

Healthcare

Targets for VISION 2016

Medical Systems

- Achieving operating margin of 10% in the whole business
- Increasing revenue by 10% annually in the growth area: medical IT, endoscopes, and ultrasound diagnosis
- Increasing sales in emerging countries with further cost reduction in X-ray diagnostic imaging system and X-ray film

Pharmaceuticals

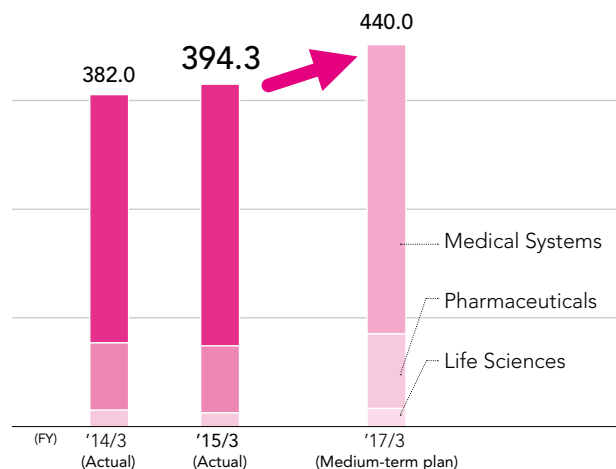
- Increasing sales mainly due to growth in contract manufacturing of biopharmaceuticals business
- Accelerating R&D for new drugs

Life Sciences

- Increasing sales by expanding product lineup with various innovative functional products

Trends in revenue

Billions of yen



Progress in FY2015/3 and Forecast for FY2016/3

In the medical systems business that drives growth in the healthcare business field, overall sales increased in FY2015/3, resulting from strong sales of medical IT and ultrasound diagnostic field and other factors. In its pharmaceuticals business, despite the weakness of the domestic antimicrobial market, sales from contract manufacturing of biopharmaceuticals proceeded smoothly, and the Company sustained overall sales at the same level as the previous year. In its life sciences business, although sales were affected by a reaction to the rush demand that occurred before the consumption tax increase, the Company brought about a recovery in performance in the second half of FY2015/3.

In FY2016/3, the growth fields in the medical systems business—medical IT, ultrasound diagnostic, and endoscopes—as well as the in-vitro diagnosis (IVD) field are forecast to record double-digit sales growth compared with FY2015/3. Driven by contract manufacturing of biopharmaceuticals, the pharmaceuticals business is also expected to achieve overall year-on-year sales growth in the double digits.

VOICE

Driving Growth in Healthcare Business Field through Wide-Ranging Business Areas and Overwhelming Market Share



Teiichi Goto

Corporate Vice President, General Manager
of Medical Systems Division
FUJIFILM Corporation

Deployed across a wide range of businesses—including digital X-ray imaging diagnosis, medical IT, endoscopes, and ultrasound diagnosis—the strengths of the medical systems business are its capabilities of providing a variety of solutions. For picture archiving communications systems (PACS) in the core medical IT field, the Company boasts the leading share in the domestic market, ranks second in the world, and is the industry leader. To strengthen its position in the medical IT field, the Company acquired U.S.-based TeraMedica, Inc., in May 2015. TeraMedica provides a vendor neutral archive system that can manage clinical information, including diagnostic images, in an integrated manner between different diagnosis and treatment departments as well as among multiple facilities.

In FY2016/3, the healthcare business field will drive overall growth by launching new products with proprietary features based on the image processing technologies that are its strength, by proactively increasing sales in emerging markets, and by the implementation of measures to raise its share of the X-ray films market. With a view to achieving our target for operating margin of 10% in FY2017/3, we will expand such areas as the highly profitable maintenance service and the IVD field while promoting manufacturing cost reductions.

Specific initiatives

● Pharmaceuticals

Entry into Vaccine Contract Manufacturing Market Following Acquisition of Kalon Biotherapeutics, LLC

Through a subsidiary, Fujifilm acquired Kalon Biotherapeutics, LLC, which as a biopharmaceutical contract manufacturing company possesses strengths in the manufacture of vaccines, and started operations as FUJIFILM Diosynth Biotechnologies Texas, LLC, in December 2014. Leveraging the strength of the company, which possesses both the high technological capabilities necessary for the manufacture of vaccines and cutting-edge facilities, Fujifilm is planning to further expand its biopharmaceuticals business.



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