

July 27, 2007

## **Notice regarding Allotment of Stock Acquisition Rights as Stock Option**

FUJIFILM Holdings Corporation (the “Company”) announced today that its Board of Directors has passed the following resolutions regarding the stock option plan.

**I.** Stock options to be granted to share the stockholders’ interest in the fluctuation of the stock price of shares of the Company and to further enhance motivation and morale to contribute toward increasing the corporate value of the Company as well as to be an incentive for the enhancement of the corporate value of the Company based on the fact that the Company has achieved considerably better consolidated operating income for the fiscal year commencing on April 1, 2006, than the Company’s targeted income for the same period and that it has established the basis of increasing future profitability by completing drastic structural reforms and implementing growth strategies are to be allocated to Directors of the Company and Directors of FUJIFILM Corporation, a wholly owned subsidiary of the Company, on September 3, 2007, in accord with “FUJIFILM Holdings Corporation No. 1-1 Stock Acquisition Rights.”

**II.** Stock options to be granted to share the stockholders’ interest in the fluctuation of the stock price of shares of the Company and to further enhance motivation and morale to contribute toward increasing the corporate value of the Company as well as to be an incentive for the enhancement of the corporate value of the Company and the achievement of targeted business results in terms of consolidated operating income for the fiscal year commencing on April 1, 2007, are to be allocated to Directors and executive officers of the Company as well as to Directors, executive officers, and Fellows of FUJIFILM Corporation, a wholly owned subsidiary of the Company, on September 3, 2007, in accord with “FUJIFILM Holdings Corporation No. 1-2 Stock Acquisition Rights.”

**III.** Stock options to be granted to share the stockholders’ interest in the fluctuation of the stock price of shares of the Company and to further enhance motivation and morale to contribute toward increasing the corporate value of the Company as well as to be an incentive for the enhancement of the corporate value of the Company are to be allocated to Directors, executive officers, and important employees of the Company as well as to Directors, executive officers, Fellows, and important employees of FUJIFILM Corporation, a wholly owned subsidiary of the Company, on September 3, 2007, in accord with “FUJIFILM Holdings Corporation No. 1-3 Stock Acquisition Rights.”

The terms and conditions of issuance of the stock acquisition rights are as follows:

### Particulars

#### **I. FUJIFILM Holdings Corporation No. 1-1 Stock Acquisition Rights**

**1. Name of Stock acquisition rights:** FUJIFILM Holdings Corporation No. 1-1 Stock Acquisition Rights

**2. Total number of Stock acquisition rights:** 780 allotments

The total number above is the planned allotment number and, in the case that allotment applications are not made, etc., causing the stock acquisition rights allotment total number to decrease, then the allotted number of stock acquisition rights will be the issued number of stock acquisition rights.

**3. Class and number of shares to be issued upon exercise of stock acquisition rights:**

The class of shares to be issued upon the exercise of stock acquisition rights shall be common stock shares and the number of shares to be issued upon the exercise of each stock acquisition right (the “Allotted Number of Shares”) shall be 100 shares.

In the event that the Company conducts a stock split or stock consolidation, the Allotted Number of Shares shall be adjusted according to the following formula:

Post-Adjustment Allotted Number of Shares = Pre-Adjustment Allotted Number of Shares x stock split or consolidation ratio

The Post-Adjustment Allotted Number of Shares will be effective beginning from the day following a stock split or from the effective date of a stock consolidation. However, in the case of a stock split conditional on the General Shareholders’ Meeting’s approval of a proposal calling for the reduction of retained earnings and increase of capital or reserves, when the stock split basis date is a date prior to the date on which the General Shareholders’ Meeting concludes, the Post-Adjustment Allotted Number of Shares will be effective from the day following the date on which the General Shareholders’ Meeting concludes, effective retroactively to the day following the relevant basis date.

In addition to the above, in the case of a gratis allocation of the Company’s common stock or another event unavoidably requiring the adjustment of the Allotted Number of Shares, the Allotted Number of Shares shall be adjusted within a reasonable range.

If the above adjustment results in the creation of fractional share figures, these figures are to be discarded.

At times when the Allotted Number of Shares is to be adjusted, notice of the required conditions shall be given by direct notification or public advertisement to each holder of stock acquisition rights recorded on the stock acquisition rights register (“stock acquisition rights holder”) before the day prior to the date on which the Post-Adjustment Allotted Number of Shares will be effective. However, in the case that notice of the required conditions cannot be given to each stock acquisition rights holder before the day prior to the date on which the Post-Adjustment Allotted Number of Shares will be effective, such notice shall be made soon afterward by direct notification or public advertisement.

**4. Amount of assets to be contributed upon exercise of stock acquisition rights:**

The amount of assets to be contributed upon the exercise of each stock acquisition right shall be the amount obtained by multiplying the Exercise Price, which is 1 (one) Yen, by the Allotted Number of Shares.

**5. Period for exercising stock acquisition rights:**

The period for exercising stock acquisition rights shall be from September 4, 2007, through September 3, 2018.

**6. Increase of capital and capital surplus in the case of issuance of stock upon the exercise of stock acquisition rights:**

(1) The increase of capital in the case of issuance of stock upon the exercise of stock acquisition rights shall be one-half the capital, etc., increase maximum value calculated in accordance with Article 40, Paragraph 1 of the Corporate Accounting Regulation, and when the results of calculations include fractions of yen, these fractional values shall be rounded up to the nearest yen.

(2) The increase of capital surplus in the case of issuance of stock upon the exercise of stock acquisition rights shall equal the above capital, etc., increase maximum value less the value of the increase of capital.

**7. Restriction on transfer of stock acquisition rights:**

Any transfer of stock acquisition rights shall be subject to the approval of the Board of Directors by resolution.

**8. Provisions for acquisition of stock acquisition rights:**

In the case of the General Shareholders' Meeting's approval of one of the following resolutions (1), (2), (3), (4), or (5) (or if the General Shareholders' Meeting's approval is not required, then in the case of the approval of one of the resolutions by the Board of Directors or by a decision of the representative executive officer), on a date separately determined by the Board of Directors, the Company may acquire stock acquisition rights at no charge (without consideration).

(1) A resolution to approve a merger contract providing for the Company to become a dissolved company

(2) A resolution to approve a split-off contract providing for the Company to become segmented or a resolution to approve a corporate disaggregation plan

(3) A resolution to approve a stock transfer contract providing for the Company to become a wholly owned subsidiary or a resolution to approve such a stock transfer plan

(4) A resolution to approve a change to the Articles of Incorporation to require the Company's approval for the acquisition of shares through a share transfer with respect to all the Company's shares

(5) A resolution to approve a change to the Articles of Incorporation to require the Company's approval for the acquisition of shares through a share transfer with respect to shares for the purpose of stock acquisition rights or to provide for the Company to acquire all of this kind of stock based on a resolution

**9. Policies for decisions regarding the annulment of stock acquisition rights due to organizational restructuring and stock acquisition rights for reorganized company:**

In the case that the Company undertakes mergers (only those in which the Company is dissolved), absorption split-offs, spin-off split-offs, stock swaps, or stock transfers (all these situations hereinafter referred to collectively as “organizational restructuring processes”), with respect to those holding stock acquisition rights outstanding (“residual stock acquisition rights”) immediately before the organizational restructuring process takes effect (“taking effect” meaning the date an absorption merger takes effect in the case of absorption-mergers, the date of a new joint venture’s establishment in the case of newly established joint ventures, the date an absorption split-off takes effect in the case of absorption split-offs, the date a spin-off split-off company is established in the case of spin-off split-offs, the date a stock swap takes effect in the case of stock swaps, and the date a stock-transfer established company is established in the case of stock transfers), the Company may arrange for the issuance of stock acquisition rights by companies corresponding to companies described in Article 236, Paragraph 1, item (a) through (e) of the Corporate Law (hereinafter “reorganization target companies”) based on the following conditions. In this case, the remaining stock acquisition rights are annulled and the reorganization target company issues new stock acquisition rights. However, this must be limited to cases of absorption-merger contracts, new joint venture contracts, absorption split-off contracts, spin-off split-off plans, stock-swap contracts, or stock transfer plans designed for the delivery of stock acquisition rights by reorganization target companies in accordance with the following conditions:

(1) Number of reorganization target company’s stock acquisition rights to be delivered  
The number of stock acquisition rights delivered shall correspond to the number of remaining stock acquisition rights.

(2) Class of shares of the reorganized company covered by stock acquisition rights  
Common stock shares of the reorganized company

(3) Number of shares in reorganized company covered by stock acquisition rights  
To be decided based on item “3.” above, and based on consideration of the conditions of organizational restructuring processes, etc.

(4) Amount of assets to be contributed upon exercise of stock acquisition rights  
The amount of assets to be contributed upon the exercise of each stock acquisition right delivered shall be the amount obtained by multiplying the post-reorganization exercise price determined below by the amount of the reorganization target company’s shares covered by the relevant stock acquisition rights in accordance with (3) above. The post-reorganization exercise price for the exercise of each stock acquisition right shall be 1 (one) Yen for each of the reorganization target company’s shares.

(5) Period for exercising stock acquisition rights:  
The period beginning from the starting date specified in “5.” above or the date of the taking effect of an organizational restructuring process, whichever is later, and ending on the ending date for exercising stock acquisition rights specified in “5.” above

(6) Increase of capital and capital surplus in the case of issuance of stock upon the exercise of stock acquisition rights:  
To be decided based on item “6.” above

(7) Restriction on transfer of stock acquisition rights

Any transfer of stock acquisition rights shall be subject to the approval of the Board of Directors by resolution.

(8) Provisions for acquisition of stock acquisition rights:

To be decided based on item "8." above

(9) Other conditions for the exercise of stock acquisition rights

To be decided based on item "11." below

**10. Arrangements regarding fractional share figures generated through the exercise of allocated stock acquisition rights:**

When the number of shares delivered upon the stock acquisition rights holder's exercise of allocated stock acquisition rights includes a fractional share figure, that figure will be discarded.

**11. Other conditions for the exercise of stock acquisition rights:**

(1) Stock acquisition rights holders may exercise allocated stock acquisition rights during the period from the day following the allocation day through the day three years after the allocation day.

(2) Regardless of (1) above, stock acquisition rights holders, in the following situations (excluding stock acquisition rights in reorganization target companies delivered in accordance with "9." above) may exercise allocated stock acquisition rights in the specified limited period.

① The stock acquisition rights holder loses his/her position as a director of the Company or FUJIFILM Corporation due to the expiration of his/her term in office or some other just cause.  
Seven years from the day following the date of loss of position

② The Company's General Shareholders' Meeting approves a proposal regarding a merger contract providing for the Company's dissolution or a share swap contract or a share transfer plan providing for the Company to become a fully owned subsidiary (or if the General Shareholders' Meeting's approval is not required, then in the case of the approval of one of the resolutions by the Board of Directors or by a decision of the representative director).  
15 days from the day following the approval

(3) In the case that a stock acquisition rights holder abandons his/her stock acquisition rights, those rights may not be exercised.

## 12. Method of calculating the paid-in amount for Stock Acquisition rights:

The paid-in amount for each stock acquisition right shall be equal to the product of: the option price per share based on the basic coefficients defined below ((2) through (7)) in accordance with the following Black-Scholes model; and the Allotted Number of Shares.

$$C = Se^{-qT} N(d) - Xe^{-rT} N(d - \sigma\sqrt{T})$$

and

$$d = \frac{\ln\left(\frac{S}{X}\right) + \left(r - q + \frac{\sigma^2}{2}\right)T}{\sigma\sqrt{T}}$$

(1) The per-share option price = C

(2) Stock price (S): closing price of shares of common stock of the Company in regular trading at the Tokyo Stock Exchange on September 3, 2007 (If there is no closing price, then the basic price for trading the following day is used.)

(3) Exercise price (X): ¥1

(4) Projected remaining time period (T): one year

(5) Volatility ( $\sigma$ ): Stock price fluctuation rate calculated based on the closing prices of shares of common stock of the Company in regular trading at the Tokyo Stock Exchange during a one-year period (from September 3, 2006, through September 3, 2007)

(6) Risk-free interest rate (r): The interest rate for government bonds with remaining terms corresponding to the projected remaining period

(7) Dividend yield (q): Dividends per share (real dividends during the previous 12 months (dividends distributed as of September 2006 and March 2007))  $\div$  the stock price in (2) above

(8) Cumulative distribution function of standard normal distribution (N(.))

\* The price calculated above is the fair price of stock acquisition rights and does not correspond to a profitable issue price.

\* The Company will grant to the stock acquisition rights holders monetary remuneration equal to the total value of exercise prices for stock acquisition rights and will set off their compensation claims against the payment of the total value of exercise prices for stock acquisition rights.

## 13. Date of allocation of stock acquisition rights:

September 3, 2007

## 14. Date of monetary payment in exchange for stock acquisition rights:

The payment date shall be September 3, 2007.

## 15. Stock acquisition rights exercise method and payment method:

(1) In the case of the exercise of the stock acquisition rights, the "Stock Acquisition Rights Exercise Application Form" prepared by the Company shall be filled out by the applicant, affixed with the applicant's personal seal, and presented at the location specified in "16." below.

(2) In addition to presenting the Stock Acquisition Rights Exercise Application Form mentioned in (1) above, the applicant shall pay cash corresponding to the amount of assets to be contributed upon the exercise of each stock acquisition right (hereinafter “payment price”), which shall be the amount obtained by multiplying the Exercise Price by the Allotted Number of Shares into the account specified by the Company (hereinafter “specified account”) of the stock acquisition rights exercise payment transaction location in accordance with “17.” below.

**16. Stock acquisition rights exercise application location:**

The Secretariat Office of the Company (or the department responsible)

**17. Stock acquisition rights exercise payment transaction location:**

The Head Office of Sumitomo Mitsui Banking Corp. (or the succeeding bank)

**18. Effective period of stock acquisition rights, etc.:**

(1) The exercise of stock acquisition rights shall take effect on the date of the Stock Acquisition Rights Exercise Application Form. However, in the case that the Stock Acquisition Rights Exercise Application Form received by the stock acquisition rights exercise application location is received by the stock acquisition rights exercise payment transaction location at a later date and that the transfer to the specified account of the cash payment of the payment price stipulated in “15. (2)” above is at a later date, then the exercise of stock acquisition rights shall take effect on the date of the receipt of the Stock Acquisition Rights Exercise Application Form by the stock acquisition rights exercise application location and the transfer to the specified account of the cash payment of the payment price.

(2) The Company will provide the relevant share certificates quickly after the exercise procedure has been completed. However, the Company will not provide odd-lot shares not comprising a full trading unit.

**19. Handling of rewriting of related conditions and other measures:**

In the case of a need to rewrite related conditions and/or take similar measures, the Company will modify the related conditions by methods it deems appropriate in accordance with the provisions of the Corporate Law and with the purpose of the allocation of stock acquisition rights, and the modified portions shall become integral components of the Stock Option Plan’s provisions.

**20. Public announcement of the terms and conditions of the issuance:**

The Company shall prepare a copy of the Stock Option Plan at its Head Office so that stock acquisition rights holders may read it during the Company’s business hours.

**21. All other necessary items related to stock acquisition rights shall be delegated to the representative directors.**

Regarding the stock acquisition rights to be issued in accordance with the conditions described above, plans call for issuing 780 stock acquisition rights to four directors of the Company and the chairman of FUJIFILM Corporation.

## **II. FUJIFILM Holdings Corporation No. 1-2 Stock Acquisition Rights**

**1. Name of Stock acquisition rights:** FUJIFILM Holdings Corporation No. 1-2 Stock Acquisition Rights

**2. Total number of Stock acquisition rights:** 1,376 allotments

The total number above is the planned allotment number and, in the case that allotment applications are not made, etc., causing the stock acquisition rights allotment total number to decrease, then the allotted number of stock acquisition rights will be the issued number of stock acquisition rights.

**3. Class and number of shares to be issued upon exercise of stock acquisition rights:**

The class of shares to be issued upon the exercise of stock acquisition rights shall be common stock shares and the number of shares to be issued upon the exercise of each stock acquisition right (the “Allotted Number of Shares”) shall be 100 shares.

In the event that the Company conducts a stock split or stock consolidation, the Allotted Number of Shares shall be adjusted according to the following formula:

Post-Adjustment Allotted Number of Shares = Pre-Adjustment Allotted Number of Shares x stock split or consolidation ratio

The Post-Adjustment Allotted Number of Shares will be effective beginning from the day following a stock split or from the effective date of a stock consolidation. However, in the case of a stock split conditional on the General Shareholders’ Meeting’s approval of a proposal calling for the reduction of retained earnings and increase of capital or reserves, when the stock split basis date is a date prior to the date on which the General Shareholders’ Meeting concludes, the Post-Adjustment Allotted Number of Shares will be effective from the day following the date on which the General Shareholders’ Meeting concludes, effective retroactively to the day following the relevant basis date.

In addition to the above, in the case of a gratis allocation of the Company’s common stock or another event unavoidably requiring the adjustment of the Allotted Number of Shares, the Allotted Number of Shares shall be adjusted within a reasonable range.

If the above adjustment results in the creation of fractional share figures, these figures are to be discarded.

At times when the Allotted Number of Shares is to be adjusted, notice of the required conditions shall be given by direct notification or public advertisement to each holder of stock acquisition rights recorded on the stock acquisition rights register (“stock acquisition rights holder”) before the day prior to the date on which the Post-Adjustment Allotted Number of Shares will be effective. However, in the case that notice of the required conditions cannot be given to each stock acquisition rights holder before the day prior to the date on which the Post-Adjustment Allotted Number of Shares will be effective, such notice shall be made soon afterward by direct notification or public advertisement.

**4. Amount of assets to be contributed upon exercise of stock acquisition rights:**

The amount of assets to be contributed upon the exercise of each stock acquisition right shall be the amount obtained by multiplying the Exercise Price, which is 1 (one) Yen, by the Allotted Number of Shares.

**5. Period for exercising stock acquisition rights:**

The period for exercising stock acquisition rights shall be from September 4, 2007, through September 3, 2018.

**6. Increase of capital and capital surplus in the case of issuance of stock upon the exercise of stock acquisition rights:**

(1) The increase of capital in the case of issuance of stock upon the exercise of stock acquisition rights shall be one-half the capital, etc., increase maximum value calculated in accordance with Article 40, Paragraph 1 of the Corporate Accounting Regulation, and when the results of calculations include fractions of yen, these fractional values shall be rounded up to the nearest yen.

(2) The increase of capital surplus in the case of issuance of stock upon the exercise of stock acquisition rights shall equal the above capital, etc., increase maximum value less the value of the increase of capital.

**7. Restriction on transfer of stock acquisition rights:**

Any transfer of stock acquisition rights shall be subject to the approval of the Board of Directors by resolution.

**8. Provisions for acquisition of stock acquisition rights:**

In the case of the General Shareholders' Meeting's approval of one of the following resolutions (1), (2), (3), (4), or (5) (or if the General Shareholders' Meeting's approval is not required, then in the case of the approval of one of the resolutions by the Board of Directors or by a decision of the executive officer), on a date separately determined by the Board of Directors, the Company may acquire stock acquisition rights at no charge (without consideration).

(1) A resolution to approve a merger contract providing for the Company to become a dissolved company

(2) A resolution to approve a split-off contract providing for the Company to become segmented or a resolution to approve a corporate disaggregation plan

(3) A resolution to approve a stock transfer contract providing for the Company to become a wholly owned subsidiary or a resolution to approve such a stock transfer plan

(4) A resolution to approve a change to the Articles of Incorporation to require the Company's approval for the acquisition of shares through a share transfer with respect to all the Company's shares

(5) A resolution to approve a change to the Articles of Incorporation to require the Company's approval for the acquisition of shares through a share transfer with respect to shares for the purpose of stock acquisition rights or to provide for the Company to acquire all of this kind of stock based on a resolution.

## **9. Policies for decisions regarding the annulment of stock acquisition rights due to organizational restructuring and stock acquisition rights for reorganized company:**

In the case that the Company undertakes mergers (only those in which the Company is dissolved), absorption split-offs, spin-off split-offs, stock swaps, or stock transfers (all these situations hereinafter referred to collectively as “organizational restructuring processes”), with respect to those holding stock acquisition rights outstanding (“residual stock acquisition rights”) immediately before the organizational restructuring process takes effect (“taking effect” meaning the date an absorption merger takes effect in the case of absorption-mergers, the date of a new joint venture’s establishment in the case of newly established joint ventures, the date an absorption split-off takes effect in the case of absorption split-offs, the date a spin-off split-off company is established in the case of spin-off split-offs, the date a stock swap takes effect in the case of stock swaps, and the date a stock-transfer established company is established in the case of stock transfers), the Company may arrange for the issuance of stock acquisition rights by companies corresponding to companies described in Article 236, Paragraph 1, Item 8 (a) through (e) of the Corporate Law (hereinafter “reorganization target companies”) based on the following conditions. In this case, the remaining stock acquisition rights are annulled and the reorganization target company issues new stock acquisition rights. However, this must be limited to cases of absorption-merger contracts, new joint venture contracts, absorption split-off contracts, spin-off split-off plans, stock-swap contracts, or stock transfer plans designed for the delivery of stock acquisition rights by reorganization target companies in accordance with the following conditions:

(1) Number of reorganization target company’s stock acquisition rights to be delivered  
The number of stock acquisition rights delivered shall correspond to the number of remaining stock acquisition rights.

(2) Class of shares of the reorganized company covered by stock acquisition rights  
Common stock shares of the reorganized company

(3) Number of shares in reorganized company covered by stock acquisition rights  
To be decided based on item “3.” above, and based on consideration of the conditions of organizational restructuring processes, etc.

(4) Amount of assets to be contributed upon exercise of stock acquisition rights  
The amount of assets to be contributed upon the exercise of each stock acquisition right delivered shall be the amount obtained by multiplying the post-reorganization exercise price determined below by the amount of the reorganization target company’s shares covered by the relevant stock acquisition rights in accordance with (3) above. The post-reorganization exercise price for the exercise of each stock acquisition right shall be 1 (one) Yen for each of the reorganization target company’s shares.

(5) Period for exercising stock acquisition rights:  
The period beginning from the starting date specified in “5.” above or the date of the taking effect of an organizational restructuring process, whichever is later, and ending on the ending date for exercising stock acquisition rights specified in “5.” above

(6) Increase of capital and capital surplus in the case of issuance of stock upon the exercise of stock acquisition rights:  
To be decided based on item “6.” above

(7) Restriction on transfer of stock acquisition rights

Any transfer of stock acquisition rights shall be subject to the approval of the Board of Directors by resolution.

(8) Provisions for acquisition of stock acquisition rights:

To be decided based on item “8.” above

(9) Other conditions for the exercise of stock acquisition rights

To be decided based on item “11.” below

**10. Arrangements regarding fractional share figures generated through the exercise of allocated stock acquisition rights:**

When the number of shares delivered upon the stock acquisition rights holder’s exercise of allocated stock acquisition rights includes a fractional share figure, that figure will be discarded.

**11. Other conditions for the exercise of stock acquisition rights:**

(1) In the case that the performance goal of recording ¥200.0 billion or more in consolidated operating income for the fiscal year commencing on April 1, 2007, is not attained, stock acquisition rights holders may not exercise allocated stock acquisition rights.

(2) Stock acquisition rights holders may exercise allocated stock acquisition rights during the period from the day following the allocation day through the day three years after the allocation day.

(3) Regardless of (2) above, stock acquisition rights holders, in the following situations (excluding stock acquisition rights in reorganization target companies delivered in accordance with “9.” above) may exercise allocated stock acquisition rights in the specified limited period. However, if the condition described in (1) above is not confirmed at the time of the occurrence of the following situations, then the stock acquisition rights may not be exercised until the condition is confirmed.

① The stock acquisition rights holder loses his/her position as a director, executive officer, or Fellow of the Company or FUJIFILM Corporation due to the expiration of his/her term in office or some other just cause.

Seven years from the day following the date of loss of position

② The Company’s General Shareholders’ Meeting approves a proposal regarding a merger contract providing for the Company’s dissolution or a share swap contract or a share transfer plan providing for the Company to become a fully owned subsidiary (or if the General Shareholders’ Meeting’s approval is not required, then in the case of the approval of one of the resolutions by the Board of Directors or by a decision of the representative director).

15 days from the day following the approval

(4) In the case that a stock acquisition rights holder abandons his/her stock acquisition rights, those rights may not be exercised.

## 12. Method of calculating the paid-in amount for Stock Acquisition rights:

The paid-in amount for each stock acquisition right shall be equal to the product of: the option price per share based on the basic coefficients defined below ((2) through (7)) in accordance with the following Black-Scholes model; and the Allotted Number of Shares.

$$C = Se^{-qT} N(d) - Xe^{-rT} N(d - \sigma\sqrt{T})$$

and

$$d = \frac{\ln\left(\frac{S}{X}\right) + \left(r - q + \frac{\sigma^2}{2}\right)T}{\sigma\sqrt{T}}$$

(1) The per-share option price = C

(2) Stock price (S): closing price of shares of common stock of the Company in regular trading at the Tokyo Stock Exchange on September 3, 2007 (If there is no closing price, then the basic price for trading the following day is used.)

(3) Exercise price (X): ¥1

(4) Projected remaining time period (T): one year

(5) Volatility ( $\sigma$ ): Stock price fluctuation rate calculated based on the closing prices of shares of common stock of the Company in regular trading on the Tokyo Stock Exchange during a one-year period (from September 3, 2006, through September 3, 2007)

(6) Risk-free interest rate (r): The interest rate for government bonds with remaining terms corresponding to the projected remaining period

(7) Dividend yield (q): Dividends per share (real dividends during the previous 12 months (dividends distributed as of September 2006 and March 2007))  $\div$  the stock price in (2) above

(8) Cumulative distribution function of standard normal distribution (N(.))

\* The price calculated above is the fair price of stock acquisition rights and does not correspond to a profitable issue price.

\* The Company will grant to the stock acquisition rights holders monetary remuneration equal to the total value of exercise prices for stock acquisition rights and will set off their compensation claims against the payment of the total value of exercise prices for stock acquisition rights.

## 13. Date of allocation of stock acquisition rights:

September 3, 2007

## 14. Date of monetary payment in exchange for stock acquisition rights:

The payment date shall be September 3, 2007.

## 15. Stock acquisition rights exercise method and payment method:

(1) In the case of the exercise of the stock acquisition rights, the "Stock Acquisition Rights Exercise Application Form" prepared by the Company shall be filled out by the applicant, affixed with the applicant's personal seal, and presented at the location specified in "16." below.

(2) In addition to presenting the Stock Acquisition Rights Exercise Application Form mentioned in (1) above, the applicant shall pay cash corresponding to the amount of assets to be contributed upon the exercise of each stock acquisition right (hereinafter “payment price”), which shall be the amount obtained by multiplying the Exercise Price by the Allotted Number of Shares into the account specified by the Company (hereinafter “specified account”) of the stock acquisition rights exercise payment transaction location in accordance with “17.” below.

**16. Stock acquisition rights exercise application location:**

The Secretariat Office of the Company (or the department responsible).

**17. Stock acquisition rights exercise payment transaction location:**

The Head Office of Sumitomo Mitsui Banking Corp. (or the succeeding bank)

**18. Effective period of stock acquisition rights, etc.:**

(1) The exercise of stock acquisition rights shall take effect on the date of the Stock Acquisition Rights Exercise Application Form. However, in the case that the Stock Acquisition Rights Exercise Application Form received by the stock acquisition rights exercise application location is received by the stock acquisition rights exercise payment transaction location at a later date and that the transfer to the specified account of the cash payment of the payment price stipulated in “15. (2)” above is at a later date, then the exercise of stock acquisition rights shall take effect on the date of the receipt of the Stock Acquisition Rights Exercise Application Form by the stock acquisition rights exercise application location and the transfer to the specified account of the cash payment of the payment price.

(2) The Company will provide the relevant share certificates quickly after the exercise procedure has been completed. However, the Company will not provide odd-lot shares not comprising a full trading unit.

**19. Handling of rewriting of related conditions and other measures:**

In the case of a need to rewrite related conditions and/or take similar measures, the Company will modify the related conditions by methods it deems appropriate in accordance with the provisions of the Corporate Law and with the purpose of the allocation of stock acquisition rights, and the modified portions shall become integral components of the Stock Option Plan’s provisions.

**20. Public announcement of the terms and conditions of the issuance:**

The Company shall prepare a copy of the Stock Option Plan at its Head Office so that stock acquisition rights holders may read it during the Company’s business hours.

**21. All other necessary items related to stock acquisition rights shall be delegated to the representative directors.**

Regarding the stock acquisition rights to be issued in accordance with the conditions described above, plans call for issuing stock acquisition rights to the following 30 people.

Directors and Executive Officers

of the Company	11 people	916 allotments
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Directors, Executive Officers,  
and Fellows

of FUJIFILM Corporation	19 people	460 allotments
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### III. FUJIFILM Holdings Corporation No. 1-3 Stock Acquisition Rights

**1. Name of Stock acquisition rights:** FUJIFILM Holdings Corporation No. 1-3 Stock Acquisition Rights

**2. Total number of Stock acquisition rights:** 1,706 allotments

The total number above is the planned allotment number and, in the case that allotment applications are not made, etc., causing the stock acquisition rights allotment total number to decrease, then the allotted number of stock acquisition rights will be the issued number of stock acquisition rights.

**3. Class and number of shares to be issued upon exercise of stock acquisition rights:**

The class of shares to be issued upon the exercise of stock acquisition rights shall be common stock shares and the number of shares to be issued upon the exercise of each stock acquisition right (the “Allotted Number of Shares”) shall be 100 shares.

In the event that the Company conducts a stock split or stock consolidation, the Allotted Number of Shares shall be adjusted according to the following formula. Regarding the date of the application of the post-adjustment allotted number of shares, the date cited in 5. (2) ① below shall apply correspondingly.

Post-Adjustment Allotted Number of Shares = Pre-Adjustment Allotted Number of Shares x stock split or consolidation ratio

In addition to the above, in the case of a gratis allocation of the Company’s common stock or another event unavoidably requiring the adjustment of the Allotted Number of Shares, the Allotted Number of Shares shall be adjusted within a reasonable range.

If the above adjustment results in the creation of fractional share figures, these figures are to be discarded.

At times when the Allotted Number of Shares is to be adjusted, notice of the required conditions shall be given by direct notification or public advertisement to each holder of stock acquisition rights recorded on the stock acquisition rights register (“stock acquisition rights holder”) before the day prior to the date on which the Post-Adjustment Allotted Number of Shares will be effective. However, in the case that notice of the required conditions cannot be given to each stock acquisition rights holder before the day prior to the date on which the Post-Adjustment Allotted Number of Shares will be effective, such notice shall be made soon afterward by direct notification or public advertisement.

#### **4. Amount of assets to be contributed upon exercise of stock acquisition rights:**

The amount of assets to be contributed upon the exercise of each stock acquisition right shall be the amount obtained by multiplying the Exercise Price by the Allotted Number of Shares.

The Exercise Price shall be either the average value (discarding values of less than one yen) of the closing price of shares of common stock of the Company in regular trading at the Tokyo Stock Exchange (hereinafter “closing price”) for each day (excluding days on which no trades are executed) of the month preceding the month that includes the allotment date or the closing price on the allotment date (if there is no closing price, then the basic price for trading the following day is used), whichever is higher.

#### **5. Exercise price adjustment:**

(1) In the case that situations ① or ② occur with respect to the Company’s common shares after the allotment date, then the exercise prices shall be adjusted according to the respective methods defined below (hereinafter “adjustment methods”), and, if the resulting figure includes a value of less than one yen, then the value shall be rounded up to the nearest even number.

① In the case of a stock split or stock consolidation:

Post-adjustment exercise price = Pre-adjustment exercise price x (1/ratio of stock split or stock consolidation)

② In the case of a decline in the market price and of the Company’s issuance of new stock or acquisition of treasury stock (excluding treasury stock sales based on Article 194 of Corporate Law (providing for responses to requests from holders of incomplete trading units of shares for the sale of incomplete trading units), issuance of new stock upon the exercise of securities that are convertible into the Company’s common shares, issuance of new stock upon the exercise of stock acquisition rights (including bonds with warrants), or transfers of treasury stock due to stock swaps):

Post-adjustment exercise price = Pre-adjustment exercise price x ((number of outstanding shares + (number of newly issued shares x per-share paid-in value)/market price)/(number of outstanding shares + number of newly issued shares)

- i. The “market price” used in the exercise price adjustment formula shall be the average value of the Tokyo Stock Exchange closing price (hereinafter including nominally quoted prices) on 30 trading days (excluding days with no closing price) beginning from 45 trading days prior to the “post-adjustment exercise price application date” defined in (2) below. The average price figure shall be calculated in terms of figures with two decimal places and then rounded to the nearest single-decimal place figure.
- ii. The “number of outstanding shares” used in the exercise price adjustment formula shall be the number of outstanding common stock shares less the number of common stock treasury shares held by the Company on the basis date, if there is a basis date, or, otherwise, on the date one month prior to the application date.
- iii. In the case of the disposal of treasury stock, the “number of newly issued shares” in the exercise price adjustment formula shall correspond to the “number of shares disposed of.”

(2) The post-adjustment exercise price application date shall be determined as follows:

① In the case of an exercise price adjustment in accordance with (1) ① above, the post-adjustment exercise price application date shall be on or subsequent to the stock-split basis date in the case of a stock split or on or subsequent to the effective date in the case of a stock consolidation. However, in the case of a stock split conditional on the General Shareholders' Meeting's approval of a proposal calling for the reduction of retained earnings and increase of capital or reserves, when the stock split basis date is a date prior to the date on which the General Shareholders' Meeting concludes, the post-adjustment exercise price application date will be the day following the date on which the General Shareholders' Meeting concludes or a subsequent date, effective retroactively to the day following the relevant basis date.

In the case of the above conditions, the number of shares provided to stock acquisition rights holders who exercise their stock acquisition rights (the number of shares obtainable through the exercise of related stock acquisition rights hereinafter referred to as "pre-stock-split exercise share number") during the period from the day following the stock-split basis date through the date on which the General Shareholders' Meeting concludes shall be adjusted according to the following formula, and, if the above adjustment results in the creation of fractional share figures, these figures are to be discarded.

Number of newly issued shares = ((Pre-adjustment exercise price - post-adjustment exercise price) x number of outstanding shares prior to stock split)/Post-adjustment exercise price

② In the case of an adjustment in accordance with (1) ② above, the post-adjustment exercise price shall be applied on or subsequent to the day after the payment date for the relevant stock issuance or disposal (in the case that there is a basis date, then on or subsequent to the day after the basis date).

(3) In addition to the cases of (1) ① above or (1) ② above, at a time when a need for a change to the exercise price arises, the exercise price shall be adjusted within a reasonable range.

(4) In the case that the exercise price is adjusted, the Company shall make notification or advertisement of required conditions to share acquisition rights holders prior to the day before the application of the adjustment. However, in the case that notice of the required conditions cannot be given to each stock acquisition rights holder before the day prior to the day before the application of the adjustment, such notice shall be made soon afterward by direct notification or public advertisement.

## **6. Period for exercising stock acquisition rights:**

The period for exercising stock acquisition rights shall be from July 28, 2009, through July 28, 2017.

## **7. Increase of capital and capital surplus in the case of issuance of stock upon the exercise of stock acquisition rights:**

(1) The increase of capital in the case of issuance of stock upon the exercise of stock acquisition rights shall be one-half the capital, etc., increase maximum value calculated in accordance with Article 40, Paragraph 1 of the Corporate Accounting Regulation, and when the results of

calculations include fractions of yen, these fractional values shall be rounded up to the nearest yen.

(2) The increase of capital surplus in the case of issuance of stock upon the exercise of stock acquisition rights shall equal the above capital, etc., increase maximum value less the value of the increase of capital.

#### **8. Restriction on transfer of stock acquisition rights:**

Any transfer of stock acquisition rights shall be subject to the approval of the Board of Directors by resolution.

#### **9. Provisions for acquisition of stock acquisition rights:**

In the case of the General Shareholders' Meeting's approval of one of the following resolutions(1), (2), (3), (4), or (5)(or if the General Shareholders' Meeting's approval is not required, then in the case of the approval of one of the resolutions by the Board of Directors or by a decision of the representative executive officer), on a date separately determined by the Board of Directors, the Company may acquire stock acquisition rights at no charge (without consideration).

(1) A resolution to approve a merger contract providing for the Company to become an dissolved company

(2) A resolution to approve a split-off contract providing for the Company to become segmented or a resolution to approve a corporate disaggregation plan

(3) A resolution to approve a stock transfer contract providing for the Company to become a wholly owned subsidiary or a resolution to approve such a stock transfer plan

(4) A resolution to approve a change to the Articles of Incorporation to require the Company's approval for the acquisition of shares through a share transfer with respect to all the Company's shares

(5) A resolution to approve a change to the Articles of Incorporation to require the Company's approval for the acquisition of shares through a share transfer with respect to shares for the purpose of stock acquisition rights or to provide for the Company to acquire all of this kind of stock based on a resolution.

## **10. Policies for decisions regarding the annulment of stock acquisition rights due to organizational restructuring and stock acquisition rights for reorganized company:**

In the case that the Company undertakes mergers (only those in which the Company is dissolved), absorption split-offs, spin-off split-offs, stock swaps, or stock transfers (all these situations hereinafter referred to collectively as “organizational restructuring processes”), with respect to those holding stock acquisition rights outstanding (“residual stock acquisition rights”) immediately before the organizational restructuring process takes effect (“taking effect” meaning the date an absorption merger takes effect in the case of absorption-mergers, the date of a new joint venture’s establishment in the case of newly established joint ventures, the date an absorption split-off takes effect in the case of absorption split-offs, the date a spin-off split-off company is established in the case of spin-off split-offs, the date a stock swap takes effect in the case of stock swaps, and the date a stock-transfer established company is established in the case of stock transfers), the Company may arrange for the issuance of stock acquisition rights by companies corresponding to companies described in Article 236, Paragraph 1, Item 8 (a) through (e) of the Corporate Law (hereinafter “reorganization target companies”) based on the following conditions. In this case, the remaining stock acquisition rights are annulled, and the reorganization target company issues new stock acquisition rights. However, this must be limited to cases of absorption-merger contracts, new joint venture contracts, absorption split-off contracts, spin-off split-off plans, stock-swap contracts, or stock transfer plans designed for the delivery of stock acquisition rights by reorganization target companies in accordance with the following conditions:

(1) Number of reorganization target company’s stock acquisition rights to be delivered  
The number of stock acquisition rights delivered shall correspond to the number of remaining stock acquisition rights.

(2) Type of shares of the reorganized company covered by stock acquisition rights  
Common stock shares of the reorganized company

(3) Number of shares in reorganized company covered by stock acquisition rights  
To be decided based on item “3.” above, and based on consideration of the conditions of organizational restructuring processes, etc.

(4) Amount of assets to be contributed upon exercise of stock acquisition rights  
The amount of assets to be contributed upon the exercise of each stock acquisition right delivered shall be the amount obtained by multiplying the post-reorganization exercise price determined below by the amount of the reorganization target company’s shares covered by the relevant stock acquisition rights in accordance with (3) above. The post-reorganization exercise price for the exercise of each stock acquisition right shall be 1 (one) Yen for each of the reorganization target company’s shares.

(5) Period for exercising stock acquisition rights:  
The period beginning from the starting date specified in “6.” above or the date of the taking effect of an organizational restructuring process, whichever is later, and ending on the ending date for exercising stock acquisition rights specified in “6.” above

(6) Increase of capital and capital surplus in the case of issuance of stock upon the exercise of stock acquisition rights:  
To be decided based on item “7.” above

(7) Restriction on transfer of stock acquisition rights

Any transfer of stock acquisition rights shall be subject to the approval of the Board of Directors by resolution.

(8) Provisions for acquisition of stock acquisition rights:

To be decided based on item "9." above

(9) Other conditions for the exercise of stock acquisition rights

To be decided based on item "12." below

**11. Arrangements regarding fractional share figures generated through the exercise of allocated stock acquisition rights:**

When the number of shares delivered upon the stock acquisition rights holder's exercise of allocated stock acquisition rights includes a fractional share figure, that figure will be discarded.

**12. Other conditions for the exercise of stock acquisition rights:**

In the case that a stock acquisition rights holder abandons his/her stock acquisition rights, those rights may not be exercised.

**13. Price paid for allotted stock acquisition rights:**

There shall be no requirement for payment of a monetary price in exchange for allotted stock acquisition rights.

Note: Because the rights are allocated as a form of remuneration for work duties performed, this condition is not considered unduly beneficial to those allocated rights.

**14. Date of allocation of stock acquisition rights:**

September 3, 2007

**15. Stock Acquisition rights exercise method and payment method:**

(1) In the case of the exercise of the stock acquisition rights, the "Stock Acquisition Rights Exercise Application Form" prepared by the Company shall be filled out by the applicant, affixed with the applicant's personal seal, and presented at the location specified in "16." below.

(2) In addition to presenting the Stock Acquisition Rights Exercise Application Form mentioned in (1) above, the applicant shall pay cash corresponding to the amount of assets to be contributed upon the exercise of each stock acquisition right (hereinafter "payment price"), which shall be the amount obtained by multiplying the Exercise Price by the Allotted Number of Shares into the account specified by the Company (hereinafter "specified account") of the stock acquisition rights exercise payment transaction location in accordance with "17." below.

**16. Stock acquisition rights exercise application location:**

(1) For current or former Directors, Executive Officers, and Fellows of the Company or FUJIFILM Corporation

The Secretariat Office of the Company (or the department responsible)

(2) For current or former important employees of the Company or FUJIFILM Corporation

The Personnel Division of the Company (or the department responsible)

**17. Stock acquisition rights exercise payment transaction location:**

The Head Office of Sumitomo Mitsui Banking Corp. (or the acquirer of that bank)

**18. Effective Period of stock acquisition rights, etc.:**

(1) The exercise of stock acquisition rights shall take effect on the date of the Stock Acquisition Rights Exercise Application Form. However, in the case that the Stock Acquisition Rights Exercise Application Form received by the stock acquisition rights exercise application location is received by the stock acquisition rights exercise payment transaction location at a later date and that the transfer to the specified account of the cash payment of the payment price stipulated in “15. (2)” above is at a later date, then the exercise of stock acquisition rights shall take effect on the date of the receipt of the Stock Acquisition Rights Exercise Application Form by the stock acquisition rights exercise application location and the transfer to the specified account of the cash payment of the payment price.

(2) The Company will provide the relevant share certificates quickly after the exercise procedure has been completed. However, the Company will not provide odd-lot shares not comprising a full trading unit.

**19. Handling of rewriting of related conditions and other measures:**

In the case of a need to rewrite related conditions and/or take similar measures, the Company will modify the related conditions by methods it deems appropriate in accordance with the provisions of the Corporate Law and with the purpose of the allocation of stock acquisition rights, and the modified portions shall become integral components of the Stock Option Plan’s provisions.

**20. Public announcement of issue provisions:**

The Company shall prepare a copy of the Stock Option Plan at its Head Office so that stock acquisition rights holders may read it during the Company’s business hours.

**21. All other necessary items related to stock acquisition rights shall be delegated to the representative directors.**

Regarding the stock acquisition rights to be issued in accordance with the conditions described above, plans call for issuing stock acquisition rights to the following 60 people.

Directors and Executive Officers

of the Company	11 people	916 allotments
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Important employees

of the Company	2 people	20 allotments
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Directors, Executive Officers,  
and Fellows

of FUJIFILM Corporation	22 people	520 allotments
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Important employees

of FUJIFILM Corporation	25 people	250 allotments
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