498	670	316,264

- The debt and equity securities of Fuji Photo Film Co., Ltd. and subsidiaries are all classified as available-for-sale securities.

(2) Derivative Contracts

	As of March 31, 2001		As of March 31, 2000	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Long-term debt	(118,579)	(122,119)	(44,812)	(45,046)
Debt-related derivative instruments:				
Forward foreign exchange and currency swaps	1,224	626	3,420	3,452
Interest rate swaps	-	2,001	-	209
Net long-term debt	(117,355)	(119,492)	(41,392)	(41,385)

- The estimated fair value of derivative instruments not appearing in the table above approximates their carrying amounts.
- Certain of the Company’s subsidiaries have entered into various interest rate swaps, cross currency swaps and forward foreign exchange contracts related to debt. The notional principal amount of such debt-related derivatives instruments was ¥78,851 million and ¥44,371 million at March 31, 2001 and 2000, respectively.
- The Company and certain of its subsidiaries have entered into forward foreign exchange or currency swap contracts to hedge existing assets and liabilities denominated in foreign currencies. Changes in the value of these contracts are expected to offset the foreign exchange gains and losses of the underlying assets and liabilities which they are hedging. The notional principal amounts outstanding for these non debt-related currency instruments was ¥50,382 million and ¥8,292 million at March 31, 2001 and 2000, respectively, and substantially all these derivative instruments have maturities of less than six months.

(3) Pension and severance plans

Employees of the Company and its domestic subsidiaries who terminate their employment are entitled, under most circumstances, to lump-sum payments and/or pension payments as described below, determined by reference to their current basic rate of pay, length of service and the conditions under which termination occurs.

The Company and certain of its domestic subsidiaries have non-contributory defined benefit pension plans funded through a trust bank and insurance companies. The funding policy is to make actuarially determined contributions to provide the plans with sufficient assets to meet future benefit payment requirements.

The Company and certain of its domestic subsidiaries also have a defined benefit pension plan covering substantially all of their employees. The pension plan consists of two portions: a governmental welfare contributory plan (which would otherwise be provided by the Japanese government) and an additional non-contributory defined benefit plan. The pension benefits are determined based on years of service and compensation as stipulated in the pension plan’s regulations. This plan is funded in conformity with the requirements of the Welfare Pension Insurance Law of Japan.

Most foreign subsidiaries have various retirement plans, primarily defined contribution plans covering substantially all of their employees.

The discount rate, long-term rate of salary increases and expected long-term rate of return on plan assets used in accounting for the plans at March 31, 2001 are 3.00%, 2.50% and 3.47%, respectively.

NOTE

On March 30, 2001, the Company acquired another 25% of the outstanding shares of Fuji Xerox Co., Ltd., bringing its total shareholding to 75%. As a result, Fuji Xerox became a consolidated subsidiary of the Company. The balance sheets of Fuji Xerox as of March 31, 2001 were consolidated and the result of operations for the year then ended was accounted for by the equity method with the pre-acquisition ownership interest of 50% in the consolidated statement of income, as in prior years.

Balance Sheets (Non-Consolidated)

Amount Unit: Millions of yen

	As of March 31, 2001		As of March 31, 2000		Increase/ Decrease ():Decrease
	%		%		
ASSETS					
Current assets					
Cash on hand and in banks		225,239		456,382	(231,142)
Trade notes receivable		30,223		30,206	16
Trade accounts receivable		144,150		103,226	40,923
Other account receivable		13,110		10,706	2,403
Short-term loans receivable		86,184		98,236	(12,052)
Marketable securities		21,132		145,962	(124,830)
	31.5	520,039	54.3	844,722	(324,682)
Merchandises		-		14,924	(14,924)
Finished goods		46,527		18,473	28,054
Semi-finished goods, Work in process		27,666		27,821	(154)
Raw materials		13,322		9,488	3,833
Supplies		6,352		13,394	(7,041)
	5.7	93,869	5.4	84,102	9,766
Deferred income taxes		12,168		10,971	1,197
Other current assets		1,308		1,024	284
Allowance for doubtful receivables		(990)		(1,280)	290
Total current assets	38.0	626,397	60.4	939,540	(313,143)
Fixed assets					
Property, plant and equipment					
Building		77,150		80,357	(3,206)
Structures		7,234		7,435	(201)
Machinery and equipment		92,667		88,443	4,223
Vehicles, furniture and fixtures		27,027		25,992	1,034
Land		20,678		20,594	83
Construction in progress		14,715		6,269	8,446
Subtotal	14.5	239,473	14.7	229,093	10,380
Intangible assets					
Software		25,095		16,818	8,277
Rights of utilization		2,194		2,036	157
Subtotal	1.6	27,289	1.2	18,854	8,434
Investments					
Investments securities		210,217		46,830	163,387
Investments in subsidiaries		523,266		304,906	218,360
Long-term loans receivable		14,773		-	14,773
Long-term prepaid expenses		6,241		3,943	2,297
Deferred income taxes		-		2,836	(2,836)
Other investments		3,010		10,297	(7,287)
Allowance for doubtful receivable		(210)		(70)	(140)
Subtotal	45.9	757,299	23.7	368,744	388,554
Total fixed assets	62.0	1,024,062	39.6	616,693	407,369
Total Assets	100.0	1,650,460	100.0	1,556,233	94,226

	As of March 31, 2001		As of March 31, 2000		Increase/ Decrease ():Decrease
LIABILITIES	%		%		
Current liabilities					
Trade notes payable		30,069		48,133	(18,063)
Trade accounts payable		58,679		45,119	13,559
Other accounts payable		23,144		14,120	9,023
Accrued income taxes		31,330		17,737	13,592
Accrued expenses		52,713		48,355	4,358
Other current liabilities		2,270		1,617	653
Total current liabilities	12.0	198,208	11.2	175,082	23,125
Long-term liabilities					
Customers' guarantee deposits		30,921		30,349	572
Deferred tax liabilities (non current)		4,032		-	4,032
Accrued severance indemnities		-		23,990	(23,990)
Accrued pension and severance costs		19,678		-	19,678
Directors' retirement benefit		407		-	407
Total long-term liabilities	3.3	55,040	3.5	54,340	700
Total liabilities	15.3	253,248	14.7	229,422	23,825
SHAREHOLDERS' EQUITY					
Common stock	2.5	40,363	2.6	40,363	0
Legal surplus					
Legal capital surplus		58,980		58,980	0
Legal retained surplus		10,090		10,090	0
Total legal surplus	4.2	69,071	4.5	69,071	0
Retained earnings					
Reserve for dividends		280		280	0
Reserve for retirement allowance		280		280	0
Reserve for R & D		285		285	0
Reserve for overseas investments loss		53		1,135	(1,082)
Reserve for additional depreciation		289		41	248
Reserve for deferred capital gain for reinvestment in property		837		871	(33)
General reserve		1,194,305		1,130,305	64,000
Total voluntary reserve	72.5	1,196,330	72.8	1,133,198	63,131
Unappropriated retained earnings	4.4	72,521	5.4	84,177	(11,656)
[] Net income included above	[3.8]	[63,145]	[3.8]	[59,141]	[4,003]
Total retained earnings	76.9	1,268,852	78.2	1,217,376	51,475
Unrealized gains on securities	1.1	18,924		-	18,924
Total shareholders' equity	84.7	1,397,211	85.3	1,326,811	70,400
Total Liabilities and Shareholders' Equity	100.0	1,650,460	100.0	1,556,233	94,226

Profit and Loss Statement(Non-Consolidated)

Amount Unit: Millions of yen

	Year ended March 31, 2001 From April 1, 2000 To March 31, 2001		Year ended March 31, 2000 From April 1, 1999 To March 31, 2000		Increase/ Decrease ():Decrease	
					Amount	%
Operating revenues	%		%			
Net sales	100.0	849,154	100.0	817,051	32,102	3.9
Operating expenses						
Cost of sales	56.8	482,421	55.6	454,409	28,012	6.2
Selling, general and administrative expenses	23.0	195,403	23.1	188,868	6,535	3.5
Research and development expenses	8.2	69,644	8.7	70,827	(1,183)	(1.7)
Total operating expenses	88.0	747,470	87.4	714,105	33,364	4.7
Operating income	12.0	101,683	12.6	102,945	(1,262)	(1.2)
Other income						
Interest income		3,904		3,281	623	19.0
Dividends income		5,633		5,903	(270)	(4.6)
Miscellaneous income		6,453		701	5,751	819.5
Total other income	1.9	15,992	1.2	9,886	6,105	61.8
Other expenses						
Interest expenses		602		543	58	10.8
Bank charges for export drafts discounted		4,272		4,066	205	5.1
Miscellaneous expenses		1,969		5,158	(3,188)	(61.8)
Total other expenses	0.8	6,844	1.2	9,767	(2,923)	(29.9)
Ordinary income	13.1	110,831	12.6	103,064	7,766	7.5
Extraordinary Gains						
Gains on securities contribution to employee retirement benefit trust	6.3	53,235		-	53,235	-
Extraordinary Losses						
Loss on disposal of fixed assets		3,437		2,570	866	33.7
Special contribution for the government welfare contributory pension plan		-		2,456	(2,456)	-
Amortization of transition obligation under new pension accounting		53,916		-	53,916	-
Total Extraordinary losses	6.8	57,354	0.6	5,026	52,327	1,041.0
Net income before income taxes	12.6	106,713	12.0	98,038	8,675	8.8
Current income taxes	6.1	51,600	4.6	37,200	14,400	38.7
Deferred income taxes	(0.9)	(8,032)	0.2	1,696	(9,728)	(573.6)
Net income	7.4	63,145	7.2	59,141	4,003	6.8
Retained earnings brought forward		15,165		14,611	553	
Cumulative effect of adapting deferred tax accounting		-		15,504	(15,504)	
Cumulative tax effect on appropriated reserves for overseas investments loss		-		47	(47)	
Cumulative tax effect on appropriated reserves for deferred capital gain for reinvestment in property		-		631	(631)	
Cumulative tax effect on appropriated reserves for additional depreciation		-		30	(30)	
Interim dividends paid		5,789		5,789	-	
Unappropriated retained earnings		72,521		84,177	(11,656)	

Statement of Retained Earnings (Non-consolidated)

(Proposed)

Amount Unit: Millions of yen

	Year ended March 31, 2001		Year ended March 31, 2000	
	From April 1, 2000 To March 31, 2001		From April 1, 1999 To March 31, 2000	
Unappropriated retained earnings	%	72,521	%	84,177
Reversal of voluntary reserve				
Reversal of reserve for overseas investments loss		13		1,082
Reversal of reserve for additional depreciation		48		18
Reversal of reserve for deferred capital gain for reinvestment in property		31		33
Total	100.00	72,615	100.00	85,312
Appropriation of retained earnings				
Dividends	8.0	5,789	6.8	5,789
Directors' bonuses	0.1	94	0.1	91
Reserve for additional depreciation	0.3	222	0.3	266
General reserve	70.2	51,000	75.0	64,000
Total	78.6	57,105	82.2	70,147
Retained earnings carried forward	21.4	15,509	17.8	15,165

Details of Non-Consolidated Net Sales

(1) Net sales by product category

Amount Unit: Millions of yen

	Description	Year ended March 31, 2001		Year ended March 31, 2000		Increase/ Decrease %
		Amount	%	Amount	%	
Imaging Systems	<ul style="list-style-type: none"> • Photographic equipment and materials • Motion picture films • Digital cameras, Videotapes etc. 	344,038	40.5	314,073	38.4	9.5
Photofinishing Systems	<ul style="list-style-type: none"> • Photofinishing and Digital-Imaging materials, chemicals, equipment and services etc. 	144,600	17.0	125,857	15.4	14.9
Information Systems	<ul style="list-style-type: none"> • Materials and equipment for graphic arts, medical, office systems • Materials for LCD panel • Data media etc. 	360,516	42.5	377,121	46.2	(4.4)
Total		849,154	100.0	817,051	100.0	3.9

(2) Domestic and Export sales

Amount Unit: Millions of yen

	Year ended March 31, 2001		Year ended March 31, 2000		Increase/ Decrease %
	Amount	%	Amount	%	
Domestic	513,495	60.5	510,311	62.5	0.6
Export	335,659	39.5	306,740	37.5	9.4
Total	849,154	100.0	817,051	100.0	3.9

Notes

1. Notes to the Balance Sheets

Amount Unit: Millions of yen

	As of March 31, 2001	As of March 31, 2000	Increase/Decrease ():Decrease
Accumulated depreciation of tangible fixed assets	692,528	667,979	24,549
Contingent liabilities for guarantees	90,621	81,539	9,081
Amount of export bills discounted	13,590	56,229	(42,639)
Treasury stock	32,256Shares 156	13,096Shares 59	19,160Shares 96

2. Finance Lease Contracts

(Finance leases other than those which are deemed to transfer ownership of the leased assets to lessees)

(1) Equivalent amount of the acquisition cost, the accumulated depreciation and the net balance at the year end of the leased assets

Amount Unit : Millions of yen

	Year ended March 31, 2001			Year ended March 31, 2000		
	A	B	C	A	B	C
Machinery and equipment	239	32	206	230	6	224
Vehicles, furniture and fixtures	802	538	264	1,097	787	310
Softwares etc.	102	54	48	84	27	56
Total	1,144	625	519	1,412	821	590

Note1:1. Above A,B,C indicated A: Equivalent amount of the acquisition cost

B: Equivalent amount of the accumulated depreciation

C: Equivalent amount of net balance

2. Equivalent amount of the acquisition cost includes the interest cost on lease payments because the amount is not material compared with the balance of tangible fixed assets.

(2) The future minimum leases payments at the end of the respective periods

	<u>Year ended</u> <u>March 31, 2001</u>	<u>Year ended</u> <u>March 31, 2000</u>
Up to and including one year	162 Mill. Yen	254 Mill. Yen
Over one year	356 Mill. Yen	336 Mill. Yen
Total	519 Mill. Yen	590 Mill. Yen

Note: The future minimum leases payments at the end of the respective periods include the interest cost on lease payments because the amount is not material compared with the balance of tangible fixed assets.

(3) Lease payments and equivalent amount of the depreciation expense

	<u>Year ended</u> <u>March 31, 2001</u>	<u>Year ended</u> <u>March 31, 2000</u>
Lease payment	288 Mill. Yen	382 Mill. Yen
Equivalent amount of the depreciation expenses	288 Mill. Yen	382 Mill. Yen

(4) Method of equivalent amount of the depreciation expenses

Equivalent amount of the depreciation expenses is computed on a straight-line method over the lease period without residual value.

Summary of Significant Accounting Policies

(1) Securities

Investments in subsidiaries and affiliated companies are stated at cost determined by the moving average method. Other securities that have fair values are stated at fair value, with unrealized gains and losses excluded from earnings and included in a separate component of shareholders' equity on a net-of-tax basis. Realized gains and losses on sales of securities are based on the moving average cost of the securities sold. Other securities that do not have fair values are stated at cost determined by the moving average method.

Additional information

Effective April 1, 2000, the Company adopted “accounting for financial instruments” for “other securities.” In prior years, marketable securities were stated at the lower of moving average cost or market and non-marketable securities were stated at cost determined by the moving average method. As a result of this change, “other securities” increased by ¥32,628 million and net unrealized gains of ¥18,924 million were accounted for as a separate component of shareholders' equity, net of the related taxes of ¥13,704 million.

(2) Inventories

Finished goods, semi-finished goods, work in process, supplemental materials and supplies are stated at the lower of moving average cost or market. Silver nitrate included in semi-finished goods and work in process, and principal raw materials are stated at the lower of cost or market determined by the last-in, first-out method.

(3) Depreciation and amortization

Depreciation of property, plant and equipment is computed by the declining-balance method except that depreciation of buildings acquired on and after April 1, 1998 is computed by the straight-line method. Intangible assets are amortized by the declining-balance method assuming a nil residual value; however, software is amortized by the straight-line method.

(4) Reserves

Allowance for doubtful receivables

The allowance for doubtful receivables is provided at the amount of estimated uncollectible accounts, based on individual collectibility with respect to identified doubtful receivables and past experience of doubtful receivables.

Pension and severance benefits

Pension and severance costs for employees are accrued based on an estimate of the pension obligation and the plan assets at the end of the year.

The allowance for officers' retirement benefits is provided on the basis of the Company's internal regulations for officers' retirement benefits at the amount which would be required to be paid if all officers retired at the balance sheet date.

Additional information

Effective April 1, 2000, the Company adopted “Accounting for Retirement Benefits” and began to accrue pension and severance costs based on the above policy. In prior years, employees' severance indemnities were accrued at an amount estimated by adjusting the amount required to be paid if all employees terminated their employment voluntarily at the balance sheet date, less the balance of the assets in the tax-qualified pension plan. As a result of this change, “ordinary income” decreased by ¥5,382 million and “net income before income taxes” decreased by ¥6,063 million on the current method. The transition obligation of ¥53,916 million resulting from this change was amortized immediately and reported as an extraordinary loss. In connection with immediate amortization, the Company contributed securities of ¥54,199 million to the employees' retirement benefit trust account.

Directors' retirement benefits

The allowance for directors' retirement benefits is provided on the basis of the Company's internal regulations for directors' retirement benefits at the amount which would be required to be paid if all directors retired at the balance sheet date. This allowance is established under Article 287-2 of the Commercial Code of Japan.

(5) Accounting for consumption tax

Transactions subject to consumption tax are recorded at amounts exclusive of consumption tax.

Forward-Looking Statements

This document contains forward-looking statements. Where any such forward-looking statement includes a statement of the assumptions or bases underlying such forward-looking statement, Fujifilm cautions that assumed facts or bases almost always vary from the actual results, and differences between assumed facts or bases and actual results can be material, depending upon the circumstances. Where, in any forward-looking statement, Fujifilm or its management expresses an expectation or belief as to future results, there can be no guaranty or assurance that the statement of expectation or belief will result or be achieved or accomplished. The words “forecast,” “project,” “believe,” “expect,” “estimate,” “anticipate,” and similar expressions may identify forward-looking statements.

Taking into account the foregoing, the following are identified as important factors, risks or uncertainties that could cause the actual results to differ materially from those expressed in any forward-looking statement made by, or on behalf of, Fujifilm: competitive factors, including without limitation, pricing, implementation of Fujifilm’s product strategies, and economic trends in important markets worldwide.

Fujifilm assumes no obligation to update its forward-looking statements or to advise of any changes in the assumptions and factors on which they are based.