

## Financial Results (Consolidated) for the First Quarter ended June 30, 2010 FUJIFILM Holdings Corporation

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President and Chief Executive Officer

Projected date of Quarterly Report: August 13, 2010

Projected date of the beginning of cash dividends: -

Reference materials regarding operating results of the current quarter to be prepared: Yes

Meeting to explain operating results of the current quarter to be held: Yes

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

July 30, 2010

URL: <http://www.fujifilmholdings.com/>

### 1. Results of the First Quarter ended June 30, 2010 (From April 1, 2010 to June 30, 2010)

#### (1) OPERATING RESULTS

Amount Unit: Millions of yen unless otherwise specified / Figures are rounded off to the nearest million yen

%: Changes from the corresponding period of the previous fiscal year

	Revenue		Operating income before restructuring and other charges		Operating income after restructuring and other charges		Income before income taxes		Net income attributable to FUJIFILM Holdings	
	Yen	%	Yen	%	Yen	%	Yen	%	Yen	%
1st Quarter ended June 30, 2010	547,443	9.0	50,453	567.5	46,862	-	38,456	-	17,759	-
1st Quarter ended June 30, 2009	502,423	(23.1)	7,558	(84.1)	(2,708)	-	1,177	(97.9)	(695)	-

	Net income attributable to FUJIFILM Holdings per share	Net income attributable to FUJIFILM Holdings per share (Assuming full dilution)
	Yen	Yen
1st Quarter ended June 30, 2010	36.35	33.37
1st Quarter ended June 30, 2009	(1.42)	(1.42)

Note 1: Operating income (loss) on the consolidated statement of operations is disclosed as operating income after restructuring and other charges, which represents an operating income after the recognition of restructuring and other charges.

#### (2) FINANCIAL POSITION

	Total assets	Total equity (Net asset)	FUJIFILM Holdings shareholders' equity	FUJIFILM Holdings shareholders' equity ratio to total assets	FUJIFILM Holdings shareholders' equity per share
	Yen	Yen	Yen	%	Yen
As of June 30, 2010	2,767,560	1,844,315	1,716,751	62.0	3,513.59
As of March 31, 2010	2,827,428	1,875,829	1,746,107	61.8	3,573.66

### 2. Cash Dividends

	Cash dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year End	Year Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2010	-	12.50	-	12.50	25.00
Year ending March 31, 2011	-	-	-	-	-
Year ending March 31, 2011 (Forecast)	-	15.00	-	15.00	30.00

Note: Changes in dividends forecast during the 1st quarter ended June 30, 2010: None

### 3. Forecast for the Fiscal Year ending March 31, 2011 (From April 1, 2010 to March 31, 2011)

Amount Unit: Millions of yen unless otherwise specified / Figures are rounded off to the nearest million yen

%: Changes from the corresponding period of the previous fiscal year

	Revenue		Operating income before restructuring and other charges		Restructuring and other charges		Operating income after restructuring and other charges	
	Yen	%	Yen	%	Yen	%	Yen	%
For six months ending September 30, 2010	-	-	-	-	-	-	-	-
For Year ending March 31, 2011	2,300,000	5.4	145,000	42.7	25,000	(82.6)	120,000	-
	Income before income taxes		Net income attributable to FUJIFILM Holdings		Net income attributable to FUJIFILM Holdings per share			
	Yen	%	Yen	%	Yen			
For six months ending September 30, 2010	-	-	-	-	-		-	
For Year ending March 31, 2011	118,000	-	60,000	-	122.80		-	

Note 1: Changes in earnings forecast during the 1st quarter ended June 30, 2010: None

Note 2: Forecasts of consolidated operating results for the six months period ending September 30, 2010 have not been provided.

4. Other \*Please see "Qualitative Information/Financial Statements 2. OTHER INFORMATION" on page 7 for further details.

(1) Changes in status of material subsidiaries during the quarter under review (Companies newly consolidated or removed from consolidation): None

Note: Change of specified entities with change in the scope of consolidation during the current quarter.

(2) Adoption of simplified accounting methods and specific accounting methods: None

Note: Adoption of simplified accounting methods and specific accounting methods to prepare quarterly consolidated financial statements.

(3) Changes to consolidated financial statement principles, preparation processes, disclosure methods, etc.

1. Changes accompanying amendment of accounting principles: None
2. Other changes: None

(4) Number of Shares Outstanding

1. Issued (including treasury stock):
2. Treasury stock, at cost:
3. Average number of shares (accumulated):

As of June 30, 2010	514,625,728	As of March 31, 2010	514,625,728
As of June 30, 2010	26,022,817	As of March 31, 2010	26,021,558
1st Quarter ended June 30, 2010	488,603,423	1st Quarter ended June 30, 2009	488,609,055

Disclosure regarding the status of the quarterly review process

This quarterly press release is out of scope of the quarterly review process based on the Financial Instruments and Exchange Law. As of the press release date, the quarterly review process is ongoing.

Explanation of Appropriate Use of Forecast and Other Special Items

Statements regarding future events including forecasts of operating results are based on limited available information and reasonable assumptions as of today. Actual operating results are always subject to change significantly due to various matters. Assumptions for the forecast and warnings for users of the forecast are mentioned in the page 7, (3) Qualitative Information on Forecasts of the Consolidated Operating Result of the section 1. QUALITATIVE INFORMATION ON OPERATING RESULTS DURING THE CURRENT QUARTER.

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## 1. QUALITATIVE INFORMATION ON OPERATING RESULTS DURING THE CURRENT QUARTER

### (1) Qualitative Information on Consolidated Operating Results

Amount Unit: Billions of yen

	First Quarter ended June 30, 2010		First Quarter ended June 30, 2009		Change	
					Amount	%
Domestic revenue	45.5%	249.3	48.6%	244.4	4.9	2.0%
Overseas revenue	54.5%	298.1	51.4%	258.0	40.1	15.5%
Revenue	100.0%	547.4	100.0%	502.4	45.0	9.0%
Operating income before restructuring and other charges	9.2%	50.5	1.5%	7.6	42.9	567.5%
Restructuring and other charges	0.6%	3.6	2.0%	10.3	(6.7)	(65.0)%
Operating income (loss) after restructuring and other charges	8.6%	46.9	(0.5)%	(2.7)	49.6	-
Other income (expenses)	(1.6)%	(8.4)	0.7%	3.9	(12.3)	-
Income before income taxes	7.0%	38.5	0.2%	1.2	37.3	-
Net income (loss) attributable to FUJIFILM Holdings	3.2%	17.8	(0.1)%	(0.7)	18.5	-
Exchange rates (Yen / US\$)		¥92		¥97	¥(5)	
Exchange rates (Yen / Euro)		¥117		¥133	¥(16)	

Overviewing the global economy during the first quarter of the fiscal year ending March 31, 2011 (April 1, 2010 through June 30, 2010), the Asian region showed a trend of economic recovery centered on the expanding economies of China and India. In the United States, economic conditions were gradually recovering, but projecting future trends became increasingly difficult owing to concerns regarding such factors as the drop in the housing market, the high unemployment rate, and the sluggishness of consumption. In Europe, with the exception of certain regions, there were signs that the deterioration of economic conditions had halted. However such factors as financial instability associated with the Greek fiscal crisis and high unemployment rates indicated the possibility that economic conditions may continue to be slack. In Japan, the economy progressively recovered and improvement was seen in the corporate business confidence index. However, there remains concern regarding the potential for an economic downturn in Japan in light of such factors as the appreciation of the yen and the deterioration of the export environment due to sluggish conditions in the developed countries' economies.

With respect to Fujifilm's business environment as a whole, recovery trend in the demand is conspicuous. Sales were particularly strong in such emerging countries as China, Brazil, and India, which are sustaining the expansion of their markets.

The Fujifilm Group has been implementing structural reforms since the fiscal year ended March 31, 2010, and it has striven to build a corporate constitution that constantly secure profitability even under severe conditions. Expecting to complete the implementation of its structural reforms during the current fiscal year, the Group is repositioning the year as a period for a transition toward a renewed emphasis on getting back on track for growth. 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 intends to increase its sales and market shares going forward.

During the first quarter of the fiscal year ending March 31, 2011, the Fujifilm Group recorded ¥547.4 billion in consolidated revenue (up 9.0% from the same period of the previous fiscal year). The ¥45.0 billion rise in

consolidated revenue reflected such factors as trends of recovery in demand and the Group's moves to step up sales promotion measures in response to growth in emerging countries' markets. Those factors more than offset the negative impact of yen appreciation, which had the effect of reducing consolidated revenue by ¥6.3 billion. Domestic consolidated revenue amounted to ¥249.3 billion (up 2.0% from the same period of the previous fiscal year), while overseas consolidated revenue totaled ¥298.1 billion (up 15.5% from 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 by ¥4.0 billion, 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 ¥50.5 billion (up 567.5% from the same period of the previous fiscal year).

The implementation of the structural reform measures has proceeded on schedule, and restructuring and other charges during the quarter totaled ¥3.6 billion. As a result, operating income after restructuring and other charges amounted to ¥46.9 billion. Progressive improvement in the Group's corporate constitution owing to structural reform measures supported an increase in the ratio of gross profit to consolidated revenue, to 41.8%, and a rise in the ratio of operating income before restructuring and other charges to consolidated revenue, to 9.2%. These levels are higher than the corresponding levels for the first quarter of the fiscal year ended March 31, 2009, before the start of the global financial crisis. For that quarter, the ratio of gross profit to consolidated revenue was 41.2%, and the ratio of operating income before restructuring and other charges to consolidated revenue was 7.3%.

Income before income taxes amounted to ¥38.5 billion, and the net income attributable to FUJIFILM Holdings totaled ¥17.8 billion.

The effective currency exchange rates for the U.S. dollar and the euro against the yen during the first quarter were ¥92 and ¥117, respectively.

### Revenue and Operating Income by Operating Segment

Amount Unit: Billions of yen

		First Quarter ended June 30, 2010	First Quarter ended June 30, 2009	Change	
				Amount	%
Revenue	Imaging Solutions	83.2	80.3	2.9	3.7%
	Information Solutions	225.8	204.5	21.3	10.4%
	Document Solutions	238.4	217.6	20.8	9.6%
Operating income (loss) before restructuring and other charges	Imaging Solutions	2.1	(4.2)	6.3	-
	Information Solutions	32.4	9.9	22.5	226.5%
	Document Solutions	22.4	9.5	12.9	136.0%
Restructuring and other charges	Imaging Solutions	0.3	2.8	(2.5)	-
	Information Solutions	0.2	3.2	(3.0)	-
	Document Solutions	3.1	4.3	(1.2)	-
Corporate Expenses and Eliminations	Total	(6.4)	(7.6)	1.2	-
Operating income (loss) after restructuring and other charges	Total	46.9	(2.7)	49.6	-

During the first quarter of the fiscal year ending March 31, 2011, the method of allocating certain expense incurred in the corporate division, predominantly basic research, which was allocated to each operating segment, has been changed to charge it

directly to corporate expense. As a result of this change, the prior year's disclosure has been restated in conformity with the current year's presentation. There was no impact on the operating income (loss) with this change.

### **Imaging Solutions**

In the Imaging Solutions segment, consolidated revenue amounted to ¥83.2 billion, up 3.7% from the same period of the previous fiscal year. Although yen appreciation and other factors had a negative impact on the segment's revenue, those factors were more than offset by such positive factors as robust sales of digital camera products.

Owing to the rise in revenue and the benefits of structural reforms and other factors, the segment's operating income before restructuring and other charges considerably improved and amounted to ¥2.1 billion, and ¥1.8 billion in operating income after restructuring and other charges was recorded.

Regarding 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 increased, reflecting a large sales volume increase in the markets of emerging countries, principally the BRICs, as well as robust sales achieved in the United States and Europe during spring marketing promotion campaign periods. Owing to strong sales of the *FinePix Z700EXR* digital camera—which features a quick-response, dual-image display that can be divided into display and control sections to facilitate searches for photographed images—and the *FinePix HS10*—which features an ultra-wide-angle FUJINON 30x long zoom lens—sales volume rose to a level approximately 50% higher than in the same period of the previous fiscal year. In July 2010, the Group's digital camera development, procurement, and quality assurance units were moved from a facility in Taiwa-cho, Kurokawa-gun, Miyagi Prefecture, to a facility in Saitama City of Saitama Prefecture used by lens development units. By further strengthening systems for collaboration with units responsible for developing a key digital camera component—optical lenses—the relocation is expected to enable a progressive strengthening of the merchandise power of Fujifilm's digital cameras as well as an increase in the Company's digital camera development speed.

### **Information Solutions**

In the Information Solutions segment, consolidated revenue surged considerably, to ¥225.8 billion, up 10.4% from the same period of the previous fiscal year. Although yen appreciation and other factors had a negative impact on the segment's revenue, consolidated revenue surged because of large sales increases in flat panel display materials business, graphic systems business, and other principal businesses.

Operating income before restructuring and other charges was also impacted by yen appreciation and other factors, but the rise in consolidated revenue, the implementation of cost reduction measures, benefits from structural reforms and other factors boosted the segment's operating income before restructuring and other charges to ¥32.4 billion (up 226.5% from the same period of the previous fiscal year), and the ratio of operating income before restructuring and other charges to consolidated revenue was 14.3%. Operating income after restructuring and other charges amounted to ¥32.2 billion (up 374.6% from the same period of the previous fiscal year).

Sales of the medical systems business were robust due to a recovery in domestic sales and the strength of sales in emerging countries, particularly China, which more than compensated for the negative impact of such factors as the decline in demand for film products and the efforts of medical institutions in Europe to restrain their capital investments amid persistently weak economic conditions.

In the modality field, Fujifilm recorded strong sales of *FCR PRIMA*, a compact and relatively low-priced product in the *FCR (Fuji Computed Radiography)* line that was launched in the emerging markets in May 2009 and subsequently marketed in Japan, North America, and Europe. In addition, the Company is working to augment sales of such high-value-added products as the new lineup of products in the *FUJIFILM DR CALNEO* series of digital X-ray diagnostic imaging systems, which employs the method of reading light signals from the side of X-rays irradiated and succeeds both in reducing the level of X-rays and providing high-quality images. That series was expanded with the April 2010 launch of the cassette-sized *FUJIFILM DR CALNEO C* products.

In the field of endoscope products, Fujifilm strengthened its lineup of treatment tools with the June 2010 launch of *ClutchCutter* disposable high-frequency forceps that can handle tasks ranging from mucosal tissue incisions to exfoliation and hemostasis processes.

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. Not restricted to applications related to radiology departments, *SYNAPSE* functions are expanding to enable the creation of integrated network systems for the unified management of diverse diagnostic images from all hospital departments, including cardiovascular, endoscopy, ultrasonic diagnosis, and pathology units. Also by providing the system enabling networking among different hospitals as well as between central hospitals and local clinics and providing the remote radiology image interpretation system, we will make a continuous contribution to improving regional health care and solving problems associated with doctor shortages.

In the life sciences business, sales of *ASTALIFT* functional cosmetics products increased substantially due to such factors as the strengthening of the product lineup with the May 2010 launch of four additional items and the proactive implementation of sales promotion measures, including television advertisements. In pharmaceutical product business, the marketing of *Zosyn*—an injectable antibiotic combination product consisting of semisynthetic antibiotic and  $\beta$ -lactamase inhibitor—proceeded smoothly, and sales of that product increased. Since October 2009, Toyama Chemical Co., Ltd. has been proceeding with Phase III clinical trials in Japan for *T-705*, a drug candidate being developed for the application of treating new strains of influenza that has been confirmed to have a different mechanism of action from that of existing therapeutic drugs. Aiming to quickly launch other promising new drug candidates, Toyama Chemical is advancing with development programs in close cooperation with FUJIFILM Corporation. A new company established to undertake clinical development programs and build a marketing base, FUJIFILM Pharma Co., Ltd., began business operations in April 2010. Initially engaging in the marketing of generic drugs, this company will in the future undertake the development and marketing of high-value-added generic products and original pharmaceutical products.

Graphic arts business sales increased, reflecting a worldwide recovery in demand and aggressive marketing-promotion measures. Fujifilm is continuing to strengthen its measures aimed at expanding sales in the growth field of digital printing business, where the Company has recorded strong sales of *Acuity* wide-format UV inkjet systems. The *Jet Press 720*—a groundbreaking, next-generation inkjet digital color printing system achieving high-speed operation, high-quality output, and large sheet size handling—was displayed at a domestic product announcement meeting held in April 2010, and the full-scale marketing of this product has begun.

Regarding the FPD materials business, sales of *WV films* and *FUJITAC* products have continued to increase owing to such factors as rising demand for LCD televisions associated with continuing Japan's Eco-Point system and Chinese government policies for promoting the ownership of household electric products. Also in July 2010, the Company made an announcement of boosting its production capacity of polarizer protective films. We will set up 3 additional production lines for *ultra-wide FUJITAC* to meet a surging demand for large-size LCD TVs.

In the office and industry businesses, sales in the optical device field increased, reflecting such factors as the recovery of demand for camera phone lens units. Fujifilm is endeavoring to increase its sales and market share in this field by bolstering its product lineup in the growing security camera lens market and by launching high-quality, high-value-added products in such areas as high definition (HD) lenses and 3D lenses. The Company is also working to expand its business by pioneering such new fields as that of automotive-use lens units. In July 2010, Fujinon Corporation was integrated within FUJIFILM Corporation. By enabling the fusion of the two companies' technologies and unification of such functions as business planning, development, and marketing, the corporate integration is expected to add additional momentum to the expansion of Fujifilm's optical device business operations.

### **Document Solutions**

In the Document Solutions segment, consolidated revenue grew to ¥238.4 billion, up 9.6% from the same period of the previous fiscal year. This reflected such factors as large increases in sales in the Asia-Oceania

region and in exports to U.S.-based Xerox Corporation owing to the robust sales of multifunction devices launched in 2009 and other factors.

Owing to the rise in revenue, the implementation of cost reduction measures, benefits from structural reforms and other factors, the segment's operating income before restructuring and other charges amounted to ¥22.4 billion (up 136.0% from the same period of the previous fiscal year). The ratio of operating income before restructuring and other charges to consolidated revenue was 9.3%, and ¥19.3 billion (up 273.6% from the same period of the previous fiscal year) in operating income after restructuring and other charges was recorded.

With respect to the office products business, in Japan, strong sales were recorded of the full-color digital multifunction *Fuji Xerox ApeosPort-IV/DocuCentre-IV Series* models launched in 2009. All these models employ EA-Eco toner, which enables outstanding energy-conservation performance. The contribution of these products, including the *Fuji Xerox DocuCentre-IV C2260*—a multifunction device for small offices that integrates basic functions in a single unit designed with emphasis on “compactness” and “user-friendliness”—supported a substantial increase in full-color digital multifunction device sales volume. The *Fuji Xerox ApeosPort-IV/DocuCentre-IV Series* launched in 2009 are the full-color digital multifunction devices that feature industry-leading energy-conservation performance, employing EA-Eco toner, which enables outstanding energy-conservation performance, together with superior functions and ease of operation. In addition, a rise was seen in the number of copies being made. Fuji Xerox is maintaining its leading domestic position in terms of the high volume of copies made using its devices. In the Asia-Oceania region, a considerable rise was recorded in the sales volume of full-color products. Looking at exports to U.S.-based Xerox Corporation, shipment volume of both full-color and monochrome models increased by considerable margins.

Regarding the office printer business, growth was seen in domestic sales volume for own-brand products as well as products supplied on an OEM basis. In the Asia-Oceania region, sales volume in the Chinese market and other Asian countries rose considerably, and a substantial increase was also seen in the volume of export shipments to U.S.-based Xerox Corporation.

In production services business, domestic sales decreased, reflecting the impact of companies' efforts to restrain their investments. Regarding sales in the Asia-Oceania region, the steady marketing of monochrome on-demand printing systems and the *Fuji Xerox Color 1000 Press/Color 800 Press* models—which launched in Japan, the United States, and Europe before their June 2010 launch in the Asia-Oceania region—supported growth in sales volume. Moreover, a large increase was recorded in the volume of export sales to Xerox Corporation owing to the strength of sales of the *Fuji Xerox DocuColor 8000 Digital Press/7000 Digital Press* and *Color 1000 Press/Color 800 Press* models.

In the global services business, revenue grew greatly. Against the backdrop of customers' growing interest in increasing their operational efficiency, Fuji Xerox expanded its managed print service business, which provides consolidated management of offices' paper output environments and supports reductions in office infrastructure costs, as well as its full outsourcing service business, which aims to minimize document-related costs and optimize operational processes in line with customers' objectives.

## **(2) Qualitative Information on the Consolidated Financial Position**

At the end of the first quarter, trade and finance receivables decreased while cash and cash equivalents increased, in comparison with the end of the previous fiscal year ended March 31, 2010. Total assets decreased by ¥59.8 billion, or 2.1%, to ¥2,767.6 billion. Total liabilities decreased by ¥28.4 billion, or 3.0% compared with the end of the previous fiscal year, to ¥923.2 billion, owing to a decrease in debt and trade payables and other factors. FUJIFILM Holdings shareholders' equity decreased by ¥29.3 billion, or 1.7% compared with the end of the previous fiscal year, to ¥1,716.8 billion. As a result, the current ratio increased by 6.3 percentage points, to 219.7%, the debt-equity ratio decreased by 0.7 percentage points, to 53.8%, and the equity ratio increased by 0.2 percentage points, to 62.0%, compared with the end of the previous fiscal year. The Company is confident that it is maintaining a stable level of asset liquidity and a sound capital structure.

**(Cash Flows)**

Amount Unit: Billions of yen

	First Quarter ended June 30, 2010	First Quarter ended June 30, 2009	Change
Net cash provided by operating activities	83.8	95.6	(11.8)
Net cash used in investing activities	(28.3)	(22.8)	(5.5)
Net cash used in financing activities	(12.0)	(28.1)	16.1

During the first quarter of the fiscal year ending March 31, 2011, net cash provided by operating activities decreased by ¥11.8 billion from the same period of previous fiscal year, to ¥83.8 billion, due to an increase in inventories to meet sales increase after the second quarter, and other factors. Net cash used in investing activities increased by ¥5.5 billion from the same period of previous fiscal year, to ¥28.3 billion. Thus, free cash flows—or the sum of cash flows from operating and investing activities—were decreased by ¥17.3 billion to ¥55.5 billion.

Net cash used in financing activities declined by ¥16.1 billion from the same period of previous fiscal year, to ¥12.0 billion. As a result, cash and cash equivalents at the quarter under review amounted to ¥435.8 billion, up ¥29.6 billion from the previous fiscal year ended (March 31, 2010).

**(3) Qualitative Information on Forecasts of the Consolidated Operating Result**

Economic conditions have been gradually recovering centering on emerging countries. However, the business environment after the second quarter of the fiscal year ending March 31, 2011 is increasingly uncertain due to concern about the direction of the economies of advanced countries centering on European countries and the trend toward yen appreciation. The Fujifilm Group has been resolutely implementing structural reforms to build a robust corporate constitution that is capable for generating a profit even amid such persistently severe conditions, and we have brought about tangible results. The Group projects that it will spend ¥25.0 billion of restructuring and other charges in the fiscal year ending March 31, 2011, and complete structural reforms. By achieving fixed cost reductions through structural reforms, moving ahead with our growth strategy of the concentrated investment of management resources in priority business fields and emerging markets, and taking certain other measures, the Group anticipates that it will considerably enhance its profitability.

Regarding consolidated performance in the fiscal year ending March 31, 2011, the Company projects ¥2,300.0 billion in revenue (up 5.4% from the previous fiscal year), operating income before restructuring and other charges of ¥145.0 billion (up 42.7% from the previous fiscal year), operating income after restructuring and other charges of ¥120.0 billion, income before income taxes of ¥118.0 billion, and net income attributable to FUJIFILM Holdings of ¥60.0 billion.

The projected currency exchange rates for the U.S. dollar and the euro against the yen after the second quarter of the fiscal year ending March 31, 2011 are ¥90 and ¥110, respectively.

**2. OTHER INFORMATION**

- (1) Overview of changes in status of material subsidiaries: None
- (2) Overview of adoption of simplified accounting methods and specific accounting methods: None
- (3) Overview of changes to consolidated financial statement principles, preparation processes, disclosure methods, etc.: None
- (4) Overview of material events regarding the going concern assumption: None

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.

### 3. CONSOLIDATED FINANCIAL STATEMENTS

#### (1) Consolidated Balance Sheets

Amount Unit: Millions of yen

	Consolidated balance sheet for the 1st quarter As of June 30, 2010	Condensed consolidated balance sheet for the fiscal year As of March 31, 2010	Change
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	435,766	406,177	29,589
Marketable securities	65,952	61,362	4,590
Notes and accounts receivable:			
Trade and finance	431,563	479,972	(48,409)
Affiliated companies	30,748	32,668	(1,920)
Allowance for doubtful receivables	(17,718)	(17,615)	(103)
	444,593	495,025	(50,432)
Inventories	318,760	303,120	15,640
Prepaid expenses and other	143,447	144,865	(1,418)
Total current assets	1,408,518	1,410,549	(2,031)
Investments and long-term receivables:			
Investments in and advances to affiliated companies	39,697	42,748	(3,051)
Investment securities	130,373	146,734	(16,361)
Long-term finance and other receivables	104,828	109,588	(4,760)
Allowance for doubtful receivables	(4,175)	(5,113)	938
Total investments and long-term receivables	270,723	293,957	(23,234)
Property, plant and equipment:			
Land	97,470	98,788	(1,318)
Buildings	676,997	686,171	(9,174)
Machinery and equipment	1,534,578	1,571,790	(37,212)
Construction in progress	13,500	15,020	(1,520)
	2,322,545	2,371,769	(49,224)
Less accumulated depreciation	(1,747,079)	(1,770,108)	23,029
Total property, plant and equipment	575,466	601,661	(26,195)
Other assets:			
Goodwill, net	324,555	325,859	(1,304)
Other intangible assets, net	42,994	45,195	(2,201)
Other	145,304	150,207	(4,903)
Total other assets	512,853	521,261	(8,408)
<b>Total assets</b>	<b>2,767,560</b>	<b>2,827,428</b>	<b>(59,868)</b>

Amount Unit: Millions of yen

	Consolidated balance sheet for the 1st quarter As of June 30, 2010	Condensed consolidated balance sheet for the fiscal year As of March 31, 2010	Change
<b>LIABILITIES</b>			
Current liabilities:			
Short-term debt	148,433	155,379	(6,946)
Notes and accounts payable:			
Trade	215,826	228,882	(13,056)
Construction	26,946	29,039	(2,093)
Affiliated companies	4,076	3,631	445
	246,848	261,552	(14,704)
Accrued income taxes	9,148	9,438	(290)
Accrued liabilities	180,954	174,981	5,973
Other current liabilities	55,798	59,631	(3,833)
Total current liabilities	641,181	660,981	(19,800)
Long-term liabilities:			
Long-term debt	139,711	140,269	(558)
Accrued pension and severance costs	73,129	78,253	(5,124)
Customers' guarantee deposits and other	69,224	72,096	(2,872)
Total long-term liabilities	282,064	290,618	(8,554)
Total liabilities	923,245	951,599	(28,354)
<b>EQUITY</b>			
FUJIFILM Holdings shareholders' equity			
Common stock, without par value:			
Authorized: 800,000,000 shares	40,363	40,363	-
Issued: 514,625,728 shares			
Additional paid-in capital	70,499	70,283	216
Retained earnings	1,886,121	1,868,362	17,759
Accumulated other comprehensive income (loss)	(197,615)	(150,288)	(47,327)
Treasury stock, at cost	(82,617)	(82,613)	(4)
Total FUJIFILM Holdings shareholders' equity	1,716,751	1,746,107	(29,356)
Noncontrolling interests	127,564	129,722	(2,158)
Total equity	1,844,315	1,875,829	(31,514)
Total liabilities and equity	2,767,560	2,827,428	(59,868)

Note: Details of accumulated other comprehensive income (loss)

	As of June 30, 2010	As of March 31, 2010	Change
Unrealized gains (losses) on securities	(1,340)	10,350	(11,690)
Foreign currency translation adjustments	(127,304)	(90,851)	(36,453)
Pension liability adjustments	(68,944)	(69,920)	976
Unrealized gains (losses) on derivatives	(27)	133	(160)

## (2) Consolidated Statements of Operations

Amount Unit: Millions of yen

	Three months ended June 30, 2010 From April 1, 2010 To June 30, 2010		Three months ended June 30, 2009 From April 1, 2009 To June 30, 2009		Change	
					Amount	%
Revenue:						
Sales	%	459,152	%	414,858	44,294	10.7
Rentals		88,291		87,565	726	0.8
	100.0	547,443	100.0	502,423	45,020	9.0
Cost of sales:						
Sales		279,836		268,048	11,788	4.4
Rentals		38,640		35,661	2,979	8.4
	58.2	318,476	60.4	303,709	14,767	4.9
Gross profit	41.8	228,967	39.6	198,714	30,253	15.2
Operating expenses:						
Selling, general and administrative	25.5	139,474	29.4	147,500	(8,026)	(5.4)
Research and development	7.1	39,040	8.7	43,656	(4,616)	(10.6)
	32.6	178,514	38.1	191,156	(12,642)	(6.6)
Operating income before restructuring and other charges	9.2	50,453	1.5	7,558	42,895	567.5
Restructuring and other charges	0.6	3,591	2.0	10,266	(6,675)	(65.0)
Operating income (loss)	8.6	46,862	(0.5)	(2,708)	49,570	-
Other income (expenses):						
Interest and dividend income		1,633		1,923	(290)	
Interest expense		(1,006)		(1,232)	226	
Foreign exchange gains (losses), net		(8,502)		2,491	(10,993)	
Other, net		(531)		703	(1,234)	
	(1.6)	(8,406)	0.7	3,885	(12,291)	-
Income before income taxes	7.0	38,456	0.2	1,177	37,279	-
Income taxes	3.5	19,458	0.4	2,264	17,194	759.5
Equity in net earnings of affiliated companies	0.2	1,157	0.1	515	642	124.7
Net income (loss)	3.7	20,155	(0.1)	(572)	20,727	-
Less: Net income attributable to the noncontrolling interests	(0.5)	(2,396)	(0.0)	(123)	(2,273)	-
Net income (loss) attributable to FUJIFILM Holdings	3.2	17,759	(0.1)	(695)	18,454	-

**(3) Consolidated Statements of Cash Flows**

Amount Unit: Millions of yen

	Three months ended June 30, 2010 From April 1, 2010 To June 30, 2010	Three months ended June 30, 2009 From April 1, 2009 To June 30, 2009	Change
<b>Operating activities</b>			
Net income (loss)	20,155	(572)	20,727
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	38,428	44,994	(6,566)
Equity in net earnings of affiliated companies, less dividends received	(90)	(170)	80
Changes in operating assets and liabilities:			
Notes and accounts receivable	29,988	35,459	(5,471)
Inventories	(25,163)	12,644	(37,807)
Notes and accounts payable - trade	(6,978)	(14,782)	7,804
Accrued income taxes and other liabilities	12,935	16,152	(3,217)
Other	14,515	1,852	12,663
Subtotal	63,635	96,149	(32,514)
Net cash provided by operating activities	83,790	95,577	(11,787)
<b>Investing activities</b>			
Purchases of property, plant and equipment	(15,714)	(19,701)	3,987
Purchases of software	(3,416)	(2,865)	(551)
Proceeds from sales and maturities of marketable and investment securities	9,394	8,146	1,248
Purchases of marketable and investment securities	(15,386)	(3,084)	(12,302)
(Increase) decrease in investments in and advances to affiliated companies	(381)	(1,392)	1,011
Acquisitions of businesses and minority interests, net of cash acquired	(370)	-	(370)
Other	(2,436)	(3,910)	1,474
Net cash used in investing activities	(28,309)	(22,806)	(5,503)
<b>Financing activities</b>			
Proceeds from long-term debt	28	-	28
Repayments of long-term debt	(403)	(259)	(144)
Increase (decrease) in short-term debt, net	(4,295)	(21,316)	17,021
Cash dividends paid	(6,108)	(6,108)	0
Subsidiaries' cash dividends paid to noncontrolling interests	(1,210)	(410)	(800)
Net purchases of stock for treasury	(4)	(7)	3
Net cash used in financing activities	(11,992)	(28,100)	16,108
Effect of exchange rate changes on cash and cash equivalents	(13,900)	516	(14,416)
Net increase (decrease) in cash and cash equivalents	29,589	45,187	(15,598)
Cash and cash equivalents at beginning of period	406,177	270,094	136,083
Cash and cash equivalents at end of period	435,766	315,281	120,485

**(4) Note Relating to the Going Concern Assumption**

N/A

**(5) Segment Information****(A) Operating Segment Information****a. Revenue**

Amount Unit: Millions of yen

	Three months ended June 30, 2010 From April 1, 2010 To June 30, 2010		Three months ended June 30, 2009 From April 1, 2009 To June 30, 2009		Change	
	%		%		Amount	%
Revenue:						
Imaging Solutions:						
External customers	15.2	83,186	16.0	80,243	2,943	3.7
Intersegment		177		26	151	-
Total		83,363		80,269	3,094	3.9
Information Solutions:						
External customers	41.2	225,795	40.7	204,580	21,215	10.4
Intersegment		447		377	70	-
Total		226,242		204,957	21,285	10.4
Document Solutions:						
External customers	43.6	238,462	43.3	217,600	20,862	9.6
Intersegment		1,527		1,570	(43)	-
Total		239,989		219,170	20,819	9.5
Eliminations		(2,151)		(1,973)	(178)	-
Consolidated total	100.0	547,443	100.0	502,423	45,020	9.0

**b. Operating income**

Amount Unit: Millions of yen

	Three months ended June 30, 2010 From April 1, 2010 To June 30, 2010		Three months ended June 30, 2009 From April 1, 2009 To June 30, 2009		Change	
	%		%		Amount	%
Operating Income (Loss):						
Imaging Solutions	2.1	1,759	(8.8)	(7,052)	8,811	-
Information Solutions	14.2	32,189	3.3	6,782	25,407	374.6
Document Solutions	8.0	19,306	2.4	5,167	14,139	273.6
Total		53,254		4,897	48,357	987.5
Corporate expenses and eliminations		(6,392)		(7,605)	1,213	-
Consolidated total	8.6	46,862	(0.5)	(2,708)	49,570	-

Note: During the first quarter of the fiscal year ending March 31, 2011, the method of allocating certain expense incurred in the corporate division, predominantly basic research, which was allocated to each operating segment, has been changed to charge it directly to corporate expense. As a result of this change, the prior year's disclosure has been restated in conformity with the current year's presentation. There was no impact on the operating income (loss) with this change.

Note: The major products and services of each operating segment are as follows:

Imaging Solutions	Color films, digital cameras, photofinishing equipment and color paper, chemicals and services for photofinishing
Information Solutions	Equipment and materials for medical systems and life sciences, functional cosmetics, pharmaceuticals, equipment and materials for graphic arts, flat panel display materials, recording media, optical devices, inkjet materials and electronic materials
Document Solutions	Office copy machines/MFPs, printers, production systems and services, paper, consumables and office services

**(B) Geographic Information****a. Revenue**

Amount Unit: Millions of yen

	Three months ended June 30, 2010 From April 1, 2010 To June 30, 2010		Three months ended June 30, 2009 From April 1, 2009 To June 30, 2009		Change	
	%		%		Amount	%
Revenue:						
Japan						
External customers	61.6	337,267	61.3	307,756	29,511	9.6
Intersegment		95,493		71,563	23,930	-
Total		432,760		379,319	53,441	14.1
The Americas						
External customers	14.1	77,373	15.3	77,040	333	0.4
Intersegment		5,805		4,519	1,286	-
Total		83,178		81,559	1,619	2.0
Europe						
External customers	9.4	51,229	10.6	53,081	(1,852)	(3.5)
Intersegment		2,362		3,427	(1,065)	-
Total		53,591		56,508	(2,917)	(5.2)
Asia and others						
External customers	14.9	81,574	12.8	64,546	17,028	26.4
Intersegment		63,283		53,196	10,087	-
Total		144,857		117,742	27,115	23.0
Eliminations		(166,943)		(132,705)	(34,238)	-
Consolidated total	100.0	547,443	100.0	502,423	45,020	9.0

**b. Operating income**

Amount Unit: Millions of yen

	Three months ended June 30, 2010 From April 1, 2010 To June 30, 2010		Three months ended June 30, 2009 From April 1, 2009 To June 30, 2009		Change	
	%		%		Amount	%
Operating Income (Loss):						
Japan	8.4	36,474	(1.3)	(4,746)	41,220	-
The Americas	1.9	1,601	(4.2)	(3,448)	5,049	-
Europe	3.1	1,677	(5.5)	(3,125)	4,802	-
Asia and others	6.2	9,021	2.6	3,036	5,985	197.1
Eliminations		(1,911)		5,575	(7,486)	-
Consolidated total	8.6	46,862	(0.5)	(2,708)	49,570	-

**(C) Overseas revenue**

Amount Unit: Millions of yen

	Three months ended June 30, 2010 From April 1, 2010 To June 30, 2010		Three months ended June 30, 2009 From April 1, 2009 To June 30, 2009		Change	
	%		%		Amount	%
Revenue:						
Domestic	45.5	249,324	48.6	244,393	4,931	2.0
Overseas						
The Americas	17.1	93,799	16.8	84,225	9,574	11.4
Europe	12.0	65,514	12.3	61,789	3,725	6.0
Asia and others	25.4	138,806	22.3	112,016	26,790	23.9
Subtotal	54.5	298,119	51.4	258,030	40,089	15.5
Consolidated total	100.0	547,443	100.0	502,423	45,020	9.0

**(6) Note on Significant Changes to Fujifilm Holdings Shareholders' Equity**

N/A